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STATE OF NEVADA

GOVERNMENT EMPLOYEE-MANAGEMENT RELATIONS BOARD

EXECUTIVE DEPARTMENT OF THE STATE OF NEVADA,

Petitioner,

Case No. 2026-010

PETITION FOR DECLARATORY ORDER

Petitioner, Executive Department of the State of Nevada ("Executive Department" or "State"), by and through its counsel, Josh Reid, Special Counsel – Labor Relations, Steven O. Sorensen, Deputy Attorney General, and Matthew E. Estrada, Deputy Attorney General[1], pursuant to NRS 233B.120, NRS 233B.038(2)(a), (2)(b) and (2)(h), NRS 288.110 and NAC 288.380-410, respectfully requests that the Government Employee-Management Relations Board ("EMRB" or "Board") issue a Declaratory Order stating that:

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[1] Pursuant to NAC 288.280(3)(a), the name, address and telephone number for the attorneys representing the Executive Department are listed in the heading above. All notices, communications and pleadings for this Petition should also be sent to: Matthew Richardson, Chief Labor Negotiator, 7251 Amigo Street, Suite 120, Las Vegas, Nevada, 89119, Matthew.Richardson@admin.nv.gov.

1) The provisions found in NRS 288.505(1)(c), NRS 288.505(5)(c) and the required nonappropriation clause in a collective bargaining agreement ("CBA") nullify a State bargaining unit's right to receive a compensation or benefit term in a CBA if the appropriations request for that compensation or benefit term was not approved or authorized by an act of the Nevada Legislature;

2) Pursuant to Section 1.10 of AB 596, Chapter 510, 2025 Statutes of Nevada, NRS 288.505(1)(c), NRS 288.505(5)(c) and the required nonappropriation clause in a CBA, except for those CBA provisions for which the 83rd Session (2025) of the Nevada Legislature specifically appropriated or authorized the expenditure of money in AB 596 or another act of the 83rd Session that was approved by the Governor, any provision of a CBA for the 2025 – 2027 biennium that required the Nevada Legislature to appropriate money is void and should no longer be considered part of a CBA, and;

3) Pursuant to Section 1.11 of AB 596, Chapter 510, 2025 Statutes of Nevada, the compensation and benefit terms in CBAs for the 2025 – 2027 biennium that received appropriations from the Nevada Legislature through AB 596, excepting the one-percent per fiscal year salary increases provided in Section 1.12, are not binding on the Executive Department for future CBAs because they were one-time grants of money that "shall not be construed as an agreement by the Legislature or the State of Nevada to provide or fund such incentives or other benefits in any future biennium or to include in any future collective bargaining agreement the same or similar provisions to the provisions" funded by AB 596.

The Nevada Administrative Procedure Act authorizes the EMRB to issue declaratory orders and advisory opinions "as to the applicability of any statutory provision." NRS 233B.120. A Declaratory Order by the EMRB is necessary due to the relatively new process for collective bargaining between the Executive Department and State employees, and the EMRA's distinct appropriations requirement for the Executive Department that not only requires certain CBA provisions to receive an appropriation by the Nevada Legislature before they become effective, but also allows the Nevada Legislature to reject, authorize in full, authorize in part, or augment the provisions of an executed CBA negotiated between the Executive Department and a State bargaining unit.

I. PETITIONER'S STATEMENT OF INTEREST

State government employees were not allowed to unionize and collectively bargain with the Executive Department until the passage of SB 135, Chapter 590, 2019 Statutes of Nevada ("SB 135") during the 2019 Legislative Session. Under SB 135, CBAs between the Executive Department and State bargaining units are on a biennial (two-year) cycle that coincides with the Nevada Legislature's odd-year legislative sessions. *See* NRS 288.550. The primary purpose of this schedule is to require the Nevada Legislature to approve, or deny, all compensation and benefit provisions in CBAs between the Executive Department and State bargaining units. *See* NRS 288.505(1)(c); NRS 288.505(5)(c); NRS 288.560(2)(a), and; Nev. Const, art. 4,§ 19. All State bargaining unit CBAs require a "nonappropriation clause that provides that any provision of the collective bargaining agreement which requires the Legislature to appropriate money is effective only to the extent of legislative appropriation." NRS 288.505(1)(c). The nonappropriation clauses in all current State bargaining unit CBAs are attached in **Exhibit 1**.

During the 83rd Legislative Session (2025), the Nevada Legislature exercised its authority over State employee bargaining unit CBAs through the passage of AB 596, Chapter 510, 2025 Statutes of Nevada ("AB 596"). AB 596 is attached as **Exhibit 2**. As summarized in **Exhibit 6**, through AB 596, the Nevada Legislature either declined to appropriate, or only partially appropriated, money to fund the compensation and benefit provisions in the CBAs of eight State bargaining units. At the same time, through AB 596, the Nevada Legislature increased the compensation and benefit provisions in the CBAs of four State bargaining units. *See* Section 1.12. In addition, the Nevada Legislature expressed its clear intent to either amend, in cases of partial funding, or void the compensation and benefit provisions of State bargaining unit CBAs that it decided not to fund. Section 1.10 of AB 596 states:

> "*With respect to any collective bargaining agreement to which the State of Nevada is a party and which is intended to be in effect during all or part of the 2025-2027 biennium,* ***any provision of such an agreement which requires the Legislature to appropriate money is void, except for those provisions for which the 83rd Session of the Nevada Legislature specifically appropriated or authorized the expenditure of money in this or another act of this session*** *that was approved by the Governor.*" (Emphasis added)

With respect to the compensation and benefit provisions that the Nevada Legislature decided to fund, excepting the one-percent salary increases provided in Section 1.12, Section 1.11 of AB 596 states the Legislature's clear intent that the funding provided through AB 596 are:

> "... **one-time grants of money** intended to provide retention incentives and to fund the costs of implementing the collective bargaining agreement provisions described therein solely during the 2025-2027 biennium. The appropriation or authorization of money by sections 1 to 1.9, inclusive, of this act **shall not be construed as an agreement by the Legislature or the State of Nevada to provide or fund such incentives or other benefits in any future biennium or to include in any future collective bargaining agreement the same or similar provisions to the provisions for which money is authorized or appropriated by sections 1 to 1.9, inclusive, of this act**." (Emphasis added)

Pursuant to NRS 288.565(2)(a), the Executive Department and State bargaining units were required to begin CBA negotiations for the 2027 – 2029 biennium on or before April 1, 2026. As the Executive Department entered into these CBA negotiations, multiple State bargaining units have taken the position that the compensation and benefit provisions in CBAs for the 2025 – 2027 that required an appropriation from the Nevada Legislature should be considered settled, established and precedent setting provisions for future CBAs, whether or not the Nevada Legislature gave a full appropriation, a partial appropriation, or any appropriation for the CBA provision during the 83rd Legislative Session. The Executive Department believes that based on the plain language of the Employee-Management Relations Act ("EMRA") found in NRS Chapter 288, the legislative history for SB 135, the nonappropriation clauses in each State bargaining unit CBA, and the plain language of AB 596, that, except for the one-percent salary increases provided for in the act, such arguments are without merit, contrary to Nevada law and could be construed as a violation of each party's duty to bargain in good faith.

Both the Executive Department and State bargaining units have an obligation to bargain in good faith with respect to the negotiation of a CBA and the resolution of any question arising under the CBA. *See* NRS 288.500(2). While the EMRA does not define "good faith," over the years the EMRB has defined various elements and duties of good faith bargaining in the local government context. *See Washoe County School District v. Washoe School Principals Association*, Consolidated Case Nos. 2023-024 and 2023-031, Item No. 895 (EMRB, March 29, 2024); *City of Reno v. Int'l Ass'n of Firefighters, Local 731*, Item No. 253-A (EMRB, Feb. 8, 1991); *Juvenile Justice Supr. Ass'n v. County of Clark*, p.5, Case No. 2017-20, Item No. 834 (EMRB, Dec 13, 2018); *Reno Municipal Employees Ass'n v. City of Reno*, Item No. 93 (EMRB, Jan. 11, 1980); *City of Reno v. Reno Police Protective Ass'n*, Case No. A1-046096, Item No. 790 (EMRB, Nov. 27, 2013), and; *Int'l Brotherhood of Electrical Workers, Local 1245 v. City of Fallon*, Case No. A1-045485, Item No. 269 (EMRB, July 25, 1991). In the local government context, the

EMRB has previously held that "regressive bargaining," which it broadly defined as "a party making an initial contract proposal that is less favorable to employees than the status quo," is an element of bad faith bargaining. *Clark County Defenders Union v. Clark County*, Case No. 2024-014, Item No. 904 (EMRB, December 12, 2024).[2] In applying EMRB local government precedent to the Executive Department's duty to bargain in good faith, the EMRB has previously held that differences in the plain language of the EMRA provisions that apply to the Executive Department may require the ERMB review its prior decisions addressing good faith bargaining involving local governments before applying these decisions to the Executive Department. *See AFSCME, Local 4041 v. State of Nevada, et.al.*, Case No. 2020-001, Item No. 861-B (EMRB, April 15, 2021); *AFSCME, Local 4041 v. State of Nevada, et.al.*, Case No. 2020-002, Item No. 862-B (EMRB, April 15, 2021).

With respect to the Executive Department, while this EMRB decision was not addressing the appropriations requirement for State bargaining units, the EMRB has previously ruled that a unilateral change by the Executive Department to the bargained for terms of employment is regarded as a *per se* violation of the EMRA. *See AFSCME, Local 4041 v. State of Nevada, et.al.*, Case No. 2020-034, Item No. 875 (EMRB, September 23, 2021), citing both *AFSCME, Local 4041 v. State of Nevada, et.al.*, Case No. 2020-001, Item No. 861-B and *AFSCME, Local 4041 v. State of Nevada, et.al.*, Case No. 2020-002, Item No. 862-B. As such, the Executive Department is petitioning the EMRB for a Declaratory Order that guides both the Executive Department and State bargaining units that, except for the one-percent salary increases, the compensation and benefit provisions in current State employee CBAs that received an appropriation from the Nevada Legislature through AB 596 should not be considered the "status quo" for the purposes of collective bargaining for the 2027-2029 biennium, regardless of whether they received an appropriation from the Nevada Legislature through AB 596.

II. NEVADA LAW, EMRB DECISIONS AND CASES UNDER REVIEW

Pursuant to NAC 288.380(3)(c), this Petition asks the EMRB to review the provisions of Nevada law, EMRB Decisions and Cases outlined below.

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[2] The EMRB cited the following NLRB cases as precedent for its definition of regressive bargaining: *Mid-Continent Concrete*, 336 NLRB 258 (2001); *Rescar, Inc.*, 274 NLRB 1 (1985); *Barry-Wehmiller Co.*, 271 NLRB 471 (1984), and ; *Hickinbotham Bros. Ltd.*, 254 NLRB 96 (1981).

A. EMPLOYEE-MANAGEMENT RELATIONS ACT (NRS CHAPTER 288)

NRS 288.500, NRS 288.505, NRS 288.510, NRS 288.515, NRS 288.540, NRS 288.550, NRS 288.555, NRS 288.560, NRS 288.565, NRS 288.570, NRS 288.575, NRS 288.580 and NRS 288.620

B. LEGISLATION

SB 135, Chapter 590, 2019 Statutes of Nevada

Legislative History for SB 135 (2019) (Attached as **Exhibit 3**)

AB 596, Chapter 510, 2025 Statutes of Nevada (Attached as **Exhibit 2**)

SB 510, Chapter 519, 2023 Statutes of Nevada

SB 511, Chapter 209, 2023 Statutes of Nevada

C. EMRB DECISIONS

Reno Municipal Employees Ass'n v. City of Reno, Item No. 93 (EMRB, Jan. 11, 1980)

City of Reno v. Int'l Ass'n of Firefighters, Local 731, Item No. 253-A (EMRB, Feb. 8, 1991)

Int'l Brotherhood of Electrical Workers, Local 1245 v. City of Fallon, Case No. A1-045485, Item No. 269 (EMRB, July 25, 1991)

Boykin v. City of N. Las Vegas Police Dep't, Case No. A1-045921, Item No. 674E (EMRB, Nov 12, 2010)

City of Reno vs. Reno Firefighters Local 731, et al., Case No. A1-046049, Item 777A (EMRB, March 16, 2012)

City of Reno v. Reno Firefighters Local 731, et. al., Case No. A1-046049, Item 777B) (EMRB, April 27, 2012)

City of Reno v. Reno Police Protective Ass'n, Case No. A1-046096, Item No. 790 (EMRB, Nov. 27, 2013)

Kerns v. LVMPD, Case No. 2017-010, Item No. 827 (EMRB, March 20, 2018)

Juvenile Justice Supr. Ass'n v. County of Clark, Case No. 2017-20, Item No. 834 (EMRB, Dec 13, 2018)

AFSCME, Local 4041 v. State of Nevada, et.al., Case No. 2020-001, Item No. 861-B (EMRB, April 15, 2021)

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AFSCME, Local 4041 v. State of Nevada, et.al., Case No. 2020-002, Item No. 862-B (EMRB, April 15, 2021)

AFSCME, Local 4041 v. State of Nevada, et.al., Case No. 2020-034, Item No. 875 (EMRB, September 23, 2021)

Washoe County School District v. Washoe School Principals Association, Consolidated Case Nos. 2023-024 and 2023-031, Item No. 895 (EMRB, March 29, 2024)

Clark County Defenders Union v. Clark County, Case No. 2024-014, Item No. 904 (EMRB, December 12, 2024)

D. NLRB DECISIONS

Mid-Continent Concrete, 336 NLRB 258 (2001)

Rescar, Inc., 274 NLRB 1 (1985)

Barry-Wehmiller Co., 271 NLRB 471 (1984)

Hickinbotham Bros. Ltd., 254 NLRB 96 (1981)

E. NEVADA COURT DECISIONS

AFSCME, Local 4041 v. Lombardo, et. al., Case No. 23 EW 00016 1B (1st District of Nevada, 2023) (Attached as **Exhibit 4**)

III. PETIONER'S POSITION STATEMENT

A. STATE EMPLOYEE BARGAINING UNITS HAVE NO VESTED RIGHTS TO A COMPENSATION OR BENEFIT PROVISION IN A CBA THAT REQUIRES AN APPROPRIATION FROM THE NEVADA LEGISLATURE

Collective bargaining between the Executive Department and State employees requires the express statutory authority from the Nevada Legislature. *See Nevada Highway Patrol Ass'n v. State Dept. of Motor Vehicles, et. al.*, 107 Nev. 547, 550–551 (Nevada 1991). Through SB 135, now codified in the EMRA, the Nevada Legislature authorized certain Executive Department employees to collectively bargaining some of the terms and conditions of their employment subject to the limitations and conditions in the EMRA. CBAs negotiated between the Executive Department and State bargaining units, or finalized through the EMRA's impasse procedures, can bind the Executive Department on many of the mandatory subjects of bargaining outlined in the EMRA, but the plain language of the ERMA states that the Executive Department is not bound by any CBA provision that requires an appropriation from the

Nevada Legislature unless: (1) The appropriation for that CBA provision is approved through an act passed by the Legislature and signed by the Governor,[3] and; (2) The CBA is approved by the State Board of Examiners.[4] *See* NRS 288.505(1)(c) and (5)(c); NRS 288.555(1), and; NRS 288.560. Accordingly, under the EMRA State bargaining units have no vested right to receive any compensation or benefit term in a CBA that requires an appropriation through the passage of an act by the Nevada Legislature prior to the enactment of the appropriation.[5]

The plain language of the EMRA is supported by the legislative history of SB 135, which clearly shows the Nevada Legislature's intent to have the final say on any compensation or benefit provision included in a CBA, including the ability to disapprove an arbitrator's award involving the appropriation of money. *See* **Exhibit 3**, Senate Committee on Government Affairs April 4, 2019, Meeting Minutes, p. 4-12. The Legislature's appropriation authority in the EMRA originates from the Nevada State Constitution and is in sync with other State Constitutional provisions that require the State to have a balanced budget, and the State Budget Act found in NRS Chapter 353. *See* Nev. Const., art. 9, §2 and Nev. Const., art 4, § 19. The appropriation requirement in the EMRA has also been upheld by the courts. *See AFSCME, Local 4041 v. Lombardo, et. al.*, Case No. 23 EW 00016 1B (1st District of Nevada, 2023) (District court held that a CBA impasse arbitration award is not binding on the Executive Department unless the Nevada Legislature passes legislation signed by the Governor to fund the award).

B. THE PLAIN LANGUAGE OF AB 596 AMENDED, IN CASES OF PARTIAL FUNDING, OR VOIDED ALL CBA COMPENSATION AND BENEFIT PROVISIONS THAT FAILED TO RECEIVE AN APPROPRIATION FROM THE NEVADA LEGISLATURE

Pursuant to NRS 288.560, during the 2025 Legislative Session Governor Lombardo requested that the Nevada Legislature draft a legislative measure to appropriate funds for specific compensation and benefit provisions in State bargaining unit CBAs for the 2025-2027 biennium that required an appropriation from the Nevada Legislature. *See* BDR S-1247, 5/23/2025. The appropriatiou amounts

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[3] Subject to the Governor's veto authority, and the Legislature's ability to override a veto. *See* Nev. Const. Art. IV, § 35.

[4] The Executive Department is still bound to comply with any applicable federal labor laws such as The Fair Labor Standards Act of 1938 (29 U.S.C. § 203).

[5] Under the EMRA, the Executive Department and the Governor's Representative are still required to bargain in good faith throughout the collective bargaining process.

requested by the Governor for each of these CBA provisions were based on estimates prepared by the Governor's Finance Office and presented to the State Board of Examiners at a public hearing pursuant to NRS 288.555. Based on the Governor's request, the Nevada Legislature passed AB 596, which was signed by the Governor on June 10, 2025. *See* **Exhibit 2.**

AB 596 provided one-time funding, or partial funding, for specific CBA compensation and benefit provisions in State bargaining unit CBAs. *See* AB 596 Section 1 and **Exhibit 6**. In addition, AB 596 authorized appropriations giving one-time compensation increases to four State employee bargaining units even though these compensation increases that were not provided for in their respective CBAs, nor part the Governor's request. *See* AB 596 Section 1.12. Through AB 596, the Nevada Legislature also expressed its clear intent to either amend, in cases of partial funding, or void the compensation and benefit provisions of State bargaining unit CBAs that it decided not to fund. Section 1.10 of AB 596 states:

> *"With respect to any collective bargaining agreement to which the State of Nevada is a party and which is intended to be in effect during all or part of the 2025-2027 biennium, **any provision of such an agreement which requires the Legislature to appropriate money is void, except for those provisions for which the 83rd Session of the Nevada Legislature specifically appropriated or authorized the expenditure of money in this or another act of this session** that was approved by the Governor."* (Emphasis added)

Accordingly, compensation and benefit provisions in a CBA for the 2025-2027 biennium that failed to receive a requested appropriation from the 83rd Session of the Nevada Legislature are "void," and should no longer be considered part of a State bargaining unit CBA. *See* **Exhibit 6**. Compensation provisions in a State bargaining unit CBA that received partial funding through AB 596 should be considered amended within the limits appropriated by AB 596. *See* AB 596 Section 1.10. State bargaining units have no vested rights in any compensation or benefit provision that the Nevada Legislature declined to fund, including any right to have the provision included in any future CBA.[6]

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[6] The EMRA does not prevent, nor is the Executive Department objecting to, a State employee bargaining unit from using an unfunded and now void CBA compensation or benefit term as a basis to support a compensation proposal during the collective bargaining process for future CBA negotiations.

C. STATE EMPLOYEE BARGAINING UNITS HAVE NO VESTED RIGHTS IN THEIR CBA COMPENSATION AND BENEFIT PROVISIONS BEYOND THE TERM OF THEIR CURRENT CBA, REGARDLESS OF WHETHER THOSE CBA PROVISIONS RECEIVED AN APPROPRIATION THROUGH AB 596

As summarized below, the plain language of the EMRA, the Nevada State Constitution and the State Budget Act do not provide any vested or contractual right to a State bargaining unit that any compensation or benefit provision included in a bargaining unit's current CBA will be included in any future CBA.

1) The Nevada State Constitution vests the Nevada Legislature with the appropriations power, and nothing in the EMRA suggests that the Legislature is bound by the compensation and benefit provisions in a CBA. *See* Nev. Const., art. 4, § 19 and NRS 353.235.
2) The Governor is not required to include the compensation and benefit terms in the current CBA in their executive budget for the next biennium. *See* NRS 288.510(b).
3) If the Executive Department and a State bargaining unit agree to the terms of a CBA for the next biennium the Governor does not have to include the compensation and benefit terms in their executive budget for the next biennium if they determine that it's "impracticable." *See* NRS 288.510(1)(a) and (2).
4) Under the EMRA, the Governor's decision to not include the compensation and benefit terms agreed upon in a CBA in their executive budget "must not be construed as a failure of the Executive Department to negotiate in good faith." NRS 288.620(b).
5) Nothing prevents the State Board of Examiners from voting to reject a proposed CBA, or any amendment to an existing CBA. *See* NRS 288.555.
6) All State CBAs are required to include a "nonappropriation clause that provides that any provision of the collective bargaining agreement which requires the Legislature to appropriate money is effective only to the extent of legislative appropriation" NRS 288.505(1)(c).
7) The State Budget Act found NRS Chapter 353 prohibits an appropriation for State employee compensation based on the attainment of future funds. *See* NRS 353.235(3).
8) The plain language of the EMRA, and the legislative history for SB 135, make it abundantly clear that the Nevada Legislature is not bound by a CBA impasse arbitrator's award. *See* NRS 288.505(1)(c); NRS 288.505(5)(c), and as **Exhibit 3**, Senate Committee on Government

Affairs April 4, 2019, Meeting Minutes, p. 11.

9) Section 1.11 of AB 596 states the Legislature's clear intent that the funding provided by the Legislature in AB 596, excepting the one-percent per fiscal year salary increases, are:

> ". . . **one-time grants of money** intended to provide retention incentives and to fund the costs of implementing the collective bargaining agreement provisions described therein solely during the 2025-2027 biennium. The appropriation or authorization of money by sections 1 to 1.9, inclusive, of this act **shall not be construed as an agreement by the Legislature or the State of Nevada to provide or fund such incentives or other benefits in any future biennium or to include in any future collective bargaining agreement the same or similar provisions to the provisions for which money is anthorized or appropriated by sections 1 to 1.9, inclusive, of this act**." (Emphasis added)[7]

IV. MEMORANDUM OF POINTS AND AUTHORITIES

A. THE NEED FOR A DECLARATORY ORDER FROM THE EMRB

Under the EMRA, EMRB decisions for local government employers issued prior to the passage of SB 135 should be used as precedent for the Executive Department relating to the mandatory subjects of bargaining "to the greatest extent practicable." NRS 288.620(4). In applying EMRB local government precedent to the Executive Department's duty to bargain in good faith, the EMRB has previously held that differences in the plain language of the EMRA provisions that apply to the Executive Department may require the ERMB review its prior decisions addressing good faith bargaining involving local governments before applying these decisions to the Executive Department. *See AFSCME, Local 4041 v. State of Nevada, et.al.*, Case No. 2020-001, Item No. 861-B (EMRB, April 15, 2021); *AFSCME, Local 4041 v. State of Nevada, et.al.*, Case No. 2020-002, Item No. 862-B (EMRB, April 15, 2021). The most clear-cut differences between the collective bargaining process for local governments and the Executive Department are:

1) Mandatory two-year terms for Executive Department CBAs that coincide with the Nevada Legislature's odd-year legislative sessions. *See* NRS 288.550.

2) The appropriations requirement, which requires an appropriation through an act passed by the Nevada Legislature before certain CBA compensation and benefit provisions become effective, and which also allows the Nevada Legislature to reject, authorize in full, authorize in part, or augment the provisions of an executed CBA negotiated between the Executive

[7] Not including the one-percent salary increases provided for in Section 1.12 of AB 596.

Department and a State bargaining unit, or resolved through the EMRA's impasse arbitration procedures.

3) Unlike the governing bodies for local governments that have decision-making authority to determine their budgets, the Executive Department and the Governor's Labor Representative that negotiates CBAs with State bargaining units do not have ultimate authority in approving the budget for the Executive Department.

4) After a CBA is negotiated by the Governor's representative and approved by the State Board of Examiners, the Nevada State Constitution allows the Governor to veto any appropriations bill authorizing funds for a CBA passed by the Nevada Legislature, which is completely foreseeable because every other Executive Department CBA cycle has a Governor's election in-between the deadline to finalize CBA negotiations and the next legislative session when the Legislature can appropriate money to fund a CBA.

5) There's only a 120-day period every two-years during which the Nevada Legislature can appropriate money to fund the provisions of a CBA.

6) The EMRA contains no provisions authorizing mid-contract bargaining for any matter requiring an appropriation of funds from the Nevada Legislature during the term of a CBA.

These clear-cut differences affect all twelve organized State bargaining units equally. The purpose of a Declaratory Order under the Administrative Procedures Act is to address "the applicability of a statutory provision or an order or rule of the EMRB in particular circumstances. A party who obtains a statement of the EMRB's position may avoid costly administrative litigation by selecting the proper course of action in advance." *City of Reno vs. Reno Firefighters Local 731, et al.,* (Case No. A1-046049, Item 777A) (2012) (citing *Chiles v. Department of State, Div. of Elections*, 711 So. 2d 151, 154-155 (Fla. App 1998)). The State requests a Declaratory Order to clarify that NRS 288.505(1)(c) and AB 596 cannot be circumvented for CBA provisions that were specifically not appropriated by the Nevada Legislature. Allowing such remedies would disregard the purpose of requiring such provisions to be appropriated by the Nevada Legislature, run counter to the plain language of the EMRA and AB 596.

AB 596 is an extension of the EMRA, and a review and interpretation of AB 596 is within the jurisdiction of the EMRB. AB 596 is a direct result of NRS 288.560(2)(a), which requires the Governor to request that the Nevada Legislature draft a legislative measure to appropriate money for the compensation and benefit provisions in the CBA that require an appropriation from the Legislature. AB 596 is also a product of the EMRA requirements found in NRS 288.505(1)(c), NRS 288.505(5)(c) and the required nonappropriation clause in all State bargaining unit CBAs. *See City of Reno v. Reno Firefighters Local 731, et. al.*, Case No. A1-046049, Item 777B) (2012) (The EMRB issued a Declaratory Order interpreting SB 98 passed during the 76th Legislature and its impact on the EMRA). The interpretation and application of AB 596 is also directly related to our joint obligations to bargain in good faith pursuant to NRS 288.620(1)(a). *See Clark County School Dist. v. Local Govt. Employee-Mgmt. Rel. Board,* 90 Nev. 442, 446 (1974); *Boykin v. City of N. Las Vegas Police Dep't,* Case No. A1-045921, Item No. 674E (EMRB, Nov 12, 2010); *City of Reno v. Reno Police Protective Ass'n,* 118 Nev. 889, 59 P.3d 1212 (2002); *Kerns v. LVMPD,* Case No. 2017-010, Item No. 827 (EMRB, March 20, 2018). Lastly, the EMRB's interpretation and application of AB 596 is also directly related to the EMRB's authority in NRS 288.575(3) to prescribe rules and regulations relating to the impasse arbitration process.

A Declaratory Order from the EMRB on the questions presented in this Petition is necessary for the Executive Department and State bargaining units to satisfy their obligations under the EMRA to bargain in good faith. The Executive Department may not prosecute its own grievances using the grievance procedures in a State bargaining unit CBA. Even if the Executive Department had the ability to resolve the legal questions presented in this Petition through final and binding arbitration under the grievance procedures in a CBA, this process could result in multiple interpretations of the EMRA from twelve different arbitrators. Accordingly, the Executive Department is requesting a Declaratory Order from the EMRB interpreting the statutory provisions outlined in this Petition to ensure that the Executive Department conducts collective bargaining in compliance with the EMRA.

B. THE EMRA'S APPROPRIATIONS REQUIREMENT FOR EXECUTIVE DEPARTMENT CBAs

1. The Nevada Legislature's Authority Over Appropriations and State Employee Compensation

The Nevada Constitution allocates governmental power between "three distinct and coequal branches of government, as set forth in Article 4 (legislative), Article 5 (executive), and Article 6 (judicial)." *Berkson v. LePome*, 126 Nev. 492, 498 (2010). "The Legislature enacts laws, and in turn, the executive branch is tasked with carrying out and enforcing those laws." *N. Lake Tahoe Fire Prot. Dist. v. Washoe Cty. Comm'rs,* 129 Nev. 682, 687 (2013) (internal quotation marks omitted). The Appropriations Clause in the Nevada Constitution provides that "[n]o money shall be drawn from the treasury but in consequence of appropriations made by law." Nev. Const, art. 4,§ 19.

The State Budget Act found in NRS Chapter 353 further directs Legislative appropriations and authorizations consistent with Article 4 § 19 and Article 9 § 2 of the Nevada State Constitution. NRS 353.260 precludes the State from spending money in excess of what the Legislature appropriates, and makes it unlawful to "attempt to bind, the State of Nevada or any fund or department thereof in any amount in excess of the specific amount provided by law." In addition, NRS 353.235(3)[8] states that an expenditure may not be established for the current biennium which is contingent upon the attainment of future funds.

The Nevada Supreme Court has long recognized the Nevada Legislature's constitutional authority over appropriations and determining State employee salaries through legislation. In *State of Nevada Employees Association, Inc., et. al. v. Daines*, the Court held that the Executive Department has no authority to deviate from the Legislature's determination of State employee salaries through enacted legislation. *See Id.*, 108 Nev. 15, 18-20 (1992). The Court has also recognized that the Governor and the Executive Department have a constitutional duty to see that the laws enacted by the Legislature are faithfully executed. *See* Nev. Const. art. 5, § 7; *Galloway v. Truesdell*, 83 Nev. 13, 20 (1967).

2. The EMRAs Appropriations Requirement is Supported by the Legislative History of SB 135

All State bargaining unit CBAs require a "nonappropriation clause that provides that any provision of the collective bargaining agreement which requires the Legislature to appropriate money is

[8] **NRS 353.235 Appropriation and authorization by Legislature.**

1. Every appropriation in addition to that provided for in the proposed budget must be embodied in a separate bill and must be limited to some single work, object or purpose stated in the bill.

2. A supplementary appropriation is not valid if it exceeds the amount in the State Treasury available for the appropriation, unless the Legislature making the appropriation provides the necessary revenue to pay the appropriation by a tax, direct or indirect, to be laid and collected as directed by the Legislature. The tax must not exceed the rates permitted under the Constitution of the State of Nevada. This provision does not apply to appropriations to suppress insurrections, defend the State, or assist in defending the United States in time of war.

3. An appropriation of money must not be made or a level of salary or other expenditure established which is contingent upon the attainment, during the biennium in which the money is to be expended or the salary or level of expenditure is to be effective, of a specified balance in the State General Fund.

effective only to the extent of legislative appropriation" NRS 288.505(1)(c). The nonappropriation clauses found in each current State employee bargaining unit CBA can be found in **Exhibit 1.** Based on SB 135's legislative history, it's clear that the Nevada Legislature wanted to have a say in authorizing any salary or benefit increases included within a CBA. The American Federation of State, County, & Municipal Employees, Local 4041 ("AFSCME"), which is the bargaining agent for Bargaining Units A, C, E & F, was involved in drafting SB 135, and provided extensive legislative testimony outlining the bill's provisions. *See* **Exhibit 3**, Senate Committee on Government Affairs April 4, 2019 Meeting Minutes, p. 4–12. In his testimony introducing SB 135, Steven Kreisburg, AFSCME's Director of Research and Collective Bargaining Services, stated:

> "Significantly, **this bill requires any agreement reached between employees and the Executive Branch requiring an appropriation of funds be approved by this Body and the Assembly**. In other words, the constitutional role of the Legislature to appropriate money is completely preserved by S.B. 135. **The bill and the collective bargaining process itself will not lead to an expenditure of funds absent the appropriation of those funds by the Legislative Body**." (emphasis added) *Id.* at p. 4–5.

In addition to the required nonappropriations clause, other provisions in the EMRA demonstrate the Nevada Legislature's intent to have the final say on the compensation and benefit provisions in a CBA. NRS 288.505 states that if there is a conflict between a CBA provision and an existing statute, outside of NRS Chapter 284[9], NRS Chapter 287, NRS 288.570, NRS 288.575, and NRS 288.580, the provision of the CBA "prevails unless the Legislature is required to appropriate money to implement the provision, within the limits of legislative appropriations." The Nevada Legislature's appropriation authority over CBA salary and benefit provisions is not unique to the EMRA and Nevada, as many other states, including Alaska, California, Colorado, Florida, Hawaii, Massachusetts, Michigan, Minnesota, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Washington and Wisconsin require their state's legislature to either approve, or appropriate for, the salary and benefit provisions included in a state employee CBA.[10]

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[9] Excluding NRS 284.4086 (Race and gender discrimination complaints and investigations).

[10] *See*, e.g., *Univ. of Alaska Classified Emp. Ass'n v. Univ. of Alaska*, 988 P.2d 105, 108 (Alaska 1999); *Cal. State Emp. Ass'n v. Flourney*, 32 Cal. App. 3d 219, 234 (Cal. Ct. App. 1973); *State v. State Troopers Fraternal Ass'n*, 453 A.2d 176, 180 (N.J. 1982); *In re Advisory Op. to the House of Representatives*, 576 A.2d 1371, 1374 (R.I. 1990); *Minn. Educ. Ass'n v. State*, 282 N.W.2d 915, 918 (Minn. 1979); *Police Benevolent Ass'n v. State* 818 So. 2d 584 (Fla. Dist. Ct. App. 2002); *Philadelphia Federation of Teachers*, Local No. 3 v. Thomas 436 A.2d 1228, 1229-30 (Pa. Commw. Ct. 1981), and; *But cf. Ass'n of Surrogates & Supreme Court Reporters Within the City of*

The Legislature's appropriation authority is not always a detriment to State bargaining units, as it also allows the Legislature to enhance the compensation and benefit terms of a CBA. In 2023, the Nevada Legislature enhanced the salary increases included in some State bargaining unit CBAs. *See* SB 510, Chapter 519, 2023 Statutes of Nevada, and SB 511, Chapter 209, 2023 Statutes of Nevada. For the 2025-2027 CBA term, the Nevada Legislature appropriated for and authorized based wage salary increases for four State bargaining units even though the CBAs for these bargaining units contained no provisions providing for compensation increases. *See* AB 596 Section 1.12 and **Exhibit 6**.

3. The CBA Appropriations Process

i. State Board of Examiners Public Hearing

After a CBA is finalized through negotiation, or through the impasse arbitration procedures in the EMRA, the CBA must go before the State Board of Examiners in a public meeting for approval. *See* NRS 288.555(1). At this meeting the State Board of Examiners are required to review the financial impact of the CBA prepared by the Governor's Finance Office, which is posted for public review at least three days prior to the public hearing. *See* NRS 288.555(2)(c) and (3). This requirement allows State bargaining units and the public to review the fiscal impact of the CBA up for approval. The fiscal impact statements prepared by the Governor's Finance Office for CBAs approved by the State Board of Examiners for the 2025-2027 biennium are included in **Exhibit 5**.

ii. Governor Makes CBA Appropriation Requests

After the CBA is approved by the State Board of Examiners, NRS 288.560(2)(a) requires the Governor to request that the Nevada Legislature draft a legislative measure to appropriate money for the compensation and benefit provisions in the CBA that require an appropriation from the Legislature. *See* BDR S-1247, 5/23/2025 and **Exhibit 5**. As part of this process, the Governor submits the financial impact analysis prepared by the Governor's Finance Office, which receives further review by the Legislative Counsel Bureau Fiscal Analysis Division. This requirement prevents the Executive Department from later claiming that the Legislature failed to appropriate money for, or authorize, a CBA compensation or benefit provision after the Executive Department fails to request an appropriation for the CBA provision.

New York v. State of N.Y., 577 N.E.2d 10, 16 (N.Y. 1991) (state legislature's initial approval of a multi-year collective bargaining agreement for state employees bound the legislature to appropriate sufficient funds for the remaining years of the contract term).

iii. The Governor's Executive Budget

Some compensation and benefit provisions in a CBA may already be included as part of the Governor's executive budget pursuant to NRS 288.515(1)(a). For example, for the 2025-2027 biennium, the Governor's executive budget presented to the Legislature already included the salary increases received by State employee bargaining units during the 2023-2025 biennium, which is why the CBA fiscal impact statements only included the compensation and benefit increases included in the CBAs for the 2025-2027 biennium (as opposed to including the base wages).[11] In addition, pursuant to the State Budget Act, some specific budget items like overtime[12] are not included in the Governor's executive budget or the CBA appropriations request by the Governor. *See* NRS 353.211(5)(a)(4). The EMRA accounts for these specific CBA items in NRS 288.090(4).

4. The Nevada Legislature is Not Bound by Impasse Arbitration Awards

The clear intent of the appropriations requirement was to protect the Nevada Legislature's Constitutional authority over spending and to give the Legislature the authority to have the final say on which provisions would be funded. The Nevada Legislature specifically addressed this issue when it enacted SB 135, which authorized collective bargaining for State employees. Unions were involved in drafting SB 135 and provided extensive legislative testimony outlining the bill's provisions. *See* **Exhibit 3**, Legislative History, Senate Committee on Government Affairs April 4, 2019, Meeting Minutes, p. 4–12). In his testimony introducing SB 135, Steven Kreisburg, AFSCME's Director of Research and Collective Bargaining Services, stated:

> "The Legislature retains its discretion to disapprove of an arbitrator's award involving the appropriation of money. Only the Legislature decides when money is spent. Arbitrators cannot bind the State to the expenditure of funds." (Id. at p. 11)

This is consistent with the Legislature's authority under the Nevada Constitution outlined above. The Appropriations Clause in the Nevada Constitution provides that "[n]o money shall be drawn from the treasury but in consequence of appropriations made by law." Nev. Const, art. 4,§ 19. It's impossible to read NRS 288.505(5) as permitting unelected arbitrators to draw money from the treasury without an

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[11] Governor Lombardo's 2025-2027 presented to the Nevada Legislature is 3,511 pages and can be found at: https://archive.leg.state.nv.us/Session/83rd2025/Budgets/Official%20Executive%20Budget_2025-27.pdf

[12] As previously mentioned, overtime pay is governed by The Fair Labor Standards Act of 1938 (29 U.S.C. § 203).

appropriation in order to pay compensation, and the Arbitrator cannot interpret NRS Chapter 288 in a way that would violate the Nevada Constitution. *See Degraw v. The Eighth Jud. Dist. Ct.*, 134 Nev. 330, 333 (2018).

This general matter has previously been ruled on by the First District Court of Nevada, which held that NRS 288.505 "makes an interest-arbitration award that requires funding subject to appropriation. NRS 288.505(5)(c)." **Exhibit 4,** *AFSCME v. Joseph Lombardo*, Case No. 23 EW 00016 1B. Here, the district court determined that courts cannot confirm an interest arbitration award "because NRS Chapter 288 does not provide authority for judicial enforcement of an interest arbitration award." *Id.* at p. 5. As noted by the court, "[i]t would not have made sense for the Legislature to carefully preserve the appropriation requirement, but then allow a party to try and circumvent it through judicial enforcement of an arbitration award." *Id.* at p. 6.

C. STATE BARGAINING UNITS HAVE NO RIGHT TO RECEIVE ANY COMPENSATION OR BENEFIT TERM IN A CBA IF THE APPROPRIATION TO FUND THE CBA TERM WAS NOT APPROVED OR AUTHORIZED BY AN ACT OF THE NEVADA LEGISLATURE

1. State Bargaining Units Cannot Circumvent the Appropriations Requirement

As outlined above, nothing in the plain language of the EMRA, or in the legislative history for SB 135, supports the argument that a compensation or benefit provision in a State bargaining unit CBA can circumvent the Nevada Legislature's authority or the Appropriations Clause in the Nevada Constitution. Allowing such an argument to prevail would disregard the purpose of requiring and appropriation by the Nevada Legislature for provisions to be effective, go against the legislative intent of the EMRA, and subvert the Legislature's authority under the Nevada Constitution. The EMRA's appropriations requirement does not mean that a CBA compensation provision has to be specifically rejected by the Nevada Legislature. In *AFSCME v. Joseph Lombardo*, the appropriations bill passed by the Nevada Legislature to fund AFSCME's three-percent salary increase in its CBA, but the appropriations bill was vetoed by the Governor. The district court rejected AFSCME's argument that the Legislature can pass an appropriations immune from the Governor's veto power. **Exhibit 4,** *Id.* **at p.** 4. The AFSCME CBA was approved by the State Board of Examiners. As was noted by the court, State

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Board of Examiners approval does not satisfy the EMRA's appropriations requirement. *Id.* at p. 4 (citing NRS 288.505(5)(c)).

