

**Amendment No. 541**

Assembly Amendment to Assembly Bill No. 321 First Reprint (BDR 23-760)

**Proposed by:** Assemblyman Paul Anderson**Amends:** Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/> _____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/> _____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/> _____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/> _____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/> _____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/> _____

EXPLANATION: Matter in (1) ***blue bold italics*** is new language in the original bill; (2) ***green bold italic underlining*** is new language proposed in this amendment; (3) ***red strikethrough*** is deleted language in the original bill; (4) ***purple double strikethrough*** is language proposed to be deleted in this amendment; (5) ***orange double underlining*** is deleted language in the original bill that is proposed to be retained in this amendment; and (6) ***green bold underlining*** is newly added transitory language.

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JLW/BJE



Date: 4/19/2013

A.B. No. 321—Revises provisions governing the Merit Award Program for state employees. (BDR 23-760)



\* A A B 3 2 1 R 1 5 4 1 \*

ASSEMBLY BILL NO. 321—ASSEMBLYMEN PAUL ANDERSON, HARDY, HICKEY, HAMBRICK, CARRILLO, DUNCAN, ELLISON, FIORE, GRADY, HEALEY, KIRNER, LIVERMORE, MUNFORD, OSCARSON, SPRINKLE, STEWART, WHEELER AND WOODBURY

MARCH 18, 2013

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JOINT SPONSORS: SENATORS HAMMOND;  
BROWER AND GUSTAVSON

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Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing the Merit Award Program for state employees. (BDR 23-760)

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.

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AN ACT relating to state employees; revising provisions governing the Merit Award Program; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law establishes the Merit Award Program to provide awards to state employees who propose suggestions that would reduce, eliminate or avoid state expenditures or improve the operation of State Government. (NRS 285.014, 285.020) ~~This bill revises the Merit Award Program to limit its application to only a suggestion that would reduce, eliminate or avoid state expenditures.~~

Sections 1 and 8 of this bill require each state agency to provide to its employees information relating to the Merit Award Program.

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

**Section 1.** NRS 284.337 is hereby amended to read as follows:

284.337 An employee whose duties include the supervision of an employee who holds a position in the classified service shall:

1. For filing at the times specified in NRS 284.340, prepare reports on the performance of that employee. In preparing a report, the supervisory employee shall meet with the employee to ~~discuss~~:

(a) **Discuss** goals and objectives ~~to evaluate~~;

(b) **Evaluate** the employee's improvement in performance and personal development ~~and to discuss~~;

1                   (c) Discuss the report ~~H~~; and

2                   (d) Provide to the employee information relating to the Merit Award  
3 Program established by NRS 285.020.

4                   2. Provide the employee with a copy of the report.

5                   3. Transmit the report to the appointing authority.

6                   Sec. 2. ~~NRS 285.014 is hereby amended to read as follows:~~

7                   ~~285.014 "Employee suggestion" means a proposal by a state employee or~~  
8 ~~group of state employees which would [~~

9                   1. Reduce, ~~] reduce, eliminate or avoid state expenditures, whether or not such~~  
10 ~~money would be expended from the State General Fund, ] ; or~~

11                   2. Improve the operation of the State Government.]

12                   (Deleted by amendment.)

13                   Sec. 3. (Deleted by amendment.)

14                   Sec. 4. (Deleted by amendment.)

15                   Sec. 5. ~~NRS 285.060 is hereby amended to read as follows:~~

16                   ~~285.060 1. Upon receiving an employee suggestion pursuant to NRS~~  
17 ~~285.050, the Secretary of the Board shall:~~

18                   (a) Record and acknowledge receipt of the employee suggestion;

19                   (b) Notify the state employee or each state employee of a group of state  
20 employees who made the employee suggestion of any undue delays in the  
21 consideration of the employee suggestion; and

22                   (c) Refer the employee suggestion at once to the head of the state agency or  
23 agencies affected, or his or her designee, for consideration.

24                   2. Within 30 days after receiving an employee suggestion that is referred  
25 pursuant to subsection 1, the head of the state agency, or his or her designee, shall  
26 report his or her findings and recommendations to the Board. The report must  
27 indicate:

28                   (a) Whether the employee suggestion has been adopted.

29                   (b) If adopted:

30                   (1) The day on which the employee suggestion was placed in effect;  
31                   (2) The actual or estimated reduction, elimination or avoidance of  
32 expenditures [or any improvement in operations] made possible by the employee  
33 suggestion;

34                   (3) If the employee suggestion was made by a group of state employees, a  
35 recommendation of the distribution of any potential award made pursuant to NRS  
36 285.070 to each state employee in the group. Such a distribution must be  
37 proportionate, fair and equitable based on the contributions by each state employee  
38 to the employee suggestion;

39                   (c) If rejected, the reasons for rejection.

