

SENATE BILL NO. 3—COMMITTEE OF THE WHOLE

FEBRUARY 25, 2010

Referred to Committee of the Whole

SUMMARY—Revises provisions relating to governmental administration. (BDR S-16)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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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 governmental administration; providing for a temporary reduction in salary in lieu of furlough leave for state employees who are exempt from taking unpaid furlough leave; requiring the approval of a plan for additional overtime to be approved before the overtime is worked; providing for a temporary reduction in compensation for employees of the Senate and Assembly; providing for the closing of state offices on certain days and the revision of the workweek of state employees with certain exceptions and exemptions; temporarily authorizing school districts to require employees to take unpaid furlough leave; prohibiting certain additional compensation for and adjustments to the salaries of newly hired classified state employees; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires state employees to take unpaid furlough leave during the 2009-2011 biennium and authorizes exemptions from that requirement. (Sections 3 and 5 of chapter 391, Statutes of Nevada 2009, pp. 2159 and 2161) **Section 1** of this bill provides flexibility for employees of the Budget Division of the Department of Administration, Legislature and Legislative Counsel Bureau to use the unpaid furlough leave in increments of less than 1 day in the same manner as classified employees. In addition, **section 1** authorizes school districts to require employees to take unpaid furlough leave unless the requirement would conflict with a collective bargaining agreement. **Section 1** also provides that the furlough requirements do not apply to a board, commission or agency, the sole function of which is regulating a profession, occupation or business and which is not subject to the State Budget Act.



Section 3 of this bill provides that certain exemptions from the furlough requirement must be approved by the Interim Finance Committee and that the salary of any employee who is exempt from the furlough requirement must be reduced by 4.6 percent in lieu of furlough leave for the 2010-2011 Fiscal Year.

Existing law provides that employees who are subject to the furlough requirement be held harmless in the accumulation of retirement service credit and reported salary for purposes of the Public Employees' Retirement System. (Section 4 of chapter 391, Statutes of Nevada 2009, p. 2160) **Section 2** of this bill provides similar protections for state employees whose salaries are reduced by 4.6 percent in lieu of furlough leave but provides school districts with discretion as to whether such protections are provided to its employees.

Existing law sets forth the compensation of employees of the Senate and Assembly. (NRS 218A.605) **Section 4** of this bill requires that such compensation be reduced by 4.6 percent in lieu of furlough leave and prohibits certain step increases in that compensation for the 2010-2011 Fiscal Year.

Existing law requires that state offices be open for the transaction of business for at least 8 hours on every day of the year, with the exception of Saturdays, Sundays and legal holidays. (NRS 281.110) Except for certain boards, commissions and agencies, **section 5** of this bill provides for the closing of state offices on Fridays and for the revision of the regular workweek of state employees to four 10-hour days. **Section 5** also authorizes exemptions for state offices that must remain open on Fridays because of the need to provide appropriate services that are necessary to the protection of public health, safety and welfare. **Section 5** further provides an extension of the time for filing any paper with or complying with any deadline involving a state office that is closed on Friday if the last day for filing the paper or complying with the deadline falls on that Friday. **Section 6** of this bill provides additional exceptions to the requirements of **section 5** for the employees of the Nevada System of Higher Education.

Section 7 of this bill provides that certain additional overtime required by state agencies may only be worked pursuant to a plan that is approved before the overtime is worked. **Section 9** of this bill revises the calculation of overtime to account for workweeks consisting of 8-hour or 10-hour days and with respect to corrections officers of the Department of Corrections. (NRS 284.180)

Existing law authorizes certain supplemental compensation for and adjustments to the base rate of pay of classified employees for various purposes. (NRS 209.183, 284.175, NAC 284.206-284.218) **Sections 7.5 and 8.5** of the bill prohibit such supplemental compensation for and adjustments to the salaries of classified employees hired on or after March 1, 2010. **Section 13.5** of this bill ensures the continued payment of such supplemental compensation and adjustments as well as uniform allowances to current employees.

Section 13 of this bill declares void all exemptions from furlough leave that were granted on or before June 30, 2010, but authorizes the reapplication for and granting of such exemptions. **Section 14** of this bill sunsets on June 30, 2011, the requirements: (1) for unpaid furlough leave or a salary reduction in lieu of such leave; (2) that state agencies are closed on Fridays; and (3) that state employees work 10-hour days.



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

Section 1. Section 3 of chapter 391, Statutes of Nevada 2009, at page 2159, is hereby amended to read as follows:

Sec. 3. 1. Except as otherwise provided in *subsection 9 and* section 5 of this act:

(a) For the period beginning on July 1, ~~2009,~~ 2010, and ending on June 30, 2011, each employee of the State, other than a classified employee ~~or~~ *or an employee of the Legislature, Legislative Counsel Bureau or Budget Division of the Department of Administration*, shall take 1 day of unpaid furlough leave each month.

(b) Except as otherwise provided in subsection 5, the furlough requirement applies to all branches of state government and includes the Nevada System of Higher Education, the Public Employees' Retirement System and all other entities of state government.

