

Assembly Bill No. 385—Assemblywomen Benitez-Thompson
and Brittney Miller

CHAPTER.....

AN ACT relating to public employment; revising provisions relating to the compensation received by officers and employees of certain public bodies; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

With certain exceptions, this bill prohibits a public body from entering into an employment contract that entitles an officer or employee of the public body to receive: (1) any fringe benefit, unless the public body has adopted a policy authorizing all persons employed in a similar position to receive the benefit; (2) any bonus, unless the bonus is based on merit and awarded at a public meeting; and (3) certain wages or other payments upon the termination of the employment of the officer or employee for cause or resignation of the officer or employee when an investigation relating to his or her employment is pending. This bill also prescribes certain payments and benefits to which an officer or employee of a public body is entitled or remains entitled upon termination of employment. This bill exempts from these requirements employment contracts for officers and employees of the Nevada System of Higher Education and employment contracts that are negotiated pursuant to a collective bargaining agreement.

For the purposes of this bill, the term “public body” has the same meaning as in the Open Meeting Law. (NRS 241.015)

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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

Section 1. Chapter 281 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in this section, a public body shall not enter into an employment contract that entitles an officer or employee of the public body to receive:

(a) Any fringe benefit, unless the public body has adopted a policy authorizing all persons employed by the public body in a similar position to receive the benefit.

(b) Any bonus, unless the bonus is based on merit and awarded at a public meeting.

(c) Upon the termination of the employment of the officer or employee for cause or the resignation of the officer or employee when an investigation relating to his or her employment is pending, any:

(1) Wages in lieu of notice or administrative leave;



(2) *Salary, benefits or equivalent compensation, including, without limitation, severance pay;*

(3) *Bonus; or*

(4) *Other form of payment.*

2. *Upon the termination of the employment of an officer or employee of a public body, the person:*

(a) *Must be paid for any portion of accumulated annual leave and compensatory time and unused sick leave authorized by law or policy of the public body.*

(b) *Remains entitled to any pension or retirement benefit provided by the Public Employees' Retirement System or other retirement or pension program of which he or she is a member.*

3. *Nothing in this section shall be construed to limit or prohibit:*

(a) *A person from:*

(1) *Receiving compensation for past services upon his or her termination;*

(2) *Bringing any cause of action for wrongful or unlawful acts committed against the person relating to his or her employment or termination; or*

(3) *Accepting any legal or equitable relief awarded or recovered for wrongful or unlawful acts committed against the person relating to his or her employment or termination.*

(b) *A public body from entering into an agreement to pay the cost of purchasing credit for service on behalf of an officer or employee pursuant to NRS 286.3007 or under any other retirement or pension program, if applicable.*

4. *The provisions of this section do not apply to:*

(a) *Any contract negotiated pursuant to a collective bargaining agreement.*

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

5. *As used in this section, "public body" has the meaning ascribed to it in NRS 241.015.*

Sec. 2. (Deleted by amendment.)

Sec. 3. The amendatory provisions of this act do not apply to a contract entered into before December 1, 2022, but do apply to any renewal or extension of such a contract.

Sec. 4. This act becomes effective on December 1, 2022.

