

**Amendment No. 459**

Senate Amendment to Senate Bill No. 502 (BDR 18-979)

**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.

JFD/EGO



Date: 4/24/2017

S.B. No. 502—Makes various changes relating to the Public Employees’ Benefits Program and the Public Employees’ Deferred Compensation Program. (BDR 18-979)





## SENATE BILL NO. 502—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE OFFICE OF FINANCE  
IN THE OFFICE OF THE GOVERNOR)

MARCH 27, 2017

Referred to Committee on Government Affairs

SUMMARY—Makes various changes relating to the Public Employees' Benefits Program and the Public Employees' Deferred Compensation Program. (BDR 18-979)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: Yes.

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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; making the ~~Public Employees' Benefits Program and the~~ Public Employees' Deferred Compensation Program part of the Department of Administration; revising the membership of the Board of the Public Employees' Benefits Program and ~~making the Board and the Committee to administer the~~ Committee to Administer the Public Employees' Deferred Compensation Program ~~into advisory boards; transferring certain powers, duties and functions of the Board and Committee to the Executive Officers of the Programs;~~ ; revising provisions relating to the procurement process for the Public Employees' Benefits Program and the Public Employees' Deferred Compensation Program; making various other changes relating to the Public Employees' Benefits Program ~~the~~ and the Public Employees' Deferred Compensation Program; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law creates the Board of the Public Employees' Benefits Program. (NRS 287.041) Existing law requires the Board to establish and carry out the Public Employees' Benefits Program, which: (1) is required to include a program relating to group life, accident or health insurance, or any combination thereof, for the benefit of state officers and employees and other participants; and (2) is authorized to include certain other plans and programs for the benefit of such persons. (NRS 287.043) Existing law additionally requires the Board to employ an Executive Officer and authorizes the Board to delegate any of its powers, duties or functions to the Executive Officer. (NRS 287.0424) Existing law also establishes the Public Employees' Deferred Compensation Program for state employees, which is administered by ~~the~~ the Committee ~~to administer the Program.~~ (NRS 287.325)

Sections 1-4 of this bill make the ~~Public Employees' Benefits Program and the~~ Public Employees' Deferred Compensation Program part of the Department of Administration.

Sections 2 and 3 of this bill require the Director of the Department of Administration to appoint, with the concurrence of the Governor, ~~the~~ and the Committee to Administer the Public Employees' Deferred Compensation Program, the Executive Officer of the ~~Public Employees' Benefits Program and the Executive Officer of the~~ Public Employees' Deferred Compensation Program and provides that the Executive ~~Officers are~~ Officer is in the unclassified service of the state and ~~serve~~ serves at the pleasure of the Director. ~~Sections 18 and 20 of this bill eliminate certain requirements in existing law relating to the Executive Officer and staff of the Public Employees' Benefits Program.~~ except that he or she may be removed by a majority vote of the Committee. Section 11 of this bill authorizes the Executive Officer of the Public Employees' Deferred Compensation Program to hire or contract with employees and consultants as necessary. Section 44 of this bill authorizes the Committee to delegate certain administrative duties for the Public Employees' Deferred Compensation Program to the Executive Officer.

~~Sections 5, 7, 12, 37, 48 and 49 of this bill make the Board of the Public Employees' Benefits Program advisory and transfer the powers, duties and functions of the Board relating to the administration of the Program to the Executive Director of the Program.~~ Section 15 of this bill reduces the size of the Board from ten members to seven. changes the composition of the Board of the Public Employees' Benefits Program and removes the requirement that the Governor provide certain notice upon removing an appointed member of the Board. ~~Section 16 of this bill requires the Advisory Board to advise the Executive Officer of the Public Employees' Benefits Program concerning the administration of the Program. Similarly, sections 28, 46 of this bill make the Committee to administer the Public Employees' Deferred Compensation Program advisory and transfer the powers, duties and functions of the Committee relating to the administration of the Program to the Executive Officer of the Program. Section 44 of this bill requires the Committee to advise the Executive Officer of the Deferred Compensation Program concerning the administration of the Program.~~ Section 43 of this bill changes the composition of the Committee to Administer the Public Employees' Deferred Compensation Program.

Existing law contains special provisions relating to the award of certain state contracts for the Public Employees' Benefits Program, pursuant to which the Board for the Program considers recommendations for the award of such a contract but has final authority to make the award. (NRS 287.04345, 333.335) ~~Sections, Section 47 (and 55) of this bill eliminate~~ eliminates those provisions, with the result that such contracts are to be awarded in the same manner as provided generally for all agencies in the Executive Department of the State Government. Sections 11.5 and 24.5 of this bill provide that the Public Employees' Deferred Compensation Program and the Public Employees' Benefits Program are subject to existing law governing state procurement and authorizes the Board or Committee, as applicable, to review any evaluation of proposals for a contract in a closed meeting. Sections 11.5 and 24.5 also provide that, if members of the Board or Committee, as applicable, are appointed to a committee to evaluate proposed contracts for their respective Programs, the meeting of such an evaluation committee is exempt from the Open Meeting Law to the extent of the review of the proposals. Sections 11.5 and 24.5 prohibit the members of the Board and members of the Committee from taking action or deliberating on the business of their respective public body during a meeting of such an evaluation committee.

Section 20 of this bill requires the Director of the Department of Administration to appoint a Quality Control Officer of the Public Employees' Benefits Program.

Section 55 ~~of this bill~~ eliminates the requirement that the Executive Officer and the Board of the Public Employees' Benefits Program complete certain continuing education requirements relating to the administration of group benefits for public employees. ~~Section 20 of this bill eliminates a restriction on affiliation periods in certain circumstances.~~

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

**Section 1.** NRS 232.213 is hereby amended to read as follows:

232.213 1. The Department of Administration is hereby created.

2. The Department consists of a Director and the following:
- (a) Risk Management Division.
  - (b) Hearings Division, which consists of hearing officers, compensation officers and appeals officers.
  - (c) State Public Works Division.
  - (d) Purchasing Division.
  - (e) Administrative Services Division.
  - (f) Division of Human Resource Management.
  - (g) Division of Enterprise Information Technology Services.
  - (h) Division of State Library, Archives and Public Records.
  - (i) Office of Grant Procurement, Coordination and Management.
  - (j) Fleet Services Division.

~~(k) *Public Employees' Benefits Program.*~~

~~(l) *Public Employees' Deferred Compensation Program.*~~

Sec. 2. NRS 232.215 is hereby amended to read as follows:  
232.215 The Director:

- 1. Shall appoint an Administrator of the:
  - (a) Risk Management Division;
  - (b) State Public Works Division;
  - (c) Purchasing Division;
  - (d) Administrative Services Division;
  - (e) Division of Human Resource Management;
  - (f) Division of Enterprise Information Technology Services;
  - (g) Division of State Library, Archives and Public Records;
  - (h) Office of Grant Procurement, Coordination and Management; and
  - (i) Fleet Services Division.

2. *Shall, with the concurrence of the Governor ~~and~~ and the Committee to Administer the Public Employees' Deferred Compensation Program, appoint the Executive Officer of the ~~and~~*

~~(a) *Public Employees' Benefits Program; and*~~

~~(b) *Public Employees' Deferred Compensation Program.*~~

3. Shall serve as Chief of the Hearings Division and shall appoint the hearing officers and compensation officers. The Director may designate one of the appeals officers in the Division to supervise the administrative, technical and procedural activities of the Division.

~~4. Is responsible for the administration, through the divisions of the Department, of the provisions of chapters 233F, 242 ~~and~~ 284 ~~of NRS, *NRS 287.0402 to 287.049, inclusive, and section 9 of this act.*~~ *NRS 287.250 to 287.370, inclusive, and sections 10 ~~and~~ , 11 and 11.5 of this act and chapters 331, 333, 336, 338, 341 and 378 of NRS and all other provisions of law relating to the functions of the divisions of the Department.*~~

~~5. Is responsible for the administration of the laws of this State relating to the negotiation and procurement of medical services and other benefits for state agencies.~~

~~6. Has such other powers and duties as are provided by law.~~

Sec. 3. NRS 232.2165 is hereby amended to read as follows:

232.2165 ~~*The following persons appointed by the Director pursuant to NRS 232.215 serve at the pleasure of the Director and are in the unclassified service of the State:*~~

1. The Administrator of:

- ~~(a) The State Public Works Division;~~
- ~~(b) The Purchasing Division;~~
- ~~(c) The Administrative Services Division;~~

~~(d)~~ The Division of Human Resource Management;  
~~(e)~~ The Division of Enterprise Information Technology Services;  
~~(f)~~ The Division of State Library, Archives and Public Records;  
~~(g)~~ The Office of Grant Procurement, Coordination and Management; and  
~~(h)~~ The Fleet Services Division,  
of the Department serves at the pleasure of the Director and is in the unclassified service of the State, ~~and~~  
~~(i) The Risk Management Division.~~  
**2. The Executive Officer of the ~~the~~**  
~~(a) Public Employees' Benefits Program; and~~  
~~(b) Public Employees' Deferred Compensation Program ~~the~~ appointed pursuant to NRS 232.215 is in the unclassified service of the State and serves at the pleasure of the Director, except that he or she may be removed by a majority vote of the Committee to Administer the Public Employees' Deferred Compensation Program.~~

**Sec. 4.** NRS 232.219 is hereby amended to read as follows:

232.219 1. The Department of Administration's Operating Fund for Administrative Services is hereby created as an internal service fund.

2. The operating budget of each of the following entities must include an amount representing that entity's share of the operating costs of the central accounting function of the Department:

- (a) State Public Works Division;
- (b) Purchasing Division;
- (c) Hearings Division;
- (d) Risk Management Division;
- (e) Division of Human Resource Management;
- (f) Division of Enterprise Information Technology Services;
- (g) Division of State Library, Archives and Public Records; ~~and~~
- (h) Fleet Services Division ~~the~~; and
- ~~(i) Public Employees' Benefits Program; and~~
- ~~(j) Public Employees' Deferred Compensation Program.~~

3. All money received for the central accounting services of the Department must be deposited in the State Treasury for credit to the Operating Fund.

4. All expenses of the central accounting function of the Department must be paid from the Fund as other claims against the State are paid.

**Sec. 5.** ~~NRS 233B.039 is hereby amended to read as follows:~~

~~233B.039 1. The following agencies are entirely exempted from the requirements of this chapter:~~

- ~~(a) The Governor.~~
- ~~(b) Except as otherwise provided in NRS 209.221, the Department of Corrections.~~
- ~~(c) The Nevada System of Higher Education.~~
- ~~(d) The Office of the Military.~~
- ~~(e) The Nevada Gaming Control Board.~~
- ~~(f) Except as otherwise provided in NRS 368A.140 and 463.765, the Nevada Gaming Commission.~~
- ~~(g) The Division of Welfare and Supportive Services of the Department of Health and Human Services.~~
- ~~(h) Except as otherwise provided in NRS 422.390, the Division of Health Care Financing and Policy of the Department of Health and Human Services.~~
- ~~(i) The State Board of Examiners acting pursuant to chapter 217 of NRS.~~
- ~~(j) Except as otherwise provided in NRS 523.365, the Office of the State Engineer.~~

~~(k) The Division of Industrial Relations of the Department of Business and Industry acting to enforce the provisions of NRS 618.375.~~

~~(l) The Administrator of the Division of Industrial Relations of the Department of Business and Industry in establishing and adjusting the schedule of fees and charges for accident benefits pursuant to subsection 2 of NRS 616C.260.~~

~~(m) The Board to Review Claims in adopting resolutions to carry out its duties pursuant to NRS 445C.210.~~

~~(n) The Silver State Health Insurance Exchange.~~

~~2. Except as otherwise provided in subsection 5 and NRS 291.323, the Department of Education, the [Board] *Executive Officer* of the Public Employees' Benefits Program and the Commission on Professional Standards in Education are subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.~~

~~3. The special provisions of:~~

~~(a) Chapter 612 of NRS for the distribution of regulations by and the judicial review of decisions of the Employment Security Division of the Department of Employment, Training and Rehabilitation;~~

~~(b) Chapters 616A to 617, inclusive, of NRS for the determination of contested claims;~~

~~(c) Chapter 91 of NRS for the judicial review of decisions of the Administrator of the Securities Division of the Office of the Secretary of State; and~~

