

ASSEMBLY BILL NO. 436—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 23, 2015

Referred to Committee on Ways and Means

SUMMARY—Eliminates longevity payments for state employees.  
(BDR 23-1157)

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 state employees; revising provisions relating to compensation of state employees to eliminate longevity pay for such employees; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law provides for a plan to encourage continuity of service for state employees whereby each employee with 8 years or more of continuous state service is entitled to a semiannual payment which begins at \$75 and increases annually after that for each year of continuous service to a maximum semiannual payment of \$1,175 (referred to commonly as “longevity pay”). (NRS 284.177) **Section 5** of this bill repeals that provision, but does not affect any longevity pay of local governmental employees, and **sections 1-4** of this bill make conforming changes to reflect that repeal.

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

**Section 1.** NRS 281.123 is hereby amended to read as follows:  
281.123 1. Except as otherwise provided in subsection 3 or NRS 281.1233, or as authorized by statute referring specifically to that position, the salary of a person employed by the State or any agency of the State must not exceed 95 percent of the salary for the office of Governor during the same period.  
2. As used in subsection 1, the term “salary”:



(a) Includes any:

(1) Payment received by an employee for being available to work although the employee was not actually required to perform the work;

(2) Increase in salary provided to compensate for a rise in the cost of living; *and*

~~(3) Payment received under a plan established to encourage continuity of service; and~~

~~—(4)—~~ Payment received as compensation for purportedly performing additional duties.

(b) Excludes any:

(1) Payment received as compensation for overtime even if that payment is otherwise authorized by law; and

(2) Rent or utilities supplied to an employee if the employee is required by statute or regulation to live in a particular dwelling.

3. The provisions of subsection 1 do not apply to the salaries of:

(a) Dentists and physicians employed full-time by the State; or

(b) Officers and employees of the Nevada System of Higher Education.

**Sec. 2.** NRS 284.3775 is hereby amended to read as follows:

284.3775 1. Except as otherwise provided in this section, employees of the Supreme Court, employees of the Court of Appeals, employees in the unclassified service of the Executive Branch of the Government of the State of Nevada, or employees of the Legislative Branch of the Government of the State of Nevada who have served for 4 consecutive months or more are entitled to transfer to a position having similar duties and compensation in the classified service of the State on the same basis as employees may transfer within the classified service from a position under one appointing authority to a position under another appointing authority. The benefit conferred by this subsection includes any exemption from the taking of a competitive examination, retention of credits for annual and sick leave, ~~and longevity,~~ and priority on the lists of eligible persons to the extent that such privileges are accorded to employees transferring within the classified service.

2. Except as otherwise provided in subsection 4, the benefits conferred by subsection 1 do not apply to an employee in the unclassified service who is the chief officer of a department or division.

3. Except as otherwise provided in this subsection and subsection 4, a person may not transfer pursuant to subsection 1 to a class composed of:

(a) Professionally qualified persons; or



(b) Officers and administrators who set broad policies and exercise responsibility for the execution of those policies.

➔ A person may transfer to a class described in paragraph (a) or (b) if that class is provided for pursuant to subsection 2 of NRS 284.155.

4. The restrictions provided in subsections 2 and 3 do not apply to an employee of the Supreme Court, an employee of the Court of Appeals, an employee in the unclassified service of the Executive Branch of Government or an employee of the Legislative Branch of Government whose appointment to that position was immediately preceded by an appointment in the classified service, except that such an employee may only transfer to a position in the classified service that has duties and compensation that are similar either to the employee's current position or to a position the employee previously held in the classified service.

5. An employee in the classified service of the State who is granted leave without pay to accept a position in the Legislative Branch of Government during a regular or special session:

(a) Is entitled to be restored to the employee's previous position in the classified service upon the completion of the legislative session without loss of seniority or benefits. Seniority must be calculated as if the employee had not taken the leave.

(b) Is eligible to fill vacancies in positions within the classified service to the extent that the employee would be eligible if the employee was not on leave from the employee's position in the classified service.

6. An employee of the Legislative Branch of the Government of the State of Nevada who is employed at the conclusion of a regular session of the Legislature and is eligible at that time pursuant to subsection 1 to transfer to a position having similar duties and compensation in the classified service of the State may transfer to such a position on or before November 1 following session notwithstanding the termination of the employee's employment with the Legislative Branch of Government before that date. For the purposes of this section, the weekly compensation of a person paid a daily salary during a legislative session is seven times the daily salary.

**Sec. 3.** NRS 1A.030 is hereby amended to read as follows:

1A.030 1. "Compensation" means the salary paid to a justice of the Supreme Court, a judge of the Court of Appeals or a district judge by this State, to a justice of the peace by a county or to a municipal judge by a city, including:

(a) Base pay, which is the monthly rate of pay excluding all fringe benefits;

(b) Additional payment for longevity ~~if~~, if applicable; and



(c) Payment for extra duty assignments if it is the standard practice of this State, the county or the city to include such pay in the employment contract or official job description for the calendar year in which it is paid and such pay is specifically included in the justice's or judge's employment contract or official job description.

2. The term does not include any type of payment not specifically described in this section.

**Sec. 4.** NRS 3.030 is hereby amended to read as follows:

3.030 1. Until the first Monday in January 2009, the annual base salary of each district judge is \$130,000. From and after the first Monday in January 2009, the annual base salary of each district judge is \$160,000.

2. If a district judge has served in his or her office for at least 4 years, the district judge is entitled to an additional salary of 2 percent of his or her annual base salary for each year of service. The additional salary must not exceed 22 percent of his or her annual base salary.

3. The annual base salaries ~~and the additional salary for longevity~~ must be paid in biweekly installments out of the State Judicial Elected Officials Account of the Supreme Court.

4. No salary of any district judge may be paid in advance.

**Sec. 5.** NRS 284.177 and 284.179 are hereby repealed.

**Sec. 6.** This act becomes effective upon passage and approval.

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## TEXT OF REPEALED SECTIONS

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### **284.177 Plan to encourage continuity of service.**

1. A plan to encourage continuity of service, administered by the Division, is hereby established for employees with 8 years or more of continuous state service. Except as otherwise provided in NRS 284.179, an employee rated standard or better with 8 years or more of continuous service is entitled to receive a semiannual payment of \$75 plus:

(a) An annual increase of \$25 in the semiannual payment for each year of the employee's ninth through fourteenth years of continuous service;

(b) An annual increase of \$50 in the semiannual payment for each year of the employee's fifteenth through twenty-fourth years of continuous service; and

(c) An annual increase of \$75 in the semiannual payment for each additional year of continuous service after 24 years, up to a maximum of 30 years of continuous state service.



2. An interruption in continuous state service terminates the employee's eligibility for additional pay pursuant to subsection 1.

3. Except as otherwise provided in this subsection, no year served before the interruption may be counted in determining the employee's subsequent eligibility. This provision does not apply to an employee who was employed before July 1, 1981, unless the employee leaves state service after that date.

4. As used in this section, "continuous service" means uninterrupted service as defined by the Commission.

**284.179 Professional employees of Nevada System of Higher Education not entitled to payments pursuant to plan to encourage continuity of service.** The professional employees of the Nevada System of Higher Education are not entitled to receive the payments provided in NRS 284.177.

