

Amendment No. 422

Assembly Amendment to Assembly Bill No. 321 (BDR 23-760)
Proposed by: Assembly Committee on Government Affairs
Amends: Summary: No Title: No 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) green bold italic underlining is new language proposed 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 that is proposed to be retained in this amendment; and (6) green bold underlining is newly added transitory language.

KRO/MSN



Date: 4/16/2013

A.B. No. 321—Revises provisions governing the Merit Award Program for state employees. (BDR 23-760)



ASSEMBLY BILL NO. 321—ASSEMBLYMEN PAUL ANDERSON, HARDY, HICKEY, HAMBRICK; CARRILLO, DUNCAN, ELLISON, FIORE, GRADY, HEALEY, KIRNER, LIVERMORE, MUNFORD, OSCARSON, SPRINKLE, STEWART, WHEELER AND WOODBURY

MARCH 18, 2013

JOINT SPONSORS: SENATORS HAMMOND; BROWER AND GUSTAVSON

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing the Merit Award Program for state employees. (BDR 23-760)

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; revising provisions governing the Merit Award Program; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law establishes the Merit Award Program to provide awards to state employees who propose suggestions that would reduce, eliminate or avoid state expenditures or improve the operation of State Government. (NRS 285.014, 285.020) ~~Section 2 of this~~ **This** bill revises the ~~definition of “employee suggestion”~~ **Merit Award Program** to limit its application to only a suggestion that would reduce, eliminate or avoid state expenditures. ~~The Merit Award Board administers the Program. (NRS 285.030) Section 3 of this bill revises the membership of the Board and requires the Governor to appoint the members of the Board from among the directors of the departments of the Executive Department of the State Government.~~

~~Existing law provides that to be eligible for an award, an employee or a group of employees must make a suggestion that meets certain criteria. (NRS 285.050) Section 4 of this bill provides certain additional criteria for a qualified employee suggestion.~~

~~Under existing law, the Board is required to consider certain factors when evaluating each employee suggestion. (NRS 285.040, 285.060) Section 5 of this bill requires the Board to determine whether an employee suggestion is desirable and feasible before referring the suggestion to a state agency.~~

~~Existing law limits the amount of an award to \$25,000 or 10 percent of any actual savings to the State. (NRS 285.070) Section 6 of this bill limits the amount of an award to \$3,500 or 20 percent of actual savings and requires that the award relate directly to the reduction, elimination or avoidance of expenditures realized as a result of the employee suggestion.~~

Sections 1 and 8 of this bill require each state agency to provide to its employees information relating to the Merit Award Program.

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

Section 1. NRS 284.337 is hereby amended to read as follows:

284.337 An employee whose duties include the supervision of an employee who holds a position in the classified service shall:

1. For filing at the times specified in NRS 284.340, prepare reports on the performance of that employee. In preparing a report, the supervisory employee shall meet with the employee to ~~discuss~~ :

(a) Discuss goals and objectives ~~to evaluate~~ ;

(b) Evaluate the employee's improvement in performance and personal development ~~to discuss~~ ;

(c) Discuss the report ~~to~~ ; and

(d) Provide to the employee information relating to the Merit Award Program established by NRS 285.020.

2. Provide the employee with a copy of the report.

3. Transmit the report to the appointing authority.

Sec. 2. NRS 285.014 is hereby amended to read as follows:

285.014 "Employee suggestion" means a proposal by a state employee or group of state employees which would ~~to~~

~~1. Reduce, reduce, eliminate or avoid state expenditures, whether or not such money would be expended from the State General Fund. to or~~

~~2. Improve the operation of the State Government.~~

Sec. 3. ~~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] consists 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 Department of Administration 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.] appointed by the Governor from among the directors of the departments of the Executive Department of the State Government. Each member of the Board serves a term of 4 years. A member of the Board may be reappointed.~~

~~3. [The member from either the Budget Division 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.] 4. 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. 4. ~~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.~~

1 ~~— (a) Which does not duplicate or closely resemble a suggestion that has been~~
2 ~~previously submitted and rejected;~~

3 ~~— (b) Which is not currently under active consideration by the state agency~~
4 ~~affected;~~

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

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

11 ~~— [(d)] (e) Which proposes to do more than merely suggest that an existing~~
12 ~~policy or procedure be followed correctly;~~