If the Nevada Legislature appropriates less money than was agreed upon during CBA negotiations, the CBA article should be considered amended to incorporate the amount appropriated by the Legislature. *See* NRS 288.505(1)(c) and **Exhibit 1**. For example, the "retention incentive" in Article 8.2.1 of the AFSCME Unit A, E & F CBA provided $2,000 per fiscal year. Through AB 596, the Nevada Legislature only provided funding for this retention incentive of $1,000 per fiscal year. Accordingly, Article 8.2.1 of the AFSCME Unit A, E & F CBA should be considered amended as providing a retention incentive of $1,000 per fiscal year during the term of the CBA.

2. Any Other Available Money

Multiple State bargaining units have made arguments to the Executive Department that they can circumvent the EMRA's appropriations requirement if the Executive Department has any available money in their budget that could cover the cost of a CBA compensation or benefit term that either failed to receive an appropriation or was specifically rejected by the Nevada Legislature. Their argument is based on the reference to "any other available money" in NRS 288.505(5)(c), which states: "Except as otherwise provided in NRS 284.4086, a provision of chapter 284 or 287 of NRS or NRS 288.570, 288.575 or 288.580, the provision of the agreement prevails unless the Legislature is required to appropriate money to implement the provision, within the limits of legislative appropriations and any other available money." As further outlined below, the bargaining unit's reliance on "and any other available money" to mean that it provides them "carte blanche" to search the State budget during the term of a CBA for excess money appropriated for other uses and seek an arbitrator's award for CBA terms that the Nevada Legislature did not fund is misplaced and contradicts the EMRA, the legislative history of SB 135, the Nevada State Constitution, the State Budget Act and numerous Nevada Supreme Court decisions.

The rules of statutory construction apply to the interpretation of a constitutional provision. *See Harvey v. Dist. Ct.*, 117 Nev. 754, 763 (2001). Unless ambiguous, a statute's language is applied in accordance with its plain meaning. *See California Commercial v. Amedeo Vegas I*, 119 Nev. 143, 145 (2003). When the Legislature's intent is clear from the plain lauguage, the Nevada Supreme Court will give effect to such intention and construe the statute's language to effectuate rather than nullify its manifest purpose. *See Sheriff v. Luqman,* 101 Nev. 149, 155 (1985). The Nevada Supreme court has recognized that "[t]he Nevada Constitution should be read as a whole, so as to give effect to and harmonize each provision." *Nevadans for Nevada v. Beers,* 122 Nev. 930, 944 (2006). Thus, when possible, the interpretation of a statute or constitutional provision will be harmonized with other statutes or provisions to avoid unreasonable or absurd results. *See Nevada Power Co. v. Haggerty,* 115 Nev. 353, 364 (1999). Conversely, if a constitutional provision's language is subject to more than one reasonable, although inconsistent, interpretation, it may look to the provision's legislative history and the constitutional scheme as a whole to determine what the Nevada Constitution's framers intended. *See Gallagher v. City of Las Vegas,* 114 Nev. 595, 599 (1998); *McKay v. Bd. of Supervisors,* 102 Nev. 644, 650–51 (1986); *see also Beazer Homes Nevada, Inc. v. Dist. Ct.,* 120 Nev. 575, 582 (2004). Lastly, a court, the EMRB or an arbitrator may not engage in policy making to rewrite the EMRA to match their interpretation of the EMRA in a way that conflicts with the plain language and legislative history of the statute. *See Holiday Ret. Corp. v. State, Div. of Indus. Relations,* 128 Nev. 150, 154 (2012) ("It is the prerogative of the Legislature, not this court, to change or rewrite a statute.").

It's impossible to read NRS 288.505(5) as permitting a district court or an arbitrator to draw money from the State treasury without an appropriation in order to pay compensation, and the EMRB cannot interpret the EMRA in a way that would violate the Nevada Constitution. *See Degraw v. The Eighth Jud. Dist. Ct.*, 134 Nev. 330, 333 (2018). As was noted by the district court in *AFSCME v. Joseph Lombardo* discussed above, there is no basis in Nevada law or the EMRA to suggest that the appropriations requirement can be circumvented by an arbitrator's award. *See Id.* at p. 5. Interpreting the reference to "any other available money"[13] to mean that the appropriations requirement can be circumvented would negate all of the words that precede this language in NRS 288.505(5)(c) and the nonappropriation clause requirement in NRS 288.505(c). This interpretation would also contradict multiple provisions of the State Budget Act, which directs that legislative appropriations and

[13] Similar language exists for the EMRB's appointment of a Commissioner in NRS 288.090(4). Accepting the union's novel interpretation of "any other money" would mean that the EMRB could circumvent the appropriations requirement, the State Budget Act, and NRS 284.160 to provide compensation increases to the Commissioner and other EMRB staff with any excess funds or terminate any EMRB support staff and use those funds to unilaterally increase the Commissioner's compensation.

authorizations be consistent with Article 4, § 19 of the Nevada Constitution ("No money shall be drawn from the treasury but in consequence of appropriations made by law."). The State Budget Act precludes the State from spending money in excess of what the Legislature appropriates and makes it unlawful to "attempt to bind, the State of Nevada or any fund or department thereof in any amount in excess of the specific amount provided by law." NRS 353.235(2).[14] Lastly, the State Budget Act prohibits an appropriation for State employee compensation based on the attainment of future funds. *See* NRS 353.235(3). Accordingly, accepting the idea that the "any other available money" language would require the EMRB to ignore other provisions in the EMRA, the legislative history of SB 135, the Nevada State Constitution, the State Budget Act and Nevada Supreme Court guidelines regarding statutory interpretation.

As mentioned above, the Executive Department's interpretation of the "any other money" language in NRS 288.505(5)(c) is that it encompasses things like overtime pay, which the State Budget Act states should not be included in the State budget, and the Legislature generally does not appropriate for, but the Executive Department is required to pay under The Fair Labor Standards Act of 1938 (29 U.S.C. § 203). Another example where "any other money" would apply is found in AB 596. The Governor's Finance Office's fiscal estimates presented to the State Board of Examiners and later submitted to the Nevada Legislature for an appropriation, for the State bargaining units with CBA provisions providing personal days estimated the total cost of $45,797,828. *See* **Exhibit 5**. The Governor's Finance Office estimated the total cost of the CBA union leave provisions to be $2,976,068. *See* **Exhibit 5**. In response to these appropriation requests, in Section 1.10(2) of AB 596 the Nevada Legislature determined that these CBA provisions "do not require the Legislature to appropriate money

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[14] **NRS 353.235 Appropriation and authorization by Legislature.**

1. Every appropriation in addition to that provided for in the proposed budget must be embodied in a separate bill and must be limited to some single work, object or purpose stated in the bill.

2. A supplementary appropriation is not valid if it exceeds the amount in the State Treasury available for the appropriation, unless the Legislature making the appropriation provides the necessary revenue to pay the appropriation by a tax, direct or indirect, to be laid and collected as directed by the Legislature. The tax must not exceed the rates permitted under the Constitution of the State of Nevada. This provision does not apply to appropriations to suppress insurrections, defend the State, or assist in defending the United States in time of war.

3. An appropriation of money must not be made or a level of salary or other expenditure established which is contingent upon the attainment, during the biennium in which the money is to be expended or the salary or level of expenditure is to be effective, of a specified balance in the State General Fund.

and such provisions become effective regardless of whether the 83rd Session of the Nevada Legislature specifically appropriates or authorizes the expenditure of money to implement such provisions." In other words, the Nevada Legislature essentially ordered the Executive Department to pay for these CBA provisions without an appropriation from "any other available money." While the Executive Department disagrees that these CBA items can be implemented without a cost, the Legislature's determination is within its constitutional and statutory authority.

D. AB 596 VOIDS ANY CBA PROVISION THAT THE NEVADA LEGISLATURE DECLINED TO APPROPRIATE FOR OR AUTHRORIZE

1. The Legislature Rejected All CBA Provisions Providing for Any Base Wage Increases and Declared Those CBA Provisions Void

The Nevada Legislature exercised its constitutional authority over employee salaries, appropriations and collective bargaining through the passage AB 596. In AB 596, the Nevada Legislature either declined to appropriate, or only partially appropriated, money to fund the compensation and benefit provisions in the CBAs of eight State bargaining units. *See* **Exhibit 6**. At the same time, through AB 596, the Nevada Legislature increased the compensation and benefit provisions in the CBAs of five State bargaining units. *See* AB 596 Section 1.12 and **Exhibit 6**. In addition, the Nevada Legislature expressed its clear intent to either amend, in cases of partial funding, or void the compensation and benefit provisions of State bargaining unit CBAs that it decided not to fund. Section 1.10 of AB 596 states:

> "*With respect to any collective bargaining agreement to which the State of Nevada is a party and which is intended to be in effect during all or part of the 2025–2027 biennium,* ***any provision of such an agreement which requires the Legislature to appropriate money is void, except for those provisions for which the 83rd Session of the Nevada Legislature specifically appropriated or authorized the expenditure of money in this or another act of this session*** *that was approved by the Governor.*" (Emphasis added)

When "the words of the statute have a definite and ordinary meaning, this court will not look beyond the plain language of the statute, unless it is clear that this meaning was not intended." *State v. Quinn*, 117 Nev. 709, 713 (2001); *see also Glover v. Concerned Citizens for Fuji Park*, 118 Nev. 488 (2002) (stating that "[i]t is well established that when the language of a statute is unambiguous, a court should give that language its ordinary meaning"), *overruled in part by Garvin v. Dist. Ct.*, 118 Nev. 749 (2002). The word "void" is not ambiguous and is defined as "to render of no validity or effect; to annul; nullify." Black's Law Dictionary, 12th ed. 2024. Based on the plain language of AB 596, the Nevada

Legislature rejected all of the CBA provisions that provided for any increase base wages, salary grades or cost of living increases and declared them void. Instead, in Section 1.12(1) of AB 596 the Nevada Legislature provided an across the board one-percent salary increases per fiscal year for all State bargaining units, including for the four bargaining units with no CBA terms providing for salary increases.

2. Compensation and Benefit Terms that Obtained Partial Funding Should be Considered Amended to the Amounts Appropriated by the Legislature

In some cases, AB 596 provided partial funding for certain CBA compensation and benefit provisions. For example, Article 11.1.5 of the State Bargaining Unit I CBA that was approved by the State Board of Examiners provided all employees with a $2,000 per fiscal year "retention incentive." Pursuant to NRS 288.560(2)(a), the Governor's Office submitted an appropriations request to the Nevada Legislature to fund the retention incentive in the Bargaining Unit I CBA. In Section 1.4(2)(b) of AB 596, the Nevada Legislature only appropriated funds for $1,000 retention incentives per fiscal year. Based on the plain language of NRS 288.505(1)(c) and (5)(c), Article 11.1.5 of the Bargaining Unit I CBA is only "effective to the extent of the legislative appropriation" and "within the limits of legislative appropriations." As such, Article 11.1.5 should be considered amended to reflect the $1,000 per fiscal year appropriation made by the Legislature. This is in line with the required nonappropriations clause found in Article 33 of the Bargaining Unit I CBA. *See* **Exhibit 1**.

3. AB 596 is Not a Statute that Can be Overridden by a CBA

NRS 288.505(5) clearly outlines how conflicts are addressed between a Nevada statute and a State bargaining unit CBA. The only statutory provisions that a State bargaining unit CBA can override are NRS Chapter 284 (excluding 284.4086), NRS Chapter 287, NRS 288.570, NRS 288.575 and NRS 288.580, but only if the CBA provision does not require an appropriation from the Nevada Legislature. *See* NRS 288.505(5)(c). Outside of the above listed statutory provisions, any State bargaining unit CBA term that conflicts with a Nevada statute "may not be given effect unless the Legislature amends the existing statute in such a way to eliminate the conflict." NRS 288.505(5)(b). Under the plain language of the EMRA, AB 596, which is part of Chapter 510, 2025 Statutes of Nevada, cannot be overridden by a State bargaining unit CBA.

4. The Contracts Clause Does Not Apply to CBA Provisions that Require an Act of the Legislature to Become Effective

The Contracts Clause in Article 1 § 10 of the United States Constitution and Article 1 § 15 of the Nevada State Constitution states that "[n]o state may pass a law impairing the obligation of contracts." In cases involving public employees and PERS pension benefits, the Nevada Supreme Court has held that existing pension benefits should be considered part of an employment contract between the State and its employees as the employees have "a limited vested right" to receive these benefits that cannot be impaired under the Contract Clause. *See Public Emp. Retirement Bd. v. Washoe County*, 96 Nev. 718, 721-722 (1980) ("subject to reasonable modification in order to keep the system flexihle to meet changing conditions, and to maintain the actuarial soundness of the system."). Outside of the public employee pension context, the Nevada Supreme Court held that compensation packages offered to induce employment with the State are bound to pay the promised forms of compensation. *See State Nev. Employees Ass'n, Inc. v. State ex rel. Its Dept. of Prisons*, 102 Nev 356, 358-359 (1986).

These cases are inapplicable to the EMRA's appropriation requirement and the Nevada Legislature's exercise of its constitutional authority. The plain text of the EMRA explicitly states that any provision of a CBA that requires an appropriation does not become effective until an act by the Legislature authorizing the appropriation becomes law. *See* NRS 288.560(b). Accordingly, State employee bargaining units cannot claim that they have any vested or a "limited vested right" in a CBA provision unless and until the provision becomes effective. Such an interpretation would conflict with the Nevada State Constitution and render the appropriations requirement in the CBA meaningless.

E. THE APPROPRIATIONS MADE THROUGH AB 596 FOR CBA COMPENSATION AND BENEFIT TERMS WERE ONE-TIME GRANTS FOR THE 2025-2027 CBA TERM AND STATE EMPLOYEE BARGAINING UNITS HAVE NO VESTED RIGHTS TO RECEIVE THESE COMPENSATION AND BENEFIT TERMS IN FUTURE CBAS

With respect to the CBA compensation and henefit provisions that the Nevada Legislature decided to fund through AB 596, Section 1.11 states its clear intent that the funding provided by the Legislature of AB 596 are:

> ". . . **one-time grants of money** intended to provide retention incentives and to fund the costs of implementing the collective bargaining agreement provisions described

> therein solely during the 2025-2027 biennium. The appropriation or authorization of money by sections 1 to 1.9, inclusive, of this act **shall not be construed as an agreement by the Legislature or the State of Nevada to provide or fund snch incentives or other benefits in any future biennium or to include in any future collective bargaining agreement the same or similar provisions to the provisions for which money is authorized or appropriated by sections 1 to 1.9, inclnsive, of this act**." (Emphasis added)

Based on rhe plain language of AB 596, excepting the one-percent per fiscal year salary increase provided for all State bargaining units in Section 1.12, the funding for CBA provisions provided under AB 596, as well as the enhanced compensation provided that were not part of the terms of any CBA, were "one-time grants of money." It's entirely within the Nevada Legislature's discretion to provide one-time appropriations. As the State Budget Act prohibits an appropriation for State employee compensation based on the attainment of future funds, State bargaining unit employees have no vested rights to receive funding provided by AB 596, and the Nevada Legislature is not contractually bound to continue this funding, or any additional funding for CBAs for the 2027-2029 biennium. *See* NRS 353.235(3).

PRAYER FOR RELIEF

WHEREFORE, for the reasons set out above, Petitioner respectfully requests that the EMRB enter a Declaratory Order stating that:

1) The provisions found in NRS 288.505(1)(c), NRS 288.505(5)(c) and the required nonappropriation clause in a collective bargaining agreement ("CBA") nullify a State bargaining unit's right to receive a compensation or benefit term in a CBA if the appropriations request for that compensation or benefit term was not approved or authorized by an act of the Nevada Legislature;
2) Pursuant to Section 1.10 of AB 596, Chapter 510, 2025 Statutes of Nevada, NRS 288.505(1)(c), NRS 288.505(5)(c) and the required nonappropriation clause in a CBA, except for those CBA provisions for which the 83rd Session (2025) of the Nevada Legislature specifically appropriated or authorized the expenditure of money in AB 596 or another act of the 83rd Session that was approved by the Governor, any provision of a CBA for the 2025 – 2027 biennium that required the Nevada Legislature to appropriate money is void and should no longer be considered part of a CBA, and;

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3) Pursuant to Section 1.11 of AB 596, Chapter 510, 2025 Statutes of Nevada, the compensation and benefit terms in CBAs for the 2025 – 2027 biennium that received appropriations from the Nevada Legislature through AB 596, excepting the one-percent per fiscal year salary increases provided in Section 1.12, are not binding on the Executive Department for future CBAs because they were one-time grants of money that "shall not be construed as an agreement by the Legislature or the State of Nevada to provide or fund such incentives or other benefits in any future biennium or to include in any future collective bargaining agreement the same or similar provisions to the provisions" funded by AB 596.

DATED this 19th day of May 2026.

AARON FORD
Attorney General

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CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Office of the Attorney General, and that on this 19th day of May 2026, I served a true and correct copy of the foregoing PETITION FOR DECLARATORY ORDER by first-class mail, return receipt requested, addressed to:

American Federation of State, County, & Municipal Employees, LOCAL 4041
Exclusive Representative for Bargaining Units A, C, E & F
601 S. Ranco Drive, Unit C-24
Las Vegas, Nevada 89106

Nevada Police Union
Exclusive Representative for Bargaining Units G & L
3352 Goni Road
Carson City, Nevada 89706

Nevada Peace Officer Association
Exclusive Representative for Bargaining Units H & M
145 Panama Street
Henderson, Nevada 89015

Fraternal Order of Police, Nevada C.O., Lodge 21
Exclusive Representative for Bargaining Units I & N
610 S. 9th Street
Las Vegas, Nevada 89101

Battle Born Fire Fighters Association, Local 3895
Exclusive Representative for Bargaining Units K & O
P.O. Box 3007
Carson City, Nevada 89702

The following attorneys and representatives were served courtesy copies by electronic mail to the following email addresses:

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Ginny Brownell

Ginny Brownell, an employee of the Office of the Nevada Attorney General

EXHIBIT LIST

EXHIBIT 1:	**BARGAINING UNIT CBA APPROPRIATIONS CLAUSES**
EXHIBIT 2:	**AB 596, CHAPTER 510, 2025 STATUTES OF NEVADA**
EXHIBIT 3:	**LEGISLATIVE HISTORY OF SB 135**
EXHIBIT 4:	**AFSCME, LOCAL 4041 V. LOMBARDO, ET. AL., CASE NO. 23 EW 00016 1B (1ST DISTRICT OF NEVADA, 2023)**
EXHIBIT 5:	**GOVERNOR'S FINANCE OFFICE COST ESTIMATES FOR 2025-2027 CBAS**
EXHIBIT 6:	**SUMMARY OF COLLECTIVE BARGAINING AGREEMENT PROVISIONS THAT WERE EITHER AMENDED OR VOIDED BY AB 596**

EXHIBIT 1

STATE BARGAINING UNIT CBA NONAPPROPRIATIONS CLAUSES

STATE BARGAINING UNIT CBA APPROPRIATIONS CLAUSES

AMERICAN FEDERATION OF STATE, COUNTY, & MUNICIPAL EMPLOYEES, LOCAL 4041, UNIT A, E & F

ARTICLE 28. APPROPRIATIONS

28.1 The parties recognize that any provision of this Agreement that requires the expenditure of funds or changes in law shall be contingent upon the specific appropriation of funds or changes in law by the Legislature. The Governor shall request the drafting of a legislative measure to effectuate those provisions under this Agreement that require Legislative Appropriations.

28.2 Pursuant to NRS 288.505(1)(c), if the Legislature appropriates less funding than the amount requested pursuant to Article 28.1 to fund this Agreement, the provisions of this Agreement shall be implemented only to the extent of the appropriation made by the Legislature and in accordance with any prioritization provided by the Legislature.

28.3 If the Legislature is unclear in how the reduced appropriation should be used to implement the provisions of this Agreement, the parties shall bargain over how the funds appropriated for this Agreement will be utilized. Such bargaining sessions shall be limited to two (2) eight (8) hour sessions, unless otherwise agreed upon by the parties.

28.4 Any subsequent Agreement requiring the expenditure of funds shall be subject to specific appropriation of funds.

28.5 The provisions of this Agreement shall not interfere with or supersede in any way the Governor's rights under law.

AMERICAN FEDERATION OF STATE, COUNTY, & MUNICIPAL EMPLOYEES, LOCAL 4041, UNIT C

ARTICLE 25. APPROPRIATIONS

25.1 The parties recognize that any provision of this Agreement that requires the expenditure of funds or changes in law shall be contingent upon the specific appropriation of funds or changes in law by the Legislature. The Governor shall request the drafting of a legislative measure to effectuate those provisions under this Agreement that require Legislative Appropriations.

25.2 Pursuant to NRS 288.505(1)(c), if the Legislature appropriates less funding than the amount requested pursuant to Article 26.1 to fund this Agreement, the provisions of this Agreement shall be implemented only to the extent of the appropriation made by the Legislature and in accordance with any prioritization provided by the Legislature.

25.2.1 If the Legislature is unclear in how the reduced appropriation should be used to implement the provisions of this Agreement, the parties shall bargain over how the funds appropriated for this Agreement will be utilized. Such bargaining sessions shall be limited to two (2) eight (8) hour sessions, unless otherwise agreed upon by the parties.

25.3 Any subsequent Agreement requiring the expenditure of funds shall be subject to specific appropriation of funds.

25.4 The provisions of this Agreement shall not interfere with or supersede in any way the Governor's rights under law.

NEVADA POLICE UNION UNIT G

ARTICLE 31: APPROPRIATIONS

31.1 The Employer and the Union recognize that any provision of this Agreement that requires the expenditure of funds or changes in law shall be contingent upon the specific appropriation of funds or changes in law by the Nevada State Legislature. The Governor shall request the drafting of a legislative measure to effectuate those provisions under this Agreement that require Legislative Appropriations.

31.2 Legislative non-appropriation does not constitute grounds for reopening negotiations on issues related to appropriations.

31.3 Any subsequent Agreement requiring the expenditure of funds shall be subject to specific appropriation of funds.

31.4 The provisions of this Agreement shall not interfere with or supersede in any way the Governor's rights under law.

NEVADA POLICE UNION UNIT L

ARTICLE 26. APPROPRIATIONS

26.1 Consistent with NRS 288.505, any provision of this collective bargaining agreement that requires the Legislature to appropriate money is effective only to the extent of such a legislative appropriation. The Governor shall request the drafting of a legislative measure to effectuate the provisions under this Agreement that require Legislative Appropriations pursuant to NRS 288.560(2)(a).

NEVADA PEACE OFFICERS ASSOCIATION UNIT H

ARTICLE 29: APPROPRIATIONS

29.1 The Employer and the Union recognize that any provision of this Agreement that requires the expenditure of funds or changes in law shall be contingent upon the specific appropriation of fuds or changes in law by the Nevada State Legislature. The Governor shall request the drafting of a legislature measure to effectuate those provisions under this Agreement that require legislative appropriations.

29.2 Legislature non-appropriation does not constitute grounds for reopening negotiations on issues related to appropriations.

29.3 An approved appropriation for less than the amount required pursuant to this Agreement will be implemented pursuant to the amount(s) approved in the legislation.

29.4 Any subsequent Agreement requiring the expenditure of funds shall be subject to specific appropriation of funds.

29.5 The provisions of this Agreement shall not interfere with or supersede in any way the Governor's rights under law.

NEVADA PEACE OFFICERS ASSOCIATION UNIT M

ARTICLE 22: APPROPRIATIONS

22.1 The Parties recognize that certain provisions of this Agreement may require an appropriation of funds or a change in law through the passage of a bill by the Legislature and approved by the Governor. Any such provision does not go into effect unless the underlying required legislation and appropriation is approved.

22.2 An approved appropriation for less than the amount required pursuant to this Agreement will be implemented pursuant to the amount(s) approved in the legislation.

22.3 The Parties recognized the Agreement governs over all applicable legislations approved during the 2025 Legislative Session regarding compensation and benefits unless otherwise specified in the Agreement.

FRATERNAL ORDER OF POLICE (FOP), NEVADA C.O., LODGE 21 UNIT I

Article 33. Appropriations

33.1 The parties recognize that any provision of this Agreement that requires the expenditure of funds or changes in law shall be contingent upon the specific appropriation of funds or changes in law by the Legislature. The Governor shall request the drafting of a legislative measure to effectuate those provisions under this Agreement that require Legislative Appropriations.

33.2 Legislative appropriation less than the bargained for value of economic articles will be implemented pursuant to legislative prioritization if applicable.

33.3 Any subsequent Agreement requiring the expenditure of funds shall be subject to specific appropriation of funds.

33.4 The provisions of this Agreement shall not interfere with or supersede in any way the Governor's rights under law.

FRATERNAL ORDER OF POLICE (FOP), NEVADA C.O., LODGE 21 UNIT N

ARTICLE 26: APPROPRIATIONS AND LEGISLATION

26.1 The Parties recognize that certain provisions of this Agreement may require an appropriation of funds or a change in law through the passage of a bill by the Legislature and approved by the Governor. Any such provision does not go into effect unless the underlying required legislation and appropriation is approved. The Governor shall request the drafting of a legislative measure to effectuate those provisions under this Agreement that require Legislative Appropriations pursuant to NRS 288.560(2)(a).

26.2 An approved appropriation for less than the amount required pursuant to this Agreement will be implemented pursuant to the amount(s) approved in the legislation.

26.3 The Parties recognize this Agreement governs over any and all applicable legislation approved during the 2023 and 2025 Legislative Sessions regarding compensation and benefits unless otherwise specified in this Agreement.

BATTLE BORN FIRE FIGHTERS ASSOCIATION, Local 3895, UNIT K

ARTICLE 28: APPROPRIATIONS

28.1 The Parties recognize that certain provision of the Agreement may require an appropriation of funds or a change in law through the passage of a bill by the Legislature and approved by the Governor. Any such provision does not go into effect unless the underlying required legislation and appropriation is approved.

28.2 An approved appropriation for less than the amount required pursuant to this Agreement will be implemented pursuant to the amount(s) approved in the legislation.

28.3 The Parties recognize this Agreement governs over all applicable legislation approved during the 2025 Legislative Session regarding compensation and benefits unless otherwise specified in the Agreement.

BATTLE BORN FIRE FIGHTERS ASSOCIATION, Local 3895, UNIT O

ARTICLE 21. NON-APPROPRIATION

21.1 The Parties recognize that certain provisions of this Agreement may require an appropriation of funds or a change in law through the passage of a bill by the Legislature and approved by the Governor. Any such provision does not go into effect unless the underlying required legislation and appropriation is approved.

21.2 An approved appropriation for less than the amount required pursuant to this Agreement will be implemented pursuant to the amount(s) approved in the legislation.

21.3 The Parties recognize this Agreement governs over all applicable legislation approved during the 2023 and 2025 Legislative Sessions regarding compensation and benefits unless otherwise specified in this Agreement.

EXHIBIT 2

AB 596, CHAPTER 510, 2025 STATUTES OF NEVADA

Assembly Bill No. 596–Committee on Ways and Means

CHAPTER..........

AN ACT relating to public employees; making appropriations and authorizations for the payment of quarterly retention incentives, the implementation of certain provisions of certain collective bargaining agreements and the payment of salary increases for certain public employees; providing that certain provisions of collective bargaining agreements to which the State is a party are void; and providing other matters properly relating thereto.

WHEREAS, The implementation of collective bargaining for certain state employees provides an efficient mechanism for those employees to have a voice in the terms and conditions of their employment; and

WHEREAS, The Legislature, although recognizing the tremendous service of those state employees, has a responsibility to ensure the financial solvency of this State; and

WHEREAS, Economic conditions in this State can change rapidly based on many factors often outside the control of the Legislature and, as a result, funding all the provisions negotiated in such collective bargaining agreements may be limited by these economic realities; now therefore,

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

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

Section 1. 1. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 5 to personnel, excluding personnel of the Nevada System of Higher Education, represented by the bargaining units established in paragraphs (a), (e) and (f) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs and tool allowances in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $4,942,719
For the Fiscal Year 2026-2027 .... $5,144,161

2. There is hereby appropriated from the State Highway Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 5 to personnel, excluding personnel of the Nevada System of Higher Education, represented by

the bargaining units established in paragraphs (a), (e) and (f) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs and tool allowances in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $17,928
For the Fiscal Year 2026-2027 .... $18,094

3. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 5 to personnel of the Nevada System of Higher Education represented by the bargaining units established in paragraphs (a), (e) and (f) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs and tool allowances in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $694,552
For the Fiscal Year 2026-2027 .... $704,999

4. There is hereby authorized for expenditure from the State Highway Fund by the Department of Transportation to pay retention incentives in accordance with subsection 5 to personnel represented by the bargaining units established in paragraphs (a), (e) and (f) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs and tool allowances in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $1,097,722
For the Fiscal Year 2026-2027 .... $1,119,729

5. The retention incentives paid from the money appropriated or authorized by this section must be:

(a) Paid in accordance with the collective bargaining agreement covering personnel represented by the bargaining units established in paragraphs (a), (e) and (f) of subsection 1 of NRS 288.515.

(b) In the total amount of $1,000 in Fiscal Year 2025-2026 and $1,000 in Fiscal Year 2026-2027.

6. The sums appropriated by subsections 1, 2 and 3 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2027, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2027, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the

fund from which it was appropriated on or before September 17, 2027.

Sec. 1.1. 1. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 5 to personnel, excluding personnel of the Nevada System of Higher Education, represented by the bargaining unit established in paragraph (c) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs and tool allowances in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $1,160,680
For the Fiscal Year 2026-2027 .... $1,194,138

2. There is hereby appropriated from the State Highway Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 5 to personnel, excluding personnel of the Nevada System of Higher Education, represented by the bargaining unit established in paragraph (c) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs and tool allowances in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $1,523,615
For the Fiscal Year 2026-2027 .... $1,540,314

3. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 5 to personnel of the Nevada System of Higher Education represented by the bargaining unit established in paragraph (c) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs and tool allowances in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $295,689
For the Fiscal Year 2026-2027 .... $305,324

4. There is hereby authorized for expenditure from the State Highway Fund by the Department of Transportation to pay retention incentives in accordance with subsection 5 to personnel represented by the bargaining unit established in paragraph (c) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs and tool allowances in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $500,868
For the Fiscal Year 2026-2027 .... $510,866

5. The retention incentives paid from the money appropriated or authorized by this section must be:

(a) Paid in accordance with the collective bargaining agreement covering personnel represented by the bargaining unit established in paragraph (c) of subsection 1 of NRS 288.515.

(b) In the total amount of $1,000 in Fiscal Year 2025-2026 and $1,000 in Fiscal Year 2026-2027.

6. The sums appropriated by subsections 1, 2 and 3 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2027, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2027, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the fund from which it was appropriated on or before September 17, 2027.

Sec. 1.2. 1. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 4 to personnel, excluding personnel of the Nevada System of Higher Education, represented by the bargaining unit established in paragraph (g) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs, education pay, footwear allowances, line-of-duty death reimbursements, uniform and equipment allowances and special adjustments to pay in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $1,363,267
For the Fiscal Year 2026-2027 .... $1,323,521

2. There is hereby appropriated from the State Highway Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 4 to personnel, excluding personnel of the Nevada System of Higher Education, represented by the bargaining unit established in paragraph (g) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs, education pay, footwear allowances, line-of-duty death reimbursements, uniform and equipment allowances and special adjustments to pay in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $2,052,073
For the Fiscal Year 2026-2027 .... $1,994,922

3. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 4 to personnel of the Nevada System of Higher Education represented by the bargaining unit established in paragraph (g) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs, education pay, footwear allowances, line-of-duty death reimbursements, uniform and equipment allowances and special adjustments to pay in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $180,465
For the Fiscal Year 2026-2027 .... $183,296

4. The retention incentives paid from the money appropriated by this section must be:

(a) Paid in four equal installments throughout the fiscal year beginning in July 2025.

(b) In the total amount of $1,000 in Fiscal Year 2025-2026 and $1,000 in Fiscal Year 2026-2027.

5. The sums appropriated by subsections 1, 2 and 3 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2027, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2027, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the fund from which it was appropriated on or before September 17, 2027.

Sec. 1.3. 1. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 3 to personnel represented by the bargaining unit established in paragraph (h) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs, pay for personnel with an intermediate or advanced certification by the Peace Officers' Standards and Training Commission, uniform and equipment allowances and special adjustments to pay in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $188,020
For the Fiscal Year 2026-2027 .... $208,966

2. There is hereby appropriated from the State Highway Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 3 to personnel represented by the bargaining unit established in paragraph (h) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs, pay for personnel with an intermediate or advanced certification by the Peace Officers' Standards and Training Commission, uniform and equipment allowances and special adjustments to pay in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $171,360
For the Fiscal Year 2026-2027 .... $171,956

3. The retention incentives paid from the money appropriated by this section must be:

(a) Paid in four equal installments throughout the fiscal year beginning in July 2025.

(b) In the total amount of $1,000 in Fiscal Year 2025-2026 and $1,000 in Fiscal Year 2026-2027.

4. The sums appropriated by subsections 1 and 2 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2027, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2027, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the fund from which it was appropriated on or before September 17, 2027.

Sec. 1.4. 1. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 2 to personnel represented by the bargaining unit established in paragraph (i) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs, recruitment bonuses and special adjustments to pay, including, without limitation, uniform and equipment allowances and muster pay adjustments, in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $26,379,807
For the Fiscal Year 2026-2027 .... $26,642,993

2. The retention incentives paid from the money appropriated by this section must be:

(a) Paid in accordance with the collective bargaining agreement covering personnel represented by the bargaining unit established in paragraph (i) of subsection 1 of NRS 288.515.

(b) In the total amount of $1,000 in Fiscal Year 2025-2026 and $1,000 in Fiscal Year 2026-2027.

3. The sums appropriated by subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2027, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2027, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 17, 2027.

Sec. 1.5. 1. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 2 to personnel represented by the bargaining unit established in paragraph (k) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs and cancer screenings in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $171,262
For the Fiscal Year 2026-2027 .... $172,354

2. The retention incentives paid from the money appropriated by this section must be:

(a) Paid in four equal installments throughout the fiscal year beginning in July 2025.

(b) In the total amount of $1,000 in Fiscal Year 2025-2026 and $1,000 in Fiscal Year 2026-2027.

3. The sums appropriated by subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2027, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2027, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 17, 2027.

Sec. 1.6. 1. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 4 to personnel, excluding personnel of the Nevada System of Higher Education, represented by the bargaining unit established in paragraph (l) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing education pay, uniform and equipment allowances, footwear allowances, line-of-duty death reimbursements and special adjustments to pay in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $392,010
For the Fiscal Year 2026-2027 .... $368,575

2. There is hereby appropriated from the State Highway Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 4 to personnel, excluding personnel of the Nevada System of Higher Education, represented by the bargaining unit established in paragraph (l) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing education pay, uniform and equipment allowances, footwear allowances, line-of-duty death reimbursements and special adjustments to pay in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $393,974
For the Fiscal Year 2026-2027 .... $370,213

3. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 4 to personnel of the Nevada System of Higher Education represented by the bargaining unit established in paragraph (l) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing education pay, uniform and equipment allowances, footwear allowances, line-of-duty death reimbursements and special adjustments to pay in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $47,395
For the Fiscal Year 2026-2027 .... $47,933

4. The retention incentives paid from the money appropriated by this section must be:

(a) Paid in accordance with the collective bargaining agreement covering personnel represented by the bargaining unit established in paragraph (l) of subsection 1 of NRS 288.515.

(b) In the total amount of $1,000 in Fiscal Year 2025-2026 and $1,000 in Fiscal Year 2026-2027.

5. The sums appropriated by subsections 1, 2 and 3 are available for either fiscal year. Any remaining balance of those sums must not

be committed for expenditure after June 30, 2027, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2027, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the fund from which it was appropriated on or before September 17, 2027.

Sec. 1.7. 1. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 3 to personnel represented by the bargaining unit established in paragraph (m) of subsection 1 of NRS 288.515 the following sums:

For the Fiscal Year 2025-2026 .... $6,956
For the Fiscal Year 2026-2027 .... $6,956

2. There is hereby appropriated from the State Highway Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 3 to personnel represented by the bargaining unit established in paragraph (m) of subsection 1 of NRS 288.515 the following sums:

For the Fiscal Year 2025-2026 .... $8,852
For the Fiscal Year 2026-2027 .... $8,852

3. The retention incentives paid from the money appropriated by this section must be:

(a) Paid in four equal installments throughout the fiscal year beginning in July 2025.

(b) In the total amount of $1,000 in Fiscal Year 2025-2026 and $1,000 in Fiscal Year 2026-2027.

4. The sums appropriated by subsections 1 and 2 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2027, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2027, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the fund from which it was appropriated on or before September 17, 2027.

Sec. 1.8. 1. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 2 to personnel represented by the bargaining unit established in paragraph (n) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing annual leave cash-outs and special adjustments to pay, including, without limitation, muster pay adjustments and uniform and equipment allowances in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $3,096,857
For the Fiscal Year 2026-2027 .... $3,150,528

2. The retention incentives paid from the money appropriated by this section must be:

(a) Paid in accordance with the collective bargaining agreement covering personnel represented by the bargaining unit established in paragraph (n) of subsection 1 of NRS 288.515.

(b) In the total amount of $1,000 in Fiscal Year 2025-2026 and $1,000 in Fiscal Year 2026-2027.

3. The sums appropriated by subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2027, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2027, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 17, 2027.

Sec. 1.9. 1. There is hereby appropriated from the State General Fund to the Office of Finance in the Office of the Governor to pay retention incentives in accordance with subsection 2 to personnel represented by the bargaining unit established in paragraph (o) of subsection 1 of NRS 288.515 and for the costs of implementing the provisions governing cancer screenings in the collective bargaining agreement covering such personnel the following sums:

For the Fiscal Year 2025-2026 .... $40,300
For the Fiscal Year 2026-2027 .... $40,300

2. The retention incentives paid from the money appropriated by this section must be:

(a) Paid in four equal installments throughout the fiscal year beginning in July 2025.

(b) In the total amount of $1,000 in Fiscal Year 2025-2026 and $1,000 in Fiscal Year 2026-2027.

3. The sums appropriated by subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2027, by the entity to which

the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2027, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 17, 2027.

Sec. 1.10. 1. With respect to any collective bargaining agreement to which the State of Nevada is a party and which is intended to be in effect during all or part of the 2025-2027 biennium, any provision of such an agreement which requires the Legislature to appropriate money is void, except for those provisions for which the 83rd Session of the Nevada Legislature specifically appropriated or authorized the expenditure of money in this or another act of this session that was approved by the Governor.

2. For the purposes of subsection 1, the provisions of a collective bargaining agreement which provide for personal leave or union leave for personnel represented by a bargaining unit established in paragraph (a), (c), (e) to (i), inclusive, or (k) to (o), inclusive, of subsection 1 of NRS 288.515 do not require the Legislature to appropriate money and such provisions become effective regardless of whether the 83rd Session of the Nevada Legislature specifically appropriates or authorizes the expenditure of money to implement such provisions.

Sec. 1.11. The Legislature hereby declares its intent that the appropriations and authorizations made by sections 1 to 1.9, inclusive, of this act are one-time grants of money intended to provide retention incentives and to fund the costs of implementing the collective bargaining agreement provisions described therein solely during the 2025-2027 biennium. The appropriation or authorization of money by sections 1 to 1.9, inclusive, of this act shall not be construed as an agreement by the Legislature or the State of Nevada to provide or fund such incentives or other benefits in any future biennium or to include in any future collective bargaining agreement the same or similar provisions to the provisions for which money is authorized or appropriated by sections 1 to 1.9, inclusive, of this act.

Sec. 1.12. 1. For personnel represented by a bargaining unit established in paragraph (a), (c), (e) to (i), inclusive, or (k) to (o), inclusive, of subsection 1 of NRS 288.515, there must be an increase in salary of 1 percent for Fiscal Year 2025-2026, and an increase in salary of 1 percent for Fiscal Year 2026-2027.

2. To effect increases in salaries, as provided in subsection 1, effective on July 1, 2025, and July 1, 2026, there is hereby

appropriated from the State General Fund to the Office of Finance in the Office of the Governor the sum of $4,880,386 for Fiscal Year 2025-2026 and the sum of $10,139,431 for Fiscal Year 2026-2027 for the purpose of meeting any deficiencies which may be created between the appropriated money of the respective departments, commissions and agencies of the State of Nevada as fixed by the 83rd Session of the Nevada Legislature and the requirements for salaries of the classified personnel of those departments, commissions and agencies, necessary under the adjusted pay plan, except those employees whose salaries have been retained, to become effective on July 1, 2025, and July 1, 2026.

