

PUBLIC EMPLOYEES' RETIREMENT BOARD
MEETING MINUTES FOR

Thursday, April 4, 2019

The agenda for this meeting was mailed to every public employer, the news media, and other groups and individuals as requested.

April 4, 2019
Board Meeting

The Retirement Board meeting of the Public Employees' Retirement Board was called to order by Chair Ross at 10:17 a.m., on April 4, 2019, in the PERS' Board Room, 693 W. Nye Lane, Carson City. Members present: Timothy Ross, Scott Gorgon, Lee-Ann Easton, Dawn Huckaby, Yolanda King, and Brian Wallace. Members absent: None.

1. PUBLIC COMMENT

There were no public comments offered.

2. BOARD

- 2.1 On motion of Lee-Ann Easton, the Retirement Board voted unanimously to authorize the Executive Officer and General Counsel to enter into a written settlement agreement and to pay reasonable attorney's fees and costs pursuant to NRS 239.011 in *Public Employees' Retirement System of Nevada vs. Nevada Policy Research Institute*, Case No. 72274, District Court Case No. 16OC001611B.

3. LEGISLATION

- 3.1 Assembly Bill 75 – No action was taken on this agenda item at this time.
- 3.2 Senate Bill 83 – No action was taken on this agenda item at this time.
- 3.3 Staff mentioned that a hearing is scheduled on Senate Bill 135 for that evening and that there is a proposed amendment to remove PERS from the section that includes PERS and puts PERS in the section that says it does not include. No action was taken on this agenda item at this time.
- 3.4 Staff stated that Senate Bill 224 was heard in the Senate Committee on Government Affairs and was passed out of Committee. The bill is currently on the Senate Secretary's desk. No action was taken on this agenda item at this time.

-
- 3.5 Staff provided an update on Senate Bill 272 and mentioned a draft amendment to the bill. No action was taken on this agenda item at this time.
- 3.6 Staff stated that Senate Bill 287 is not a specific PERS bill and that the reason it was included for a position is because it could have a very large impact on PERS as well as any governmental entity. The bill would modify the public records law. It would require the governmental entity designate an employee who is responsible for making the decision on whether or not to release records. If the records are not released or it is felt they were improperly released, that employee could be personally liable for up to a \$250,000 fine for the decision they made. The agency itself could also be liable for up to a \$250,000 fine in addition to attorney's fees and costs in addition to \$100 a day for every day that the requester was not provided the documents. It changes the definition of public records; it broadens it to include databases, software, and metadata. Staff indicated there are a lot of issues with the bill. They are not sure any employee would be willing to be responsible for public records requests if they could be personally fined when there is no good faith defense. It also applies to actions pending on October 1 and goes into effect October 1, which means it will apply retroactively to decisions that were made prior to the effective date of the bill, even though it broadly expands the definition of public records. For those reasons, staff feels this could be problematic from a staffing standpoint: (1) does an employee want to take on that responsibility, and (2) because you cannot risk any sort of delay, how does it fit within your other duties. On motion of Yolanda King, the Retirement Board voted unanimously to adopt a position in opposition to Senate Bill 287 as written for those reasons specific to PERS.
- 3.7 Staff reviewed Senate Bill 405 which would essentially provide a new category of disability retirement which would provide for a 30-year benefit regardless of service credit if certain requirements are met. It would be a duty disability with certain catastrophic injuries. The definition of catastrophic injury is a substantial injury of similar magnitude to those listed. It would change the fundamental nature of the disability program. Staff stated that the cost range from the actuary is 0.9% of payroll to 1.8% of payroll. The mid-range of that would require an additional 1.5% increase in the police/fire contribution rate. The financial impact would be that instead of the rate going up 2% for police/fire on July 1, it would go up 3.5%. Based on those reasons, staff recommended a position of opposition to the Board. On motion of Scott Gorgon, the Retirement Board voted unanimously to adopt a position in opposition to Senate Bill 405, as introduced.
- 3.8 Staff reviewed Senate Bill 416 that removes one provision within NRS 286.673(2) and the same provision in the Judicial Retirement System, the provision that requires a minor child's survivor benefit of \$400 per month be terminated upon adoption. Staff stated that this bill was heard on

March 27 and that Senator Parks requested that PERS present the bill. On motion of Scott Gorgon, the Retirement Board voted unanimously to adopt a position supporting Senate Bill 416, as introduced.

- 3.9 Staff reviewed Assembly Bill 382, which is similar to Senate Bill 272. Staff indicated that they met with the sponsor and she was very receptive to PERS' suggestions. PERS offered an amendment to the bill. The sponsor accepted PERS' proposed amendment and submitted it as part of her testimony at the hearing on Wednesday. No action was taken on this agenda item at this time.
- 3.10 Staff reviewed Assembly Bill 415 which directly impacts PERS. The sole change in this bill would be to lengthen PERS' contribution rate mechanism from two years to six years. There is no other change. This bill would not have an effect on the July 1, 2019, rate change. After discussion, on motion of Tim Ross, the Retirement Board voted unanimously to adopt a neutral position on Assembly Bill 415 as introduced and also if the bill is amended to change the 6 years to 4 years.
- 3.11 There were no other bills to consider at this time.

4. PUBLIC COMMENT

- 4.1 Individual statements and/or requests by the members, retired employees and/or the public:
- Priscilla Maloney, AFSCME Retirees, mentioned Assembly Bill 371 (BDR 19-16) which is another public records bill.
- 4.2 PERS' General Counsel provided an update on pending litigation.
- 4.3 There was no Administrative Report by Staff.
- 4.4 There were no comments or questions from the Retirement Board members.

5. ADJOURNMENT

The meeting was adjourned by Chair Ross at 11:44 a.m.

The following is the time schedule for the meeting:

The April 4, 2019, Retirement Board meeting was called to order at 10:17 a.m. by Chair Ross and adjourned at 11:44 a.m.