

Amendment No. 956

Assembly Amendment to Assembly Bill No. 467	(BDR 23-551)
Proposed by: Assembly Committee on Ways and Means	
Amends: Summary: Yes Title: Yes 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) variations of green bold underlining is language proposed to be added 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 proposed to be retained in this amendment.

JFD/EGO



Date: 5/25/2017

A.B. No. 467—Revises provisions governing the Personnel Commission in the Division of Human Resource Management of the Department of Administration and the Merit Award Program. (BDR 23-551)



ASSEMBLY BILL NO. 467—COMMITTEE
ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE SUNSET SUBCOMMITTEE
OF THE LEGISLATIVE COMMISSION)

MARCH 27, 2017

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing the Personnel Commission in the Division of Human Resource Management of the Department of Administration. ~~and the Merit Award Program.~~ (BDR 23-551)

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 state employees; requiring the Governor to appoint alternate members to the Personnel Commission in the Division of Human Resource Management of the Department of Administration; revising the requirements for establishing a quorum of the Commission; ~~revising provisions governing the Merit Award Program;~~ and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the appointment of five members to the Personnel Commission in the Division of Human Resource Management of the Department of Administration and establishes that three members of the Commission constitute a quorum. Existing law further authorizes a quorum to exercise any power conferred on the Commission other than adopting, amending or rescinding regulations of the Commission which requires a majority vote of the entire Commission. (NRS 284.030, 284.055) **Sections 1 and 2** of this bill: (1) require the Governor to appoint five alternate members to the Commission; (2) revise the quorum requirements of the Commission; and (3) provide that a majority vote of the five members of the Commission is required for any action by the Commission.

~~The Merit Award Program is established under existing law to provide awards to state employees who propose suggestions which would reduce or eliminate state expenditures or improve the operation of the State Government. (NRS 285.020, 285.060) The Program is administered by the Merit Award Board.~~

~~Under existing law, the Merit Award Board is authorized, within the limits of legislative appropriations, to expend a maximum of \$1,000 for expenses relating to the operation of the Board. (NRS 285.020) Section 4 of this bill deletes those provisions regarding the maximum amount authorized for such expenditures. Existing law enumerates the criteria for an employee suggestion to be eligible for an award from the Merit Award Program and includes, as part of the criteria, the requirement that the suggestion is not under active consideration by the state agency affected. (NRS 285.050) Section 5 of this bill amends the criteria for~~

eligibility for such an award to require that the suggestion has not been previously considered by the state agency affected.

~~Existing law requires the Secretary of the Board to refer the employee suggestion to the head of the state agency or agencies affected, or his or her designee, for consideration. Existing law further: (1) requires the head of the state agency, or his or her designee, to report his or her findings and recommendations concerning the employee suggestion to the Board within 30 days after the referral; and (2) sets forth the required contents of the report. (NRS 285.060) Section 6 of this bill: (1) requires the head of the state agency, or his or her designee, to report recommendations concerning the employee suggestion only if applicable rather than requiring such recommendations for each employee suggestion that was referred; (2) provides that the Board may extend the 30 day reporting period; and (3) revises the timeline for the Board to submit the required annual report concerning employee suggestions to the Budget Division of the Office of Finance and the Interim Finance Committee.~~

~~Under existing law, awards made to state employees under the Merit Award Program are required to be paid in two equal installments. One payment is required to be made within 30 days after the end of the first fiscal year during which the employee suggestion was adopted and one payment is required to be made within 30 days after the end of the subsequent fiscal year. (NRS 285.070) Section 7 of this bill provides instead that: (1) the first payment is required to be made within 90 days after the end of the fiscal year during which the State realized certain savings or improvement in the operation of State Government as a result of the adoption of the employee suggestion; and (2) the second payment is required to be made within 90 days after the end of the fiscal year immediately following the fiscal year during which the first installment was paid.~~

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

Section 1. NRS 284.030 is hereby amended to read as follows:

284.030 1. There is hereby created in the Division a Personnel Commission composed of five members appointed by the Governor.

2. The Governor shall appoint:

(a) Three members who are representatives of the general public and have a demonstrated interest in or knowledge of the principles of public personnel administration.

(b) One member who is a representative of labor and has a background in personnel administration.

(c) One member who is a representative of employers or managers and has a background in personnel administration.

(d) An alternate member for each member appointed pursuant to paragraphs (a), (b) and (c) to serve when the regular member is unable to attend a meeting of the Commission.

Sec. 2. NRS 284.055 is hereby amended to read as follows:

284.055 1. The members of the Commission may meet at the times and places specified by the call of the Chair or a majority of the Commission, but a meeting of the Commission must be held regularly at least once every 3 months.