~~(d) NRS 90.800 for the use of summary orders in contested cases;~~

~~→ prevail over the general provisions of this chapter.~~

~~4. The provisions of NRS 233B.122, 233B.124, 233B.125 and 233B.126 do not apply to the Department of Health and Human Services in the adjudication of contested cases involving the issuance of letters of approval for health facilities and agencies.~~

~~5. The provisions of this chapter do not apply to:~~

~~(a) Any order for immediate action, including, but not limited to, quarantine and the treatment or cleansing of infected or infested animals, objects or premises, made under the authority of the State Board of Agriculture, the State Board of Health, or any other agency of this State in the discharge of a responsibility for the preservation of human or animal health or for insect or pest control;~~

~~(b) An extraordinary regulation of the State Board of Pharmacy adopted pursuant to NRS 452.2184;~~

~~(c) A regulation adopted by the State Board of Education pursuant to NRS 388.255 or 394.1694; or~~

~~(d) The judicial review of decisions of the Public Utilities Commission of Nevada.~~

~~6. The State Board of Parole Commissioners is subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case. **(Deleted by amendment.)**~~

**Sec. 6. [NRS 218E.420 is hereby amended to read as follows:**

~~218E.420 1. There is hereby created an Interim Retirement and Benefits Committee of the Legislature to:~~

~~(a) Review the operation of the Public Employees' Retirement System, the Judicial Retirement System established pursuant to chapter 1A of NRS and the Public Employees' Benefits Program; and~~

~~(b) Make recommendations to the Public Employees' Retirement Board and the [Board] *Executive Officer* of the Public Employees' Benefits Program, the Legislative Commission and the Legislature.~~

~~2. The Interim Retirement and Benefits Committee consists of six members appointed as follows:~~

~~(a) Three members of the Senate, one of whom is the Chair of the Committee on Finance during the preceding regular session and two of whom are appointed by the Majority Leader of the Senate.~~

~~(b) Three members of the Assembly, one of whom is the Chair of the Committee on Ways and Means during the preceding regular session and two of whom are appointed by the Speaker of the Assembly.~~

~~2. The Legislative Commission shall review and approve the budget and work program for the Committee and any changes to the budget or work program.~~

~~4. The immediate past Chair of the Senate Standing Committee on Finance is the Chair of the Interim Retirement and Benefits Committee for the period ending with the convening of each odd numbered regular session. The immediate past Chair of the Assembly Standing Committee on Ways and Means is the Chair of the Interim Retirement and Benefits Committee during the next legislative interim, and the position of Chair alternates between the Houses according to this pattern.~~

~~5. The Interim Retirement and Benefits Committee may exercise the powers conferred on it by law only when the Legislature is not in a regular or special session and shall meet at the call of the Chair.~~

~~6. The Interim Retirement and Benefits Committee may conduct investigations and hold hearings in connection with its functions and duties and exercise any of the investigative powers set forth in NRS 218E.105 to 218E.140, inclusive.~~

~~7. The Director shall provide a Secretary for the Interim Retirement and Benefits Committee.~~

~~8. For each day or portion of a day during which members of the Interim Retirement and Benefits Committee attend a meeting of the Interim Retirement and Benefits Committee or are otherwise engaged in the business of the Interim Retirement and Benefits Committee, the members are entitled to receive:~~

~~(a) The compensation provided for a majority of the Legislators during the first 60 days of the preceding regular session;~~

~~(b) The per diem allowance provided for state officers and employees generally; and~~

~~(c) The travel expenses provided pursuant to NRS 218A.655.~~

~~9. All such compensation, per diem allowances and travel expenses must be paid from the Legislative Fund. (Deleted by amendment.)~~

**Sec. 6.5. NRS 241.016 is hereby amended to read as follows:**

241.016 1. The meetings of a public body that are quasi-judicial in nature are subject to the provisions of this chapter.

2. The following are exempt from the requirements of this chapter:

(a) The Legislature of the State of Nevada.

(b) Judicial proceedings, including, without limitation, proceedings before the Commission on Judicial Selection and, except as otherwise provided in NRS 1.4687, the Commission on Judicial Discipline.

(c) Meetings of the State Board of Parole Commissioners when acting to grant, deny, continue or revoke the parole of a prisoner or to establish or modify the terms of the parole of a prisoner.

3. Any provision of law, including, without limitation, NRS 91.270, 219A.210, 239C.140, 281A.350, 281A.440, 281A.550, 284.3629, 286.150, 287.0415, 287.04345, 288.220, 289.387, 295.121, 360.247, 388.261, 388A.495, 388C.150, 392.147, 392.467, 394.1699, 396.3295, 433.534, 435.610, 463.110, 622.320, 622.340, 630.311, 630.336, 639.050, 642.518, 642.557, 686B.170, 696B.550, 703.196 and 706.1725, and section 11.5 of this act, which:

(a) Provides that any meeting, hearing or other proceeding is not subject to the provisions of this chapter; or



(b) Otherwise authorizes or requires a closed meeting, hearing or proceeding, prevails over the general provisions of this chapter.

4. The exceptions provided to this chapter, and electronic communication, must not be used to circumvent the spirit or letter of this chapter to deliberate or act, outside of an open and public meeting, upon a matter over which the public body has supervision, control, jurisdiction or advisory powers.

**Sec. 7.** ~~NRS 277.067 is hereby amended to read as follows:~~

~~277.067 1. Except as otherwise provided in subsection 2, any two or more political subdivisions of this State, agencies of the State or the Nevada System of Higher Education may enter into a cooperative agreement for the purchase of insurance or the establishment of a self-insurance reserve or fund for coverage under a plan of:~~

~~(a) Casualty insurance, as that term is defined in NRS 681A.020;~~

~~(b) Marine and transportation insurance, as that term is defined in NRS 681A.050;~~

~~(c) Property insurance, as that term is defined in NRS 681A.060;~~

~~(d) Surety insurance, as that term is defined in NRS 681A.070;~~

~~(e) Health insurance, as that term is defined in NRS 681A.030; or~~

~~(f) Insurance for any combination of these kinds of protection.~~

~~2. Any political subdivision of the State, any agency of the State or the Nevada System of Higher Education which participates in the Public Employees' Benefits Program shall obtain the approval of the [Board] Executive Officer of the Public Employees' Benefits Program before it enters into a cooperative agreement for the purchase of health insurance pursuant to paragraph (c) of subsection 1.~~

~~3. Any such agreement may obligate the respective parties to pledge revenues or contribute money to secure the obligations or pay the expenses of the cooperative undertaking and may provide for the establishment of a separate entity to administer the undertaking. (Deleted by amendment.)~~

**Sec. 8.** Chapter 287 of NRS is hereby amended by adding thereto the provisions set forth as sections ~~9, 10, and 11~~ and 11.5 of this act.

**Sec. 9.** ~~"Executive Officer" means the Executive Officer of the Public Employees' Benefits Program appointed by the Director of the Department of Administration pursuant to NRS 232.215. (Deleted by amendment.)~~

**Sec. 10.** *"Executive Officer" means the Executive Officer of the Public Employees' Deferred Compensation Program appointed by the Director of the Department of Administration pursuant to NRS 232.215.*

**Sec. 11.** *The Executive Officer may, within the limits of money available for this purpose, employ or enter into a contract for the services of such employees or consultants as is necessary for the performance of the duties of the Executive Officer.*

**Sec. 11.5.** 1. The Program is subject to the provisions of chapter 333 of NRS.

2. The Committee shall act as the chief of the using agency for the purposes of NRS 333.335.

3. If a committee to evaluate proposals for a contract of the Program is established pursuant to NRS 333.335, any number of members of the Committee may be appointed to the evaluation committee. If one or more members of the Committee are appointed to an evaluation committee:

(a) No action or deliberation regarding any business of the Committee other than the confidential review of the proposals pursuant to NRS 333.335 may be taken or conducted by the evaluation committee.

(b) Except as otherwise provided in paragraph (a), a meeting of the evaluation committee is not subject to chapter 241 of NRS.

1 4. The Committee shall review the results of any evaluation of proposals for  
2 a contract for the Program pursuant to NRS 333.335 in a closed meeting.

3 5. The Committee shall take the following actions pursuant to NRS 333.335  
4 only in an open meeting:

5 (a) Award the contract pursuant to NRS 333.335;

6 (b) Cancel a request for proposals; or

7 (c) Reissue a modified request for proposals.

8 **Sec. 12.** ~~[NRS 287.025 is hereby amended to read as follows:~~

9 ~~287.025 1. The governing body of any county, school district, municipal~~  
10 ~~corporation, political subdivision, public corporation or other local governmental~~  
11 ~~agency of the State of Nevada may, in addition to the other powers granted in NRS~~  
12 ~~287.010, 287.015 and 287.020:~~

13 ~~(a) Negotiate and contract with the [Board] **Executive Officer** of the Public~~  
14 ~~Employees' Benefits Program to secure exclusive group insurance for all of its~~  
15 ~~officers and employees and their dependents, except as otherwise provided in sub-~~  
16 ~~paragraph (H) of subparagraph (2) of paragraph (b) of subsection 2 of NRS~~  
17 ~~287.043, by participation in the Public Employees' Benefits Program.~~

18 ~~(b) Negotiate and contract with another county, school district, municipal~~  
19 ~~corporation, political subdivision, public corporation or other local governmental~~  
20 ~~agency of the State of Nevada to secure group insurance for its officers and~~  
21 ~~employees and their dependents by participation in any group insurance plan~~  
22 ~~established or to be established by the other local governmental agency.~~

23 ~~(c) To secure group health, life or workers' compensation insurance for its~~  
24 ~~officers and employees and their dependents, participate as a member of a nonprofit~~  
25 ~~cooperative association or nonprofit corporation that has been established in this~~  
26 ~~State to secure such insurance for its members from an insurer licensed pursuant to~~  
27 ~~the provisions of title 57 of NRS.~~

28 ~~(d) In addition to the provisions of paragraph (c), participate as a member of a~~  
29 ~~nonprofit cooperative association or nonprofit corporation that has been established~~  
30 ~~in this State to:~~

31 ~~(1) Facilitate contractual arrangements for the provision of medical~~  
32 ~~services to its members' officers and employees and their dependents and for~~  
33 ~~related administrative services.~~

34 ~~(2) Procure health related information and disseminate that information to~~  
35 ~~its members' officers and employees and their dependents.~~

36 ~~2. Each contract negotiated pursuant to paragraph (a) or (b) of subsection 1:~~

37 ~~(a) Must be submitted to the Commissioner of Insurance for approval not less~~  
38 ~~than 30 days before the date on which the contract is to become effective.~~

39 ~~(b) Does not become effective unless approved by the Commissioner of~~  
40 ~~Insurance.~~

41 ~~(c) Shall be deemed to be approved if not disapproved by the Commissioner~~  
42 ~~within 30 days after its submission.] **(Deleted by amendment.)**~~

43 **Sec. 13.** ~~[NRS 287.0402 is hereby amended to read as follows:~~

44 ~~287.0402 As used in NRS 287.0402 to 287.049, inclusive, and section 9 of~~  
45 ~~this act, unless the context otherwise requires, the words and terms defined in NRS~~  
46 ~~287.0404 to 287.04064, inclusive, and section 9 of this act have the meanings~~  
47 ~~ascribed to them in those sections.] **(Deleted by amendment.)**~~

48 **Sec. 14.** ~~[NRS 287.0404 is hereby amended to read as follows:~~

49 ~~287.0404 [“] **Advisory Board**” means the **Advisory Board** of the Public~~  
50 ~~Employees' Benefits Program created by NRS 287.041.] **(Deleted by**~~  
51 ~~**amendment.)**~~

1       **Sec. 15.** NRS 287.041 is hereby amended to read as follows:

2       287.041 1. There is hereby created the ~~{Advisory}~~ Board of the Public  
3 Employees' Benefits Program. The ~~{Advisory}~~ Board consists of 10 ~~{seven}~~  
4 members appointed as follows:

5       (a) ~~{One member}~~ Two members who ~~{is a}~~ are professional ~~{employee}~~  
6 employees of the Nevada System of Higher Education, appointed by the Governor  
7 upon consideration of any recommendations of organizations that represent  
8 employees of the Nevada System of Higher Education. One such member must  
9 reside in northern Nevada and the other member must reside in southern  
10 Nevada.

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

14       (c) Two members ~~{One member}~~ who are employees ~~{is an employee}~~ in the  
15 classified service of the State, appointed by the Governor upon consideration of any  
16 recommendations of organizations that represent state employees.

