

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

LCB File No. R066-13

Chapter 287 of the NAC is hereby amended to read as follows:

Legend: Deleted material is placed in ~~brackets~~
Recommended new language is *italicized*

287.700	Definitions.
287.705	Purpose.
287.710	{Administrators and providers} <i>Recordkeeper(s)</i> : Selection and removal.
287.715	{Administrators and providers} <i>Recordkeeper(s)</i> : Bases for selection.
287.720	{Administrators and providers} <i>Recordkeeper(s)</i> : Criteria for selection.
287.725	{Administrators and providers} <i>Recordkeeper(s)</i> : Notice of intended selection; questionnaires and requests for proposal.
287.730	Appointment of subcommittee to review proposals and make recommendations; general meetings of Committee; negotiation of changes to accepted proposals.
287.735	<i>Investment</i> Consultants: Selection and removal.

DEFERRED COMPENSATION

287.700 NAC Definitions. (NRS 287.330) As used in NAC 287.700 to 287.735, inclusive, unless the context otherwise requires:

1. ~~{Administrator}~~ "*Recordkeeper*" means a ~~{person}~~ *company* ~~{who}~~ *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.
2. "Committee" means the Committee established to administer the Program.
3. "Program" means the Public Employees' Deferred Compensation Program authorized by NRS 287.250 to 287.370, inclusive.

~~{4. "Provider" means a person who offers investment options to participants in the Program.}~~

4. "*Investment Consultant*" means a person or company who provides advice on investments and operations of the program pursuant to NRS 287.330(3)(a).

(Added to NAC by Com. to Admin. Pub. Employees' Deferred Comp. Prog., eff. 9-13-91)

287.705 NAC Purpose. (NRS 287.330) The purpose of NAC 287.705 to 287.735, inclusive, is to set forth the qualifications and the procedures for the selection of ~~{administrators and providers}~~ *recordkeeper(s) and investment consultants* for the Program.

(Added to NAC by Com. to Admin. Pub. Employees' Deferred Comp. Prog., eff. 9-13-91; A by R015-98, 5-29-98)

287.710 NAC ~~{Administrators and providers}~~ **Recordkeeper(s): Selection and removal.** (NRS 287.330)

1. The Committee will select ~~{administrators and providers}~~ **recordkeeper(s)** for the Program. ~~{One person may be selected to serve in both capacities.}~~ The Committee will contract with more than ~~{two providers if it deems it necessary to offer the participants in the Program superior investment options}~~ **one recordkeeper if it deems it necessary and in the best interests of the participants.**

2. The selection will be made as often as the Committee deems necessary, but not less frequently than in September of every fifth year.

3. ~~{Administrators and providers}~~ **Recordkeeper(s)** serve at the pleasure of the Committee and are subject to removal at any time by a majority vote of the Committee.

(Added to NAC by Com. to Admin. Pub. Employees' Deferred Comp. Prog., eff. 9-13-91; A by R015-98, 5-29-98)

287.715 NAC ~~{Administrators and providers}~~ **Recordkeeper(s): Bases for selection.** (NRS 287.330) The Committee will base its selection, as applicable, of ~~{administrators and providers}~~ **recordkeeper(s)** on:

1. The criteria set forth in NAC 287.720;

2. The answers to the questionnaire provided pursuant to NAC 287.725;

3. Any interviews conducted by the Committee;

4. The ~~{variety and quality of any investment options offered to participants}~~ **ability of the recordkeeper(s) to make available the investment options designated by the committee at the recommendation of the investment consultant;** and

5. The projected costs submitted by each applicant.

The Committee will not select an applicant who submits the least expensive proposal if another applicant ~~{is better qualified}~~ **will better meet the overall needs of the program as determined by a majority vote of the committee.**

(Added to NAC by Com. to Admin. Pub. Employees' Deferred Comp. Prog., eff. 9-13-91; A by R015-98, 5-29-98)

287.720 NAC ~~{Administrators and providers}~~ **Recordkeeper(s): Criteria for selection.** (NRS 287.330) In selecting an applicant, the Committee will consider:

1. The experience of the applicant in providing services to deferred compensation and similar programs ~~{and the rate of return of any investments offered by the applicant};~~

2. The amount of money the applicant is currently managing and the general financial condition of the applicant;

3. Whether the applicant is qualified to do business in this State; and

4. Whether the applicant employs a sufficient number of employees and possesses sufficient equipment to offer timely and efficient communication and service to the participants in the Program.

(Added to NAC by Com. to Admin. Pub. Employees' Deferred Comp. Prog., eff. 9-13-91)

287.725 NAC ~~{Administrators and providers}~~ **Recordkeeper(s): Notice of intended selection; questionnaires and requests for proposal.** (NRS 287.330)

1. The Committee will cause to be published a notice of the intended selection in one or more ~~{newspapers in the State}~~ **publication or website site frequented by the recordkeeper**

community. The notice will be published ~~{three times}~~ not ~~{more}~~ *less* than ~~{30}~~ *60* days before the date by which applications must be returned.

2. The notice will set forth:

(a) The date on which the Committee will select ~~{administrators and providers}~~ *recordkeeper(s)* and the date and time by which the Committee must receive the completed application;

(b) The qualifications required of ~~{administrators and providers}~~ *recordkeeper(s)*; and

(c) The manner in which an applicant may obtain a questionnaire and a request for proposal.

3 The Chair *or his designee* may, if he or she deems it appropriate, send copies of the notice to state and national trade associations concerned with the business of deferred compensation or similar programs for inclusion in their publications or for dissemination among their members.

4 The Chair *or his designee* shall prepare a questionnaire and a request for proposal and make them available to each applicant at least ~~{30}~~ *60* days before the date on which they must be received by the Committee.

(Added to NAC by Com. to Admin. Pub. Employees' Deferred Comp. Prog., eff. 9-13-91; A by R015-98, 5-29-98)

287.730 NAC Appointment of subcommittee to review proposals and make recommendations; general meetings of Committee; negotiation of changes to accepted proposals. (NRS 287.330)

1. The Chair shall, if he or she deems it appropriate, appoint a subcommittee to review the proposals and make recommendations to the full Committee.

2. The Chair shall call a general meeting of the Committee to:

(a) Accept information from appropriate sources pertaining to any applicant.

(b) Conduct interviews of the applicants.

(c) Select ~~{two}~~ *one* or more of the applicants for appointment as ~~{administrators and providers}~~ *recordkeeper(s)*.

3 Acceptance of an applicant's proposal does not preclude the Committee from negotiating specific changes to the proposal which are in the best interests of the State of Nevada.

(Added to NAC by Com. to Admin. Pub. Employees' Deferred Comp. Prog., eff. 9-13-91; A by R015-98, 5-29-98)

287.735 NAC Investment Consultants: Selection and removal. (NRS 287.330)

1. The Committee will select such *investment* consultants as are necessary to provide services needed for the selection of ~~{administrators and providers}~~ *recordkeeper(s)* and for the administration of the Program and the investment of the money of the participants.

2. Such ~~{a}~~ *an investment* consultant serves at the pleasure of the Committee and may be removed from the position at any time by a majority vote of the Committee.

(Added to NAC by Com. to Admin. Pub. Employees' Deferred Comp. Prog., eff. 9-13-91; A by R015-98, 5-29-98)