
ASSEMBLY BILL NO. 464—COMMITTEE ON WAYS AND MEANS

MARCH 24, 2003

Referred to Concurrent Committees on Government
Affairs and Ways and Means

SUMMARY—Establishes Commission to Review the
Compensation of Legislators. (BDR 23-1319)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Contains Appropriation not included
in Executive Budget.

~

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

AN ACT relating to public officers; establishing a Commission to
Review the Compensation of Legislators; making an
appropriation; and providing other matters properly
relating thereto.

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 the provisions set forth as sections 2 to 6, inclusive, of this
3 act.
4 **Sec. 2.** *As used in sections 2 to 6, inclusive, of this act,*
5 *“Commission” means the Commission to Review the*
6 *Compensation of Legislators created pursuant to section 3 of this*
7 *act.*
8 **Sec. 3. 1.** *The Commission to Review the Compensation of*
9 *Legislators, consisting of five members appointed by the Governor,*
10 *is hereby created.*
11 2. *After the initial terms, the term of office of each member of*
12 *the Commission is 4 years. Members of the Commission are*
13 *eligible for reappointment.*
14 3. *The Chief of the Budget Division of the Department of*
15 *Administration must be notified of the appointment of each*
16 *member.*



1 4. *The Commission shall elect a Chairman and such other*
2 *officers as it deems necessary from among its members.*

3 5. *No more than three members of the Commission may be*
4 *from the same political party.*

5 6. *Members of the Commission serve at the pleasure of the*
6 *Governor.*

7 7. *If a vacancy occurs in the membership of the Commission,*
8 *the Governor shall appoint a person to fill the vacancy for the*
9 *remainder of the unexpired term as soon as practicable.*

10 **Sec. 4. 1.** *Each member of the Commission is entitled to*
11 *receive \$80 for each day that he attends a regularly called meeting*
12 *of the Commission and, while engaged in the business of the*
13 *Commission, the per diem allowance and travel expenses provided*
14 *for state employees generally.*

15 2. *The Commission shall meet on or before May 15 of each*
16 *even-numbered year and may meet at such further times as the*
17 *Chairman deems necessary.*

18 3. *The Chief of the Budget Division of the Department of*
19 *Administration shall provide the Commission with administrative*
20 *support.*

21 **Sec. 5.** *A majority of the members of the Commission*
22 *constitutes a quorum to transact business. The affirmative vote of*
23 *at least three members is required to approve the*
24 *recommendations of the Commission regarding compensation.*

25 **Sec. 6. 1.** *The Commission shall:*

26 (a) *Review the compensation paid to members of the*
27 *Legislature during and between legislative sessions.*

28 (b) *Hold public hearings to discuss issues and receive public*
29 *comment.*

30 (c) *Determine the level of compensation for Legislators and*
31 *submit that determination to the Chief of the Budget Division of*
32 *the Department of Administration pursuant to NRS 353.210.*

33 2. *In reviewing the compensation required pursuant to*
34 *subsection 1, the Commission shall:*

35 (a) *Compare the current salaries of persons with similar*
36 *qualifications who are employed by the State of Nevada and in the*
37 *public sector;*

38 (b) *Determine the minimum salary required to attract and*
39 *retain experienced and competent persons;*

40 (c) *Consider the average number of days that Legislators serve*
41 *during their term, the amount of work required of Legislators*
42 *when the Legislature is not in regular session and the*
43 *opportunities Legislators have to earn additional income from*
44 *outside sources; and*



1 (d) Consider factors pertaining to the relative purchasing
2 power of money, including, without limitation:

- 3 (1) The current rate of inflation;
4 (2) The average cost of living in this state; and
5 (3) Changes in the Consumer Price Index (All Items).

6 3. The increase or decrease in the level of compensation for
7 the office of Senator or Assemblyman which has been determined
8 by the Commission and approved as part of the budget by the
9 Legislature is not effective until the completion of the term of
10 office of Senator or Assemblyman serving at the time of the
11 approval of such an increase or decrease.