➔ The requirements of this section do not apply to employees of the Department of Cultural Affairs whose standard workweek was reduced from 40 hours to 32 hours effective July 1, 2009.

2. Except as otherwise provided in this subsection, for the purposes of this section "1 day" consists of the number of hours an employee works in a standard workday, but not more than 8 hours. An employee must take 1 day of furlough leave each month and cannot take portions of a day that combine to total the amount of the required monthly furlough leave. A full-time employee whose standard workday is longer than 8 hours shall take 8 hours of furlough leave on a single workday and may take annual leave for the remainder of the day, work a reduced schedule that day or work a modified schedule approved by his employer. An employee who works less than full time with a fixed schedule shall take as furlough leave the portion of an 8-hour day that his scheduled workweek or biweekly schedule bears to a full-time workweek or biweekly schedule.

3. For the period beginning on July 1, ~~2009,~~ 2010, and ending on June 30, 2011, each employee in the classified service of the State ~~or~~ *and each employee of the Legislature, Legislative Counsel Bureau and Budget Division of the Department of Administration* shall:

(a) If he is a full-time employee, take 96 hours of unpaid furlough leave . ~~each year.~~



(b) If he is employed less than full time, take a number of hours of unpaid furlough leave ~~each year~~ which is equal to the average number of hours worked per working day multiplied by 12.

➤ An employee in the classified service of the State *or an employee of the Legislature, Legislative Counsel Bureau or Budget Division of the Department of Administration* may take unpaid furlough leave in portions of a day that combine to total the amount of required yearly leave. To the extent practicable, full-time classified employees *and full-time employees of the Legislature, Legislative Counsel Bureau and Budget Division of the Department of Administration* should take 8 hours of unpaid furlough leave per month. To the extent practicable, a classified employee *or an employee of the Legislature, Legislative Counsel Bureau or Budget Division of the Department of Administration* who works less than full time with a fixed schedule should take as unpaid furlough leave the portion of an 8-hour day his scheduled workweek or biweekly schedule bears to a full-time workweek or biweekly schedule.

4. *For the period beginning on July 1, 2010, and ending on June 30, 2011, except as otherwise provided in subsection 8 and notwithstanding any other specific statute to the contrary, a school district may require each employee to take unpaid furlough leave in the amount and manner determined by the school district.*

5. Furlough leave pursuant to this section must be scheduled and approved in the same manner as other leave. Notwithstanding any statute or regulation to the contrary and except as otherwise provided by regulation adopted pursuant to this section by the Personnel Commission, an employee *of the State* who is on furlough leave is considered to have worked that day or portion of a day, as applicable, for all purposes except payment of salary and determination of overtime, including without limitation:

- (a) Accrual of sick and annual leave;
- (b) Determining the employee's pay progression date;
- (c) Continuity of service and years of service for the purposes of payments pursuant to the plan to encourage continuity of service;
- (d) The duration of a probationary period;
- (e) Determining eligibility for holiday pay if the shift immediately precedes a holiday;
- (f) Seniority for all purposes, including layoffs;
- (g) The Public Employees' Benefits Program; and



(h) The Public Employees' Retirement System, including for the purposes of contributions to the System, subject to the requirements of sections 4 and 5 of this act.

~~[5.]~~ 6. The Board of Regents of the University of Nevada shall determine and implement the method by which:

(a) The professional employees of the Nevada System of Higher Education will participate in the furlough requirement pursuant to this section; or

(b) The overall costs for the professional employees of the Nevada System of Higher Education will be reduced in an amount at least equal to the savings which would have otherwise been produced by furlough leave pursuant to this section.

~~[6.]~~ 7. Except as otherwise provided in subsection ~~[5.]~~ 6, the Personnel Commission shall adopt regulations *which are applicable to employees of the State* to carry out the provisions of this section.

8. The provisions of subsection 4 do not apply to the extent that those provisions conflict with the provisions of a collective bargaining agreement entered into pursuant to chapter 288 of NRS.

9. The provisions of this section do not apply to a board, commission or agency the sole function of which is the regulation of a profession, occupation or business and which is not subject to the provisions of NRS 353.150 to 353.246, inclusive.

10. As used in this section, "public employer" has the meaning ascribed to it in NRS 286.070.

Sec. 2. Section 4 of chapter 391, Statutes of Nevada 2009, at page 2160, is hereby amended to read as follows:

Sec. 4. 1. It is the intent of the Legislature to establish a program whereby employees of the State and other participating *public* employers ~~[who]~~ :

(a) *Who* take furlough leave due to extreme fiscal need ~~[- including employees required to take furlough leave pursuant to section 3 of this act.] ; or~~

(b) *Whose salaries are reduced in lieu of furlough leave,* ~~[-~~ be held harmless in the accumulation of retirement service credit and reported salary pursuant to chapter 286 of NRS ~~[-]~~, *except that, in the case of an employee of a school district, the school district shall determine whether the employee will be so held harmless.*

2. Except as otherwise required as a result of NRS 286.537 and notwithstanding the provisions of NRS 286.481, an employee is entitled to receive full service credit for time



taken as furlough leave pursuant to the program established pursuant to section 3 of this act if:

(a) The employee , *if he is an employee of the State*, does not take more than 96 hours of furlough leave ~~in a year;~~ *for the period beginning on July 1, 2010, and ending on June 30, 2011;* and

(b) The public employer certifies to the System that the employer is participating in the furlough program established pursuant to section 3 of this act and that the furlough leave which is reported for the employee is taken in accordance with the requirements of section 3 of this act.

