ADOPTED REGULATION OF

THE STATE CONTROLLER

LCB File No. R120-03

Effective February 4, 2004

AUTHORITY: §§1 and 2, NRS 281.129.

Section 1. NAC 281.250 is hereby amended to read as follows:

281.250 1. In addition to any other withholdings provided by law, the State Controller [will] *may* withhold money from the salary or wages of an officer or employee of the Executive Department whose payroll is processed by the State Controller [1] for payment to:

- (a) Any charitable organization approved by the Controller.
- (b) Employee credit unions.
- (c) [One health and accident insurer for each officer or employee.] Except as otherwise provided in subsection 2, insurers.
- (d) The United States for the purchase of [a savings bond] savings bonds or similar [obligation.] obligations of the United States.
- (e) An employee organization or labor organization whose primary mission is the advancement and support of its members within the employment positions and professions of the members, if:
- (1) At least [20] 15 percent of the officers or employees of the State request withholdings from their wages or salaries for payment to the organization; [or]

- (2) At least 51 percent of the officers or employees of the State who are eligible to be members of a homogeneous unit request withholdings from their wages or salaries for payment to the organization [. For the purposes of this subparagraph, a "homogeneous unit" means a group of state employees or officers having a sufficient community of interest to make it appropriate for them to be represented by a particular employee organization.]; or
- (3) At least 100 of the officers or employees of the State who are eligible to be members of a homogeneous unit request withholdings from their wages or salaries for payment to the organization.
- 2. The State Controller will, upon receipt of information from the Public Employees'
 Benefits Program specifying amounts of premiums or contributions for coverage by the
 Program, withhold those amounts from the salaries or wages of officers and employees who
 participate in the Program and pay those amounts to the Program.
- 3. An officer or employee of the Executive Department is not entitled to continue the withholding provided by paragraph (e) of subsection 1 if the number of officers or employees who request the withholding falls below [an average for a calendar year of:
- (a) Ten percent of the officers and employees of the State, if the withholding is made pursuant to the provisions of subparagraph (1) of paragraph (e) of subsection 1.
- (b) Twenty six percent of the officers and employees who are members of the organization, if the withholding is made pursuant to the provisions of subparagraph (2) of paragraph (e) of subsection 1.
- -3.] the percentage or number required by paragraph (e) of subsection 1.
- 4. Not earlier than January 1 of each year and not later than July 1 of that year, an employee organization or labor organization that receives money pursuant to paragraph (e) of

subsection 1 shall submit to the State Controller a detailed report of the membership of the organization. The State Controller will review the report to determine whether the percentage or number required by paragraph (e) of subsection 1 is met.

- 5. The State Controller will send written notice to an employee organization or labor organization if the number of officers and employees who request that money be withheld for payment to the organization falls below the percentage *or number* required by paragraph (e) of subsection 1. The members of the organization may continue to have the money withheld from their salaries or wages and paid to the organization for not more than 1 year after the date of the notice given by the State Controller. If the percentage *or number* required by paragraph (e) of subsection 1 is not met in that year, the withholding will be discontinued.
- [4.] 6. The percentages *and number* required by paragraph (e) of subsection 1 do not apply to an officer or employee of the Executive Department whose withholding for payment to an employee organization or labor organization began before January 2, 1990.
- [5.] 7. All disputes regarding withholdings, including refunds and missed withholdings, must be resolved by the employee and the organization receiving the withholding.
- 8. As used in subsection 1, "homogeneous unit" means a group of state employees or officers having a sufficient community of interest to make it appropriate for them to be represented by a particular employee organization.
 - **Sec. 2**. NAC 281.260 is hereby amended to read as follows:
 - 281.260 An officer or employee of the Executive Department may:
- 1. Request in writing on a form approved by the State Controller that money be withheld from his salary or wages.

- 2. [Cancel] Except as otherwise provided in subsection 3, cancel a withholding by giving written notice to the State Controller and the appropriate organization. The cancellation is effective on a date determined by the Controller, but not later than 30 days after the day the Controller receives the notice.
- 3. Cancel a withholding for an employee organization or labor organization that receives money pursuant to paragraph (e) of subsection 1 of NAC 281.250 by giving written notice:
- (a) In the manner set forth in subsection 2, if the officer or employee is transferred to another position in which membership in the employee organization or labor organization is no longer available; or
- (b) To the State Controller and the appropriate organization during the annual period for cancellation. The annual period for cancellation is the 2 weeks preceding each anniversary date of the commencement of the membership of the officer or employee in the organization. The cancellation is effective on a date determined by the Controller, but not later than 30 days after the day the Controller receives the notice.

NOTICE OF ADOPTION OF PROPOSED REGULATION LCB File No. R120-03

The State Controller adopted regulations assigned LCB File No. R120-03 which pertain to chapter 281 of the Nevada Administrative Code on December 8, 2003.

Notice date: 11/7/2003 Date of adoption by agency: 12/8/2003

Hearing date: 12/8/2003 **Filing date:** 2/4/2004

INFORMATIONAL STATEMENT

1. A description of how public comment was solicited, a summary of public response, and explanation how other interested persons may obtain a copy of the summary.

On November 7, 2003, public notices were posted for a regulation workshop at 10:00 a.m. and a hearing for 1:00 p.m. on December 8, 2003, at the Legislative Council Building in Carson City Nevada and teleconferenced to the Grant Sawyer Building in Las Vegas, Nevada. Notices were also sent to all public libraries in the state of Nevada. Both meetings were overseen by the State Controller, the Assistant State Controller and the Controller's Deputy Attorney General. Twelve people in Carson City and one person in Las Vegas attended the workshop. The comments dealt with the membership requirements necessary for employees or officers of the state to obtain a payroll deduction for membership dues to an employee or labor organization. Representatives from various employee and labor organizations expressed opinions on the membership levels required for a payroll deduction. A written summary may be obtained by calling the State Controller's Office at (775) 684-5611 or by writing to 101 N. Carson Street, Ste. 5, Carson City, Nevada 89701.

2. The number of persons who:

(a) Attended each hearing:(b) Testified at each hearing:(c) Submitted to the agency written comments:	13 5 0
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3. A description of how comment was solicited from affected businesses, a summary of their response and an explanation how other interested persons may obtain a copy of the summary.

Comments were solicited from affected businesses as outlined in #1. Additionally, notices were mailed directly to the employee and labor organizations. No other businesses are affected. There were no additional inquiries or comments.

4. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change. N/A

- 5. The estimated economic effect of the adopted regulation on the business which it is to regulate and on the public. These must be stated separately, and each case must include:
 - (a) Both adverse and beneficial effects; and
 - (b) Both immediate and long-term effects:
 - a. There is no adverse economic effect on businesses, either immediate or long-term. There is an economic benefit for the employee organizations and labor organizations and the state employee.
 - b. There is no estimated economic effect on the public, either adverse or beneficial, nor immediate or long-term.
- 6. The estimated cost to the agency for enforcement of the adopted regulation.

There is no additional cost to the agency for enforcement of this regulation..

7. A description of any regulation of other state or government agencies which the proposed regulation overlaps or duplicates.

There are no other state or government agency regulations that the proposed amendments duplicate.

8. Does the regulation include provisions which are more stringent than a federal regulation which regulates the same activity?

There are none.

9. Does the regulation provide a new fee or increase an existing fee?

This regulation does not provide or involve a new fee.