13 ~~— [(e)] (f) Which does not concern an individual grievance or complaint;~~

14 ~~— [(f)] (g) Which would not reduce the quality or quantity of services provided~~
15 ~~by the relevant state agency; and~~

16 ~~— [(g)] (h) Which would not transfer costs from one state agency to another state~~
17 ~~agency.~~

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

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

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

31 **Sec. 5.** NRS 285.060 is hereby amended to read as follows:

32 285.060 1. Upon receiving an employee suggestion pursuant to NRS
33 285.050, the Secretary of the Board shall:

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

35 (b) Notify the state employee or each state employee of a group of state
36 employees who made the employee suggestion of any undue delays in the
37 consideration of the employee suggestion; and

38 (c) Refer ~~If the Board determines that the employee suggestion is desirable~~
39 ~~and feasible, refer~~ the employee suggestion at once to the head of the state agency
40 or agencies affected, or his or her designee, for consideration.

41 2. Within 30 days after receiving an employee suggestion that is referred
42 pursuant to subsection 1, the head of the state agency, or his or her designee, shall
43 report his or her findings and recommendations to the Board. The report must
44 indicate:

45 (a) Whether the employee suggestion has been adopted.

46 (b) If adopted:

47 (1) The day on which the employee suggestion was placed in effect.

48 (2) The actual or estimated reduction, elimination or avoidance of
49 expenditures ~~for any improvement in operations~~ made possible by the employee
50 suggestion.

51 (3) If the employee suggestion was made by a group of state employees, a
52 recommendation of the distribution of any potential award made pursuant to NRS
53 285.070 to each state employee in the group. Such a distribution must be

1 proportionate, fair and equitable based on the contributions by each state employee
2 to the employee suggestion.

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

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

6 3. The Board shall:

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

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

13 (c) Monitor the efficacy and progress of employee suggestions that have been
14 adopted and placed into effect.

15 ~~(d) If the Board determines that an employee suggestion which has been~~
16 ~~adopted and placed into effect by a state agency is applicable to another state~~
17 ~~agency, refer the employee suggestion to the other state agency.~~

18 ~~(e)~~ Provide a report to the Budget Division of the Department of
19 Administration and the Interim Finance Committee not later than 30 days after the
20 end of each fiscal year summarizing, for that fiscal year:

21 (1) The employee suggestions that were rejected by state agencies.

22 (2) The employee suggestions that were adopted by state agencies and
23 detailing any actual reduction, elimination or avoidance of expenditures ~~for any~~
24 ~~improvement in operations~~ made possible by the employee suggestion.

25 (3) Any legislation required to be enacted before an employee suggestion
26 may be adopted.

27 **Sec. 6.** NRS 285.070 is hereby amended to read as follows:

28 285.070 1. Except as otherwise provided in this section, after reviewing and
29 evaluating an employee suggestion, the Board, in consultation with the Budget
30 Division of the Department of Administration, may make an award to the state
31 employee or to each state employee of a group of state employees who made the
32 employee suggestion.

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

38 (a) The reduction, elimination or avoidance of expenditures for any
39 improvement in operations made possible by the employee suggestion; and

40 (b) The intent of the Legislature in enacting this chapter.

41 3. An award made pursuant to this section ~~must relate directly to the~~
42 ~~reduction, elimination or avoidance of expenditures realized as a result of the~~
43 ~~employee suggestion and~~ may not exceed:

44 (a) ~~Ten~~ ~~(Twenty)~~ percent of the amount of ~~any~~ ~~that~~ actual savings to the State,
45 as determined at the end of the second fiscal year after the adoption of the
46 employee suggestion; or

47 (b) A total of ~~\$25,000~~ ~~152,500~~

48 ↪ whichever is less, whether distributed to an individual employee or to a group of
49 state employees who made the employee suggestion.

50 4. ~~3.~~ Awards to employees arising out of adopted employee suggestions
51 must, insofar as is practicable, be paid from money other than money in the State
52 General Fund.

1 5. The total amount of an award made pursuant to this section must be paid in
2 two equal installments. The first installment must be paid not later than 30 days
3 after the end of the fiscal year during which the employee suggestion was adopted,
4 and the second installment must be paid not later than 30 days after the end of the
5 subsequent fiscal year.

6 ~~6. 4.7~~ A former state employee is eligible to receive an award pursuant to
7 this section if the person was a state employee at the time he or she made an
8 employee suggestion, or was a member of a group of state employees who made an
9 employee suggestion, that is subsequently adopted.

