MEMBERS PRESENT: Chairman Dini
Vice Chairman Schofield
Mr. Craddock
Mr. DuBois
Mr. Jeffrey
Mr. May
Mr. Mello
Mr. Nicholas
Mr. Polish
Mr. Prengaman
Mr. Redelsperger

MEMBERS ABSENT: None

GUESTS: Mr. Bob Gagnier, Exec. Director, SNEA
Mr. Anthony Palazzolo, SNEA

Chairman Dini called the meeting to order at 8:10 A.M. The first bill on the agenda is AJR-36.

Mr. Gagnier testified the concept we are interested in is where all government employee and employer groups within the state of Nevada are together along with the retirement system and to oppose any national legislation that would impose controls on our retirement systems, such as PRISA. As many of you know, there is now ERISA which has been in effect for a number of years that strictly controls private pension programs. However, we are excluded from that. There have been proposals in the past and now to create a public employment retirement income security act. We feel that we can do a better job in the state of controlling our retirement system through the legislature and the retirement board than the feds can do back in Washington, D. C. We want to encourage them to keep their nose out of our business.

Mr. Redelsperger: Is the legislation pending now?

Mr. Gagnier: There was. It is our understanding that a new bill has been drafted. Mr. Bennett of the retirement system has the specifics of that legislation. I can give you some examples of how it could hurt us. There are all sorts of accounting requirements that would impose more costs on our retirement system; investment controls beyond what we would like to see. They want to control every aspect of the pension program.

Mr. Redelsperger: Do you think this is the first step to bring state employees under Social Security?

Mr. Gagnier: The two could be related, but not necessarily. There has been legislation and there was a two-year study by Congress to bring us under the Social Security system. The report of that study was that, yes, in fact, Social Security should be mandated upon the states; however, it should operate perspectively. In other words, not be applicable to current employees, only future employees. That gets rid of a constitutional question. It is our understanding at this time that the new administration in Washington is not going to propose mandatory Social Security coverage except for federal employees, and leave the states alone.

Mr. Jeffrey moved a DO PASS on AJR-36, seconded by Mr. Mello. Motion carried.

The next bill will be AB-416 - Makes various changes to law governing state personnel system.

Mr. Jim Wittenberg, representing the Personnel Division, stated that Jim Wenners, Chief of Recruitment and Examining, was with him. We received imput from agency managers in terms of what bothered them about the system, what kinds of improvements could be made. We also had a productivity study by a private consultant who looked at the personnel operation as it interfaced with another personnel operation in the agency. We got some good recommendations from that study and most recently, the Governor's management task force study had recommendations that were very important in terms of the proposals contained in this bill. What is important about the management task force is that you are talking about people who are knowledgeable in the private sector that didn't have the hangups with reference to the bureaucracy and were looking at it from a standpoint of what is cost beneficial, what makes sense, what regulations don't make sense, and they were Nevadans, not consultants coming in making a study and leaving. The recommendations made reenforced previous studies done, locally and nationally, on merit systems. The major problems with the merit system have been well defined. There are too many regulations, restrictions, and managers don't have enough latitude to manage their operations. Many of those regulations are unnecessary. The results of this study in terms of the needs, as far as Nevada is concerned, focused on improving the turnaround time, getting results to fill positions more quickly. That was the major problems that administrators said they were having. We need to deliver the service more quickly both in our recruitment and examining areas, as well as classification and pay. We need to delegate more to the agencies to make decisions in the agencies in some personnel matters and increase management discretion in the selection process procedure, as well as other areas. It also focused on

an increased need for training and supervisory and management areas. Some of those things are being done administratively, some through the legislature. The provisions and proposals contained in this bill will allow us to accomplish many of those things. The study results boil down to us: eliminate some of the redtape in the hiring process. We worked with SNEA this past summer and reached agreement on a good number of the proposals that are contained in this bill. We reached a point, however, in negotiations where SNEA wanted to remove those parts of this proposal that they didn't agree with. It was our feeling that we wanted to keep the bill in one piece and as a result of that breakdown, SNEA elected to introduce a number of pieces of legislation, some of which are parallel to these. This bill addresses all the areas that I have talked about. There are some minor type amendments which are bringing 284 in line with court decisions and attorney general decisions. The major changes are in the examining area and allows us to streamline that process and stop examining in areas that we don't need to.

The first proposed amendment, starting on Line 3, Page 1: This has to do with an Attorney General's opinion that says that under the current construction of the law, without a specific statute, such as we propose here, an employee who resigns voluntarily from state service may withdraw that resignation at any time. This creates some problems because after an employee resigns, gives two to four weeks' notice, and the appointing authority interviews people and perhaps makes a commitment to them, and the employee then says he has changed his mind. We think that it is not unreasonable that when an employee offers his resignation that they are going to have to negotiate rehire with the appointing authority. This would provide for that. On Line 13, Page 1, simply makes it clear which employees in the gameing commission and control board are classified and unclassified. On Page 2, Line 17, includes an enumeration of the unclassified employees. On Line 43, makes a change here involving some broader language. This language tha we have deleted which says on Line 45 involving unskilled and semi-skilled labor was a provision that was put in the statute in 1953. It is outdated. At that time we had less than 1,000 employees in state government. We had some 300 classifications and at this point there are over 9,500 and 1,300 classes.