3. In any month in which a day of furlough leave is taken, an employee is entitled to receive full-time service credit for the furlough leave in accordance with the normal workday for the employee. An employee who is less than full time is entitled to service credit in the same manner and to the same extent as though the employee had worked the hours taken as furlough leave.

4. *If the salary of any member is reduced in lieu of furlough leave, the public employer shall certify to the System that the salary of that member has been so reduced.*

5. When a member is on furlough leave pursuant to the program certified by the public employer in accordance with this section, *or when the salary of a member is reduced in lieu of furlough leave and certified by the public employer in accordance with this section*, the public employer must:

(a) Include all information required by the System on the public employer's regular monthly retirement report as provided in NRS 286.460; and

(b) Pay all required employer and employee contributions to the System based on the compensation that would have been paid to the member but for the member's participation in the program. The public employer may recover from the employee the amount of the employee contributions set forth in NRS 286.410.

~~5.1~~ 6. Service credit under the program established pursuant to this section must be computed according to the fiscal year.

~~6.1~~ 7. As used in this section:

(a) "Member" has the meaning ascribed to it in NRS 286.050.

(b) "Public employer" has the meaning ascribed to it in NRS 286.070.

(c) "System" means the Public Employees' Retirement System.



1 **Sec. 3.** Section 5 of chapter 391, Statutes of Nevada 2009, at
2 page 2161, is hereby amended to read as follows:

3 Sec. 5. 1. It is the intent of the Legislature to limit
4 exceptions to the requirement of furlough leave for
5 employees of the State pursuant to section 3 of this act to
6 identified areas of critical need. If ~~{an}~~ *a state* employer,
7 ~~{including the State,}~~ participating in the program established
8 pursuant to section 3 of this act determines that a position
9 cannot be subject to furlough leave because of the need to
10 provide appropriate services that are necessary to the
11 protection of public health, safety and welfare, the governing
12 body of the agency must make findings on the record in a
13 public meeting that:

14 (a) The position is necessary to the protection of public
15 health, safety, or welfare;

16 (b) The public health, safety or welfare will be
17 significantly diminished if mandatory furlough leave is
18 implemented for employees in these positions; *and*

19 (c) No alternatives exist to provide for the protection of
20 public health, safety or welfare. ~~}; and~~

21 ~~—(d) The agency has identified and will implement other~~
22 ~~methods to reduce overall costs equal to the savings produced~~
23 ~~by furlough leave under the program or received an allocation~~
24 ~~of funds as set forth in section 8 of this act.]~~

25 2. For the purposes of subsection 1:

26 (a) Except as otherwise provided in this subsection, the
27 State Board of Examiners shall determine positions within the
28 Executive Branch of State Government that cannot be subject
29 to furlough leave. *Any such determination is not effective*
30 *unless approved by the Interim Finance Committee.*

31 (b) The Board of Regents shall determine positions within
32 the Nevada System of Higher Education that cannot be
33 subject to furlough leave. *Any such determination is not*
34 *effective unless approved by the Interim Finance*
35 *Committee.*

36 (c) The Public Employees' Retirement Board shall
37 determine positions within the Public Employees' Retirement
38 System that cannot be subject to furlough leave.

39 (d) The Supreme Court shall determine positions within
40 the Judicial Branch of State Government that cannot be
41 subject to furlough leave.

42 (e) The Legislative Commission shall determine positions
43 within the Legislative Branch of State Government that
44 cannot be subject to furlough leave.



3. The entities described in subsection 2 shall report to the Interim Finance Committee on a quarterly basis all positions that have been determined not to be subject to furlough leave pursuant to this section and the reasons for such determinations.

4. *The salary of any position that has been determined not to be subject to furlough leave pursuant to this section must be reduced by an amount of 4.6 percent in lieu of furlough leave, except that the payment of any special or other adjustments to the base rate and any overtime that is worked by an employee who is filling such a position must be calculated based on the employee's unreduced salary.*

Sec. 4. *For the period beginning on July 1, 2010, and ending on June 30, 2011:*

1. *The compensation of employees of the Senate and Assembly due pursuant to NRS 218A.605 must be reduced by 4.6 percent in lieu of furlough leave;*

2. *In calculating the amount of compensation due such an employee pursuant to NRS 218A.605, no additional step increase authorized by that section may be applied; and*

3. *If such an employee is a member of the Public Employees' Retirement System who is contributing to the System, the provisions of section 4 of chapter 391, Statutes of Nevada 2009, at page 2160, as amended by section 2 of this act, apply with respect to the employee.*

