

ASSEMBLY BILL NO. 560—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DIVISION OF BUDGET AND PLANNING)

MARCH 28, 2011

Referred to Committee on Ways and Means

SUMMARY—Makes various changes relating to the compensation and benefits of state employees. (BDR 23-1158)

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; eliminating the required payment of a state employee at the rate of time and one-half for working on a holiday; continuing the temporary suspension of the semiannual payment of longevity pay and merit pay increases for state employees; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Existing law provides, in addition to paying state employees on state holidays,
 2 for payment at the rate of time and one-half for employees who work on a holiday.
 3 (NAC 284.256) **Section 1** of this bill eliminates this premium for working on a
 4 holiday.
 5 Existing law provides for a plan to encourage continuity of service in State
 6 Government, under which semiannual payments are made to state employees rated
 7 standard or better with 8 years or more of continuous service, commonly known as
 8 "longevity pay." (NRS 284.177) Existing law also provides for state employees
 9 who are rated standard or better and have not attained the top step of their grade to
 10 receive a merit pay increase annually. (NRS 284.175, 284.335; NAC 284.194)
 11 Those semiannual payments and merit pay increases were temporarily suspended
 12 by the Legislature in 2009 for the 2009-2011 biennium. (Chapter 276, Statutes of
 13 Nevada 2009, p. 1164-65, as amended by chapter 465, Statutes of Nevada 2009, p.
 14 2642-43) **Section 5** of this bill continues the suspension of those payments and
 15 increases for the next 2 fiscal years.



* A B 5 6 0 R 1 *

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

1 **Section 1.** NRS 284.180 is hereby amended to read as follows:
2 284.180 1. The Legislature declares that since uniform salary
3 and wage rates and classifications are necessary for an effective and
4 efficient personnel system, the pay plan must set the official rates
5 applicable to all positions in the classified service, but the
6 establishment of the pay plan in no way limits the authority of the
7 Legislature relative to budgeted appropriations for salary and wage
8 expenditures.

9 2. Credit for overtime work directed or approved by the head
10 of an agency or the representative of the head of the agency must be
11 earned at the rate of time and one-half, except for those employees
12 described in NRS 284.148.

13 3. Except as otherwise provided in subsections 4, 6, 7 and 9,
14 overtime is considered time worked in excess of:

- 15 (a) Eight hours in 1 calendar day;
- 16 (b) Eight hours in any 16-hour period; or
- 17 (c) A 40-hour week.

18 4. Firefighters who choose and are approved for a 24-hour shift
19 shall be deemed to work an average of 56 hours per week and 2,912
20 hours per year, regardless of the actual number of hours worked or
21 on paid leave during any biweekly pay period. A firefighter so
22 assigned is entitled to receive 1/26 of the firefighter's annual salary
23 for each biweekly pay period. In addition, overtime must be
24 considered time worked in excess of:

- 25 (a) Twenty-four hours in one scheduled shift; or
- 26 (b) Fifty-three hours average per week during one work period
27 for those hours worked or on paid leave.

28 ➤ The appointing authority shall designate annually the length of
29 the work period to be used in determining the work schedules for
30 such firefighters. In addition to the regular amount paid such a
31 firefighter for the deemed average of 56 hours per week, the
32 firefighter is entitled to payment for the hours which comprise the
33 difference between the 56-hour average and the overtime threshold
34 of 53 hours average at a rate which will result in the equivalent of
35 overtime payment for those hours.

36 5. The Commission shall adopt regulations to carry out the
37 provisions of subsection 4.

38 6. For employees who choose and are approved for a variable
39 workday, overtime will be considered only after working 40 hours
40 in 1 week.

41 7. Employees who are eligible under the Fair Labor Standards
42 Act of 1938, 29 U.S.C. §§ 201 et seq., to work a variable 80-hour



1 work schedule within a biweekly pay period and who choose and
2 are approved for such a work schedule will be considered eligible
3 for overtime only after working 80 hours biweekly, except those
4 eligible employees who are approved for overtime in excess of one
5 scheduled shift of 8 or more hours per day.

6 8. An agency may experiment with innovative workweeks
7 upon the approval of the head of the agency and after majority
8 consent of the affected employees. The affected employees are
9 eligible for overtime only after working 40 hours in a workweek.

10 9. This section does not supersede or conflict with existing
11 contracts of employment for employees hired to work 24 hours a
12 day in a home setting. Any future classification in which an
13 employee will be required to work 24 hours a day in a home setting
14 must be approved in advance by the Commission.

15 10. All overtime must be approved in advance by the
16 appointing authority or the designee of the appointing authority. No
17 officer or employee, other than a director of a department or the
18 chair of a board, commission or similar body, may authorize
19 overtime for himself or herself. The chair of a board, commission or
20 similar body must approve in advance all overtime worked by
21 members of the board, commission or similar body.

22 11. The Budget Division of the Department of Administration
23 shall review all overtime worked by employees of the Executive
24 Department to ensure that overtime is held to a minimum. The
25 Budget Division shall report quarterly to the State Board of
26 Examiners the amount of overtime worked in the quarter within the
27 various agencies of the State.

28 *12. A state employee is entitled to his or her normal rate of*
29 *pay for working on a legal holiday unless the employee is entitled*
30 *to payment for overtime pursuant to this section and the*
31 *regulations adopted pursuant thereto. This payment is in addition*
32 *to any payment provided for by regulation for working on a legal*
33 *holiday.*

34 **Sec. 2.** (Deleted by amendment.)

35 **Sec. 3.** (Deleted by amendment.)

36 **Sec. 4.** (Deleted by amendment.)

37 **Sec. 5.** 1. The four semiannual payments to which a state
38 employee would otherwise be entitled pursuant to NRS 284.177
39 must not be made during the period beginning on July 1, 2011, and
40 ending on June 30, 2013. For the purposes of payments made
41 pursuant to NRS 284.177 on or after July 1, 2013, any service
42 during that 2-year period must be considered in determining the
43 length of continuous service of an employee, but an employee is not
44 entitled to semiannual payments that would otherwise have been



1 made during the period during which the semiannual payments are
2 suspended.

3 2. No merit pay increases to which a state employee would
4 otherwise be entitled pursuant to chapter 284 of NRS and the
5 regulations adopted pursuant thereto may be granted during the
6 period beginning on July 1, 2011, and ending on June 30, 2013. For
7 the purposes of merit pay increases granted on or after July 1, 2013,
8 an employee is not entitled to any increases that would otherwise
9 have been granted during that period.

10 **Sec. 6.** This act becomes effective on July 1, 2011.

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