On Page 3, Line 6 includes the classified and unclassified service under the longevity bill. On Line 12, it provides for a spell out on continuous service with reference to longevity and indicates that continuous and state service are required in terms of longevity. We had some language in the statute that

says anyone under the state's retirement system, which provided that people from local government who would come to work for state government were eligible for longevity payment. It was the legislative intent to apply this to state government. Certainly if local government wanted to follow suit, that was their option. This will make that clarification.

Mr. Dini: Do you have a problem with that now?

Mr. Wittenberg: Yes, people can come back-after terminating-two years later and count, say, five years before, and pick up from there. The intent of the legislation is to discourage people from leaving state service

Mr. Dini: You are interfering with the retirement plan, aren't you?

Mr. Wittenberg: Yes, that is true. This is a different kind of provision, benefit. The retirement system clearly was designed to cover all levels of local and state government, but you are right, it does conflict with that.

284.253 specifies that a person is considered a resident at the time of examination instead of the current ruling that six months' residency is required.

284.265 states that the Personnel Division can spend less time in giving exams where not required. In 1963 the rule was expanded from 3 applicants to 5 to provide the hiring authority with more discretion in their selection process and choice. We are now recommending from 5 to 10. There are twenty-three states that now certify more than 5 names and up to 25 names. It provides more of a choice for the hiring authority for an agency who has to make appointments. You can pick any one of the ten. Number One isn't always the best. Once the formal examination is given you are subject to grievance process, subject to court litigation and I think anytime you can eliminate the exams or using some other valid criteria for selection, you are better off. We have not lost in terms of a monetary judgment yet, so it speaks well of our exam process.

Mr. Mello: In a subcommittee study regarding a high level prison position we found that the questions asked in the examination were obsolete in regard to that that person would be doing.

Mr. Wittenberg: That particular test was developed by prison professionals within the past year.

Mr. May: Because of the length of time involved and the system within which the Personnel Division must operate. by the time that list of five reaches department heads, quite often one or more of those applicants have accepted a job elsewhere, moved out of the state, etc. So the list of five must be less than that by the time it reaches the department head.

Mr. Wittenberg: That would be another benefit. Additional names have to be submitted.

Mr. Wenner: An additional factor that influences the makeup of an eligible list is the residence preference and veteran's preferance. Those points are added to an individual's score, depending on their status. If they are a disabled veteran, they receive 10 additional points.

Mr. Dini: Is there a continous group of people within the state employee system that apply but never take the jobs because they are looking for the right spot.

Mr. Wittenberg: Yes, a lot of individuals are on our eligible list but because the classifications are used by various different agencies, they don't want to work in one particular agency and that complicates it because the agency is complaining that nobody's available for our eligible list. We have extended the life of the list to three years whenever possible. In our estimation, the eligible list is really our product. It is a result of our efforts and resources.

In 284.295 we are proposing language that would provide the kind of latitute in determining whether or not to have an open competitive or promotional examination that we think is necessary and reasonable for a manager to have. We had interpreted this statute which says that so far as practicable, promotions will be made from with the agency. We have always felt that we have some reasonable latitude to go open competitive or that an agency does. We recently received an Attorney General's opinion indicating that the discretion is very narrow. Almost non-existent. That creates a problem. There are times when, for instance, 85% to 90% of the non-entry examinations were promotional. But I think there has to be the latitude to go open competitive at times when you may have a minimum of five people who meet the minimum qualifications. There are times when a manager does not want to put someone who barely meets the qualifications into a tough position.

Mr. Dini: What do you mean by open competitive?

Mr. Wittenberg: This means that everyone, including state employees, would compete on an equal basis. Open and promotional gives the promotional employees within state government absolute preference over open competitive employees.

Mr. Dini: The administrator may not like the person and will never let him go anywhere unless he transfers out of the department. Isn't that true?

Mr. Wenner: I think that can happen under any system. They simply won't appoint a person, because if there is only one person on an eligible list, they can ask to re-give the examination. They aren't forced to appoint that person. Those kinds of things can happen.

Mr. Dini: Is there a grievance procedure for such a case? You have a choice. Say, the employee runs into a rock wall. Either the administrator has to go away or he has to. Is that it?

Mr. Wenner: That is usually what has to happen if you have that kind of situation. The employee simply leaves, goes to another organization if they can't resolve the difference. If the employee maintains that the employer has done something improper, there is a grievance procedure. In answer to Mr. Dini's question about the rule, Mr. Wittenberg said that there is no rule other than one passed out on previous testimony, under AB-439 that relates back - 250 and this statute.

Mr. Mello: What happens if that bill doesn't pass?