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

20       ~~{(e)}~~ One member who is employed by this State in a managerial capacity and  
21 has substantial and demonstrated experience in risk management, ~~{portfolio~~  
22 ~~investment strategies}~~ group insurance programs, health care administration or  
23 employee benefits programs appointed by the Governor. ~~{The Governor may~~  
24 ~~appoint the Executive Officer of the Public Employees' Retirement System to fill~~  
25 ~~this position.}~~

26       ~~{(f)}~~ (e) Two members

27       ~~{(e)}~~ One member who have ~~{has}~~ substantial and demonstrated experience in  
28 risk management, ~~{portfolio investment strategies}~~ group insurance programs,  
29 health care administration or employee benefits programs appointed by the  
30 Governor.

31       ~~{(g)}~~ (f) The Director of the ~~{Office}~~ Department of ~~{Finance}~~ Administration  
32 or ~~{the}~~ a designee of the Director ~~{is}~~ approved by the Governor.

33       2. Of the ~~{seven-five}~~ nine persons appointed to the ~~{Advisory}~~ Board  
34 pursuant to paragraphs (a) to ~~{(e)}~~, ~~{(d)}~~ inclusive, of subsection 1, at least ~~{one~~  
35 ~~member}~~ four members must have ~~{an advanced}~~ a bachelor's degree or a more  
36 advanced degree, or equivalent professional experience, in business  
37 administration, economics, medicine, accounting, actuarial science, insurance, risk  
38 management or health care administration, and at least two members must have  
39 education or proven experience in the management of employees' benefits,  
40 insurance, risk management, health care administration or business administration.

41       3. Each person appointed as a member of the ~~{Advisory}~~ Board must:

42       (a) Except for a ~~{that}~~ member appointed pursuant to paragraph ~~{(f)}~~ (e) of  
43 subsection 1, have been a participant in the Program for at least 1 year before the  
44 person's appointment;

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

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

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

52       (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 ~~Advisory~~ 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 ~~Advisory~~ Board must be filled in the same manner as the original appointment.

5. The appointed members of the ~~Advisory~~ 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. 16.** ~~NRS 287.0415 is hereby amended to read as follows:~~

~~287.0415 1. A majority of the members of the Advisory Board constitutes a quorum for the transaction of business.~~

~~2. The Governor shall designate one of the members of the Advisory Board to serve as the Chair.~~

~~3. The Advisory Board shall meet at least once every calendar quarter and at other times upon the call of the Chair.~~

~~4. The Advisory Board may meet in closed session:~~

~~(a) [To discuss matters relating to personnel;~~

~~(b)] With the Executive Officer and investment counsel to [plan] advise on future investments or establish investment objectives and policies;~~

~~[(c)] (b) With the Executive Officer and legal counsel to receive advice upon claims or suits by or against the Program;~~

~~[(d) To prepare]~~

~~(c) With the Executive Officer to discuss a request for a proposal or other solicitation for bids to be released by the [Board] Executive Officer for competitive bidding; or~~

~~[(e)] (d) As otherwise provided pursuant to chapter 241 of NRS.~~

~~5. Except as otherwise provided in this subsection, if the Advisory Board causes a meeting to be transcribed by a court reporter who is certified pursuant to chapter 656 of NRS, the Advisory Board shall post a transcript of the meeting on its Internet website not later than 30 days after the meeting. The Advisory Board shall post a transcript of a closed session of the Advisory Board on its Internet website when the Advisory Board determines that the matters discussed no longer require confidentiality. [and, if applicable, the person whose character, conduct, competence or health was discussed in the closed session has consented to the posting.]~~

~~6. The Advisory Board may appoint such advisory committees as it deems necessary to assist the Advisory Board in carrying out its duties pursuant to NRS 287.0402 to 287.049, inclusive [;], and section 9 of this act.~~

~~7. The Advisory Board shall advise the Executive Officer concerning the administration of the Program, including, without limitation, the adoption and implementation of policies concerning the Program.~~

~~8. As used in this section, "request for a proposal" has the meaning ascribed to it in subsection 8 of NRS 333.020.] (Deleted by amendment.)~~

1       **Sec. 17.** ~~[NRS 287.0422 is hereby amended to read as follows:~~

2       ~~287.0422 The [Board] Executive Officer may reimburse a witness whom the~~  
3       ~~Executive Officer or Advisory Board requests appear before [it] the Executive~~  
4       ~~Officer or Advisory Board and who has expertise in a field that is relevant to the~~  
5       ~~Program for any expenses relating to the testimony of the witness that the~~  
6       ~~Executive Officer or Advisory Board deems reasonable.] (Deleted by~~  
7       ~~amendment.)~~

8       **Sec. 18.** ~~[NRS 287.0424 is hereby amended to read as follows:~~

9       ~~287.0424 1. The Board shall employ an Executive Officer, subject to the~~  
10       ~~approval of the Governor. The Executive Officer is in the unclassified service of the~~  
11       ~~State and serves at the pleasure of the Board. The Board may delegate to the~~  
12       ~~Executive Officer the exercise or discharge of any power, duty or function vested in~~  
13       ~~or imposed upon the Board.~~

14       ~~2. The Executive Officer must:~~

15       ~~(a) Be a graduate of a 4 year college or university with a degree in business~~  
16       ~~administration or public administration or an equivalent degree, as determined by~~  
17       ~~the Board; and~~

18       ~~(b) Possess at least 5 years' experience in a high level administrative or~~  
19       ~~executive capacity in the field of insurance, management of employees' benefits or~~  
20       ~~risk management, including, without limitation, responsibility for a variety of~~  
21       ~~administrative functions such as personnel, accounting, data processing or the~~  
22       ~~structuring of insurance programs.~~

23       ~~3.] Except as otherwise provided in NRS 284.143, the Executive Officer shall~~  
24       ~~not pursue any other business or occupation or perform the duties of any other~~  
25       ~~office of profit during normal office hours unless on leave approved in advance.~~  
26       ~~The Executive Officer shall not participate in any business enterprise or investment.~~

27       ~~[(a) 1. With any vendor or provider to the Program; or~~

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

30       ~~4. The Executive Officer is entitled to an annual salary fixed by the Board.~~  
31       ~~The salary of the Executive Officer is exempt from the limitations set forth in NRS~~  
32       ~~281.123.]] (Deleted by amendment.)~~

33       **Sec. 19.** ~~[NRS 287.0425 is hereby amended to read as follows:~~

34       ~~287.0425 1. The Executive Officer shall submit a report regarding the~~  
35       ~~administration and operation of the Program to the Advisory Board and the Director~~  
36       ~~of the Office of Finance, and to the Director of the Legislative Counsel Bureau for~~  
37       ~~transmittal to the appropriate committees of the Legislature or, if the Legislature is~~  
38       ~~not in regular session, to the Legislative Commission and the Interim Retirement~~  
39       ~~and Benefits Committee of the Legislature created by NRS 218E.420. The report~~  
40       ~~must include, without limitation:~~

41       ~~(a) An audited financial statement of the Program Fund for the immediately~~  
42       ~~preceding fiscal year. The statement must be prepared by an independent certified~~  
43       ~~public accountant.~~

44       ~~(b) An audited financial statement of the Retirees' Fund for the immediately~~  
45       ~~preceding fiscal year. The statement must be prepared by an independent certified~~  
46       ~~public accountant.~~

47       ~~(c) A report of the utilization of the Program by participants during the~~  
48       ~~immediately preceding plan year, segregated by benefit, administrative cost, active~~  
49       ~~employees and retirees, including, without limitation, an assessment of the actuarial~~  
50       ~~accuracy of reserves.~~

51       ~~(d) Material provided generally to participants or prospective participants in~~  
52       ~~connection with enrollment in the Program for the current plan year, including,~~  
53       ~~without limitation:~~

~~(1) Information regarding rates and the costs for participation in the Program paid by participants on a monthly basis; and~~

~~(2) A summary of the changes in the plan design for the current plan year from the plan design for the immediately preceding plan year.~~

~~2. The Executive Officer shall submit a biennial report to the Advisory Board and the Director of the Office of Finance, and to the Director of the Legislative Counsel Bureau for transmittal to the appropriate committee or committees of the Legislature. The report must include, without limitation:~~

~~(a) An independent biennial certified actuarial valuation and report of the State's health and welfare benefits for current and future state retirees, which are provided for the purpose of developing the annual required contribution pursuant to the statements issued by the Governmental Accounting Standards Board.~~

~~(b) A biennial review of the Program to determine whether the Program complies with federal and state laws relating to taxes and employee benefits. The review must be conducted by an attorney who specializes in employee benefits.]~~

~~(Deleted by amendment.)~~

**Sec. 20.** NRS 287.0426 is hereby amended to read as follows:

287.0426 1. The Executive Officer may, within the limits of legislative appropriations and other available money, appoint such officers and employees as are necessary for the administration of the Program, who are in the unclassified service of the State and serve at the pleasure of the Executive Officer. ~~[[The appointment and dismissal of an officer in charge of quality control are subject to the approval of the Board.]~~

2. The Director of the Department of Administration shall appoint a Quality Control Officer for the Program. The Director shall define the duties of the Quality Control Officer with the concurrence of the Board. The Quality Control Officer is in the unclassified service of the State and serves at the pleasure of the Director.

3. Each officer appointed pursuant to subsection 1 or 2 who is placed in charge of quality control, operations, finance or information technology must be a graduate of a 4-year college or university with a degree that is appropriate to their respective responsibilities or possess equivalent experience. ~~as determined by the Board.~~

~~3. Officers and employees appointed pursuant to subsection 1 are entitled to annual salaries fixed by the Board. The salaries of these officers and employees are exempt from the limitations set forth in NRS 281.123.]~~

4. The Executive Officer may employ such staff in the classified service of the State as are necessary for the performance of the Executive Officer's duties, within limits of legislative appropriations or other available money.

**Sec. 21.** ~~NRS 287.043 is hereby amended to read as follows:~~

~~287.043 1. The [Board] **Executive Officer** shall:~~

~~(a) Establish and carry out a program to be known as the Public Employees' Benefits Program which:~~

~~(1) Must include a program relating to group life, accident or health insurance, or any combination of these; and~~

~~(2) May include:~~

~~(I) A plan that offers flexibility in benefits, and for which the rates must be based only on the experience of the participants in the plan and not in combination with the experience of participants in any other plan offered under the Program; or~~

~~(II) A program to reduce taxable compensation or other forms of compensation other than deferred compensation;~~

~~for the benefit of all state officers and employees and other persons who participate in the Program.~~

~~(b) Ensure that the Program is funded on an actuarially sound basis and operated in accordance with sound insurance and business practices.~~

~~2. In establishing and carrying out the Program, the [Board] **Executive Officer** shall:~~

~~(a) For the purpose of establishing actuarial data to determine rates and coverage for active and retired state officers and employees and their dependents, commingle the claims experience of such active and retired officers and employees and their dependents for whom the Program provides primary health insurance coverage into a single risk pool.~~

~~(b) Except as otherwise provided in this paragraph, negotiate and contract pursuant to paragraph (a) of subsection 1 of NRS 287.025 with the governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada that wishes to obtain exclusive group insurance for all of its active and retired officers and employees and their dependents, except as otherwise provided in sub subparagraph (III) of subparagraph (2) of paragraph (h), by participation in the Program. The [Board] **Executive Officer** shall establish separate rates and coverage for active and retired officers and employees of those local governmental agencies and their dependents based on actuarial reports that commingle the claims experience of such active and retired officers and employees and their dependents for whom the Program provides primary health insurance coverage into a single risk pool.~~

~~(c) Except as otherwise provided in paragraph (d), provide public notice in writing of any proposed changes in rates or coverage to each participating public agency that may be affected by the changes. Notice must be provided at least 30 days before the effective date of the changes.~~

~~(d) If a proposed change is a change in the premium or contribution charged for, or coverage of, health insurance, provide written notice of the proposed change to all participants in the Program. The notice must be provided at least 30 days before the date on which a participant in the Program is required to select or change the participant's policy of health insurance.~~

~~(e) Purchase policies of life, accident or health insurance, or any combination of these, or, if applicable, a program to reduce the amount of taxable compensation pursuant to 26 U.S.C. § 125, from any company qualified to do business in this State or provide similar coverage through a plan of self insurance established pursuant to NRS 287.0433 for the benefit of all eligible participants in the Program.~~

~~(f) Except as otherwise provided in this title, develop and establish other employee benefits as necessary.~~

~~(g) Investigate and approve or disapprove any contract proposed pursuant to NRS 287.0479.~~

~~(h) Adopt such regulations and perform such other duties as are necessary to carry out the provisions of NRS 287.010 to 287.245, inclusive, and **section 9 of this act**, including, without limitation, the establishment of:~~

~~(1) Fees for applications for participation in the Program and for the late payment of premiums or contributions;~~

~~(2) Conditions for entry and reentry into and exit from the Program by local governmental agencies pursuant to paragraph (a) of subsection 1 of NRS 287.025, which:~~

~~(I) Must include a minimum period of 4 years of participation for entry into the Program;~~

~~(II) Must include a requirement that participation of any retired officers and employees of the local governmental agency whose last continuous period of~~



enrollment with the Program began after November 20, 2008, terminates upon termination of the local governmental agency's contract with the Program; and

(III) May allow for the exclusion of active and retired officers and employees of the local governmental agency who are eligible for health coverage from a health and welfare plan or trust that arose out of collective bargaining under chapter 288 of NRS or a trust established pursuant to 29 U.S.C. § 186;

(2) Procedures by which a group of participants in the Program may leave the Program pursuant to NRS 287.0479 and conditions and procedures for reentry into the Program by those participants;

(4) Specific procedures for the determination of contested claims;

(5) Procedures for review and notification of the termination of coverage of persons pursuant to paragraph (b) of subsection 4 of NRS 287.023; and

(6) Procedures for the payments that are required to be made pursuant to paragraph (b) of subsection 4 of NRS 287.023.