Sec. 5. 1. *Notwithstanding the provisions of NRS 281.110 or any other statute or regulation to the contrary, except as otherwise provided in this section and section 6 of this act, for the period beginning on July 1, 2010, and ending on June 30, 2011, the offices of all state officers, departments, boards, commissions and agencies must be closed on Fridays and be open for the transaction of business at least from 7 a.m. until 12 p.m. and from 1 p.m. until 6 p.m. on Monday through Thursday. The workweek of the employees of those offices must consist of four 10-hour days, Monday through Thursday.*

2. *During any week in which falls one or more legal holidays pursuant to NRS 236.015, all such offices must be open for the transaction of business at least from 8 a.m. until 12 p.m. and from 1 p.m. until 5 p.m. on each day which is not a legal holiday, and the workweek of the employees of those offices during that week must consist of 8-hour days.*

3. *An office and its employees may be exempted from the requirements of this section upon a determination pursuant to subsection 4 that the office must remain open on Fridays because*



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1 of the need to provide appropriate services that are necessary to
2 the protection of public health, safety and welfare.

3 4. For the purposes of subsection 3:

4 (a) Except as otherwise provided in this subsection, the State
5 Board of Examiners shall determine exemptions from the
6 requirements of this section for offices within the Executive
7 Branch of State Government.

8 (b) The Board of Regents shall determine exemptions from the
9 requirements of this section for offices within the Nevada System
10 of Higher Education.

11 (c) The Public Employees' Retirement Board shall determine
12 exemptions from the requirements of this section for offices within
13 the Public Employees' Retirement System.

14 (d) The Supreme Court shall determine exemptions from the
15 requirements of this section for offices within the Judicial Branch
16 of State Government.

17 (e) The Legislative Commission shall determine exemptions
18 from the requirements of this section for offices within the
19 Legislative Branch of State Government.

20 5. An entity described in subsection 4 shall report to the
21 Interim Finance Committee not later than 60 days after
22 determining that an office is exempt from the requirements of this
23 section concerning the determination and the reasons for the
24 determination.

25 6. If the last day limited by a specific statute for filing any
26 paper with or complying with any deadline involving an office that
27 is closed on a Friday pursuant to this section falls on that Friday,
28 the period so limited must expire on the following business day at
29 5 p.m.

30 7. The provisions of this section do not apply to a board,
31 commission or agency, the sole function of which is the regulation
32 of a profession, occupation or business and which is not subject to
33 the provisions of NRS 353.150 to 353.246, inclusive.

34 **Sec. 6.** For the period beginning on July 1, 2010, and ending
35 on June 30, 2011, the Board of Regents shall establish a schedule
36 consisting of rolling 10-hour days which is designed to allow
37 staffing by employees of the Nevada System of Higher Education
38 on Monday through Friday, with each employee working on only
39 four of those days.

40 **Sec. 7.** For the period beginning on July 1, 2010, and ending
41 on June 30, 2011, if any state agency determines that it will
42 require its employees to work more overtime than the amount of
43 overtime the state agency required of its employees during the
44 preceding fiscal year or, if the overtime requirements of the state
45 agency vary substantially during each year of a biennium, during



1 *the corresponding year of the preceding biennium, the additional*
2 *overtime may only be worked pursuant to a plan that is approved*
3 *in advance by one of the following entities:*

4 1. *Except as otherwise provided in this section, the State*
5 *Board of Examiners must approve overtime plans for the*
6 *Executive Branch of State Government.*

7 2. *The Board of Regents must approve overtime plans for the*
8 *Nevada System of Higher Education.*

9 3. *The Public Employees' Retirement Board must approve*
10 *overtime plans for the Public Employees' Retirement System.*

11 4. *The Supreme Court must approve overtime plans for the*
12 *Judicial Branch of State Government.*

13 5. *The Legislative Commission must approve overtime plans*
14 *for the Legislative Branch of State Government.*

15 **Sec. 7.5.** NRS 209.183 is hereby amended to read as follows:

16 209.183 In addition to his or her regular salary, each person
17 employed *before March 1, 2010*, by the Department of Corrections
18 or the Division of Forestry of the State Department of Conservation
19 and Natural Resources at the Southern Nevada Correctional Center,
20 the Southern Desert Correctional Center, the Indian Springs
21 Conservation Camp, the correctional institution identified as the
22 Men's Prison No. 7 in chapter 656, Statutes of Nevada 1995, and
23 chapter 478, Statutes of Nevada 1997, or the Jean Conservation
24 Camp is entitled to receive, as compensation for travel expenses, not
25 more than \$7.50 for each day he or she reports to work if his or her
26 residence is more than 25 miles from the respective facility. The
27 total cost for compensation for travel expenses authorized by this
28 section must not exceed the amount specially appropriated for this
29 purpose.

30 **Sec. 7.7.** NRS 227.150 is hereby amended to read as follows:

31 227.150 1. The State Controller shall:

32 (a) Open and keep an account with each county, charging the
33 counties with the revenue collected, as shown by the auditor's
34 statements, and also with their proportions of the salaries of the
35 district judges, and crediting them with the amounts paid to the State
36 Treasurer.

37 (b) Keep and state all accounts between the State of Nevada and
38 the United States, or any state or territory, or any person or public
39 officer of this State, indebted to the State or entrusted with the
40 collection, disbursement or management of any money, funds or
41 interests arising therefrom, belonging to the State, of every character
42 and description, if the accounts are derivable from or payable into
43 the State Treasury.