Mr. Wenner: AB-439? There is no rule that defines what a promotional or open competitive is. If that bill doesn't pass, the rule that governs us, the order of the list (Rule V) will remain in effect. SNEA has testified that the order of the list should be followed in that same order. The problem lies in the interpretation of that and what the original intent of that provision was.

Mr. Wittenberg: I think if this regulation as it is written now is put into the statute, it does not create a problem because we have adhered to this regulation which has the force and effect of law as it stands. When there are lists, they are used in this order, there needs to be the latitude to establish an open competitive list if no list already exists.

Mr. Wenner recited the definition of promotional. A copy of that definition is attached hereto as EXHIBIT A and made a part of these minutes.

Mr. Wittenberg: On Line 8, Page 4, employees may progress automatically to positions having higher classifications after meeting minimum qualifications. This is a provision that is necessary; it wasn't fifteen years ago. There have been ladders built in to practically every occupational area that we have in

state government. This simply provides clarification that a person going from a trainee to the intermediate to the journey level position can do so automatically and is not examined at each one of those steps. It is the decision of the appointing authority to make that judgment. All of these people progress to that level automatically, or they are terminated. One or the other. We are running 4% to 5% out of 9,600 employees.

Mr. Dini asked Mr. Wittenberg to discuss Lines 12-16.

Mr. Wittenberg: If we have done advertising, we have gone out and attempted through every avenue to get someone for a position. This eliminates a costly process and if that person meets the minimum qualification when we do find them, it provides the hiring authority the avenue to go ahead and interview them. It involves getting a person out here. Many times they won't come at their own expense and the hiring authority may use any mechanism they need to sign that person up. We have a good number of classes in the state like that, like electrical engineers, architects, power marketing engineers, etc. It would simply eliminate the examination and the time that is spent on an examination process that really doesn't produce that much for that particular person. What is important is that the person meets the qualifications for the position and their references check out in terms of their performance in previous job. That may be done by the appointing authority then which expedites the process.

In answer to a further question by Mr. Mello, Mr. Wittenberg replied: There are dozens of classes where there are always more than ten, in which case the regular examination process to determine who is in the top ten is given. Because then it is important. If you are not in the top ten, or five, you are not going to be appointed. If there are 100 people applying for the job, it makes sense to determine who the top ten are. But if there are only eight, the hiring authority may appoint any of those eight and what we are proposing is not going through the exam process again, setting up an examination process, the cost of having people come in to sit on the oral board, writing the questions and adding further delay, when in the final analysis the hiring authority is going to make the choise based on their best judgment. The vast majority of examinations are still going to require the regular examination process, because there are going to be more than ten applicants. There are two examinations in the process. One is possessing the minimum qualifications. The second is the informal examination in the interview with the hiring authority.

Mr. Wenner: There is actually another test we should consider.

This is the actual probationary period for that individual. They have to perform to that administrator's expectations within the probationary period.

Mr. Wittenberg: The language on Line 15 provides that an examination could be requested. It provides the latitude to do this if it appears that the, say, seven or eight candidates are well qualified but there appears to be a question with reference to their qualifications. The administrator is required to interview all of those people who are competing for promotional examination and makes a selection based on who they think can do the job best for them.

On Line 28, Page 4 (284.300): The current statute provides that when an employee takes a promotion and goes from one agency to another agency, does not make the grade as a promotional employee, they have absolute restoration rights back to their former position. The safeguard was that if you promoted an employee and he did not make it, you didn't dismiss him. It also was a safeguard so that you didn't promote a person and then dismiss them as a way to get rid of them. We have seen on many occasions this create a serious problem when an employee goes from X agency to Y agency. Doesn't make the grade at that promoted level. He is automatically restored back to the other agency. Maybe that hiring authority has promoted two or three people, hired someone off the street; all those people are demoted. It does not seem unreasonable to me that an employee taking a prmotion, given that kind of situation, make take a little risk. You go out with the idea that you are going to have to make it in the promoted position. You do have due process rights. The employee cannot be summarily dismissed. I feel that the employee should assume some of the risk of taking the promotion.

Mr. Nicholas asked if the word 'classified' should be inserted to clarify this section. Mr. Wittenberg answered in the affirmative.

284.320, Line 41, sub-paragraph 2: This is an extremely important provision, where the chief may suspend requirements of competitive examinations for positions requiring highly professional qualifications that include licensures, certification or an advanced.. and we would like to insert here as an amendment 'or specialized' between 'advanced' and 'degree'. This eliminates the examination process in areas where people have achieved a degree of competence through licensure or certification or specialized degree where an examination is a waste of time. A civil engineer is an example, or a registered nurse.

Mr. Wittenberg: Regarding Line 44, this provision addresses some classes which may not have the specialized certification but the position may still be a very specialized job, such as a power marketing engineer, a depreciation engineer. They are not required to have special licensure for that. We would want to suspend the competition of the formal process. Most of these people we are getting one or two at a time. They are very difficult to come by. These are a lot of one-person classes.