2. ~~Three~~ *Five* members of the Commission constitute a quorum. ~~A quorum may exercise any power conferred on the Commission, but no regulations may be adopted, amended or rescinded except by a~~ *A majority vote of the* ~~entire membership~~ *five members* of the Commission ~~is required for any official action taken by the Commission, including, without limitation:~~

(a) To adopt, amend or rescind a regulation of the Commission; and

(b) To decide an appeal to the Commission made by an employee in the public service of the State.

3. *If an alternate member attends a meeting of the Commission in place of the regular member, the alternate member fully assumes the duties, rights and responsibilities of the replaced regular member for the duration of that meeting and is entitled to the compensation, allowances and expenses otherwise payable for members who attend the meeting.*

4. The Commission shall keep minutes and audio recordings or transcripts of the transactions of each meeting. Except as otherwise provided in NRS 241.035, the minutes, audio recordings and transcripts are public records and must be filed with the Division. A copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge pursuant to NRS 241.035.

Sec. 3. ~~NRS 285.010 is hereby amended to read as follows:~~

~~285.010 "Adoption" means the putting of an employee suggestion into effect.] practice.] (Deleted by amendment.)~~

Sec. 4. ~~NRS 285.030 is hereby amended to read as follows:~~

~~285.030 1. The controlling authority of the Merit Award Program is the Merit Award Board.~~

~~2. The Board must be composed of five members as follows:~~

~~(a) Two persons who are members of the American Federation of State, County and Municipal Employees or its successor, designated by the executive committee of that Federation or its successor.~~

~~(b) One member from the Budget Division of the Office of Finance appointed by the Chief of the Budget Division.~~

~~(c) One member from the Division of Human Resource Management of the Department of Administration appointed by the Administrator of the Division.~~

~~(d) One member appointed by and representing the Governor.~~

~~3. The member from either the Budget Division of the Office of Finance or the Division of Human Resource Management of the Department of Administration must serve as the Secretary of the Board.~~

~~4. The Board shall adopt regulations for transacting its business and carrying out the provisions of this chapter.~~

~~[5. Within the limits of legislative appropriations, the Board may expend up to \$1,000 per year on expenses relating to the operation of the Board.]] (Deleted by amendment.)~~

Sec. 5. ~~NRS 285.050 is hereby amended to read as follows:~~

~~285.050 1. Except as otherwise provided in this section, any state employee or group of state employees may make an employee suggestion. An employee suggestion must be made in writing to the Board.~~

~~2. To be eligible for an award pursuant to NRS 285.070, a state employee or group of state employees must make a suggestion:~~

~~(a) Which is not [currently] under active consideration and has not been previously considered by the state agency affected;~~

~~(b) For which the act of developing or proposing is not a normal part of the job duties of the state employee, whether acting individually or as a member of a group of state employees;~~

~~(c) Which is not within the state employee's authority or responsibility to carry out or implement, whether acting individually or as a member of a group of state employees;~~

~~(d) Which proposes to do more than merely suggest that an existing policy or procedure be followed correctly;~~

~~(e) Which does not concern an individual grievance or complaint;~~

~~(f) Which would not reduce the quality or quantity of services provided by the relevant state agency; and~~

~~(e) Which would not transfer costs from one state agency to another state agency.~~

~~2. If duplicate employee suggestions are submitted, only the state employee or group of state employees who makes the first employee suggestion received is eligible for an award pursuant to NRS 285.070.~~

~~4. Except as otherwise provided in this subsection, a state employee, either individually or as a member of a group of state employees, may not [make] submit more than two employee suggestions in any calendar year. For any employee suggestion [made] submitted by a state employee, either individually or as a member of a group of state employees, that is approved in a calendar year, the state employee may [make] submit one additional employee suggestion during [the] that same calendar year.~~

~~5. The Board may, in consultation with the Budget Division of the Office of Finance and the Interim Finance Committee, establish such additional standards for the making and submission of employee suggestions as it deems proper. (Deleted by amendment.)~~

Sec. 6. [NRS 285.060 is hereby amended to read as follows:

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

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

~~(b) Notify the state employee or each state employee of a group of state employees who [made] submitted the employee suggestion of any undue delays in the consideration of the employee suggestion; and~~

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

~~2. Within 30 days after receiving an employee suggestion that is referred pursuant to subsection 1, the head of the state agency, or his or her designee, shall report his or her findings and, if applicable, recommendations to the Board. [.] unless the Board has, for good cause, extended the period. The report must indicate:~~

