

Amendment No. 251

Senate Amendment to Senate Bill No. 360	(BDR 23-1011)
Proposed by: Senate Committee on Government Affairs	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION			Initial and Date		SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____		Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

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



SENATE BILL NO. 360—COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 25, 2021

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to public employment. (BDR 23-1011)

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 public employment; ~~revising the membership, appointment and qualifications of certain members of the Public Employees' Retirement Board;~~ revising the appointment of certain members of the Board of the Public Employees' Benefits Program; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~Existing law establishes the Public Employees' Retirement System for providing benefits for the retirement, disability or death of public employees. (NRS 286.110) Existing law also provides that the governing authority of the System is the Public Employees' Retirement Board, consisting of seven members appointed by the Governor, and sets forth the qualifications and terms of the members of the Board. (NRS 286.120, 286.130) Existing law provides that three members of the Board must be employees of the State of Nevada or its political subdivisions and, among other qualifications, must be appointed from written nominations submitted by various governmental employees and staff. (NRS 286.130) Section 1 of this bill reduces that membership to two members and adds a member who: (1) has had at least 10 years of service as an employee of the State of Nevada or Nevada System of Higher Education; (2) is not an elected officer of the State of Nevada or the Nevada System of Higher Education; (3) is an active member of the Public Employees' Retirement System; and (4) is appointed from a written list of nominations of 10 classified state employees submitted by the labor organization representing the largest number of classified state employees participating in the System.~~

Existing law: (1) creates the Board of the Public Employees' Benefits Program, consisting of 10 members, and sets forth the qualifications and terms of appointment of the members; and (2) requires the Board to establish and carry out the Public Employees' Benefits Program, which is required to include a program of group life, accident or health insurance, or any combination thereof. (NRS 287.041, 287.043) ~~Under existing law,~~ **Of the 10 members, the Board must have : (1) two members who are professional employees of the Nevada System of Higher Education, appointed by the Governor upon consideration of any recommendations of organizations that represent employees of the Nevada System of Higher Education; (2) two members who are retired from public employment, appointed by the Governor upon consideration of any recommendations of organizations that represent retired public employees; and (3) two members who are employees in the classified service of the State,** appointed by the Governor upon consideration of any recommendations of organizations that represent state employees. (NRS 287.041) **Section 2** of this bill revises the appointment of these ~~two~~ **six** members ~~by requiring~~ **Section 2** **requires** the Governor to make the appointments **of: (1) the two members who are**

professional employees of the Nevada System of Higher Education from a list of nominations of five professional employees of the Nevada System of Higher Education submitted by the professional organization representing the largest number of professional employees of the Nevada System of Higher Education participating in the Program; (2) the two members who are retired from public employment from a list of nominations of five persons who are retired from public employment submitted by the organization that represents the largest number of retired state employees; and (3) the two members who are employees in the classified service of the State from a list of nominations of 10 classified employees submitted by the labor organization representing the largest number of classified state employees participating in the Program.

Section 3 of this bill provides that: (1) each member of ~~the Public Employees' Retirement Board and~~ the Board of the Public Employees' Benefits Program who is serving on June 30, 2021, continues to serve until the expiration of his or her current term or until vacancy, whichever occurs first; and (2) on and after July 1, 2021, upon the expiration of a term of such a member or a vacancy otherwise occurring, appointments must be made in accordance with ~~section 1~~ 2 ~~of this bill, as applicable.~~