Regarding 284-355, Lines 47 through half of 49, the deletion brackets are in error.

Mr. Mello: I am still not clear on Page 5, subsection 7 of Section 11. If you worked for city or county and have so much leave time accumulated and then go to the state, does that go with you? As it reads, it says "in public service".

Mr. Wittenberg: I don't know. I cannot remember that being in our original bill draft.

Mr. Del Frost, Administrator of State Rehabilitation, testified that he is supportive of the bill and would like to see the committee pass the bill as it is written. It is a reasonable approach to solving some of the problems that working line administrators have with the present rules and regulations and laws. One of the greatest that an administrators has is selecting and retaining qualified competent employees. What this does, is allow us some leeway in the present laws to do that more effectively than we are able to do it now. I have been one of the more vocal critics of the present personnel system, although I believe we have a good system. The problem is that in order to make sure that we protect the public, we set so many road-blocks, it is impossible for an administrator to do a good job. When an employee resigns and gives you a resignation, it is a resignation. We have had cases in the past in our small agency where people will give you a resignation a month away, and the minute they give it to you, they're through working. The day they hand you the resignation, they quit, psychologically. They kind of coast on, and you lose the time in between with that employee that you ought to be getting production out of. Then, last minute, they decide they want to retract the resignation. With the current Attorney General's opinion, the employer finds himself in a position where if the employee retracts the resignation, he can do so. I have had a policy since we got that opinion that the minute an employee resigns, I immediately give them a letter accepting that resignation and wishing them well. Even if they are a good employee, I am forced to protect the agency so that I can move down the road towards selecting a replacement and getting on with doing the job.

Mr. Mello: Let's say that someone gets in a beef with their immediate superior and turn in their resignation. Maybe we should have a cooling off period. Maybe two weeks is too long. Maybe twenty-four hours or thirty-six hours.

Mr. Frost: In practice, I usually tell people is that everybody gets to resign twice. The third time, you're history. I want it in writing. We give them a letter to legally protect ourselves so that if they back out and they are a bad employee, and I'm glad to get their resignation, I've got something to stand on. If they are a good employee, no administrator is going to refuse to accept the withdrawal of that. In practice, most everybody allows a cooling period.

Mr. Mello: If we put into law that the employee has a cooling off period of twenty-four or thirty-six hours after a resignation has been submitted by the employee, would you have any objection to that.

Mr. Frost: I would have no objection to that.

Mr. Mello: Jim, would you have any objection to a cooling off period of twenty-four or thirty-six hours?

Mr. Wittenberg: Twenty-four hours does not create the problem that the eleventh hour kind of thing creates. That would be fine.

Mr. Frost: I would have no problem with that. At least we know within twenty-four hours or so that we can start recruitment. That we have a vacancy and we can get on with doing the job. One other thing, throughout this bill there are provisions that make it easier for the appointing authority to hire people, and I can tell you that this is really needed in state government. Especially in hard to recruit classes, such as physical therapists, etc., and people who are mobility trainers for the blind. I have gone as much as nine months trying to fill a vacancy. Then I find myself over here facing the Ways and Means Committee and they're say, well, if you can go nine months without the position, you must not need it. When I have been caught in a trap with a personnel system that is required to operate in a certain way and yet I can't fill the position to get the job done because I simply cannot find the people. There are some really reasonable changes in this bill that I hope you will support.

Mr. Mello: With the five or less, you don't find that workable?

Mr. Frost: We have to go through the examination process regardless. We can get around that, normally, if there are five or less, what we do is we still have to go through the examination process, which bogs us down. It takes ninety days minimum.

I don't know of any class where I don't have to go through an examination, except clerical.

Mr. Mello: I thought that if you had less than five, you didn't have to go through that, you are operating under the same conditions.

Mr. Frost: No, sir. We have to go through an examination on every class that we hire. When you get into specialized classes, as Jim was saying, let's take a parapatologist, who is trained at a university with an advanced degree and there is a real shortage of them. We don't have access to them in the state, we have to hire everybody from out of state. Who is going to set up an examination in the Personnel Division who is going to retest that person in terms of competence that the university has already done in terms of producing the individual. We know what kinds of skills we need. If there are less than five, we ought to be able to look at their resume, check their references, talk to them and determine whether or not they can do the job. We can do that in thirty days, not ninety or 120 days.

Mr. Bob Gagnier testified in opposition to the bill in its entirety. Early last fall, during negotiations, we did agree to a few technical changes and a few minor substantive issues. Then, before we knew it, drafted into one omnibus bill were those items we had agreed to, along with a number of highly controversial things that we not only disagreed with, but violently disagreed with. We think that is bad form. We feel, quite frankly, that those issues that were agreed upon should have been put in one piece of legislation and those that were in disagreement, separated out. In Section 1, it sound all well and good until you understand that we have a rule in state government that has been in effect for nine years that says that if an employee is coerced into resigning, he may appeal that resignation. This section would repeal that rule, which allows an employee five days after he resigns to maintain that he was coerced into resigning. We have had cases. If this passes, once the resignation is accepted by the appointing authority, may not be revoked. This section would repeal the rule we now have. At the very least it should be modified to exclude the coercion aspect and also to put in a cooling off period, such as some members of the committee have suggested.

