

SENATE BILL NO. 193—SENATOR SETTELMEYER

PREFILED FEBRUARY 13, 2017

Referred to Committee on Legislative Operations and Elections

SUMMARY—Revises provisions relating to certain payments to public officers and employees. (BDR 23-81)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

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

AN ACT relating to public employment; limiting the amount of certain payments to public officers and employees in relation to their resignation, retirement or termination from employment; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law imposes certain requirements and restrictions with respect to the
2 compensation of public officers and employees. (NRS 281.120-281.1575) For
3 example, existing law, with certain exceptions, limits the salary of persons
4 employed by the State to not more than 95 percent of the Governor’s salary for the
5 same period. (NRS 281.123) This bill prohibits a governmental entity, including a
6 state agency and local government, from paying an officer or employee in relation
7 to his or her resignation, retirement or termination from employment with the
8 governmental entity an amount of money pursuant to a settlement agreement
9 between the officer or employee and the governmental entity relating to the
10 employment of the officer or employee or as a bonus or other monetary incentive,
11 which is greater than the Governor’s current annual salary. This bill makes any
12 provision in a contract or other agreement relating to the employment of an officer
13 or employee of a governmental entity entered into, extended or renewed after the
14 effective date of this bill that conflicts with this limitation void.

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

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

3 *1. Except as otherwise provided in subsection 3, a*
4 *governmental entity shall not pay an officer or employee in*



1 *relation to his or her resignation, retirement or termination from*
2 *employment with the governmental entity an amount:*

3 *(a) Pursuant to a settlement agreement between the officer or*
4 *employee and the governmental entity relating to the employment*
5 *of the officer or employee; or*

6 *(b) As a bonus or other monetary incentive,*
7 *↪ which exceeds the amount of the current annual salary of the*
8 *office of Governor pursuant to NRS 223.050.*

9 *2. Any provision in a contract or other agreement relating to*
10 *the employment of an officer or employee of a governmental entity*
11 *that conflicts with this section is void.*

12 *3. The limitation on the amount that may be paid pursuant to*
13 *subsection 1 does not include any amount paid in relation to a*
14 *disability retirement and is in addition to any such amount.*

15 *4. As used in this section, "governmental entity" means an*
16 *institution, board, commission, bureau, council, department,*
17 *division, authority or other unit of government of this State,*
18 *including, without limitation, a state agency and a local*
19 *government.*

20 **Sec. 2.** The amendatory provisions of this act must not be
21 construed to impair any contract in existence on the effective date of
22 this act, but apply to any extension or renewal of such a contract and
23 to any contract of employment entered into on or after the effective
24 date of this act.

25 **Sec. 3.** This act becomes effective upon passage and approval.