12 **Sec. 7.** NRS 281.157 is hereby amended to read as follows:

13 281.157 As used in NRS 281.157 to 281.1575, inclusive,
14 unless the context otherwise requires, "Commission" means the
15 Commission to Review the Compensation of Constitutional
16 Officers, ~~[Legislators,]~~ Supreme Court Justices, District Judges and
17 Elected County Officers which is created pursuant to
18 NRS 281.1571.

19 **Sec. 8.** NRS 281.1571 is hereby amended to read as follows:

20 281.1571 1. There is hereby created a Commission to Review
21 the Compensation of Constitutional Officers, ~~[Legislators,]~~ Supreme
22 Court Justices, District Judges and Elected County Officers,
23 consisting of nine members.

24 2. The members must be appointed by the following persons:

- 25 (a) One member by the Speaker of the Assembly.
26 (b) One member by the Majority Leader of the Senate.
27 (c) One member by the Minority Leader of the Assembly.
28 (d) One member by the Minority Leader of the Senate.
29 (e) Two members by the Chief Justice of the Supreme Court.
30 (f) Three members by the Governor.

31 3. The Commission shall elect a Chairman and such other
32 officers as it deems necessary from among its members.

33 4. A current officer or employee of the State or any of its
34 political subdivisions must not be appointed as a member of the
35 Commission.

36 5. The members appointed by the Governor must be selected in
37 the following manner:

- 38 (a) Two members, one from each congressional district, who do
39 not belong to the same political party.
40 (b) One member from a list of three nominees submitted by the
41 Nevada Association of Counties.

42 **Sec. 9.** NRS 281.1575 is hereby amended to read as follows:

43 281.1575 1. The Commission shall:

- 44 (a) Review the compensation paid to constitutional officers,
45 Supreme Court justices, district judges and elected county officers.



1 (b) ~~Review the compensation paid to the members of the~~
2 ~~Legislature during and between legislative sessions.~~

3 ~~—(e)~~ Hold public hearings to discuss the issues and receive public
4 comment.

5 ~~[(d)]~~ (c) If it determines that changes in legislation are required,
6 request the assistance of the Legislative Counsel in the preparation
7 of a bill draft on or before November 15 of each even-numbered
8 year. Upon completion of the bill draft, the Legislative Counsel
9 shall deliver the bill draft to the appropriate standing committee of
10 the Assembly or Senate within the first week of the next regular
11 legislative session for introduction.

12 2. In reviewing the issues of compensation required by
13 subsection 1, the Commission shall:

14 (a) Compare the current salaries of persons with similar
15 qualifications who are employed by the State of Nevada and in the
16 public sector; *and*

17 (b) Determine the minimum salary required to attract and retain
18 experienced and competent persons . ~~}; and~~

19 ~~—(c) Consider the average number of days that Legislators serve~~
20 ~~during their term, the amount of work required of Legislators when~~
21 ~~the Legislature is not in regular session, and the opportunities they~~
22 ~~have to earn additional income from outside sources.]~~

23 3. The Commission may recommend that any increase in the
24 compensation of a county officer apply retroactively if not
25 prohibited by law.

26 **Sec. 10.** NRS 218.210 is hereby amended to read as follows:

27 218.210 Each Senator and Assemblyman is entitled to receive
28 ~~as compensation \$130 per day for each day of service:~~

29 ~~—1. During any regular session, for the number of days the~~
30 ~~Legislature is in session, or in adjournment for not more than 3~~
31 ~~days, or the maximum number of days for which compensation for a~~
32 ~~regular session is permitted by the Constitution, whichever is~~
33 ~~smaller; and~~

34 ~~—2. During any special session, for the number of days the~~
35 ~~Legislature is in session or the maximum number of days for which~~
36 ~~compensation for a special session is permitted by the Constitution,~~
37 ~~whichever is smaller.]~~ *the compensation determined by the*
38 *Commission to Review the Compensation of Legislators pursuant*
39 *to section 6 of this act.*

40 **Sec. 11.** NRS 353.210 is hereby amended to read as follows:

41 353.210 1. Except as otherwise provided in ~~subsection 6,~~
42 *subsections 6 and 7,* on or before September 1 of each even-
43 numbered year, all departments, institutions and other agencies of
44 the Executive Department of the State Government, and all agencies
45 of the Executive Department of the State Government receiving



1 state money, fees or other money under the authority of the State,
2 including those operating on money designated for specific purposes
3 by the *Nevada* Constitution or otherwise, shall prepare, on blanks
4 furnished them by the Chief, and submit to the Chief estimates of
5 their expenditure requirements, together with all anticipated income
6 from fees and all other sources, for the next 2 fiscal years compared
7 with the corresponding figures of the last completed fiscal year and
8 the estimated figures for the current fiscal year.

