

**PROPOSED REGULATION OF THE COMMITTEE TO
ADMINISTER THE PUBLIC EMPLOYEES’
DEFERRED COMPENSATION PROGRAM**

LCB File No. R128-15

December 1, 2015

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

AUTHORITY: §§1 and 2, NRS 287.330.

A REGULATION relating to public employees; revising provisions concerning the Public Employees’ Deferred Compensation Program; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law authorizes state employees and employees of the Nevada System of Higher Education to participate in a program of deferred compensation. (NRS 287.250-287.370) The program is administered by a committee established pursuant to statute which is commonly known as the Committee to Administer the Public Employees’ Deferred Compensation Program. (NRS 287.325) Existing law also authorizes employees of political subdivisions of the State to participate in such programs established by their employers. (NRS 287.381-287.480) Under existing law, public agencies, which include state agencies and agencies of political subdivisions, have the authority to enter into interlocal contracts to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract are authorized by law to perform. (NRS 277.180)

This regulation provides that the Committee will enter into an interlocal contract with a political subdivision to enable any employee of the political subdivision to participate in the program of deferred compensation administered by the Committee if the Committee determines that entering into the contract is in the best interest of the Program. This regulation also requires that any such interlocal contract provide that the contract continues in effect until terminated by: (1) the mutual consent of the parties; (2) one of the parties giving 60 days written notice to the other party; or (3) the withdrawal, limitation or impairment of any money provided to the Committee by the State or the Federal Government for the administration of the Program. The regulation also requires that the contract provide that employees of the political subdivision participate in the Program subject to the same terms and conditions that apply to state employees and employees of the Nevada System of Higher Education unless the terms of the contract expressly provide otherwise.

Section 1. Chapter 287 of NAC is hereby amended by adding thereto a new section to read as follows:

1. The Committee will, pursuant to NRS 277.180, enter into an interlocal contract with a political subdivision to enable any employee of the political subdivision to participate in the Program if the Committee determines, by a majority vote of all its members, that entering into the contract is in the best interest of the Program.

2. In addition to the requirements of NRS 277.180, an interlocal contract entered into pursuant to subsection 1, must provide that:

(a) The contract continues in effect until terminated by:

(1) The mutual consent of the parties;

(2) One of the parties giving 60 days written notice to the other party; or

(3) The withdrawal, limitation or impairment of any money provided to the Committee by the State or the Federal Government for the administration of the Program.

(b) Except as otherwise provided by the terms of the contract, an employee of the political subdivision participates in the Program subject to the same terms and conditions that apply to state employees and employees of the Nevada System of Higher Education.

3. As used in this section, “political subdivision” includes, without limitation, a county, city, town, school district or special district.

Sec. 2. NAC 287.700 is hereby amended to read as follows:

287.700 As used in NAC 287.700 to 287.735, inclusive, *and section 1 of this regulation*, unless the context otherwise requires:

1. “Committee” means the Committee established to administer the Program.

2. “Investment consultant” means a private person, corporation, institution or other entity that provides advice on investments and operations of the Program, including, without limitation, advice provided for the purposes of paragraph (a) of subsection 3 of NRS 287.330 and NAC 287.735.

3. “Program” means the Public Employees’ Deferred Compensation Program authorized by NRS 287.250 to 287.370, inclusive.

4. “Recordkeeper” means a corporation, institution or other entity that offers investment options and other services which are necessary to the administration of the Program and to the proper investment of the money of the employees who are participants in the Program. The term does not include a private person.