

ASSEMBLY BILL NO. 249—ASSEMBLYMEN WHEELER, O’NEILL,
DICKMAN, GARDNER, HAMBRICK; DOOLING, ELLISON,
HICKEY, SHELTON AND TITUS

MARCH 11, 2015

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes relating to collective bargaining. (BDR 23-521)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 local governments; requiring that a copy of a proposed collective bargaining agreement or similar agreement of a local government employer be made available to the public before its approval by the governing body of the local government; revising the process of fact-finding and arbitration following an impasse in bargaining; removing a portion of the budgeted ending fund balance of the general fund of a local government from the scope of collective bargaining and from consideration by a fact finder or arbitrator; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law provides that any new, extended or modified collective bargaining agreement or similar agreement between a local government employer and an employee organization must be approved at a public hearing by the governing body of the local government. At such a hearing, the chief executive officer of the local government must report on the fiscal impact of the proposed agreement. (NRS 288.153) **Section 4** of this bill requires that a copy of the proposed agreement be posted on the Internet website of the local government or deposited with the county clerk not less than 21 days before the date of such a hearing. In addition, **sections 1 and 4** of this bill require the chief executive officer to report whether the agreement is financially sustainable, meaning that the local government employer has the financial ability to pay compensation or monetary benefits in a given amount during the term of the agreement or for 3 years, whichever is longer, giving consideration to reserved money, nonrecurring revenue or a potential loss of revenue.



If an impasse is reached in collective bargaining negotiations, existing law establishes a process of fact-finding and arbitration. Existing law requires a fact finder to make a determination of the financial ability of the local government to grant monetary benefits. After the fact finder makes his or her report, the governing body of the local government employer must meet to consider the fiscal impact of the fact finder's findings and recommendations, based upon a report from the chief executive officer of the local government. (NRS 288.200) **Section 5** of this bill requires that the fact finder make a determination of the amount of compensation and monetary benefits that is financially sustainable for the local government employer, and that the chief executive officer and governing body also report on and consider whether the fact finder's findings and recommendations are financially sustainable. **Sections 6 and 7** of this bill make similar changes relating to the process of final and binding arbitration.

Existing law limits the extent to which money in certain governmental funds may be expended by a local government employer pursuant to a collective bargaining agreement or considered by a fact finder or arbitrator in determining the financial ability of the local government employer to pay monetary benefits. (NRS 288.200, 288.215, 288.217, 354.6241) **Sections 3 and 8** of this bill provide that a budgeted ending fund balance for the general fund of a local government of not more than 25 percent of the total budgeted expenditures from the general fund, less capital outlay: (1) is not subject to collective bargaining negotiations; and (2) must not be considered by a fact finder or arbitrator in resolving issues of ability to pay or financial sustainability.

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

Section 1. Chapter 288 of NRS is hereby amended by adding thereto a new section to read as follows:

“Financially sustainable” means that a local government employer has the financial ability to pay compensation and monetary benefits in a given amount during the term of a collective bargaining agreement or for 3 years, whichever is longer, giving consideration to the limitations set forth in NRS 354.6241, any nonrecurring revenue or potential loss of revenue and the other criteria set forth in NRS 288.200, 288.215 and 288.217, as applicable.

Sec. 2. NRS 288.020 is hereby amended to read as follows:

288.020 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 288.025 to 288.075, inclusive, ***and section 1 of this act*** have the meanings ascribed to them in those sections.

Sec. 3. NRS 288.150 is hereby amended to read as follows:

288.150 1. Except as provided in subsection 4 ~~4~~ ***and NRS 354.6241***, every local government employer shall negotiate in good faith through one or more representatives of its own choosing concerning the mandatory subjects of bargaining set forth in subsection 2 with the designated representatives of the recognized



1 employee organization, if any, for each appropriate bargaining unit
2 among its employees. If either party so requests, agreements reached
3 must be reduced to writing.

4 2. The scope of mandatory bargaining is limited to:

5 (a) Salary or wage rates or other forms of direct monetary
6 compensation.

7 (b) Sick leave.

8 (c) Vacation leave.

9 (d) Holidays.

10 (e) Other paid or nonpaid leaves of absence.

11 (f) Insurance benefits.

12 (g) Total hours of work required of an employee on each
13 workday or workweek.