9 2. The Chief shall direct that one copy of the forms submitted
10 pursuant to subsection 1, accompanied by every supporting schedule
11 and any other related material, be delivered directly to the Fiscal
12 Analysis Division of the Legislative Counsel Bureau on or before
13 September 1 of each even-numbered year.

14 3. The Budget Division of the Department of Administration
15 shall give advance notice to the Fiscal Analysis Division of the
16 Legislative Counsel Bureau of any conference between the Budget
17 Division of the Department of Administration and personnel of
18 other state agencies regarding budget estimates. A fiscal analyst of
19 the Legislative Counsel Bureau or his designated representative may
20 attend any such conference.

21 4. The estimates of expenditure requirements submitted
22 pursuant to subsection 1 must be classified to set forth the data of
23 funds, organizational units, and the character and objects of
24 expenditures, and must include a mission statement and
25 measurement indicators for each program. The organizational units
26 may be subclassified by functions and activities, or in any other
27 manner at the discretion of the Chief.

28 5. If any department, institution or other agency of the
29 Executive Department of the State Government, whether its money
30 is derived from state money or from other money collected under
31 the authority of the State, fails or neglects to submit estimates of its
32 expenditure requirements as provided in this section, the Chief may,
33 from any data at hand in his office or which he may examine or
34 obtain elsewhere, make and enter a proposed budget for the
35 department, institution or agency in accordance with the data.

36 6. *On or before October 31 of each even-numbered year, the*
37 *Commission to Review the Compensation of Legislators shall*
38 *submit to the Chief for his information in preparing the proposed*
39 *executive budget its determination regarding the level of*
40 *compensation for Legislators.*

41 7. Agencies, bureaus, commissions and officers of the
42 Legislative Department, the Public Employees' Retirement System
43 and the Judicial Department of the State Government shall submit to
44 the Chief for his information in preparing the proposed executive
45 budget the budgets which they propose to submit to the Legislature.



1 **Sec. 12.** NRS 353.230 is hereby amended to read as follows:
2 353.230 1. The Chief shall review the estimates, altering,
3 revising, increasing or decreasing the items of the estimates as he
4 may deem necessary in view of the needs of the various
5 departments, institutions and agencies in the Executive Department
6 of the State Government and the total anticipated income of the
7 State Government and of the various departments, institutions and
8 agencies of the Executive Department during the next fiscal year. In
9 performing the duties required by this subsection, the Chief shall use
10 the projections and estimates prepared by the Economic Forum
11 pursuant to NRS 353.228.
12 2. The Chief shall meet with a fiscal analyst of the Legislative
13 Counsel Bureau , or his designated representative , and personnel of
14 the various departments, institutions and agencies of the Executive
15 Department to discuss:
16 (a) The budgetary requests of each department, institution and
17 agency; and
18 (b) The budgetary recommendations of the Budget Division *of*
19 *the Department of Administration* for each department, institution
20 and agency,
21 for the next 2 fiscal years. The Chief shall allow the fiscal analyst of
22 the Legislative Counsel Bureau , or his designated representative ,
23 full access to all materials connected with the review.
24 3. The Chief shall then prepare a final version of the proposed
25 budget, in accordance with NRS 353.150 to 353.246, inclusive, and
26 shall deliver it to the Governor. *The budget must include the*
27 *compensation for Legislators determined by the Commission to*
28 *Review the Compensation of Legislators pursuant to section 6 of*
29 *this act.* The final version of the proposed budget must include the
30 adjusted base budget for each department, institution and agency of
31 the Executive Department, the costs for continuing each program at
32 the current level of service and the costs, if any, for new programs,
33 recommended enhancements of existing programs or reductions for
34 the departments, institutions and agencies of the Executive
35 Department for the next 2 fiscal years. All projections of revenue
36 and any other information concerning future state revenue contained
37 in the proposed budget must be based upon the projections and
38 estimates prepared by the Economic Forum pursuant to
39 NRS 353.228.
40 4. The Governor shall, not later than 14 calendar days before
41 the commencement of the regular legislative session, submit the
42 proposed budget to the Director of the Legislative Counsel Bureau
43 for transmittal to the Legislature. The Governor shall simultaneously
44 submit, as a separate document:



1 (a) An analysis of any new programs or enhancements of
2 existing programs being recommended; and

3 (b) Any increase in or new revenues which are being
4 recommended in the proposed budget.

5 The document must specify the total cost by department, institution
6 or agency of new programs or enhancements, but need not itemize
7 the specific costs. All projections of revenue and any other
8 information concerning future state revenue contained in the
9 document must be based upon the projections and estimates
10 prepared by the Economic Forum pursuant to NRS 353.228.

11 5. On or before the 19th calendar day of the regular legislative
12 session, the Governor shall submit to the Legislative Counsel
13 recommendations for each legislative measure which will be
14 necessary to carry out the final version of the proposed budget or to
15 carry out the Governor's legislative agenda. These
16 recommendations must contain sufficient detailed information to
17 enable the Legislative Counsel to prepare the necessary legislative
18 measures.

19 6. During the consideration of the general appropriation bill
20 and any special appropriation bills and bills authorizing budgeted
21 expenditures by the departments, institutions and agencies operating
22 on money designated for specific purposes by the *Nevada*
23 Constitution or otherwise, drafted at the request of the Legislature
24 upon the recommendations submitted by the Governor with the
25 proposed budget, the Governor or his representative ~~have~~ *has* the
26 right to appear before and be heard by the appropriation committees
27 of the Legislature in connection with the appropriation bill or bills,
28 and to render any testimony, explanation or assistance required of
29 him.

30 **Sec. 13.** NRS 353.246 is hereby amended to read as follows:

31 353.246 1. Except as otherwise provided in subsection 2 of
32 this section and subsection ~~6~~ 7 of NRS 353.210, the provisions of
33 NRS 353.150 to 353.245, inclusive, do not apply to agencies,
34 bureaus, commissions and officers of the Legislative Department,
35 the Public Employees' Retirement System and the Judicial
36 Department of the State Government.

37 2. The Legislative Department, the Public Employees'
38 Retirement System and the Judicial Department of the State
39 Government shall submit their budgets to the Legislature in the
40 same format as the proposed executive budget unless otherwise
41 provided by the Legislative Commission. All projections of revenue
42 and any other information concerning future state revenue contained
43 in those budgets must be based upon the projections and estimates
44 prepared by the Economic Forum pursuant to NRS 353.228.



1 **Sec. 14.** NRS 353.540 is hereby amended to read as follows:
2 353.540 “State agency” means an agency, bureau, board,
3 commission, department, division or any other unit of the
4 government of this state that is required to submit information to the
5 Chief pursuant to subsection 1 or ~~6~~ 7 of NRS 353.210, except for
6 the University and Community College System of Nevada.

7 **Sec. 15.** On or before January 1, 2004, the Governor shall
8 appoint to the Commission to Review the Compensation of
9 Legislators:

10 1. Two members to initial terms that begin on January 1, 2004,
11 and expire on December 31, 2005.

12 2. One member to an initial term that begins on January 1,
13 2004, and expires on December 31, 2006.

14 3. Two members to initial terms that begin on January 1, 2004,
15 and expire on December 31, 2007.

16 **Sec. 16.** 1. There is hereby appropriated from the State
17 General Fund to the Commission to Review the Compensation of
18 Legislators created pursuant to section 3 of this act the sum of
19 \$6,900 for salary, travel and per diem expenses.

20 2. Any remaining balance of the appropriation made by this
21 section must not be committed for expenditure after June 30, 2005,
22 and reverts to the State General Fund as soon as all payments of
23 money committed have been made.

24 **Sec. 17.** This act becomes effective on July 1, 2003.