In Section 4, bottom of Page 2 at Line 43, you cannot consider the sections of this legislation, one by one. You have to consider them in view of all the proposals being made in this particular legislation. This was a section of the law that provided for rules for skilled and semi-skilled labor. It was never implemented. There are no separate rules now, they have never been adopted, even though it says "currently, rules

concerning certifications, appointments, layoffs, and reemployment, shall be prescribed". They never have. If this is such an all important section, we wonder why they have never been adopted. This would change that from just the unskilled or semi-skilled and now we get into the kicker. Now, it will say "regulations concerning certifications, appointments, layoffs and reemployment must be adopted for positions for which open competitive examinations are required. It is going to be the appointing authorities that are going to decide what are positions for open competitive examinations. We are going to end up with two sets of rules and, though, the applicability of those rules to state employees can change periodically based upon the whim of the appointing authority, determination as to whether it will be open competitive or promotional will fall to the appointing authority. So now, an employee who was under one set of rules can be switched to another set of rules. He had reemployment rights here. He now has no reemployment rights. So, you can't take this section by itself. It is a very farreaching proposal. You are talking about certification, that is the examination procedure, appointments, layoff and then subsequent reemployment. That is a very broad range of subjects for which the rules can be different for different groups.

On Page 3, Section 5, this is the bill that has been passed out of committee in the Senate Government Affairs Committee with one amendment. When the longevity pay system was implemented by the Legislature a number of years ago, the Senate put in the word 'continuous'. That was amended into the legislation. 'Continuous' was thereafter defined by a deputy attorney general without consulting with anyone, to mean that if a person had eight years of service twenty years ago and then came back to work, they would immediately start getting longevity pay. Because they had eight years continuous service then, even though they have a break of ten, twelve years. That was contrary to legislative intent, in our opinion. That is why this proposal was made. There is a grandfather clause included in this bill which says that anyone currently receiving this benefit will continue to do so, but after July 1, 1981, no more.

Section 7, Page 3 talks about ten names or whole scores at the head of the list. (Mr. Gagnier showed on the board scores that ranged from 94.9 down to 94.1. Under the present system in the law, an examination is held and a list of names is certified to an appointing authority and in this case, would get 94.9 down through 94.5. Under this proposal, let's say that the next one down is 93.9, using the whole score system, you wipe out the .9 through .1 and use only the 94., which is designed as one, then everybody who got 93 is two, and you have ten of them. You don't have ten names, anymore, you can have an unlimited number.

Mr. Wittenberg: This is not what is proposed at all. This is the kind of thing you get in California with 30,000 applications for a particular job. You are not going to have a situation like this. When we worked it out, it makes the ten about 10.4 on the average, so you are not increasing it even one to eleven. You take the first four scores and if No. 5 os 92.7 and the next is 92.2, you include both as a whole score. You don't worry about splitting the .5. On the average it computes to about 10½ names.

Mr. Dini: How about when the Highway Patrol is looking for people and you get 200 applicants?

Mr. Wittenberg: You would approach it, but it wouldn't get that close. You wouldn't have a tenth on every score. That is probably the biggest examination we would have and probably on a highway patrol selection you would get an additional five or six names.

Mr. Gagnier: I am not trying to testify as to what State Personnel says they will do or what they intend to do, but what this bill says. Whether that is an extreme case or not, under their bill, it could happen.

Section 7 would expand by a 100% the list of eligibles. In Section 8, it eliminates the promotional area. What are some of the justifications for this. First of all, Mr. Wittenberg said in his opening remarks that you have to take into account the Management Task Force report and they say use the rule of ten to keep eligibility lists current. That is two things. If you read not only this paragraph but the backup material that went with it from the Management Task Force, it seems that the biggest objection is that the eligible lists are not current. So you get five names, but in effect you have only gotten two. If we go to a rule of ten, instead of getting ten names, you will get four. Because the other people have either taken other employment, moved out of the area or are just not interested. Then they will say that they are only getting four names out of twenty, so they need to go to a list of 20 to get another four names. Why should the employees have to suffer with the inefficiency of the State Personnel Department. That's the key issue here. It is their incompetence and their inefficiency, not the rule of five. Why aren't, when five names certified, five people ready and willing and able to take that job? If they have five to choose from, fine. Our problem right now is getting administrators to interview all five. Will they interview all ten? We can't force them to interview all five. They know the one they want; they interview that person and they fill the job.

All you are doing is letting them go further down the list so they can pre-select and determine this is the one we want. The rule of ten and the elimination of promotional exams is the area that is causing us one of our heaviest headaches in the area of turnover. People say 'why should I stay around'.

