The following provisions of Senate Bill 3 require statutory changes and therefore could not be accomplished by Executive Order or Regulation:

1. Requires 4.6% salary reduction for any state employee (including those in all 3 branches of State Government) who is exempt from the furlough requirement for the 2010-2011 Fiscal Year (§3) and extends PERS hold harmless provisions for those pay cuts. (§2)

This is simply making one group of people work 40 hours at the same salary of those working 32 hours creating inequity. This would likely result in litigation costs to the State.

Our solution: Do NOT allow exceptions.

2. Voids all existing exemptions from furloughs (§13) and provides that new exemptions from the furlough requirement for the Executive Branch, including NSHE, must be approved by the Interim Finance Committee. (§3)

The Governor would successfully argue that such actions by the Legislative Branch through its Interim Finance Committee (e.g. creates the law and then administers and executes the law) are unconstitutional in violation of separation of powers principles. In fact, this legislation further allows IFC to encroach on the Executive Branch.

Our solution: The Board of Examiners can revoke any existing exceptions. Executive management can refuse any exceptions to furlough, and no further exemptions will be granted.

3. Prohibits supplemental compensation for certain travel expenses and additional pay increments for job circumstances such as shift differential, hazardous duty and call back for all state employees hired on or after March 1, 2010. (§§7.5 and 8.5)

The Governor did not seek to eliminate these additional pay increases. By prohibiting this in SB 3, it creates inequities among similarly situated employees making one group of people, those hired prior to March 1, 2010 (and returning employees) be compensated at a higher rate than those hired after. These same people would be carrying a larger burden of the shortfall. This would likely result in litigation costs to the State.

Our solution: We did not want this to begin with.

4. Authorizes each County School District to require employees to take unpaid furlough leave. (§1)

The language here is permissive. Contracts would still need to be negotiated. With the mandate for localities to deal with collective bargaining, this is nothing but a "show" from the Democrat-controlled legislature.

The solution: Eliminate NRS 288; or remove mandate for collective bargaining or require any collective bargaining negotiations be subject to open meeting laws. All actions require legislative action.

5. Requires approval of State Board of Examiners, Board of Regents, Supreme Court, PERS Board or Legislative Commission, respectively, before any additional overtime is worked in any branch of state government. (§7)

Once again, this is an attempt to legislate a management function. Overtime reports are heard quarterly through the Board of Examiners. The Budget Director is coordinating with State Personnel on a formal approval process and we have issued an executive directive which greatly restricts overtime.

Our solution: The existing reports will go into greater detail with a more formal approval process at the Department level.

6. Revises the statute that provides for calculating overtime to make overtime not accrue until after 10 hours or 12 hours per day for state employees whose work schedules include workdays longer than 8 hours.(§10)

## NRS 281.100 Hours of service of employees of State and political subdivisions; exceptions; penalty.

- 1. Except as otherwise provided in this section and NRS 284.180, the services and employment of all persons who are employed by the State of Nevada, or by any county, city, town, township or other political subdivision thereof, are limited to not more than 8 hours in any 1 calendar day and not more than 40 hours in any 1 week.
  - 3. This section does not apply to:
- (a) Officials of the State of Nevada or of any county, city, town, township or other political subdivision thereof, or employees of the State whose employment is governed by NRS 284.148.
  - (b) Employees of the State of Nevada or of any county, city, town, township or other political subdivision thereof who:
- (1) Are engaged as employees of a fire department, or to nurses in training or working in hospitals, or to police, deputy sheriffs or jailers;
- (2) Chose and are approved for a variable workday or variable 80-hour work schedules within a biweekly pay period;
- (3) Work more than 8 hours but not more than 10 hours in any 1 workday or 40 hours in any 1 workweek;

## Our solution: Unnecessary legislation.

7. Revises the statute that grants annual and sick leave to state employees to base the calculation of leave granted on an 8 hour day to avoid accrual of additional annual and sick leave as a result of longer work days. (§9)

Section 12 of SB3 defines "working day" to mean a period of work consisting of 8 hours until that regulation is amended by the Personnel Commission. However, the same definition already exists in NAC.

NAC 284.113 "Working day" interpreted. (NRS 284.065, 284.155, 284.345) As used in NRS 284.350 and 284.355, the Director will interpret "working day" to mean a period of work consisting of 8 hours.