3. To effect increases in salaries as provided in subsection 1, effective on July 1, 2025, and July 1, 2026, there is hereby appropriated from the State Highway Fund to the Office of Finance in the Office of the Governor the sum of $1,132,216 for Fiscal Year 2025-2026 and the sum of $2,331,018 for Fiscal Year 2026-2027 for the purpose of meeting any deficiencies which may exist between the appropriated money of the Office of Finance in the Office of the Governor, Department of Motor Vehicles, Department of Public Safety and Nevada Transportation Authority as fixed by the 83rd Session of the Nevada Legislature and the requirements for salaries of classified personnel of the Office of Finance in the Office of the Governor, Department of Motor Vehicles, Department of Public Safety and Nevada Transportation Authority necessary under the adjusted pay plan, except those employees whose salaries have been retained, to become effective on July 1, 2025, and July 1, 2026.

4. To effect increases in salaries as provided in subsection 1 effective on July 1, 2025, and July 1, 2026, there is hereby appropriated from the State General Fund to the Nevada System of Higher Education the sum of $459,795 for Fiscal Year 2025-2026 and the sum of $940,731 for Fiscal Year 2026-2027 for the purpose of meeting any deficiencies which may be created between the appropriated money of the Nevada System of Higher Education as fixed by the 83rd Session of the Nevada Legislature and the requirements for salaries of the classified personnel of the Nevada System of Higher Education whose positions are included in the Executive Budget as approved by the 83rd Session of the Nevada Legislature necessary under the adjusted pay plan, except those employees whose salaries have been retained, to become effective on July 1, 2025, and July 1, 2026.

5. To effect increases in salaries as provided in subsection 1, effective on July 1, 2025, and July 1, 2026, there is hereby authorized for expenditure from the State Highway Fund by the Department of

Transportation the sum of $533,446 for Fiscal Year 2025-2026 and the sum of $1,097,092 for Fiscal Year 2026-2027 for the purpose of meeting any deficiencies which may exist between the appropriated or authorized money of the Department of Transportation as fixed by the 83rd Session of the Nevada Legislature and the requirements for salaries of classified personnel of the Department of Transportation necessary under the adjusted pay plan, except those employees whose salaries have been retained, to become effective on July 1, 2025, and July 1, 2026.

6. Any balance of the sums appropriated by subsection 2, 3 or 4 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 18, 2026, and September 17, 2027, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the fund from which it was appropriated on or before September 18, 2026, and September 17, 2027, respectively.

Sec. 2. This act becomes effective on July 1, 2025.

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EXHIBIT 3

LEGISLATIVE HISTORY FOR SB 135, CHAPTER 590, 2019 STATUTES OF NEVADA

MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS

Eightieth Session
April 4, 2019

The Senate Committee on Government Affairs was called to order by Chair David R. Parks at 6:53 p.m. on Thursday, April 4, 2019, in Room 1214 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator David R. Parks, Chair
Senator Melanie Scheible, Vice Chair
Senator James Ohrenschall
Senator Ben Kieckhefer
Senator Pete Goicoechea

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Committee Policy Analyst
Heidi Chlarson, Committee Counsel
Jenny Harbor, Committee Secretary

OTHERS PRESENT:

Steven Kreisberg, Director of Research and Collective Bargaining Services, American Federation of State, County and Municipal Employees
Carter Bundy, American Federation of State, County and Municipal Employees
Rick McCann, Executive Director, Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition
Eddie Ableser, Nevada Highway Patrol Association
Catherine Byrne, State Controller
Annette Magnus, Executive Director, Battle Born Progress
Jeana James
Timothy Provost
Deborah Hinds
Veronica Brown-Davis

Kelvin Chung
Annita Martinez
Richard Zemke
Cedric Williams, President, Sierra Range Chapter, American Federation of State, County and Municipal Employees Local 4041
Elizabeth Crumrine
William Gibbs
Amber Fryer
Lanyne Russie
Victor Avena
Larry Coffey
Brandon Harmon
Keenan Korth, Clark County Education Association
Mary Sanada
Richard Ewell
Trisha Lindower
Autumn Zemke
Ken Edmonds
Fabiola Chavez
John Lum
John Tsarpalas, President, Nevada Policy Research Institute
Ed Uley
Randy Pope, Executive Director, Western States Right To Work Committee, Inc.
Paul Moradkhan, Las Vegas Metro Chamber of Commerce; Reno Sparks Chamber of Commerce
Ann Silver, Chief Executive Officer, Reno Sparks Chamber of Commerce
Michael Pelham, Nevada Taxpayers Association
Kent M. Ervin, Nevada Faculty Alliance
Doug Unger, Chair, Council of Faculty Senate Chairs, Nevada System of Higher Education
Jennifer Nelson
Karen Hyman
Jim Strange
Aaron Hill
Scott Huber
Jason Elias, Western Regional Coordinator, American Association of University Professors
Chris Daly, Nevada State Education Association
John Aliano

Tick Segerblom
Steve Soltz
Marlene Lockard, Service Employees International Union Local 1107; Las Vegas Police Protective Association Civilian Employees
Thomas Dunn, Professional Fire Fighters of Nevada
Ray Richards
James Mcparland
Joe Reynolds, Chief Legal Counsel, Nevada System of Higher Education

SENATOR OHRENSCHALL:
I will open the hearing on Senate Bill (S.B.) 135.

SENATE BILL 135: Provides for collective bargaining by state employees. *(BDR 23-650)*

SENATOR DAVID PARKS (Senatorial District 7):
Senate Bill 135 relates to collective bargaining for State employees. State employees are the only public employees in Nevada who do not have the right to bargain for their working conditions and their wages. This bill will give them a closer degree of equivalence with workers who are employed by city and county governments in Nevada. It will also give them a voice on the job.

This bill has been a long time coming. State workers are drastically underpaid compared to similar states as well as when compared to city and county employees in Nevada. The reason for this disparity is that they have no authority to either bargain or negotiate. Currently, State employees must beg collectively for changes in their working conditions or compensation.

Passage of S.B. 135 will be a major step forward not only for State employees but also for the State of Nevada as a whole. It will go a long way toward addressing the problems the State has with turnover due to the fact that employees leave State employment after the State has invested in hiring and training them.

Collective bargaining will also establish a collaborative relationship between employees and management, which is designed to build trust and cooperation by focusing on common interests, with both parties together engaging in creative means to address these common interests.

There is a Proposed Amendment 5542 of S.B. 135 (Exhibit C) from the Legal Division. In the interest of time, we will follow this document for the remainder of the meeting.

STEVEN KREISBERG (Director of Research and Collective Bargaining Services, American Federation of State, County and Municipal Employees):
As Senator Parks mentioned, S.B. 135 provides State workers with the right to join together for the purposes of collective bargaining. That is not a self-executing right; it just gives workers the option of joining together in a union and to bargain collectively with the employer. Employees themselves will decide whether they want to exercise that right. Adoption of this bill does not create collective bargaining per se, it just gives State workers the right that virtually every other worker both in the public and the private has in this State and nationwide.

It is important to understand that distinction. By adopting such a bill, you are expressing trust in your workforce to make correct decisions for themselves and to exercise the rights they believe they should exercise as opposed to policy makers exercising those rights for them.

Collective bargaining requires majority support; the majority of those involved in the collective bargaining process and represented by a union must choose to do so. Absent that majority, there will be no collective bargaining in the State.

The Local Government Employee-Management Relations Board will validate whether there is a majority under this bill. Senate Bill 135 also creates 11 separate bargaining units. These are groupings of common classifications. If a majority in these common job classes elect to have collective bargaining and a union, they will have it.

In addition to bargaining over the common economic features unique to those job classifications, there is also an opportunity to address agency-specific matters through the structure of bargaining contemplated in this bill.

Significantly, this bill requires any agreement reached between employees and the Executive Branch requiring an appropriation of funds be approved by this Body and the Assembly. In other words, the constitutional role of the Legislature to appropriate money is completely preserved by S.B. 135. The bill and the collective bargaining process itself will not lead to an expenditure of funds absent the appropriation of those funds by the Legislative Body.

Finally, collective bargaining is not a new or unusual process. It will be new for State employees but not for Nevada public sector employees, school boards or local government. There is a high rate of unionization in this State in various industries, especially in the hotel and gaming industries. What is unusual is to have one group of employees excluded from that process. In this case, it is State employees.

The demonstration of the effectiveness of collective bargaining is there for you to see, as local governments and the private sector have made effective use of the process. It is a way to channel conflict in the workplace. Conflict is inevitable in just about everything we do, and unresolved conflict leads to frustration, high turnover and various other problems. Conflict resolution promotes retention, productivity, efficiency and effective relationships.

Experience tells us resolution of conflicts through the collective bargaining process is more effective than the grievance procedures in place through law and regulation, which do not work well and are expensive.

There is already a policy-making apparatus in place to create personnel policies. Collective bargaining would substitute for that, and it would be more effective because there would be more input from workers affected by personnel policies.

CARTER BUNDY (American Federation of State, County and Municipal Employees):
Given some of the opposition you may hear, it is important to reiterate that all of the appropriations in budget processes remain with the Legislature.

This is the fifty-first anniversary of the assassination of Dr. Martin Luther King Jr. while he was attempting to win collective bargaining rights for the City of Memphis sanitation workers who, to this day, have collective bargaining rights and are represented by American Federation of State, County and Municipal Employees (AFSCME) Local 1733. It is special that we are on the first step to win collective bargaining rights for over 20,000 Nevada State employees.

SENATOR PARKS:
Mr. Kreisberg, please take us through each section of S.B. 135.

MR. KREISBERG:
Section 1 of S.B. 135 is a statement of intent. It describes what the bill will ultimately provide for.

Section 2 implements certain breast-feeding provisions that were passed into law in 2017. It makes that consistent with this particular statute.

Section 3 clarifies how conflicts between specific terms and conditions of employment covered by a collective bargaining agreement and State personnel rules are resolved. To the extent that there are conflicts between a collective bargaining agreement and personnel rules of the law, the collective bargaining agreement will prevail.

Section 4 deals with *Nevada Revised Statutes* (NRS) 287, which is the health benefits provisions of law.

Section 5 amends NRS 288. It is a codification of sections 6 through 44.

Section 6 incorporates NRS 288 definitions into this bill. *Nevada Revised Statutes* 288 is the Local Government Employee-Management Relations Act.

Section 7 renames the Local Government Employee-Management Relations Board to the Government Employee-Management Relations Board and gives it authority over our relationship as State employees in a State government.

Section 8 defines "collective bargaining." The definition of collective bargaining under State law will differ from the definition under local bargaining law.

Section 9 talks about the Commissioner being appointed by the Board.

Section 10 defines "Executive Department." We have clarified that definition in amendments to make it clear the Nevada System of Higher Education (NSHE) is an Executive Department for the purposes of this bill. So classified employees at NSHE will be considered employees under this bill and incorporated into the bargaining units.

Section 11 defines "fact-finding," although there is no fact-finding used in this particular process for State government employees.

Section 12 defines "labor organization."

Section 13 defines "mediation."

Section 14 defines "strike." As in local government collective bargaining law, this particular bill prohibits strikes by State employees.

Section 15 incorporates various sections for State employees.

Section 16 defines "arbitration."

Section 17 defines those 11 bargaining units I spoke of earlier. We have broad definitions of occupational groups that will be joined together in bargaining units. Section 17 specifically spells those out.

Section 18 defines a "confidential employee." These are employees who will assist managers engaged in collective bargaining. Under this bill, a confidential employee is ineligible for representation by a collective bargaining representative because it could present a conflict or lead to some confidential matters being disclosed to the union that should not be.

Section 19 defines "employee." It also excludes from coverage by S.B. 135 employees who work for the Public Employees' Retirement System (PERS) since they are not classified employees.

Section 20 defines what a labor organization is.

SENATOR KIECKHEFER:
In section 19, it looks like PERS employees are being carved out of the definition of "employee." Is that correct?

SENATOR PARKS:
Yes. They were included under the original draft but they are being removed. There are only a small number of PERS employees.

MR. KREISBERG:
Section 21 defines "grievance."

Section 22 is a statement of findings by the Legislature about why collective bargaining is a positive process and why the Legislature is adopting this law.

Section 23 sets out how the Board will be funded. In this particular case, it sets out a process whereby the Board is funded by a $10 charge per each employee of the Executive Department.

Section 24 establishes employees' rights to collective bargaining and access to data so employees can intelligently participate in that process. The disclosed data currently exists and is relevant and necessary for the purposes of collective bargaining.

Section 25 states a collective bargaining agreement must include a grievance procedure with binding arbitration and payroll withholding of dues. The payroll withholding of dues is on a voluntary basis on the part of an employee. The collective bargaining agreement will have an exclusive grievance resolution through the negotiated procedure except when we are speaking of a grievance or repeal related to an adverse action—a disciplinary action, a demotion—where employees retain their statutory rights of appeal as they exist today.

Employees have a choice to use the negotiated procedure or the statutory procedure, but there is no turning back once the employee makes that choice. You get one bite of the apple to pursue your appeal through that particular procedure. It is a fairly common process, sometimes called an election of remedies, where an employee elects which remedy to use.

Section 25, subsection 5, paragraph (c) also states a collective bargaining agreement requiring an appropriation of funds is not effective unless that appropriation of funds is provided.

Section 26 is a listing of prohibited practices, often known as unfair labor practices. These are fairly standard and are similar to the unfair labor practices or prohibited practices described in local government bargaining law. They are also similar to laws throughout the Nation, both in public and private sectors.

Section 27 states how prohibited practices are to be processed by the Government Employee-Management Relations Board.

Section 28 refers to a hearing officer decision, how an appeal from that decision could be made to the full Board, and the remedies thereof to any kind of unfair labor practices that are found to have merit. Importantly, prohibited practices or unfair labor practices could be filed against either the labor organization or the employer. It is for violations of statute, and it is possible that either party could violate statute. In our experience, prohibited practices are not common. We tend to work things out without filing charges with labor relations boards.

Section 29 spells out those bargaining units I spoke of a few times before. There are general descriptions of the job classifications included within each of the 11 bargaining units. There is an amendment—there were originally ten bargaining units.

Section 30 describes the recognition process for majority support—how to obtain a collective bargaining representative if a majority of employees demonstrate they want a particular labor organization to be their representative for the purposes of collective bargaining.

Section 31 speaks about an election process as an alternative for employees to choose a labor organization or, in the case of an election, choose not to be represented by a labor organization. In any election, the choice of no representation appears on the ballot.

Section 32 covers situations where there are multiple unions on the ballot or where employees decide they no longer wish to be represented by a particular labor organization. A labor organization can be certified or recognized as the exclusive representative of employees, but employees have the opportunity to say, "Collectively, we no longer wish to be represented by that particuler labor organization or we no longer elect to be represented by any labor organization." Section 32 describes that process.

Section 33 is a technical matter about how election results can be challenged if there is believed to be impropriety by any of the parties to the election. Those tend to be rare, but it is possible and there is a process here for challenging that.

Section 34 talks about the duties of the exclusive representative. The union has the duty to represent all employees and multiple bargaining units in good faith without discrimination. We cannot discriminate on the basis of membership nor another nonmerit factor.

It also describes the exception to that rule for category I peace officers. Organizations serving as the exclusive representative of category I peace officers are limited in representing only other category I peace officers. The amendment, however, eliminates this restriction.

Section 35 states if there is an exclusive representative for a bargaining unit, only that exclusive representative has the right to collect dues via payroll deduction. Employees can join any organization they want, but the right to payroll deductions of those dues is exclusive to the certified labor organization.

Section 36 speaks to a two-year term for collective bargaining agreements. Agreements would be effective in odd numbered years to coincide with the budget process. The exclusive representative of the employees and the State would bargain an agreement to the extent it requires the appropriation of funds, which would be addressed in the biennial budget. The collective bargaining agreement would be effective July 1 of the odd-numbered year through June 30 of the next odd-numbered year. There would be a replacement agreement the following July 1.

Section 37 reiterates that if a collective bargaining agreement provision needs legislative approval, the Governor requests that approval and the agreement would be effective only to the extent that the Legislature approves necessary funding.

Section 38 creates the timeline for collective bargaining so it complies with the State's budget process. We understand, as in all states, appropriation committees need to know what they are expected to try to approve in advance of making those decisions. Section 38 spells that out.

Section 39 describes what the parties do in the event they cannot come to an agreement voluntarily. The first step is a voluntary mediation process where a professional will try to get the parties to agree through advice, prodding, etc.

In the absence of an agreement, sections 40 and 41 speak to a binding arbitration process. Importantly, the arbitration process is not binding on the Legislature, it is binding on the chief executive. That chief executive, depending upon the arbitrator's decision, then offers up that decision—to the extent that it requires any expenditure funds—to the Legislature for approval. The Legislature retains its discretion to disapprove of an arbitrator's award involving the appropriation of money. Only the Legislature decides when money is spent. Arbitrators cannot bind the State to the expenditure of funds.

Section 42 speaks to supplemental bargaining because we have crosscutting bargaining units where employees in the same job class will be in a single bargaining unit regardless of agency.

We recognize there will be a need to address agency-specific issues such as hours of work. Some agencies have different hours of work than others or may be more able to provide for flexible work schedules. You cannot have a flexible schedule if you are a corrections officer working on a shift or if you are working in one of the hospitals; you have to be there at a specific time. However, those employees have special needs regarding the selection of shifts—who gets to work which shift and which days off. We often address those types of matters in an agency-specific collective bargaining agreement because that is where operational issues occur and where they need to be addressed.

Often, agency-specific terms are some of the most important terms of agreement for our members. If you talk to a corrections officer, he or she will tell you the ability to work shifts that fit with his or her lifestyle is the most important thing following compensation because it drives the rest of his or her life. How much time he or she can spend with children, family, hobbies and other activities is driven by work shifts. Because there are 24/7 operations in corrections facilities and hospitals, these important decisions are often addressed in collective bargaining agreements in a manner that preserves operational imperatives but also addresses employee needs. We do that often in supplemental bargaining.

Section 43 addresses how actions or proceedings can be challenged in court and establishes the right to sue and be sued.

Section 44 specifically exempts negotiations from open meeting laws. Collective bargaining is not a spectator sport. By opening meetings up to the public, various parties could wind up posturing and showboating in an attempt to resolve issues. This exemption enables parties to have frank discussions and encourages compromise.

The product of a collective bargaining session is the agreement. The agreement will, however, be laid bare for all to see through both the legislative process and, once the agreement is reached, it is a public document.

Section 45 gets into some more definitions.

Section 46 and 47 would have changed the composition of the Board but have been struck by proposed amendments.

Section 48 extends the Board's jurisdiction to this particular relationship.

Section 49 applies to strike penalties that exist in law to State bargaining units.

Section 50 cites section 44 about the privacy of negotiations; they are not open meetings.

Section 51 speaks to another technical clause dealing with the arbitration process.

Section 52 would make changes to the composition of the Government Employee-Management Relations Board and how members are appointed, but it has been deleted by the proposed amendment.

Section 53 implements the act and gives the Board a deadline of October 1. Although it has not been discussed with Legislative Counsel, there is a possibility this section can be struck because other features of the act charge the Board with that responsibility.

Section 54 is a conforming section.

Section 55 states the act is effective upon adoption.

SENATOR OHRENSCHALL:
This is a historic event. Our State employees in the last two decades have had to endure and suffer through issues such as furloughs and high turnover rates. I spoke with a constituent in southern Nevada who used to work for the Department of Corrections (DOC) but just accepted a position at one of the local government offices because of the struggle of trying to support a family while

continuing to work for the State. The hope is that S.B. 135 will cure those problems and restore State employees to where we want them to be.

Regarding the section about the Governor appointing someone to negotiate, what if he or she appoints someone who does not negotiate in good faith? Does this bill have enough protections in it to address that situation?

MR. KREISBERG:
There are two remedies. First, the Governor can replace his or her appointee if he or she feels the appointee is not exercising the responsibilities appropriately. This position, as the State's chief negotiator, serves at the pleasure of the Governor.

It is a prohibited practice for the State as a Body to negotiate in bad faith, and there are ways to address that issue through statutory mechanisms laid out in this bill.

Regardless of governors—and we have some governors who do not care for us—it has been our experience as the largest public sector union in America to have productive relationships and deal in good faith at the bargaining table. Good faith does not mean we agree, it means we speak to each other in a manner trying to promote agreement. We try to persuade each other, but sometimes you cannot be persuaded. We have an arbitration procedure designed to help resolve that deadlock. Ultimately, if it is an issue involving the appropriation of money, the Legislature decides. There is an accountability to the public as well as an accountability between the parties and the bargaining relationship.

SENATOR OHRENSCHALL:
What is the thinking behind the carveouts for employees—those with PERS, for instance? Why are they not covered in this bill?

MR. KREISBERG:
The carveouts are specific to PERS because they are not classified. When the bill was drafted, that information was lacking. Once the education was provided that PERS staff are not classified, it became clear they do not have the same community of interest with classified workers. They can have different pay scales and benefits. The Public Employees' Retirement System has traditionally followed many of the classified employees' personnel systems. By law, they

have independent authority to run their affairs, so it would be inappropriate for the Governor and his or her appointee to represent PERS in bargaining.

SENATOR PARKS:
Public Employees' Retirement System employees are paid from the PERS system, not State general funds, which is another compelling criteria.

SENATOR KIECKHEFER:
My question is in regard to section 24 where it indicates the execution of a written contract can be requested by either party. Is there a difference between a collective bargaining agreement and that which is written down and executed in an actual contract?

MR. KREISBERG:
They are the same thing. One of the hallmarks of collective bargaining is the embodiment of an agreement in writing that can be enforced for a term. It is sometimes referred to as a contract, a memorandum of understanding, a collective bargaining agreement or an agreement. They are all synonymous. Bottom line, it is a written agreement that is executed—signed—and binding by both parties for the term of the agreement.

SENATOR KIECKHEFER:
So putting it into a contract has no other implication in terms of efficacy or force than a memorandum of understanding or an agreement signed by both parties?

MR. KREISBERG:
They are the same thing.

SENATOR KIECKHEFER:
In section 24, subsection 1, paragraph (a) outlines employees' rights. What does it mean to "engage in other concerted activities?"

MR. KREISBERG:
Employees have associational rights under the United States Constitution. It is similar to rights of freedom to associate. It could be things as provocative as working together for informational picketing or a rally. It could be workers joining together in a discussion with their supervisor about something relevant to the workplace. Employees would be protected by the act of joining together.

What employees are not protected from doing is interrupting work. By the terms of this bill, that is considered a strike. They have associational rights to act in concert together while being limited by other expressed provisions of law such as the prohibition on strikes.

SENATOR KIECKHEFER:
Strike is being repealed from NRS 288.070 in section 54, and a definition is being inserted into section 14. Is there a difference between those two definitions?

MR. KREISBERG:
These are drafting and codification changes made by Legislative Counsel.

HEIDI CHLARSON (Committee Counsel):
The definition is the same; the change was done for organization of NRS.

SENATOR KIECKHEFER:
Sections 30 and 31 reference elections. How does that happen in the first instance? Does each union or association identify members of these individual occupational groups of employees? Are lists of names and phone numbers published?

MR. KREISBERG:
Employees' names are publicly available through an information act. It is up to the strategy of the workers and their organizations to decide how they want to go about the process of demonstrating majority support. It is possible that a labor organization would not be able to demonstrate majority support within a bargaining unit.

I will use the example of category III peace officers, which are primarily corrections officers. The way the process would work, if a majority of corrections officers sign authorizations, meaning they are designating a particular labor organization as a representative for purposes of collective bargaining, that labor organization would then petition the Board for recognition. The labor organization would say, "Please verify that we have majority support and, if so, certify us as the representative of that particular bargaining unit." The Board would then compare the authorizations with the employee list obtained from the State. If there was a demonstration of a majority—50 percent plus 1—the Board would certify that union as the representative of that unit. If the labor organization came up short, the petition would be dismissed and that bargaining unit would be unrepresented.

Alternatively, a labor organization can petition for an election within that bargaining unit. That would entail getting signatures from at least 30 percent of eligible members of that unit and submitting them to the Board. If the Board verifies the 30 percent threshold was met, a secret ballot election would be conducted. An election is needed because the union had not demonstrated a majority, only 30 percent.

SENATOR KIECKHEFER:
Is there ever a process in which there is an election with more than one unit represented?

MR. KREISBERG:
During the time one union petitions for an election, another organization has an opportunity to say, "We have support as well." An election would then be held between both organizations as well as no representation—there would be three choices on the ballot. If none of those options receives a majority vote, the top two would face a runoff election. The choice that receives the majority would then be certified.

SENATOR KIECKHEFER:
How long does the Board have to make the determination where everyone fits and put every State employee into a category? Do employees have any discretion over deciding which employment group they are a part of?

MR. KREISBERG:
The statute authorizes the Board to make that determination; it is not a determination made by the State or the labor organization. Typically, the Board will solicit the views of all parties—the Executive Department, the labor organization and the employees—before making a final decision.

SENATOR KIECKHEFER:
That answered my question; however, I see a lot of potential overlap between some of these different groups in section 29.

From a rollout standpoint, is there an expectation of when, in this statute, each of these units will be certified and when the first election should be held?

MR. KREISBERG:
The time frame will depend on multiple things. First, the Board would have the discretion to start making determinations sua sponte and creating these bargaining units by regulation.

The Board would also make that determination if there is a petition for representation filed by a labor organization. If a labor organization files a petition for the bargaining unit created by section 29, subsection 1, paragraph (a), for example, the Board would then look at all the job classes occupied by Executive Department employees and place those who fall in that blue collar unit—that labor and trades bargaining unit. The Board has to act because it needs to certify which employees are eligible and whether the 30 percent or 50 percent threshold has been met if an election is going to be held.

There is experience with this in other states. Ohio did it by regulation, Maryland by petition and New York by a combination of both. It is not an uncommon process. The experience has been borne out in a number of other states in state-employee labor relations.

SENATOR KIECKHEFER:
Regarding the definition of "professional employee" under section 29, subsection 3, paragraph (d), subparagraph (1), what is the difference between something that is done "predominately intellectual" and "routine mental?"

MR. KREISBERG:
This definition is borrowed from numerous other statutes including the federal Fair Labor Standards Act, which is the initial impetus for the definition of professional employees. Under the Fair Labor Standards Act, professional employees are exempt from the requirements of overtime pay. This particular definition is borrowed from the United States Department of Labor's definition of professional employees. It is a fairly common definition in labor relations and employment standards.

SENATOR KIECKHEFER:
I have a question regarding section 29, subsection 3, paragraph (d), subparagraph (4) where it states a professional employee "requires advanced knowledge in a field of science or learning customarily required through a prolonged course of specialized intellectual instruction ... ." A lot of people move up through the system of public employment where they start out at the

lowest designation of a certain job category and ascend through that designation. Many of our job descriptions include "or commensurate experience" terminology. A lot of people would move between those administrative and clerical positions into professional employees. Is there a clear cutoff in that? Would you categorize an Administrative Services Officer (ASO) I as administrative but an ASO III as professional, or would everything within a job classification categorized within the same bargaining unit?

MR. KREISBERG:
This section is commonly referred to as a positive education requirement. In the example of a level I job moving up in a linear fashion to a level IV job, if the education requirement was the same, the designation of professional or nonprofessional would be the same regardless of I through IV because distinguishing characteristic between I through IV is, typically, experience and the ability to work independently. Level IV positions tend to have much less supervision than level I, and, typically, less supervision is needed when one has more experience. Qualification requirements reflect that.

A certified public accountant (CPA) is an example of the type of job that is considered professional. There are plenty of jobs in the financial management field that do not require a CPA license. You or I might say they are professional, but they are not considered professional under this definition because they do not require the positive education requirement of a CPA.

SENATOR KIECKHEFER:
Section 34 indicates a union can represent more than one organization, but it excludes category I peace officers. Why is that?

MR. KREISBERG:
That is struck in the amendment.

SENATOR KIECKHEFER:
More broadly, the system with bargaining is trying to sync up with our budgeting system. The way I read the bill, agreements would theoretically try to be executed sometime in March of odd-numbered years. Is that correct?

MR. KREISBERG:
Yes.

SENATOR KIECKHEFER:
Our budgeting process really started nine months ago where agencies begin building their budgets. I find it difficult to imagine making wide-scale changes to our State budget based on an agreement that might only be executed now while still getting out of here within 120 days.

MR. KREISBERG:
That is one of the more difficult issues to resolve. You have a tension. If we negotiate and reach an agreement too far in advance, we could wind up with changed economic circumstances which could then be problematic. That is a concern. Think about how rapidly State revenues declined in 2009. In a matter of months, the bottom fell out. That was not a typical event, but it gives one the impression of what we are trying to balance. If there is a belief on the part of the Legislative Body that this agreement should be executed on a different date, we can discuss amendments. We just want to make sure it conforms to the process that works for the Legislature to do its job.

SENATOR KIECKHEFER:
I worry about that as a mechanism of implementation and an adoption of the policies that the Legislature ultimately approves.

When I look at our existing collective bargaining laws for local governments, there is always a list of mandatory subjects of collective bargaining that is absent from this. Why is that?

MR. KREISBERG:
This uses the more common definition for the scope of bargaining that we see in most other states: wages, hours, and terms and conditions of employment. A more amorphous definition allows the parties to better engage in bargaining than a laundry list. It is just a matter of what we thought was more effective and, based on our experience, the broader definition is more effective. This definition is almost the same as one from the National Labor Relations Act in the private sector.

SENATOR OHRENSCHALL:
Regarding section 35, has there been an issue in other states where dues have been withheld from employees for a different organization?

MR. KREISBERG:
It has not been an issue due to phrases like this. When the right to payroll deduction of dues is created in statute, one must conform to an environment where there is an exclusive representative. Under law, our members and members of other labor organizations can have payroll deductions of dues. That is a service that states institutionally provide to their employees. Once a collective bargaining representative is in place, it is inappropriate to have a rival or second organization collecting dues by payroll deduction. The words "exclusive representative" means the only one.

SENATOR OHRENSCHALL:
Would that language protect employees from their withheld wages being sent to an organization other than the exclusive bargaining unit?

MR. KREISBERG:
It does that and provides for labor peace. If there was a constant contest between labor organizations for membership, the exclusive representative may behave in different ways with its employer. They may be compelled to do certain things to look good for the employees and not behave as responsibly. We have exclusive representation to provide for labor peace and stability.

SENATOR OHRENSCHALL:
I have a question about section 43 as it relates to the labor organization and the Executive Department subject to being sued. When does this happen? What happens in other states that have collective bargaining for their employees?

MR. KREISBERG:
I cannot think of many cases where we have sued or have been sued. When it does occur, it is usually to enforce an order of the Board where one of the parties does not comply. It has not happened recently, but we have seen employers go to court to enjoin an illegal strike on the part of an employee organization. Labor organizations have gone to court to enforce collective bargaining agreements when an employer did not otherwise abide by those agreements, or to enforce an order of the Board.

SENATOR PARKS:
Mr. Kreisberg, please review section 44 regarding negotiations and why they should not be open to the public.

MR. KREISBERG:
In our experience, the negotiation process is best played out between the parties that negotiate themselves. It promotes frank discussion of issues. If you are the Governor's representative, anything you say may be on the front page of one of the local newspapers, so you would be guarded and perhaps not as frank. The reporting process can be distorted and people's words can be taken out of context. We then wind up in a politicized bargaining environment. What we are trying to do through negotiations is depoliticize our relationship so issues can be dealt with based on facts and what is best for employees and the State government. To do so in a fishbowl can be difficult. It is important to exempt collective bargaining process discussions from open meetings laws.

There have always been exemptions to open meeting laws. Not every meeting the Governor has with his or her staff is open to the public because there has to be a time for frank deliberations. The bargaining process fits into that mold.

The product of those discussions, however, should be fully disclosed to the public. No deals should be made that everybody does not get to see. Our union requires any agreement that we reach be voted on and approved by our membership. We believe in full transparency for the outcome, but the process used should be closed to the public.

SENATOR PARKS:
As someone who has sat through a number of years of negotiation for contracts, I concur.

SENATOR KIECKHEFER:
If the Founding Fathers had to hash out the Constitution in an open forum, we would still be waiting for it. However, I would prefer that last best offers in arbitration be disclosed to see where our arbitrators are falling and how they are balancing different offers by the different units. Has that ever been on the table in other states?

MR. KREISBERG:
Typically the arbitrator's award is a public document that reveals the final positions of the parties. It also reveals the arbitrator's award and his or her reasoning as to how that award is reached.

SENATOR KIECKHEFER:
You work for the organization nationally, correct?

MR. KREISBERG:
Yes.

SENATOR KIECKHEFER:
Senator Parks opened up the hearing by stating Nevada State employees are drastically underpaid and we have tried to work on that over the years. I want to pay them more. I represent a lot of them; this is my District. As someone who has national knowledge in this matter, where do you think we stand on a percentage basis?

MR. KREISBERG:
I think it is undeniable the Great Recession hit Nevada as hard if not harder than any other state, especially when you look at Clark County and property values. Although employment has come back, the same levels of income and wealth probably have not yet returned. And it does not just apply to State employees, but State employees have suffered significant hardships. I am not aware of any other group of state employees who pay as much for their pensions. A regular employee pays 14.5 percent; public safety employees pay more than that. The State pitches in its share, but that has to be factored in when we talk about pensions and how much employees are paying for those pensions.

Health benefits offered to Nevada State employees are far inferior to those offered to virtually all other state employees that we represent. I would estimate the overall value, when you combine premiums with out-of-pocket expenses, point-of-service costs, deductibles, etc., are 20 percent below what we would typically see. If we get to the collective bargaining table, we will perform an analysis and have these types of discussions.

State of Nevada employees' pay rates trail behind local government workers in similar occupations by 10 to 20 percent. Looking at what people are paid in other states, though there is no analog for all of the jobs our members perform with local governments, it is not uncommon to see discrepancies of 15 to 25 percent. Overall, total compensation for State employees is approximately 20 percent below what we see in the state employee market.

SENATOR KIECKHEFER:
When you talked about PERS contributions, did you mean that as a dollar or percentage basis?

MR. KREISBERG:
That would a percentage of pay.

SENATOR OHRENSCHALL:
If S.B. 135 passes, do you envision Nevada Public Employees Benefit Program (PEBP) services provided to State employees in terms of health care drastically improved? How will this bill affect that?

MR. KREISBERG:
The priorities in bargaining will be set by our membership. I cannot tell you what the union will do because I am not the union. The people will tell us and you, the Governor and anyone who wants can listen to what their priorities and needs are. From what I have heard, health benefits is an important issue to them.

SENATOR KIECKHEFER:
Our healthcare plan is set by an independent board. The Governor does not have the authority to negotiate health benefits under our current structure. How is that addressed?

MR. KREISBERG:
Under the terms of the bill, the collective bargaining representative and the Governor would have authority to negotiate health benefits over the provisions of NRS 287. Any resulting agreement requiring appropriations would be submitted to the Legislature for approval.

SENATOR KIECKHEFER:
The structure of our healthcare plan is not decided by our Governor. It is decided by the PEBP Board, so even the benefits structure is not something the Governor can authorize under statute. It would require an entirely separate change to how we vet and approve PEBP benefits offered.

RICK MCCANN (Executive Director, Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition):
We support S.B. 135. This will be historic for our hardworking women and men under our State employ.

We are trying to capture the same processes as we work with local government employees, which is to bring State employees under the purview of the Board.

There may be some changes here and there that we will undergo. Even if this matter is passed by this Committee and passed out of the Legislature, and it goes into effect July 1, no one is getting a raise on July 2. Let us be clear about that. We are going to have go through some processes to make this work.

I will read section 22, which summarizes what this State has spent years getting to this night to talk about in a real way.

Collective bargaining works. It protects all employees, all parties, in the State of Nevada. I just read it in section 22. It says that we are all going to share in that protection no matter where we may end up, no matter the agreements or disagreements we end up with. It is a collective process. That is what we are all here to do. We just want the opportunity for our State employees to do the same thing.

Collective bargaining is needed, in part, so we can stop coming to this Body every Session and begging. I sat before a committee a couple of days ago and I said, "I am begging you on behalf of our State law enforcement employees." I would like to stop begging and start bargaining. We do not want to have to beg on the last day when the money bill comes down for the generous but paltry amounts our State employees have ended up with.

It is not right that we spend 118 days talking about getting employees raises then try to figure out what is left in the last 48 hours. That has got to stop, and collective bargaining will bring that to an end.

Perfect or imperfect as the process is, it works, it is necessary and the time is now. I say to this Committee and I will say it to the Bodies during Floor Sessions, "Thank you for finally having our backs." It is necessary, and the time has come. We urge your consideration and passage of S.B. 135.

EDDIE ABLESER (Nevada Highway Patrol Association):
We have members in all memberships of the Department of Public Safety: troopers, parole and probation, emergency management, investigations, fire marshals, dispatch, and administrative support. We support S.B. 135.

We have talked about pay disparities across the State. Specifically, Department of Public Safety officers—the one force that protects the State of Nevada—are approximately 30 to 35 percent underpaid on average compared to local law enforcement. This is why we have low morale, and a lot of members who are trained by the State of Nevada then leave to work for local law enforcement. This bill will help curtail that and remedy the causes that have prevented the department from growing successfully. We urge your support for this bill.

CATHERINE BYRNE (State Controller):
I support S.B. 135 to provide for collective bargaining rights for State employees. I am here to provide a few comments from the standpoint of an employer.

In Nevada, it is difficult to recruit, train and keep good, qualified State employees. We compete with local governments that pay better, have collective bargaining rights and a sizeable pension contribution. State employees can leave and receive a 14.5 percent raise right out the door because of that PERS contribution. We cannot compete with that. We need to provide a way to combat these problems.

Another problem we are going to have from the State standpoint is a silver cloud, which means we have a large group of State employees who are going to be retiring in the next two to seven years. We are having problems getting a population to come up from behind and help provide services to get new hires trained and up to speed to work in these State jobs. Some of our employees have been here for 30 years; we will lose this intelligence and institutional knowledge. By providing collective bargaining rights for State employees, we will get the retention and quality employees we need.

We will also have a structure where the relationship between the employer and the employee is set by an agreement in contract. An employee relations board will sit between the two parties, and the parties will have their own representation. That is a much cleaner method to use than going through human resources where everybody files a grievance and each grievance is handled independently. That is inefficient. But if you can handle a lot of these employment-questionable vague issues through an agreement, you will get a more efficient management style and more continuity.

I support S.B. 135 from the standpoint of an employer trying to retain good talent for this State.

ANNETTE MAGNUS (Executive Director, Battle Born Progress):
I am here as a supporter of Nevada's workers, and I represent the 20,000-plus subscribers to our Battle Born Progress network Statewide. We support S.B. 135 and the members of our community who make our State function and who will be impacted by this critical bill.

Nevada State employees are our friends and our neighbors. I was taught to treat our neighbors the way we would like to be treated. For me and our organization, that means giving them a voice; this bill does exactly that. From corrections to nursing, these Nevadans make our Silver State run. We depend on the people who do these jobs every day. Making sure our State workers can negotiate over working conditions and compensation is a right, not a privilege. When they have a voice, our communities are stronger. This Body has a mandate to do better for all workers in our State this Session.

JEANA JAMES:
I support S.B. 135 and have submitted my written testimony (Exhibit D).

TIMOTHY PROVOST:
I support S.B. 135 and have submitted my written testimony (Exhibit E).

DEBORAH HINDS:
I support S.B. 135 and have submitted my written testimony (Exhibit F).

VERONICA BROWN-DAVIS:
I support S.B. 135 and have submitted my written testimony (Exhibit G).

KELVIN CHUNG:
I am a correctional officer working in Ely State Prison. As you can see, my face looks terrible. I was just discharged from the hospital after being attacked on Monday by two inmates at the prison. I was hospitalized for three days and was

barely rescued with my life. We need a voice to speak to management about our working conditions and to save our employees and staff.

I do not want anyone else hurt. Unfortunately, Ely State Prison is currently understaffed with fewer than 85 people. Management tried to resolve this problem by using correctional assistants and other means that sacrificed the security of the prison. As a result, officers have been hurt.

My unit member and I went to an administrative hearing about gas masks leaking when used. Unfortunately, our equipment and our training are not up to date and, as a result, a lot of officers are being hurt.

I support S.B. 135. I want you to see the damage done to my face because management and our top officers will not listen without collective bargaining.

ANNITA MARTINEZ:
I support S.B. 135 and have submitted my written testimony (Exhibit H).

RICHARD ZEMKE:
I support S.B. 135 and have submitted my written testimony (Exhibit I).

CEDRIC WILLIAMS (President, Sierra Range Chapter, American Federation of State, County and Municipal Employees Local 4041):
I have an award plaque from last year's AFSCME conference, which named me the No. 1 recruiter of the year. I am not saying this to gloat, I am saying this because it came at a price.

I was in the trenches, going to homes and looking at families, husbands and wives with children, single parents and single people. They are out there, working State of Nevada employees who are one paycheck away from losing their homes or their condominiums because they are not able to make rent, let alone put food on the table for their children. What about clothes on their backs? We will not even talk about sending their children to college; that would be a dream. I had a chance to hear their stories first-hand.