Mr. Dini: In any area of personnel management, compatability between the chief of the division and the people under him is one of the important parts of having an efficient department. That has to be one of the facts of life.

Mr. Mello: I just don't think you can compare, though, private enterprise with government, as far as what you are saying. There is no comparison whatsoever.

Mr. Gagnier: State Personnel Division people would have you believe that state government is a closed system. And that term was used again today. Anytime you have over 20% turnover where you are replacing fully one-fifth of your employees every year, then you can say you have a closed system. Our people come to work at the entry level and work their way up, so why can't everybody else come to work at the entry level and work their way up. That's all we're asking for in this bill and in the bill we introduced last week. In our opinion the division is not complying with the law. The Attorney General, in his opinion, indicated that we were correct in that feeling. If there wasn't a problem, we would not have brought that matter before you. We have no objections with Lines 8-11.

Lines 12 through 16, the wording, as long as it has the 'ten', does create problems for us. Again we would wonder, what is reasonable recruitment effort. We have difficulty at the present time with the examination announcements getting circulated to state employees. The system for announcing examinations and recruitment for positions is to send the announcement out to the agencies, the agencies are in turn supposed to send them out to the various officies and facilities. Sometimes they do, sometimes they don't. Some agencies are better than others. What is reasonable recruitment?

On Lines 44 through 47, we have the problem of what is reasonable effort. On Page 5, Section 11, Lines 40 and 41 is a grandfather clause that has not been adequately explained. Last session, the amount of annual leave was lowered for new employees from fifteen to twelve days. The problem they have run into are employees who worked and came back. This is an effort to make sure that the employees who come back start over again at twelve days. We do not agree with this section.

Section 12 is one of those items that will be taken care of in another bill that has been requested by Senate Government Affairs. It has two main provisions. In Subsection 1, the bracketed material was added by the last session of the Legislature by joint agreement of the administration and ourselves in an effort to (1) address the problem, but more importantly, try to cut overall costs to stay within the then theoretical Presidential controls on salaries. In the period of time since then, it has created a great deal of hardship on new employees, particularly the underpaid ones. We think this law should be repealed, even though two years ago, we did support it. We want to leave the brackets in; (2) take care of a problem that has arisen within the last year. When we were successful in getting the Legislature to accept our philosophy of pay for unused sick leave, it was with the understanding that it would be for people who had ten years of state service. Somehow, that term 'public employees retirement system' got in there and none of us can remember why. It allows employees to work for local government, then come to work for the state and use all of that local government credit. The Attorney General's office was going to render an opinion saying that it was true, we were able to sit on that opinion through cooperation among the AG's office, the administration and ourselves, waiting to correct the issue here at the Legislature and make sure that it was state service only. We have a letter from the chairman of the Senate Government Affairs Committee where this bill was extensively discussed and when it was passed, saying that was legislative intent, that no local government service should be computed.

Mr. Dini: Mr. Wittenberg, can you supply us with statistics in writing, sometime in the future, rather than process the bill today, and we will wait for the bills to come from the Senate.

Mr. Wittenberg: Okay, we will do that. Mr. Gagnier indicated that no rule was promulgated with reference to 284.155. There is a rule: 5(f)(3) which was promulgated in keeping with that particular statute. We do have a regulation.

Mr. Dini: Is it used? Mr. Wittenberg: Yes.

Mr. Dini: That will conclude the testimony on AB-416.

Mr. Dini indicated the committee had some BDR's for introduction. BDR-18-1442* transfers the Personnel Division to the Department of General Services. It is a recommendation of the Governor's Management Task Force. Mr. Schofield moved for introduction, seconded by Mr. Redelsperger. Motion carried.

BDR-23-1568** provides for procedure for payment of normal salaries to public employees, etc. Mr. Schofield moved for introduction, seconded by Mr. Prengaman. Motion carried.

*AB 524
**AB 527

BDR-23-1532* provides for collective bargaining for the state employees. Mr. Craddock moved for introduction, seconded by Mr. Schofield. Motion carried.

BDR-32-1794** broadens provisions for acquisition of tax delinquent property by local governments. Mr. Schofield moved for introduction, seconded by Mr. DuBois. Motion carried.

Mr. May indicated he had a public employees system resolution drafted which expresses legislative position on membership and benefits for police and firemen to be considered separately than the regular membership in the retirement fund.

Mr. Dini: We have a clean-up bill that we will be hearing that brings in the definition of police and firemen to conform with the Attorney General's opinion. This is AB-511. It is a Daykin clean up bill. Maybe we can hang some legislative intent on it. Why don't you hold on to that and present it at the same time we hear AB-511.

On AB-416, we will hold this until we receive the Senate bills.

Mr. Schofield: The subcommittee met on AB-283 (Home Builders) with some of the realtors relative to the amendment to delete Page 1, Line 22 through Line 11 and inserting additional language. The language for the amendment is attached hereto as EXHIBIT B and made a part of these minutes.