44 (c) Settle the accounts of all county treasurers, and other
45 collectors and receivers of all state revenues, taxes, tolls and



1 incomes, levied or collected by any act of the Legislature and
2 payable into the State Treasury.

3 (d) Keep fair, clear, distinct and separate accounts of all the
4 revenues and incomes of the State, and of all the expenditures,
5 disbursements and investments thereof, showing the particulars of
6 every expenditure, disbursement and investment.

7 2. The State Controller may:

8 (a) Direct the collection of all accounts or money due the State,
9 except as otherwise provided in chapter 353C of NRS, and if there is
10 no time fixed or stipulated by law for the payment of any such
11 accounts or money, they are payable at the time set by the State
12 Controller.

13 (b) Upon approval of the Attorney General, direct the
14 cancellation of any accounts or money due the State.

15 (c) Except as otherwise provided in subsection 3, withhold from
16 the compensation of an employee of the State any amount due the
17 State for the overpayment of the salary of the employee that has not
18 been satisfied pursuant to subsection ~~8~~ 9 of NRS 284.350 or in any
19 other manner.

20 3. Before any amounts may be withheld from the compensation
21 of an employee pursuant to paragraph (c) of subsection 2, the State
22 Controller shall:

23 (a) Give written notice to the employee of the State Controller's
24 intent to withhold such amounts from the compensation of the
25 employee; and

26 (b) If requested by the employee within 10 working days after
27 receipt of the notice, conduct a hearing and allow the employee the
28 opportunity to contest the State Controller's determination to
29 withhold such amounts from the compensation of the employee.

30 ➡ If the overpayment was not obtained by the employee's fraud or
31 willful misrepresentation, any withholding from the compensation
32 of the employee must be made in a reasonable manner so as not to
33 create an undue hardship to the employee.

34 4. The State Controller may adopt such regulations as are
35 necessary to carry out the provisions of this section.

36 **Sec. 8.** (Deleted by amendment.)

37 **Sec. 8.1.** NRS 284.065 is hereby amended to read as follows:

38 284.065 1. The Commission has only such powers and duties
39 as are authorized by law.

40 2. In addition to the powers and duties set forth elsewhere in
41 this chapter, the Commission shall:

42 (a) Advise the Director concerning the organization and
43 administration of the Department.



(b) Report to the Governor biennially on all matters which the Commission may deem pertinent to the Department and concerning any specific matters previously requested by the Governor.

(c) Advise and make recommendations to the Governor or the Legislature relative to the personnel policy of the State.

(d) ~~Adopt~~ *Except as otherwise provided in subsection 4 of NRS 284.175, adopt* regulations to carry out the provisions of this chapter.

(e) Foster the interest of institutions of learning and of civic, professional and employee organizations in the improvement of personnel standards in the state service.

(f) Review decisions of the Director in contested cases involving the classification or allocation of particular positions.

(g) Exercise any other advisory powers necessary or reasonably implied within the provisions and purposes of this chapter.

Sec. 8.3. NRS 284.155 is hereby amended to read as follows:

284.155 1. ~~The~~ *Except as otherwise provided in subsection 4 of NRS 284.175, the* Commission shall adopt a code of regulations for the classified service.

2. The code must include regulations concerning certifications and appointments for:

(a) Positions in classes having a maximum salary of \$12,500 or less as of December 31, 1980, where the regular procedures for examination and certification are impracticable; and

(b) Classes where applicants for promotion are not normally available.

➔ These regulations may be different from the regulations concerning certifications and appointments for other positions in the classified service.

Sec. 8.5. NRS 284.175 is hereby amended to read as follows:

284.175 1. After consultation with appointing authorities and state fiscal officers, the Director shall prepare a pay plan for all employees in the classified service.

2. The pay plan and its amendments become effective only after approval by the Governor.

3. ~~The~~ *Except as otherwise provided in subsection 4, the* pay plan must include, without limitation, ranges for each class, grade or group of positions in the classified service. Each employee in the classified service must be paid at one of the rates set forth in the pay plan for the class of position in which the employee is employed and at such time as necessary money is made available for the payment.

4. *The pay plan may not include any special or other adjustments to the base rates set forth in the pay plan for employees hired on or after March 1, 2010.*



5. The Commission shall adopt regulations to carry out the pay plan.

~~5.1~~ 6. The Director may make recommendations to the Legislature during regular legislative sessions concerning salaries for the classified service of the State. In making such recommendations, the Director shall consider factors such as:

(a) Surveys of salaries of comparable jobs in government and private industry within the State of Nevada and western states, where appropriate;

(b) Changes in the cost of living;

(c) The rate of turnover and difficulty of recruitment for particular positions; and

(d) Maintaining an equitable relationship among classifications.

Sec. 9. NRS 284.180 is hereby amended to read as follows:

284.180 1. The Legislature declares that since uniform salary and wage rates and classifications are necessary for an effective and efficient personnel system, the pay plan must set the official rates applicable to all positions in the classified service, but the establishment of the pay plan in no way limits the authority of the Legislature relative to budgeted appropriations for salary and wage expenditures.