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

Section 1. ~~NRS 286.130 is hereby amended to read as follows:~~

- ~~286.130 1. [Three] Two members of the Board must be persons who:~~
- ~~(a) Have had at least 10 years of service as employees of the State of Nevada or its political subdivisions;~~
 - ~~(b) Are not elected officers of the State of Nevada or its political subdivisions;~~
 - ~~(c) Are active members of the System; and~~
 - ~~(d) Are appointed from written nominations submitted by the following groups:~~
 - ~~(1) Employees of the State and the Nevada System of Higher Education;~~
 - ~~(2) The academic staff of school districts;~~
 - ~~(3) Employees of cities, excluding Carson City;~~
 - ~~(4) Employees of counties, including Carson City and excluding employees of county hospitals;~~
 - ~~(5) Employees of county hospitals, public utilities, power districts, sanitation districts, classified school employees and employees of other districts as determined by the Board; and~~
 - ~~(6) Employees whose current positions entitle them to participate in the Police and Firefighters' Retirement Fund.~~
- ~~Each nominee must be a member of the group or organization that is nominating the nominee.~~
- ~~2. One member of the Board must be a person who:~~
- ~~(a) Has had at least 10 years of service as an employee of the State of Nevada or the Nevada System of Higher Education;~~
 - ~~(b) Is not an elected officer of the State of Nevada or the Nevada System of Higher Education;~~
 - ~~(c) Is an active member of the System; and~~
 - ~~(d) Is appointed from a written list of nominations of 10 classified state employees submitted by the labor organization representing the largest number of classified state employees participating in the System.~~
- ~~3. Two members of the Board must be persons who:~~
- ~~(a) Have had at least 10 years of service as employees of the State of Nevada or its political subdivisions;~~
 - ~~(b) Are not elected officers of the State of Nevada or its political subdivisions;~~

1 ~~— (c) Are active members of the System; and~~
 2 ~~— (d) Are appointed from written nominations submitted by the following~~
 3 ~~groups:~~

4 ~~— (1) Administrators of school districts or members of boards of trustees of~~
 5 ~~school districts; and~~

6 ~~— (2) Members of boards of county commissioners or the governing bodies~~
 7 ~~of cities or administrators of counties or cities;~~

8 ~~— [3.] 4. One member of the Board must be a person who:~~

9 ~~— (a) Is an employee of the State of Nevada or its political subdivisions with at~~
 10 ~~least 10 years of service;~~

11 ~~— (b) Is serving in a position at least equivalent to the manager of a department or~~
 12 ~~division;~~

13 ~~— (c) Is not an elected officer of the State of Nevada or its political subdivisions;~~
 14 ~~and~~

15 ~~— (d) Is an active member of the System.~~

16 ~~— [4.] 5. One member of the board must be a person who:~~

17 ~~— (a) Has had at least 10 years of service as an employee of the State of Nevada~~
 18 ~~or its political subdivisions;~~

19 ~~— (b) Is not an elected officer of the State of Nevada or its political subdivisions;~~
 20 ~~and~~

21 ~~— (c) Is receiving an allowance for service or disability retirement pursuant to~~
 22 ~~this chapter.~~

23 ~~— [5.] 6. A member of the Board shall serve for 4 years, so long as the member~~
 24 ~~has the qualifications required by this section, and until the member's successor is~~
 25 ~~appointed and takes office. A member of the Board who no longer has the~~
 26 ~~qualifications specified in the subsection under which the member was appointed~~
 27 ~~may serve the remainder of the member's term if the member loses those~~
 28 ~~qualifications in the final 24 months of the member's term.] **(Deleted by**~~
 29 ~~**amendment.)**~~

30 **Sec. 2.** NRS 287.041 is hereby amended to read as follows:

31 287.041 1. There is hereby created the Board of the Public Employees'
 32 Benefits Program. The Board consists of 10 members appointed as follows:

33 (a) Two members who are professional employees of the Nevada System of
 34 Higher Education, appointed by the Governor ~~[upon consideration of any~~
 35 ~~recommendations of organizations]~~ from a list of nominations of five professional
 36 employees of the Nevada System of Higher Education submitted to the Governor
 37 by the professional organization that ~~[represent]~~ represents the largest number of
 38 professional employees of the Nevada System of Higher Education ~~[.]~~
 39 participating in the Public Employees' Benefits Program. One such member must
 40 reside in northern Nevada and the other member must reside in southern Nevada.