Mr. Dini: What I would like to see us do with these amendments is take the bill to the floor with the amendments, reprint the bill, come back to have a hearing, as we may discover some other areas that are having problems.

Ms. Irene Porter indicated that the 'acre' and 'lot' definition came from the Board of Realtors. Many members of our association particularly spot and custom builders that have had trememdous problems with this. On the time limit, I have a report that talks about a HUD study that includes a housing cost reduction demonstration that we can make available to the committee. A magazine article referring to this is attached as EXHIBIT C and made a part of these minutes.

Mr. Nicholas moved that we AMEND AND DO PASS the amendments proposed by Mr. Schofield and his subcommittee, plus Mr. Redelsperger's amendment that deletes Lines 17 through 18 on Page 1. Mr. Schofield seconded. Motion carried.

Mr. Craddock reported on AB-38. The subcommittee will be replacing the earlier amendment with No. 523. Mr. Schofield moved to AMEND AND DO PASS, seconded by Mr. Craddock. Motion carried.

* AB 525
** AB 523

On AB-410, Mr. Redelsperger offered an amendment on Section 1, Page 1, by deleting Line 12 and inserting: 'a list of number of qualified persons equal in number to the number of positions on the advisory council which are to be filled elected at an informal election then noticed. Mr. Redelsperger moved to AMEND AND DO PASS, seconded by Mr. Nicholas. Motion carried.

Mr. Dini adjourned the meeting at 10:50 A.M.

Respectfully submitted,

Lucille Hill

Lucille Hill
Assembly Attache

ASSEMBLY GOVERNMENT AFFAIRS COMMITTEE

GUEST LIST

Date April 21, 1981

PLEASE PRINT

PLEASE PRINT YOUR NAME	PLEASE PRINT REPRESENTING:		I WISH TO SPEAK FOR	AGAINST	BILL NO.
BOB GAGNIER	SNEA			V	416
ANTHONY PALAZZOLO	SNEA				

PLEASE PRINT

1605

D. Applications

Every applicant for examination shall file an application with the office of the State Personnel Division or their designated representative by the final filing date specified on the announcement. If mailing application, the envelope containing the application shall be postmarked by midnight of the final filing date in order to be included for examining. Such applications, when filed, and all other examination materials, including examination questions and booklets shall be the property of the Division.

E. Eligibility to Compete

1. Competitive examinations for classified positions in the Nevada State service shall be open to all applicants who meet the qualifications established for the class for which application is being made.

2. Any applicant who has a conviction record (other than minor traffic violations involving a fine of less than $25) shall so indicate on his application form. In addition, the application shall be accompanied by a complete explanation of the conviction.

3. State Personnel or its delegated representative in determining whether to accept the application, shall give consideration to the recency of the offense, age at time of offense, conduct during incarceration and parole or probation period, reports from parole or probation officer concerning the applicant's employment record while on parole or probation, and related factors.

As the appointment decision is the prerogative of the appointing authority, all related records shall be made known to the appointing authority before such appointment is made.

F. Promotional Examinations

Merit and fitness for promotion with the classified service shall be ascertained through competitive examinations, except as provided in Rule II, F. Promotional examinations may be restricted to qualified employees of a single State agency or division or may be open to qualified employees in other or all agencies. Competition in promotional examinations shall be limited to State employees presently working who have served at least six months of continuous service in a probationary, seasonal, emergency, provisional or permanent status or any combination of these within the classified service and are working in the organizational unit or units for which the examination is being held and meet the minimum requirements for the class for which the examination is being held.

Exhibit A 1606

SUBCOMMITTEE SUGGESTED AMENDMENT TO

AB 283

DELETE LINE 22 of PAGE 1 thru LINE 11, PAGE 2.

ADD IN PLACE:

278.360 1. Unless the time is extended, following the approval of the tentative map by the governing body the subdivider or his agent must present to the planning commission a final map on all the area for which a tentative map has been approved or one of a series of final maps each covering a portion of the approved tentative map, within one year or within successive one year intervals from the date of the approval of the tentative map by the governing body. Failure to record a final map on any portion of the tentative map within one year of the date of approval of the tentative map by the governing body or within one year of the date of approval by the governing body of the previously recorded final map terminates all proceedings unless an extension of time has been granted by the governing body and before a final map may thereafter be recorded or any sales be made, a new tentative map must be filed.

2. The governing body or planning commission may grant to the subdivider an extension of time of not more than one year for each one year period permitted for the tentative map and each final map.

3. No additional conditions may be imposed on second or subsequent final maps or extensions of time than were imposed on the tentative map and first final map.

PROPOSED AMENDMENTS TO AB 283

NRS 278.010 is hereby amended to read as follows:

15. "Acre" means 43,560 square feet of land including any public streets and alleys or other rights-of-way or easement.

16. "Lot" means a distinct part of parcel of land divided with the intent to or for the purpose of transferring ownership, or for building purposes, but does not mean a part or parcel of land used solely for the location of a water well site or other utility purposes.