40                   (d) If applicable, whether legislation will be required before the employee  
41 suggestion may be adopted.

42                   3. The Board shall:

43                   (a) Review the findings and recommendations of the state agency and may  
44 obtain additional information or take such other action as is necessary for prompt,  
45 thorough and impartial consideration of each employee suggestion.

46                   (b) Evaluate each employee suggestion, taking into consideration any action by  
47 the state agency, staff recommendations and the objectives of the Merit Award  
48 Program.

49                   (c) Monitor the efficacy and progress of employee suggestions that have been  
50 adopted and placed into effect.

51                   (d) Provide a report to the Budget Division of the Department of  
52 Administration and the Interim Finance Committee not later than 30 days after the  
53 end of each fiscal year summarizing, for that fiscal year:

1                 (1) The employee suggestions that were rejected by state agencies;  
2                 (2) The employee suggestions that were adopted by state agencies and  
3 detailing any actual reduction, elimination or avoidance of expenditures [or any  
4 improvement in operations] made possible by the employee suggestion;  
5                 (3) Any legislation required to be enacted before an employee suggestion  
6 may be adopted.] **(Deleted by amendment.)**

7                 Sec. 6. NRS 285.070 is hereby amended to read as follows:

8                 285.070 1. Except as otherwise provided in this section, after reviewing and  
9 evaluating an employee suggestion, the Board, in consultation with the Budget  
10 Division of the Department of Administration, may make an award to the state  
11 employee or to each state employee of a group of state employees who made the  
12 employee suggestion.

13                 2. If the amount of a proposed award will exceed \$5,000, the award must be  
14 approved by the Interim Finance Committee. On a quarterly basis, the Board shall  
15 transmit any proposed awards that exceed \$5,000 to the Director of the Legislative  
16 Counsel Bureau for transmittal to the Interim Finance Committee. In acting upon  
17 such an award, the Interim Finance Committee shall consider, among other things:

18                 (a) The reduction, elimination or avoidance of expenditures [or any  
19 improvement in operations] made possible by the employee suggestion; and

20                 (b) The intent of the Legislature in enacting this chapter.

21                 3. An award made pursuant to this section may not exceed:

22                 (a) Ten percent of the amount of any actual savings to the State, as determined  
23 at the end of the second fiscal year after the adoption of the employee suggestion;  
24 or

25                 (b) A total of \$25,000;

26 whichever is less, whether distributed to an individual employee or to a group of  
27 state employees who made the employee suggestion.

28                 4. Awards to employees arising out of adopted employee suggestions must,  
29 insofar as is practicable, be paid from money other than money in the State General  
30 Fund.

31                 5. The total amount of an award made pursuant to this section must be paid in  
32 two equal installments. The first installment must be paid not later than 30 days  
33 after the end of the fiscal year during which the employee suggestion was adopted,  
34 and the second installment must be paid not later than 30 days after the end of the  
35 subsequent fiscal year.

36                 6. A former state employee is eligible to receive an award pursuant to this  
37 section if the person was a state employee at the time he or she made an employee  
38 suggestion, or was a member of a group of state employees who made an employee  
39 suggestion, that is subsequently adopted.

40                 7. An award may not be made for an employee suggestion pursuant to this  
41 section until the State has realized a reduction, elimination or avoidance of  
42 expenditures [or any improvement in operations] as a result of the employee  
43 suggestion.

44                 8. Any actual savings to the State resulting from the adoption of an employee  
45 suggestion that remains after an award is made pursuant to this section must be  
46 distributed as follows:

47                 (a) Fifty percent must be transferred to the State General Fund; and

48                 (b) After a revision to the appropriate work program pursuant to NRS 353.220,  
49 the remaining balance must be used by the state agency that employs the state  
50 employee or the group of state employees who made the employee suggestion for  
51 one time, nonoperational expenses which do not require ongoing maintenance,  
52 including, without limitation, training and equipment.] **(Deleted by amendment.)**

53                 Sec. 7. (Deleted by amendment.)

1       **Sec. 8.** As soon as practicable on or after July 1, 2013, each state agency, as  
2 defined in NRS 285.016, shall:

3           1. When the next reprint of any manual or handbook that the state agency  
4 provides to employees is prepared, add a description of the Merit Award Program  
5 established by NRS 285.020 to the manual or handbook.

6           2. When any Internet website maintained by the state agency is updated, add  
7 to the website a description of the Merit Award Program that is readily available to  
8 employees of the state agency.

9       **Sec. 9.** (Deleted by amendment.)

10       **Sec. 10.** This act becomes effective on July 1, 2013.