3. The [Board] ~~Executive Officer~~ may use any services provided to state agencies and shall use the services, ~~guidelines and procedures~~ of the Purchasing Division of the Department of Administration to establish and carry out the Program.

4. The [Board] ~~Executive Officer~~ may engage the services of an attorney who specializes in health plans and health care law as necessary to assist in carrying out the Program.

5. The [Board] ~~Executive Officer~~ may make recommendations to the Legislature concerning legislation that [it] ~~the Executive Officer~~ deems necessary and appropriate regarding the Program.

6. A participating public agency is not liable for any obligation of the Program other than indemnification of the ~~Advisory Board, the Executive Officer and [its] the employees of the Program~~ against liability relating to the administration of the Program, subject to the limitations specified in NRS 41.0349.

7. As used in this section, "employee benefits" includes any form of compensation provided to a public employee except federal benefits, wages earned, legal holidays, deferred compensation and benefits available pursuant to chapter 286 of NRS. ~~(Deleted by amendment.)~~

Sec. 22. [NRS 287.0433 is hereby amended to read as follows:

287.0433 The [Board] ~~Executive Officer~~ may establish a plan of life, accident or health insurance and provide for the payment of contributions into the Program Fund, a schedule of benefits and the disbursement of benefits from the Program Fund. The [Board] ~~Executive Officer~~ may reinsure any risk or any part of such a risk. ~~(Deleted by amendment.)~~

Sec. 23. [NRS 287.04335 is hereby amended to read as follows:

287.04335 If the [Board] ~~Program~~ provides health insurance through a plan of self insurance, [it] ~~the Executive Officer~~ shall comply with the provisions of NRS 680B.255, 695G.150, 695G.160, 695G.162, 695G.164, 695G.1645, 695G.1665, 695G.167, 695G.170 to 695G.173, inclusive, 695G.177, 695G.200 to 695G.220, inclusive, 695G.241 to 695G.310, inclusive, and 695G.405, in the same manner as an insurer that is licensed pursuant to title 57 of NRS is required to comply with those provisions. ~~(Deleted by amendment.)~~

Sec. 24. [NRS 287.0434 is hereby amended to read as follows:

287.0434 The [Board] ~~Executive Officer~~ may:

1. Use [its] ~~the assets [only] of the Program~~ to pay the expenses of health care for [its] ~~the members of the Program~~ and covered dependents, to pay [its employees'] ~~the salaries of the employees of the Program~~ and to pay administrative and other expenses.



~~2. Enter into contracts relating to the administration of the Program, including, without limitation, contracts with licensed administrators and qualified actuaries. Each such contract with a licensed administrator:~~

~~(a) Must be submitted to the Commissioner of Insurance not less than 30 days before the date on which the contract is to become effective for approval as to the licensing and fiscal status of the licensed administrator and status of any legal or administrative actions in this State against the licensed administrator that may impair his or her ability to provide the services in the contract.~~

~~(b) Does not become effective unless approved by the Commissioner.~~

~~(c) Shall be deemed to be approved if not disapproved by the Commissioner within 30 days after its submission.~~

~~3. Enter into contracts with physicians, surgeons, hospitals, health maintenance organizations and rehabilitative facilities for medical, surgical and rehabilitative care and the evaluation, treatment and nursing care of members and covered dependents. The [Board] **Executive Officer** shall not enter into a contract pursuant to this subsection unless:~~

~~(a) Provision is made by the [Board] **Executive Officer** to offer all the services specified in the request for proposals, either by a health maintenance organization or through separate action of the [Board] **Executive Officer**.~~

~~(b) The rates set forth in the contract are based on:~~

~~(1) For active and retired state officers and employees and their dependents, the commingled claims experience of such active and retired officers and employees and their dependents for whom the Program provides primary health insurance coverage in a single risk pool; and~~

~~(2) For active and retired officers and employees of public agencies enumerated in NRS 287.010 that contract with the Program to obtain group insurance by participation in the Program and their dependents, the commingled claims experience of such active and retired officers and employees and their dependents for whom the Program provides primary health insurance coverage in a single risk pool.~~

~~4. Enter into contracts for the services of other experts and specialists as required by the Program.~~

~~5. Charge and collect from an insurer, health maintenance organization, organization for dental care or nonprofit medical service corporation, a fee for the actual expenses incurred by the [Board] **Executive Officer** or a participating public agency in administering a plan of insurance offered by that insurer, organization or corporation.~~

~~6. Charge and collect the amount due from local governments pursuant to paragraph (b) of subsection 4 of NRS 287.023. If the payment of a local government pursuant to that provision is delinquent by more than 90 days, the [Board] **Executive Officer** shall notify the Executive Director of the Department of Taxation pursuant to NRS 354.671. **(Deleted by amendment.)**~~

**Sec. 24.5. NRS 287.04345 is hereby amended to read as follows:**

287.04345 1. The Program is subject to the provisions of chapter 333 of NRS.

2. The Board shall act as the chief of the using agency for the purposes of NRS 333.335.

3. If a committee to evaluate proposals for a contract for the Program is established pursuant to NRS 333.335, any number of members of the Board may be appointed to the evaluation committee. If one or more members of the Board are appointed to an evaluation committee:

(a) No action or deliberation regarding any business of the Board other than the confidential review of the proposals pursuant to NRS 333.335 may be taken or conducted by the evaluation committee.

(b) Except as otherwise provided in paragraph (a), a meeting of the evaluation committee is not subject to chapter 241 of NRS.

4. The Board shall review ~~any recommendation for awarding a contract submitted to the Board,~~ the results of any evaluation of proposals for a contract for the Program pursuant to NRS 333.335 ~~in a closed meeting.~~

5. The Board ~~may:~~

~~(a) Approve the recommendation of the Administrator of the Purchasing Division of the Department of Administration or of a committee appointed to evaluate a proposal and award the contract as recommended; or~~

~~(b) Schedule a separate public meeting to award the contract.~~

~~2. If the Board conducts a separate meeting pursuant to paragraph (b) of subsection 1, it shall:~~

~~(a) Disclose the review by the Board of the vendors whose proposals scored the highest;~~

~~(b) Identify the criteria it will use to evaluate the high scoring proposals;~~

~~(c) Consider the ranking given to a proposal by a committee appointed to evaluate the proposal, if any;~~

~~(d) With regard to a request for proposals, evaluate the responses of vendors interviewed by the Board; and~~

~~(e) Award the contract based on the best interests of the State.~~

~~3. The Board is not bound by the recommendation of the Administrator of the Purchasing Division or the committee appointed to evaluate the proposal.~~ shall take the following actions only in an open meeting:

(a) Award the contract pursuant to NRS 333.335;

(b) Cancel the request for proposals; or

(c) Modify and reissue the request for proposals.

Sec. 25. [NRS 287.0435 is hereby amended to read as follows:

~~287.0435 1. Except as otherwise provided in subsection 4 of NRS 287.04362 and subsection 7 of NRS 287.044, all money received for the Program, including, without limitation, money transferred from the Active Employee Group Insurance Subsidy Account established in NRS 287.044, must be deposited in the State Treasury for credit to the Fund for the Public Employees' Benefits Program which is hereby created as a trust fund. The Program Fund must be accounted for as an internal service fund. Payments into and disbursements from the Program Fund must be so arranged as to keep the Program Fund solvent at all times.~~

~~2. The money in the Program Fund must be invested as other money of the State is invested and any income from investments paid into the Program Fund for the benefit of the Program Fund.~~

~~3. Disbursements from the Program Fund must be made as any other claims against the State are paid and may only be made for the benefit of the participants in the Program.~~

~~4. The State Treasurer may charge a reasonable fee for the State Treasurer's services in administering the Program Fund, but the State, the State General Fund and the State Treasurer are not liable to the Program Fund for any loss sustained by the Program Fund as a result of any investment made on behalf of the Program Fund or any loss sustained in the operation of the Program.~~

~~5. The [Board] ~~Executive Officer~~ shall deposit any disbursement received from the Program Fund into an interest bearing checking account in a bank or credit union qualified to receive deposits of public money. Claims that have been submitted to the Program and approved must be paid from the account, and any~~

refund of such a claim must be deposited into the account.] (Deleted by amendment.)

**Sec. 26.** [NRS 287.04262 is hereby amended to read as follows:

~~287.04262 1. The money in the Retirees' Fund must not be used or appropriated for any purpose incompatible with the policies of the Program, as expressed in NRS 287.0402 to 287.049, inclusive [.] , and section 9 of this act.~~

~~2. The Retirees' Fund must be invested and administered to ensure the highest return consistent with safety in accordance with accepted investment practices and the laws of this State which may include, without limitation, investment in the Retirement Benefits Investment Fund established pursuant to NRS 355.220.~~

~~3. The [Board] **Executive Officer** has the exclusive control of the administration and investment of the Retirees' Fund.~~

~~4. The following money must be deposited in the Retirees' Fund:~~

~~(a) All money appropriated by the Legislature to the Retirees' Fund;~~

~~(b) All money provided for the purpose of offsetting the portion of the costs of the health and welfare benefits for current and future state retirees pursuant to NRS 287.046;~~

~~(c) All money accruing to the Retirees' Fund from all other sources; and~~

~~(d) Any other money provided to the Program for the payment of other health and welfare benefits for current and future state retirees pursuant to NRS 287.046.~~

~~5. The interest and income earned on the money in the Retirees' Fund, after deducting any applicable charges, must be credited to the Retirees' Fund.~~

~~6. Any money remaining in the Retirees' Fund at the end of a fiscal year does not revert to the State General Fund, and the balance in the Retirees' Fund must be carried forward.] (Deleted by amendment.)~~

**Sec. 27.** [NRS 287.04364 is hereby amended to read as follows:

~~287.04364 1. The money in the Retirees' Fund must be expended by the [Board] **Executive Officer** for the purpose of:~~

~~(a) Offsetting a portion of the costs of the health and welfare benefits for current and future state retirees pursuant to NRS 287.046; and~~

~~(b) Paying such other expenses as by law may be paid from the Retirees' Fund.~~

~~2. Money designated for the purposes set forth in subsection 1 must be withdrawn from the Retirees' Fund and deposited in the Program Fund as necessary.~~

~~3. The money in the Retirees' Fund belongs to the officers, employees and retirees of this State in aggregate and is to be held in trust by the [Board.] **Executive Officer**. Neither the State nor the governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State, nor any single officer, employee or retiree of any such entity has any right to the money in the Retirees' Fund.] (Deleted by amendment.)~~

**Sec. 28.** [NRS 287.0439 is hereby amended to read as follows:

~~287.0439 1. A participating public agency shall furnish to the [Board:] **Executive Officer**:~~

~~(a) Written notice regarding a change in the status of an employee of the participating public agency or a dependent of such an employee that affects the eligibility of the employee or dependent to participate in the Program. Such notice must be provided to the Program, on a form prescribed by the Program, within 15 calendar days after the participating public agency is notified or otherwise becomes aware of the change in status.~~

~~(b) Upon request, any other information necessary to carry out the provisions of this chapter.~~

