

ASSEMBLY BILL NO. 138—COMMITTEE ON WAYS AND MEANS

FEBRUARY 14, 2001

Referred to Committee on Government Affairs

SUMMARY—Clarifies formula for determining amount payable by State of Nevada toward cost of insurance for certain retired employees. (BDR 23-1065)

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 employees; clarifying the formula for determining the amount payable by the State of Nevada toward the cost of insurance for certain retired employees; 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 287.046 is hereby amended to read as follows:
2 287.046 1. Except as otherwise provided in subsection 6, any state or
3 other participating officer or employee who elects to participate in the
4 program may participate, and the department, agency, commission or
5 public agency that employs the officer or employee shall pay the state's
6 share of the cost of the premiums or contributions for the program from
7 money appropriated or authorized as provided in NRS 287.044. Employees
8 who elect to participate in the program must authorize deductions from
9 their compensation for the payment of premiums or contributions for the
10 program.
11 2. The department of personnel shall pay a percentage of the base
12 amount provided by law for that fiscal year toward the cost of the
13 premiums or contributions for the program for persons retired from the
14 service of the state who have continued to participate in the program.
15 Except as otherwise provided in subsection 3, the percentage to be paid
16 must be calculated as follows:
17 (a) For those persons who retire before January 1, 1994, 100 percent of
18 the base amount provided by law for that fiscal year.
19 (b) For those persons who retire on or after January 1, 1994, *but before*
20 *July 1, 2001*, with at least 5 years of state service, 25 percent plus an
21 additional 7.5 percent for each year of service in excess of 5 years to a
22 maximum of 137.5 percent, excluding service purchased pursuant to NRS
23 286.300, of the base amount provided by law for that fiscal year.



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- 1 (c) *For those persons who retire on or after July 1, 2001, with at least*
2 *5 years of state service, 25 percent plus an additional 7.5 percent for each*
3 *year of state service in excess of 5 years to a maximum of 137.5 percent,*
4 *excluding service purchased pursuant to NRS 286.300, of the base*
5 *amount provided by law for that fiscal year.*
6 3. If the amount calculated pursuant to subsection 2 exceeds the actual
7 premium or contribution for the plan of the program that the retired
8 participant selects, the balance must be credited to the fund for the public
9 employees' benefits program created pursuant to NRS 287.0435.
10 4. For the purposes of subsection 2:
11 (a) Credit for service must be calculated in the manner provided by
12 chapter 286 of NRS ~~H~~, *except that credit for service for the purposes of*
13 *paragraph (c) of subsection 2 must not include service with any public*
14 *employer other than the State of Nevada.*
15 (b) No proration may be made for a partial year of service.
16 5. The department shall agree through the board with the insurer for
17 billing of remaining premiums or contributions for the retired participant
18 and his dependents to the retired participant and to his dependents who
19 elect to continue coverage under the program after his death.
20 6. A senator or assemblyman who elects to participate in the program
21 shall pay the entire premium or contribution for his insurance.
22 **Sec. 2.** This act becomes effective on July 1, 2001.

