

Assembly Bill No. 419—Committee
on Government Affairs

CHAPTER.....

AN ACT relating to the Public Employees' Benefits Program;
revising provisions governing the Program; and providing
other matters properly relating thereto.

Legislative Counsel's Digest:

The Board of the Public Employees' Benefits Program is required to: (1) establish and carry out the Public Employees' Benefits Program; and (2) ensure that the Program is funded on an actuarially sound basis and operated in accordance with sound insurance and business practices. (NRS 287.043) This bill revises the membership of the Board from 9 members to 10 members by adding an additional member who is retired from public employment and who is appointed by the Governor.

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

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

Section 1. NRS 287.041 is hereby amended to read as follows:
287.041 1. There is hereby created the Board of the Public
Employees' Benefits Program. The Board consists of ~~nine~~ ***10***
members appointed as follows:

(a) One member who is a professional employee 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.

(b) ~~One member who is~~ ***Two members who are*** retired from
public employment, appointed by the Governor upon consideration
of any recommendations of organizations that represent retired
public employees.

(c) Two members who are employees of the State, appointed by
the Governor upon consideration of any recommendations of
organizations that represent state employees.

(d) One member appointed by the Governor upon consideration
of any recommendations of organizations that represent employees
of local governments that participate in the program.

(e) One member who is employed by this State in a managerial
capacity and has substantial and demonstrated experience in risk
management, portfolio investment strategies or employee benefits
programs appointed by the Governor. The Governor may appoint



the Executive Officer of the Public Employees' Retirement System to fill this position.

(f) Two members who have substantial and demonstrated experience in risk management, portfolio investment strategies or employee benefits programs appointed by the Governor.

(g) The Director of the Department of Administration or the designee of the Director.

2. Of the ~~six~~ **seven** persons appointed to the Board pursuant to paragraphs (a) to (e), inclusive, of subsection 1, at least one member must have an advanced degree in business administration, economics, accounting, insurance, risk management or health care administration, and at least two members must have education or proven experience in the management of employees' benefits, insurance, risk management, health care administration or business administration.

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

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

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

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

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

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

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

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

5. The appointed members of the Board serve at the pleasure of the Governor. If the Governor wishes to remove a member from the Board for any reason other than malfeasance or misdemeanor, the



Governor shall provide the member with written notice which states the reason for and the effective date of the removal.

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

