MINUTES OF THE SENATE COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS

Eighty-first Session March 11, 2021

The Senate Committee on Legislative Operations and Elections was called to order by Chair James Ohrenschall at 3:31 p.m. on Thursday, March 11, 2021, Online. Exhibit A is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator James Ohrenschall, Chair Senator Roberta Lange, Vice Chair Senator Nicole J. Cannizzaro Senator Heidi Seevers Gansert Senator Carrie A. Buck

GUEST LEGISLATORS PRESENT:

Senator Joseph P. Hardy, Senatorial District No.12

STAFF MEMBERS PRESENT:

Michael Stewart, Policy Analyst Bryan Fernley, Counsel Barbara Young, Committee Secretary

OTHERS PRESENT:

Steven Cohen

Liz MacMenamin, Retail Association of Nevada

Peter Long, Administrator, Division of Human Resource Management,
Department of Administration

Serena Evans, Nevada Coalition to End Domestic and Sexual Violence Tess Opferman, Nevada Women's Lobby

CHAIR OHRENSCHALL:

Today we have two bills on the agenda, <u>Senate Bill (S.B.) 51</u> and <u>Senate Bill 81</u>. Both of these bills relate to State employees. I will turn the meeting over to Vice Chair Lange while I am away to testify before another committee.

VICE CHAIR LANGE:

We will begin with S.B. 81. The bill sponsor, Senator Hardy, will present the bill.

SENATE BILL 81: Increases the maximum salary of certain state employees. (BDR 23-618)

SENATOR JOSEPH P. HARDY (Senatorial District No. 12):

Senate Bill 81 examines salaries. When we begin scrutinizing salaries in Nevada, we must consider the recruitment of employees in our State. One of the components of salaries I considered was that State employees have a virtual cap on how much they are allowed to earn based on a percentage of the Governor's salary. We want to retain qualified people. There is a chance an inflationary spiral could occur, which would place us in a difficult position in the next two years for employees or prospective employees we may want to retain or recruit.

Regarding the Governor's salary, I refer you to the Research Division memo on the Compensation for Executive Directors/Heads of Independent Regulatory Boards (Exhibit B). The first page of (Exhibit C), the Overview of Executive Director Salaries and Key Metrics shows 95 percent of the Governor's salary, based on a 2017 salary schedule, was approximately \$142,000 per year. Every State employee, with a few exceptions, such as physicians and Nevada higher education employees, could be compensated at a higher rate if each was not employed by our State government agencies.

I spoke with Tina Leiss, Executive Officer of Public Employees' Retirement System (PERS). Her definition of a State employee is someone who is eligible to receive PERS and works for an agency of the State represented by the Attorney General.

I was specifically interested in the State Board of Pharmacy or other medical boards and Title 54 of *Nevada Revised Statutes* (NRS), which covers professions, occupations and businesses. Chapter 284 of NRS pertains to the State Personnel System. The following licensing boards: pharmacy, medical examiners, contractors, accountancy, dental examiners, nursing, cosmetology and so on, were also examined in Exhibit B. There are some salaries which are beyond 95 percent of the Governor's salary. In fact, some salaries are higher than that of the Governor. The Nevada Supreme Court Justices and the district

court judges are an entity unto themselves and are not considered in this bill. The staff of the Supreme Court could potentially benefit from this particular bill; however, the staff of district court judges are not applicable. This bill is very simple in that it would allow, but not mandate, a person employed by the State or any agency of the State to earn up to 150 percent of the salary of the Office of the Governor. This would increase the rate from 95 percent to 150 percent, and would apply to the Executive Branch.

STEVEN COHEN:

I would like to address one concern when the government is the employer. There are Eleventh Amendment issues because of the way the tort statute is written. Otherwise, I support the bill.

LIZ MACMENAMIN (Retail Association of Nevada):

We have been totally in support of 95 percent of the Governor's salary. My concern with this bill is that it would raise salaries above what our Governor, the highest officeholder in our State, earns. My worry is with the fee-based boards Senator Hardy was referring to. If they are fee-based, this would give these boards an opportunity to raise their salaries at the same time fees are increased on their licensees. Our fee structure is competitive with other states, but this legislation could change that. I would be remiss not to mention I work closely with the State Board of Pharmacy. I am not trying to undermine anyone from earning more money. Right now in NRS, 95 percent is working fine.

VICE CHAIR LANGE:

Seeing as there are no more callers, I am closing the hearing on $\underline{S.B.~81}$. We will now begin our hearing on $\underline{S.B.~51}$. This is an agency request from the Division of Human Resource Management. With us today is Peter Long, the administrator of the Division.