2. Credit for overtime work directed or approved by the head of an agency or the representative of the head of the agency must be earned at the rate of time and one-half, except for those employees described in NRS 284.148.

3. Except as otherwise provided in subsections 4, 6, 7 and 9 ~~H~~ :

(a) During a workweek consisting of 10-hour days, overtime is considered time worked in excess of:

(1) Ten hours in 1 calendar day;

(2) Ten hours in any 18-hour period; or

(3) A 40-hour week.

(b) During a workweek consisting of 8-hour days, overtime is considered time worked in excess of:

~~H(a)~~ *(1) Eight hours in 1 calendar day;*

~~H(b)~~ *(2) Eight hours in any 16-hour period; or*

~~H(c)~~ *(3) A 40-hour week.*

4. Firefighters who choose and are approved for a 24-hour shift shall be deemed to work an average of 56 hours per week and 2,912 hours per year, regardless of the actual number of hours worked or on paid leave during any biweekly pay period. A firefighter so assigned is entitled to receive 1/26 of the firefighter's annual salary for each biweekly pay period. In addition, overtime must be considered time worked in excess of:

(a) Twenty-four hours in one scheduled shift; or



(b) Fifty-three hours average per week during one work period for those hours worked or on paid leave.

➔ The appointing authority shall designate annually the length of the work period to be used in determining the work schedules for such firefighters. In addition to the regular amount paid such a firefighter for the deemed average of 56 hours per week, the firefighter is entitled to payment for the hours which comprise the difference between the 56-hour average and the overtime threshold of 53 hours average at a rate which will result in the equivalent of overtime payment for those hours.

5. The Commission shall adopt regulations to carry out the provisions of subsection 4.

~~6. [For employees who choose and are approved for a variable workday, overtime will be considered only after working 40 hours in 1 week.]~~ *Corrections Officers of the Department of Corrections must be scheduled to work not less than three consecutive 12-hour shifts and not less than seven 12-hour shifts during each 14-day pay period. Overtime must be considered time worked in excess of:*

(a) Twelve hours in one shift; or

(b) Eighty-four hours in any 14-day pay period.

7. Employees who are eligible under the Fair Labor Standards Act of 1938, 29 U.S.C. §§ 201 et seq., to work a variable ~~[80-hour]~~ work schedule within a biweekly pay period ~~[and who choose and are approved for such a work schedule]~~ will be considered eligible for overtime ~~[only after working 80 hours biweekly, except those eligible employees who are approved for overtime in excess of one scheduled shift of 8 or more hours per day.]~~ *in accordance with the Fair Labor Standards Act of 1938, 29 U.S.C. §§ 201 et seq.*

8. An agency may experiment with innovative workweeks upon the approval of the head of the agency and after majority consent of the affected employees. The affected employees are eligible for overtime only after working 40 hours in a workweek.

9. This section does not supersede or conflict with existing contracts of employment for employees hired to work 24 hours a day in a home setting. Any future classification in which an employee will be required to work 24 hours a day in a home setting must be approved in advance by the Commission.

10. All overtime must be approved in advance by the appointing authority or the designee of the appointing authority. No officer or employee, other than a director of a department or the chair of a board, commission or similar body, may authorize overtime for himself or herself. The chair of a board, commission or similar body must approve in advance all overtime worked by members of the board, commission or similar body.



11. The Budget Division of the Department of Administration shall review all overtime worked by employees of the Executive Department to ensure that overtime is held to a minimum. The Budget Division shall report quarterly to the State Board of Examiners the amount of overtime worked in the quarter within the various agencies of the State.

Sec. 10. NRS 284.350 is hereby amended to read as follows:

284.350 1. Except as otherwise provided in subsections 2, 3 ~~{and 4,}~~, *4 and 5*, an employee in the public service, whether in the classified or unclassified service ~~{:}~~:

(a) Except as otherwise provided in paragraph (b), is entitled to annual leave with pay of ~~{1 1/4 working days}~~ 10 hours for each month of continuous public service. The annual leave may be cumulative from year to year not to exceed ~~{30 working days}~~ 240 hours.

(b) Who works 24 hours in one scheduled shift is entitled to annual leave with pay of 1 1/4 working days for each month of continuous public service. The annual leave may be cumulative from year to year not to exceed 30 working days.

➔ The Commission may by regulation provide for additional annual leave for long-term employees and for prorated annual leave for part-time employees.

2. Except as otherwise provided in this subsection ~~{:}~~ *and subsection 3*, any annual leave in excess of ~~{30 working days}~~ 240 hours must be used before January 1 of the year following the year in which the annual leave in excess of ~~{30 working days}~~ 240 hours is accumulated or the amount of annual leave in excess of ~~{30 working days}~~ 240 hours is forfeited on that date. If an employee:

(a) On or before October 15, requests permission to take annual leave; and

(b) The employee's request for leave is denied in writing for any reason,

➔ the employee is entitled to payment for any annual leave in excess of ~~{30 working days}~~ 240 hours which the employee requested to take and which the employee would otherwise forfeit as the result of the denial of the employee's request, unless the employee has final authority to approve use of the employee's own accrued leave and the employee received payment pursuant to this subsection for any unused annual leave in excess of ~~{30 working days}~~ 240 hours accumulated during the immediately preceding calendar year. The payment for the employee's unused annual leave must be made to the employee not later than January 31.