14 (h) Total number of days' work required of an employee in a
15 work year.

16 (i) Discharge and disciplinary procedures.

17 (j) Recognition clause.

18 (k) The method used to classify employees in the bargaining
19 unit.

20 (l) Deduction of dues for the recognized employee organization.

21 (m) Protection of employees in the bargaining unit from
22 discrimination because of participation in recognized employee
23 organizations consistent with the provisions of this chapter.

24 (n) No-strike provisions consistent with the provisions of this
25 chapter.

26 (o) Grievance and arbitration procedures for resolution of
27 disputes relating to interpretation or application of collective
28 bargaining agreements.

29 (p) General savings clauses.

30 (q) Duration of collective bargaining agreements.

31 (r) Safety of the employee.

32 (s) Teacher preparation time.

33 (t) Materials and supplies for classrooms.

34 (u) The policies for the transfer and reassignment of teachers.

35 (v) Procedures for reduction in workforce consistent with the
36 provisions of this chapter.

37 (w) Procedures and requirements for the reopening of collective
38 bargaining agreements that exceed 1 year in duration for additional,
39 further, new or supplementary negotiations during periods of fiscal
40 emergency. The requirements for the reopening of a collective
41 bargaining agreement must include, without limitation, measures of
42 revenue shortfalls or reductions relative to economic indicators such
43 as the Consumer Price Index, as agreed upon by both parties.



3. Those subject matters which are not within the scope of mandatory bargaining and which are reserved to the local government employer without negotiation include:

(a) Except as otherwise provided in paragraph (u) of subsection 2, the right to hire, direct, assign or transfer an employee, but excluding the right to assign or transfer an employee as a form of discipline.

(b) The right to reduce in force or lay off any employee because of lack of work or lack of money, subject to paragraph (v) of subsection 2.

(c) The right to determine:

(1) Appropriate staffing levels and work performance standards, except for safety considerations;

(2) The content of the workday, including without limitation workload factors, except for safety considerations;

(3) The quality and quantity of services to be offered to the public; and

(4) The means and methods of offering those services.

(d) Safety of the public.

4. Notwithstanding the provisions of any collective bargaining agreement negotiated pursuant to this chapter, a local government employer is entitled to take whatever actions may be necessary to carry out its responsibilities in situations of emergency such as a riot, military action, natural disaster or civil disorder. Those actions may include the suspension of any collective bargaining agreement for the duration of the emergency. Any action taken under the provisions of this subsection must not be construed as a failure to negotiate in good faith.

5. The provisions of this chapter, including without limitation the provisions of this section, recognize and declare the ultimate right and responsibility of the local government employer to manage its operation in the most efficient manner consistent with the best interests of all its citizens, its taxpayers and its employees.

6. This section does not preclude, but this chapter does not require, the local government employer to negotiate subject matters enumerated in subsection 3 which are outside the scope of mandatory bargaining. The local government employer shall discuss subject matters outside the scope of mandatory bargaining but it is not required to negotiate those matters.

7. Contract provisions presently existing in signed and ratified agreements as of May 15, 1975, at 12 p.m. remain negotiable.

Sec. 4. NRS 288.153 is hereby amended to read as follows:

288.153 **1.** Any new, extended or modified collective bargaining agreement or similar agreement between a local government employer and an employee organization must be



1 approved by the governing body of the local government employer
2 at a public hearing. ~~[The]~~

3 *2. Not less than 21 days before the date of the hearing, the*
4 *governing body shall cause a copy of the proposed agreement to be*
5 *posted and made available for downloading on the Internet*
6 *website of the local government or, if the local government does*
7 *not have such a website, deposited with the county clerk of the*
8 *county in which the local government is located. If it is so*
9 *deposited, the proposed agreement is a public record and must be*
10 *open for public inspection pursuant to NRS 239.010.*

11 *3. At the hearing, the* chief executive officer of the local
12 government shall report to *the governing body of* the local
13 government the fiscal impact of the *proposed* agreement ~~[and]~~ *and*
14 *whether the proposed agreement is financially sustainable.*

15 **Sec. 5.** NRS 288.200 is hereby amended to read as follows:

16 288.200 Except in cases to which NRS 288.205 and 288.215,
17 or NRS 288.217 apply:

18 1. If:

19 (a) The parties have failed to reach an agreement after at least
20 six meetings of negotiations; and

21 (b) The parties have participated in mediation and by April 1,
22 have not reached agreement,

23 ➤ either party to the dispute, at any time after April 1, may submit
24 the dispute to an impartial fact finder for the findings and
25 recommendations of the fact finder. The findings and
26 recommendations of the fact finder are not binding on the parties
27 except as provided in subsections 5, 6 and 11. The mediator of a
28 dispute may also be chosen by the parties to serve as the fact finder.