I will share my own story. I came to Carson City in 2005. It took me a while to get a State of Nevada job, but all I heard was, "Get a State of Nevada job. You can make ends meet. You can have everything you want. You can get that house. You can go to school and to college." I was hired in 2011 and I was comfortable, but I was not getting the "extra" people talked about. One year later, I became the president of my local chapter.

I keep hearing about the budget being balanced on the backs of State of Nevada employees as it has been for decades. It is time for that to stop. We are here en masse as one voice, asking you to support this bill along with us.

Senator Parks, I did not realize you were the one who championed this bill. We appreciate the fact that you have brought this bill to the table, and we hope it comes to fruition.

SENATOR PARKS:
I am just one person working on this. I have been here a number of years and have worked on previous bills seeking collective bargaining representation. I am still at it.

ELIZABETH CRUMRINE:
I support S.B. 135 and have submitted my written testimony (Exhibit J).

WILLIAM GIBBS:
I am a mental health counselor for the State of Nevada. I have been in the State for 15 years. Young people with my degree from our universities come to work for us. They make contacts through networking with the city, the county and private industry and we lose them because the benefits and pay are not in line with the county, the city and private industry. The young people I train leave.

We are the last resort for our severely mentally ill patients. These individuals do not have the funds and resources to go other places. I am proud to work with these people and hope to make a difference. But trust is a big thing. If you are a counselor or therapist, you first must establish trust with your patient. We do that. A lot of these patients have not been listened to, they are embarrassed and are looked at funny by everyone. When they finally bond with me or one of our workers, they start talking. Because they trust us, they may take medications that they would not take before.

I cannot blame my coworkers who leave for better wages and insurance. I have some patients who have been through five to seven case workers in a year; that is detrimental to their mental health. I have seen relapse after relapse because of this. It is not healthy for our patients. Collective bargaining would give us a voice to put things closer on par with the agencies my young coworkers are leaving for.

SENATOR PARKS:
We know that continuity of involvement between the caregiver and patient is vital to his or her well-being.

AMBER FRYER:
I am a senior correctional officer at a segregation unit of Northern Nevada Correctional Center. I am also the Secretary of the Nevada Corrections Association, and I have worked for the DOC for seven years. I am also an eight-year veteran of the United States Army.

I support S.B. 135 and have submitted my written testimony (Exhibit K).

LANYANE RUSSIE:
I have been a State employee for ten years and an AFSCME Local 4041 member for seven years. I support S.B. 135 and have submitted my written testimony (Exhibit L).

VICTOR AVENA:
I support S.B. 135 and have submitted my written testimony (Exhibit M).

LARRY COFFEY:
I support S.B. 135 and have submitted my written testimony (Exhibit N).

BRANDON HARMON:
I support S.B. 135. I am a State employee who was hired in August 2009. The pay freeze began affecting me in 2010, and the bleeding stops in 2023. This year alone, I will have not realized $9,125 in pay. In aggregate over the total pay freeze, I will have not recognized $72,496 in pay. That number does not include furloughs or PERS increases. Collective bargaining will best protect my wages from being taken without some form of reinstatement thereafter.

KEENAN KORTH (Clark County Education Association):
We support S.B. 135, and I have submitted my written testimony (Exhibit O)

MARY SANADA:
I am a retired State employee. I left the State in my late forties because of working conditions. I loved my job, but my working conditions became intolerable. After leaving State employment, I went into private practice and doubled my salary within a few years.

I never had collective bargaining. You have heard the testimony of the current employees and the struggles they face. I am here to support S.B. 135. It is time.

RICHARD EWELL:
I have worked for the same section of the same agency of the State of Nevada for almost 20 years. In that time, I have had 16 supervisor changes because the compensation inequality was so grave. My official workstation is located in Carson City.

I spend all day in soft talk and negotiation with the largest taxpayers in the State. I would like to give the Committee 9 talking points directly related to the strife we have experienced as staff members in the State of Nevada over the last 20 years.

For at least the last ten years, we have experienced direct pay cuts that have never been returned. Our step pay has been frozen for six years, which has never been caught up retroactively. You asked the question, "How much do you think State of Nevada employees are behind?" I can conclusively tell you, through studying the recruitments of other states for my position, we are 33 percent behind in base wages alone. This percentage does not include all the other benefits that go along with the package. We have seen the elimination of annual cost-of-living adjustments for the same years and somewhat beyond, which were never retroactively returned.

As discussed by the union representatives, after the 20 years, I have to keep paying more increases in health insurance with worse and worse coverage. Speaking as a single man with cardiac artery disease, I am one heartbeat away from bankruptcy. I went to the hospital and had an operation. My insurance covered a portion of it, and I am bankrupt trying to cover the rest.

Also, it has been imposed upon State employees to increase their contributions to the PERS program. What the union representative did not cover was that the program has morphed over the years to force employees to work longer to collect full benefits.

These are all talking points that you can bring to your associates in the Legislature, and these can be documented through the different Legislative Sessions. The different changes in programs is grave from an employee staff perspective.

Along the same lines is the PERS program. When new hires look at their retirement benefit, it is impossible to fathom they will stick around to retirement because it has changed so much. My personal issue with the hardships we have had through the last 20 years are the nonretroactive, limited cost-of-living increases which have recently been zeroed out. In my case, I have seen a decrease in my net take-home pay because of the increase in the amount of contribution required from us for our PERS and PEBP programs.

On top of that, our longevity pay was permanently eliminated. It was taken out of law. We were forced by mandate to take six years of unpaid furlough time that originally did not affect our PERS benefits, but all of a sudden it did. All the while, State employees are being required to work on capital assets that are so out-of-date that employees are unable to, in my case, communicate properly with the largest taxpayers in the State of Nevada and in the United States.

A question has to be answered by this Committee and the Legislature. Does the Legislative Body make its employees whole for the brave and uncomfortable sacrifices they have made to support you, or does it continue with the same attitude toward employees it currently has and the employees are seen as nothing more than human chattel?

Senator Parks, the answer to that question is that it is time to make the State of Nevada employees whole again by giving us the opportunity to collective bargain and, maybe, be able to bargain within the realm of the legislative fiscal possibilities to bring back some of those nine talking points. I ask that every member of this Committee join with me in support of State employees by passing S.B. 135 and providing the guidelines for collective bargaining. I would be honored to participate in work sessions, amendment drafting or any other assignments that would be needed to bring the legislative process to fruition for S.B. 135.

TRISHA LINDOWER:
I have worked for the State for just under ten years. When I was first hired, I worked for the Department of Employment, Training and Rehabilitation (DETR). For the first six months after I was hired, I did not have to take furloughs because DETR was fully federally funded. After that, I had to take them.

Between increases in PERS, insurance costs and the lack of cost of living increases, it took me seven years working for the State to receive the same amount I did in that first six months—seven years before I was back at that pay rate.

A year ago I was classified as disabled. I lost all feeling in my leg and have spent the last year learning how to walk again. Over 20 percent of my gross income goes straight to medical expenses; it does not go toward food, housing or clothes. It goes to pay for the medication I need to survive and to learn to walk again. I have actually maxed out my out-of-pocket expense for the last four years.

I have worked for the State for so long, I cannot stop working for the State and begin collecting social security disability because I have paid into PERS. If I had to stop working because of a disability, which was a possibility a year ago, I would only receive $600 a month to live on. After ten years, that is what I have, and it is heartbreaking because I am stuck in a position where I have no choice. If I did that, I would lose my house.

I have been a single parent for 21 years. I was very proud of myself that I never had to collect any form of government assistance. But the last ten years working for the State have been some of the hardest years to do that. Collective bargaining might overturn some of that and give us a voice so we have a chance to not worry about where money for our lights are going to come from or how we are going to be able to pick up that next prescription that we need to have. I am also Type 1 diabetic, so without my insulin, I am dead. I wish I did not have to worry about how I am going to pay for that every month. After ten years with the State, it would be nice if we could have a say in what we would like to prioritize. Please pass S.B. 135.

AUTUMN ZEMKE:
I will read the written testimony of Michelle Tedrowe (Exhibit P), who is in support of S.B. 135. She had to leave because she was in too much pain.

KEN EDMONDS:
I support S.B. 135 and I have submitted my written testimony (Exhibit Q).

FABIOLA CHAVEZ:
I am a workforce service representative at Nevada Job Connect. I help individuals seek employment and overcome their barriers every day. I support S.B. 135. I have submitted my written testimony (Exhibit R).

I worked in the private sector for a long time, but I love helping people, so I got into public service. The change that affected me the most was health care. My daughter and I suffer from chronic conditions which require $310 in medication per month. Unexpected medical emergencies over the last two years landed us both in the hospital. I have incurred over $5,000 in debt because my deductible is $2,700 for each individual.

Collective bargaining would be beneficial for me and my coworkers. I urge you to consider S.B. 135.

JOHN LUM:
I am a Quality Assurance Specialist with the State of Nevada and a proud resident of Senator Park's District 7. I support S.B. 135 and I have submitted my written testimony (Exhibit S).

JOHN TSARPALAS (President, Nevada Policy Research Institute):
I am here to speak on behalf of the taxpayers of Nevada, people who also went through a recession and have struggles with their healthcare bills and insurance. We oppose S.B. 135, and I have submitted my written testimony (Exhibit T).

I hope you keep the taxpayer in mind when you vote on S.B. 135.

ED ULEY:
I am not sure whether I should be testifying against S.B. 135 or in neutral. I agree with the pathetic income of workers in the United States. Prior to the 1970s, there was a correlation between productivity and wages. They moved together. Since 1970, they have moved totally apart. Productivity has increased tremendously and wages have remained stagnant. Wages in the United States have not gone up since 1972. Someone talked about a wage differential of 35 percent; the real wage differential between productivity and salaries is 100 percent. The wages of workers in the United States should be double what

they are today if they had only kept pace. For that reason, I understand why people are concerned.

The reason I may take a neutral position with regard to this bill are the comments made by testifiers about the incompetence of the governance of this State. They have told us how bad conditions are in working for the State of Nevada and what a bad job you are doing, and I do not see any reaction from the Committee.

It is interesting to hear the people who are supporting this, including some on the Committee, talk about how the State employees are really the bottom of the barrel workers and competent people work for local government when they can.

SENATOR PARKS:
We are talking about S.B. 135. If you would like to make comments relative to this bill, we are happy to hear those comments.

MR. ULEY:
It is irresponsible to propose a bill without telling us where you are going to get the money.

SENATOR PARKS:
We are a policy committee. That issue will be dealt with in the Finance and Ways and Means Committees.

RANDY POPE (Executive Director, Western States Right To Work Committee, Inc.):
We support S.B. 135, and I have submitted written testimony (Exhibit U).

PAUL MORADKHAN (Las Vegas Metro Chamber of Commerce; Reno Sparks Chamber of Commerce):
We appreciate the thoughtful comments we have heard today, and we appreciate the bill as it has been brought forth for discussion. However, regarding S.B. 135, the Las Vegas Metro Chamber of Commerce is concerned about the authorization, potential adoption and implementation of collective bargaining for State employees.

The Chamber believes that State employees should be paid a fair and sustainable wage, but there are more effective mechanisms that should be explored to accomplish this goal.

The Chamber's concerns on this public policy discussion are from the taxpayers' perspective and the importance of fully understanding what the cost of full implementation that State collective bargaining would have on the State's fiscal budget. We have many competing priorities for our limited State resources, such as education, public safety, health care, Medicaid and infrastructure. We need to be careful about making decisions that can negatively impact current funding levels for our State and for the future.

Adopting this measure would have a significant shift of decades of public policy in Nevada. The impact of S.B. 135 on the long-term stability of our State's budget is a concern. Research has shown that collective bargaining powers tend to increase total government expenditures. If collective bargaining is extended to State employees, Nevada's expenditures will see a significant rise in budgetary costs.

From the fiscal policy side, policymakers will need to determine the costs, how those costs will be paid and how those dollars will impact other State spending priorities and services such as education, public safety and health care.

In regard to fiscal notes that have been submitted, the Chamber's leadership is concerned about the additional fiscal impact of collective bargaining and State contracts may have on salary and benefits, including changes to public wages, public employee retirement benefits, human resource processes, quality of services, economic impacts on the private sector and impacts on the overall labor market in Nevada.

All of these factors must be fully considered and determined before moving forward with this bill. For those reasons, the Chamber is opposed to S.B. 135.

ANN SILVER (Chief Executive Officer, Reno Sparks Chamber of Commerce):
I appreciate Mr. Moradkhan including us in his comments.

On May 15, 2009, Senator Bill Raggio addressed this issue, and the following remarks are still relevant today:

> Collective bargaining is not new. In 1991, collective bargaining was passed by the Legislature but was vetoed by a Democratic governor. Collective bargaining was not supported because 90 percent of our State's budget is salaries. If we allow collective bargaining on fiscal matters to occur, making these decisions binding before the Legislature meets, the Legislature might as well not meet on a budget because it is foreordained.

We oppose S.B. 135.

MICHAEL PELHAM (Nevada Taxpayers Association):
I second Ms. Silver's and Mr. Moradkhan's comments. We oppose S.B. 135.

MR. BUNDY:
You have heard a lot of powerful testimony from State employees about the need, not just for better compensation and benefits, but for safer workplaces and the ability to deliver better services to the Nevadans they take care of every day, many of whom are our most vulnerable citizens. Having a voice in the workplace is one the best ways imaginable to increase the quality of services and to continue to have the same people treating people—you heard about turnover. Those are powerful issues that have nothing to do with funding.

I do want to address funding. The Legislature retains full control over the budget. There is nothing binding on the State before the Legislature meets.

Finally, you have heard some very scary numbers. The back-of-the-envelope math on this indicates they are outlandish. If taxpayers were really spending $3,000 per family or $750 per capita extra on State employees, it would translate into somewhere between $75,000 and $112,000 extra per State employee. I do not think anybody on the planet believes this Legislature is about to give an extra $112,000 for every State employee. The numbers do not check out, and there are studies that will show the opposite.

SENATOR PARKS:
I will close the hearing on S.B. 135 and open the hearing on S.B. 459.

SENATE BILL 459: Provides for collective bargaining by certain state employees. (BDR 23-536)

MR. HUBER:
They need to be in silos because each of these institutions has its own dynamic, and the individuals within those institutions know best how to manage their own issues. Every institution has strengths and weaknesses, but these are self-contained within that institution, and each institution should handle its own affairs. We do not see problems within the institutions that are spread throughout the State, but we do see problems specific to each of the institutions.

SENATOR KIECKHEFER:
Mr. Huber, please send a copy of the current TMCC collective bargaining agreement to me for my review.

JASON ELIAS (Western Regional Coordinator, American Association of University Professors):
I can speak to some of Senator Kieckhefer's questions in regard to other states. We represent thousands of faculty throughout the United States, including the University of Vermont, University of Oregon and Oregon State.

We stand with the NFA in support of S.B. 459.

I am also the chief negotiator at CSN where I helped the faculty organize their union in 2016, and while it has been contentious, we are trying to work the kinks out with system counsel. We hope to get to resolution before we have to go to fact-finding, which is set for after this Session. That fact-finding is only advisory. It will still leave us, at the end of the process, with unresolved issues between the parties. And that is precisely why we want to change our authority for collective bargaining from NSHE to State legislation and join other State employees who have the protections of going to fact-finding and binding arbitration as well as a neutral labor board to adjudicate disputes between parties.

While we are working with NSHE to get to resolution, we have been at an impasse for about a year now. The change in legislation will help us get to yes.

CHRIS DALY (Nevada State Education Association):
We have been the voice of Nevada K through 12 educators for over 100 years. We support S.B. 459 and S.B. 135 to extend collective bargaining rights to State and higher education employees in Nevada.

MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS

Eightieth Session
April 10, 2019

The Senate Committee on Government Affairs was called to order by Chair David R. Parks at 1:27 p.m. on Wednesday, April 10, 2019, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator David R. Parks, Chair
Senator Melanie Scheible, Vice Chair
Senator James Ohrenschall
Senator Ben Kieckhefer
Senator Pete Goicoechea

GUEST LEGISLATORS PRESENT:

Senator Dallas Harris, Senatorial District No. 11

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Committee Policy Analyst
Heidi Chlarson, Committee Counsel
Suzanne Efford, Committee Secretary

OTHERS PRESENT:

Stephen Augspurger, Clark County Association of School Administrators and Professional-Technical Employees
William R. Burks, Brigadier General, The Adjutant General of Nevada, Nevada National Guard, Office of the Military
Kent Ervin, Ph.D., Nevada Faculty Alliance
John Fudenberg, Coroner, Clark County
Rhiann Jarvis Denman, Deputy City Attorney, City of North Las Vegas
Victor Salcido, Nevada Highway Patrol Association

Matthew Kaplan, President, Nevada Highway Patrol Association
Dan Gordon, Executive Vice President, Nevada Highway Patrol Association
Nicholas Montgomery
Justin Clifford
John Jessee
Jake Kreamer, Game Wardens Association
Richard McCann, Nevada Association of Public Safety Officers
Travis Smaka
Michael Pelham, Nevada Taxpayers Association
David Dazlich, Las Vegas Metro Chamber of Commerce
Mike Ramirez, Las Vegas Police Protective Association Metro
Tina Leiss, Executive Officer, Public Employees' Retirement System
Christopher Nielsen, General Counsel, Public Employees' Retirement System
Heather Lunsford, Henderson Chamber of Commerce
J. D. Calhoun, Muller Construction
Ginnie Salazar, Logistical Solutions
Myisha Williams, Vice Chair, Nevada Commission on Minority Affairs
Julie Macalister, JMac Productions

CHAIR PARKS:
We will open the work session on Senate Bill (S.B.) 111.

SENATE BILL 111: Revises provisions governing collective bargaining by local government employers. (BDR 31-651)

JENNIFER RUEDY (Committee Policy Analyst):
As part of the Legislative Counsel Bureau (LCB), I am nonpartisan staff and neither oppose nor advocate for legislation.

I will present S.B. 111 and its proposed amendment from the work session document (Exhibit C).

SENATOR KIECKHEFER:
As presented, the bill related exclusively to local governments, not school districts. Does the proposed amendment extend the 16.67 percent ending fund balance provision to school districts as well?

We had two separate bills dealing with ending fund balance issues. It looks like they are being merged. Is the amendment extending the 16.67 percent to school districts and as well as reducing the ending fund balance percentage for local governments so all the entities are the same level? Maybe I am not reading the amendment correctly.

HEIDI CHLARSON (Committee Counsel):
It is my understanding the intent of the amendment is that the 16.67 percent of the ending fund balance will not apply to school districts. The intent of the amendment is only to require that funds appropriated by the State for purposes of the rollups are subject to collective bargaining. The proponents of the amendment could clarify that if I am under the wrong impression.

STEPHEN AUGSPURGER (Clark County Association of School Administrators and Professional Technical Employees):
The interpretation is correct. The language is clear. Subsection 3 of section 1 of the bill states "For any local government other than a school district." In the past, school districts have been excluded, and they will remain excluded. This amendment is to clarify how the 2 percent rollup money would be used.

SENATOR KIECKHEFER:
I was under the impression that this amendment was coming onto the bill from the school district because it relates specifically to ending fund balance. I was confused.

SENATOR GOICOECHEA:
I am concerned about the reduction from a 90-day to a 60-day reserve in local government operating funds. I do not know how I can support the bill.

SENATOR SCHEIBLE MOVED TO AMEND AND DO PASS AS AMENDED S.B. 111.

SENATOR OHRENSCHALL SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS GOICOECHEA AND KIECKHEFER VOTED NO.)

* * * * *

CHAIR PARKS:
The next bill in the work session is S.B. 135.

SENATE BILL 135: Provides for collective bargaining by state employees. (BDR 23-650)

MS. RUEDY:
I will comment on S.B. 135 and its proposed amendment from the work session document (Exhibit D).

SENATOR SCHEIBLE:
I have read the amendment, but I missed the part where it defines the new composition of the Local Government Employee-Management Relations Board.

MS. CHLARSON:
The bill, as introduced, changed the makeup of the Board. The intent of the proposed amendment, in sections 46 and 47, was to revert the membership of the Board back to its original composition as contained in law.

SENATOR SCHEIBLE:
To clarify, the composition of the Board is as before wherein the Governor appoints five members to the Board, no more than three from the same party but at least three from southern Nevada, for a term of four years.

MS. CHLARSON:
Yes, that is correct. On page 20 of the proposed amendment, those changes are covered starting on line 27.

CHAIR PARKS:
To follow up on your question, an individual suggested there should be two from the north, two from the south and one from the rural areas. However, that might be problematic.

SENATOR OHRENSCHALL MOVED TO AMEND AND DO PASS AS AMENDED S.B. 135.

SENATOR SCHEIBLE SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS GOICOECHEA AND KIECKHEFER VOTED NO.)

* * * * *

CHAIR PARKS:
The next bill in the work session is S.B. 153.

SENATE BILL 153: Revises provisions relating to collective bargaining. (BDR 23-405)

MS. RUEDY:
I will present S.B. 153 and its proposed amendments from the work session document (Exhibit E).

There is a mistake in the work session document on this bill. Two amendments were submitted. I included the unfriendly amendment and not the friendly amendment.

The unfriendly amendment was submitted by the City of Las Vegas. The friendly amendment is from the Clark County Association of School Administrators and Professional-Technical Employees (CCASAPE).

The proposed amendment from CCASAPE says "A principal, assistant principal or other school or non-school administrator... ." It is just that small change to subsection 2 of section 4 of the bill.

SENATOR KIECKHEFER:
What is the asterisk on the upper left corner of the bill for?

MS. RUEDY:
This bill, as introduced, was requested by former Senator Kelvin Atkinson. The name of the bill has been changed.

SENATOR KIECKHEFER:
Yes, that usually means there has been a small change made to the bill.

MS. CHLARSON:
It appears that the only change made to the bill was to change the sponsor to Senator David Parks.

MINUTES OF THE
SENATE COMMITTEE ON FINANCE

Eightieth Session
May 29, 2019

The Senate Committee on Finance was called to order by Chair Joyce Woodhouse at 8:30 a.m. on Wednesday, May 29, 2019, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Joyce Woodhouse, Chair
Senator David R. Parks, Vice Chair
Senator Moises Denis
Senator Yvanna D. Cancela
Senator Chris Brooks
Senator James A. Settelmeyer
Senator Ben Kieckhefer
Senator Pete Goicoechea

GUEST LEGISLATORS PRESENT:

Senator Nicole J. Cannizzaro, Senatorial District No. 6
Senator Marilyn Dondero Loop, Senatorial District No. 8
Senator Melanie Scheible, Senatorial District No. 9
Assemblywoman Michelle Gorelow, Assembly District No. 35

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Russell Guindon, Principal Deputy Fiscal Analyst
Cathy Crocket, Program Analyst
Stephanie Day, Program Analyst
John Kucera, Program Analyst
Brody Leiser, Senior Program Analyst
Colby Nichols, Program Analyst

Jaimarie Ortega, Program Analyst
Kristina Shea, Program Analyst
Tom Weber, Committee Secretary
Steven Jamieson, Committee Secretary

OTHERS PRESENT:

Zach Conine, Nevada State Treasurer
Connor Cain, Nevada Bankers Association
Richard Karpel, Executive Director, Nevada Press Association
Holly Welborn, Policy Director, American Civil Liberties Union of Nevada
Daniel Honchariw, Senior Policy Analyst, Nevada Policy Research Institute
Tonja Brown
Dylan Shaver, City of Reno
Warren Hardy, Nevada League of Cities and Municipalities
David Cherry, City of Henderson
Brian O'Callaghan, Las Vegas Metropolitan Police Department
Vinson Guthreau, Deputy Director, Nevada Association of Counties
John Fudenberg, Clark County
Kelly Crompton, City of Las Vegas
Brian McAnallen, City of North Las Vegas
Brad Keating, Clark County School District
Jamie Rodriguez, Washoe County
Chris Nielsen, Public Employees' Retirement System of Nevada
Mary-Sarah Kinner, Washoe County Sheriff's Office
John Jones, Nevada District Attorneys Association
Kathy Clewett, City of Sparks
Julia Peek, Deputy Director, Programs, Department of Health and Human Services
Melanie Young, Executive Director, Department of Taxation
Shellie Hughes, Chief Deputy Director, Department of Taxation
Michael Hackett, Nevada Tobacco Prevention Coalition; Nevada Public Health Association; Nevada Primary Care Association; Nevada Academy of Physician Assistants
Joelle Gutman, Washoe County Health District
Benjamin Schmauss, Nevada Government Relations Director, American Heart Association
Tom McCoy, Nevada Director of Government Relations, American Cancer Society Cancer Action Network

Sarah Adler, Board President, Healthy Communities Coalition of Nevada
Jared Busker, Children's Advocacy Alliance
Marlene Lockard, Service Employees International Union Local 1107
Carter Bundy, American Federation of State, County and Municipal Employees International
Jesse Wadhams, Nevada Hospital Association
Lisa Sherych, Interim Administrator, Division of Public and Behavioral Health, Department of Health and Human Services
Michael Brown, Director, Department of Business and Industry
Shannon Chambers, Labor Commissioner, Office of Labor Commissioner, Department of Business and Industry
Chuck Callaway, Las Vegas Metropolitan Police Department
LesLee Shell, Clark County
Todd Ingalsbee, Professional Firefighters of Nevada
Bruce Snyder, Commissioner, Local Government Employee-Management Relations Board, Department of Business and Industry
Steve Kreisberg, Director, Collective Bargaining and Research, American Federation of State, County and Municipal Employees International
Nicholas Montgomery, Nevada Highway Patrol Association
Catherine Byrne, Nevada State Controller
Cedric Williams, President, Sierra Range Chapter, American Federation of State, County and Municipal Employees Local 4041
Rick McCann, Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition
Tom Dunn, District Vice President, Professional Firefighters of Nevada
Rusty McAllister, Executive Secretary-Treasurer, Nevada, American Federation of Labor and Congress of International Organizations
Stephen Augspurger, Executive Director, Clark County Association of School Administrators and Professional-Technical Employees
Chris Daly, Nevada State Education Association
Scott Edwards, President, Las Vegas Peace Officers Association; Nevada Law Enforcement Coalition
Jim Sullivan, Culinary Union
Kent Ervin, Ph.D., Nevada Faculty Alliance
Harry Schiffman, President, American Federation of State, County and Municipal Employees Local 4041
Paul Moradkhan, Vice President of Government Affairs, Las Vegas Metro Chamber of Commerce
Bryan Wachter, Senior Vice President, Retail Association of Nevada

Michael Pelham, Director, Government and Community Affairs, Nevada Taxpayers Association
Nick Vander Poel, Reno Sparks Chamber of Commerce
Autumn Tampa
Eric Jeng, Director of Civic Engagement, Asian Community Development Council
Terri Shuman
Natha Anderson, Nevada State Education Association
Alexander Marks, Nevada State Education Association
Mike Cathcart, City of Henderson
Shani Coleman, City of Las Vegas
Michael Ramirez, Las Vegas Police Protective Association
Amanda Morgan, Legal Director, Educate Nevada
Annette Magnus-Marquart, Battle Born Progress
Paul J. Enos, CEO, Nevada Trucking Association
Andy MacKay, Executive Director, Nevada Franchised Auto Dealers Association
Peggy Lear Bowen

CHAIR WOODHOUSE:
We will open the hearing on Senate Bill (S.B.) 82.

SENATE BILL 82 (1st Reprint): Revises provisions relating to education. (BDR 31-479)

ZACH CONINE (Nevada State Treasurer):
Senate Bill 82 revises the administration of the Nevada college savings programs including the Nevada College Kick Start Program and the Nevada Higher Education Prepaid Tuition Program. The proposed changes will allow the Treasurer's Office to more effectively administer the programs and increase educational opportunities for all Nevadans by increasing the usage and usefulness of those programs.

I have submitted a visual presentation (Exhibit C) which will illustrate the points I discuss during my presentation of S.B. 82.

The Treasurer's Office is responsible for administering several programs designed to help Nevadans save for college and prepare for postsecondary careers. The programs include the Nevada Higher Education Prepaid Tuition Program, Nevada College Savings Plans and the Nevada College Kick Start products." The bill requires these sellers and distributors use certain age verification procedures.

The bill makes an appropriation of $2.5 million in FY 2020 and $2.5 million in FY 2021 to the DHHS for programs to control and prevent the use of tobacco.

The DOT issued a revised fiscal note for S.B. 263 which includes amounts of approximately $500,000 in each year of the biennium. Fiscal staff would suggest the inclusion of the appropriations to the DOT for the implementation costs of the bill. The cost of implementation would include the cost of several new positions and other expenses including programing costs for the DOT system.

SENATOR PARKS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 263.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR SETTELMEYER VOTED NO. SENATOR CANCELA WAS ABSENT FOR THE VOTE.)

* * * * *

CHAIR WOODHOUSE:
I will open the hearing on S.B. 135.

SENATE BILL 135 (1st Reprint): Provides for collective bargaining by state employees. (BDR 23-650)

MR. BROWN:
I am here on behalf of Governor Steve Sisolak to present Proposed Amendment No. 6030 to S.B. 135 (Exhibit P). The bill with its proposed amendment will achieve the Governor's vision for empowering State workers to bargain collectively in Nevada. As the Governor said at the recent signing of legislation on the prevailing wage, Nevada is a union State, a place where workers can access the middle class and have an opportunity to provide for their families.

Since 1969, local government employees have enjoyed the right to bargain collectively. The oversight of local government collective bargaining rests with the Local Government Employee-Management Relations Board (EMRB) within the Department of Business and Industry. The EMRB is an independent board that has administered 231 union contracts covering 85,000 employees in 183 local governments.

Proposed Amendment No. 6030, Exhibit P, will align the extension of collective bargaining to cover 22,000 classified State employees with the same system used for local government employees. The extension is predicted to result in 11 new contracts.

Sections 24, 26 and 27 of the proposed amendment, Exhibit P, align S.B. 135 with existing practices in local government. In lieu of bargaining for the vague terms of "wages, hours and terms and conditions of employment," the language in Exhibit P establishes a list of mandatory subjects of collective bargaining. This list has been used for local government collective bargaining since 1973. Section 26, Exhibit P, revises the list of prohibited or unfair labor practices to align with the list established for local government employers and employee organizations. Section 27, Exhibit P, removes procedural details about the filing of complaints and responses and instead applies the system already in place for the EMRB.

Proposed Amendment No. 6030, Exhibit P, does not allow for bargaining over health insurance, as by law that function is handled by the Public Employees' Benefits Program (PEBP).

Section 24, Exhibit P, includes a management rights clause similar to that held by local governments in NRS 288.150, sections 3 through 5.

Section 29, Exhibit P, clarifies the description of the bargaining unit for supervisors. Supervisors will be included in a single horizontal bargaining unit.

Proposed Amendment No. 6030, Exhibit P, adds a requirement to post tentative collective bargaining agreements and hold a public hearing through the State Board of Examiners.

Section 52, Exhibit P, makes technical corrections in certain job classifications to align them with the anticipated bargaining units. This will provide needed certainty for labor organizations, avoid costly hearings and provide for efficient certifications or elections.

Sections 25.5 and 26, Exhibit P, provide that, notwithstanding the provisions of the collective bargaining agreement, the Governor may include in the proposed Executive Budget any amount deemed appropriate for salaries and wages. A possible adjustment by the Governor must not be construed as a failure to bargain in good faith.

Section 49.5, Exhibit P, allows the Governor to submit budget bills related to the funding of the collective bargaining agreement after the February deadline outlined in NRS 218D.175. This provision is necessary because proposed collective bargaining agreements may not be finalized prior to the February deadline, especially if the parties reach impasse and need to go to arbitration.

SENATOR KIECKHEFER:
In Proposed Amendment No. 6030, Exhibit P, we still maintain 11 separate collective bargaining units. When would you envision those contracts taking effect as they are negotiated?

BRUCE SNYDER (Commissioner, Local Government Employee-Management Relations Board, Department of Business and Industry):
Senate Bill 135 states the first contracts would take effect July 1, 2021. Every contract is to be two years in length. The next contracts would start on June 30 of subsequent odd-numbered years.

SENATOR KIECKHEFER:
The contracts would start at the beginning of the next biennium. Is there enough time between now and then for everyone to organize, choose which union they want to join, negotiate contracts, have them executed and be ready to start by November 2020? The Governor will need to start preparing the budget and decide how to include things such as staffing ratios or salaries that may be negotiated even though he is not obligated to actually pay the increases.

MR. BROWN:
We can meet those deadlines because we are taking many of the lessons learned from local government experience.

SENATOR KIECKHEFER:
You said that the contracts would be executed, but the salary levels are actually not mandatory. Can you elaborate on that point?

MR. BROWN:
The Governor will retain ultimate authority.

MR. SNYDER:
With the addition of Exhibit P, S.B. 135 would allow for negotiations over salaries. If the parties reach impasse, an arbitrator would decide the provisions of the new contract. However, a provision in section 25.5, Exhibit P, allows the Governor to put whatever salaries and wages he wishes into the Executive Budget.

SENATOR KIECKHEFER:
Does the provision in section 25.5, Exhibit P, include Public Employees' Retirement System (PERS) contribution rates and percentages? Mr. Brown stated PEBP will retain its existing structure as an independent board that sets health care benefits. Are any other benefits affected similarly?

MR. SNYDER:
Because of PEBP, anything having to do with insurance would not be subject to bargaining. Retirement would be determined by whatever PERS offers.

SENATOR KIECKHEFER:
Would the Governor be able to affect parts of the retirement contract which have been negotiated? For example, in the current system, the employee contributes 50 percent of the total amount that needs to be contributed every year to maintain PERS. If the bargaining contract directed the State to pick up 75 percent, could the Governor change the 75 percent?

MR. SNYDER:
That situation would be captured under "salaries, wage rates, and other director forms of monetary compensation." To the extent that the PERS contributions end up being income, they would be subject to reduction by the Governor.

SENATOR KIECKHEFER:
Has current law been interpreted to always consider pension contributions as a direct form of monetary compensation, even though payout may be 30 years down the road?

MR. SNYDER:
Yes.

SENATOR KIECKHEFER:
What about other negotiated items such as mandatory staffing ratios at a hospital?

MR. SNYDER:
The management rights clause prohibits certain things from collective bargaining such as hiring decisions, staffing levels, performance standards and quality of care. Staffing levels have always been prohibited from collective bargaining at the local government level. The determination of staffing levels is a management right. Proposed Amendment No. 6030, Exhibit P, would apply to the State the same management rights currently enjoyed by local government employers.

SENATOR KIECKHEFER:
Are staffing ratios prohibited from collective bargaining?

MR. SNYDER:
Yes. An employer does not have to bargain over things that are management rights, such as staffing issues. However, nothing prohibits the employer from waving that right. Local governments are currently allowed this provision, and it is extended to State employers through the amendment, Exhibit P.

SENATOR KIECKHEFER:
Bargaining on these issues is not technically prohibited, but it is also not mandatory?

MR. SNYDER:
That is correct.

MR. BUNDY:
The AFSCME supports S.B. 135 and Proposed Amendment No. 6030, Exhibit P.

STEVE KREISBERG (Director, Collective Bargaining and Research, American Federation of State, County and Municipal Employees International):
We support Proposed Amendment No. 6030. We are concerned with some aspects of how the amendment affects the scope of bargaining, but we have been assured by the Governor's Office that State employees will have a seat at the table to talk about the issues most important to them.

NICHOLAS MONTGOMERY (Nevada Highway Patrol Association):
I have been a member of the Department of Public Safety (DPS) for 11 years. I have seen a lot over those 11 years, but one thing has remained the same. Every two years we keep hearing that help is coming. Over those 11 years I have endured furloughs, pay cuts and frozen merit increases. I see my brothers and sisters in DPS leave simply because they cannot make ends meet, and they felt they had no choice but to take higher paying law enforcement jobs in other jurisdictions. We are currently at a point where our inability to attract or retain our people has left our State's law enforcement in a crisis.

Every two years we keep hearing, "hold on, help is coming." Every two years we get our hopes up that this will be the Legislative Session where that help finally arrives. The ability to collectively bargain is the help we have been waiting for. Even if collective bargaining passes, it will still likely be two years before we see any relief. We need help now. Please do not make us wait another two years. If this does not pass this time, I fear not only that we would have to wait again, but we will never get the help we are hoping for. If not now, when? If not you, who?

MS. LOCKARD:
Service Employees International Union Local 1107 supports this measure.

CATHERINE BYRNE (State Controller):
I support S.B. 135 and its amendments.

CEDRIC WILLIAMS (President, Sierra Range Chapter, American Federation of State, County and Municipal Employees Local 4041):
We support S.B. 135 and the amendment, Exhibit P.

I was brought up in the heart of Watts, south-central Los Angeles. They had to fight to get out of there. I moved to Nevada to have a better life. Everyone said, "Get that State of Nevada job." I did just that. With that State of Nevada job I was told I could have everything I want—the home, the car and send myself to college. I started with this Union and realized I was out there fighting for the rights of State of Nevada employees. In the homes I was going into and talking to my brothers and sisters, I found out that they were struggling to put food on the table. Struggling to make ends meet, struggling to pay rent, one paycheck away from losing their homes, apartments or condos. Let us have collective bargaining. We have a right to bargain at the table for a decent wage, a living wage, a comfortable wage. You have heard it stated before that the budget has been balanced on the backs of State of Nevada employees. That has got to stop!

CHAIR WOODHOUSE:
I ask all of the people from AFSCME to please raise their hands. I see many people in Carson City and in Las Vegas raising their hands.

RICK MCCANN (Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition):
The EMRB works. We are going to mimic much of what the EMRB does. I echo the previous comments in support of S.B. 135.

TOM DUNN (District Vice President, Professional Firefighters of Nevada):
We support S.B. 135 and the amendment, Exhibit P. Collective bargaining is a collaborative process between employers and employees. Collective bargaining works for local government employees; there is no reason why collective bargaining will not work for State employees.

RUSTY MCALLISTER (Executive Secretary-Treasurer, Nevada, American Federation of Labor and Congress of International Organizations):
The AFSCME is an affiliate member of the Nevada State Council of the American Federation of Labor and Congress of International Organizations. We support S.B. 135. Many issues will be addressed over the course of the next year. We will need to figure out what units will be in the State. We will need to address various processes that are not wages nor benefits. There are issues with safety, discipline and other issues that are discussed in the collective bargaining process besides wages and benefits. Senate Bill 135 is a good step for getting these employees a seat at the table and giving them a voice.

STEPHEN AUGSPURGER (Executive Director, Clark County Association of School Administrators and Professional-Technical Employees):
I echo the previous testimony in support of S.B. 135.

CHRIS DALY (Nevada State Education Association):
We stand in solidarity with State workers. We support S.B. 135.

SCOTT EDWARDS (President, Las Vegas Peace Officers Association; Nevada Law Enforcement Coalition):
We support S.B. 135.

JIM SULLIVAN (Culinary Union):
We believe that all workers including State employees should have the right to collectively bargain. We support S.B. 135.

KENT ERVIN, Ph.D. (Nevada Faculty Alliance):
We support S.B. 135 for collective bargaining rights for our 2,700 classified staff colleagues in the NSHE. Opponents of S.B. 135 protest what they say are the high costs of collective bargaining. An article by Josh Bivens and Monique Morrissey of the Economic Policy Institute responds to those who criticize S.B. 135 on basis of high costs. The article states:

> The best empirical research linking public sector collective bargaining and state and local government spending finds mixed results, with the causal effect of collective bargaining rights in pushing up state spending either weak or non-existent. Given this evidence, the empirical claims made by opponents of S.B. 135 about the magnitude of state spending increases that would occur should it pass are frankly absurd.

Dividing the numbers put out by the opponents of S.B. 135 by the number of State classified employees would yield an increase in compensation of $70,000 per year. That is absurd. We are not asking for such a large increase.

HARRY SCHIFFMAN (President, American Federation of State, County and Municipal Employees Local 4041):
We support S.B. 135. A voice on the job will allow State workers to improve State services.

MR. HONCHARIW:
The Nevada Policy Research Institute (NPRI) opposes S.B. 135.

PAUL MORADKHAN (Vice President of Government Affairs, Las Vegas Metro Chamber of Commerce):
We still need time to fully review the amendment, Exhibit P, but the Chamber is concerned with the adoption and implementation of collective bargaining for

State employees. The Chamber's concerns for this fiscal decision are from the taxpayers' perspective and the importance of fully understanding the cost that implementation of State collective bargaining would have on the State's fiscal budget. The Chamber commissioned a report from RGC Economics to analyze the issue and have a better understanding of the potential long-term fiscal impacts which S.B. 135 could have on the State budget (Exhibit Q). The Chamber opposes S.B. 135.

BRYAN WACHTER (Senior Vice President, Retail Association of Nevada):
We are concerned about how the State will be able to afford S.B. 135 in the future. We would have fewer concerns if a dedicated funding mechanism was identified. However, in the absence of an identified funding mechanism, this bill sets Nevada up for a considerable amount of resources which will have to be dedicated to this project in the next two to four years. It is already recognized that a considerable amount of resources will be needed for education in the next Legislative Session. We are worried about the escalating effect of collective bargaining on future budget years.

