
ASSEMBLY BILL NO. 225—COMMITTEE ON
GOVERNMENT AFFAIRS

(ON BEHALF OF THE COMMITTEE TO ADMINISTER THE PUBLIC
EMPLOYEES' DEFERRED COMPENSATION PROGRAM)

MARCH 3, 2003

Referred to Committee on Government Affairs

SUMMARY—Provides that Public Employees' Deferred Compensation Program approved by Committee to administer the Program may consist of any plan to reduce taxable income. (BDR 23-505)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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

AN ACT relating to programs for public employees; providing that the Public Employees' Deferred Compensation Program approved by the Committee to administer the Program may consist of any plan authorized by federal law to reduce taxable income or other forms of compensation; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 287.320 is hereby amended to read as follows:
2 287.320 1. The State may agree with any of its employees,
3 and the Board of Regents of the University of Nevada may agree
4 with any of its employees, to defer the compensation due to them in
5 accordance with a program approved by the Committee which may
6 consist of one or more plans authorized by 26 U.S.C. § 401(a),
7 401(k), 403(b) ~~for 457-],~~ *457 or any other plan authorized by any*
8 *federal law to reduce taxable compensation or other forms of*
9 *compensation.* The Board of Regents may agree with any of its
10 employees to defer the compensation due to them as authorized



1 by 26 U.S.C. § 403(b) without submitting the program to the
2 Committee for its approval. An employee may defer compensation
3 under one or more plans in the Program.

4 2. The employer shall withhold the amount of compensation
5 which an employee has, by such an agreement, directed the
6 employer to defer.

7 3. The employer may invest the withheld money in any
8 investment approved by the Committee or, in the case of deferred
9 compensation under 26 U.S.C. § 403(b) for employees of the
10 University and Community College System of Nevada by the Board
11 of Regents of the University of Nevada.

12 4. The investments must be underwritten and offered in
13 compliance with all applicable federal and state laws and
14 regulations, and may be offered only by persons who are authorized
15 and licensed under all applicable state and federal regulations.

16 5. All amounts of compensation deferred pursuant to the
17 Program, all property and all rights purchased with those amounts
18 and all income attributable to those amounts, property or rights
19 must, in accordance with 26 U.S.C. § 401(a) or 457(g), as
20 applicable, be held in trust for the exclusive benefit of the
21 participants in the Program and their beneficiaries.

22 **Sec. 2.** This act becomes effective on July 1, 2003.