29 2. If the parties are unable to agree on an impartial fact finder
30 or a panel of neutral arbitrators within 5 days, either party may
31 request from the American Arbitration Association or the Federal
32 Mediation and Conciliation Service a list of seven potential fact
33 finders. If the parties are unable to agree upon which arbitration
34 service should be used, the Federal Mediation and Conciliation
35 Service must be used. Within 5 days after receiving a list from the
36 applicable arbitration service, the parties shall select their fact finder
37 from this list by alternately striking one name until the name of only
38 one fact finder remains, who will be the fact finder to hear the
39 dispute in question. The employee organization shall strike the first
40 name.

41 3. The local government employer and employee organization
42 each shall pay one-half of the cost of fact-finding. Each party
43 shall pay its own costs of preparation and presentation of its case in
44 fact-finding.



4. A schedule of dates and times for the hearing must be established within 10 days after the selection of the fact finder pursuant to subsection 2, and the fact finder shall report the findings and recommendations of the fact finder to the parties to the dispute within 30 days after the conclusion of the fact-finding hearing.

5. The parties to the dispute may agree, before the submission of the dispute to fact-finding, to make the findings and recommendations on all or any specified issues final and binding on the parties.

6. If the parties do not agree on whether to make the findings and recommendations of the fact finder final and binding, either party may request the formation of a panel to determine whether the findings and recommendations of a fact finder on all or any specified issues in a particular dispute which are within the scope of subsection 11 are to be final and binding. The determination must be made upon the concurrence of at least two members of the panel and not later than the date which is 30 days after the date on which the matter is submitted to the panel, unless that date is extended by the Commissioner of the Board. Each panel shall, when making its determination, consider whether the parties have bargained in good faith and whether it believes the parties can resolve any remaining issues. Any panel may also consider the actions taken by the parties in response to any previous fact-finding between these parties, the best interests of the State and all its citizens, the potential fiscal effect both within and outside the political subdivision, and any danger to the safety of the people of the State or a political subdivision.

7. Except as otherwise provided in subsection 10, any fact finder, whether the fact finder's recommendations are to be binding or not, shall base such recommendations or award on the following criteria:

(a) A preliminary determination must be made as to ~~the~~:

(1) *The* financial ability of the local government employer based on all existing available revenues as established by the local government employer and within the limitations set forth in NRS 354.6241, with due regard for the obligation of the local government employer to provide facilities and services guaranteeing the health, welfare and safety of the people residing within the political subdivision ~~+~~; and

(2) *The amount of compensation and monetary benefits that is financially sustainable for the local government employer.*

↪ In making those determinations, the fact finder shall not consider any nonrecurring revenue or transfer of money or any money reserved by the local government employer to pay the



current or future costs of health benefits for retired employees or workers' compensation benefits.

(b) ~~{Once}~~ If the fact finder ~~{has determined}~~ *determines* in accordance with paragraph (a) that there is a current financial ability to grant *compensation and* monetary benefits ~~{,}~~ and ~~{subject to the provisions of paragraph (c),}~~ *the amount of compensation and monetary benefits that is financially sustainable*, the fact finder shall consider, to the extent appropriate, *the* compensation of other government employees, both in and out of the State and use normal criteria for interest disputes regarding the terms and provisions to be included in an agreement in assessing the reasonableness of the position of each party as to each issue in dispute and the fact finder shall consider whether the Board found that either party had bargained in bad faith.

~~{(c) A consideration of funding for the current year being negotiated. If the parties mutually agree to arbitrate a multiyear contract, the fact finder must consider the ability to pay over the life of the contract being negotiated or arbitrated.}~~

↪ The fact finder's report must contain the facts upon which the fact finder *has* based ~~{the fact finder's}~~ *his or her* determination of financial ability to grant *compensation and* monetary benefits and *the amount of compensation and monetary benefits that is financially sustainable*, and the fact finder's recommendations or award.