MICHAEL PELHAM (Director, Government and Community Affairs, Nevada Taxpayers Association):
I echo the comments of Mr. Moradkhan and Mr. Wachter. We oppose S.B. 135.

NICK VANDER POEL (Reno Sparks Chamber of Commerce):
I echo the previous comments in opposition to S.B. 135.

CHAIR WOODHOUSE:
I will close the hearing on S.B. 135. I will open the hearing on S.B. 551.

SENATE BILL 551: Revises provisions relating to state financial administration. *(BDR 32-1286)*

SENATOR NICOLE J. CANNIZZARO (Senatorial District No. 6):
I am here to present S.B. 551, The Safe and Supportive Schools Act along with a mock-up of Proposed Amendment No. 6051 (Exhibit R) and some conceptual amendments (Exhibit S). I will read a prepared statement (Exhibit T) to present the bill.

MINUTES OF THE SENATE COMMITTEE ON FINANCE

Eightieth Session June 1, 2019

The Senate Committee on Finance was called to order by Chair Joyce Woodhouse at 9:14 a.m. on Saturday, June 1, 2019, in Room 2134 of the Legislative Building, Carson City, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Joyce Woodhouse, Chair
Senator David R. Parks, Vice Chair
Senator Moises Denis
Senator Yvanna D. Cancela
Senator Chris Brooks
Senator James A. Settelmeyer
Senator Ben Kieckhefer
Senator Pete Goicoechea

GUEST LEGISLATORS PRESENT:

Senator Heidi Seevers Gansert, Senatorial District No. 15
Assemblywoman Dina Neal, Assembly District No. 7

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Stephanie Day, Program Analyst
Adam Drost, Senior Program Analyst
Brody Leiser, Senior Program Analyst
Jaimarie Ortega, Program Analyst
Kristina Shea, Program Analyst
Julie Waller, Senior Program Analyst
Christine Miner, Committee Secretary
Tom Weber, Committee Secretary

OTHERS PRESENT:

Peter Long, Administrator, Division of Human Resource Management, Nevada Department of Administration
Jenni Cartwright, Administrator, Administrative Services Division, Nevada Department of Administration
Michael Brown, Director, Nevada Department of Business and Industry
Bruce K. Snyder, Commissioner, Local Government Employee-Management Relations Board, Nevada Department of Business and Industry
Zach Conine, State Treasurer
Sarah Adler, Nevada Coalition to End Domestic and Sexual Violence
Erica Souza Llamas, Central Repository for Nevada Records of Criminal History, Records, Communications and Compliance Division, Nevada Department of Public Safety
Jeanette Belz, Nevada Chapter Associated General Contractors
Kevin Doty, Administrator, Purchasing Division, Nevada Department of Administration
Michael Dietrich, Deputy Director, Director's Office, Nevada Department of Administration
Randy Soltero, Political Director, Sheet Metal Workers Union

CHAIR WOODHOUSE:
The Committee will start by hearing Senate Bill (S.B.) 553.

SENATE BILL 553: Authorizes expenditures by agencies of the State Government for the 2019-2021 biennium. (BDR S-1281)

MARK KRMPOTIC (Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):
Senate Bill 553 provides funding and authorizes the expenditure of funding other than State General Fund appropriations or State Highway Fund appropriations. Funding sources counted under S.B. 553 include federal funds, self-funded budgets receiving money through fees or other means and outside revenue sources such as licensing fees that might be deposited to support an agency's program. Regarding the General Fund and Highway Fund exceptions, Highway Fund amounts used by the Nevada Department of Transportation are authorized under S.B. 553; this is opposed to being appropriated through the Nevada Appropriations Act. Senate Bill 553 also provides General Fund

CHAIR WOODHOUSE:
The Committee will now hear S.B. 135.

SENATE BILL 135 (1st Reprint): Provides for collective bargaining by state employees. (BDR 23-650)

Is the fiscal impact of S.B. 135 still high even after Amendment No. 1077?

PETER LONG (Administrator, Division of Human Resource Management, Nevada Department of Administration):
The fiscal impact of S.B. 135 was not decreased by Amendment No. 1077.

SENATOR KIECKHEFER:
Senate Bill 135 will utilize four positions in Las Vegas and four positions in Carson City. Has designated space been set aside for these positions? Are overhead costs accounted for in the fiscal note?

MR. LONG:
We have accommodated for these positions, and the associated office expenses were incorporated into the fiscal note.

CHAIR WOODHOUSE:
How will the eight positions utilized under S.B. 135 be funded going forward? What is the timeline regarding S.B. 135 activities?

MR. LONG:
We are anticipating the 8 positions to start on October 1, 2019. We will start recruiting for these positions before October 1, and the positions will be funded through Nevada Department of Administration Division of Human Resource Management (DHRM) personnel assessment costs charged to agencies.

MR. KRMPOTIC:
Budget account 717-1363 has already been established, with revenue generated from agencies' use of DHRM personnel assessments also going into this account.

FINANCE AND ADMINISTRATION

ADMINISTRATION

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Budget Account 717-1363

How will B/A 717-1363 be adjusted if S.B. 135 is passed? What is the Administration's plan to fund the associated fiscal note through revised assessments, and how will this affect other State agencies? There is insufficient reserve funding in B/A 717-1363 to fund the fiscal note.

JENNI CARTWRIGHT (Administrator, Administrative Services Division, Nevada Department of Administration):
You are correct in that B/A 717-1363 does not have enough reserve funding to account for the fiscal note. Because B/A 717-1363 is an internal service fund, it is primarily funded by personnel assessments.

SENATOR KIECKHEFER:
When do you plan to increase the personnel assessment cost charged to agencies?

MS. CARTWRIGHT:
The personnel assessment costs are typically set for one year. Considering the new positions do not start until October 1, we will work with Legislative Counsel Bureau (LCB) Fiscal Analysis Division staff to determine if the personnel costs charged to agencies will need to be increased when a new FY begins on July 1.

SENATOR KIECKHEFER:
Due to the personnel assessments being statutorily set, what is the process to amend them? Is there a process the DHRM uses to adjust the personnel assessments in the middle of a FY?

MS. CARTWRIGHT:
I will have to defer this question to Fiscal staff.

MR. KRMPOTIC:
I do not think the amount related to personnel assessments can be adjusted midyear. In order to fund the fiscal note, an increase to assessments would need to be established. As presented in S.B. 135, the fiscal note totals approximately $1.6 million in each FY of the 2019-2021 biennium. Due to

B/A 717-1363 not having enough reserve funding to support the fiscal note, the assessment would need to be increased. This will affect every State agency with DHRM positions in their budget, resulting in the LCB Interim Finance Committee (IFC) considering work programs from agencies requesting funding. This could also result in small agencies currently receiving General Fund appropriations to require allocations from the IFC Contingency Account.

Many agencies experience savings in the salary category of their budgets which may be able to absorb the costs associated with an increase in assessment charges. The DHRM first needs to determine how much the assessments will have to be increased by; this will require an unprecedented midyear adjustment to assessments. The effect on all agencies who pay for the assessments would then need to be evaluated to determine if they have the budgetary resources necessary to pay for the increase or if they would have to seek additional resources.

SENATOR KIECKHEFER:
What are the personnel assessment costs already incorporated into B/A 717-1363?

MS. CARTWRIGHT:
The estimated impact on the personnel assessment would be approximately $68.58 in FY 2020 and $72.25 in FY 2021 in order to cover the expenditures noted in the fiscal note and include the $10 assessment noted in S.B. 135. There are different pieces of the personnel assessment, but the personnel assessment rate incorporated into B/A 717-1363 is approximately $228 per employee for the core personnel classification and compensation piece of the assessment.

SENATOR PARKS:
How did you calculate the amounts needed to fund the eight positions? Was this process developed or modeled after another organization's system?

MR. LONG:
We briefly looked into the amount of staff used by Washoe and Clark Counties, but we knew that any systems that agencies had in place in these areas would not be completely comparable with the system we are developing for the DHRM. We tried to be conservative regarding our staffing estimates, but we knew we would need a couple of supervisor positions, a couple analyst

positions and an administrative support position to support the activities outlined in S.B. 135.

SENATOR PARKS:
Considering I have not worked in this area for several decades, the number of staff the DHRM is anticipating needing appears fairly liberal.

SENATOR KIECKHEFER:
There are provisions in S.B. 135 that were written in an effort to insulate both the Governor and the Legislature from required appropriations. There are also provisions of S.B. 135 that could result in a fiscal impact not requiring the passage of legislation, such as those found in section 37, subsection 1. There are things within S.B. 135 that can be negotiated which have a fiscal impact without requiring a direct appropriation by the Legislature during the time of negotiation. Have you had these discussions with agencies?

Even though S.B. No. 486 of the 79th Session dealt with different categories of negotiation, it also related to collective bargaining for employees. Mr. Long indicated in neutral testimony for S.B. No. 486 of the 79th Session that based on the 2016 DHRM Compensation Schedule, an additional $97 million annually would be required to bring employees up-to-date regarding salary averages. Has anything changed in this calculation?

MR. LONG:
The figure used in S.B. No. 486 of the 79th Session was based on job classifications included in the biennial salary survey in order to determine if these classifications met the average salaries of other employers included in the survey. I do not recall how many positions were included in the survey, but there were approximately 28 job classifications included; Nevada has over 1,300 job classifications. The samples included in the survey were small compared to the overall population of the State.

SENATOR KIECKHEFER:
There were 23 job classifications included in the survey. My questions regarding potential fiscal implications to State agencies may be better answered if they are directed to the agencies themselves.

CHAIR WOODHOUSE:
What is the progress on the fiscal note submitted for S.B. 135 by the Nevada Department of Business and Industry's (B&I) Local Government Employee-Management Relations Board (EMRB)?

MICHAEL BROWN (Director, Nevada Department of Business and Industry):
The fiscal note submitted by the EMRB was submitted in the past. With Amendment No. 1077, the B&I anticipates eliminating 2 investigator positions which would bring the fiscal note down by approximately $150,000.

BRUCE K. SNYDER (Commissioner, Local Government Employee-Management Relations Board, Nevada Department of Business and Industry):
Amendment No. 1077 revises and harmonizes EMRB work activities, reducing the impact of the fiscal note submitted by the EMRB. At the local government level, the EMRB has ascertained the investigator positions are no longer necessary; the investigator positions along with election costs constituted the majority of the impact of the fiscal note. The EMRB is self-funded and currently charges $6 per employee per year enabling us to eliminate the 2 investigator positions. I do not have exact numbers relating to savings as Amendment No. 1077 has not been formally adopted as of this time. The EMRB can eliminate the fiscal note today and come back in July with a work program. The other option is for the Committee to adopt the fiscal note as it stands, with my word, the EMRB will come back the first week of July with a significantly smaller work program.

MR. BROWN:
The EMRB staffs two employees with a part-time Board consisting of five members and rarely gets much focus.

CHAIR WOODHOUSE:
This Committee is happy to see that the impact of the EMRB fiscal note is decreasing.

MR. KRMPOTIC:
With respect to the impact on the DHRM, the funding issue in the fiscal note that impacts the DHRM would need to be solved by the IFC. There is no longer an opportunity to adjust the Administration's budgets to reflect the increase in the personnel assessment, as the budgets have been closed. Any related items coming before the Committee which may be required by agencies to pay for the

increase in assessment charges can be dealt with as agencies evaluate their budgets in FY 2020. The EMRB would need to go through the same process.

If the EMRB requires funding before the next IFC meetings on June 25, 2019, and in August 2019, the Governor has the ability to statutorily submit an item for expeditious action. This item could be approved in 15 days and reported as information to the IFC during its next meeting, if S.B. 135 passes with Amendment No. 1077, providing an opportunity for the EMRB to further evaluate costs and provide information to the IFC. This information can also be provided to the Governor through an expeditious action item work program.

SENATOR BROOKS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 135 WITH AMENDMENT NO. 1077.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS GOICOECHEA, KIECKHEFER AND SETTELMEYER VOTED NO.)

* * * * *

CHAIR WOODHOUSE:
The Committee will now hear S.B. 44.

SENATE BILL 44 (1st Reprint): Revises provisions of the Uniform Unclaimed Property Act. (BDR 10-480)

ZACH CONINE (State Treasurer):
Senate Bill 44 makes technical changes to *Nevada Revised Statutes* (NRS) 120A in an effort to modernize and align Nevada's unclaimed property laws with national best practices and the Uniform Law Commission's 2016 Revised Uniform Unclaimed Property Act (RUUPA). As drafted, S.B. 44 redirects the annual transfer of B/A 101-3815 proceeds to B/A 261-1088.

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Budget Account 101-3815

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Eightieth Session
June 2, 2019**

The Committee on Government Affairs was called to order by Chair Edgar Flores at 3:37 p.m. on Sunday, June 2, 2019, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4404B of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda (Exhibit A), the Attendance Roster (Exhibit B), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/80th2019.

COMMITTEE MEMBERS PRESENT:

Assemblyman Edgar Flores, Chair
Assemblyman William McCurdy II, Vice Chair
Assemblyman Alex Assefa
Assemblywoman Shannon Bilbray-Axelrod
Assemblyman Richard Carrillo
Assemblywoman Bea Duran
Assemblyman John Ellison
Assemblywoman Michelle Gorelow
Assemblyman Gregory T. Hafen II
Assemblywoman Melissa Hardy
Assemblyman Glen Leavitt
Assemblywoman Susie Martinez
Assemblywoman Connie Munk
Assemblyman Greg Smith

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Senator David R. Parks, Senate District No. 7
Senator Moises (Mo) Denis, Senate District No. 2

STAFF MEMBERS PRESENT:

Jered McDonald, Committee Policy Analyst
Asher Killian, Committee Counsel
Connie Jo Smith, Committee Secretary
Trinity Thom, Committee Assistant

OTHERS PRESENT:

Michael Brown, Director, Department of Business and Industry
Bruce K. Snyder, Commissioner, Local Government Employee-Management Relations Board, Department of Business and Industry
Carter Bundy, Political Action Representative, American Federation of State, County and Municipal Employees, AFL-CIO
Richard P. McCann, Executive Director, Nevada Association of Public Safety Officers; and Member, Nevada Law Enforcement Coalition
Victor Salcido, representing Nevada Highway Patrol Association
Brian Shepherd, representing Service Employees International Union, Local 1107
Drake Ridge, representing Las Vegas City Employees Association
Kelly Crompton, representing City of Las Vegas
Don Jacobson, Information Technology Business Partner, City of Las Vegas
Brittany Walker, representing Holland and Hart LLP, Las Vegas, Nevada
Danny Thompson, representing Tahoe Reno Industrial Center
Warren B. Hardy II, representing Nevada League of Cities and Municipalities
David Cherry, Government Affairs Manager, City of Henderson
Dagny Stapleton, Executive Director, Nevada Association of Counties; and representing Recorders Association of Nevada

Chair Flores:
[Roll was taken. Committee rules and protocol were explained.] We have two items on the agenda. We will open the hearing on Senate Bill 135 (2nd Reprint).

Senate Bill 135 (R2): Provides for collective bargaining by state employees. (BDR 23-650)

Senator David R. Parks, Senate District No. 7:
This bill will authorize collective bargaining for classified state employees. With that, I would like to make one or two brief comments. This bill would allow the state's 22,000 Executive Branch employees, including classified employees at the Nevada System of Higher Education, to collectively bargain and form a union based on their general occupational category. It sets general ground rules for a union to be organized through an election, prohibits strikes, and sets what topics can be covered in collective bargaining negotiations, including pay and benefits. I think we all know that when employees have a say in their workplace, we all benefit, we all gain. Public service employees in 34 other states have seen great success with collective bargaining, as have their respective

communities. With that, I would like to turn the discussion over to Mr. Michael Brown, who is the director of the Department of Business and Industry, and who will be involved with the creation of the various bargaining units.

Michael Brown, Director, Department of Business and Industry:
I am pleased to be here on behalf of Governor Steve Sisolak to present our views on Senate Bill 135 (2nd Reprint) as it was amended and came out from the Senate. Assisting me in the south on the technical matters is Bruce Snyder, the commissioner of the Local Government Employee-Management Relations Board of the Department of Business and Industry. Chair Flores, if it would please you and the Committee, I would like to invite him to the table.

In the Governor's State of the State address on January 16, he proposed we empower state workers to bargain collectively in the years ahead. We commend Senator Parks, representatives of organized labor, and other stakeholders for their diligent work on S.B. 135 (R2). We believe we can achieve the vision set out by Governor Sisolak in his State of the State address with the legislation that is before you. As the Governor said the other day at the signing of the prevailing wage legislation, Nevada is a union state, a place where workers can access the middle class and have an opportunity to provide for their family. Since 1969, local government employees have enjoyed the right to bargain collectively here in Nevada. Collective bargaining at the local level has been provided for orderly and efficient government for 50 years.

The oversight of local government collective bargaining rests with the Department of Business and Industry in the Employee-Management Relations Board (EMRB), an independent board that is operated without fanfare but with great efficiency in the successful administration of 231 contracts covering 85,000 employees in 183 Nevada local governments. As the bill has come to you from the Senate, what this will do will align the extension of collective bargaining to cover 22,000 classified state employees with the proven system we have for local government. This will be efficient and cost-effective for all, and it is envisioned the extension will result in 11 new contracts.

Some of the key components in the bill, as it was changed in the Senate, rest in sections 24, 26, and 27, as this aligns it with existing practices in local government. In lieu of bargaining for the vague terms of wages, hours, and terms and conditions of employment, it establishes a laundry list of mandatory subjects of bargaining. This is the list that has been used by local governments in Nevada since 1973. In section 26, it revises the list of prohibited practices or unfair labor practices to align with the list that we have used with local government employers and employer organizations.

In section 27, the bill removes procedural details about the filing of complaints and allows us to more efficiently use the resources of the EMRB. I would note, as the version has come out of the Senate, it does not allow for the bargaining of health insurance and related insurance as that function is handled by law by the Public Employee Benefits Program.

Section 24 includes the new management rights clause similar to that found for local governments currently in the *Nevada Revised Statutes*. Section 29 clarifies the description of the bargaining unit for supervisors, and the supervisors in Nevada state government will be in a single, horizontal bargaining unit.

To fulfill the administration's commitment to transparency, the bill includes a requirement to post tentative collective bargaining agreements on the World Wide Web and to hold a public hearing under the auspices of the State Board of Examiners. Section 52 simply makes technical corrections in job classifications to align with the anticipated bargaining units. This will provide needed certainty for labor organizations and eliminate costly hearings and provide for efficient certifications of elections. [Section 52 was deleted by Senate Amendment No. 260.]

Sections 25.5 and 26 provide that, notwithstanding the provisions of the collective bargaining agreement, the Governor may include in the proposed executive budget any amount deemed appropriate for salaries and wages and, in doing so, is not to be construed as a failure to bargain in good faith. Section 49.5 allows the Governor to submit budget bills related to the funding of collective bargaining agreements after the February deadline outlined in our statutes. This provision is simply necessary as proposed agreements may not be finalized by the February deadline as the Legislature convenes, especially if parties reach an impasse and must go to arbitration. The administration believes that this legislation will strike the creative balance to provide for the efficient management of state government and provide for the men and women who faithfully serve Nevada. Their skills, their knowledge, their experience, and their devotion have been invaluable to our state, and we are grateful for their service. That concludes my testimony. I can answer any questions and be assisted by Mr. Bruce Snyder in the south.

Chair Flores:
Committee members, are there any questions?

Assemblyman Hafen:
In previous discussions on collective bargaining for local agencies, we were discussing the arbitrations. I know a lot of the local agencies had concerns with arbitrations. Are there going to be similar concerns with this, including the arbitration or mediation process?

Senator Parks:
I would have to say that I do not know if there will be these problems. There will have to be a fairly lengthy transition process, and that will take a fair amount of time to put everything into effect. During that time, I am assuming there will be no major challenges until the bargaining contracts are developed.

Michael Brown:
This is one of the reasons we were trying to harmonize it with our existing system for local government where we have 50 years of experience. That is administered in the south by Mr. Bruce Snyder with his part-time board and a staff of two. I will ask Mr. Snyder if he wants to add anything to that.

Bruce K. Snyder, Commissioner, Local Government Employee-Management Relations Board, Department of Business and Industry:
The bill says that if they reach an impasse, they must appoint an arbitrator and must complete the arbitration process by March 15. We hope that is what will happen and that they will have an arbitrator picked in a sufficient amount of time so that the arbitrator would be available in early March to meet, should the need arise. If the arbitration does finish by March 15 and the arbitrator renders a decision, that would still give the Governor ample time to use his authority to submit a salary bill to the Legislature to incorporate the product of that arbitration into the legislative process.

Assemblywoman Duran:
You are going to utilize mediation first before going through the arbitration process because it may settle it at that level before you move up, correct?

Bruce Snyder:
Yes, the mediation process would come before the arbitration. The mediation is a precursor to the arbitration.

Assemblyman Ellison:
For clarification, how many employees would this affect?

Michael Brown:
I believe 22,000 classified state employees in the Executive Branch.

Assemblyman Ellison:
How many nonunion employees are in the state of Nevada?

Michael Brown:
If I understand your question, who would not be in the union?

Assemblyman Ellison:
Right.

Michael Brown:
I think I have seen a number of 25,000 total with 22,000 probably covered under one of the 11 contracts.

Assemblyman Ellison:
I would like to know that because we are trying to get apples to oranges. Being in the mining industry, there were a lot of them who were nonunion and some were union. We are talking about school districts, education, and such, so I am trying to get a number of how many employees are nonunion in the state of Nevada. Would you happen to know that number?

Bruce Snyder:
I do not know how many employees total, but records we receive from the Public Employees Retirement System (PERS) shows that there would be 22,000 classified employees; 22,006 or some number like that. That is our best estimate right now as to how many would be covered by the bill. How many would not be covered by the bill? I really do not know that.

Assemblyman Ellison:
Where would I find that number?

Bruce Snyder:
I will endeavor to run that number down this afternoon. I probably need to consult with the Administrative Services Division of the Department of Administration.

Chair Flores:
Committee members, are there any additional questions? [There were none.] I would like to invite those wishing to speak in support of S.B. 135 (R2) to come forward.

Carter Bundy, Political Action Representative, American Federation of State, County and Municipal Employees, AFL-CIO:
We stand in support of the bill.

Richard P. McCann, Executive Director, Nevada Association of Public Safety Officers; and Member, Nevada Law Enforcement Coalition:
Ditto.

Victor Salcido, representing Nevada Highway Patrol Association:
We want to express our full support as well.

Brian Shepherd, representing Service Employees International Union, Local 1107:
Ditto.

Drake Ridge, representing Las Vegas City Employees Association:
Ditto.

Chair Flores:
Is there anybody in Carson City or in Las Vegas wishing to speak in support? [There was no one.] Is there anyone wishing to speak in opposition to S.B. 135 (R2)? [There was no one.] Is there anyone wishing to speak in the neutral position for S.B. 135 (R2)? [There was no one.] Senator, do you wish to make closing remarks? [There were none.] We will close the hearing on S.B. 135 (R2) because it will likely be going to another committee. I would like to entertain a motion to do pass Senate Bill 135 (2nd Reprint).

> ASSEMBLYWOMAN BILBRAY-AXELROD MOVED TO DO PASS SENATE BILL 135 (2ND REPRINT).
>
> ASSEMBLYMAN McCURDY SECONDED THE MOTION.

Committee members, is there any discussion on the motion?

Assemblyman Leavitt:
I want to go on the record that I am a Public Employees' Retirement System of Nevada employee and recipient, but this bill does not affect me directly, so I will be voting.

Chair Flores:
Members, are there any additional comments? [There were none.]

> THE MOTION PASSED. [ASSEMBLYMEN ELLISON, HAFEN, HARDY, AND LEAVITT VOTED NO.]

Assemblywoman Martinez will take the floor statement for S.B. 135 (R2). Next on the agenda we have Senate Bill 388 (1st Reprint). If I could have the presenters please come forward. We will open the hearing on S.B. 388 (R1).

Senate Bill 388 (R1): Revises provisions relating to public records. (BDR 19-827)

Senator Moises (Mo) Denis, Senate District No. 2:
I want you to think first of a future where cars can talk to each other, where when you are sitting at a stoplight, your car is talking to the stoplight. As you are approaching intersections, it would be able to communicate. A lot of different things are going on where different devices are talking to each other—that future is already here. During the interim, I had the opportunity to drive in an Audi automobile that was able to do some of that in Las Vegas where some testing is being done. We could see what was going on with the lights even before we got to them. The car was also autonomous, so it was driving itself and we were driving on the Las Vegas Strip. That is part of what is called the smart cities initiative. A lot of data is being produced by all these different things going on. When it comes to public records, balancing transparency with the privacy of individuals is a continuing challenge. This is especially true in the digital age when personal information is

EXHIBIT 4

AFSCME, LOCAL 4041 V. LOMBARDO, ET. AL., CASE NO. 23 EW 00016 1B (1ST DISTRICT OF NEVADA, 2023)

ORIGINAL

REC'D & FILED

2023 DEC 12 AM 11: 43

WILLIAM SCOTT HOEN
CLERK

BY J. HARKLEROAD
DEPUTY

IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR CARSON CITY

AMERICAN FEDERATION OF STATE, COUNTY & MUNICIPAL EMPLOYEES, LOCAL 4041, a not-for-profit voluntary membership association and labor organization,

Plaintiff,

vs.

JOSEPH M. LOMBARDO, in his official capacity as Governor of the State of Nevada; NEVADA DEPARTMENT OF ADMINISTRATION, a political subdivision of the State of Nevada; JACK ROBB, Director of the Nevada Department of Administration in his official capacity; NEVADA DIVISION OF HUMAN RESOURCE MANAGEMENT, a political subdivision of the State of Nevada; MANDEE BOWSMITH, Administrator of the Nevada Division of Human Resource Management in her official capacity,

Defendants.

Case No. 23 EW 00016 1B

Dept. No. I

ORDER DENYING PETITION FOR WRIT OF MANDAMUS AND CONFIRMATION OF ARBITRATION AWARD

This matter came before this Court on November 30, 2023. Nathan R. Ring appeared on behalf of Plaintiffs, and Nathan C. Holland appeared on behalf of Defendants.

The Court, having heard the argument of counsel and reviewed the pleadings on file, finds and concludes that Plaintiffs have not shown their entitlement to writ relief, nor have they shown that confirmation of the arbitration award is proper. As a result, the Court denies Plaintiff's writ petition and motion for confirmation.

I. Legal Standards

A writ of mandamus is an "extraordinary remedy," and the "burden is on the petitioner to demonstrate that extraordinary relief is warranted." *Valley Health Sys., LLC v. Eighth Jud. Dist. Ct.*, 127 Nev. 167, 170–71, 252 P.3d 676, 678 (2011). It may be issued to compel the performance of an act "already required by law." *Mineral Cty. v. State*, 117 Nev. 235, 242–43, 20 P.3d 800, 805 (2001).

When interpretating a statute, Nevada courts "look to its plain language." *Smith v. Zilverberg*, 137 Nev. 65, 72, 481 P.3d 1222, 1230 (2021). If the plain language is unambiguous, it must be enforced as written. *Id.* If it is ambiguous, courts "examine the provision's legislative history and the scheme as a whole to ascertain the Legislature's intent." *Id.*

II. Writ of Mandamus

A. NRS 288.505(5)

Plaintiffs seek a writ of mandamus commanding Defendants to "provide compensation in the form of the [cost of living adjustment] awarded in Arbitrator Belkin's decision." Pet. ¶ 91. NRS 288.505 bars Plaintiff's requested writ of mandamus. That section provides in relevant part that "[i]f there is a conflict between any provision of [a collective-bargaining agreement] and . . . NRS 288.580, the provision of the agreement prevails *unless the Legislature is required to appropriate money to implement the provision.*" NRS 288.505(5)(c) (emphasis added). In other words, if an interest-arbitration award requires an appropriation, an appropriation, by law, is required.

The 3% cost of living adjustment ("COLA") ordered by the arbitrator exceeded the amount previously appropriated, so a new appropriation was necessary. Because that money was never appropriated, there was no duty, or ability, for Defendants to pay the 3% COLA. *See* NRS 288.505(5)(c).

/ / /

The arbitrator himself recognized that he could not award unappropriated compensation. His decision explained that funding the collective-bargaining agreement ("CBA") "is the sole function of the State Legislature" and that he lacked "the authority to order the expenditure of the funds." Pet. Ex. 2, at 13. He selected Plaintiff's proposal, but he never purported to order its funding. *Id.* Ex. 2, at 15–16. Plaintiff thus seeks relief that is contrary to both the statute and to the arbitration award itself.

Plaintiff's international affiliate testified to the same effect during the Nevada Legislature's drafting of NRS chapter 288. Its director of research and collective bargaining services testified that the "Legislature retains its discretion to disapprove of an arbitrator's award involving the appropriation of money." Minutes of Senate Committee on Government Affairs at 10–11, 80th Leg. (Nev. Apr. 4, 2019).

Plaintiff's reading of NRS 288.505 is unreasonable. It contends that NRS 288.505(5)(c)'s phrase "[e]xcept as otherwise provided in NRS 284.4086, a provision of chapter 284 or 287 of NRS or NRS 288.570, 288.575 or 288.580" means that NRS 288.580 arbitrations are excluded from NRS 288.505's rule that a CBA provision that requires an appropriation cannot be enforced without legislation. That would make the text nonsensical. Excepting everything up to "NRS 288.580" would make the statute read "[i]f there is a conflict between any provision of [a CBA] and: the provision prevails unless the Legislature is required to appropriate money to implement the provision." *See* NRS 288.505(5).

Plaintiff's reading would also violate the canon against superfluity. *See S. Nev. Homebuilders Ass'n v. Clark Cty.*, 121 Nev. 446, 449, 117 P.3d 171, 173 (2005). That is because the whole phrase is: "Except as otherwise provided in NRS 284.4086, *a provision of chapter 284* or 287 of NRS or NRS 288.570, 288.575 or 288.580." NRS 288.505(5)(c) (emphasis added). NRS 284.4086 is already a "provision of chapter 284," so the Legislature would not have specifically identified it unless it was separate from "a provision of chapter 284 or 287 of NRS or NRS 288.570, 288.575 or 288.580." It is: "a provision of chapter 284

/ / /

or 287 of NRS, or NRS 288.570, 288.575 or 288.580" is the rule while "NRS 284.4086" is the exception.

Defendants were not contractually bound to pay the compensation in the arbitration award. The collective-bargaining agreement provided only that the parties would use the NRS 288.575 arbitration procedure, not that that arbitration would supersede NRS 288.505's appropriation requirement. Pet. ¶ 31. Even if Defendants were contractually bound to follow the arbitrator's decision, that decision itself disclaimed any ability to "order the expenditure of funds." *Id.* Ex. 2, at 13.

The Board of Examiners' approval did not satisfy NRS 288.505(5)'s requirements. The Board of Examiners approved the compensation subject to the required appropriation, as it does whenever it approves a CBA. *See* NRS 288.505(5)(c). It did not and could not appropriate the funds itself.

Vetoed legislation did not satisfy NRS 288.505(5)'s appropriation requirement. An appropriation must be "made by law." Nev. Const. art. 4, § 19. A bill does not "become[ ] a law" until the Governor signs it or the Legislature overrides his veto with a two-thirds vote. *Id.* art. 4, § 35. The Governor's approval is as integral to the legislative process as the Assembly and Senate's votes. *Cf. Risser v. Thompson*, 930 F.2d 549, 554 (7th Cir. 1991) (Posner, J.) ("That governors have some legislative power is the premise of any gubernatorial veto power."). The Court rejects Plaintiff's theory that the Legislature can pass an appropriation immune from the veto power if it is funding an arbitration award.

B. The Appropriations Clause and the State Budget Act

In the alternative, the Appropriations Clause and the State Budget Act bar the writ that Plaintiff seeks. The Appropriations Clause provides that "[n]o money shall be drawn from the treasury but in consequence of appropriations made by law." Nev. Const. art. 4, § 19. Plaintiff would read NRS 288.505(5) as permitting unelected arbitrators to draw money from the treasury without an appropriation in order to pay compensation. The Court declines to read the statute in a way that would violate the Nevada Constitution. *See Degraw v. The Eighth Jud. Dist. Ct.*, 134 Nev. 330, 333, 419 P.3d 136, 139 (2018).

Plaintiff's reading conflicts with the State Budget Act as well. That statute makes it unlawful to "to bind, or attempt to bind," the State "in any amount in excess of the specific amount provided by law." NRS 353.260. If an arbitrator can bind the State to pay unappropriated compensation, then any CBA with an arbitration agreement arguably violates the State Budget Act. The better reading is that an arbitration award still requires legislative action if it exceeds existing appropriations.

III. Confirmation of Arbitration Award

A. NRS Chapter 288

The Court cannot confirm the arbitration award because NRS chapter 288 does not provide authority for judicial enforcement of an interest-arbitration award. As part of its comprehensive system for collective bargaining, NRS chapter 288 details the arbitration procedure to be used when the parties bargain to impasse. NRS 288.570 to 288.580. Nothing in that procedure permits a motion to confirm an interest-arbitration award. *See* NRS 288.580. Instead, the statute provides that an arbitrator's decision is "final and binding" (though it may still be subject to appropriation requirements). NRS 288.580(4); *see* NRS 288.505(5)(c).[1]

Plaintiff contends that the Uniform Arbitration Act of 2000, NRS 38.206 to 38.259, permits confirmation of the award. Pet. ¶¶ 101–03. The problem is that that statute is inapplicable to interest arbitration. The Legislature expressly chose a different set of rules—the Government Employee Management Relations Board's regulations—to govern this type of arbitration. NRS 288.575(4). Because NRS chapter 288 is the more specific statute, it prevails over any contradictory provision in the Uniform Arbitration Act. *See State Dep't of Taxation v. Masco Builder Cabinet Grp.*, 129 Nev. 775, 778, 312 P.3d 475, 478 (2013).

The Legislature's decision to not provide a mechanism for judicial enforcement of interest arbitration decisions was of a piece with NRS chapter 288's overall design. As the

[1] NRS 288.570 to NRS 288.580 speaks only to arbitration decisions after impasse. Nothing in this Order is intended to reach other forms of labor arbitration.

Court has explained, only a legislative appropriation can draw money from the treasury to compensate public employees. The Legislature vindicated that rule by enacting NRS 288.505, which makes an interest-arbitration award that requires funding subject to appropriation. NRS 288.505(5)(c). It would not have made sense for the Legislature to carefully preserve the appropriation requirement, but then allow a party to try to circumvent it through judicial enforcement of an arbitration award.[2]

ORDER

For the reasons stated above, the Court DENIES Plaintiff's petition for a writ of mandamus and confirmation of arbitration award. Nathan C. Holland, counsel for Defendants, will serve notice of entry of this Order on all other parties and file proof of such service within seven days after the date the Court sent this order to him.

IT IS SO ORDERED this 12th of December, 2023.

DISTRICT JUDGE

Submitted by:

NATHAN C. HOLLAND (Bar No. 15247)
Deputy Attorney General
KIEL B. IRELAND (Bar No. 15368)
Deputy Solicitor General
State of Nevada
Office of the Attorney General
100 North Carson Street
Carson City, NV 89701-4717
T: (775) 684-1254
E: nholland@ag.nv.gov
Attorneys for Defendants

[2] The Court's confirmation of a different arbitration award in a different case does not control this case. The applicability of NRS chapter 38 was not at issue in that order.

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of the First Judicial District Court, and that on December 12th, 2023, I deposited for mailing, postage paid, at Carson City, Nevada, a true and correct copy of the foregoing Order addressed as follows:

Nathan R. Ring, Esq.
Stranch, Jennings & Garvey, PLLC
3100 W Charleston Blvd., Suite 208
Las Vegas, NV 891012

Nathan C. Holland, Deputy Attorney General
Kiel B. Ireland, Esq Deputy Solicitor General
State of Nevada
Office of the Attorney General
100 North Carson Street
Carson City, NV 89701-4717

Daniel Marks, Esq.
Adam Levine, Esq.
Law Office of Daniel Marks
610 South Ninth Street
Las Vegas, NV 89101

[signature]
Julie Harkleroad
Judicial Assistant, Dept. 1

EXHIBIT 5

GOVERNOR'S FINANCE OFFICE FISCAL IMPACT STATEMENTS FOR 2025-2027 COLLECTIVE BARGAINING AGREEMENTS

Joe Lombardo
Governor

Joy Grimmer
Director

Bob Ragar
Deputy Director

Bachera Washington
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Division of Human Resource Management

209 E. Musser Street, Suite 101 | Carson City, Nevada 89701
7251 Amigo Street, Suite 120, Las Vegas, NV 89119
Phone: (775) 684-0150 | http://hr.nv.gov | Fax: (775) 684-0122

MEMORANDUM

TO: Clerk of the Board of Examiners

THROUGH: Joy Grimmer, Director, Department of Administration

FROM: Bachera Washington, Division Administrator, Division of Human Resource Management

SUBJECT: Consideration and Approval of the American Federation of State, County, & Municipal Employees (AFSCME), Local 4041, Unit A, E, F, Collective Bargaining Agreement for 2025-2027

DATE: May 14, 2025

Pursuant to NRS 288.400, et. seq., the State of Nevada and the American Federation of State, County, & Municipal Employees (AFSCME), Local 4041, Unit A, E, & F, began negotiations for a successor collective bargaining agreement (CBA) in September 2024.

The State of Nevada and AFSCME bargained and came to an agreement on all issues with the exception of the Compensation Article. An arbitration was conducted in March 2025, and a decision was made by the arbitrator in April 2025. The attached agreement was ratified by AFSCME membership in May 2025.

Request in Front of the Board

Pursuant to NRS 288.555, the Division of Human Resource Management, (DHRM) is respectfully placing the AFSCME, Local 4041, Unit A, E, & F, CBA, for the contract term of July 1, 2025 through June 30, 2027, in front of this Board for review and approval.

Implementation of the CBA

All provisions of the CBA will become effective July 1, 2025.

Material Changes from the 2025-2027 CBA

- Effective July 1, 2025, the salary schedule for bargaining units A, E, & F will be increased by three percent (3%).
- Effective July 1, 2026, the salary schedule for bargaining units A, E, & F will be increased by three (3%).
- For the contract term of July 1, 2025, through June 30, 2027, employees covered under this Agreement will receive retention incentive of two thousand dollars ($2,000) per fiscal year. These retention incentive payments will be distributed in four equal installments throughout the fiscal year, beginning in July 2025.
- Annual Leave cash out twice per fiscal year, up to 40 hours each, as long as 200 hours remain after cash out.
- Tool Allowance: Eligible employees will receive $1,200 per fiscal year, distributed evenly in each paycheck for the purchase and maintenance of required tools.
- Continuation of four (4) Personal Leave days per calendar year.
- Union Leave pool of 4,000 hours to be distributed between Unit A, E, F, and C.
- The number of Union Leave hours provided to bargaining units A, E, & F was reduced by 1,000 hours from the amount included in the current CBA.
- Four articles were struck from the current CBA on matters already covered by state and federal law.
- The proposed CBA contains several revisions that make the proposed CBA clearer and more concise.

Thank you for your consideration.

Attachments: AFSCME Local 4041, Unit A, E, & F – Collective Bargaining Agreement

AFSCME Local 4041, Ratification Certification
AFSCME Local 4041, 2025-2027 CBA Fiscal Impact Statement,

2025-27 Biennium Collective Bargaining Fiscal Impact Analysis
Bargaining Units A, E, F
with **American Federation of State, County, & Municipal Employees (AFSCME)**

In Governor's Recommended budget:		
	FY26	FY27
FTE	4,227.86	4,288.11
PCNs	4,258	4,318

Key changes in this agreement:

	Key changes	Estimated Fiscal Impact: FY 2026	FY 2027	
•	Effective July 1, 2025, the salary schedules for Bargaining Units A, E, & F will be increased by three percent (3%)	$ 13,744,117	$ -	Calculated using the state budget system.
•	Effective July 1, 2026, the salary schedules for Bargaining Units A, E, & F will be increased by three percent (3%)	$ -	$ 27,749,693	Calculated using the state budget system.
•	Employees covered under this Agreement will receive a retention incentive of $2,000 per year, to be distributed in 4 equal installments each year	$ 8,516,000	$ 8,636,000	Calculated on total PCNs (unique positions) x $2,000 per year
•	Continuity of Service payments the same as provided by legislation for non-covered employees	$ -	$ -	Included in Governor Recommended budget; no fiscal impact.
•	Annual Leave cash out twice per fiscal year: up to 40 hours each, as long as 200 hours remain after cash out	$ 4,234,019	$ 4,521,671	Cannot be accurately determined without experience. Estimated at maximum, assuming all positions filled and all with eligible balances (roughly 24%) requesting payout.
•	Tool Allowance: Eligible employees will receive $1,200 per fiscal year, distributed evenly in each paycheck for the purchase and maintenance of required tools.	$ 300,000	$ 300,000	Cannot be precisely determined as eligibility is dependent on department policy and job classification specifications. Conservatively estimated at 250 positions, mainly maintenance and mechanical, which is roughly 5.4% of the positions in these combined units.
•	Continuation of 4 Personal Leave days per calendar year per employee.	$ 10,585,047	$ 11,304,179	Estimated at average pay, assuming each shift being covered by a coworker at overtime rate of 1.5 x pay, and 8 hour shifts.
•	Union Leave pool of 4,000 hours to be distributed between Unit C, and Units A, E, and F.	$ 155,370	$ 163,620	Estimated at average pay, assuming each shift being covered by a coworker at overtime rate of 1.5 x pay, and half of the pool of hours going to Unit C.
	Total potential fiscal impact, using upper limit values where unclear:	**$ 37,534,553**	**$ 52,675,163**	
		Biennium Total:	**$ 90,209,716**	

Joe Lombardo
Governor

Tiffany Greenameyer
Director

Curtis Palmer
Deputy Director

David Lenzner
Administrator

STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division

209 E. Musser Street, Suite 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

Date: May 19, 2025

To: Tiffany Greenameyer, Clerk of the Board
Governor's Finance Office

From: Shauna Tilley, Executive Branch Budget Officer
Governor's Finance Office

Subject: BOARD OF EXAMINERS ACTION ITEM

The following describes an action item submitted for placement on the agenda of the next Board of Examiners' meeting.