Ellen run 3 copies for me to take to Legislature

C

How reducing regulations can cut costs

Housing costs can be reduced by as much as one-third by modifying local governmental regulations and by reducing processing time.

This is not speculation or some estimate on the part of an economist or researcher, but the finding of a Housing Cost Reduction Demonstration which is being conducted by HUD in Shreveport, La., Hayward, Calif., and Allegheny County, Pa.

The demonstration grew out of a recommendation made by NAHB at a White House Conference on State and Local Regulatory Reform, which was conducted in January 1980.

NAHB has long maintained that many state and local government regulations are directly responsible for increasing the cost of housing.

The standards in these regulations are said to be higher than those needed for adequate engineering purposes.

It is generally agreed also that the lengthy processing times for approving applications greatly increases the cost of housing.

The HUD demonstration, which got underway last summer, has produced some impressive results to date.

In Shreveport, where the demonstration consists of townhouses on three inner-city sites, there was a 21% reduction in costs from comparable units selling for $70,000.

In Hayward, where the demonstration consists of 58 townhouse units at one location, there was a 33% reduction in costs from comparable units selling for $79,500 (2 BR), $85,500 (3 BR), and $97,500 (4 BR).

In Allegheny County, Pa., where the demonstration consists of three sites in communities close to Pittsburgh, there was a 24% reduction in costs from comparable units selling from $55,000 to $60,000.

All of the demonstrations were conducted by private builders with no federal funds and a short startup period for planning. Most of the savings came from a reduction in processing time, the use of creative site and building design and contemporary engineering standards, and minor deviations from existing codes and ordinances.

Martin M. Mintz, director of Technical Services for NAHB, said that similar reductions in costs can be achieved in most communities where local governments have up-to-date codes and ordinances and where rapid processing can be provided.

Copies of the HUD report on the Housing Cost Reduction Demonstration can be obtained from Mintz. His telephone number is (202) 452-0361.

President Smith's Report

The NAHB President's Report for April, on a 12-minute video tape, is now available to all state and local associations. This information-packed report is ideal as a supplement for your association's monthly meeting. For a free tape, call (800) 424-8896 and specify which video tape format you desire. Audio tapes are being sent automatically to all associations.

NAHB's Mailbag. Among materials sent by NAHB to state and local HBAs during March were the following: (1) memorandum on dues structure, (2) Builders Manual, Guidelines for Affordable Housing, (3) Economic News Notes, (4) survey on convention program, and (5) memorandum on legislative actions.

NAHB President: Herman J. Smith
NAHB Executive Vice President: David Stahl
NAHB Senior Staff Vice President for Public Affairs: Louis M. Thompson
Publisher: Michael M. Wood
Editor, Newsletter Editions: William Legg
Executive Editor: Daniel H. Street
Production: Lorraine Brewer

BUILDER is published biweekly except for the last two weeks in July, August, and December by the National Association of Home Builders, 15th and M Streets, N.W., Washington, D.C. 20005. Subscription, $10 per year—included in membership dues. Members may order additional subscriptions for employees at $7 per year. Second class postage paid at Washington, D.C., and at additional offices of entry. USPS 370600—ISSN 0162-0533. POSTMASTER: Send address changes to NAHB BUILDER Magazine, 15th and M Streets, N.W., Washington, D.C. 20005. Member: Business Publications Audit (BPA) and Society of National Association Publications (SNAP).

Directors will take up dues increase on May 4

(Continued from page 1)

dialing the association's toll-free telephone number in Washington (800) 424-8896.

The 1982 budget and the proposal to increase dues will come up for consideration at the directors' meeting scheduled to be held on Monday, May 4. Prior to that—on Saturday, May 2, from 2 p.m. to 5 p.m.—all directors and members who have questions about the budget or who have suggestions or recommendations to make can take them up with the Budget Committee. It will be meeting for that purpose in the Kalorama Suite, Terrace Level, of the Washington Hilton Hotel.

Dues account for about one-third of the money NAHB spends in serving its members. Income from the annual Convention and Exposition account for another third. BUILDER magazine accounts for about 13%. The remainder comes from miscellaneous sources.

Revenue Bonds

Your help is urgently needed—now! HUD and the Treasury Department have still not released regulations covering the issuance of tax-exempt revenue bonds for housing.

Please urge your Senators and Representatives in Washington, your Governor, and your State and Local Bond Authorities to contact President Reagan, Treasury Secretary Regan, and HUD Secretary Pierce. Urge them to have the regulations issued immediately.

NAHB for its part has been in continuous touch with HUD and Treasury officials on the matter, expressing concern over the grave effect of each day's delay upon the operations of home builders.

Last week, President Herman Smith strongly urged Dr. Norman Ture, assistant secretary of the Treasury for Tax Policy, and HUD Secretary Pierce to issue the regulations immediately. Smith told both officials that builders who depend upon the bonds to sell the homes they build are now facing a crisis.

Exhibit C

1609