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WORK SESSION

Assembly Committee on Government Affairs

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

ASSEMBLY BILL 249

**Makes various changes concerning Public Employees' Benefits Program.
(BDR 23-549)**

**Sponsored by: Assembly Committee on Government Affairs
On Behalf of the Public Employees' Benefits Program**
Date Heard: April 9, 2003

Assembly Bill 249 proposes a change to Chapter 281 (General Provisions - Public Officers and Employees) relating to pay centers. The bill proposes revisions to Chapter 286 (Public Employees' Retirement System) relating to notice of changes in payment status that affect eligibility, and certain definitions. Assembly Bill 249 also proposes several program changes to Chapter 287 (Public Employees' Benefits Program).

Amendments: Attached are the amendments requested by PERS for the sections of the bill revising provisions in Chapter 286.

An amendment to create an advisory committee to the PEBP Board, as requested by the State of Nevada Employees' Association, is also attached.

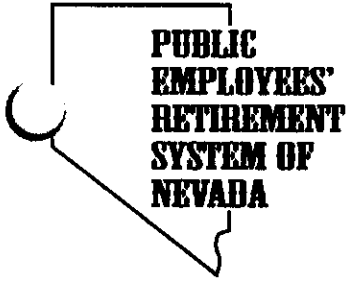
Opposition: PERS opposed the bill unless amended. Doug Bierman, representing several rural local governments, opposed the bill to the extent it perpetuated existing language segregating non-state retiree groups. There was also opposition to the proposed amendment to add an advisory committee.

Fiscal Impact: Local Government: No
State Government: No

Special Note: Concurrently referred to the Assembly Committee on Ways and Means.

4/10/2003

ASSEMBLY GOVERNMENT AFFAIRS
DATE: 4/10/03 ROOM: 3143 EXHIBIT I.1 of 3
SUBMITTED BY: Susan Schellig



**PUBLIC
EMPLOYEES'
RETIREMENT
SYSTEM OF
NEVADA**

**AB 249
Proposed Amendment**

Sec. 2. Chapter 286 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The System shall provide to the Public Employees' Benefits Program:
(a) Written notice regarding a change in the *payment* status of a *benefit recipient*, **[member or a dependent of a member]** that affects the eligibility of the **[member or dependent]** *benefit recipient* to participate in the Program. Such notice must be provided to the Program, **[on a form]** *in a format agreed to by the Program and the System* **[prescribed by the Program]**, within **[15]** ~~30~~ calendar days after the System is notified, **[or otherwise becomes aware of the change in status.**

(b) Upon request, any other information necessary for the Program to carry out the provisions of NRS 287.0402 to 287.049, inclusive.

2. The System shall reimburse the Public Employees' Benefits Program for any premium or contribution that was not paid to the Program as a result of the failure of the System to provide the notice required pursuant to subsection 1. The System shall not require any member or dependent of a member to reimburse the System for the amount of any premium or contribution for which the System is liable to the Program pursuant to this subsection.]

Sec. 3. NRS 286.615 is hereby amended to read as follows:

286.615 1. In addition to the options provided in NRS 287.023 and subject to the requirements of that section, any officer or employee of the governing body of any county, school district, municipal corporation, political subdivision, public corporation or other **[public local governmental agency of the State of Nevada]** *group as defined in section 5 of this bill*, who retires under the conditions set forth in NRS 1A.350, 1A.480, 286.510 or 286.620 and, at the time of his retirement, was covered or had his dependents covered by any group insurance or medical and hospital service established pursuant to NRS 287.010 [and 287.020,] , 287.020 or paragraph (b), (c) or (d) of subsection 1 of NRS 287.025, has the option of having the Executive Officer deduct and pay his premium or contribution for that [group insurance or medical and hospital service] coverage, as well as the amount due or to become due upon any obligation designated by the Board pursuant to subsection 2, from his monthly retirement allowance until:....

Sec. 7. "Participating state agency" means a department, commission, board, bureau or other agency of the Executive, Legislative and Judicial Branches of State Government, **[including, without limitation,]** the Public Employees' Retirement System and the University and Community College System of Nevada.

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693 W. Nye Lane
Carson City, Nevada
89703
(775) 687-4200
Fax: (775) 687-5131

5820 S. Eastern Avenue
Suite 220
Las Vegas, Nevada
89118
(702) 488-3900
Fax: (702) 878-8934

Website: www.nvpers.org

Proposed Amendment to AB 249 – Sponsored by the State of Nevada Employees Association (by Dr. John Yacenda, SNEA Lobbyist)

ADD to NRS 287.043(2), *subsection (k) that reads:*

(k) Appoint a committee of eight (8) consisting of three state employees enrolled in the program, yet not sitting on the Board, a representative of the Employees' Association that represents the greatest number of state active and retired workers, a representative of non-state active employees, two professional health care advisors with experience in program evaluation, quality control and health insurance representing the interests of all program enrollees, and an ex-officio member from the staff of the Public Employees Benefit Program. The committee shall serve in an advisory capacity only, be engaged in the following duties, and make recommendations to the Board regarding:

- (1) Program and benefit development;*
- (2) The preparation of and evaluation of requests for proposals necessary for the operation of the program;*
- (3) The design and implementation of the periodic evaluation of enrollee's perception of program benefits;*
- (4) The design and implementation of the periodic evaluation of the program's responsiveness to enrollees' needs;*
- (5) Periodic review of the administrative regulations necessary to operate this program.*

The Board shall adopt regulations relating to the conduct of the advisory committee, the frequency of its meetings, its reporting schedule, and interface with staff of the Public Employees Benefit Program. Members shall serve at no cost to the state or the Public Employees Benefits Program.