

SENATE BILL NO. 8—COMMITTEE ON
LEGISLATIVE OPERATIONS AND ELECTIONS

(ON BEHALF OF THE DEPARTMENT OF PERSONNEL)

PREFILED DECEMBER 13, 2010

Referred to Committee on Legislative Operations and Elections

SUMMARY—Revises provisions governing payment for unused sick leave upon the retirement, termination in certain circumstances or death of certain state employees. (BDR 23-425)

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

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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 the state personnel system; revising provisions governing payment for unused sick leave upon the retirement, termination in certain circumstances or death of certain state employees; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, employees in the Executive Department of the State
2 Government are entitled to paid sick leave for each month of service. Upon the
3 employee's retirement, termination through no fault of the employee or death while
4 in public employment, the employee or the employee's beneficiaries are entitled to
5 payment for a certain amount of the employee's unused sick leave. An employee
6 who is entitled to such a payment may choose to receive the payment in one or
7 more of the following forms: (1) a lump-sum payment; (2) an advanced payment of
8 premiums or contributions for health insurance coverage; or (3) the purchase of
9 additional retirement credit. (NRS 284.355) This bill removes the optional forms in
10 which an employee may choose to receive such a payment and requires that the
11 payment be made in a lump-sum.



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

1 **Section 1.** NRS 284.355 is hereby amended to read as follows:
2 284.355 1. Except as otherwise provided in this section, all
3 employees in the public service, whether in the classified or
4 unclassified service, are entitled to sick and disability leave with pay
5 of 1 1/4 working days for each month of service, which may be
6 cumulative from year to year. After an employee has accumulated
7 90 working days of sick leave, the amount of additional unused sick
8 leave which the employee is entitled to carry forward from 1 year to
9 the next is limited to one-half of the unused sick leave accrued
10 during that year, but the Commission may by regulation provide for
11 subsequent use of unused sick leave accrued but not carried forward
12 because of this limitation in cases where the employee is suffering
13 from a long-term or chronic illness and has used all sick leave
14 otherwise available to the employee.

15 2. Upon the retirement of an employee, the employee's
16 termination through no fault of the employee or the employee's
17 death while in public employment, the employee or the
18 employee's beneficiaries are entitled to **a lump-sum** payment:

19 (a) For the employee's unused sick leave in excess of 30 days,
20 exclusive of any unused sick leave accrued but not carried forward,
21 according to the employee's number of years of public service,
22 except service with a political subdivision of the State, as follows:

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

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

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

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

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

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

34 (2) An additional 120 hours.

35 3. The Commission may by regulation provide for additional
36 sick and disability leave for long-term employees and for prorated
37 sick and disability leave for part-time employees.

38 4. ~~{An employee entitled to payment for unused sick leave~~
39 ~~pursuant to subsection 2 may elect to receive the payment in any~~
40 ~~one or more of the following forms:~~

41 ~~—(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.~~

~~—5.1~~ 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~~ 5. 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~~ 6. 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~~ 7. 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.

Sec. 2. This act becomes effective upon passage and approval.