1 ~~2. [Members of the Board] *The Executive Officer* and [its] *the* employees or~~  
2 ~~agents *of the Program* may examine under oath any officer, agent or employee of a~~  
3 ~~participating public agency concerning the information required pursuant to this~~  
4 ~~section.~~

5 ~~2. The books, records and payrolls of a participating public agency must be~~  
6 ~~available for inspection by [members of] the [Board] *Executive Officer* and [its]~~  
7 ~~*the* employees and agents *of the Program* to obtain any information necessary for~~  
8 ~~the administration of the Program, including, without limitation, the accuracy of the~~  
9 ~~payroll and identity of employees.~~

10 ~~4. A participating public agency shall reimburse the Program for any~~  
11 ~~premium or contribution that was not paid to the Program as a result of the failure~~  
12 ~~of the participating public agency to furnish the notice required pursuant to~~  
13 ~~paragraph (a) of subsection 1. The participating public agency shall not require any~~  
14 ~~employee or the employee's dependent to reimburse the participating public agency~~  
15 ~~for the amount of any premium or contribution for which the participating public~~  
16 ~~agency is liable to the Program pursuant to this subsection.] (Deleted by~~  
17 ~~amendment.)~~

18 **Sec. 29.** ~~[NRS 287.044 is hereby amended to read as follows:~~

19 ~~287.044 1. Except as otherwise provided in subsection 2, each participating~~  
20 ~~state agency shall pay to the Program an amount specified by law for every state~~  
21 ~~officer or employee who is employed by a participating public agency on a~~  
22 ~~permanent and full time basis and elects to participate in the Program.~~

23 ~~2. A member of the Senate or Assembly who elects to participate in the~~  
24 ~~Program shall pay the entire premium or contribution for the member's insurance.~~

25 ~~3. State officers and employees who elect to participate in the Program must~~  
26 ~~authorize deductions from their compensation for the payment of premiums or~~  
27 ~~contributions for the Program. Any deduction from the compensation of a state~~  
28 ~~officer or employee for the payment of such a premium or contribution must be~~  
29 ~~based on the actual amount of the premium or contribution after deducting any~~  
30 ~~amount allocated by the [Board] *Executive Officer* pursuant to subsection 6.~~

31 ~~4. If a state officer or employee chooses to cover any dependents, whenever~~  
32 ~~this option is made available by the [Board.] *Executive Officer*, except as otherwise~~  
33 ~~provided in NRS 287.021 and 287.0477, the state officer or employee must pay the~~  
34 ~~difference between the amount of the premium or contribution for the coverage for~~  
35 ~~the state officer or employee and such dependents and any amount allocated by the~~  
36 ~~[Board] *Executive Officer* pursuant to subsection 6.~~

37 ~~5. A participating state agency shall not pay any part of those premiums or~~  
38 ~~contributions if the group life insurance or group accident or health insurance is not~~  
39 ~~approved by the [Board.] *Executive Officer*.~~

40 ~~6. The [Board] *Executive Officer* may allocate the money paid to the~~  
41 ~~Program pursuant to subsection 1 between the cost of premiums and contributions~~  
42 ~~for group insurance for each state officer or employee, except a member of the~~  
43 ~~Senate or Assembly, and the dependents of each state officer or employee.~~

44 ~~7. Any amounts paid to the Program pursuant to subsection 1 must be~~  
45 ~~deposited in the Active Employee Group Insurance Subsidy Account, which is~~  
46 ~~hereby established within the Agency Fund for the Payroll of the State created by~~  
47 ~~NRS 227.130. Money in the Account must be used solely for the purposes of~~  
48 ~~subsections 1 and 6. The interest and income earned on the money in the Account,~~  
49 ~~after deducting any applicable charges, must be credited to the Account.] (Deleted~~  
50 ~~by amendment.)~~

1       **Sec. 30.** ~~[NRS 287.045 is hereby amended to read as follows:~~  
2       ~~287.045 1. Except as otherwise provided in this section, every state officer~~  
3       ~~or employee who is employed in a full time position is eligible to participate in the~~  
4       ~~Program on:~~  
5       ~~(a) The first day of full time employment of the state officer or employee, if~~  
6       ~~that date is the first day of the month; or~~  
7       ~~(b) The first day of the month immediately following the first day of full time~~  
8       ~~employment of the state officer or employee.~~  
9       ~~2. Professional employees of the Nevada System of Higher Education who~~  
10       ~~have annual employment contracts are eligible to participate in the Program on:~~  
11       ~~(a) The effective dates of their respective employment contracts, if those dates~~  
12       ~~are on the first day of a month; or~~  
13       ~~(b) The first day of the month immediately following the effective dates of~~  
14       ~~their respective employment contracts, if those dates are not on the first day of a~~  
15       ~~month.~~  
16       ~~3. Every officer or employee who is employed by a participating local~~  
17       ~~governmental agency on a permanent and full time basis on the date on which the~~  
18       ~~participating local governmental agency enters into an agreement to participate in~~  
19       ~~the Program pursuant to paragraph (a) of subsection 1 of NRS 287.025, and every~~  
20       ~~officer or employee who commences employment with that participating local~~  
21       ~~governmental agency after that date, is eligible to participate in the Program on:~~  
22       ~~(a) The first day of full time employment of the officer or employee, if that~~  
23       ~~date is the first day of the month; or~~  
24       ~~(b) The first day of the month immediately following the first day of full time~~  
25       ~~employment of the officer or employee;~~  
26       ~~→ unless that officer or employee is excluded pursuant to sub-subparagraph (III) of~~  
27       ~~subparagraph (2) of paragraph (h) of subsection 2 of NRS 287.043.~~  
28       ~~4. Every member of the Senate and Assembly is eligible to participate in the~~  
29       ~~Program on:~~  
30       ~~(a) The first day of the initial term of office of the member, if that date is the~~  
31       ~~first day of the month; or~~  
32       ~~(b) The first day of the month immediately following the first day of the initial~~  
33       ~~term of office of the member.~~  
34       ~~5. For each eligible person identified in subsections 1 to 4, inclusive, the~~  
35       ~~Program must receive the notice required pursuant to NRS 287.0439 before the date~~  
36       ~~on which the person is eligible to enroll in the Program. If the Program does not~~  
37       ~~receive the notice required pursuant to NRS 287.0439 before the date on which the~~  
38       ~~person is eligible to enroll in the Program, the person will not be eligible to enroll~~  
39       ~~in the Program until the first day of the month immediately after the Program~~  
40       ~~received the notice required pursuant to NRS 287.0439 for that person.~~  
41       ~~6. Each person identified in subsections 1, 2 and 3 must enroll or decline~~  
42       ~~coverage in the Program before the end of the first month in which he or she is~~  
43       ~~eligible to enroll in the Program. If the person fails to enroll or decline coverage in~~  
44       ~~the Program before the end of the first month in which he or she is eligible to enroll~~  
45       ~~in the Program, he or she will be automatically enrolled on an individual basis,~~  
46       ~~without coverage for dependents, in the base plan offered by the Program. Such a~~  
47       ~~person must be allowed to:~~  
48       ~~(a) Change the plan in which the person is enrolled during the next period of~~  
49       ~~open enrollment; and~~  
50       ~~(b) Add eligible dependents during the next period of open enrollment or after~~  
51       ~~meeting the applicable terms and conditions of the Program.~~  
52       ~~7. [Notwithstanding the provisions of subsections 1, 3 and 4, if the Board~~  
53       ~~does not, pursuant to NRS 689B.580, elect to exclude the Program from~~

1 compliance with NRS 680B.240 to 680B.580, inclusive, and if the coverage under  
2 the Program is provided by a health maintenance organization authorized to  
3 transact insurance in this State pursuant to chapter 695C of NRS, any affiliation  
4 period imposed by the Program may not exceed the statutory limit for an affiliation  
5 period set forth in NRS 680B.500.

6 ~~8.] As used in this section, "base plan" means the plan designated by the~~  
7 ~~[Board] Executive Officer as the default plan for the year as described in the~~  
8 ~~Program documents.] (Deleted by amendment.)~~

9 **Sec. 31.** ~~[NRS 287.046 is hereby amended to read as follows:~~

10 ~~287.046 1. The Office of Finance shall establish an assessment that is to be~~  
11 ~~used to pay for a portion of the cost of premiums or contributions for the Program~~  
12 ~~for persons who were initially hired before January 1, 2012, and have retired with~~  
13 ~~state service.~~

14 ~~2. The money assessed pursuant to subsection 1 must be deposited into the~~  
15 ~~Retirees' Fund and must be based upon a base amount approved by the Legislature~~  
16 ~~each session to pay for a portion of the current and future health and welfare~~  
17 ~~benefits for persons who retired before January 1, 1994, or for persons who retire~~  
18 ~~on or after January 1, 1994, as adjusted by subsection 5.~~

19 ~~3. Except as otherwise provided in subsections 7 and 9, the portion to be paid~~  
20 ~~to the Program from the Retirees' Fund on behalf of such persons must be equal to~~  
21 ~~a portion of the cost for each retiree and the retiree's dependents who are enrolled~~  
22 ~~in the plan, as defined for each year of the plan by the Program.~~

23 ~~4. Except as otherwise provided in subsection 6, the portion of the amount~~  
24 ~~approved by the Legislature as described in subsection 2 to be paid to the Program~~  
25 ~~from the Retirees' Fund for persons who retired before January 1, 1994, with state~~  
26 ~~service is the base funding level defined for each year of the plan by the Program.~~

27 ~~5. Except as otherwise provided in subsection 6, adjustments to the portion of~~  
28 ~~the amount approved by the Legislature as described in subsection 2 to be paid by~~  
29 ~~the Retirees' Fund for persons who retire on or after January 1, 1994, with state~~  
30 ~~service must be as follows:~~

31 ~~(a) For each year of service less than 15 years, excluding service purchased~~  
32 ~~pursuant to NRS 1A.310 or 286.200, the portion paid by the Retirees' Fund must be~~  
33 ~~reduced by an amount equal to 7.5 percent of the base funding level defined by the~~  
34 ~~Legislature. In no event may the adjustment exceed 75 percent of the base funding~~  
35 ~~level defined by the Legislature.~~

36 ~~(b) For each year of service greater than 15 years, excluding service purchased~~  
37 ~~pursuant to NRS 1A.310 or 286.200, the portion paid by the Retirees' Fund must be~~  
38 ~~increased by an amount equal to 7.5 percent of the base funding level defined by~~  
39 ~~the Legislature. In no event may the adjustment exceed 37.5 percent of the base~~  
40 ~~funding level defined by the Legislature.~~

41 ~~6. The portion to be paid to the Program from the Retirees' Fund on behalf of~~  
42 ~~a retired person whose coverage is provided through the TRICARE program, as~~  
43 ~~established pursuant to 32 C.F.R. § 199.17, or provided through the Program by an~~  
44 ~~individual medical plan offered pursuant to the Health Insurance for the Aged Act,~~  
45 ~~42 U.S.C. §§ 1395 et seq., must be:~~

46 ~~(a) For persons who retired before January 1, 1994, the base funding level~~  
47 ~~defined by the Legislature multiplied by 15;~~

48 ~~(b) For persons who retired on or after January 1, 1994, the base funding level~~  
49 ~~defined by the Legislature multiplied by the number of years of service of the~~  
50 ~~person, excluding service purchased pursuant to NRS 1A.310 or 286.200, up to a~~  
51 ~~maximum of 20 years of service;~~

52 ~~7. The [Board] Executive Officer may approve the payment of an additional~~  
53 ~~amount to retired persons described in this subsection that is in excess of the~~

1 amount paid pursuant to paragraph (a) or (b), or both, for those persons from any  
2 money that is available for that purpose.