3. *Except as otherwise provided in this subsection, any annual leave in excess of 30 working days of an employee who works 24 hours in one scheduled shift must be used before*



1 *January 1 of the year following the year in which the annual leave*
2 *in excess of 30 working days is accumulated or the amount of*
3 *annual leave in excess of 30 working days is forfeited on that date.*
4 *If such an employee:*

5 (a) *On or before October 15, requests permission to take*
6 *annual leave; and*

7 (b) *The employee's request for leave is denied in writing for*
8 *any reason,*

9 *↳ the employee is entitled to payment for any annual leave in*
10 *excess of 30 working days which the employee requested to take*
11 *and which the employee would otherwise forfeit as the result of*
12 *the denial of the employee's request, unless the employee has final*
13 *authority to approve use of the employee's own accrued leave and*
14 *the employee received payment pursuant to this subsection for any*
15 *unused annual leave in excess of 30 working days accumulated*
16 *during the immediately preceding calendar year. The payment for*
17 *the employee's unused annual leave must be made to the employee*
18 *not later than January 31.*

19 4. Officers and members of the faculty of the Nevada System
20 of Higher Education are entitled to annual leave as provided by the
21 regulations adopted pursuant to subsection 2 of NRS 284.345.

22 ~~[4.]~~ 5. The Commission shall establish by regulation a schedule
23 for the accrual of annual leave for employees who regularly work
24 more than 40 hours per week or 80 hours biweekly. The schedule
25 must provide for the accrual of annual leave at the same rate
26 proportionately as employees who work a 40-hour week accrue
27 annual leave.

28 ~~[5.]~~ 6. No elected state officer may be paid for accumulated
29 annual leave upon termination of the officer's service.

30 ~~[6.]~~ 7. During the first 6 months of employment of any
31 employee in the public service, annual leave accrues as provided in
32 subsection 1, but no annual leave may be taken during that period.

33 ~~[7.]~~ 8. No employee in the public service may be paid for
34 accumulated annual leave upon termination of employment unless
35 the employee has been employed for 6 months or more.

36 ~~[8.]~~ 9. Upon the request of an employee, the appointing
37 authority of the employee may approve the reduction or satisfaction
38 of an overpayment of the salary of the employee that was not
39 obtained by the fraud or willful misrepresentation of the employee
40 with a corresponding amount of the accrued annual leave of the
41 employee.

42 **Sec. 11.** NRS 284.355 is hereby amended to read as follows:

43 284.355 1. Except as otherwise provided in this section, all
44 employees in the public service, whether in the classified or
45 unclassified service, are entitled to sick and disability leave with pay



1 of ~~[1 1/4 working days]~~ **10 hours** for each month of service, which
2 may be cumulative from year to year. After an employee has
3 accumulated ~~[90 working days]~~ **720 hours** of sick leave, the amount
4 of additional unused sick leave which the employee is entitled to
5 carry forward from 1 year to the next is limited to one-half of the
6 unused sick leave accrued during that year, but the Commission may
7 by regulation provide for subsequent use of unused sick leave
8 accrued but not carried forward because of this limitation in cases
9 where the employee is suffering from a long-term or chronic illness
10 and has used all sick leave otherwise available to the employee.

11 2. *Except as otherwise provided in this section, employees*
12 *who work 24 hours in one scheduled shift are entitled to sick and*
13 *disability leave with pay of 1 1/4 working days for each month of*
14 *service, which may be cumulative from year to year. After an*
15 *employee has accumulated 90 working days of sick leave, the*
16 *amount of additional unused sick leave which the employee is*
17 *entitled to carry forward from 1 year to the next is limited to*
18 *one-half of the unused sick leave accrued during that year, but the*
19 *Commission may by regulation provide for subsequent use of*
20 *unused sick leave accrued but not carried forward because of this*
21 *limitation in cases where the employee is suffering from a*
22 *long-term or chronic illness and has used all sick leave otherwise*
23 *available to the employee.*

24 3. Upon the retirement of an employee, the employee's
25 termination through no fault of the employee or the
26 employee's death while in public employment, the employee or the
27 employee's beneficiaries are entitled to payment:

28 (a) For the employee's unused sick leave in excess of ~~[30 days,]~~
29 **240 hours for employees to which subsection 1 applies and 30 days**
30 **for employees to whom subsection 2 applies**, exclusive of any
31 unused sick leave accrued but not carried forward, according to the
32 employee's number of years of public service, except service with a
33 political subdivision of the State, as follows:

34 (1) For 10 years of service or more but less than 15 years, not
35 more than \$2,500.

36 (2) For 15 years of service or more but less than 20 years, not
37 more than \$4,000.

38 (3) For 20 years of service or more but less than 25 years, not
39 more than \$6,000.

40 (4) For 25 years of service, not more than \$8,000.

