ASSEMBLY BILL NO. 21–COMMITTEE
ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE DIVISION OF HUMAN
RESOURCE MANAGEMENT OF THE
DEPARTMENT OF ADMINISTRATION)

PREFILED NOVEMBER 2, 2026

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to sick leave for certain state employees. (BDR 23-290)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: May have Fiscal Impact.
Effect on the State Highway Fund: No.

~

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 governing unused sick leave for employees of the Executive Department of State Government; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for requirements and procedures for collective bargaining between the Executive Department of State Government and certain classified employees of the Executive Department over certain terms and conditions of employment. (NRS 288.400-288.630) Under existing law, employees of the Executive Department in the unclassified service and certain other specified employees of the Executive Department are not eligible to engage in such collective bargaining. (NRS 288.425) Existing law establishes certain mandatory subjects of bargaining in the negotiation of such a collective bargaining agreement, including sick leave. (NRS 288.150, 288.500)

Under existing law, with certain exceptions, employees of the Executive Department in the classified and unclassified service are entitled to sick leave and to payment for a certain amount of unused sick leave in the circumstances of the employee's retirement, termination through no fault of his or her own or death while in public employment. Existing law prescribes a four-tiered schedule of graduated maximum payments for such unused sick leave based on the employee's years of service, with a minimum of 10 years of service required for any such payment. (NRS 284.355) However, under existing law, with certain exceptions, the statutes governing employees of the Executive Department, including the statutes

relating to sick leave, do not apply to any terms and conditions properly within the scope and subject to an enforceable collective bargaining agreement or supplemental bargaining agreement to the extent that: (1) those statutes are inconsistent or conflicting with the agreement; and (2) an appropriation, if required, has been made to implement the relevant part of the agreement. (Nev. Const. Art. 4, § 19; NRS 284.013, 288.505) **Section 1** of this bill provides a separate payment schedule for unused sick leave in the circumstances prescribed in existing law for an employee of the Executive Department who is not eligible to engage in collective bargaining. Under the five-tiered payment schedule for such employees set forth in **section 1**: (1) the minimum years of service required for such a payment is lowered to 5 years; and (2) as a result of the new initial tier, the graduated payment amounts are increased from the amounts in existing law for employees eligible to engage in collective bargaining.

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

Section 1. NRS 284.355 is hereby amended to read as follows:

284.355 1. Except as otherwise provided in this section, all employees in the public service, whether in the classified or unclassified service, are entitled to sick and disability leave with pay of 1 1/4 working days for each month of service, which may be cumulative from year to year. After an employee has accumulated 90 working days of sick leave, the amount of additional unused sick leave which the employee is entitled to carry forward from 1 year to the next is limited to one-half of the unused sick leave accrued during that year, but the Commission may by regulation provide for subsequent use of unused sick leave accrued but not carried forward because of this limitation in cases where the employee is suffering from a long-term or chronic illness and has used all sick leave otherwise available to the employee.

2. An employee who is entitled to receive paid family leave pursuant to NRS 284.356 may use his or her accrued sick leave for any purpose set forth in subsection 1 of NRS 284.356.

3. Upon the retirement of an employee, the employee's termination through no fault of the employee or the employee's death while in public employment, the employee or the employee's beneficiaries are entitled to payment:

(a) ~~[For]~~ ***Except as otherwise provided in paragraph (b), for*** the employee's unused sick leave in excess of 30 days, exclusive of any unused sick leave accrued but not carried forward, according to the employee's number of years of public service, except service with a political subdivision of the State, as follows:

(1) For 10 years of service or more but less than 15 years, not more than $2,500.

(2) For 15 years of service or more but less than 20 years, not more than $4,000.

(3) For 20 years of service or more but less than 25 years, not more than $6,000.

(4) For 25 years of service, not more than $8,000.

(b) ***If the employee is in the unclassified service or a person described in subsection 2 of NRS 288.425, for the employee's unused sick leave in excess of 30 days, exclusive of any unused sick leave accrued but not carried forward, according to the employee's number of years of public service, except service with a political subdivision of the State, as follows:***

(1) For 5 years of service or more but less than 10 years, not more than $2,500.

(2) For 10 years of service or more but less than 15 years, not more than $4,000.

(3) For 15 years of service or more but less than 20 years, not more than $6,000.

(4) For 20 years of service or more but less than 25 years, not more than $8,000.

(5) For 25 years of service, not more than $10,000.

(c) For the employee's unused sick leave accrued but not carried forward, an amount equal to one-half of the sum of:

(1) The employee's hours of unused sick leave accrued but not carried forward; and

(2) An additional 120 hours.

4. The Commission may by regulation provide for additional sick and disability leave for long-term employees and for prorated sick and disability leave for part-time employees.

5. An employee entitled to payment for unused sick leave pursuant to subsection 3 may elect to receive the payment in any one or more of the following forms:

(a) A lump-sum payment.

(b) An advanced payment of the premiums or contributions for insurance coverage for which the employee is otherwise eligible pursuant to chapter 287 of NRS. If the insurance coverage is terminated and the money advanced for premiums or contributions pursuant to this subsection exceeds the amount which is payable for premiums or contributions for the period for which the former employee was actually covered, the unused portion of the advanced payment must be paid promptly to the former employee or, if the employee is deceased, to the employee's beneficiary.

(c) The purchase of additional retirement credit, if the employee is otherwise eligible pursuant to chapter 286 of NRS.

6. Officers and members of the faculty of the Nevada System of Higher Education are entitled to sick and disability leave as provided by the regulations adopted pursuant to subsection 2 of NRS 284.345.

7. The Commission may by regulation provide policies concerning employees with mental or emotional disorders which:

(a) Use a liberal approach to the granting of sick leave or leave without pay to such an employee if it is necessary for the employee to be absent for treatment or temporary hospitalization.

(b) Provide for the retention of the job of such an employee for a reasonable period of absence, and if an extended absence necessitates separation or retirement, provide for the reemployment of such an employee if at all possible after recovery.

(c) Protect employee benefits, including, without limitation, retirement, life insurance and health benefits.

8. The Commission shall establish by regulation a schedule for the accrual of sick leave for employees who regularly work more than 40 hours per week or 80 hours biweekly. The schedule must provide for the accrual of sick leave at the same rate proportionately as employees who work a 40-hour week accrue sick leave.

9. The Division may investigate any instance in which it believes that an employee has taken sick or disability leave to which the employee was not entitled. If, after notice to the employee and a hearing, the Commission determines that the employee has taken sick or disability leave to which the employee was not entitled, the Commission may order the forfeiture of all or part of the employee's accrued sick leave.

Sec. 2. This act becomes effective on July 1, 2027.

㉚