

SENATE BILL NO. 104—SENATOR SETTELMAYER

PREFILED FEBRUARY 1, 2011

Referred to Committee on Finance

SUMMARY—Provides for the biennial transfer of a portion of the state surplus to the Public Employees' Retirement Fund and the Fund for the Public Employees' Benefits Program. (BDR 31-701)

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 state financial administration; requiring that a portion of the unrestricted balance in the State General Fund at the end of each biennium be deposited in the Public Employees' Retirement Fund and the Fund for the Public Employees' Benefits Program under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 This bill requires the State Controller to transfer a portion of the unrestricted
- 2 balance in the State General Fund at the end of each biennium to the Public
- 3 Employees' Retirement Fund and the Fund for the Public Employees' Benefits
- 4 Program to the extent that those Funds are not at least 85 percent funded.

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

- 1 **Section 1.** Chapter 353 of NRS is hereby amended by adding
- 2 thereto a new section to read as follows:

- 3 *1. Except as otherwise provided in subsections 2 and 3, in*
- 4 *each odd-numbered year after the close of the fiscal year and*
- 5 *before the issuance of the State Controller's annual report, the*
- 6 *State Controller, after subtracting from the unrestricted balance of*
- 7 *the State General Fund as of the close of the fiscal year the*
- 8 *amount required by subsection 1 of NRS 353.288 and making the*



1 *deposit to the Fund to Stabilize the Operation of the State*
2 *Government required by that subsection, shall:*

3 *(a) Deposit an amount equal to 25 percent of the remaining*
4 *unrestricted balance in the State General Fund to the credit of the*
5 *Public Employees' Retirement Fund; and*

6 *(b) Deposit any remaining unrestricted balance in the State*
7 *General Fund to the credit of the Fund for the Public Employees'*
8 *Benefits Program.*

9 *2. The State Controller shall only make deposits to the Public*
10 *Employees' Retirement Fund pursuant to paragraph (a) of*
11 *subsection 1 to the extent that the Public Employees' Retirement*
12 *Fund is not at least 85 percent funded.*

13 *3. The State Controller shall only make deposits to the Fund*
14 *for the Public Employees' Benefits Program pursuant to*
15 *paragraph (b) of subsection 1 to the extent that the Fund for the*
16 *Public Employees' Benefits Program is not at least 85 percent*
17 *funded.*

18 *4. For the purposes of this section, a fund shall be deemed to*
19 *be at least 85 percent funded if the actuarial value of the assets of*
20 *the fund is equal to or greater than 85 percent of the actuarial*
21 *accrued liabilities of the fund, as determined in accordance with*
22 *generally accepted accounting principles for government as*
23 *prescribed by the Governmental Accounting Standards Board.*

24 **Sec. 2.** This act becomes effective upon passage and approval.