3 ~~7. Except as otherwise provided in subsection 8, no money may be paid by~~  
4 ~~the Retirees' Fund on behalf of a retired person who is initially hired by the State:~~

5 ~~(a) On or after January 1, 2010, but before January 1, 2012, and who:~~

6 ~~(1) Has not participated in the Program on a continuous basis since~~  
7 ~~retirement from such employment; or~~

8 ~~(2) Does not have at least 15 years of service, which must include state~~  
9 ~~service and may include local governmental service, unless the retired person does~~  
10 ~~not have at least 15 years of service as a result of a disability for which disability~~  
11 ~~benefits are received under the Public Employees' Retirement System or a~~  
12 ~~retirement program for professional employees offered by or through the Nevada~~  
13 ~~System of Higher Education, and has participated in the Program on a continuous~~  
14 ~~basis since retirement from such employment.~~

15 ~~(b) On or after January 1, 2012. The provisions of this paragraph must not be~~  
16 ~~construed to prohibit a retired person who was hired on or after January 1, 2012,~~  
17 ~~from participating in the Program until the retired person is eligible for coverage~~  
18 ~~under an individual medical plan offered pursuant to the Health Insurance for the~~  
19 ~~Aged Act, 42 U.S.C. §§ 1395 et seq. The retired person shall pay the entire~~  
20 ~~premium or contribution for his or her participation in the Program.~~

21 ~~8. The provisions of subsection 7 do not apply to a person who was employed~~  
22 ~~by the State on or before January 1, 2012, who has a break in service and returns to~~  
23 ~~work for the State at the same or another participating state agency after that date,~~  
24 ~~regardless of the length of the break in service, so long as the person did not~~  
25 ~~withdraw from and was eligible to participate in the Public Employees' Retirement~~  
26 ~~System before or during the break in service.~~

27 ~~9. If the amount calculated pursuant to subsection 5 or 6 exceeds the actual~~  
28 ~~premium or contribution for the plan of the Program that the retired participant~~  
29 ~~selects, the balance must be credited to the Program Fund.~~

30 ~~10. For the purposes of this section:~~

31 ~~(a) Credit for service must be calculated in the manner provided by chapter 286~~  
32 ~~of NRS.~~

33 ~~(b) No proration may be made for a partial year of service.~~

34 ~~11. The Office of Finance shall agree through the [Board] *Executive Officer*~~  
35 ~~with the insurer for billing of remaining premiums or contributions for the retired~~  
36 ~~participant and the retired participant's dependents to the retired participant and to~~  
37 ~~the retired participant's dependents who elect to continue coverage under the~~  
38 ~~Program after the retired participant's death.] (Deleted by amendment.)~~

39 **Sec. 32.** ~~[NRS 287.0465 is hereby amended to read as follows:~~

40 ~~287.0465 1. If a member incurs an illness or injury for which medical~~  
41 ~~services are payable under the plan for self insurance established by the [Board]~~  
42 ~~*Executive Officer* and the illness or injury is incurred under circumstances creating~~  
43 ~~a legal liability in some person, other than the member, to pay all or part of the cost~~  
44 ~~of those services, the [Board] *Program* is subrogated to the right of the member to~~  
45 ~~the extent of all such costs, and may join or intervene in any action by the member~~  
46 ~~or any successor in interest, to enforce that legal liability.~~

47 ~~2. If a member or any successor in interest fails or refuses to commence an~~  
48 ~~action to enforce that legal liability, the [Board] *Executive Officer* may commence~~  
49 ~~an independent action, after notice to the member or any successor in interest, to~~  
50 ~~recover all costs to which it is entitled. In any such action by the [Board.] *Executive*~~  
51 ~~*Officer*, the member may be joined as a third party defendant.~~

52 ~~3. If the [Board] *Program* is subrogated to the rights of the member or any~~  
53 ~~successor in interest as provided in subsection 1, the [Board] *Program* has a lien~~



upon the total proceeds of any recovery from the persons liable, whether the proceeds of the recovery are by way of a judgment or settlement or otherwise. Within 15 days after recovery by receipt of the proceeds of the judgment, settlement or other recovery, the member or any successors in interest shall notify the [Board] ~~Executive Officer~~ of the recovery and pay the [Board] ~~Program~~ the amount due to [it] ~~the Program~~ pursuant to this section. The member or any successors in interest are not entitled to double recovery for the same injury.

4. The member or any successors in interest shall notify the [Board] ~~Executive Officer~~ in writing before entering any settlement or agreement or commencing any action to enforce the legal liability referred to in subsection 1.

5. As used in this section, "member" means:

(a) An active or retired officer or employee of the State or a dependent of such an officer or employee who is covered under the Program; and

(b) An active or retired officer or employee of a local governmental agency or a dependent of such an officer or employee who is covered under the Program.]

(Deleted by amendment.)

Sec. 33. [NRS 287.0477 is hereby amended to read as follows:

~~287.0477 1. Except as otherwise provided in subsection 4, the surviving spouse and any surviving child of a police officer or firefighter who was employed by a participating public agency and who was killed in the line of duty may join or continue coverage under the Program or another insurer or employee benefit plan approved by the [Board] Executive Officer pursuant to NRS 287.0479 if the police officer or firefighter was a participant or would have been eligible to participate on the date of the death of the police officer or firefighter. If the surviving spouse or child elects to join or discontinue coverage under the Program pursuant to this subsection, the spouse, child or legal guardian of the child must notify in writing the participating public agency that employed the police officer or firefighter within 60 days after the date of death of the police officer or firefighter.~~

~~2. Except as otherwise provided in subsection 4, the surviving spouse and any surviving child of a volunteer firefighter who was killed in the line of duty and who was officially a member of a volunteer fire department in this State is eligible to join the Program. If such a spouse or child elects to join the Program, the spouse, child or legal guardian of the child must notify in writing the [Board] Executive Officer within 60 days after the date of death of the volunteer firefighter.~~

~~3. The participating public agency that employed the police officer or firefighter shall pay the entire cost of the premiums or contributions for the Program or another insurer or employee benefit plan approved by the [Board] Executive Officer pursuant to NRS 287.0479 for the surviving spouse or child who meets the requirements set forth in subsection 1. The State of Nevada shall pay the entire cost of the premiums or contributions for the Program for the surviving spouse or child who elects to join the Program pursuant to subsection 2.~~

~~4. A surviving spouse is eligible to receive coverage pursuant to this section for the duration of the life of the surviving spouse. A surviving child is eligible to receive coverage pursuant to this section until the child reaches the age at which the child would not otherwise be eligible to receive coverage under the Program.~~

~~5. As used in this section "police officer" has the meaning ascribed to it in NRS 617.125.]~~ (Deleted by amendment.)

Sec. 34. [NRS 287.0479 is hereby amended to read as follows:

~~287.0479 1. If approved by the [Board] Executive Officer pursuant to this section, a group of not less than 200 active state officers or employees and retired state officers or employees that participate in the Program may leave the Program and secure life, accident or health insurance, or any combination thereof, for the group from an:~~



1 ~~— (a) Insurer that is authorized by the Commissioner of Insurance to provide such~~  
2 ~~insurance; or~~

3 ~~— (b) Employee benefit plan, as defined in 29 U.S.C. § 1002(2), that has been~~  
4 ~~approved by the [Board.] Executive Officer. The [Board.] Executive Officer may~~  
5 ~~approve an employee benefit plan unless the [Board.] Executive Officer finds that~~  
6 ~~the plan is not operated pursuant to such sound accounting and financial~~  
7 ~~management practices as to ensure that the group will continue to receive adequate~~  
8 ~~benefits.~~

9 ~~2. Before entering into a contract with the insurer or approved employee~~  
10 ~~benefit plan, the group shall submit the proposed contract to the [Board.] Executive~~  
11 ~~Officer for approval. The [Board.] Executive Officer may approve the contract~~  
12 ~~unless the departure of the group from the Program would cause an increase of~~  
13 ~~more than 5 percent in the costs of premiums or contributions for the remaining~~  
14 ~~participants in the Program. In determining whether to approve a proposed contract,~~  
15 ~~the [Board.] Executive Officer shall follow the criteria set forth in the regulations~~  
16 ~~adopted by the [Board.] Executive Officer pursuant to subsection 5 and may~~  
17 ~~consider the cumulative impact of groups that have left or are proposing to leave~~  
18 ~~the Program. Except as otherwise provided in this section, the [Board.] Executive~~  
19 ~~Officer has discretion in determining whether to approve a contract. If the [Board.]~~  
20 ~~Executive Officer approves a proposed contract pursuant to this subsection, the~~  
21 ~~group that submitted the proposed contract is not authorized to leave the Program~~  
22 ~~until 120 days after the date on which the [Board.] Executive Officer approves the~~  
23 ~~proposed contract.~~

24 ~~3. The [Board.] Executive Officer shall not approve a proposed contract~~  
25 ~~between an insurer or approved employee benefit plan and a group pursuant to~~  
26 ~~subsection 2 unless:~~

27 ~~— (a) The group is organized for reasons other than acquiring insurance;~~

28 ~~— (b) The members of the group share job definitions, classifications or~~  
29 ~~employers, or are otherwise members of a job related group formed for reasons~~  
30 ~~other than acquiring insurance;~~

31 ~~— (c) The group has legal authority to enter into contracts and bind its members,~~  
32 ~~meets the requirements of state and federal law concerning nondiscrimination, and~~  
33 ~~has the ability to purchase insurance; and~~

34 ~~— (d) The group includes all active state officers and employees who satisfy the~~  
35 ~~requirements of paragraph (b) for inclusion in the group and all retired state officers~~  
36 ~~and employees who satisfied those requirements at the time of their retirement.~~

37 ~~4. The [Board.] Executive Officer shall disburse periodically to the insurer or~~  
38 ~~employee benefit plan with which a group contracts pursuant to this section the~~  
39 ~~total amount set forth in the contract for premiums or contributions for the members~~  
40 ~~of the group for that period but not to exceed the amount appropriated to or~~  
41 ~~authorized for the participating state agency that employs the members of the group~~  
42 ~~for premiums or contributions for the members of the group for that period, after~~  
43 ~~deducting any administrative costs related to the group.~~

44 ~~5. The [Board.] Executive Officer shall adopt regulations establishing the~~  
45 ~~criteria pursuant to which the [Board.] Executive Officer will approve proposed~~  
46 ~~contracts pursuant to subsection 2.] (Deleted by amendment.)~~

47 **Sec. 35. [NRS 287.048 is hereby amended to read as follows:**

48 ~~287.048 NRS 287.0402 to 287.047, inclusive, and section 9 of this act do not~~  
49 ~~require any officer or employee of the State of Nevada to accept or join the~~  
50 ~~Program, or to assign the officer's or employee's wages or salary in payment of~~  
51 ~~premiums or contributions for the Program.] (Deleted by amendment.)~~

1        **Sec. 36.** ~~NRS 287.0485 is hereby amended to read as follows:~~  
2        ~~287.0485 No officer, employee or retiree of this State has any inherent right~~  
3        ~~to benefits provided pursuant to NRS 287.0402 to 287.049, inclusive [.] , and~~  
4        ~~section 9 of this act.] (Deleted by amendment.)~~

5        **Sec. 37.** ~~NRS 287.245 is hereby amended to read as follows:~~  
6        ~~287.245 1. The State may agree with any of its employees, and the Board of~~  
7        ~~Regents of the University of Nevada may agree with any of its employees, to~~  
8        ~~reduce the amount of taxable compensation due to an employee in accordance with~~  
9        ~~a program established pursuant to 26 U.S.C. § 125 by the [Board.] **Executive**~~  
10       ~~**Officer** of the Public Employees' Benefits Program.~~

11       ~~2. Political subdivisions of this State may agree with any of their employees~~  
12       ~~to reduce the amount of taxable compensation due to an employee in accordance~~  
13       ~~with a program established pursuant to 26 U.S.C. § 125.~~

14       ~~3. The employer shall deduct an amount from the taxable compensation of an~~  
15       ~~employee pursuant to the agreement between the employer and the employee.~~

16       ~~4. An employer shall not make any reduction in the taxable compensation of~~  
17       ~~an employee pursuant to this section until the program established meets the~~  
18       ~~requirements of 26 U.S.C. § 125 for eligibility.~~

19       ~~5. The [Board.] **Executive Officer** of the Public Employees' Benefits Program~~  
20       ~~may establish and administer a program pursuant to 26 U.S.C. § 125. The [Board]~~  
21       ~~**Executive Officer** may:~~

22       ~~(a) Create an appropriate fund for administration of money and other assets~~  
23       ~~resulting from the money deducted pursuant to the program.~~

24       ~~(b) Delegate to one or more state agencies or institutions of the Nevada System~~  
25       ~~of Higher Education the responsibility for administering the program for their~~  
26       ~~respective employees, including, without limitation:~~

27       ~~(1) Collection of money deducted;~~

28       ~~(2) Transmittal of money collected to depositories within the State~~  
29       ~~designated by the [Board.] **Executive Officer**; and~~

30       ~~(3) Payment for eligible uses.~~

31       ~~(c) Contract with a natural person, corporation, institution or other entity,~~  
32       ~~directly or through a state agency or institution of the Nevada System of Higher~~  
33       ~~Education, for services necessary to the administration of the plan, including,~~  
34       ~~without limitation:~~

35       ~~(1) Consolidated billing;~~

36       ~~(2) The keeping of records for each participating employee and the~~  
37       ~~program;~~

38       ~~(3) The control and safeguarding of assets;~~

39       ~~(4) Programs for communication with employees; and~~

40       ~~(5) The administration and coordination of the program.~~

41       ~~6. Each employee who participates in a program established by the [Board]~~  
42       ~~**Executive Officer** of the Public Employees' Benefits Program pursuant to this~~  
43       ~~section shall pay a proportionate share of the cost to administer the program as~~  
44       ~~determined by the [Board.] **Executive Officer**.~~

45       ~~7. The provisions of this section do not supersede, make inoperative or reduce~~  
46       ~~the benefits provided by the Public Employees' Retirement System or by any other~~  
47       ~~retirement, pension or benefit program established by law.] (Deleted by~~  
48       ~~amendment.)~~

49       **Sec. 38.** NRS 287.250 is hereby amended to read as follows:

50       287.250 As used in NRS 287.250 to 287.370, and sections 10, ~~and~~ 11 and  
51       11.5 of this act, inclusive, unless the context otherwise requires, the words and  
52       terms defined in NRS 287.260 to 287.310, and section 10 of this act, inclusive,  
53       have the meanings ascribed to them in those sections.