(Added to NAC by Dep't of Personnel by R031-98, eff. 4-17-98; A by Personnel Comm'n by R065-98, 7-24-98)

AGO 451 (10-17-1967) Excess working hours do not increase annual or sick leave allowances. Work by state employee in excess of the daily limitation prescribed by NRS 284.100 does not carry with it any increase in annual leave or sick leave allowances under NRS 284.350 and 284.355, respectively.

Currently, many employees work 4 ten-hour shifts as part of innovative work week agreements. These employees receive the same accruals of sick leave and annual leave as employees on 5 eight hour shifts, because of this regulation.

Our solution: Unnecessary legislative action.

8. Requires a 4.6% reduction of the rates of compensation set forth in NRS 218.605 for all employees of the Senate and Assembly and prohibits certain step increases in that compensation for the 2010-2011 Fiscal Year. (§4)

"Make it work." Furloughs do not work for the vast majority of departments for various reasons. Department Directors in conjunction with staff have made tremendous strides in making it work.

Our solution: We respectfully request the Legislative Branch be subject to the same requirements as the other state employees.

9. Revises the statute that sets the hours of operation for all state offices at 8am to 5pm on Monday through Friday to temporarily extend the hours to 7am to 6pm on Monday through Thursday and provide for closing of state offices on Fridays and for the revision of the regular workweek of state employees to four 10-hour days. Authorizes exemptions for state offices that must remain open on Fridays because of the need to provide appropriate services that are necessary to the protection of public health, safety and welfare. (9.§5)

## **Current statutes say:**

NRS 281.110 State offices to maintain 40-hour workweeks and remain open during certain hours; exception; variable schedules for workweek.

- 1. Unless required for the efficient transaction of business and the convenience of the persons with whom business is transacted, the offices of all state officers, departments, boards, commissions and agencies must:
  - (a) Maintain not less than a 40-hour workweek.
- (b) Be open for the transaction of business at least from 8 a.m. until 12 p.m. and from 1 p.m. until 5 p.m. every day of the year, with the exception of Saturdays, Sundays and legal holidays.
- 2. Variable workweek scheduling may be required in those agencies where coverage is needed on Saturdays, Sundays and legal holidays or on other days or during other hours, as necessary.
- 3. The offices of all state officers, departments, boards, commissions and agencies that are open on the days and during the hours set forth in paragraph (b) of subsection 1 must remain open during the noon hour of each working day if any such office has more than one person on its staff.

[1:294:1949; 1943 NCL § 6957.01]—(NRS A 1971, 589; 1973, 79; 2003, 1435)

Our Solution: To take recommendations from those Department Directors where the "efficient transaction of business" option may apply and pursue through executive order the change of hours and scheduling.

10. Provides an automatic extension of the time for filing any paper with or complying with any deadline involving a state office that is closed on Friday if the last day for filing the paper or complying with the deadline falls on that Friday. (§5)

Presently, regulations provide for the transaction of business and the deadlines associated with same, to fall on the first business day after a holiday etc. for the majority of Departments. Any issues resulting may be dealt with by emergency regulation on a case-by-case basis.

Our solution: To conservatively amend any regulations to allow for the most conservative policies with regard to any change in hours with respect to deadlines and penalties, and ensure such policies and regulations are construed in the favor of the person or entity who has the filing deadline.

11. Allows employees of the Budget Division of the Department of Administration, Legislature and Legislative Counsel Bureau to take more than 1 day per month of the required unpaid furlough leave (in the same manner as classified employees) so that employees would take full year furlough leave before or after the Legislative Session. (§1)

The only employees this affects in the executive branch would be the Director of the Department of Administration and the Deputy to the Director. All other employees within the Department of Administration, Budget are classified and can take more hours in any one month.

Our solution: The Director and Deputy Director will work together to facilitate an equitable solution. The fact is most of the unclassified and non-classified staffs actually work on their furlough day effectively making the furlough reduction of 4.6% a pay cut for certain classes of employees.

12. Provides that the furlough and salary reduction requirements do not apply to a board, commission or agency, the sole function of which is regulating a profession, occupation or business and which is not subject to the State Budget Act. (§1)

This was not on the Call for the special session, this increases expenses and while these are all fee related boards the fact is that we have swept reserve accounts from fee related agencies, boards and commissions. This continues the inequitable treatment of state employees based on the funding source and not their core mission or on the parameters of life, health and safety.

Our solution: No exceptions to furloughs.