DEPARTMENT OF ADMINISTRATION
DIVISION OF HUMAN RESOURCE MANAGEMENT

Agenda Item Write-up:

Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the American Federation of State, County and Municipal Employees, Local 4041 for the 2025-2027 biennium for Bargaining Unit C, comprised of technical aides to professional employees. The estimated fiscal impact of the CBA for the biennium is $57,464,302.

Additional Information:

NRS 288, through Senate Bill 135 of the 2019 Legislature, grants certain state employees the right to organize and collectively bargain, requiring the State to recognize and negotiate wages, hours and other terms and conditions of employment with labor organizations that represent state employees and to enter into written agreements evidencing the result of collective bargaining, and requires that a new CBA be approved by the Board of Examiners at a public hearing. American Federation of State, County and Municipal Employees was certified the exclusive representative for the state employees in Bargaining Unit C and this agreement is the result of negotiations on their behalf.

Statutory Authority:

NRS 288.555 (1)

REVIEWED: ______

ACTION ITEM: ______

2025-27 Biennium Collective Bargaining Fiscal Impact Analysis
Bargaining Unit C
with American Federation of State, County, & Municipal Employees (AFSCME)

In Governor's Recommended budget:	FY26	FY27
FTE	3,220.11	3,224.10
PCNs	3241	3244

Key points in this agreement:	Estimated Fiscal Impact: FY 2026	FY 2027	
Effective July 1, 2025, the salary schedules will be increased by three percent (3%)	$ 7,739,000	$ -	Calculated using state budget system.
Effective July 1, 2026, the salary schedules will be increased by three percent (3%)	$ -	$ 16,159,470	Calculated using state budget system.
Employees will receive a retention incentive of two thousand dollars $2,000 per fiscal year, in 4 equal installments each fiscal year	$ 6,482,000	$ 6,488,000	Calculated on total PCNs (unique positions) x $2000 per year
Employees will receive continuity of service payments consistent with those provided by legislation to non-represented employees.	$ -	$ -	Included in Governor Recommended budget.
Annual Leave cash out opportunities twice per fiscal year of up to 40 each as long as 200 hours remain after cash out	$ 2,719,925	$ 2,859,729	Cannot be accurately determined without experience. Estimated assuming all positions filled and all with eligible balances (roughly 28%) requesting payout.
Eligible employees will receive $1200 per fiscal year, distributed evenly in each paycheck for the purchase and maintenance of required tools.	$ 90,000	$ 90,000	Cannot be precisely determined without a comprehensive study, as eligibility is dependent on agency policy and job classification. Calculated using estimate of 125 positions, which is approximately 3.9% of positions in the Unit.
Four (4) Personal Leave days per calendar year.	$ 7,095,456	$ 7,460,162	Estimated at average pay, assuming 8 hour shifts and each shift being covered by a coworker at overtime rate of 1.5 x pay.
Union Leave pool of 4,000 hours to be distributed between Units C, A, E, and F.	$ 136,830	$ 143,730	Calculated at average pay, assuming each shift being covered by a coworker at overtime rate of 1.5 x pay. For calculation purposes, half allocated to this agreement and half to the agreement for Units A, E, F.
Total estimated fiscal impact:	**$ 24,263,211**	**$ 33,201,091**	
	Biennium Total	**$ 57,464,302**	

Joe Lombardo
Governor

Tiffany Greenameyer
Director

Curtis Palmer
Deputy Director

David Lenzner
Administrator

STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division

209 E. Musser Street, Suite 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

Date: May 19, 2025

To: Tiffany Greenameyer, Clerk of the Board
Governor's Finance Office

From: Shauna Tilley, Executive Branch Budget Officer
Governor's Finance Office JK

Subject: BOARD OF EXAMINERS ACTION ITEM

The following describes an action item submitted for placement on the agenda of the next Board of Examiners' meeting.

DEPARTMENT OF ADMINISTRATION
DIVISION OF HUMAN RESOURCE MANAGEMENT

Agenda Item Write-up:

Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Battle Born Fire Fighters Association, Local 3895 for the 2025-2027 biennium for Bargaining Unit K, comprised of non-supervisory firefighters. The estimated fiscal impact of the CBA for the biennium is $184,806.

Additional Information:

NRS 288, through Senate Bill 135 of the 2019 Legislature, grants certain state employees the right to organize and collectively bargain, requiring the State to recognize and negotiate wages, hours and other terms and conditions of employment with labor organizations that represent state employees and to enter into written agreements evidencing the result of collective bargaining, and requires that a new CBA be approved by the Board of Examiners at a public hearing. Battle Born Fire Fighters Association, Local 3895 was certified the exclusive representative for the state employees in Bargaining Unit K and this agreement is the result of negotiations on their behalf.

Statutory Authority:

NRS 288.555 (1)

REVIEWED: JK

ACTION ITEM: ______

Joe Lombardo
Governor

Joy Grimmer
Director

Bob Ragar
Deputy Director

Bachera Washington
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Division of Human Resource Management

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7251 Amigo Street, Suite 120, Las Vegas, NV 89119
Phone: (775) 684-0150 | http://hr.nv.gov | Fax: (775) 684-0122

MEMORANDUM

TO: Clerk of the Board of Examiners

THROUGH: Joy Grimmer, Director, Department of Administration

FROM: Bachera Washington, Division Administrator,
Division of Human Resource Management

SUBJECT: Consideration and Approval of the Battle Born Fire Fighters Association (BBFFA), Unit K, Collective Bargaining Agreement for 2025-2027

DATE: May 14, 2025

Pursuant to NRS 288.400, et. seq., the State of Nevada and the Battle Born Fire Fighters Association (BBFFA), Unit K, began negotiations for a successor collective bargaining agreement (CBA) in September 2024.

The State of Nevada and BBFFA bargained and came to an agreement on all articles. The attached agreement was ratified by BBFFA membership in May 2025.

Request in Front of the Board

Pursuant to NRS 288.555, the Division of Human Resource Management, (DHRM) is respectfully placing the BBFFA, Unit K, CBA, for the contract term of July 1, 2025 through June 30, 2027, in front of this Board for review and approval.

Implementation of the CBA

All provisions of the CBA will become effective July 1, 2025.

Material Changes of BBFFA, Bargaining Unit K

- BBFFA agreed to no Cost-of-Living Adjustments (COLA) for the term of this contract.
- A Firefighter/Driver Operator and Crew Chief of the National Guard will receive holiday premium pay pursuant to NAC 284.255 TO 284.258, et. seq. Fiscal Impact: Impact cannot reliably be determined based on variable and dependent upon holiday hours worked.
- The State will reimburse employees, up to three hundred ($300) dollars per fiscal year, for cancer screening.
- Union Leave – The Union will have an aggregate pool of four hundred (400) hours to draw from for Union Leave per fiscal year. The pool of hours does not roll over from fiscal year to fiscal year.

Existing Contract Information

- Annual Leave: The carry forward of eligible and unused accrued Annual Leave shall be subject to a maximum balance of four hundred and eighty (480) hours.
- Annual Leave cash out opportunities twice per fiscal year, once in November and once in May, up to forty (40) hours per instance, so long as after cash out they have a remaining balance that is greater than or equal to two hundred (200) hours of banked Annual Leave.

Thank you for your consideration.

Attachments: BBFFA, Unit K –Collective Bargaining Agreement

BBFFA, Unit K - Ratification Certification
BBFFA, Unit K - 2025-2027 CBA Fiscal Impact Statement

2025-27 Biennium Collective Bargaining Fiscal Impact Analysis
Bargaining Unit K - Non-Supervisory Firefighters
with **Battle Born Fire Fighters Association (BBFFA)**

In Governor's Recommended budget:	FY26	FY27
FTE	109.00	109.00
PCNs	109	109

Key changes in this agreement:

	Key change	Estimated Fiscal Impact: FY 2026	Estimated Fiscal Impact: FY 2027	
•	In addition to regular rate of pay for their work shift, an employee required to work on a holiday will receive additional compensation equivalent to their regular rate of pay. An employee will receive 8 hours of Holiday Premium Pay for an 8 hour per day schedule and 10 hours of Holiday Premium for 10 hour days schedule.	$ -	$ -	The impact cannot reliably be determined, as it is variable and dependent upon holiday hours worked.
•	Employees covered under this agreement are entitled to Incident Pay for the hours not worked while assigned to an incident. Incident Pay is equivalent to ten percent (10%) of the employee's base rate-of-pay.	$ -	$ -	The impact cannot reliably be determined, as it is variable and dependent upon incident assignments and hours worked.
•	NDF employees whose work activity meets the definition of Hazard Pay in the Interagency Incident Business Management Handbook (IIBMH) and who is required and approved by the Agency to perform work activity based on IIBMH will qualify for 25% of their regular hourly rate of pay for all hours worked during any calendar day when performing the qualifying activity/activities.	$ -	$ -	The impact cannot reliably be determined, as it is variable and dependent upon incidents, duties, and hours worked.
•	Annual Leave accrual maximum of 480 hours per calendar year.	$ -	$ -	No incremental pay.
•	Annual Leave cash out opportunities twice per fiscal year of up to 40 hours each, as long as 200 hours remain after cash out.	$ 29,562	$ 30,654	Cannot be accurately determined without experience. Estimated at average hourly cost x 80, and all with eligible balances (roughly 7%) requesting payout.
•	The State will reimburse employees up to $300 per fiscal year for cancer screening.	$ 32,700	$ 32,700	Calculated at $300 per employee, per year
•	Union Leave pool of 400 hours per year.	$ 29,058	$ 30,132	Estimated at average hourly cost x 400 hours, assuming shift coverage at overtime rate of 1.5 x pay.
	Total estimated fiscal impact:	$ 91,320	$ 93,486	
		Biennium Total:	$ 184,806	

Outlook

Re: BBFFA Contracts for review and signature

From Eric Roussel <eroussel@forestry.nv.gov>
Date Tue 5/13/2025 1:41 PM
To Matthew Lee <Matt.Lee@admin.nv.gov>; PRESIDENT BBFFA <bbffapresident@gmail.com>; bbffatreasurer@gmail.com <bbffatreasurer@gmail.com>
Cc Bachera Washington <bachera@admin.nv.gov>

Good afternoon,
The BBFFA has ratified both unit O and K. As of 5/13/25.

Get Outlook for iOS

From: Matthew Lee <Matt.Lee@admin.nv.gov>
Sent: Monday, May 12, 2025 7:44:51 PM
To: Eric Roussel <eroussel@forestry.nv.gov>; PRESIDENT BBFFA <bbffapresident@gmail.com>; bbffatreasurer@gmail.com <bbffatreasurer@gmail.com>
Cc: Bachera Washington <bachera@admin.nv.gov>
Subject: BBFFA Contracts for review and signature

Good Evening,

The State has completed the contract for Bargaining Units O and K. Kindly compare and assess the language for precision. It is essential that the final page is signed and returned to us by 2:00 PM PST tomorrow, to allow sufficient time for its inclusion in the Special Board of Examiners meeting.

If you have any questions, please let me know.

Respectfully,

Matthew R. Lee
Supervisory Human Resource Analyst
Division of Human Resource Management
Department of Administration
P: 775-684-0127

Joe Lombardo
Governor

Tiffany Greenameyer
Director

Curtis Palmer
Deputy Director

David Lenzner
Administrator

STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division

209 E. Musser Street, Suite 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

Date: May 19, 2025

To: Tiffany Greenameyer, Clerk of the Board
Governor's Finance Office

From: Shauna Tilley, Executive Branch Budget Officer
Governor's Finance Office

Subject: BOARD OF EXAMINERS ACTION ITEM

The following describes an action item submitted for placement on the agenda of the next Board of Examiners' meeting.

DEPARTMENT OF ADMINISTRATION
DIVISION OF HUMAN RESOURCE MANAGEMENT

Agenda Item Write-up:

Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Battle Born Fire Fighters Association, Local 3895 for the 2025-2027 biennium for Bargaining Unit O, comprised of Supervisory Firefighters. The estimated fiscal impact of the CBA for the biennium is $65,100.

Additional Information:

NRS 288, through Senate Bill 135 of the 2019 Legislature, grants certain state employees the right to organize and collectively bargain, requiring the State to recognize and negotiate wages, hours and other terms and conditions of employment with labor organizations that represent state employees and to enter into written agreements evidencing the result of collective bargaining, and requires that a new CBA be approved by the Board of Examiners at a public hearing. Battle Born Fire Fighters Association was certified the exclusive representative for the state employees in Bargaining Unit O and this agreement is the result of negotiations on their behalf.

Statutory Authority:

NRS 288.555 (1)

REVIEWED: ______

ACTION ITEM: ______

Joe Lombardo
Governor

Joy Grimmer
Director

Bob Regar
Deputy Director

Bachera Washington
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Division of Human Resource Management

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7251 Amigo Street, Suite 120, Las Vegas, NV 89119
Phone: (775) 684-0150 | http://hr.nv.gov | Fax: (775) 684-0122

MEMORANDUM

TO: Clerk of the Board of Examiners

THROUGH: Joy Grimmer, Director, Department of Administration

FROM: Bachera Washington, Division Administrator
Division of Human Resource Management

SUBJECT: Consideration and Approval of the Battle Born Fire Fighters Association (BBFFA), Unit O - Supervisory, Collective Bargaining Agreement for 2025-2027

DATE: May 14, 2025

Pursuant to NRS 288.400, et. seq., the State of Nevada and the Battle Born Fire Fighters Association (BBFFA), Unit O - Supervisory, began negotiations for a new collective bargaining agreement (CBA) in September 2024.

The State of Nevada and BBFFA bargained and came to an agreement on all articles.

Request in Front of the Board

Pursuant to NRS 288.555, the Division of Human Resource Management (DHRM) is respectfully placing the BBFFA , Unit O - Supervisory, CBA, for the contract term of July 1, 2025 through June 30, 2027, in front of this Board for review and approval.

Implementation of the CBA

All provisions of the CBA will become effective July 1, 2025.

Fiscal information with the creation of BBFFA, Bargaining Unit O

- BBFFA agreed to no Cost-of-Living Adjustment (COLA) for the term of this contract.

- An Assistant Fire Chief of the National Guard will receive holiday premium pay pursuant to NAC 284.255 TO 284.258, et. seq..
- The State will reimburse employees, up to three hundred ($300) dollars per fiscal year, for cancer screening.
- Union Leave – The Union will have an aggregate pool of two hundred and fifty (250) hours to draw from for Union Leave per fiscal year. The pool of hours does not roll over from fiscal year to fiscal year.

Thank you for your consideration.

Attachments: BBFFA, Unit O –Collective Bargaining Agreement

BBFFA, Unit O - Ratification Certification
BBFFA, Unit O - 2025-2027 CBA Fiscal Impact Statement

2025-27 Biennium Collective Bargaining Fiscal Impact Analysis
Bargaining Unit O - Firefighter Supervisors
with Battle Born Fire Fighters Association (BBFFA)

In Governor's Recommended budget:		
	FY26	FY27
FTE	31.00	31.00
PCNs	31	31

Key points in this agreement:

Key point	Estimated Fiscal Impact: FY 2026	Estimated Fiscal Impact: FY 2027	
• An Assistant Fire Chief of the National Guard will receive holiday premium pay pursuant to NAC 284.255 TO 284.258, et. seq..	$ -	$ -	The impact cannot reliably be determined, as it is variable and dependent upon holiday hours worked.
• NDF employees whose work activity meets the definition of Hazard Pay in the Interagency Incident Business Management Handbook (IIBMH) and who is required and approved by the Agency to perform work activity based on IIBMH will qualify for 25% of their regular hourly rate of pay for all hours worked during any calendar day when performing the qualifying activity/activities.	$ -	$ -	The impact cannot reliably be determined, as it is variable and dependent upon incidents, duties, and hours worked.
• Employees will be reimbursed up to $300 per fiscal year for cancer screening.	$ 9,300	$ 9,300	Calculated at $300 per employee, per year
• Union Leave pool of 250 hours per year.	$ 23,186	$ 23,314	Estimated at average pay x 250 hours, assuming shift coverage at overtime rate of 1.5 x pay.
Total estimated fiscal impact:	$ 32,486	$ 32,614	
	Biennium Total:	$ 65,100	

Outlook

Re: BBFFA Contracts for review and signature

From Eric Roussel <eroussel@forestry.nv.gov>
Date Tue 5/13/2025 1:41 PM
To Matthew Lee <Matt.Lee@admin.nv.gov>; PRESIDENT BBFFA <bbffapresident@gmail.com>; bbffatreasurer@gmail.com <bbffatreasurer@gmail.com>
Cc Bachera Washington <bachera@admin.nv.gov>

Good afternoon,
The BBFFA has ratified both unit O and K. As of 5/13/25.

Get Outlook for iOS

From: Matthew Lee <Matt.Lee@admin.nv.gov>
Sent: Monday, May 12, 2025 7:44:51 PM
To: Eric Roussel <eroussel@forestry.nv.gov>; PRESIDENT BBFFA <bbffapresident@gmail.com>; bbffatreasurer@gmail.com <bbffatreasurer@gmail.com>
Cc: Bachera Washington <bachera@admin.nv.gov>
Subject: BBFFA Contracts for review and signature

Good Evening,

The State has completed the contract for Bargaining Units O and K. Kindly compare and assess the language for precision. It is essential that the final page is signed and returned to us by 2:00 PM PST tomorrow, to allow sufficient time for its inclusion in the Special Board of Examiners meeting.

If you have any questions, please let me know.

Respectfully,

Matthew R. Lee
Supervisory Human Resource Analyst
Division of Human Resource Management
Department of Administration
P: 775-684-0127

Joe Lombardo
Governor

Tiffany Greenameyer
Director

Curtis Palmer
Deputy Director

David Lenzner
Administrator

STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division

209 E. Musser Street, Suite 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

Date: May 19, 2025

To: Tiffany Greenameyer, Clerk of the Board
Governor's Finance Office

From: Shauna Tilley, Executive Branch Budget Officer
Governor's Finance Office ST

Subject: BOARD OF EXAMINERS ACTION ITEM

The following describes an action item submitted for placement on the agenda of the next Board of Examiners' meeting.

DEPARTMENT OF ADMINISTRATION
DIVISION OF HUMAN RESOURCE MANAGEMENT

Agenda Item Write-up:

Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Fraternal Order of Police, Nevada CO, Lodge 21 for the 2025-2027 biennium for Bargaining Unit I, comprised of Category III peace officers. The estimated fiscal impact of the CBA for the biennium is $138,891,224.

Additional Information:

NRS 288, through Senate Bill 135 of the 2019 Legislature, grants certain state employees the right to organize and collectively bargain, requiring the State to recognize and negotiate wages, hours and other terms and conditions of employment with labor organizations that represent state employees and to enter into written agreements evidencing the result of collective bargaining, and requires that a new CBA be approved by the Board of Examiners at a public hearing. Fraternal Order of Police, Nevada CO, Lodge 21 was certified the exclusive representative for the state employees in Bargaining Unit I and this agreement is the result of negotiations on their behalf.

Statutory Authority:

NRS 288.555 (1)

REVIEWED: ST

ACTION ITEM: ______

Joe Lombardo
Governor

Joy Grimmer
Director

Bob Ragar
Deputy Director

Bachera Washington
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Division of Human Resource Management

209 E. Musser Street, Suite 101 | Carson City, Nevada 89701
7251 Amigo Street, Suite 120, Las Vegas, NV 89119
Phone: (775) 684-0150 | http://hr.nv.gov | Fax: (775) 684-0122

MEMORANDUM

TO: Clerk of the Board of Examiners

THROUGH: Joy Grimmer, Director, Department of Administration

FROM: Bachera Washington, Division Administrator,
Division of Human Resource Management

SUBJECT: Consideration and Approval of the Fraternal Order of Police, (FOP), Unit I, Collective Bargaining Agreement for 2025-2027

DATE: May 15, 2025

Pursuant to NRS 288.400, et. seq., the State of Nevada and the Fraternal Order of Police (FOP), Unit I, began negotiations for a successor collective bargaining agreement (CBA) in September 2024.

The State of Nevada and FOP bargained and came to an agreement on all issues with the exception of the Compensation Article. An arbitration was conducted in March 2025, and a decision was made by the arbitrator in May 2025. The attached agreement was ratified by FOP membership in May 2025.

Request in Front of the Board

Pursuant to NRS 288.555, the Division of Human Resource Management (DHRM) is respectfully placing the FOP, Unit I, CBA, for the contract term of July 1, 2025 through June 30, 2027, in front of this Board for review and approval.

Implementation of the CBA

All provisions of the CBA will become effective July 1, 2025.

Material Changes from the 2025-2027 CBA

- Effective July 1, 2025, all classifications within the bargaining unit will advance one (1) grade (i.e. Correctional Officer will advance from a grade 36 to a grade 37).
- Effective July 1, 2026, all classifications within the bargaining unit will advance one (1) additional grade (i.e. Correctional Officer will advance from a grade 37 to a grade 38).
- Effective July 1, 2025, the salary schedule for bargaining unit I will be increased by three percent (3%).
- Effective July 1, 2026, the salary schedule for bargaining unit I will be increased by three (3%).
- Employees within the bargaining unit shall continue to receive longevity pay pursuant to NRS 284.177 and the Settlement Agreement between the parties from March of 2024.
- For the contract term of July 1, 2025, through June 30, 2027, a Correctional Officer Trainee, upon satisfactory completion of an Academy and field training, and with the approval of the Appointing Authority, will auto-progress to a Correctional Officer grade and job title and receive a step increase at six (6) months. Those hired as a Correctional Officer or Forensic Specialist at any phase, will also receive a step increase at six (6) months.

Existing Contract Information

- Employees covered under this Agreement will receive a retention incentive of $2,000 per fiscal year, to be distributed in 4 equal installments each fiscal year.
- For the contract term July 1, 2025, through June 30, 2027, a newly hired employee into the Correctional Officer series or the Forensic Specialist series covered under this Agreement will be eligible to receive a recruitment bonus of seven thousand five hundred dollars ($7,500.00). This bonus does not apply to rehired or reappointed employees, nor does it apply to promotional appointments.
- Special Adjustments to Pay is ten (10%) percent of their regular hourly rate of pay.
- Muster Pay: All employees will receive forty-five (45) minutes of Overtime and any applicable shift differential pay which can be taken for pay or Compensatory Time, for every day that they work regardless of their post or work assignment.
- Employees covered under this Agreement who are required to purchase uniforms and equipment will receive a Uniform & Equipment Allowance of two thousand twenty dollars ($2,020.00) per fiscal year, payable in two equal installments in September and March on checks separate from their pay checks.
- Employees will retain and carry forward any eligible and unused Annual Leave accrued prior to the effective date of this Agreement. Carry forward of eligible and unused accrued Annual Leave is subject to a maximum of four hundred eighty (480) hours per calendar year.
- Annual Leave Cash Out: Employees covered under this Agreement shall have the opportunity to cash out Annual Leave twice per fiscal year, once in November and once in May. Employees may cash out up to forty (40) hours per instance or up to eighty (80) hours either in November or in May, so long as after cash out they have a remaining balance that is greater than or equal to two hundred (200) hours of banked Annual Leave.

- Personal Leave: Full-time employees shall accrue two (2) Personal Leave days per calendar year on January 1.
- Union Leave: Effective July 1, the Union will have an aggregate pool of five thousand (5,000) hours to draw from for Union Leave during Legislative session years and four thousand (4,000) on non-legislative years. The pool of hours does not roll over from fiscal year to fiscal year.

Thank you for your consideration.

Attachments: FOP, Unit I –Collective Bargaining Agreement
FOP, Unit I, 2025-2027 CBA Fiscal Impact Statement

2025-27 Biennium Collective Bargaining Fiscal Impact Analysis
Bargaining Unit I - Category III Peace Officers
with **Fraternal Order of Police (FOP), CO Lodge 21**

In Governor's Recommended budget:	FY26	FY27
FTE	1,850.00	1,850.00
PCNs	1,850	1,850

Key points in this agreement:

	Key points	Estimated Fiscal Impact: FY 2026	FY 2027	
•	Classifications will increase by 1 pay grade each year	$ 9,977,802	$ 21,352,581	Calculated using state budget system
•	Effective July 1, 2025, the salary schedules will be increased by 3%	$ 6,852,993	$ -	Calculated using state budget system
•	Effective July 1, 2026, the salary schedules will be increased by 3%	$ -	$ 15,068,719	Calculated using state budget system
•	Employees will receive a retention incentive of $2,000 per fiscal year, in 4 equal installments each year	$ 3,700,000	$ 3,700,000	Calculated using unique positions x $2,000
•	Longevity pay pursuant to NRS 284.177	$ -	$ -	Included in Governor Recommended Budget
•	Employees will receive Muster Pay in the form of 45 minutes of overtime for each day of work.	$ 25,923,051	$ 28,565,356	Estimated at .75 hour per day worked at time-and-one-half, assuming 10 hour shifts and 24 non-worked days per year, all positions filled, and allowing for the COLA and grade increases.
•	Correctional Officer Trainee will auto-progress to a Correctional Officer grade and job title and receive a step increase at 6 months and will also receive a step increase at 6 months of satisfactory service as a Correctional Officer.	$ -	$ -	Positions are budgeted at Correctional Officer in Governor Recommended Budget; no fiscal impact.
•	Newly hired employees into the Correctional Officer series or Forensic Specialist series will be eligible for a Recruitment Bonus of $7,500, payable in 3 installments of $1500 and a final installment after 12 months of $3000.	$ 1,615,500	$ 1,077,000	Estimated on currently vacant positions plus new positions (359), assuming all filled with employees new to the series, and the final payment falling in Year 2.
•	Special Adjustments to Pay max 10%	$ 269,600	$ 297,080	Cannot be accurately estimated without a detailed census of assignments; assumed 400 employees for 100 hours of special duty per year, at 10% maximum of average hourly pay.
•	Employees who are required to purchase uniforms and equipment will receive a Uniform & Equipment Allowance of $2,020 per fiscal year, distributed in 2 equal payments	$ 3,737,000	$ 3,737,000	Calculated assuming all covered employees are eligible for allowance at $2020
•	Annual Leave accrual maximum of 480 hours	$ -	$ -	no incremental pay
•	Annual Leave cash out opportunities twice per fiscal year of up to 40 hours each, as long as 200 hours remain after cash out	$ 1,995,040	$ 2,198,392	Cannot be accurately determined without experience. Estimated at maximum, assuming all positions filled and all with eligible balances (roughly 20%) requesting payout.
•	Holiday Pay is equivalent to an employee's regularly scheduled work hours even though they do not work.	$ -	$ -	no incremental pay

	Employees accrue 2 Personal Leave days per year on January 1.	$ 3,740,700	$ 4,121,985	Estimated at the average hourly rate x 1.5, assuming 10-hour days and overtime for duty coverage.
	Union Leave – Effective July 1, the Union will have an aggregate pool of 5,000 hours of Union Leave to draw from during Legislative session years and 4,000 hours of Union Leave on non-legislative years.	$ 404,400	$ 557,025	Estimated at the average hourly rate x 1.5, assuming overtime for duty coverage.
	Total estimated fiscal impact:	**$ 58,216,086**	**$ 80,675,138**	
		Biennium Total:	**$ 138,891,224**	

Joe Lombardo
Governor

Tiffany Greenameyer
Director

Curtis Palmer
Deputy Director

David Lenzner
Administrator

STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division

209 E. Musser Street, Suite 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

Date: May 22, 2025

To: Tiffany Greenameyer, Clerk of the Board
Governor's Finance Office

From: Shauna Tilley, Executive Branch Budget Officer
Governor's Finance Office

Subject: BOARD OF EXAMINERS ACTION ITEM

The following describes an action item submitted for placement on the agenda of the next Board of Examiners' meeting.

DEPARTMENT OF ADMINISTRATION
DIVISION OF HUMAN RESOURCE MANAGEMENT

Agenda Item Write-up:

Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Fraternal Order of Police, Nevada CO, Lodge 21 for the 2025-2027 biennium for Bargaining Unit N, comprised of Category III peace officer supervisors. The estimated fiscal impact of the CBA for the biennium is $21,155,823.

Additional Information:

NRS 288, through Senate Bill 135 of the 2019 Legislature, grants certain state employees the right to organize and collectively bargain, requiring the State to recognize and negotiate wages, hours and other terms and conditions of employment with labor organizations that represent state employees and to enter into written agreements evidencing the result of collective bargaining, and requires that a new CBA be approved by the Board of Examiners at a public hearing. Fraternal Order of Police, Nevada CO, Lodge 21 was certified the exclusive representative for the state employees in Bargaining Unit N and this agreement is the result of negotiations on their behalf.

Statutory Authority:

NRS 288.555 (1)

REVIEWED: ______

ACTION ITEM: ______

Joe Lombardo
Governor

Joy Grimmer
Director

Bob Ragar
Deputy Director

Bachera Washington
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Division of Human Resource Management

209 E. Muster Street, Suite 101 | Carson City, Nevada 89701
7251 Amigo Street, Suite 120, Las Vegas, NV 89119
Phone: (775) 684-0150 | http://hr.nv.gov | Fax: (775) 684-0122

MEMORANDUM

TO: Clerk of the Board of Examiners

THROUGH: Joy Grimmer, Director, Department of Administration

FROM: Bachera Washington, Division Administrator, Division of Human Resource Management

SUBJECT: Consideration and Approval of the Fraternal Order of Police, (FOP), Unit N - Supervisory, Collective Bargaining Agreement for 2025-2027

DATE: May 22, 2025

Pursuant to NRS 288.400, et. seq., the State of Nevada and the Fraternal Order of Police (FOP), Unit N-Supervisory, began negotiations for a successor collective bargaining agreement (CBA) in September 2024.

The State of Nevada and FOP bargained and came to an agreement on all issues with the exception of the Compensation Article. An arbitration was conducted in March 2025, and a decision was made by the arbitrator in May 2025. The attached agreement was ratified by FOP membership in May 2025.

Request in Front of the Board

Pursuant to NRS 288.555, the Division of Human Resource Management (DHRM) is respectfully placing the FOP, Unit N - Supervisory, CBA, for the contract term of July 1, 2025 through June 30, 2027, in front of this Board for review and approval.

Implementation of the CBA

All provisions of the CBA will become effective July 1, 2025.

Key financial notes from the creation of the 2025-2027 CBA

- Effective July 1, 2025, the salary for Corrections Sergeants will be 20% higher than a Corrections Officer (grade 26) in the 2023-2025 biennium). The salary for a Corrections Lieutenant will be 20% higher than a Corrections Sergeant.
- Effective July 1, 2025, the salary for a Forensic Specialist IV will be 20% higher than a Forensic Specialist III (grade 26 in the 2023-2025 biennium)
- Effective the contract term of July 1, 2025, through June 30, 2027, employees covered under this Agreement will receive a retention incentive in the amount of two thousand ($2,000) dollars per fiscal year, to be paid in four (4) equal installments.
- In the event legislature passes in the 2025 session and is enacted that affords all State employees additional compensation, such additional compensation will be paid to the employees covered under this Agreement.
- Employees within the bargaining unit shall continue to receive longevity pay pursuant to NRS 284.177.
- Bargaining Unit N employees may accrue up to two hundred forty (240) hours of Compensatory Time at the rate of one and one-half (1 ½) times their regular hourly rate of pay for each hour of overtime worked where such time worked would otherwise be compensation by Overtime Pay.
- Special Adjustments to Pay is ten (10%) percent of their regular hourly rate of pay.
- Muster Pay: All employees will receive forty-five (45) minutes of Overtime and any applicable shift differential pay which can be taken for pay or Compensatory Time, for every day that they work regardless of their post or work assignment.
- Employees covered under this Agreement who are required to purchase uniforms and equipment will receive a Uniform & Equipment Allowance of two thousand twenty dollars ($2,020.00) per fiscal year, payable in two equal installments in September and March on checks separate from their pay checks.
- Employees will retain and carry forward any eligible and unused Annual Leave accrued prior to the effective date of this Agreement. Carry forward of eligible and unused accrued Annual Leave is subject to a maximum of four hundred eighty (480) hours per calendar year.
- Annual Leave Cash Out: Employees covered under this Agreement shall have the opportunity to cash out Annual Leave twice per fiscal year, once in November and once in May. Employees may cash out up to forty (40) hours per instance or up to eighty (80) hours either in November or in May, so long as after cash out they have a remaining balance that is greater than or equal to two hundred (200) hours of banked Annual Leave.
- Union Leave: Effective July 1, 2025, and every July 1 thereafter, the Union will have a pool of one thousand (1,000) hours per fiscal year to draw from for Union Leave. The pool of hours does not roll over from fiscal year to fiscal year.

<u>Fiscal Impact</u>

The Executive Department has estimated the total fiscal impact of this CBA to be $21,155,823 for the biennium, assuming upper limit values where actual utilization cannot be determined.

Thank you for your consideration.

Attachments: FOP, Unit N - Supervisory – Collective Bargaining Agreement
FOP, Unit N - Supervisory, 2025-2027 CBA Fiscal Impact Statement

2025-27 Biennium Collective Bargaining Fiscal Impact Analysis
Bargaining Unit N - Category III Peace Officer Supervisors
with **Fraternal Order of Police (FOP), Correctional Officers Lodge 21**

In Governor's Recommended budget:	FY26	FY27
FTE	170.00	170.00
PCNs	170	170

Key points in this agreement:	Estimated Fiscal Impact: FY 2026	FY 2027	
• Salary for each classification will be 20% higher than that of the level below (inclusive of applicable grade increases and COLAs in Unit I).	$ 4,906,028	$ 7,323,908	Calculated using state budget system, with modified pay table for calculation purposes.
• Retention incentive of $2000 per year, in 4 installments.	$ 340,000	$ 340,000	Calculated using total unique positions x $2,000 per year
• Additional compensation as provided by legislation for all state employees.	$ -	$ -	None included in Governor Recommended Budget
• Longevity pay pursuant to NRS 284.177	$ -	$ -	Included in Governor Recommended Budget
• Special Adjustments to Pay maximum of 10%	$ 45,195	$ 49,145	Cannot be accurately estimated without detail; assumed 50 employees for 100 hours of special duty per year, at 10% maximum of average hourly pay.
• Employees will receive Muster Pay in the form of 45 minutes of overtime for each day of work.	$ 3,194,654	$ 3,473,863	Estimated at .75 hour per day worked at time-and-one-half, assuming 10 hour shifts and 24 non-worked days per year, all positions filled, and allowing for the salary increases.
• Employees who are required to purchase uniforms and equipment will receive a Uniform & Equipment Allowance of $2,020 per fiscal year, distributed in 2 equal payments	$ 343,400	$ 343,400	Estimated assuming all covered employees are eligible and no vacancies
• Annual Leave accrual maximum of 480 hours	$ -	$ -	no incremental pay
• Annual Leave cash out opportunities twice per fiscal year of up to 40 hours each, as long as 200 hours remain after cash out	$ 245,861	$ 267,349	Cannot be accurately determined without experience. Estimated assuming all positions filled and all with eligible balances (roughly 20%) requesting payout.
• Union Leave – Effective July 1, the Union will have an annual pool of 1,000 hours of Union Leave.	$ 135,585	$ 147,435	Estimated at the average hourly rate x 1.5, assuming overtime for duty coverage.
Total estimated fiscal impact:	**$ 9,210,723**	**$ 11,945,100**	
	Biennium Total:	**$ 21,155,823**	

Joe Lombardo
Governor

Tiffany Greenameyer
Director

Curtis Palmer
Deputy Director

David Lenzner
Administrator

STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division

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Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

Date: May 19, 2025

To: Tiffany Greenameyer, Clerk of the Board
Governor's Finance Office

From: Shauna Tilley, Executive Branch Budget Officer
Governor's Finance Office

Subject: BOARD OF EXAMINERS $\boxed{\text{ACTION}}$ ITEM

The following describes an action item submitted for placement on the agenda of the next Board of Examiners' meeting.

DEPARTMENT OF ADMINISTRATION
DIVISION OF HUMAN RESOURCE MANAGEMENT

Agenda Item Write-up:

Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Nevada Peace Officer Association for the 2025-2027 biennium for Bargaining Unit H, comprised of Category II Peace Officers. The estimated fiscal impact of the CBA for the biennium is $1,812,372.

Additional Information:

NRS 288, through Senate Bill 135 of the 2019 Legislature, grants certain state employees the right to organize and collectively bargain, requiring the State to recognize and negotiate wages, hours and other terms and conditions of employment with labor organizations that represent state employees and to enter into written agreements evidencing the result of collective bargaining, and requires that a new CBA be approved by the Board of Examiners at a public hearing. Nevada Peace Officer Association was certified the exclusive representative for the state employees in Bargaining Unit H and this agreement is the result of negotiations on their behalf.

Statutory Authority:

NRS 288.555 (1)

REVIEWED: ______

ACTION ITEM: ______

Joe Lombardo
Governor

Joy Grimmer
Director

Bob Regar
Deputy Director

Bachera Washington
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Division of Human Resource Management

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MEMORANDUM

TO: Clerk of the Board of Examiners

THROUGH: Joy Grimmer, Director, Department of Administration

FROM: Bachera Washington, Division Administrator,
Division of Human Resource Management

SUBJECT: Consideration and Approval of the Nevada Police Officers Association (NPOA), Unit H, Collective Bargaining Agreement for 2025-2027

DATE: May 12, 2025

Pursuant to NRS 288.400, et. seq., the State of Nevada and the Nevada Peace Officers Association, (NPOA), Unit H, began negotiations for a successor collective bargaining agreement (CBA) in September 2024.

The State of Nevada and NPOA bargained and came to an agreement on all issues except the Compensation article.

An arbitration was conducted in March 2025, and a decision was made by the arbitrator in May 2025. The attached agreement was ratified by NPOA membership in May 2025.

Request in Front of the Board

Pursuant to NRS 288.555, the Division of Human Resource Management, (DHRM) is respectfully placing the NPOA Unit H, CBA, for the contract term of July 1, 2025 through June 30, 2027, in front of this Board for review and approval.

Implementation of the CBA

All provisions of the CBA will become effective July 1, 2025.

Material Changes with the creation of NPOA. Bargaining Unit H

- Effective July 1, 2025, the salary schedules for employees in Bargaining Unit H, will reflect a cost-of-living increase ("COLA") at the same percentage as that provided by legislation enacted by the Nevada Legislature to Executive Department non-classified and classified employees who are not members of a State Bargaining Unit for Fiscal Year 2026.
- Effective July 1, 2026, the salary schedules for employees in Bargaining Unit H, will reflect a cost-of-living increase ("COLA") at the same percentage as that provided by legislation enacted by the Nevada Legislature to Executive Department non-classified and classified employees who are not members of a State Bargaining Unit for Fiscal Year 2027.
- Employees in Bargaining Unit H shall receive the same continuity of service payments in the same amounts, and under the same conditions, as those provided for by legislation enacted by the Nevada Legislature to Executive Department non-classified and classified employees who are not members of a State Bargaining Unit for Fiscal Year 2026 and Fiscal Year 2027.