Sec. 39. NRS 287.260 is hereby amended to read as follows:

287.260 “~~“Advisory”~~ Committee” means the ~~“Advisory”~~ Committee ~~“established to administer”~~ to Administer the Public Employees’ Deferred Compensation Program.

Sec. 40. ~~NRS 287.300 is hereby amended to read as follows:~~

~~287.300 “Investment” means a savings account, certificate of deposit, fixed or variable annuity contract, life insurance contract, mutual fund or other investment which the [Committee] Executive Officer has approved for the Program.] (Deleted by amendment.)~~

Sec. 41. NRS 287.310 is hereby amended to read as follows:

287.310 “Program” means the Public Employees’ Deferred Compensation Program authorized by NRS 287.250 to 287.370, inclusive ~~“H”~~, and sections 10, 11 and 11.5 of this act.

Sec. 42. NRS 287.320 is hereby amended to read as follows:

287.320 1. The State may agree with any of its employees, and the Board of Regents of the University of Nevada may agree with any of its employees, to defer the compensation due to them in accordance with a program approved by the Committee [Executive Officer] which may consist of one or more plans authorized by 26 U.S.C. § 401(a), 401(k), 403(b), 457 or 3121, including, without limitation, a FICA alternative plan, or any other plan authorized by any federal law to reduce taxable compensation or other forms of compensation. The Board of Regents may agree with any of its employees to defer the compensation due to them as authorized by 26 U.S.C. § 403(b) without submitting the program to the Committee for its approval. An employee may defer compensation under one or more plans in the Program.

2. The employer shall withhold the amount of compensation which an employee has, by such an agreement, directed the employer to defer.

3. The employer may invest the withheld money in any investment approved by the Committee [Executive Officer] or, in the case of deferred compensation under 26 U.S.C. § 403(b) for employees of the Nevada System of Higher Education by the Board of Regents of the University of Nevada.

4. The investments must be underwritten and offered in compliance with all applicable federal and state laws and regulations, and may be offered only by persons who are authorized and licensed under all applicable state and federal regulations.

5. All amounts of compensation deferred pursuant to the Program, all property and all rights purchased with those amounts and all income attributable to those amounts, property or rights must, in accordance with 26 U.S.C. § 401(a), ~~401(k),~~ 401(k), 403(b), 457(g) or 3121, including, without limitation, a FICA alternative plan, or any other federal law authorizing a plan to reduce taxable compensation or other forms of compensation, as applicable, be held in trust for the exclusive benefit of the participants in the Program and their beneficiaries.

Sec. 43. NRS 287.325 is hereby amended to read as follows:

287.325 1. The Governor shall appoint ~~to the [Advisory] Committee to administer off~~ Administer the Public Employees’ Deferred Compensation Program. The ~~“Advisory”~~ Committee must consist of:

(a) ~~Three~~ Two members who are employed by state agencies whose payrolls are administered by the Division of Human Resource Management of the Department of Administration;

(b) One member who is employed by:

(1) A state agency whose payroll is administered by the Division of Human Resource Management of the Department of Administration; or

(2) A political subdivision that participates in the Program;

1 (c) One member who is employed by a state agency whose payroll is  
2 administered by an entity other than the Division of Human Resource Management  
3 of the Department of Administration; and

4 ~~(e)~~ (d) One member who has retired from employment by the State of  
5 Nevada or the Nevada System of Higher Education.

6 ➔ Each member of the ~~Advisory~~ Committee must be a participant in the Program,  
7 have participated in the Program for not less than 2 years and have been nominated  
8 for membership by five or more persons who have each participated in the Program  
9 for not less than 6 months.

10 2. After their initial terms, members of the ~~Advisory~~ Committee serve terms  
11 of 4 years or until their successors have been appointed and have qualified.

12 3. A vacancy on the ~~Advisory~~ Committee occurs when a member dies,  
13 resigns or becomes ineligible for membership on the ~~Advisory~~ Committee. A  
14 person becomes ineligible for membership on the ~~Advisory~~ Committee when:

15 (a) The person ceases to be a participant in the Program; or

16 (b) Except as otherwise provided in this paragraph, the person ceases to have  
17 the qualifications for membership required by the paragraph of subsection 1 under  
18 which the person was appointed. A member of the ~~Advisory~~ Committee who  
19 ceases to have those qualifications may serve the remainder of the member's term if  
20 that period does not exceed 24 months.

21 4. ~~At its first meeting each year, the Advisory Committee shall designate~~  
22 ~~one of its members to serve as Chair of the Advisory Committee for a term of 1~~  
23 ~~year or until the Chair's successor has been designated.~~

24 ~~5.f~~ The member appointed pursuant to paragraph ~~(e)~~ (d) of subsection 1  
25 must be compensated \$80 per day from money appropriated from the Program  
26 pursuant to NRS 287.365 for attending a meeting of the ~~Advisory~~ Committee and  
27 for acting at the direction of or on behalf of the ~~Advisory~~ Committee.

28 5. ~~6.f~~ For the purposes of this section, "participant in the Program" means a  
29 person who is:

30 (a) Deferring compensation pursuant to the Program;

31 (b) Maintaining deferred compensation in the Program; or

32 (c) Receiving payments of deferred compensation pursuant to the Program.

33 **Sec. 44.** NRS 287.330 is hereby amended to read as follows:

34 287.330 1. The ~~Advisory~~ Committee shall :

35 (a) At its first meeting each year, designate one of its members to serve as  
36 Chair of the Committee for a term of 1 year or until the Chair's successor has been  
37 designated.

38 (b) Act ~~advise the Executive Officer concerning the administration of the~~  
39 ~~Program~~ in such a manner as to promote the collective best interests of the  
40 participants in the Program.

41 2. The Committee ~~Executive Officer~~ may:

42 (a) Create an appropriate account for administration of money and other assets  
43 resulting from compensation deferred pursuant to the Program.

44 (b) With the approval of the Governor, delegate to one or more state agencies  
45 or institutions of the Nevada System of Higher Education the responsibility for  
46 administering the Program for their respective employees, including:

47 (1) Collection of deferred compensation;

48 (2) Transmittal of money collected to depositories within the State  
49 designated by the Committee; ~~Executive Officer~~ and

50 (3) Payment of deferred compensation to participating employees.

51 (c) Contract with a private person, corporation, institution or other entity,  
52 directly or through a state agency or institution of the Nevada System of Higher

Education, for services necessary to the administration of the plan, including, without limitation:

- (1) Consolidated billing;
- (2) The keeping of records for each participating employee and the Program;
- (3) The purchase, control and safeguarding of assets;
- (4) Programs for communication with employees; and
- (5) The administration and coordination of the Program.

3. The ~~Executive Officer, the employees of the Program and the Advisory Committee~~ and its individual members are not liable for any decision relating to investments if the ~~Executive Officer, employees or Advisory Committee~~ ~~is, as applicable,~~ has:

- (a) Obtained the advice of qualified counsel on investments.
- (b) Established proper objectives and policies relating to investments.
- (c) Discharged its duties regarding the decision:
  - (1) Solely in the interest of the participants in the Program; and
  - (2) With the care, skill, prudence and diligence that, under the circumstances existing at the time of the decision, a prudent person who is familiar with similar investments would use while acting in a similar capacity in conducting an enterprise of similar character and purpose.

(d) ~~Selected at least one plan for the use of the participants in the Program, except that if the Committee Executive Officer has selected two or more plans from which the participants in the Program may choose, the Committee Executive Officer has selected the plans from separate and distinct providers.~~

~~(e)~~ Solicited proposals from qualified providers, record keepers or third-party administrators of plans at least once every 5 years.

(e) Monitored the plan and investments to ensure that fees and expenses are reasonable.

4. The Committee may delegate administrative duties for the Program to the Executive Director. The Executive Director and the staff of the Program shall act to discharge their duties in the collective best interest of the participants of the Program and with the care, skill, prudence and diligence that, under the circumstances existing at the time of the actions, a prudent person who is familiar with similar programs would use while acting in a similar capacity in conducting an enterprise of similar character and purpose.

**Sec. 45.** ~~NRS 287.365 is hereby amended to read as follows:~~

~~287.365 1. No money may be withdrawn or appropriated from the Program, except:~~

~~(a) For payment to a participant or beneficiary of a participant pursuant to the terms of the Program;~~

~~(b) In the amount required to pay the necessary expenses of administering the Program;~~

~~(c) As specifically authorized by federal law or regulation or by a special act of the Legislature; or~~

~~(d) To compensate the member of the Advisory Committee appointed pursuant to paragraph (e) of subsection 1 of NRS 287.325.~~

~~2. All money withdrawn from the Program pursuant to paragraphs (b) and (d) of subsection 1 must be deposited in the State General Fund for credit to the deferred compensation account created pursuant to subsection 2 of NRS 287.330.~~  
(Deleted by amendment.)

**Sec. 46.** NRS 287.370 is hereby amended to read as follows:

287.370 No appropriated money of the State may be spent in connection with the administration of the Program except as compensation for employees who

1 participated in the administration as part of their regular duties, including without  
2 limitation:

3 1. Members ~~and staff~~ of the ~~Advisory~~ Committee; ~~and employees of the~~  
4 ~~Program; and~~

5 2. The Executive Director and employees of the Program; and

6 3. Employees of the state agency or the institution of the Nevada System of  
7 Higher Education selected to administer the Program.

8 **Sec. 47.** NRS 333.335 is hereby amended to read as follows:

9 333.335 1. Each proposal must be evaluated by:

10 (a) The chief of the using agency, or a committee appointed by the chief of the  
11 using agency in accordance with the regulations adopted pursuant to NRS 333.135,  
12 if the proposal is for a using agency; or

13 (b) The Administrator of the Purchasing Division, or a committee appointed by  
14 the Administrator in accordance with the regulations adopted pursuant to NRS  
15 333.135, if the Administrator is responsible for administering the proposal.

16 2. A committee appointed pursuant to subsection 1 must consist of not less  
17 than two members. A majority of the members of the committee must be state  
18 officers or employees. The committee may include persons who are not state  
19 officers or employees and possess expert knowledge or special expertise that the  
20 chief of the using agency or the Administrator of the Purchasing Division  
21 determines is necessary to evaluate a proposal. The members of the committee are  
22 not entitled to compensation for their service on the committee, except that  
23 members of the committee who are state officers or employees are entitled to  
24 receive their salaries as state officers and employees. No member of the committee  
25 may have a financial interest in a proposal. ~~If the contract is being awarded for the~~  
26 ~~Public Employees' Benefits Program, the Executive Officer of the Program may~~  
27 ~~observe the activities of the committee, but may not vote or otherwise participate in~~  
28 ~~the evaluation.~~

29 3. In making an award, the chief of the using agency, the Administrator of the  
30 Purchasing Division or each member of the committee, if a committee is  
31 established, shall consider and assign a score for each of the following factors for  
32 determining whether the proposal is in the best interests of the State of Nevada:

33 (a) The experience and financial stability of the person submitting the  
34 proposal;

35 (b) Whether the proposal complies with the requirements of the request for  
36 proposals as prescribed in NRS 333.311;

37 (c) The price of the proposal; and

38 (d) Any other factor disclosed in the request for proposals.