41 (b) For the employee's unused sick leave accrued but not carried
42 forward, an amount equal to one-half of the sum of:

43 (1) The employee's hours of unused sick leave accrued but
44 not carried forward; and

45 (2) An additional 120 hours.



~~13-1~~ 4. The Commission may by regulation provide for additional sick and disability leave for long-term employees and for prorated sick and disability leave for part-time employees.

~~14-1~~ 5. An employee entitled to payment for unused sick leave pursuant to subsection 2 may elect to receive the payment in any one or more of the following forms:

(a) A lump-sum payment.

(b) An advanced payment of the premiums or contributions for insurance coverage for which the employee is otherwise eligible pursuant to chapter 287 of NRS. If the insurance coverage is terminated and the money advanced for premiums or contributions pursuant to this subsection exceeds the amount which is payable for premiums or contributions for the period for which the former employee was actually covered, the unused portion of the advanced payment must be paid promptly to the former employee or, if the employee is deceased, to the employee's beneficiary.

(c) The purchase of additional retirement credit, if the employee is otherwise eligible pursuant to chapter 286 of NRS.

~~15-1~~ 6. Officers and members of the faculty of the Nevada System of Higher Education are entitled to sick and disability leave as provided by the regulations adopted pursuant to subsection 2 of NRS 284.345.

~~16-1~~ 7. The Commission may by regulation provide policies concerning employees with mental or emotional disorders which:

(a) Use a liberal approach to the granting of sick leave or leave without pay to such an employee if it is necessary for the employee to be absent for treatment or temporary hospitalization.

(b) Provide for the retention of the job of such an employee for a reasonable period of absence, and if an extended absence necessitates separation or retirement, provide for the reemployment of such an employee if at all possible after recovery.

(c) Protect employee benefits, including, without limitation, retirement, life insurance and health benefits.

~~17-1~~ 8. The Commission shall establish by regulation a schedule for the accrual of sick leave for employees who regularly work more than 40 hours per week or 80 hours biweekly. The schedule must provide for the accrual of sick leave at the same rate proportionately as employees who work a 40-hour week accrue sick leave.

~~18-1~~ 9. The Department may investigate any instance in which it believes that an employee has taken sick or disability leave to which the employee was not entitled. If, after notice to the employee and a hearing, the Commission determines that the employee has taken sick or disability leave to which the employee was not entitled, the Commission may order the forfeiture of all or part of the employee's accrued sick leave.



1 **Sec. 12.** Any use of the term “working day” in a regulation of
2 the Personnel Commission which concerns the earning, calculation
3 or use of annual leave or sick leave must be interpreted to mean a
4 period of work consisting of 8 hours until that regulation is
5 otherwise amended by the Personnel Commission.

6 **Sec. 13.** 1. Each exemption from furlough leave which was
7 granted on or before June 30, 2010, is hereby declared void.

8 2. The provisions of subsection 1 do not preclude the
9 reapplication for and granting of any exemption that is declared void
10 by subsection 1.

11 **Sec. 13.5.** 1. Notwithstanding any contrary order, directive,
12 policy or request made by any other officer or agency of the
13 Executive Department of the State Government, the Department of
14 Personnel or other responsible officer or agency shall administer,
15 carry out and make payments pursuant to NRS 209.183 and 281.121
16 and NAC 284.206, 284.208, 284.210, 284.214 and 284.218, as those
17 provisions existed on February 23, 2010, to any employee as
18 defined in this section who:

19 (a) Was receiving such payments on February 23, 2010, in
20 accordance with the provisions of those statutes and regulations; or

21 (b) Becomes eligible to receive such payments on or after
22 February 23, 2010, in accordance with the provisions of those
23 statutes and regulations.

24 2. This section does not:

25 (a) Make any employee eligible to receive such payments if the
26 employee does not otherwise meet the criteria to receive such
27 payments in accordance with the provisions of those statutes and
28 regulations.

29 (b) Prohibit the Department of Personnel or other responsible
30 officer or agency from stopping such payments to any employee
31 when the employee no longer meets the criteria to receive such
32 payments in accordance with the provisions of those statutes and
33 regulations.

34 3. As used in this section, “employee” means a person who:

35 (a) Is employed by the Executive Department of the State
36 Government on February 23, 2010; or

37 (b) Was employed by the Executive Department of the State
38 Government on or before February 23, 2010, and who returns to
39 employment with the Executive Department of the State
40 Government on or after that date.

41 4. The term “employee” does not include any person who is
42 employed by the Executive Department of the State Government for
43 the first time after February 23, 2010.

44 **Sec. 14.** 1. This section and sections 7.5, 8.1, 8.3, 8.5 and
45 13.5 of this act become effective upon passage and approval.



* S B 3 R 2 *

- 1 2. Sections 1 to 7, inclusive, 7.7, 8, 9 to 12, inclusive, and 13 of
2 this act become effective on July 1, 2010.
3 3. Sections 1 to 7, inclusive, 7.7, 12 and 13 of this act, and
4 sections 3, 4 and 5 of chapter 391, Statutes of Nevada 2009, expire
5 by limitation on June 30, 2011.

