

**PROPOSED REGULATION OF THE
BOARD OF THE PUBLIC EMPLOYEES' BENEFITS PROGRAM**

LCB File No. R013-15

August 17, 2015

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: §§1 and 2, NRS 287.043 and 287.046.

A REGULATION relating to public employees; revising the manner of calculating the subsidies required to be paid by local governments for certain retired public officers and employees; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada may negotiate and contract with the Board of the Public Employees' Benefits Program to secure exclusive group insurance for all its officers and employees and their dependents in certain circumstances. (NRS 287.025). When an officer or employee of such a governing body retires, he or she has the option to cancel any such coverage or to continue any such coverage to the extent he or she is not eligible for Medicare under federal law. (NRS 287.023) If the officer or employee chooses to continue the coverage, the governing body must pay the same portion of the cost of the coverage under the Program as the State pays for persons who retire from state service and participate in the Program. (NRS 287.023) **Section 1** of this regulation interprets the phrase "the same portion of the cost of coverage under the Public Employees' Benefits Program for retired persons covered under the Program as the State pays pursuant to NRS 287.046 for persons retired with state service who participate in the Program."

Section 1. Chapter 287 of NAC is hereby amended by adding thereto a new section to read as follows:

As used in NRS 287.023, the Board interprets "the same portion of the cost of coverage under the Public Employees' Benefits Program for retired persons covered under the Program as the State pays pursuant to NRS 287.046 for persons retired with state service who participate in the Program" to mean the same percentage of the subsidy as the State pays

pursuant to subsection 3 of NRS 287.046 for each retiree and the retiree's dependents who are enrolled in the plan, as defined for each year of the plan by the Program.

Sec. 2. NAC 287.490 is hereby amended to read as follows:

287.490 1. Except as otherwise provided in subsection 2 ~~H~~ *and section 1 of this regulation*, the amount of the subsidy that must be paid by each public employer with which a retired officer or employee was employed is calculated in the manner set forth in NRS 287.046.

2. Each public employer with which the retired officer or employee was employed shall pay an amount of the total subsidy for the retired officer or employee equal to the proportion that the service credit earned by the retired officer or employee with that public employer bears to the total service credit earned by the retired officer or employee with all public employers with which the retired officer or employee was employed. The amount of the total subsidy must be based on the cumulative total years and months of service by the retired officer or employee for all public employers with which the retired officer or employee was employed.