8. Within 45 days after the receipt of the report from the fact finder, the governing body of the local government employer shall hold a public meeting in accordance with the provisions of chapter 241 of NRS. The meeting must include a discussion of:

(a) The issues of the parties submitted ~~{pursuant to subsection 3-}~~ *to the fact finder;*

(b) The report of findings and recommendations of the fact finder; and

(c) The overall fiscal impact of the findings and recommendations ~~{,}~~ *and whether they are financially sustainable*, which must not include a discussion of the details of the report.

↪ The fact finder must not be asked to discuss the decision during the meeting.

9. The chief executive officer of the local government shall report to the local government the fiscal impact of the findings and recommendations ~~{,}~~ *and whether they are financially sustainable*. The report must include, without limitation, an analysis of the impact of the findings and recommendations on compensation and reimbursement, funding, benefits, hours, working conditions or other terms and conditions of employment.



10. Any sum of money which is maintained in a fund whose balance is required by law to be:

(a) Used only for a specific purpose other than the payment of compensation to the bargaining unit affected; or

(b) Carried forward to the succeeding fiscal year in any designated amount, to the extent of that amount,

↪ must not be counted in determining the financial ability of a local government employer *or the amount of compensation and monetary benefits that is financially sustainable* and must not be used to pay any *compensation or* monetary benefits recommended or awarded by the fact finder.

11. The issues which may be included in a panel's order pursuant to subsection 6 are:

(a) Those enumerated in subsection 2 of NRS 288.150 as the subjects of mandatory bargaining, unless precluded for that year by an existing collective bargaining agreement between the parties; and

(b) Those which an existing collective bargaining agreement between the parties makes subject to negotiation in that year.

↪ This subsection does not preclude the voluntary submission of other issues by the parties pursuant to subsection 5.

Sec. 6. NRS 288.215 is hereby amended to read as follows:

288.215 1. As used in this section:

(a) "Firefighters" means those persons who are salaried *or hourly* employees of a fire prevention or suppression unit organized by a political subdivision of the State and whose principal duties are controlling and extinguishing fires.

(b) "Police officers" means those persons who are salaried *or hourly* employees of a police department or other law enforcement agency organized by a political subdivision of the State and whose principal duties are to enforce the law.

2. The provisions of this section apply only to firefighters and police officers and their local government employers.

3. If the parties have not agreed to make the findings and recommendations of the fact finder final and binding upon all issues, and do not otherwise resolve their dispute, they shall, within 10 days after the fact finder's report is submitted, submit the issues remaining in dispute to an arbitrator who must be selected in the manner provided in NRS 288.200 and have the same powers provided for fact finders in NRS 288.210.

4. The arbitrator shall, within 10 days after the arbitrator is selected, and after 7 days' written notice is given to the parties, hold a hearing to receive information concerning the dispute. The hearings must be held in the county in which the local government employer is located and the arbitrator shall arrange for a full and complete record of the hearings.



5. At the hearing, or at any subsequent time to which the hearing may be adjourned, information may be presented by:

(a) The parties to the dispute; or

(b) Any interested person.

6. The parties to the dispute shall each pay one-half of the costs incurred by the arbitrator.

7. A determination ~~[of the]~~ *must be made as to:*

(a) *The financial ability of [a] the local government employer [must be] based on [:*

~~—(a) All]~~ *all existing available revenues as established by the local government employer and within the limitations set forth in NRS 354.6241, with due regard for the obligation of the local government employer to provide facilities and services guaranteeing the health, welfare and safety of the people residing within the political subdivision [; and*

~~(b) [Consideration of funding for the current year being negotiated. If the parties mutually agree to arbitrate a multi-year contract the arbitrator must consider the ability to pay over the life of the contract being negotiated or arbitrated.~~

~~→ Once]~~ *The amount of compensation and monetary benefits that is financially sustainable for the local government employer.*

→ In making those determinations, the arbitrator shall not consider any nonrecurring revenue or transfer of money or any money reserved by the local government employer to pay the current or future costs of health benefits for retired employees or workers' compensation benefits.