41 (b) Two members who are retired from public employment, appointed by the
 42 Governor ~~[upon consideration of any recommendations of organizations]~~ from a
 43 list of nominations of five persons who are retired from public employment
 44 submitted to the Governor by the organization that ~~[represent]~~ represents the
 45 largest number of retired ~~[public]~~ state employees.

46 (c) Two members who are employees in the classified service of the State,
 47 appointed by the Governor ~~[upon consideration of any recommendations of~~
 48 ~~organizations that represent state employees.]~~ from a list of nominations of 10
 49 classified state employees submitted by the labor organization representing the
 50 largest number of classified state employees participating in the Public
 51 Employees' Benefits Program.

52 (d) One member who is employed by this State in a managerial capacity and
 53 has substantial and demonstrated experience in risk management, group insurance

1 programs, health care administration or employee benefits programs appointed by
2 the Governor.

3 (e) Two members who have substantial and demonstrated experience in risk
4 management, group insurance programs, health care administration or employee
5 benefits programs appointed by the Governor.

6 (f) The Director of the Department of Administration or a designee of the
7 Director approved by the Governor.

8 2. Of the nine persons appointed to the Board pursuant to paragraphs (a) to
9 (e), inclusive, of subsection 1, at least four members must have a bachelor's degree
10 or a more advanced degree, or equivalent professional experience, in business
11 administration, economics, medicine, accounting, actuarial science, insurance, risk
12 management or health care administration, and at least two members must have
13 education or proven experience in the management of employees' benefits,
14 insurance, risk management, health care administration or business administration.

15 3. Each person appointed as a member of the Board must:

16 (a) Except for a member appointed pursuant to paragraph (e) of subsection 1,
17 have been a participant in the Program for at least 1 year before the person's
18 appointment;

19 (b) Except for a member appointed pursuant to paragraph (e) of subsection 1,
20 be a current employee of the State of Nevada or another public employer that
21 participates in the Program or a retired public employee who is a participant in the
22 Program;

23 (c) Not be an elected officer of the State of Nevada or any of its political
24 subdivisions; and

25 (d) Not participate in any business enterprise or investment:

26 (1) With any vendor or provider to the Program; or

27 (2) In real or personal property if the Program owns or has a direct
28 financial interest in that enterprise or property.

29 4. Except as otherwise provided in this subsection, after the initial terms, the
30 term of an appointed member of the Board is 4 years and until the member's
31 successor is appointed and takes office unless the member no longer possesses the
32 qualifications for appointment set forth in this section or is removed by the
33 Governor. If a member loses the requisite qualifications within the last 12 months
34 of the member's term, the member may serve the remainder of the member's term.
35 Members are eligible for reappointment. A vacancy occurring in the membership of
36 the Board must be filled in the same manner as the original appointment.

37 5. The appointed members of the Board serve at the pleasure of the Governor.

38 **Sec. 3.** 1. The amendatory provisions of ~~sections 1 and~~ **section 2** of this
39 act do not affect the current terms of appointment of any person who, on June 30,
40 2021, is a member of ~~the Public Employees' Retirement Board or~~ the Board of the
41 Public Employees' Benefits Program and each such member continues to serve
42 until the expiration of his or her current term or until a vacancy occurs, whichever
43 occurs first.

44 2. On and after July 1, 2021, upon the expiration of a term or a vacancy
45 otherwise occurring on the ~~f~~

46 ~~(a) Public Employees' Retirement Board; or~~

47 ~~(b) Board of the Public Employees' Benefits Program,~~

48 ~~the vacancy must be filled in the manner provided by NRS 286.130, as~~
49 ~~amended by section 1 of this act, and~~ NRS 287.041, as amended by section 2 of
50 this act. ~~f, as applicable.~~

51 **Sec. 4.** This act becomes effective on July 1, 2021.