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PREPARED BY
RESEARCH DIVISION
LEGISLATIVE COUNSEL BUREAU
Nonpartisan Staff of the Nevada State Legislature

WORK SESSION

Assembly Committee on Elections, Procedures, and Ethics

May 13, 2003

-
- Assembly Concurrent Resolution No. 10 _____
 - Senate Bill 123 _____
 - Senate Bill 221 _____

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ASSEMBLY ELECTIONS, PROCEDURES, & ETHICS
DATE: 5/13/03 ROOM: 3138 EXHIBIT N
SUBMITTED BY: Michelle Van Ael



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WORK SESSION

Assembly Committee on Elections, Procedures, and Ethics

May 13, 2003

The following measures will be considered for action by the Assembly Committee on Elections, Procedures, and Ethics during a work session on Tuesday, May 13, 2003:

ASSEMBLY CONCURRENT RESOLUTION NO. 10

Directs Legislative Commission to conduct interim study of operations of Public Employees' Benefits Program. (BDR R-1111)

Sponsored by: Assembly Committee on Elections, Procedures, and Ethics

Discussion

Assembly Concurrent Resolution No. 10 was heard by the Committee on April 15, 2003, and discussed in work session on May 8, 2003. The measure directs the Legislative Commission to conduct an interim study of the operations of the Public Employees' Benefits Program.

Proposed Conceptual Amendment

See proposed suggestions in a mock-up bill under Tab A. The changes:

1. Specify the make up of the committee (proposed by Assemblyman Grady and Assemblywoman Giunchigliani);
2. Add additional items to study (proposed by P. Forrest Thorne, Executive Officer [PEBP]); and
3. Add items to study concerning pharmaceuticals (proposed by Assemblywoman Leslie).

SENATE BILL 123

Prohibits public officers and employees from requesting or otherwise causing state and local governments to, under certain circumstances, make expenditures to support or oppose ballot questions or candidates. (BDR 23-214)

Sponsored by: Senator Titus and Assemblyman Parks

Discussion

Senate Bill 123 was heard by the Committee on May 6, 2003. The measure prohibits public officers and employees from requesting or otherwise causing state and local governments to make an expenditure to support or oppose a ballot question or a candidate.

Proposed Conceptual Amendment

No amendments proposed.

SENATE BILL 221

Prohibits lobbyist from misrepresenting authorization from Legislator to request certain services from employee of Legislative Counsel Bureau. (BDR 17-1057)

Sponsored by: Senator Nolan et al.

Discussion

Senate Bill 221 was heard by the Committee on May 1, 2003. The measure prohibits lobbyists from misrepresenting authorization from a Legislator to request professional services from an employee of the Legislative Counsel Bureau.

Proposed Conceptual Amendment

No amendments proposed.

TAB A

MOCK-UP

PROPOSED AMENDMENT TO
ASSEMBLY CONCURRENT RESOLUTION
NO. 10

PREPARED FOR ASSEMBLY COMMITTEE ON ELECTIONS, PROCEDURES, AND ETHICS
MAY 10, 2003

PREPARED BY THE RESEARCH DIVISION

NOTE: THIS DOCUMENT SHOWS PROPOSED AMENDMENTS IN CONCEPTUAL FORM. THE LANGUAGE AND ITS PLACEMENT IN THE OFFICIAL AMENDMENT MAY DIFFER.

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) green bold italic underlining is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~green bold double strikethrough~~ is language proposed to be deleted in this amendment and (5) green bold dashed underlining is deleted language in the original bill that is proposed to be retained in this amendment.

WHEREAS, The Public Employees' Benefits Program was established in 1999 as the state agency legislatively approved to provide group life, accident or health insurance, or any combination of these, for state and nonstate public active and retired employees, and surviving spouses and children of certain persons formerly employed by a participating public agency; and

WHEREAS, As of January 2003, there were 22,345 active state employees and 5,105 retired state employees who rely on the Program for their group health insurance coverage; and

WHEREAS, In addition, another 1,706 active nonstate public employees and 1,570 retired nonstate public employees, and 288 eligible survivors rely on this health insurance coverage as well; and

1 WHEREAS, In recent months, allegations have been raised regarding
2 the effectiveness, efficiency and efficacy of the Program; and

3 WHEREAS, Public employees and public employers across Nevada are
4 experiencing cost increases for this coverage and they recognize that larger
5 groups have stronger buying power when seeking coverage; and

1 WHEREAS, Many public employees are covered under collective
2 bargaining agreements which need to be changed if a statewide public
3 employee insurance plan is to be established; and

4 WHEREAS, Many of the employees and retirees and their families who
5 are covered under the group health insurance provided by the Program are
6 asking for assistance in resolving an untenable situation which has resulted
7 in extraordinarily high premiums for this coverage; now, therefore, be it

8 RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE
9 CONCURRING, That the Legislative Commission is hereby directed to
10 appoint a committee composed of three members of the Assembly and
11 three members of the Senate to conduct an interim study of the operations
12 of the Public Employees' Benefits Program relating to the provision of
13 group health insurance; and be it further

