

SENATE BILL NO. 551—COMMITTEE ON FINANCE

JUNE 1, 2017

Referred to Committee on Finance

SUMMARY—Establishes for the 2017-2019 biennium the subsidies to be paid to the Public Employees' Benefits Program for insurance for certain active and retired public officers and employees. (BDR S-1242)

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

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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 programs for public personnel; establishing for the 2017-2019 biennium the subsidies to be paid to the Public Employees' Benefits Program for insurance for certain active and retired public officers and employees; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, the State and local governments are required to pay a
2 portion of the cost of coverage under the Public Employees' Benefits Program for
3 certain active and retired public officer and employees. (NRS 287.023, 287.044,
4 287.0445, 287.046) **Section 1** of this bill establishes the amount of the State's share
5 of the costs of premiums or contributions for group insurance for active state
6 officers and employees who participate in the Public Employees' Benefits Program.
7 **Section 2** of this bill establishes the base amount for the share of the costs of
8 premiums or contributions for group insurance under the Program that is required
9 to be paid by the State and local governments for retired public officers and
10 employees. **Section 2** also establishes the share of the cost of qualified medical
11 expenses for individual Medicare insurance plans through the Program that is
12 required to be paid by the State and local governments for retired public officers
13 and employees.



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

Section 1. 1. For the purposes of NRS 287.044 and 287.0445, the State's share of the cost of premiums or contributions for group insurance for each active state officer or employee who elects to participate in the Public Employees' Benefits Program is:

(a) For the Fiscal Year 2017-2018, \$743.00 per month.

(b) For the Fiscal Year 2018-2019, \$740.92 per month.

2. If the amount of the State's share pursuant to this section exceeds the actual premium or contribution for the plan of the Public Employees' Benefits Program that the state officer or employee selects less any amount paid by the state officer or employee toward the premium or contribution, the balance must be credited to the Fund for the Public Employees' Benefits Program created by NRS 287.0435, which may be used to pay a portion of the premiums or contributions for persons who are eligible to participate in the Public Employees' Benefits Program through such a state officer or employee.

Sec. 2. 1. Except as otherwise provided in subsection 2, for the purposes of NRS 287.023 and 287.046, the base amount for the share of the cost of premiums or contributions for group insurance for each person who has retired with state service and continues to participate in the Public Employees' Benefits Program to be paid by the State or a local government, as applicable, is:

(a) For the Fiscal Year 2017-2018, \$445.03 per month.

(b) For the Fiscal Year 2018-2019, \$451.23 per month.

2. For the purposes of NRS 287.023 and 287.046, the share of the cost of qualified medical expenses for each person who has retired with state service and whose coverage is provided through the Public Employees' Benefits Program by an individual medical plan offered pursuant to the Health Insurance for the Aged Act, 42 U.S.C. §§ 1395 et seq., for Fiscal Year 2017-2018 and Fiscal Year 2018-2019 to be paid by the State or a local government, as applicable, is:

(a) For those persons who retired before January 1, 1994:

(1) For the Fiscal Year 2017-2018, \$180.00 per month.

(2) For the Fiscal Year 2018-2019, \$180.00 per month.

(b) For those persons who retired on or after January 1, 1994:

(1) For the Fiscal Year 2017-2018, \$12.00 per month per year of service, up to 20 years, excluding service purchased pursuant to NRS 1A.310 or 286.300, up to a maximum of \$240.00 per month.

(2) For the Fiscal Year 2018-2019, \$12.00 per month per year of service, up to 20 years, excluding service purchased



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1 pursuant to NRS 1A.310 or 286.300, up to a maximum of \$240.00
2 per month.

3 3. If the amount calculated pursuant to this section exceeds the
4 actual premium or contribution for the plan of the Public
5 Employees' Benefits Program that the retired participant selects, the
6 balance must be credited to the Fund for the Public Employees'
7 Benefits Program created by NRS 287.0435.

8 **Sec. 2.5.** Notwithstanding the provisions of NRS 218D.430
9 and 218D.435, a committee may vote on this act before the
10 expiration of the period prescribed for the return of a fiscal note in
11 NRS 218D.475. This section applies retroactively from and after
12 June 1, 2017.

13 **Sec. 3.** 1. This section and section 2.5 of this act become
14 effective upon passage and approval.

15 2. Sections 1 and 2 become effective on July 1, 2017.