8. *If the arbitrator [has determined] determines in accordance with [this] subsection 7 that there is a current financial ability to grant compensation and monetary benefits [; and the amount of compensation and monetary benefits that is financially sustainable, the arbitrator shall consider, to the extent appropriate, the compensation of other governmental employees, both in and out of this State.*

~~[8.]~~ 9. At the recommendation of the arbitrator, the parties may, before the submission of a final offer, enter into negotiations. If the negotiations are begun, the arbitrator may adjourn the hearings for a period of 3 weeks. An agreement by the parties is final and binding, and upon notification to the arbitrator, the arbitration terminates.

~~[9.]~~ 10. If the parties do not enter into negotiations or do not agree within 30 days, each of the parties shall submit a single written statement containing its final offer for each of the unresolved issues.

~~[10.]~~ 11. The arbitrator shall, within 10 days after the final offers are submitted, accept one of the written statements, on the



basis of the criteria provided in NRS 288.200 ~~§~~ *and this section*, and shall report the decision to the parties. The decision of the arbitrator is final and binding on the parties. Any award of the arbitrator is retroactive to the expiration date of the last contract.

~~§§~~ **12.** The decision of the arbitrator must include a statement:

(a) Giving the arbitrator's reason for accepting the final offer that is the basis of the arbitrator's award; and

(b) Specifying the arbitrator's estimate of the total cost of the award.

~~§2~~ **13.** Within 45 days after the receipt of the decision from the arbitrator pursuant to subsection ~~§0~~ **11**, the governing body of the local government employer shall hold a public meeting in accordance with the provisions of chapter 241 of NRS. The meeting must include a discussion of:

(a) The issues submitted pursuant to subsection 3;

(b) The statement of the arbitrator pursuant to subsection ~~§§~~ **12**; and

(c) The overall fiscal impact of the decision ~~§~~ *and whether it is financially sustainable*, which must not include a discussion of the details of the decision.

➤ The arbitrator must not be asked to discuss the decision during the meeting.

~~§3~~ **14.** The chief executive officer of the local government shall report to the local government the fiscal impact of the decision ~~§~~ *and whether it is financially sustainable*. The report must include, without limitation, an analysis of the impact of the decision on compensation and reimbursement, funding, benefits, hours, working conditions or other terms and conditions of employment.

Sec. 7. NRS 288.217 is hereby amended to read as follows:

288.217 1. The provisions of this section govern negotiations between school districts and employee organizations representing teachers and educational support personnel.

2. If the parties to a negotiation pursuant to this section have failed to reach an agreement after at least four sessions of negotiation, either party may declare the negotiations to be at an impasse and, after 5 days' written notice is given to the other party, submit the issues remaining in dispute to an arbitrator. The arbitrator must be selected in the manner provided in subsection 2 of NRS 288.200 and has the powers provided for fact finders in NRS 288.210.

3. The arbitrator shall, within 30 days after the arbitrator is selected, and after 7 days' written notice is given to the parties, hold a hearing to receive information concerning the dispute. The hearing must be held in the county in which the school district is located and



1 the arbitrator shall arrange for a full and complete record of the
2 hearing.

3 4. The parties to the dispute shall each pay one-half of the costs
4 of the arbitration.

5 5. A determination ~~[of the]~~ *must be made as to:*

6 (a) *The* financial ability of ~~[a]~~ *the* school district ~~[must be]~~
7 based on ~~[~~:

8 ~~—(a) All]~~ *all* existing available revenues as established by the
9 school district and within the limitations set forth in NRS 354.6241,
10 with due regard for the obligation of the school district to provide an
11 education to the children residing within the district ~~[]~~; *and*

12 (b) ~~[Consideration of funding for the current year being~~
13 ~~negotiated. If the parties mutually agree to arbitrate a multi year~~
14 ~~contract the arbitrator must consider the ability to pay over the life~~
15 ~~of the contract being negotiated or arbitrated.~~

16 ~~→ Once]~~ *The amount of compensation and monetary benefits that*
17 *is financially sustainable for the school district.*

18 *↪ In making those determinations, the arbitrator shall not*
19 *consider any nonrecurring revenue or transfer of money or any*
20 *other money reserved by the school district to pay the current or*
21 *future costs of health benefits for retired employees or workers'*
22 *compensation benefits.*

23 6. If the arbitrator ~~[has determined]~~ *determines* in accordance
24 with ~~[this]~~ subsection 5 that there is a current financial ability to
25 grant *compensation and* monetary benefits ~~[]~~ *and the amount of*
26 *compensation and monetary benefits that is financially*
27 *sustainable*, the arbitrator shall consider, to the extent appropriate,
28 *the* compensation of other governmental employees, both in and out
29 of this State.