39 4. The chief of the using agency, the Administrator of the Purchasing  
40 Division or the committee, if a committee is established, shall determine the  
41 relative weight of each factor set forth in subsection 3 before a request for proposals  
42 is advertised. The weight of each factor must not be disclosed before the date  
43 proposals are required to be submitted.

44 5. ~~Except as otherwise provided in this subsection, the~~ **The** chief of the  
45 using agency, the Administrator of the Purchasing Division or the committee, if a  
46 committee is established, shall award the contract based on the best interests of the  
47 State, as determined by the total scores assigned pursuant to subsection 3, and is not  
48 required to accept the lowest-priced proposal. ~~If the contract is being awarded for~~  
49 ~~the Public Employees' Benefits Program, the Administrator of the Purchasing~~  
50 ~~Division or the committee, if a committee is established, shall submit~~  
51 ~~recommendations for awarding the contract to the Board for the Public Employees'~~  
52 ~~Benefits Program, which shall award the contract in accordance with NRS~~  
53 ~~287.04345.~~

6. Except as otherwise provided in NRS 239.0115, each proposal evaluated pursuant to the provisions of this section is confidential and may not be disclosed until the contract is awarded.

**Sec. 48.** ~~[NRS 354.671 is hereby amended to read as follows:~~

~~354.671 1. Upon receipt of notification by the [Board] Executive Officer of the Public Employees' Benefits Program pursuant to NRS 287.0434 that a local government is delinquent by more than 90 days on an amount due to the Public Employees' Benefits Program pursuant to paragraph (b) of subsection 4 of NRS 287.022, the Executive Director shall notify the governing body that the presence of a representative of the governing body is required at the next practicable scheduled meeting of the Committee to explain the reason that the payment has not been made. The notice must be transmitted to the governing body at least 5 days before the date on which the meeting will be held.~~

~~2. If an explanation satisfactory to the Committee is not provided at the meeting as requested in the notice and an arrangement is not made for the submission of the payment, the Committee may instruct the Executive Director to request that the State Treasurer withhold from the local government an amount equal to the amount of the delinquent payment from the next distribution from the Local Government Tax Distribution Account, if the local government is otherwise entitled to receive such a distribution, the local school support tax if the local government is a school district or any other property taxes, taxes on the net proceeds of minerals or grants to which the local government may otherwise be entitled as a distribution from the State. Upon receipt of such a request, the State Treasurer shall withhold that amount from the payment or any future payment as necessary until the State Treasurer is notified by the Executive Director that the delinquent payment has been received by the Department, except that the State Treasurer shall not withhold any payment necessary for the local government to make a timely payment that is due and owing to a holder. The Department shall transmit the delinquent payment to the Public Employees' Benefits Program upon receipt.] (Deleted by amendment.)~~

**Sec. 49.** ~~[NRS 355.220 is hereby amended to read as follows:~~

~~355.220 1. The Retirement Benefits Investment Board is hereby created. The membership of the Board consists of the members of the Public Employees' Retirement Board, who shall serve in that capacity ex officio and without any additional compensation.~~

~~2. The Board shall establish and administer a fund to be known as the Retirement Benefits Investment Fund for the investment of money deposited with the Board pursuant to subsection 6 or NRS 287.017. Any money received by the Board pursuant to subsection 6 or NRS 287.017 shall be deemed to be held for investment purposes only and not in any fiduciary capacity. Any money in the Fund must be invested in the same manner as money in the Public Employees' Retirement Fund is invested. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund.~~

~~3. Money in the Fund may be transferred to the State Retirees' Health and Welfare Benefits Fund created by NRS 287.0436 to be used for the purposes specified in NRS 287.0436.~~

~~4. The Board may assess reasonable charges against the Fund for the payment of its expenses in administering the Fund. Except as otherwise provided in subsection 3, no other money may be withdrawn from the Fund except as directed by the [board] person or entity responsible for that money pursuant to subsection 6 or NRS 287.017, as applicable.~~

~~5. Except as otherwise provided in this section, the Board has the same powers and duties in carrying out the provisions of this section as those pertaining~~



1 ~~to the administration of the Public Employees' Retirement Fund by the Public~~  
2 ~~Employees' Retirement Board. The Retirement Benefits Investment Board may~~  
3 ~~employ such staff and contract for the provision of such management, investment~~  
4 ~~and other services, including, without limitation, the services of accountants,~~  
5 ~~actuaries, attorneys and investment managers, as are necessary for the~~  
6 ~~administration of the Fund and to carry out the provisions of this section.~~

7 ~~6. Notwithstanding any other provision of law, the [Board] **Executive Officer**~~  
8 ~~of the Public Employees' Benefits Program may deposit any of the assets of the~~  
9 ~~Public Employees' Benefits Program in the Fund for purposes of investment if [it]~~  
10 ~~the **Executive Officer** obtains an opinion from [its] the legal counsel of the~~  
11 ~~**Program** that the investment of those assets in accordance with this section will not~~  
12 ~~violate any of the provisions of Sections 9 and 10 of Article 8 of the Nevada~~  
13 ~~Constitution.~~

14 ~~7. As used in this section, unless the context otherwise requires:~~

15 ~~(a) "Board" means the Retirement Benefits Investment Board created pursuant~~  
16 ~~to this section.~~

17 ~~(b) "Fund" means the Retirement Benefits Investment Fund created pursuant to~~  
18 ~~this section.] (Deleted by amendment.)~~

19 **Sec. 50.** ~~NRS 689B.065 is hereby amended to read as follows:~~

20 ~~689B.065 1. A policy of group health insurance issued to replace any~~  
21 ~~discontinued policy or coverage for group health insurance must:~~

22 ~~(a) Provide coverage for all persons who were covered under the previous~~  
23 ~~policy or coverage on the date it was discontinued; and~~

24 ~~(b) Except as otherwise provided in subsection 2, provide benefits which are at~~  
25 ~~least as extensive as the benefits provided by the previous policy or coverage,~~  
26 ~~except that benefits may be reduced or excluded to the extent that such a reduction~~  
27 ~~or exclusion was permissible under the terms of the previous policy or coverage,~~  
28 ~~→ if that replacement policy is issued within 60 days after the date on which the~~  
29 ~~previous policy or coverage was discontinued.~~

30 ~~2. If an employer obtains a replacement policy pursuant to subsection 1 to~~  
31 ~~cover the employees of the employer, any benefits provided by the previous policy~~  
32 ~~or coverage may be reduced if notice of the reduction is given to the employees of~~  
33 ~~the employer pursuant to NRS 608.1577.~~

34 ~~3. Any insurer which issues a replacement policy pursuant to subsection 1~~  
35 ~~may submit a written request to the insurer who provided the previous policy or~~  
36 ~~coverage for a statement of benefits which were provided under that policy or~~  
37 ~~coverage. Upon receiving such a request, the insurer who provided the previous~~  
38 ~~policy or coverage shall give a written statement to the insurer providing the~~  
39 ~~replacement policy which indicates what benefits were provided and what~~  
40 ~~exclusions or reductions were in effect under the previous policy or coverage.~~

41 ~~4. The provisions of this section:~~

42 ~~(a) Apply to a self insured employer who provides health benefits to the~~  
43 ~~employees of the employer and replaces those benefits with a policy of group~~  
44 ~~health insurance.~~

45 ~~(b) Do not apply to the Public Employees' Benefits Program established~~  
46 ~~pursuant to NRS 287.0402 to 287.049, inclusive [-], and section 9 of this act.]~~  
47 ~~(Deleted by amendment.)~~

48 **Sec. 51.** 1. Notwithstanding the amendatory provisions of this act, a  
49 member of the Committee to administer the Public Employees' Deferred  
50 Compensation Program appointed pursuant to NRS 287.325 who is serving a term  
51 on June 30, 2017, is entitled to serve out the remainder of the term to which he or  
52 she is appointed. ~~as a member of the Advisory Committee of the Public~~



~~Employees' Deferred Compensation Program appointed pursuant to NRS 287.225, as amended by section 43 of this act.~~

2. Notwithstanding the amendatory provisions of this act, a member of the Board of the Public Employees' Benefits Program appointed pursuant to NRS 287.041 who is serving a term on June 30, 2017, is entitled to serve out the remainder of the term to which he or she was appointed if he or she would qualify for appointment under any of the membership categories in NRS 287.041, as amended by section 15 of this act.

3. The terms of the members of the Board of the Public Employees' Benefits Program created by NRS 287.041 who are incumbent on June 30, 2017, and who would not qualify for appointment under any of the categories in subsection 1 of NRS 287.041, as amended by section 15 of this act, expire on ~~that date.~~

~~June 30, 2017.~~

4. On or before July 1, 2017, the Governor shall appoint ~~the six~~ members ~~to the~~ Advisory Board of the Public Employees' Benefits Program created by NRS 287.041, ~~as amended by section 15 of this act, to terms commencing on July 1, 2017, as follows:~~

~~(a) Two members to terms that expire on July 1, 2019;~~

~~(b) Two members to terms that expire on July 1, 2020; and~~

~~(c) Two members to terms that expire on July 1, 2021.]~~ to fill any vacancies that occur pursuant to the amendatory provisions of this section and section 15 of this act.

Sec. 52. ~~1. Any administrative regulations adopted by an officer or entity whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act remain in force until amended by the officer or entity to which the responsibility for the adoption of the regulations has been transferred.~~

2. ~~Any contracts or other agreements entered into by an officer or entity whose name has been changed pursuant to the provisions of this act are binding upon the officer or entity to which the responsibility for the administration of the provision of the contract or other agreement has been transferred. Such contracts and other agreements may be enforced by the officer or entity to which the responsibility for the enforcement of the provisions of the contract or other agreements has been transferred.~~

3. ~~Any action taken by an officer or entity whose name has been changed pursuant to the provisions of this act remains in effect as if taken by the officer or entity to which the responsibility for the enforcement of such actions has been transferred.]~~ (Deleted by amendment.)

Sec. 53. ~~[The Legislative Counsel shall:~~

1. ~~In preparing the Nevada Revised Statutes, use the authority set forth in subsection 10 of NRS 220.120 to substitute appropriately the name of any agency, officer or instrumentality of the State whose name is changed by this act or for the name which the agency, officer or instrumentality previously used; and~~

2. ~~In preparing supplements to the Nevada Administrative Code, substitute appropriately the name of any agency, officer or instrumentality of the State whose name is changed by this act for the name which the agency, officer or instrumentality previously used.]~~ (Deleted by amendment.)

Sec. 54. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

Sec. 55. NRS 287.0428 ~~and 287.04345 are~~ is hereby repealed.

Sec. 56. This act becomes effective upon passage and approval for the purpose of appointing, pursuant to section 51 of this act, members to the ~~Advisory~~

- 1 Board of the Public Employees' Benefits Program created by NRS 287.041, as  
2 amended by section 15 of this act, and on July 1, 2017, for all other purposes.

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**TEXT OF REPEALED ~~SECTIONS~~ SECTION**

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**287.0428 Continuing education.**

1. Each member of the Board and the Executive Officer shall complete at least 16 hours of continuing education relating to the administration of group benefits for public employees each year.

2. While attending courses of continuing education, a member of the Board who is not a public employee and the Executive Officer must be granted administrative leave with pay and are entitled to receive the travel expenses provided for state officers and employees generally.

3. While attending courses of continuing education, a member of the Board who is not a public employee is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

~~287.04345 Procedure for awarding contracts to vendors.~~

~~1. The Board shall review any recommendation for awarding a contract submitted to the Board pursuant to NRS 333.335. The Board may:~~

~~(a) Approve the recommendation of the Administrator of the Purchasing Division of the Department of Administration or of a committee appointed to evaluate a proposal and award the contract as recommended; or~~

~~(b) Schedule a separate public meeting to award the contract.~~

~~2. If the Board conducts a separate meeting pursuant to paragraph (b) of subsection 1, it shall:~~

~~(a) Disclose the review by the Board of the vendors whose proposals scored the highest;~~

~~(b) Identify the criteria it will use to evaluate the high scoring proposals;~~

~~(c) Consider the ranking given to a proposal by a committee appointed to evaluate the proposal, if any;~~

~~(d) With regard to a request for proposals, evaluate the responses of vendors interviewed by the Board; and~~

~~(e) Award the contract based on the best interests of the State.~~

~~3. The Board is not bound by the recommendation of the Administrator of the Purchasing Division or the committee appointed to evaluate the proposal.~~