



Brian Sandoval, Governor

COMMITTEE
Karen Oliver, Chair, GCB
Steve C. Woodbury, Vice Chair, GOED
Audrey Brooks-Scott, DCNR
Kent Ervin, NSHE
Mark Stevens, Retired

STAFF
Rob Boehmer, Program Coordinator
Micah Salerno, Administrative Assistant

Shane Chesney, Senior Deputy Attorney General

DEFERRED COMPENSATION COMMITTEE REGULATION HEARING MINUTES

January 14, 2016

The regulation hearing of the Deferred Compensation Committee was held on Thursday January 14, 2016, at 9:00 a.m. in the conference room of the Governor's Office of Economic Development, 808 W. Nye Lane, Carson City, Nevada. Attendees participated in person or by teleconference.

A copy of meeting material including this set of meeting minutes, the agenda, the audio recording and other supporting material, is available on the Nevada Deferred Compensation (NDC) website at: <http://defcomp.nv.gov/Meetings/2015>.

COMMITTEE MEMBERS

Audrey Brooks-Scott
Kent Ervin
Mark Stevens
Steve Woodbury, Vice Chair
Karen Oliver, Chair

OTHERS PRESENT

Bishop Bastien, Voya	Dianna Patane, Voya
Rob Boehmer, NDC Program Coordinator	Frank Picarelli, Segal Rogerscasey
Shane Chesney, Sr. Deputy Attorney General	Micah Salerno, NDC Admin. Assistant
Shelley Frederick, Voya	Jennifer Whitman, Voya
Michelle Kelley, NSHE	

1. Call to Order/Roll Call

Chair Karen Oliver called the regulation hearing of the Nevada Deferred Compensation (NDC) Committee to order at 9:00 a.m. on Thursday, January 14, 2016. Mr. Rob Boehmer took roll, determined a quorum was present, and confirmed the meeting was properly noticed.

2. Public Comment

No public comment.

3. For Possible Action – Receive and approve proposed final regulation adoption and amendment clarifying the Committee's authority to allow political sub-divisions to participate in the Nevada Public Employee's Deferred Compensation Voluntary 457(b) Program, and the State's FICA Alternative Program.

DAG Shane Chesney explained how they followed the guidelines to submit regulation changes to the Legislature. The Proposed Regulation (see below) was returned for review and accomplished what the Program had set out to clarify. One of the changes the Legislature made was naming the Alliance Partners as political subdivision.

Dr. Ervin asked if the changes confirmed the liberal approach that was proposed at the regulation workshop.

DAG Chesney confirmed that the changes did follow the choice for the most liberal approach that was agreed upon at the workshop.

Dr. Ervin also asked if it would preclude a recordkeeper in the future from entering into a deferred compensation arrangement with an Alliance Partner without approval of the Committee.

DAG Chesney confirmed that was true.

**Motion by Vice Chair Woodbury to accept the Regulation as presented for adoption.
Second by Dr. Ervin, motion passed unanimously, 5-0.**

4. Committee Members

No comment.

5. Investment Consultant

No comment.

6. Sr. Deputy Attorney General

No comment.

7. Recordkeeper

No comment.

8. Staff

Mr. Boehmer noted that he spoke to the Alliance Partners regarding this regulation and they were thrilled to be allowed to continue participating in the Plan. Some of the Alliance Partners expressed the need of having a representative on the Committee.

9. Public Comment

No comments.

10. Adjournment

The meeting was adjourned at 9:10 a.m.

Respectfully submitted,

Micah Salerno
NDC Administrative Assistant

**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.