SENATE BILL 51: Revises provisions relating to sex- or gender-based harassment in the Executive Department of the State Government. (BDR 23-243)

PETER LONG (Administrator, Division of Human Resource Management, Department of Administration):

I am here to present <u>S.B. 51</u>, a bill relating to State employees. It prohibits an employee of the State from engaging in sex- or gender-based harassment. It provides for the adoption and annual review of a policy concerning sex- or

gender-based harassment, prescribing certain duties of an appointing authority relating to sex- or gender-based harassment and creating the Sex- or Gender-Based Harassment and Discrimination Investigation Unit within the Division of Human Resource Management (DHRM). It provides for the investigation of a complaint by the Division.

The majority of what is being proposed in this bill is already current practice. The Sexual Harassment Discrimination Investigation Unit within DHRM was created in 2003 by Governor Kenny Guinn. A policy addressing sexual harassment and discrimination was also created around that time. It is being proposed to be placed into statute as a result of the recommendation of the Governor's Task Force on Sexual Harassment and Discrimination Law and Policy created by Governor Steve Sisolak's Executive Order 2019-01.

SENATOR SEEVERS GANSERT:

It sounds as if this has been policy since Governor Guinn. Is there any difference in what you are proposing versus what is in policy now and what you are trying to put into statute?

Mr. Long:

The only significant change would be after an investigation. We would provide the report to the appointing authority at the agency where the offense was alleged to have occurred. That ends our role in the process. This bill is proposing after we provide the report, the appointing authority would report back to us any action that was taken.

SENATOR SEEVERS GANSERT:

Is all of this because of personnel issues? Is everything confidential, or is there an aggregated report annually?

Mr. Long:

All investigations are confidential per *Nevada Administrative Code*. This would put that confidentiality into regulation. Unfortunately, since 2003, whenever we have had to make budget reductions or proposed budget reductions, the first cuts proposed were statutory regulations. The elimination of this unit has been proposed a couple of times on those budget cutbacks, but it was ultimately decided that it needed to stay. This would put it into statute so it would not be one of the first things considered during a budget cutback.

VICE CHAIR LANGE:

From an operational standpoint, does every employee receive a handbook outlining procedures and protocols?

Mr. Long:

When an employee comes on board, an employee handbook is provided including our policy on sexual harassment and discrimination. The employee is instructed on how to report and whom to report to, which could be to an immediate supervisor, an employing authority, the Attorney General's Office or directly to DHRM. The report may be written or submitted through a hotline where the employee has the ability to file the report through our computer system.

VICE CHAIR LANGE:

Since there are no more questions, we are opening up the lines for testimony in support of S.B. 51.

SERENA EVANS (Nevada Coalition to End Domestic and Sexual Violence):

We are in favor of <u>S.B. 51</u>. No one should go to work in fear of experiencing sex- or gender-based violence. Having clearly written policies and procedures for reporting and investigating incidences of these forms of harassment will ensure all State employees know there is zero tolerance. The policy will direct employees on what to do and where to go if they unfortunately experience these types of harassment or violence. The small act of reviewing the policies and trainings annually will ensure that Nevada stays up to date on emerging trends and policies, as well as provide the opportunity to update policies and training requirements as needed. We are in favor of this legislation, as everyone deserves a safe working environment. The State of Nevada can lead by example in adopting this important legislation into statute.

TESS OPFERMAN (Nevada Women's Lobby):

As we well know, sex- and gender-based harassment in the workplace continues to be an issue. The Nevada Women's Lobby takes this seriously and advocates for policies that help prevent sex- and gender-based harassment. With those practices already in place, we support their codification into State law.

Mr. Cohen:

The problem I have with this bill is that it is too broad. I did submit an amendment request this morning and would be happy to present it at the appropriate time.

VICE CHAIR LANGE:

Mr. Long, have you seen the amendment?

Mr. Long:

I have not seen the amendment.

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VICE CHAIR LANGE:

At a later time, we will have another hearing on this bill if we decide to amend it. With no further comments, I will close the hearing on <u>S.B. 51</u>. As there is no more business before the Committee, we are adjourned at 4:02 p.m.

	RESPECTFULLY SUBMITTED:	
	Barbara Young, Committee Secretary	
APPROVED BY:		
Senator James Ohrenschall, Chair		
DATE:		

EXHIBIT SUMMARY									
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description					
	Α	1		Agenda					
S.B. 81	В	1	Senator Joseph P. Hardy	Compensation for Executive Directors/Heads of Independent Regulatory Boards					
S.B. 81	С	1	Senator Joseph P. Hardy	Overview of Executive Director Salaries and Key Metrics					