~~(a) Whether the employee suggestion has been adopted;~~

~~(b) If adopted:~~

~~(1) The day on which the employee suggestion was [placed in effect.] put into practice.~~

~~(2) The actual or estimated reduction, elimination or avoidance of state expenditures or any improvement in [operations] the operation of the State Government made possible by the employee suggestion.~~

~~(3) If the employee suggestion was [made] submitted by a group of state employees, a recommendation of the distribution of any potential award made pursuant to NRS 285.070 to each state employee in the group. Such a distribution must be proportionate, fair and equitable based on the contributions by each state employee to the employee suggestion.~~

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

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

~~3. The Board shall:~~

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

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

1 ~~— (c) Monitor the efficiency and progress of employee suggestions that have been~~
2 ~~adopted and [placed into effect.] **put into practice.**~~

3 ~~— (d) Provide a report to the Budget Division of the Office of Finance and the~~
4 ~~Interim Finance Committee not later than [30] 90 days after the end of each fiscal~~
5 ~~year summarizing, for that fiscal year:~~

6 ~~— (1) The employee suggestions that were rejected by state agencies.~~

7 ~~— (2) The employee suggestions that were adopted by state agencies and~~
8 ~~detailing any actual reduction, elimination or avoidance of expenditures or any~~
9 ~~improvement in [operations] **the operation of State Government** made possible by~~
10 ~~the employee suggestion.~~

11 ~~— (3) Any legislation required to be enacted before an employee suggestion~~
12 ~~may be adopted.] **(Deleted by amendment.)**~~

13 **Sec. 7. [NRS 285.070 is hereby amended to read as follows:**

14 ~~— 285.070 1. Except as otherwise provided in this section, after reviewing and~~
15 ~~evaluating an employee suggestion, the Board, in consultation with the Budget~~
16 ~~Division of the Office of Finance, may make an award to the state employee or to~~
17 ~~each state employee of a group of state employees who [made] **submitted** the~~
18 ~~employee suggestion.~~

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

24 ~~— (a) The reduction, elimination or avoidance of **state** expenditures or any~~
25 ~~improvement in [operations] **the operation of the State Government** made possible~~
26 ~~by the employee suggestion; and~~

27 ~~— (b) The intent of the Legislature in enacting this chapter.~~

28 ~~— 3. An award made pursuant to this section may not exceed:~~

29 ~~— (a) Ten percent of the amount of any actual savings to the State, as determined~~
30 ~~at the end of the second fiscal year after the adoption of the employee suggestion;~~
31 ~~or~~

32 ~~— (b) A total of \$25,000;~~

33 ~~— whichever is less, whether distributed to an individual employee or to a group of~~
34 ~~state employees who [made] **submitted** the employee suggestion.~~

35 ~~— 4. Awards to employees arising out of adopted employee suggestions must,~~
36 ~~insofar as is practicable, be paid from money other than money in the State General~~
37 ~~Fund.~~

38 ~~— 5. The total amount of an award made pursuant to this section must be paid in~~
39 ~~two equal installments. The first installment must be paid not later than [30] 90~~
40 ~~days after the end of the fiscal year during which **the State realized a reduction,**~~
41 ~~**elimination or avoidance of state expenditures or any improvement in the**~~
42 ~~**operation of State Government as a result of the adoption of** the employee~~
43 ~~suggestion. [was adopted, and the] **The second installment must be paid not later**~~
44 ~~than [30] 90 days after the end of the [subsequent] fiscal year [.] **immediately**~~
45 ~~**following the fiscal year during which the first installment was paid.**~~

46 ~~— 6. A former state employee is eligible to receive an award pursuant to this~~
47 ~~section if the person was a state employee at the time he or she made an employee~~
48 ~~suggestion, or was a member of a group of state employees who [made] **submitted**~~
49 ~~an employee suggestion, that is subsequently adopted.~~

50 ~~— 7. An award may not be made for an employee suggestion pursuant to this~~
51 ~~section until the State has realized a reduction, elimination or avoidance of **state**~~
52 ~~expenditures or any improvement in [operations] **the operation of the State**~~
53 ~~**Government** as a result of the **adopted** employee suggestion.~~

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

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

~~(b) After a revision to the appropriate work program pursuant to NRS 252.220, the remaining balance must be used by the state agency that employs the state employee or the group of state employees who [made] submitted the employee suggestion for one time, nonoperational expenses which do not require ongoing maintenance, including, without limitation, training and equipment.] (Deleted by amendment.)~~

Sec. 8. This act becomes effective on July 1, 2017.