14 RESOLVED, That the Legislative Commission shall designate a
15 Chairman of the committee who shall appoint an advisory committee
16 consisting of at least nine members, who are not Legislators, representing
17 each of the following:

- 18 1. Retired Public Employees Association;
- 19 2. Local government (Nevada Assn. of Counties or League of Cities);
- 20 3. SNEA;
- 21 4. Risk manager or insurance trust representative;
- 22 5. Health insurance provider;
- 23 6. PEBP board manager ~~at least five of whom represent public~~
24 ~~employee organizations and at least two of whom represent public~~
25 ~~employers.~~
- 26 Representatives from other local public employee and employer groups
27 who may participate in the plan will comprise the remainder of the
28 advisory committee; and be it further

Proposed by
Assemblyman
Grady and
Assemblywoman
Giunchigliani

29 RESOLVED, That the study must include, without limitation:

- 30 1. An examination of the methods used for determining premiums,
31 equitable employee contributions based upon actual costs to the state,
32 and coverage for active and retired state and nonstate public employees
33 and their dependents;
- 34 2. A review of the administration and solvency of the Fund for the
35 Public Employees' Benefits Program;
- 36 3. A review of the financial contributions, if any, that nonstate public
37 employers have made to assist their retired employees in maintaining
38 health insurance coverage;
- 39 4. The feasibility of soliciting proposals for a contract that would take
40 over the entire operation of group health insurance funded by public
41 employees and public employers, either statewide or regionally;
- 42 5. An examination of relevant facts to determine whether all members
43 of the Public Employees' Retirement System should be required to
44 participate in a statewide program of health insurance funded by public
45 employees and public employers;

Proposed by
Assemblywoman
Giunchigliani

1 6. The desirability of eliminating or changing the composition of the
2 Board of the Public Employees' Benefits Program;

3 7. Consideration of whether it is feasible or desirable to allow
4 voluntary participation of public employees and public employers in such a
5 Program;

6 8. The feasibility and desirability of establishing a program plan for
7 minimum coverage similar to the Federal Public Employee Insurance
8 Benefit Plan, which provides a choice through local and national
9 carriers; and

10 9. Consideration of how the nonstate public employers should
11 contribute to the costs of insurance for employees who retire from their
12 service; ~~and be it further~~

13 10. Consideration of requiring nonstate public employers benefit
14 plans to include reinstatement rights for their retirees as currently
15 required of the Public Employees' Benefits Program;

16 11. Consideration of options for prefunding retiree health benefits for
17 all members of the Public Employees' Retirement System;

18 12. Consideration of a state subsidy mechanism providing for a
19 specific dollar amount or a specific percentage of the cost for employees
20 and separately for their dependents, including an appropriate funding
21 methodology;

22 13. A review of the state retiree subsidy formula for past, present, and
23 future retirees and a funding methodology that addresses the current
24 structural deficit;

25 14. Consideration of the feasibility, desirability, and financial impact
26 of allowing large groups of participants to leave the Public Employees'
27 Benefits Program to obtain group insurance from an insurance company
28 or employee benefit plan;

29 15. Consideration of the feasibility and financial impact of forming
30 one or more purchasing coalitions(s) with surrounding states and/or
31 private entities with the State of Nevada; and

32 16. An analysis and review on issues related to:
33 (a) Pharmaceutical programs that are designed to reduce the price
34 of prescription drugs for:

35 (1) Person of low income in this state;

36 (2) Enrollees in this state's health benefits plan; and

37 (3) Participants in programs administered by this state that
38 make available or provide prescription drugs;

39 (b) Prescription drug buying clubs that are used in other states
40 and the potential for such clubs to assist the residents of this state in
41 reducing their expenses for prescription drugs;

42 (c) Methods to access manufacturer rebates for prescription drugs
43 to assist the residents of this state in reducing their expenses for
44 prescription drugs;

Proposed by
Assemblywoman
Giunchigliani

Proposed by P.
Forrest Thorne,
Executive Officer,
PEBP

Proposed by
Assemblywoman
Sheila Leslie

1 (d) Interagency bulk purchasing and interstate buying of
2 prescription drugs to reduce the prices of prescription drugs for this
3 state's programs and health benefits plan;

4 (e) Methods to negotiate for lower prices on prescription drugs
5 and a plan to carry out the methods; and

6 (f) Methods to control the prices of prescription drugs for this
7 state's programs that provide pharmaceutical assistance to persons of
8 low income in this state and for enrollees in this state's health benefits
9 plan; and be it further

10 RESOLVED, That any recommended legislation proposed by the
11 committee must be approved by a majority of the members of the
12 Assembly and a majority of the members of the Senate appointed to the
13 committee; and be it further

14 RESOLVED, That the Legislative Commission shall submit a progress
15 report of the results of the study and any recommendations for legislation
16 to the 73rd Session of the Nevada Legislature and a final report of the
17 results of the study and any recommendations for legislation to the 74th
18 Session of the Nevada Legislature.

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