Existing Contract benefits

- The Employer agrees to pay officers that possess an Intermediate Nevada POST Certificate will receive five hundred dollars ($500.00) per fiscal year, payable each December provided the officer has submitted proof of their certification to their employing Department/Division by November 1. The Employer agrees to pay officers that possess an Advanced Nevada POST Certificate will receive nine hundred dollars ($900.00) per fiscal year, payable each December provided the officer has submitted proof of their certification to their employing Department/Division by November 1.
- Annual Leave   Employees will retain and carry forward any eligible and unused Annual Leave accrued prior to the effective date of this Agreement. Carry forward of eligible and unused accrued Annual Leave shall be subject to a maximum balance of four hundred eighty (480) hours.
- Employees covered under this Agreement shall have the opportunity to cash out Annual Leave twice per fiscal year, once in November and once in May, up to forty (40) hours per instance, so long as after cash out they have a remaining balance that is greater or equal to two hundred (200) hours of banked Annual Leave.
- Personal Leave – Full time employees shall be credited with the hours equal to their regularly scheduled work shift for two (2) Personal Leave days each calendar year regardless of hire date.
- Special Adjustments to Pay; maximum of 20%.
- Union Leave – The total maximum number of hours allotted for Union Leave is one thousand (1,000) per fiscal year.
-

The State and NPOA agreed to strike the following articles from the CBA:

- Disclosure of Improper Governmental Action
- Distribution of Agreement
- Political Activity
- Remote Work

Thank you for your consideration.

Attachments: NPOA, Unit H –Collective Bargaining Agreement

NPOA, Unit H - Ratification Certification
NPOA, Unit H - 2025-2027 CBA Fiscal Impact Statement

2025-27 Biennium Collective Bargaining Fiscal Impact Analysis
Bargaining Unit H - Category II Peace Officers
with **Nevada Peace Officers Association (NPOA)**

In Governor's Recommended budget:	FY26	FY27
FTE	146.00	146.00
PCNs	146	146

Key points in this agreement:

		Estimated Fiscal Impact: FY 2026	FY 2027	
•	Fiscal Year 2026 Cost of Living increase to match that provided for non-covered employees.	$ -	$ -	None included in Governor's Recommended budget
•	Fiscal Year 2027 Cost of Living increase to match that provided for non-covered employees.	$ -	$ -	None included in Governor's Recommended budget
•	Continuity of Service incentive to match that provided for non-covered employees.	$ -	$ -	Included in Governor's Recommended budget
•	2 Personal Leave days per calendar year	$ 260,067	$ 263,501	Calculated at the average hourly rate x 1.5, assuming 8 hour days and overtime for duty coverage.
•	Annual Leave cash out opportunities of up to 40 hours twice per year, as long as 200 hours remaining after cash out	$ 208,054	$ 210,801	Cannot be accurately determined without experience. Estimated assuming all positions filled and all with eligible balances (roughly 24%) requesting payout.
•	Holiday Pay at duty shift if over 8 hours	$ -	$ -	Cannot be accurately estimated without more information; dependent on holiday shifts worked and employees with shifts greater than 8 hours.
•	POST Certificate pay at $500 per year for Intermediate certificate and $900 per year for Advanced certificate.	$ 73,000	$ 73,000	Cannot be accurately calculated without detailed information about each employee's attainment. Calculated assuming every employee attains Intermediate level; some will likely be above and some below this assumption.
•	Special Adjustments to Pay maximum of 20%.	$ 74,220	$ 75,200	Cannot be accurately estimated without a detailed census of assignments; estimated assuming 50 employees for 100 hours of special pay per year, at 20% maximum of average hourly pay.
•	Employees will receive a Uniform and Equipment Allowance of $1200 per year.	$ 175,200	$ 175,200	Calculated at the number of employees x $1200 per year.
•	Union Leave of 1,000 hours per fiscal year.	$ 111,330	$ 112,800	Calculated using average hourly pay x 1.5, assuming overtime coverage of duty.
	Total estimated potential fiscal impact:	**$ 901,870**	**$ 910,501**	
		Biennium Total:	**$ 1,812,372**	

Joe Lombardo
Governor

Tiffany Greenameyer
Director

Curtis Palmer
Deputy Director

David Lenzner
Administrator

STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division

209 E. Musser Street, Suite 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

Date: May 19, 2025

To: Tiffany Greenameyer, Clerk of the Board
Governor's Finance Office

From: Shauna Tilley, Executive Branch Budget Officer
Governor's Finance Office

Subject: BOARD OF EXAMINERS $\boxed{\text{ACTION}}$ ITEM

The following describes an action item submitted for placement on the agenda of the next Board of Examiners' meeting.

DEPARTMENT OF ADMINISTRATION
DIVISION OF HUMAN RESOURCE MANAGEMENT

Agenda Item Write-up:

Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Nevada Peace Officer Association for the 2025-2027 biennium for Bargaining Unit M, comprised of Supervisory Category II Peace Officers. The estimated fiscal impact of the CBA for the biennium is $122,083.

Additional Information:

NRS 288, through Senate Bill 135 of the 2019 Legislature, grants certain state employees the right to organize and collectively bargain, requiring the State to recognize and negotiate wages, hours and other terms and conditions of employment with labor organizations that represent state employees and to enter into written agreements evidencing the result of collective bargaining, and requires that a new CBA be approved by the Board of Examiners at a public hearing. Nevada Peace Officer Association was certified the exclusive representative for the state employees in Bargaining Unit M and this agreement is the result of negotiations on their behalf.

Statutory Authority:

NRS 288.555 (1)

REVIEWED: ST

ACTION ITEM: ______

Joe Lombardo
Governor

Joy Grimmer
Director

Bob Ragar
Deputy Director

Bachera Washington
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Division of Human Resource Management

209 E. Musser Street, Suite 101 | Carson City, Nevada 89701
7251 Amigo Street, Suite 120, Las Vegas, NV 89119
Phone: (775) 684-0150 | http://hr.nv.gov | Fax: (775) 684-0122

MEMORANDUM

TO: Clerk of the Board of Examiners

THROUGH: Joy Grimmer, Director, Department of Administration

FROM: Bachera Washington, Division Administrator
Division of Human Resource Management

SUBJECT: Consideration and Approval of the Nevada Police Officers Association (NPOA), Unit M - Supervisory, Collective Bargaining Agreement for 2025-2027

DATE: May 14, 2025

Pursuant to NRS 288.400, et. seq., the State of Nevada and the Nevada Peace Officers Association, (NPOA), Unit M - Supervisory, began negotiations for a new collective bargaining agreement (CBA) in September 2024.

The State of Nevada and NPOA bargained and came to an agreement on all issues except the following articles:

- Compensation
- Leave

An arbitration was conducted in March 2025, and a decision was made by the arbitrator in May 2025. The attached agreement was ratified by NPOA membership in May 2025.

Request in Front of the Board

Pursuant to NRS 288.555, the Division of Human Resource Management, (DHRM) is respectfully placing the NPOA Unit M - Supervisory, CBA, for the contract term of July 1, 2025 through June 30, 2027, in front of this Board for review and approval.

Implementation of the CBA

All provisions of the CBA will become effective July 1, 2025.

Key financial impacts from the creation of NPOA, Bargaining Unit M - Supervisory

- Effective July 1, 2025, the salary schedules for employees in Bargaining Unit H, will reflect a cost-of-living increase ("COLA") at the same percentage as that provided by legislation enacted by the Nevada Legislature to Executive Department non-classified and classified employees who are not members of a State Bargaining Unit for Fiscal Year 2026.
- Effective July 1, 2026, the salary schedules for employees in Bargaining Unit H, will reflect a cost-of-living increase ("COLA") at the same percentage as that provided by legislation enacted by the Nevada Legislature to Executive Department non-classified and classified employees who are not members of a State Bargaining Unit for Fiscal Year 2027. Fiscal Impact:
- Employees in Bargaining Unit H shall receive the same continuity of service payments in the same amounts, and under the same conditions, as those provided for by legislation enacted by the Nevada Legislature to Executive Department non-classified and classified employees who are not members of a State Bargaining Unit for Fiscal Year 2026 and Fiscal Year 2027.
- Employees in Bargaining Unit M shall receive the same retention incentive payments in the same amounts, and under the same conditions, as those provided for by legislation enacted by the Nevada Legislature to Executive Department unclassified, non-classified and classified employees who are not members of a State Bargaining Unit for Fiscal Year 2026 and Fiscal Year 2027.
- Union Leave – Effective July 1, 2025, the Union will have an aggregate pool of four hundred and eighty (480) hours to draw from for Union Leave per fiscal year. The pool of hours does not roll over from fiscal year to fiscal year.

Thank you for your consideration.

Attachments: NPOA, Unit M – Collective Bargaining Agreement
NPOA, Unit M - 2025-2027 CBA Fiscal Impact Statement

2025-27 Biennium Collective Bargaining Fiscal Impact Analysis
Bargaining Unit M - Category II Peace Officer Supervisors
with **Nevada Peace Officers Association (NPOA)**

In Governor's Recommended budget:	FY26	FY27
FTE	30.00	30.00
PCNs	30	30

Key points in this agreement:

	Estimated Fiscal Impact: FY 2026	Estimated Fiscal Impact: FY 2027	
• Fiscal Year 2026 Cost of Living increase to match that provided for non-covered employees.	$ -	$ -	None included in Governor's Recommended budget
• Fiscal Year 2027 Cost of Living increase to match that provided for non-covered employees.	$ -	$ -	None included in Governor's Recommended budget
• Continuity of Service incentive to match that provided for non-covered employees.	$ -	$ -	Included in Governor's Recommended budget
• Retention incentive to match that provided for non-covered employees.	$ -	$ -	None included in Governor's Recommended budget
• Union Leave of 480 hours per fiscal year.	$ 60,998	$ 61,085	Estimated using average hourly pay x 1.5, assuming overtime coverage of duty.
Total estimated fiscal impact:	**$ 60,998**	**$ 61,085**	
	Biennium Total:	**$ 122,083**	

Joe Lombardo
Governor

Tiffany Greenameyer
Director

Curtis Palmer
Deputy Director

David Lenzner
Administrator

STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division

209 E. Musser Street, Suite 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

Date: May 19, 2025

To: Tiffany Greenameyer, Clerk of the Board
Governor's Finance Office

From: Shauna Tilley, Executive Branch Budget Officer
Governor's Finance Office

Subject: BOARD OF EXAMINERS ACTION ITEM

The following describes an action item submitted for placement on the agenda of the next Board of Examiners' meeting.

DEPARTMENT OF ADMINISTRATION
DIVISION OF HUMAN RESOURCE MANAGEMENT

Agenda Item Write-up:

Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Nevada Police Union for the 2025-2027 biennium for Bargaining Unit G, comprised of Category I peace officers. The estimated fiscal impact of the CBA for the biennium is $28,136,383.

Additional Information:

NRS 288, through Senate Bill 135 of the 2019 Legislature, grants certain state employees the right to organize and collectively bargain, requiring the State to recognize and negotiate wages, hours and other terms and conditions of employment with labor organizations that represent state employees and to enter into written agreements evidencing the result of collective bargaining, and requires that a new CBA be approved by the Board of Examiners at a public hearing. Nevada Police Union was certified the exclusive representative for the state employees in Bargaining Unit G and this agreement is the result of negotiations on their behalf.

Statutory Authority:

NRS 288.555 (1)

REVIEWED: ST

ACTION ITEM: ______

Joe Lombardo
Governor

Joy Grimmer
Director

Bob Rugar
Deputy Director

Bachera Washington
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Division of Human Resource Management

209 E. Musser Street, Suite 101 | Carson City, Nevada 89701
7251 Amigo Street, Suite 120, Las Vegas, NV 89119
Phone: (775) 684-0150 | http://hr.nv.gov | Fax: (775) 684-0122

MEMORANDUM

TO: Clerk of the Board of Examiners

THROUGH: Joy Grimmer, Director, Department of Administration

FROM: Bachera Washington, Division Administrator
Division of Human Resource Management

SUBJECT: Consideration and Approval of the Nevada Police Union, Unit G, Collective Bargaining Agreement for 2025-2027

DATE: May 6, 2025

Pursuant to NRS 288.400, et. seq., the State of Nevada and the Nevada Police Union (NPU), Unit G, began negotiations for a successor collective bargaining agreement (CBA) in September 2024.

The State of Nevada and NPU bargained and came to an agreement on all issues with the exception of the Compensation Article. An arbitration was conducted in March 2025, and a decision was made by the arbitrator in April 2025. The attached agreement was ratified by NPU membership in May 2025.

Request in Front of the Board

Pursuant to NRS 288.555, the Division of Human Resource Management, (DHRM) is respectfully placing the NPU, Unit G, CBA, for the contract term of July 1, 2025 through June 30, 2027, in front of this Board for review and approval.

Implementation of the CBA

All provisions of the CBA will become effective July 1, 2025.

Material Changes from the 2025-2027 CBA

- Effective July 1, 2025, the salary schedule for bargaining units G will be increased by three percent (3%).
- Effective July 1, 2026, the salary schedule for bargaining units G will be increased by three (3%).
- Employees covered under this Agreement will receive a retention incentive of $2,000 per fiscal year, to be distributed in 4 equal installments each fiscal year.
- Employees covered under this Agreement will be eligible for longevity pay. Each full-time employee who has completed five (5) years of service with the State of Nevada, and who has been covered under this Agreement for the same period of time shall be entitled to longevity pay in additional to regular salary. Said employee's longevity pay shall be at a rate equal to one-half percent (.5%) of the employee's biweekly base hourly rate for each year of service, up to a maximum annual payment of twelve and one-half percent (12/5) of base hourly rate for employees with twenty-five (25) years of service, with payment to be effective each pay day beginning with the pay period within which the anniversary falls. For calculation of payment under this Article, base hourly rate shall be increased by any additional pay and incentive pay.
- Employees covered under this Agreement shall receive intermediate and advanced POST certification incentives. If an employee receives an intermediate POST certification, that employee is entitled to two percent (2%) of their base wage in additional pay incentive. If an employee receives an advance POST certification, that employee is entitled two percent (2%) of their base wage in additional pay incentive. An employee is eligible for both of these incentives.

Existing Contract Information

- Special Duty pay up to 15% maximum.
- Employees covered under this Agreement who possesses an Associate's Degree are eligible to receive education pay in the amount of five hundred dollars ($500.00) per fiscal year to be distributed each July. Employees covered under this Agreement who possesses a Bachelor's Degree are eligible to receive education pay in the amount of nine hundred dollars ($900.00) per fiscal year to be distributed each July; however, employees who are required to possess a Bachelor's Degree as a minimum qualification for their job specification are not eligible for this education pay. Employee covered under this Agreement who possesses a Master's Degree are eligible to receive education pay in the amount of nine hundred dollars ($900.00) per fiscal year to be distributed each July.
- Effective July 1, 2025, employees in the Department of Public Safety will receive a Uniform & Equipment allowance of one thousand four hundred dollars ($1,400) per fiscal year, to be distributed in four equal payments during the fiscal year.
- Effective July 1, 2025, all employees covered under this Agreement will be eligible to receive a footwear allowance of two hundred fifty dollars ($250.00) per biennium.
- Union Leave of 2,000 hours in even numbered years and 3,000 in odd numbered years.

Thank you for your consideration.

Attachments: NPU, Unit G Collective Bargaining Agreement
NPU, Unit G, Ratification Certification
NPU, Unit G, 2025-2027 CBA Fiscal Impact Statement

2025-27 Biennium Collective Bargaining Fiscal Impact Analysis
Bargaining Unit G - Category I Peace Officers
with Nevada Police Union

In Governor's Recommended budget:	FY26	FY27
FTE	801.90	807.90
PCNs	802	808

Key points in this agreement:	Estimated Fiscal Impact: FY 2026	FY 2027	
Effective July 1, 2025, the salary schedules for Bargaining Unit G will be increased by three percent (3%).	$ 3,383,179	$ -	Calculated using state budget system.
Effective July 1, 2026, the salary schedules for Bargaining Unit G will be increased by three percent (3%).	$ -	$ 7,138,860	Calculated using state budget system.
Longevity Pay - Each full time employee who has completed five (5) years of service with the State of Nevada, and who has been covered under this Agreement for the same period of time shall be entitled to longevity pay in additional to regular salary. Longevity pay shall be at a rate equal to one-half percent (.5%) of the employee's biweekly base hourly rate for each year of service, up to a maximum annual payment of twelve and one-half percent (12.5%) of base hourly rate for employees with twenty-five (25) years of service. Increased by any additional pay and incentive pay.	$ 1,276,793	$ 1,632,226	Estimated using current employee rosters and longevity, extended into the FY26-27 biennium, and extrapolated to cover currently unfilled positions - assuming that newly-filled positions will be employees with less than 5 years' service. Estimate does not include additional and incentive pay in basis, so actual amount could be marginally higher.
Employees receive 1 Personal Leave day per fiscal year.	$ 1,460,153	$ 1,550,584	Estimated at average hourly cost, assuming 8 hour shifts with overtime coverage of 1.5 x pay.
Employees who possess an Associate's Degree are eligible to receive Education Pay of $500 per fiscal year; Employees who possess a Bachelor's Degree (if not required per the job specification) are eligible to receive Education Pay in the amount of $900 per fiscal year; Employees required to possess a Bachelor's Degree who possess a Master's Degree are eligible for Education Pay of $900 per fiscal year. Associate's and Bachelor's Incentives may not be combined.	$ 426,200	$ 430,800	Cannot be accurately determined without detailed data about each employee's educational attainment; estimated assuming every position filled and every employee attained the next level of education that would result in Education Pay.
Special Duty pay up to 15% maximum	$ 113,790	$ 119,940	Cannot be accurately estimated without a detailed census of assignments; calculated assuming 100 employees for 100 hours of special duty per year, at 15% maximum of average hourly pay.
Annual Leave cash out opportunities twice per fiscal year: up to 40 hours each, as long as 200 hours remain after cash out.	$ 1,557,497	$ 1,653,957	Cannot be accurately determined without more experience. Estimated at maximum possible, assuming all employees with eligible balances requesting payout (currently approximately 32%).
Employees covered under this Agreement shall receive intermediate and advanced POST certification incentives. An employee is entitled to an annual pay incentive of 2% of pay for an intermediate POST certification, and 2% of pay for an advanced POST certification. An employee is eligible for both of these incentives.	$ 2,540,183	$ 2,697,820	Cannot be accurately calculated without detailed data about each employee's certification attainment; estimated assuming each employee attained one level of certification that would result in incentive payment. Actual amount may be lower or higher.

•	Employees assigned to the Department of Public Safety will receive a Uniform & Equipment Allowance of $1,400 per fiscal year, distributed in 4 installments.	$ 954,800	$ 957,600	Calculated with the total number of positions in the Department of Public Safety (682/684) x $1400.
•	Employees will be eligible to receive a Footwear Allowance of $250 per biennium.	$ 202,000	$ -	Calculated using full employee count (808) x $250.
•	Union Leave of 2,000 hours in even numbered years and 3,000 in odd numbered years.	$ -	$ -	Hours to be divided between Units G and L, and were allocated in the Unit L impact calculation.
•	Line of Duty death - $20,000 benefit plus payout of accrued leave	$ 20,000	$ 20,000	Estimated at the potential payout amount.
	Total potential fiscal impact, using upper limit values where unclear:	**$ 11,934,595**	**$ 16,201,787**	
		Biennium Total:	**$ 28,136,383**	

Joe Lombardo
Governor

Tiffany Greenameyer
Director

Curtis Palmer
Deputy Director

David Lenzner
Administrator

STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division

209 E. Musser Street, Suite 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

Date: May 19, 2025

To: Tiffany Greenameyer, Clerk of the Board
Governor's Finance Office

From: Shauna Tilley, Executive Branch Budget Officer
Governor's Finance Office ST

Subject: BOARD OF EXAMINERS ACTION ITEM

The following describes an action item submitted for placement on the agenda of the next Board of Examiners' meeting.

DEPARTMENT OF ADMINISTRATION
DIVISION OF HUMAN RESOURCE MANAGEMENT

Agenda Item Write-up:

Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Nevada Police Union for the 2025-2027 biennium for Bargaining Unit L, comprised of Category I peace officer supervisors. The estimated fiscal impact of the CBA for the biennium is $7,410,587.

Additional Information:

NRS 288, through Senate Bill 135 of the 2019 Legislature, grants certain state employees the right to organize and collectively bargain, requiring the State to recognize and negotiate wages, hours and other terms and conditions of employment with labor organizations that represent state employees and to enter into written agreements evidencing the result of collective bargaining, and requires that a new CBA be approved by the Board of Examiners at a public hearing. Nevada Police Union was certified the exclusive representative for the state employees in Bargaining Unit L and this agreement is the result of negotiations on their behalf.

Statutory Authority:

NRS 288.555 (1)

REVIEWED: SR

ACTION ITEM: ________

Joe Lombardo
Governor

Joy Grimmer
Director

Bob Ragar
Deputy Director

Bachera Washington
Administrator

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Division of Human Resource Management

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Phone: (775) 684-0150 | http://hr.nv.gov | Fax: (775) 684-0122

MEMORANDUM

TO: Clerk of the Board of Examiners

THROUGH: Joy Grimmer, Director, Department of Administration

FROM: Bachera Washington, Division Administrator,
Division of Human Resource Management

SUBJECT: Consideration and Approval of the Nevada Police Union, Unit L - Supervisory, Collective Bargaining Agreement for 2025-2027

DATE: May 6, 2025

Pursuant to NRS 288.400, et. seq., the State of Nevada and the Nevada Police Union (NPU), Unit L- Supervisory, began negotiations for a new collective bargaining agreement (CBA) in September 2024.

The State of Nevada and NPU bargained and came to an agreement on all issues with the exception of the Compensation Article. An arbitration was conducted in March 2025, and a decision was made by the arbitrator in April 2025. The attached agreement was ratified by NPU membership in May 2025.

Request in Front of the Board

Pursuant to NRS 288.555, the Division of Human Resource Management, (DHRM) is respectfully placing the NPU, Unit L - Supervisory, CBA, for the contract term of July 1, 2025 through June 30, 2027, in front of this Board for review and approval.

Implementation of the CBA

All provisions of the CBA will become effective July 1, 2025.

Key financial details from the creation of the 2025-2027 CBA

- Effective July 1, 2025, the salary schedule for bargaining unit L will be increased by three percent (3%).
- Effective July 1, 2026, the salary schedule for bargaining unit L will be increased by three (3%).
- Employees covered under this Agreement will receive a retention incentive of $2,000 per fiscal year, to be distributed in 4 equal installments each fiscal year.
- Personal Day – Upon ratification, employees under the Agreement will be credited with two (2) Personal Leave days equal to their regularly scheduled work shift that has no cash out value to be taken during the fiscal year, to be taken in full day increments and may not roll over into the next year.
- Annual Leave – Employees will retain and carry forward any eligible and unused Annual Leave accrued prior to the effective date of this Agreement. Carry forward of eligible and unused accrued leave is subject to a maximum of four hundred eighty (480) hours of banked Annual Leave.
- Education Pay – Employees covered under this Agreement who possesses an Associate's degree from an accredited college or university shall receive a sum of six hundred ($600) dollars per fiscal year to be distributed each July 1. Employees covered under this Agreement who possess a Bachelor's degree from an accredited college or university or attain a Nevada Management P.O.S.T. Certificate (NAC 289.260) shall receive a sum of twelve hundred ($1200) dollars per fiscal year to be distributed each July; however, employees who are required to possess a Bachelor's degree as a minimum qualification for their job specification are not eligible for this education pay. Employees covered under this Agreement who possess a Master's degree from an accredited college or university or attain a Nevada Executive Certificate (NAC 289.270) shall receive a sum of fifteen hundred ($1500) dollars per fiscal year to be distributed each July.
- Uniforms – Effective July 1, 2025, employees in the Department of Public Safety will receive a Uniform & Equipment Allowance of one thousand four hundred ($1,400) dollars per fiscal year, to be distributed in four equal payments during the fiscal year.
- Special Adjustments to pay up to 5%.
- Union Leave of 2,000 hours in even numbered years and 3,000 in odd numbered years.
- Line of Duty Death benefit. Fiscal Impact: $20,000

Thank you for your consideration.

Attachments: NPU, Unit L – Collective Bargaining Agreement
NPU, Unit L, Ratification Certification
NPU, Unit L, 2025-2027 CBA Fiscal Impact Statement

2025-27 Biennium Collective Bargaining Fiscal Impact Analysis
Bargaining Unit L – Category I Peace Officer Supervisors
with Nevada Police Union

In Governor's Recommended budget:		
	FY26	FY27
FTE	223.00	223.00
PCNs	223	223

		Estimated Fiscal Impact:		
Key points in this agreement:		FY 2026	FY 2027	
-	Effective July 1, 2025, the salary schedules will be increased by three percent (3%).	$ 1,111,617	$ -	Calculated using state budget system.
-	Effective July 1, 2026, the salary schedules will be increased by three percent (3%).	$ -	$ 2,297,587	Calculated using state budget system.
-	Employees covered under this Agreement will receive a retention incentive of $2,000 per fiscal year, to be distributed in 4 equal installments each fiscal year	$ 446,000	$ 446,000	Calculated using total unique positions x $2,000 per year
-	Employees receive 2 Personal Leave days per year	$ 473,170	$ 493,561	Estimated at average hourly cost, assuming 8 hour shifts with overtime coverage of 1.5 x pay.
-	Annual Leave accrual maximum of 480 hours per calendar year.	$ -	$ -	No incremental pay.
-	Education/POST Pay – Associate's Degree are eligible to receive Education Pay in the amount of $600 per year; Bachelor's Degree or POST Management Certificate $1200 per year; Master's Degree or POST Executive Certificate are eligible for $1500 per year.	$ 267,600	$ 267,600	Cannot be accurately determined without detailed data about each employee's educational attainment; estimated assuming every position filled and every employee attained the middle level of education that results in Education Pay. Some employees will likely be higher and some lower.
-	Special Adjustments to pay up to 5%	$ 165,769	$ 172,913	Cannot be accurately estimated without a detailed census of assignments; calculated assuming 75 employees for 500 hours of special duty per year, at 5% maximum of average hourly pay.
-	Employees assigned to the Department of Public Safety will receive a Uniform & Equipment Allowance of $1,400 per fiscal year in 4 installments.	$ 246,400	$ 246,400	Calculated at the total number of positions in DPS (176) x $1400.
-	Employees will be eligible for a footwear allowance of $250 per biennium.	$ 55,750	$ -	Calculated at the total number of positions x $250.
-	Union Leave of 2,000 hours in even numbered years and 3,000 in odd numbered years.	$ 265,230	$ 414,990	Estimated using average hourly pay x 1.5, assuming overtime coverage of duty.
-	Line of Duty Death benefit.	$ 20,000	$ 20,000	Estimated at potential benefit.
	Total estimated potential fiscal impact:	**$ 3,031,536**	**$ 4,339,051**	
		Biennium Total:	**$ 7,370,587**	

EXHIBIT 6

SUMMARY OF COLLECTIVE BARGAINING AGREEMENT PROVISIONS THAT WERE EITHER AMENDED OR VOIDED BY AB 596

AFSCME AEF CBA

COMPENSATION or BENEFIT	CBA ARTICLE	CBA PROVISION	STATUS	RELATED APPROPRIATIONS
FY 2026 Salary Increase (effective 7/1/2025)	8.1.3	3%	Void	Separate Appropriation for 1%
FY 2027 Salary Increase (effective 7/1/2026)	8.1.4	3%	Void	Separate Appropriation for 1%
Retention Incentive	8.2.1	$2,000 per fiscal year in four equal installments throughout the fiscal year	Amended to $1,000 per fiscal year in four equal installments throughout the fiscal year (AB 596 Section 1).	
Tool Allowance	8.14.4.2.1	One thousand two hundred dollars ($1,200) per fiscal year.	Funded and effective only for the 2025-2027 Biennium AB 596 Section 1	
Personal Leave Days	9.9.1	Four (4) Personal Leave days per calendar year.	AB 596 Section 1.10(2) states this does not require funding.	
Annual Leave Cash Out	9.2.5	Twice per fiscal year, once in November and once in May, up to forty (40) hours per instance.	Funded and effective only for the 2025-2027 Biennium AB 596 Section 1	
Union Leave	15.7.4	Four thousand (4,000) aggregate hours for Bargaining Units A, C, E and F.	AB 596 Section 1.10(2) states this does not require funding.	

AFSCME UNIT C CBA

COMPENSATION or BENEFIT	CBA ARTICLE	CBA PROVISION	STATUS	RELATED APPROPRIATIONS
FY 2026 Salary Increase (effective 7/1/2025)	8.1.3	3%	Void	Separate Appropriation for 1%
FY 2027 Salary Increase (effective 7/1/2026)	8.1.4	3%	Void	Separate Appropriation for 1%
Retention Incentive	8.2.1	$2,000 per fiscal year in four equal installments throughout the fiscal year	Amended to $1,000 per fiscal year in four equal installments throughout the fiscal year (AB 596 Section 1.1).	
Tool Allowance	8.14.4.2.1	One thousand two hundred dollars ($1,200) per fiscal year.	Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.1	
Personal Leave Days	9.9.1	Four (4) Personal Leave days per calendar year.	AB 596 Section 1.10(2) states this does not require funding.	
Annual Leave Cash Out	9.2.5	Twice per fiscal year, once in November and once in May, up to forty (40) hours per instance.	Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.1	
Union Leave	15.7.4	Four thousand (4,000) aggregate hours for Bargaining Units A, C, E and F.	AB 596 Section 1.10(2) states this does not require funding.	

NPU UNIT G CBA

COMPENSATION or BENEFIT	CBA ARTICLE	CBA PROVISION	STATUS	RELATED APPROPRIATIONS
Line of Duty Death	7.1 – 7.2	**Reimburse the employee's estate for costs up to a maximum of twenty thousand dollars ($20,000) for memorial services. Estate will receive payment for all accrued Annual Leave, Comp Time and Sick Leave.**	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.2**	
FY 2026 Salary Increase (effective 7/1/2025)	9.1.3	**3%**	**Void**	Separate Appropriation for 1%
FY 2027 Salary Increase (effective 7/1/2026)	9.1.4	**3%**	**Void**	Separate Appropriation for 1%
Longevity Pay	**9.1.5**	Longevity Pay at a rate of one-half percent (.5%) of the employee's biweekly base hourly rate for each year of service, up to a maximum annual payment of twelve and one-half percent (12.5%) of base hourly rate for employees with twenty-five (25) years of service	Void	
Retention Incentive	Not in CBA	Not in CBA	**Not in CBA**	Separate Appropriation for $1,000 per fiscal year in four equal installments throughout the fiscal year (AB 596 Section 1.2).
Education Pay	9.8.1 – 9.8.3	**Employees with an Associate's Degree may receive five hundred dollars ($500.00) per fiscal year. Employees with a Bachelor's Degree may receive nine hundred dollars ($900) per fiscal year. Employees who are required to have a Bachelor's Degree as a minimum classification for their job classification do not qualify unless they have a Master's Degree.**	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.2**	
Intermediate and Advanced POST Incentives	9.8.4	Employees with an Intermediate POST certification receive a two percent (2%) base wage increase. Employees with an advanced POST certification may receive an additional two percent (2%) base wage increase.	**Void**	
Uniform Allowance	9.14.3.1	**One thousand four hundred dollars ($1,400) per fiscal year.**	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.2**	

Footware Allowance	9.14.3.2	Two hundred fifty dollars ($250.00) per biennium	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.2**	
Annual Leave Cash Out	10.2.4	Twice per fiscal year, once in November and once in May, up to forty (40) hours per instance in November or May.	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.2**	
Union Leave	15.7.4	Two thousand (2,000) in even years and three thousand (3,000) in odd years.	**AB 596 Section 1.10(2) states this does not require funding.**	

NPOA Unit H CBA

COMPENSATION or BENEFIT	CBA ARTICLE	CBA PROVISION	STATUS	RELATED APPROPRIATIONS
FY 2026 Salary Increase (effective 7/1/2025)	8.1.2	The same percentage as that provided by legislation enacted by the Nevada Legislature to Executive Department non-classified and classified employees who are not members of a State Bargaining Unit for Fiscal Year 2026	**Void**	Separate Appropriation for 1%
FY 2027 Salary Increase (effective 7/1/2026)	8.1.3	The same percentage as that provided by legislation enacted by the Nevada Legislature to Executive Department non-classified and classified employees who are not members of a State Bargaining Unit for Fiscal Year 2026	**Void**	Separate Appropriation for 1%
Retention Incentive	8.4.1	The same retention payments as those provided to non-classified and classified employees who are not members of a State Bargaining Unit.	**Void**	Separate Appropriation for $1,000 per fiscal year in four equal installments throughout the fiscal year (AB 596 Section 1.3).
Post Certificate Pay	8.5.1 – 8.5.2	**Intermediate Nevada POST Certificate will receive five hundred dollars ($500.00) per fiscal year, payable each December. Advanced Nevada POST Certificate will receive nine hundred dollars ($900.00) per fiscal year, payable each December**	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec. 1.3**	
Special Adjustments to Pay	8.13	**Bilingual Pay, FTO, Instructor, Special Assignments, Dignitary Protection, Armorer, CVSA/Polygraph, Evidence and OIS**	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec. 1.3**	
Uniform & Equipment Allowance	8.24.5.2	**One thousand two hundred dollars ($1,200) per calendar year, paid in January.**	**Funded and effective only for the 2025-2027 Biennium Sec. 1.3**	

Personal Equipment Damage Reimbursement	8.24.7.1	Four hundred ($400) per incident.	Funded and effective only for the 2025-2027 Biennium AB 596 Sec. 1.3	
Personal Leave Days	9.11.1	Two (2) Personal Leave days per calendar year.	AB 596 Section 1.10(2) states this does not require funding.	
Annual Leave Cash Out	9.2.5.1	Twice per fiscal year, once in November and once in May, up to forty (40) hours per instance.	Funded and effective only for the 2025-2027 Biennium AB 596 Sec. 1.3	
Union Leave	15.6.1	One thousand (1,000) hours per fiscal year.	AB 596 Section 1.10(2) states this does not require funding.	

FOP UNIT I CBA

COMPENSATION or BENEFIT	CBA ARTICLE	CBA PROVISION	STATUS	RELATED APPROPRIATIONS
FY 2026 Grade Increase	11.1.2	**Effective July 1, 2025, all classifications within the bargaining unit will advance one (1) grade.**	**Void**	
FY 2027 Grade Increase	11.1.2	**Effective July 1, 2026, all classifications within the bargaining unit will advance one (1) grade.**	**Void**	
FY 2026 Salary Increase (effective 7/1/2025)	11.1.4	**3%**	**Void**	Separate Appropriation for 1%
FY 2027 Salary Increase (effective 7/1/2026)	11.1.4	**3%**	**Void**	Separate Appropriation for 1%
Retention Incentive	11.1.5	$2,000 per fiscal year in four equal installments throughout the fiscal year	**Amended to $1,000 per fiscal year in four equal installments throughout the fiscal year (AB 596 Section 1.4).**	
Recruitment Bonus	11.3.1	**A newly hired employee into the Correctional Officer series or the Forensic Specialist series covered under this Agreement will be eligible to receive a recruitment bonus of seven thousand five hundred dollars**	**Funded and effective only for the 2025-2027 Biennium AB 596 Se. 1.4**	
Special Adjustments to Pay	11.14	**Acting Pay, Bilingual Pay, FTO, Special Assignments, Standby Pay and Rural Pay.**	**Funded and effective only for the 2025-2027 Biennium AB 596 Se. 1.4**	
Muster Pay Adjustment	11.14.5	**NDOC employees receive forty-five (45) minutes of overtime per shift.**	**Funded and effective only for the 2025-2027 Biennium AB 596 Se. 1.4**	
Uniform & Equipment Allowance	11.14.9.1.2	Two thousand twenty dollars ($2,020.00) per fiscal year, payable in two equal installments in September and March	**Funded and effective only for the 2025-2027 Biennium AB 596 Se. 1.4**	
Personal Leave Days	12.10.1	**Two (2) Personal Leave days per calendar year.**	**AB 596 Section 1.10(2) states this does not require funding.**	
Annual Leave Cash Out	12.3.5	**Twice per fiscal year, once in November and once in May, up to forty (40) hours per instance, or up to eighty (80) hours either in November or May.**	**Funded and effective only for the 2025-2027 Biennium AB 596 Se. 1.4**	
Union Leave	15.7.4	**Four thousand (4,000) in even years and Five thousand (5,000) in odd years.**	**AB 596 Section 1.10(2) states this does not require funding.**	

BBFFA UNIT K CBA

COMPENSATION or BENEFIT	CBA ARTICLE	CBA PROVISION	STATUS	RELATED APPROPRIATIONS
FY 2026 Salary Increase (effective 7/1/2025)	8.1.3	0%	Void	Separate Appropriation for 1%
FY 2027 Salary Increase (effective 7/1/2026)	8.1.4	0%	Void	Separate Appropriation for 1%
Retention Incentive	N/A	Not in CBA.	Not in CBA.	Separate Appropriation for $1,000 per fiscal year in four equal installments throughout the fiscal year (AB 596 Section 1.5).
Cancer Screening	8.21	The State will reimburse employees, up to three hundred dollars ($300), per fiscal year, for cancer screening.	Funded and effective only for the 2025-2027 Biennium AB 596 Se. 1.5	
Annual Leave Cash Out	9.3.1	Twice per fiscal year, once in November and once in May, up to forty (40) hours per instance.	Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.5	
Union Leave	15.7.4	Four hundred (400) hours per fiscal year.	AB 596 Section 1.10(2) states this does not require funding.	

NPU UNIT L CBA

COMPENSATION or BENEFIT	CBA ARTICLE	CBA PROVISION	STATUS	RELATED APPROPRIATIONS
Line of Duty Death	8.1 – 8.2	**Reimburse the employee's estate for costs up to a maximum of twenty thousand dollars ($20,000) for memorial services. Estate will receive payment for all accrued Annual Leave, Comp Time and Sick Leave.**	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.6**	
FY 2026 Salary Increase (effective 7/1/2025)	10.2.3	**3%**	**Void**	Separate Appropriation for 1%
FY 2027 Salary Increase (effective 7/1/2026)	10.2.4	**3%**	**Void**	Separate Appropriation for 1%
Retention Incentive	10.2.5	**Two thousand dollars ($2,000.00) per fiscal year.**	**Amended to $1,000 per fiscal year in four equal installments throughout the fiscal year (AB 596 Section 1.6).**	
Personal Leave	10.2.6	**Effective July 1, 2025, employees covered under this Agreement will be credited with two (2) Personal Leave day equal to their regularly scheduled work shift to be taken during the fiscal year. This Personal Leave day must be taken in full day increments and has no cash value.**	**Yes (AB 596 states that Personal Leave days do not require funding in Section 1.10(2)).**	
Education Pay	10.12.1.1 – 10.12.1.4	**Employees with an Associate's Degree may receive six hundred dollars ($600.00) per fiscal year. Employees with a Bachelor's Degree or Nevada Management POST Certificate may receive one thousand two hundred dollars ($1,200) per fiscal year. Employees who are required to have a Bachelor's Degree as a minimum classification for their job classification do not qualify. Employees with a Master's Degree or Nevada Executive Certificate shall receive one thousand five hundred ($1,500) per fiscal year.**	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.6**	
Special Adjustments to Pay	10.15	**Five percent (5%). Includes Bilingual Pay, Critical Incident Response Team, FTO, Honor Guard, Instructor, K-9, Motors, PIO and Task Forces**	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.6**	
Uniform Allowance	10.19.2	**One thousand four hundred dollars ($1,400) per fiscal year.**	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.6**	
Footware Allowance	10.19.3	**Two hundred fifty dollars ($250.00) per biennium**	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.6**	

Union Leave	15.6.1	One thousand (1,000) hours per fiscal year.	**AB 596 Section 1.10(2) states this does not require funding.**	

NPOA Unit M CBA

COMPENSATION or BENEFIT	CBA ARTICLE	CBA PROVISION	STATUS	RELATED APPROPRIATIONS
FY 2026 Salary Increase (effective 7/1/2025)	7.1.2	The same percentage as that provided by legislation enacted by the Nevada Legislature to Executive Department non-classified and classified employees who are not members of a State Bargaining Unit for Fiscal Year 2026	**Void**	Separate Appropriation for 1%
FY 2027 Salary Increase (effective 7/1/2026)	7.1.3	The same retention payments as those provided to non-classified and classified employees who are not members of a State Bargaining Unit.	**Void**	Separate Appropriation for 1%
Retention Incentive	7.4.1	**Paid pursuant to NRS 284.177**	**Void**	Separate Appropriation for $1,000 per fiscal year in four equal installments throughout the fiscal year (AB 596 Section 1.7).
Union Leave	12.9.4		**AB 596 Section 1.10(2) states this does not require funding.**	

FOP UNIT N CBA

COMPENSATION or BENEFIT	CBA ARTICLE	CBA PROVISION	STATUS	RELATED APPROPRIATIONS
FY 2026 Salary Increase (effective 7/1/2025)	8.1.3 – 8.1.4	Correction Sergeants paid 20% higher than a Corrections Officer. Corrections Lieutenant paid 20% higher than a Corrections Sergeant. Forensic Specialist IV paid 20% higher than Forensic Specialist III	**Void**	Separate Appropriation for 1%
FY 2027 Salary Increase (effective 7/1/2026)	8.1.3 – 8.1.4	Correction Sergeants paid 20% higher than a Corrections Officer. Corrections Lieutenant paid 20% higher than a Corrections Sergeant. Forensic Specialist IV paid 20% higher than Forensic Specialist III	**Void**	Separate Appropriation for 1%
Retention Incentive	8.1.5	$2,000 per fiscal year in four equal installments throughout the fiscal year	**Amended to $1,000 per fiscal year in four equal installments throughout the fiscal year (AB 596 Section 1.8).**	
Special Adjustments to Pay	8.12	Acting Pay, Bilingual Pay, FTO, Special Assignments, Standby Pay and Rural Pay.	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec. 1.8**	
Muster Pay Adjustment	8.12.5	NDOC employees receive forty-five (45) minutes of overtime per shift.	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec 1.8**	
Uniform & Equipment Allowance	8.12.9.1.2	Two thousand twenty dollars ($2,020.00) per fiscal year, payable in two equal installments in September and March	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec. 1.8**	
Annual Leave Cash Out	9.2.4.3	Twice per fiscal year, once in November and once in May, up to forty (40) hours per instance, or up to eighty (80) hours either in November or May. Cash out of Annual Leave will not occur until after July 1, 2025.	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec. 1.8**	
Union Leave	15.7.4	One thousand (1,000) hours per fiscal year.	**AB 596 Section 1.10(2) states this does not require funding.**	

BBFFA UNIT O CBA

COMPENSATION or BENEFIT	CBA ARTICLE	CBA PROVISION	STATUS	RELATED APPROPRIATIONS
FY 2026 Salary Increase (effective 7/1/2025)	8.1.3	**0%**	**Void**	Separate Appropriation for 1%
FY 2027 Salary Increase (effective 7/1/2026)	8.1.4	**0%**	**Void**	Separate Appropriation for 1%
Retention Incentive	N/A	**Not in CBA.**	**Not in CBA.**	Separate Appropriation for $1,000 per fiscal year in four equal installments throughout the fiscal year (AB 596 Section 1.9).
Cancer Screening	8.20.3	**The State will reimburse employees, up to three hundred dollars ($300), per fiscal year, for cancer screening.**	**Funded and effective only for the 2025-2027 Biennium AB 596 Sec. 1.9**	
Union Leave	14.7.4	Two hundred fifty (250) hours per fiscal year.	**AB 596 Section 1.10(2) states this does not require funding.**	

Nevada Police Union's
Response to Petition for Declaratory Relief

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STATE OF NEVADA

GOVERNMENT EMPLOYEE-MANAGEMENT RELATIONS BOARD

EXECUTIVE DEPARTMENT OF THE STATE OF NEVADA,

Petitioner,

Case Number: 2026-010

NEVADA POLICE UNIONS RESONSE TO PETITON FOR DECLARATORY RELIEF

Pursuant to NAC 288.390, Respondent NEVADA POLICE UNION, by and though their attorney of record, Alex Velto of REESE RING VELTO, PLLC, hereby files its Response to the Executive Department of the State of Nevada's Petition for Declaratory Order as follows: If the Board does not deny the Petition on the papers, NPU requests a hearing pursuant to NAC 288.400.