10 ~~7. 4.5~~ An award may not be made for an employee suggestion pursuant to
11 this section until the State has realized a reduction, elimination or avoidance of
12 expenditures ~~for any improvement in operations~~ as a result of the employee
13 suggestion.

14 ~~8. 4.6~~ Any actual savings to the State resulting from the adoption of an
15 employee suggestion that remains after an award is made pursuant to this section
16 must be distributed as follows:

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

18 (b) After a revision to the appropriate work program pursuant to NRS 353.220,
19 the remaining balance must be used by the state agency that employs the state
20 employee or the group of state employees who made the employee suggestion for
21 one-time, nonoperational expenses which do not require ongoing maintenance,
22 including, without limitation, training and equipment.

23 ~~Sec. 7. NRS 218E.405 is hereby amended to read as follows:~~

24 ~~218E.405 1. Except as otherwise provided in subsection 2, the Interim~~
25 ~~Finance Committee may exercise the powers conferred upon it by law only when~~
26 ~~the Legislature is not in a regular or special session.~~

27 ~~2. During a regular or special session, the Interim Finance Committee may~~
28 ~~also perform the duties imposed on it by subsection 5 of NRS 284.115, NRS~~
29 ~~284.1720, ~~285.070,~~ subsection 2 of NRS 321.235, NRS 322.007, subsection 2 of~~
30 ~~NRS 323.020, NRS 323.050, subsection 1 of NRS 323.100, subsection 3 of NRS~~
31 ~~341.126, NRS 341.142, paragraph (f) of subsection 1 of NRS 341.145, NRS~~
32 ~~353.220, 353.224, 353.2705 to 353.2771, inclusive, 353.288, 353.335, 353C.226,~~
33 ~~paragraph (b) of subsection 4 of NRS 407.0762, NRS 428.375, 439.4905, 439.620,~~
34 ~~439.630, 445B.830 and 538.650. In performing those duties, the Senate Standing~~
35 ~~Committee on Finance and the Assembly Standing Committee on Ways and Means~~
36 ~~may meet separately and transmit the results of their respective votes to the Chair of~~
37 ~~the Interim Finance Committee to determine the action of the Interim Finance~~
38 ~~Committee as a whole.~~

39 ~~3. The Chair of the Interim Finance Committee may appoint a subcommittee~~
40 ~~consisting of six members of the Committee to review and make recommendations~~
41 ~~to the Committee on matters of the State Public Works Division of the Department~~
42 ~~of Administration that require prior approval of the Interim Finance Committee~~
43 ~~pursuant to subsection 3 of NRS 341.126, NRS 341.142 and paragraph (f) of~~
44 ~~subsection 1 of NRS 341.145. If the Chair appoints such a subcommittee:~~

45 ~~(a) The Chair shall designate one of the members of the subcommittee to serve~~
46 ~~as the chair of the subcommittee;~~

47 ~~(b) The subcommittee shall meet throughout the year at the times and places~~
48 ~~specified by the call of the chair of the subcommittee; and~~

49 ~~(c) The Director or the Director's designee shall act as the nonvoting recording~~
50 ~~secretary of the subcommittee.] (Deleted by amendment.)~~

51 ~~Sec. 8. As soon as practicable on or after July 1, 2013, each state agency, as~~
52 ~~defined in NRS 285.016, shall:~~

1 1. When the next reprint of any manual or handbook that the state agency
2 provides to employees is prepared, add a description of the Merit Award Program
3 established by NRS 285.020 to the manual or handbook.

4 2. When any Internet website maintained by the state agency is updated, add
5 to the website a description of the Merit Award Program that is readily available to
6 employees of the state agency.

7 ~~Sec. 9. 1. The term of any member of the Merit Award Board serving on~~
8 ~~July 1, 2013, expires on that date.~~

9 ~~2. Notwithstanding the provisions of NRS 285.020, as amended by section 3~~
10 ~~of this act, as soon as practicable on or after July 1, 2013, the Governor shall~~
11 ~~appoint to the Merit Award Board:~~

12 ~~(a) Two members to initial terms that expire on June 30, 2015.~~

13 ~~(b) Three members to initial terms that expire on June 30, 2017.] (Deleted by~~
14 ~~amendment.)~~

15 Sec. 10. This act becomes effective on July 1, 2013.