

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 appointment of certain members of the Board of the Public Employees' Benefits Program; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law: (1) creates the Board of the Public Employees' Benefits Program,
2 consisting of 10 members, and sets forth the qualifications and terms of
3 appointment of the members; and (2) requires the Board to establish and carry out
4 the Public Employees' Benefits Program, which is required to include a program of
5 group life, accident or health insurance, or any combination thereof. (NRS 287.041,
6 287.043) Of the 10 members, the Board must have: (1) two members who are
7 professional employees of the Nevada System of Higher Education, appointed by
8 the Governor upon consideration of any recommendations of organizations that
9 represent employees of the Nevada System of Higher Education; (2) two members
10 who are retired from public employment, appointed by the Governor upon
11 consideration of any recommendations of organizations that represent retired public
12 employees; and (3) two members who are employees in the classified service of the
13 State, appointed by the Governor upon consideration of any recommendations of
14 organizations that represent state employees. (NRS 287.041) **Section 2** of this bill
15 revises the appointment of these six members. **Section 2** requires the Governor to
16 make the appointments of: (1) the two members who are professional employees of
17 the Nevada System of Higher Education from a list of nominations of five
18 professional employees of the Nevada System of Higher Education submitted by
19 the professional organization representing the largest number of professional
20 employees of the Nevada System of Higher Education participating in the Program;
21 (2) the two members who are retired from public employment from a list of
22 nominations of five persons who are retired from public employment submitted by
23 the organization that represents the largest number of retired state employees; and
24 (3) the two members who are employees in the classified service of the State from a
25 list of nominations of 10 classified employees submitted by the labor organization



26 representing the largest number of classified state employees participating in the
27 Program.

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

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

1 **Section 1.** (Deleted by amendment.)

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

3 287.041 1. There is hereby created the Board of the Public
4 Employees' Benefits Program. The Board consists of 10 members
5 appointed as follows:

6 (a) Two members who are professional employees of the
7 Nevada System of Higher Education, appointed by the Governor
8 ~~upon consideration of any recommendations of organizations~~ *from*
9 *a list of nominations of five professional employees of the Nevada*
10 *System of Higher Education submitted to the Governor by the*
11 *professional organization that represent represents the largest*
12 *number of professional employees of the Nevada System of Higher*
13 *Education participating in the Public Employees' Benefits*
14 *Program.* One such member must reside in northern Nevada and the
15 other member must reside in southern Nevada.

16 (b) Two members who are retired from public employment,
17 appointed by the Governor ~~upon consideration of any~~
18 ~~recommendations of organizations~~ *from a list of nominations of*
19 *five persons who are retired from public employment submitted to*
20 *the Governor by the organization that represent represents the*
21 *largest number of retired public state employees.*

22 (c) Two members who are employees in the classified service of
23 the State, appointed by the Governor ~~upon consideration of any~~
24 ~~recommendations of organizations that represent state employees.~~
25 *from a list of nominations of 10 classified state employees*
26 *submitted by the labor organization representing the largest*
27 *number of classified state employees participating in the Public*
28 *Employees' Benefits Program.*

29 (d) One member who is employed by this State in a managerial
30 capacity and has substantial and demonstrated experience in risk
31 management, group insurance programs, health care administration
32 or employee benefits programs appointed by the Governor.

33 (e) Two members who have substantial and demonstrated
34 experience in risk management, group insurance programs, health



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

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

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

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

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

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

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

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

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

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

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

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

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



1 2. On and after July 1, 2021, upon the expiration of a term or a
2 vacancy otherwise occurring on the Board of the Public Employees'
3 Benefits Program, the vacancy must be filled in the manner
4 provided by NRS 287.041, as amended by section 2 of this act.

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