30 ~~[6.]~~ 7. At the recommendation of the arbitrator, the parties
31 may, before the submission of a final offer, enter into negotiations.
32 If the negotiations are begun, the arbitrator may adjourn the hearing
33 for a period of 3 weeks. If an agreement is reached, it must be
34 submitted to the arbitrator, who shall certify it as final and binding.

35 ~~[7.]~~ 8. If the parties do not enter into negotiations or do not
36 agree within 30 days after the hearing held pursuant to subsection 3,
37 each of the parties shall submit a single written statement containing
38 its final offer for each of the unresolved issues.

39 ~~[8.]~~ 9. The arbitrator shall, within 10 days after the final offers
40 are submitted, render a decision on the basis of the criteria set forth
41 in NRS 288.200 ~~[]~~ *and this section*. The arbitrator shall accept one
42 of the written statements and shall report the decision to the parties.
43 The decision of the arbitrator is final and binding on the parties. Any
44 award of the arbitrator is retroactive to the expiration date of the last
45 contract between the parties.



~~19.1~~ 10. The decision of the arbitrator must include a statement:

(a) Giving the arbitrator's reason for accepting the final offer that is the basis of the arbitrator's award; and

(b) Specifying the arbitrator's estimate of the total cost of the award.

~~110.1~~ 11. Within 45 days after the receipt of the decision from the arbitrator, the board of trustees of the school district shall hold a public meeting in accordance with the provisions of chapter 241 of NRS. The meeting must include a discussion of:

(a) The issues submitted pursuant to subsection 2;

(b) The statement of the arbitrator pursuant to subsection ~~19.1~~ 10; and

(c) The overall fiscal impact of the decision *and whether it is financially sustainable*, which must not include a discussion of the details of the decision.

➡ The arbitrator must not be asked to discuss the decision during the meeting.

~~111.1~~ 12. The superintendent of the school district shall report to the board of trustees the fiscal impact of the decision ~~11~~ *and whether it is financially sustainable*. The report must include, without limitation, an analysis of the impact of the decision on compensation and reimbursement, funding, benefits, hours, working conditions or other terms and conditions of employment.

~~112.1~~ 13. As used in this section:

(a) "Educational support personnel" means all classified employees of a school district, other than teachers, who are represented by an employee organization.

(b) "Teacher" means an employee of a school district who is licensed to teach in this State and who is represented by an employee organization.

Sec. 8. NRS 354.6241 is hereby amended to read as follows:

354.6241 1. The statement required by paragraph (a) of subsection 5 of NRS 354.624 must indicate for each fund set forth in that paragraph:

(a) Whether the fund is being used in accordance with the provisions of this chapter.

(b) Whether the fund is being administered in accordance with generally accepted accounting procedures.

(c) Whether the reserve in the fund is limited to an amount that is reasonable and necessary to carry out the purposes of the fund.

(d) The sources of revenues available for the fund during the fiscal year, including transfers from any other funds.

(e) The statutory and regulatory requirements applicable to the fund.



(f) The balance and retained earnings of the fund.

2. Except as otherwise provided in NRS 288.200, 288.215, 288.217, 354.59891 and 354.613, to the extent that the reserve in any fund set forth in paragraph (a) of subsection 5 of NRS 354.624 exceeds the amount that is reasonable and necessary to carry out the purposes for which the fund was created, the reserve may be expended by the local government pursuant to the provisions of chapter 288 of NRS.

3. *For the purposes of chapter 288 of NRS, a budgeted ending fund balance for the general fund of a local government of not more than 25 percent of the total budgeted expenditures from the general fund, less any capital outlay:*

(a) *Is not subject to negotiations with an employee organization; and*

(b) *Must not be considered by a fact finder or arbitrator in determining the financial ability of the local government to pay compensation or monetary benefits or the amount of compensation and monetary benefits that is financially sustainable.*

4. *As used in this section:*

(a) *“Employee organization” has the meaning ascribed to it in NRS 288.040.*

(b) *“Financially sustainable” has the meaning ascribed to it in section 1 of this act.*

Sec. 9. This act becomes effective upon passage and approval.