I. INTRODUCTION

The State's Petition should be understood for what it is: an attempt to obtain by declaratory order what the State has not obtained at the bargaining table, in arbitration, or in court[1]. The Petition is not a neutral request for guidance on a concrete controversy. It is a request for the Board to prospectively rewrite the consequences of collective bargaining before the next collective

[1] Attached hereto is Exhibit 1, a District Court Order from the First Judicial District Court wherein the State attempted to vacate an Arbitration award.

bargaining agreement exists, before any 2027–2029 impasse has been declared, before any prohibited-practices complaint has been filed, and before any actual bargaining conduct has been adjudicated.

The requested order would nullify the collective bargaining process. Under the State's theory, the Executive Department may negotiate a term, sign a collective bargaining agreement, submit it to the State Board of Examiners, rely on that agreement in the statutory process created by SB 135, and then—if the Legislature funds the term only partially, funds it on a one-time basis, or declines to fund it—the State may later ask the Board to declare that the negotiated term is not part of the bargaining baseline, not part of the "status quo," and not relevant to future bargaining except as a mere rhetorical reference. That is not collective bargaining. "That approach would create an asymmetrical rule that benefits only the State after the bargaining process has concluded. NPU does not dispute the Legislature's constitutional appropriation authority. NPU does not ask the Board to order payment of compensation or benefits beyond legislative appropriation. Nor does NPU contend that AB 596 binds a future Legislature to appropriate money in a future biennium. Those are not the disputes presented here. The dispute is whether the State may convert a limited appropriations rule into a sweeping bargaining rule that erases the bargaining history created by the parties' own agreements. It may not.

The Legislature preserved its appropriation authority in SB 135; it did not enact a mechanism for the Executive Department to onvert legislative nonappropriation into a rule that disregards the parties' bargaining history. . A negotiated provision may be unenforceable as a present entitlement to payment absent appropriation, but that does not mean the provision never existed, does not mean the State never agreed to it, does not mean the agreement is irrelevant to future bargaining, and does not mean the Board should pre-adjudicate future "status quo" disputes in the abstract.

The context is important to understanding the practical effect of the Petition. The State has previously attempted to vacate an NPU arbitration award. The First Judicial District Court rejected that effort, granted NPU's motion to confirm the arbitration award, denied the State's motion to vacate, and awarded NPU fees and costs. The court recognized that arbitration is "part and parcel" of the collective bargaining process and that an attack on the merits of an arbitration award is an attack on the collective bargaining process itself. This Petition raises similar concerns because it again asks a tribunal to limit the consequences of the collective bargaining process. he Board should respectfully decline to issue the requested order.. The Petition presents speculative and hypothetical questions, lacks a concrete justiciable controversy, seeks relief outside the Board's proper declaratory-order function, and would interfere with ongoing negotiations. Even if the Board reaches the merits, the requested declarations go far beyond the text of SB 135, NRS Chapter 288, and AB 596. At most, the relevant statutes provide that compensation or benefit terms requiring appropriation are effective only to the extent of legislative appropriation, and that one-time appropriations in AB 596 do not bind future Legislatures or future CBAs. They do not erase negotiated terms from bargaining history. They do not predetermine the status quo. They do not insulate the State from future good-faith bargaining scrutiny. And they do not authorize the Board to issue an advisory order that would tilt the 2027–2029 negotiations in the State's favor.

II. NAMES AND ADDRESSES OF PETITIONER AND RESPONDENTS

As required by NAC 288.390, the names and addresses of the Petitioner and Respondents are as follows.

Petitioner Executive Department of the State of Nevada ("Executive Department" or "State") is located at 1 State of Nevada Way, Suite 100, Las Vegas, Nevada 89119.

Respondent Nevada Police Union is the exclusive bargaining representative for State Bargaining Units G and L. It is located at 3352 Goni Road, Carson City, Nevada 89706.

Respondent Fraternal Order of Police, Nevada C.O., Lodge 21 is the exclusive bargaining representative for State Bargaining Units I and N. It is located at 610 S. 9th Street, Las Vegas, Nevada 89101.

III. FACTUAL AND PROCEDURAL BACKGROUND

A. SB 135 Created Collective Bargaining for State Employees While Preserving Legislative Appropriation Authority.

State employees obtained the statutory right to collectively bargain with the Executive Department through SB 135, Chapter 590, 2019 Statutes of Nevada. SB 135 created a structured two-year bargaining cycle, mandatory subjects of bargaining, impasse procedures, Board oversight, and collective bargaining agreements that coincide with Nevada's biennial legislative sessions. See NRS 288.500–288.620.

The statutory framework also preserves legislative appropriation authority. Each collective bargaining agreement must include a nonappropriation clause providing that any CBA provision requiring the Legislature to appropriate money is effective only to the extent of legislative appropriation. NRS 288.505(1)(c). Where a provision conflicts with certain statutes, the CBA provision prevails unless the Legislature is required to appropriate money to implement the provision, in which case the provision is effective only within the limits of legislative appropriations and any other available money. NRS 288.505(5)(c).

NPU recognizes that limitation. NPU's Unit G and Unit L collective bargaining agreements contain appropriations clauses addressing legislative appropriation. But the appropriations limitation addresses implementation and enforceability of funding-dependent provisions. It does not purport to erase the fact that the Executive Department negotiated, agreed to, and submitted those provisions through the statutory collective bargaining process.

B. NPU's 2025–2027 CBAs Were Negotiated, Arbitrated in Part, Ratified, and Submitted for Approval.

The State's own Petition and exhibits show that NPU's Unit G and Unit L 2025–2027 CBAs were the product of the statutory bargaining process. The State and NPU negotiated snccessor agreements. They reached agreement on numerous provisions. They proceeded to arbitration over unresolved compensation issues. The resulting agreements were ratified by NPU membership and snbmitted through the State Board of Examiners process.

Those facts matter. The provisions at issue were not casnal proposals, preliminary concepts, or unilateral union demands. They were negotiated terms in CBAs created through the SB 135 framework. The State's requested order would allow the State to treat that bargaining history as if it disappears whenever the Legislature later declines to fund a provision, funds less than the amount negotiated, or states that an appropriation is one-time.

C. The State Has Previously Tried and Failed to Vacate an NPU Arbitration Award.

The Board should also view the Petition against the parties' actual litigation and arbitration history. In 2021, NPU filed a petition to confirm an arbitration award after the parties' first collective bargaining negotiations. The State moved to vacate the award. The First Judicial District Court granted NPU's petition, denied the State's motion to vacate, and awarded NPU reasonable attorney's fees and costs.

In doing so, the court rejected the State's argument that the arbitrator exceeded his authority by striking the State's compensation offer. The court found that the parties had agreed the arbitrator could determine whether an offer conflicted with statute; that the arbitrator did not make a prohibited-practice or bad-faith finding; and that the State had failed to overcome the substantial burden required to vacate an arbitration award. The court further found that the State waived its challenge because it agreed to the arbitrator's authority to decide whether the offer conflicted with statute.

The court's reasouiug is directly relevant here. The State previously attempted to characterize an arbitration ruling as an improper bad-faith or prohibited-practice determination. The court rejected that characterization. Now the State seeks a prospective declaratory order that would shape future bargaining and arbitration disputes before they arise. The Board should not allow the State to use the declaratory-order process to pre-litigate issues that belong, if anywhere, in actual bargaining, actual impasse proceedings, or actual prohibited-practices litigation on a developed record.

D. <u>AB 596 Funded, Partially Funded, or Did Not Fund Certain 2025–2027 CBA Provisions.</u>

During the 2025 Legislative Session, the Legislature enacted AB 596, Chapter 510, 2025 Statutes of Nevada. AB 596 made appropriations and authorizations for certain retention incentives, certain CBA implementation costs, and one-percent salary increases for fiscal years 2025–2026 and 2026–2027.

Section 1.10 of AB 596 provides:

> With respect to any collective bargaining agreement to which the State of Nevada is a party and which is intended to be in effect during all or part of the 2025–2027 biennium, any provision of such an agreement which requires the Legislature to appropriate money is void, except for those provisions for which the 83rd Session of the Nevada Legislature specifically appropriated or authorized the expenditure of money in this or another act of this session that was approved by the Governor.

Section 1.11 provides that the appropriations and authorizations made by sections 1 through 1.9 are one-time grants intended to provide retention incentives and fund implementation costs solely during the 2025–2027 biennium, and that they shall not be construed as an agreement by the Legislature or tbe State to provide or fund such incentives or other benefits in any future biennium or to include the same or similar provisions in any future CBA.

NPU does not dispute the words of AB 596. But AB 596 does not say that negotiated terms are erased from bargaining history. It does not say that agreed-upon but unfunded terms may not be considered when evaluating bargaining conduct. It does not define "status quo" for the 2027–2029 negotiations. It does not purport to prejudge whether a future proposal is regressive, whether a party has bargained in good faith, or whether a prior agreement remains relevant to successor bargaining.

E. The State's Petition Seeks Three Sweeping Declarations and a Prospective Ruling on "Status Quo."

The State asks the Board to issue a declaratory order stating:

1. NRS 288.505(1)(c), NRS 288.505(5)(c), and the required nonappropriation clause nullify a State bargaining unit's right to receive a compensation or benefit term in a CBA if the appropriations request for that term was not approved or authorized by an act of the Legislature;
2. Section 1.10 of AB 596, NRS 288.505(1)(c), NRS 288.505(5)(c), and the required nonappropriation clause render any 2025–2027 CBA provision requiring legislative appropriation void and "no longer part of a CBA" unless specifically appropriated or authorized hy the 83rd Session and approved by the Governor; and

3. Section 1.11 of AB 596 means the compensation and benefit terms in 2025–2027 CBAs that received appropriations through AB 596, except the one-percent salary increases in Section 1.12, are not binding on the Executive Department for future CBAs because they were one-time grants of money.

The State then goes further. It asks the Board to declare that, except for the one-percent salary increases, compensation and benefit provisions in current State employee CBAs that received appropriations through AB 596 "should not be considered the 'status quo' for the purposes of collective bargaining for the 2027–2029 biennium." Petition at 5:17–22.

That is the Petition's real purpose. The State is not merely asking whether the Legislature must appropriate money. It is asking the Board to preemptively define the bargaining baseline for ongoing successor negotiations.

F. The State's Footnote 6 Confirms There Is No Present Controversy.

The State's own Petition defeats its request. In Footnote 6, the State concedes:

> The EMRA does not prevent, nor is the Executive Department objecting to, a State employee bargaining unit from using an unfunded and now void CBA compensation or benefit term as a basis to support a compensation proposal during the collective bargaining process for future CBA negotiations.

That concession eliminates any live dispute over whether NPU may rely on prior negotiated terms as the basis for future proposals. The State's remaining request is not to resolve a concrete dispute, but to attach a preferred legal label to future bargaining arguments before the facts exist. That is an advisory opinion, not a declaratory order.

IV. Legal Standard

A. Declaratory Orders Are Discretionary and Must Be Grounded in Concrete Circumstances.

The Board's declaratory-order authority derives from NRS 233B.120 and is governed by NAC 288.380 through NAC 288.420. NAC 288.410(1) provides that the Board may, for good cause, refuse to issue a declaratory order if:

(a) The question is speculative or purely hypothetical and does not involve existing facts or facts that can reasonably be expected to exist in the near future;

(b) The petitioner's interest is not of the type which would give the petitioner standing to maintain an action if the petitioner were to seek judicial relief;

(c) The issuance of the declaratory order may adversely affect the interest of the Board or its officers or employees in litigation which is pending or may reasonably be expected to arise; or

(d) The matter is not within the jurisdiction of the Board.

Those regulatory standards reflect Nevada's broader justiciability principles. The Nevada Supreme Court has held that courts do not render advisory opinions, but instead resolve actual controversies by enforceable judgment. *Personhood Nev. v. Bristol*, 126 Nev. 599, 602, 245 P.3d 572, 574 (2010). A matter is nonjusticiable where it seeks determination of an abstract question not resting upon existing facts or rights. *NCAA v. Univ. of Nev.*, Reno, 97 Nev. 56, 58, 624 P.2d 10, 11 (1981). Declaratory relief requires a justiciable controversy that is ripe for determination. *Knittle v. Progressive Cas. Ins. Co.*, 112 Nev. 8, 10–11, 908 P.2d 724, 725–26 (1996).

B. Statutory Interpretation Begins With Plain Language, But Statutes Must Be Read in Context.

When statutory language is clear, the Board should apply the statute as written. *J.E. Dunn Nw., Inc. v. Corus Constr. Venture,* LLC, 127 Nev. 72, 79, 249 P.3d 501, 505 (2011). But statutory interpretation must give effect to the statutory scheme as a whole and avoid interpretations that create absurd results, render language meaningless, or rewrite the statute under the guise of interpretation.

Here, the relevant statutory scheme is SB 135 and the EMRA provisions governing State collective bargaining. That scheme creates both legislative appropriation limits and enforceable good-faith bargaining duties. The State's error is treating the appropriation limitation as though it silently repeals or narrows the good-faith bargaining framework.

C. The Duty to Bargain in Good Faith Requires Consideration of Bargaining History and Context.

NRS 288.500(2) requires the Executive Department and exclusive representatives to bargain in good faith with respect to the negotiation of a CBA and the resolution of questions arising under a CBA. The EMRB has long recognized that good faith is assessed based on the totality of the parties' conduct, not a single isolated fact. *See City of Reno v. Reno Police Protective Ass'n*, Case No. A1-046096, Item No. 790 (EMRB, Nov. 27, 2013).

The Board has also recognized that parties must evince a sincere desire to reach agreement, and that sincerity is assessed by drawing inferences from the parties' conduct as a whole. *City of Reno v. Int'l Ass'n of Firefighters, Local 731*, Item No. 253-A (EMRB, Feb. 8, 1991) (*citing NLRB v. Ins. Agents' Int'l Union*, 361 U.S. 477 (1960)).

That inquiry necessarily considers bargaining history. For example, the State relies on regressive-bargaining concepts. But a regressive proposal cannot be analyzed without knowing what came before. A regressive bargaining proposal is, by definition, a change from a prior more favorable proposal. *Mid-Continent Concrete*, 336 NLRB 258, 260 (2001). While regressive proposals are not per se unlawful, they can evidence bad faith if unexplained or dubiously explained. *Clark County Defenders Union v. Clark County*, Case No. 2024-014, Item No. 904 (EMRB, Dec. 12, 2024) (*citing Rescar, Inc.*, 274 NLRB 1, 2 (1985)).

Thus, the State's requested order would do more than interpret AB 596. It would alter the framework for determining good-faith bargaining by excluding or downgrading prior negotiated terms before any concrete dispute exists.

V. Argument

A. The Petition Should Be Dismissed or Denied Under NAC 288.410.

1. The Petition Presents Speculative and Hypothetical Questions. NAC 288.410(1)(a).

The Petition asks the Board to decide the legal consequences of future bargaining before the relevant facts exist. The State wants the Board to decide what will be "binding" for future CBAs, what will be "status quo" for 2027–2029 negotiations, and what effect prior negotiated provisions will have in future bargaining disputes. But there is no executed 2027–2029 CBA. There is no 2027–2029 impasse award. There is no prohibited-practices complaint alleging bad faith. There is no developed record of proposals, counterproposals, explanations, concessions, economic circumstances, or bargaining conduct.

Those facts matter because "status quo" and good faith are not abstractions. Whether a proposal is regressive, whether a party has bargained in good faith, and whether a prior term is relevant to the parties' bargaining relationship depend on the totality of circumstances. The Board cannot decide those issues in the abstract without turning the declaratory-order process into an advisory mechanism for one side's bargaining strategy.

NAC 288.410(1)(a) exists to prevent exactly this. The Petition asks speculative and hypothetical questions that do not involve existing facts or facts that can reasonably be expected to exist in the near future in a form suitable for adjudication. The State may eventually make a proposal. NPU may eventually respond. The parties may or may not reach impasse. A prohibited-practices complaint may or may not be filed. The Board should not issue a sweeping declaratory order based on anticipated disputes that may never arise or may arise in materially different circumstances.

2. The State Lacks a Concrete, Present Interest Sufficient for Standing. NAC 288.410(1)(b).

NAC 288.410(1)(b) allows the Board to refuse a declaratory order if the petitioner's interest is not the type that would support standing in court. Nevada declaratory relief requires a justiciable controversy ripe for determination. *Knittle*, 112 Nev. at 10–11, 908 P.2d at 725–26.

The State identifies no present injury. It identifies no pending prohibited-practices charge against it. It identifies no arbitration award requiring it to take action. It identifies no executed 2027–2029 CBA provision in dispute. Its stated interest is to avoid possible future administrative litigation and obtain advance guidance for ongoing negotiations. That is not a concrete controversy. It is a request for pre-litigation reassurance and bargaining leverage.

Footnote 6 makes the absence of a live controversy even clearer. The State concedes that the EMRA does not prevent, and the State does not object to, bargaining units using unfunded or void CBA terms as a basis for future compensation proposals. Having conceded that NPU may do the thing that matters in bargaining—use prior negotiated terms as a basis for future proposals—the State asks only for a label: that those terms not be called "status quo." That is not a ripe legal dispute. It is an advisory request about how the Board might later evaluate future facts.

3. The Petition Asks the Board to Decide Matters Outside or at the Edge of Its Declaratory Jurisdiction. NAC 288.410(1)(d).

The Petition asks the Board to issue declarations about statutory nonappropriation, AB 596, vested rights, the Contracts Clause, the State Budget Act, legislative authority, future CBAs, and the legal status of CBA provisions. Some of these issues relate to the EMRA, but the State's requested relief goes far beyond routine interpretation of NRS Chapter 288.

The State's "vested rights" framing is particularly improper. Whether a contractual right is vested, whether legislation impairs contract rights, and whether constitutional appropriation provisions bar enforcement are judicial questions. The State itself relies on district court litigation involving AFSCME to support its position. That confirms that these issues belong, if anywhere, in actual judicial proceedings involving concrete facts—not in an abstract EMRB declaratory order.

The Board should interpret the EMRA where necessary to resolve real labor disputes. It should not issue a broad constitutional and appropriations advisory opinion, particularly where the Petition can be denied on NAC 288.410 grounds.

4. Issuing the Requested Order Would Interfere With Ongoing Bargaining and Prejudge Future Disputes. NAC 288.410(1)(c).

The 2027–2029 negotiations are underway. The State asks the Board to issue an order, mid-bargaining, that would determine how prior CBA terms may be characterized in those negotiations. That would materially affect the parties' bargaining positions.

The Board's role is not to give one party an advance ruling that strengthens its hand. The Board's role is to adjudicate actual disputes under the EMRA. If the State believes NPU has committed a prohibited practice, it may file a complaint under NRS 288.625. If the parties reach impasse, the statutory impasse process exists. If an arbitration issue arises, the parties can address it in that proceeding. The State should not be allowed to bypass those processes by obtaining an abstract declaratory order that predetermines future issues.

Issuing the order would also risk drawing the Board into litigation over the order's validity, scope, and constitutional implications. NAC 288.410(1)(c) allows the Board to decline where a declaratory order may adversely affect the Board's interests in litigation that may reasonably be expected to arise. This Petition presents that risk.

B. The Petition Should Also Be Denied Because the Requested Relief Would Rewrite SB 135, NRS Chapter 288, and AB 596.

Even if the Board concludes the Petition is justiciable, the requested declarations should be denied. The State's argument rests on a false equivalence: that because a compensation or benefit provision may be ineffective or void for purposes of payment absent legislative appropriation, it must also be erased from the parties' bargaining history and excluded from any future "status quo" analysis. Nothing in the statutory text supports that leap.

1. The Nonappropriation Clause Limits Implementation; It Does Not Erase Bargaining History.

NRS 288.505(1)(c) requires a clause stating that any provision requiring legislative appropriation is effective only to the extent of legislative appropriation. NRS 288.505(5)(c) likewise addresses whether CBA provisions prevail over specified statutes where legislative appropriation is required.

Those provisions answer an implementation question: can the term be paid or implemented absent appropriation? They do not answer a bargaining-history question: did the State negotiate and agree to the term? Nor do they answer a future good-faith question: may the term be considered when evaluating later bargaining conduct?

The answer to the first question may be no; the answer to the second question is plainly yes. The State negotiated the terms. The parties incorporated them into CBAs. The State submitted them through the statutory process. The Governor requested legislative measures to fund them.

Those historical facts remain true even if the Legislature later funded less than the negotiated amount or declined to fund a provision.

The Board should reject any declaration that converts "effective only to the extent of legislative appropriation" into "deemed never to have existed for bargaining purposes." Had the Legislature intended that result, it could have said so. It did not.

2. AB 596 Section 1.10 Does Not Mean Unfunded Terms Are Irrelevant to Future Bargaining.

Section 1.10 of AB 596 provides that, with respect to CBAs intended to be in effect during the 2025–2027 biennium, provisions requiring legislative appropriation are void unless specifically appropriated or authorized by the 83rd Session and approved by the Governor. NPU does not ask the Board to ignore that language.

But the State asks the Board to add language that AB 596 does not contain. Section 1.10 does not say that void provisions must be ignored when evaluating future bargaining conduct. It does not say they are excluded from bargaining history. It does not say they cannot inform a future proposal. It does not say they cannot be considered in determining the status quo. It does not say the Legislature's funding decision becomes the sole and exclusive bargaining baseline for the next biennium.

The State's own Petition recognizes this distinction. Footnote 6 concedes that bargaining units may use unfunded and void terms as a basis for future proposals. But if an unfunded negotiated term may lawfully be used as a basis for a future proposal, then the State cannot credibly argue that the term is irrelevant to future bargaining. The State's position reduces to this: NPU may mention the term, but the Board should preemptively forbid NPU from treating it as the status quo or a relevant baseline. That request goes beyond statutory interpretation and would have the practical effect of influencing ongoing bargaining. .

3. *AB 596 Section 1.11 Does Not Eliminate the Relevance of Funded Terms in Future Bargaining.*

Section 1.11 of AB 596 provides that appropriations and authorizations made by Sections 1 through 1.9 are one-time grants of money intended for the 2025–2027 biennium, and that those appropriations shall not be construed as an agreement by the Legislature or the State to provide or fund such incentives or benefits in future biennia or to include the same or similar provisions in future CBAs.

NPU does not contend that Section 1.11 binds the Legislature to future appropriations. NPU does not contend that the State is automatically required to include the same provisions in future CBAs. But "not automatically binding" is not the same as "irrelevant." A funded provision may be nonbinding in a future biennium and still be relevant to bargaining history, employee expectations, comparability, recruitment and retention evidence, and good-faith bargaining analysis.

The State's position would transform Section 1.11 from a nonbinding-future-appropriations clause into a collective bargaining reset button. Nothing in the text supports that transformation. Section 1.11 preserves legislative flexibility. It does not grant the Executive Department immunity from bargaining-history consequences.

4. *The State's Interpretation Would Render the Duty to Bargain in Good Faith Illusory.*

The State's requested order would dramatically weaken the duty to bargain in good faith. If the State may negotiate a term, agree to it, submit it, and then later claim the term is not part of the status quo because the Legislature funded it differently, the State's prior agreement becomes largely consequence-free. That would encourage surface bargaining and gamesmanship.

The Legislature knew how to limit the good-faith bargaining inquiry when it wanted to. NRS 288.620(3) provides that certain Governor decisions regarding whether to include money for compensation or benefit terms in a proposed executive budget must not be construed as a failure of the Executive Department to negotiate in good faith. That express limitation demonstrates the Legislature's approach: where it intended to insulate certain conduct from good-faith scrutiny, it said so.

There is no comparable provision stating that unfunded, partially funded, or one-time-funded CBA terms may not be considered as part of bargaining history or status quo in future negotiations. The Board should not create such a limitation by declaratory order.

5. *The State's "Vested Rights" Argument Is a Straw Man.*

Much of the Petition argues that State bargaining units have no vested contractual right to receive unfunded compensation or benefit provisions and no vested right to have current CBA provisions included in future CBAs. That argument does not resolve the actual issue.

NPU need not prove a vested right to payment in order to show that prior negotiated terms are relevant to future bargaining. NPU need not prove a vested right to automatic future inclusion of a term to argue that the State's abandonment of that term may be relevant to regressive bargaining or good faith. The State's vested-rights argument attacks a position NPU is not required to take.

The distinction is straightforward:

- A vested right to payment concerns enforceability.
- A bargaining-history argument concerns relevance.

- A status-quo argument concerns the baseline for analyzing future bargaining conduct.

The State collapses all three concepts. The Board should not.

6. The Requested Order Would Create Confusion Rather Than Clarity.

The State repeatedly uses the phrase "status quo," but it does not define the phrase with sufficient precision. "Status quo" may refer to current payroll practices, the last implemented economic condition, the last negotiated agreement, the last offer, the baseline for regressive bargaining, or the conditions maintained during bargaining. These concepts may overlap, but they are not identical.

A blanket declaration that certain terms "are not the status quo" would therefore create more disputes than it resolves. Would it apply only to regressive-bargaining claims? Would it apply to impasse arbitration? Would it apply to grievance arbitration? Would it apply to unilateral-change allegations? Would it apply to proposals based on recruitment and retention? Would it apply to terms funded for one biennium but not guaranteed for the next? Would it apply differently to partially funded terms? The State does not say.

The Board should not issue a broad declaratory order built around an undefined term in the middle of active negotiations.

C. <u>The Prior NPU Order Underscores Why the Petition Should Be Denied.</u>

The prior NPU order is not merely historical background. It illustrates the danger in the State's approach.

In that case, the State attempted to vacate an arbitration award after the arbitrator struck the State's compensation offer. The State argued, among other things, that the arbitrator had intruded on matters reserved for the EMRB by addressing issues the State characterized as bad faith or prohibited practices. The district court rejected that argument. The court found that the arbitrator did not make a bad-faith or prohibited-practice finding; instead, the arbitrator decided an issue the parties agreed he could decide—whether the State's offer conflicted with statute.

The same theme appears here. The State again seeks to control how future tribunals and parties may evaluate bargaining conduct. It asks the Board to declare, in advance, that certain prior negotiated provisions cannot be treated as status quo. That would improperly pre-decide issues that may arise in future bargaining, arbitration, or prohibited-practice litigation.

The 2021 order also recognized that labor arbitration is not separate from collective bargaining; it is part of the process. The State's Petition would undermine that process by using declaratory relief to prospectively narrow the consequences of bargaining and arbitration before a factual dispute exists.

D. The Board Should Reject Each Requested Declaration.

1. The First Requested Declaration Should Be Denied or Narrowed.

The State first seeks a declaration that NRS 288.505(1)(c), NRS 288.505(5)(c), and nonappropriation clauses "nullify" a bargaining unit's right to receive a compensation or benefit term if the Legislature did not approve or authorize the appropriation request.

The Board should deny this request because it is unnecessary, overbroad, and framed in a way that invites confusion. To the extent the State seeks a declaration that funding-dependent provisions are effective only to the extent of legislative appropriation, the statute already says that. No live controversy requires a declaratory order restating it.

But the State's "nullify" language goes further. It suggests that legislative nonappropriation eliminates not only payment obligations, but also bargaining relevance. The Board should not adopt that formulation. Any declaration should be limited to enforceability and implementation, and should expressly state that it does not determine whether negotiated terms remain relevant to bargaining history, status quo, good faith, or future proposals.

2. The Second Requested Declaration Should Be Denied.

The State next seeks a declaration that unfunded 2025–2027 CBA provisions are void and "no longer part of a CBA." This request should be denied because it seeks to expand AB 596 beyond its text.

Section 1.10 says certain provisions requiring appropriation are void unless funded or authorized. It does not say the State may treat those provisions as if they were never negotiated. It does not say those provisions are excluded from bargaining history. It does not say they may not be considered in future negotiations. The State's proposed "no longer part of a CBA" language is designed to support its status-quo theory, not to resolve any current implementation dispute.

The Board should not issue a declaration that would be used to argue that NPU's prior negotiated terms are legally invisible in successor bargaining.

3. The Third Requested Declaration Should Be Denied or Narrowed.

The State's third requested declaration concerns AB 596 Section 1.11. NPU does not dispute that Section 1.11 says certain AB 596 appropriations are one-time grants and do not bind future Legislatures or require the same or similar provisions in future CBAs. But again, the State seeks to convert that limited statement into a broad future-bargaining rule.

The Board should reject that effort. Section 1.11 does not state that funded terms are irrelevant to future bargaining. It does not state that the Executive Department may disregard the fact that it negotiated and agreed to those terms. It does not state that the only "status quo" is the one-percent salary increase in Section 1.12. The State's proposed interpretation is not in the text.

If the Board issues any order regarding Section 1.11, it should state only that AB 596 does not itself bind future Legislatures or require future CBAs to include the same or similar provisions. It should not decide what constitutes the status quo for 2027–2029 bargaining.

E. The Board Should Not Decide the 2027–2029 Status Quo in This Proceeding.

The most important relief requested by the State is also the least appropriate: a declaration that most 2025–2027 compensation and benefit provisions should not be considered the status quo for 2027–2029 bargaining.

That issue should not be decided here. Status quo is fact-intensive. It may depend on the term, the bargaining unit, whether the term was funded, whether it was implemented, whether it affected employee expectations, whether it was tied to recruitment and retention, whether the State proposed or accepted it, whether the Legislature partially funded it, and how the parties later bargained. None of that is properly before the Board in a declaratory petition.

Moreover, the State's proposed status-quo rule is one-sided. It would allow the State to treat the Legislature's one-percent salary increases as the accepted baseline, while excluding other negotiated terms the State now dislikes. Nothing in AB 596 commands that selective result. The State is free to argue in bargaining that certain terms should not continue. NPU is free to argue that they should. What the State may not do is obtain a Board order that pre-adjudicates the argument before negotiations play out.

F. At Minimum, Any Declaratory Order Must Be Narrowly Limited.

If the Board decides to issue any declaratory order, NPU requests that the order be limited to the following principles:

1. NRS 288.505(1)(c) means that a CBA provision requiring legislative appropriation is effective only to the extent of legislative appropriation;
2. AB 596 Section 1.10 governs whether certain 2025–2027 CBA provisions requiring appropriation are enforceable or effective during the 2025–2027 biennium;
3. AB 596 Section 1.11 means that the appropriations and authorizations in Sections 1 through 1.9 are not, by themselves, an agreement by the Legislature or State to fund the same incentives or benefits in future biennia or to include the same or similar provisions in future CBAs;
4. Nothing in NRS 288.505, AB 596, or this order determines whether any negotiated CBA term is part of the bargaining history between the Executive Department and an exclusive representative;
5. Nothing in NRS 288.505, AB 596, or this order determines the "status quo" for 2027–2029 bargaining;
6. Nothing in NRS 288.505, AB 596, or this order precludes any exclusive representative from relying on negotiated, funded, partially funded, unfunded, or one-time-funded CBA terms as support for future bargaining proposals; and
7. Nothing in the order prejudges any future prohibited-practice complaint, impasse proceeding, arbitration issue, or claim concerning good-faith bargaining.

Such a limited order would preserve the Legislature's appropriation authority without nullifying the collective hargaining process.

VI. CONCLUSION

The Petition should be dismissed or denied. The State asks the Board to issue a sweeping advisory order that would decide future bargaining issues hefore the facts exist. The request is speculative, nonjusticiable, and improper under NAC 288.410. It would interfere with active negotiations and give the State a prospective bargaining advantage.

On the merits, the State's interpretation is wrong. NRS 288.505 and AB 596 address legislative appropriation and implementation. They do not erase negotiated terms from bargaining history. They do not define the status quo for future bargaining. They do not modify the State's duty to bargain in good faith. They do not allow the State to treat the collective bargaining process as a nullity whenever the Legislature does not fully fund the result.

For these reasons, Respondent Nevada Police Union respectfully requests that the Board deny the Petition for Declaratory Order or exercise its discretion under NAC 288.410 to refuse to issue the requested declaratory order. If the Board issues any order, NPU respectfully requests that it be narrowly limited as set forth above and that it expressly preserve the parties' rights to rely on bargaining history, negotiated terms, and actual bargaining conduct in any future dispute.

Dated this 26th day of June 2026.

REESE RING VELTO, PLLC

By: /s/Alex Velto

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CERTIFICATE OF SERVICE

Pursuant to NAC 288.200 (2), I caused a true and correct copy of the **NEVADA POLICE UNIONS RESONSE TO PETITON FOR DECLATORY RELIEF** to be served on the following individuals by Regular Mail Postage Pre-Paid and via Email. I also have filed the document with the Nevada Government Employee-Management Relations Board via its email address at emrb@business.nv.gov; on this 26th day of June 2026:

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EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION	NO. OF PAGES*
1	Notice of Entry of Order Granting Nevada Police Union's Motion to Confirm Arbitration Award, Denying State of Nevada's Motion to Vacate Arbitration Award, and Granting Nevada Police Union's Request for Attorney Fees and Costs.	12

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EXHIBIT PAGE ONLY

EXHIBIT 1

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2021 DEC 15 PM 2:07
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BY K. PETERSON
DEPUTY

IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR CARSON CITY

NEVADA POLICE UNION,

Petitioner,

v.

STATE OF NEVADA, NEVADA DEPARTMENT OF ADMINISTRATION, LAURA FREED, DIRECTOR OF NEVADA DEPARTMENT OF ADMINISTRATION, GOVERNOR STEVE SISOLAK,

Respondents.

Case No.: 21 OC 00129 1B

Dept. No.: 1

NOTICE OF ENTRY OF ORDER GRANTING NEVADA POLICE UNION'S MOTION TO CONFIRM ARBITRATION AWARD, DENYING STATE OF NEVADA'S MOTION TO VACATE ARBITRATION AWARD, AND GRANTING NEVADA POLICE UNION'S REQUEST FOR ATTORNEY FEES AND COSTS

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NOTICE IS HEREBY GIVEN that on December 6, 2021, an *Order Granting Nevada Police Union's Motion to Confirm Arbitration Award, Denying State of Nevada's Motion to Vacate Arbitration Award, and Granting Nevada Police Union's Request for Attorney Fees and Costs* was entered in the above-captioned matter, a copy of which is attached hereto as Exhibit 1.

AFFIRMATION

Pursuant to NRS 239B.030, the undersigned does hereby affirm that the preceding document does not contain the social security number of any person.

Dated this 13th day of December 2021.

HUTCHISON & STEFFEN, PLLC

By: ______________________

Alex Velto, Esq. (SBN# 14961)
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Attorney for Nevada Police Union

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of the law firm of HUTCHISON & STEFFEN, LLC and that on the 13th day of December, 2021, I caused service a true and correct copy of the **NOTICE OF ENTRY OF ORDER GRANTING NEVADA POLICE UNION'S MOTION TO CONFIRM ARBITRATION AWARD, DENYING STATE OF NEVADA'S MOTION TO VACATE ARBITRATION AWARD, AND GRANTING NEVADA POLICE UNION'S REQUEST FOR ATTORNEY FEES AND COSTS** by electronic mail to the following:

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EXHIBIT 1

REC'D & FILED

2021 DEC -6 AM 11:53

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DEPUTY

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IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR CARSON CITY

NEVADA POLICE UNION, Petitioner, v. STATE OF NEVADA, NEVADA DEPARTMENT OF ADMINISTRATION, LAURA FREED, DIRECTOR OF NEVADA DEPARTMENT OF ADMINISTRATION, GOVERNOR STEVE SISOLAK, Respondents.	Case No.: 21 OC 00129 1B Dept. No.: 1 **~~[PROPOSED]~~ ORDER GRANTING NEVADA POLICE UNION'S MOTION TO CONFIRM THE ARBITRATION AWARD, DENYING STATE OF NEVADA'S MOTION TO VACATE THE ARBITRATION AWARD, AND GRANTING NEVADA POLICE UNION'S REQUEST FOR ATTORNEY FEES AND COSTS**

This matter comes pursuant to the August 19, 2021, *Petition to Confirm the Arbitration Award*, filed by the Nevada Police Union, which was amended on August 27, 2021. Respondent, State of Nevada, filed a *Motion to Vacate the Arbitration Award and Opposition to Motion to Confirm the Arbitration Award* on September 15, 2021. The Nevada Police Union filed a reply in support of its *Petition/Motion* and an *Opposition* to the Respondent's *Motion to Vacate* on October 1, 2021. The State filed a *Reply to Opposition to Motion to Vacate Arbitration Award* on October 11, 2021. This Court set a hearing for December 1, 2021, at 9:00 a.m. The Parties appeared and the Court heard arguments on the matter.

The Court, having reviewed the record and considered the parties' respective pleadings, heard arguments by counsel, and with good cause appearing, hereby grants the Nevada Police Union's Petition and denies Respondent's Motion to Vacate as follows:

I. Statement of Facts

The State of Nevada Department of Administration ("State") and the Nevada Police Union ("Union") attempted to negotiate their first collective bargaining agreement. When the parties declared impasse, they chose an Arbitrator and proceeded to Arbitration. Early in the Arbitration process, the State insisted that the Arbitrator should have authority to determine whether either party's offer conflicted with statute and the State prepared a scheduling order expressly allowing the Arbitrator to determine if an offer conflicted with any provision of state law pursuant to NRS 288.575(1). The Union and State ultimately agreed that if an offer conflicted with any provision of state law, the parties agreed the Arbitrator had authority to consider the offer withdrawn and strike it. The Union filed a motion alleging that the State's compensation article conflicted with statute because it offered no compensation increase at all, even though the State's most recent offer before Arbitration offered a significant increase. The Arbitrator received extensive briefing from both parties on the issue. He determined in his final order:

> The Arbitrator finds that "the State's final offer on *Compensation* is found in conflict with NRS 288.150's obligation requiring the State to negotiate wages with the Union and NRS 288.410, which [negotiations] continues throughout the entirety of the bargaining [process] which includes arbitration as expressly state in NRS 288.575(4) . . . For that reason, the Arbitrator **Granted** NPU's Motion to Consider the State's *Compensation* Offer Withdrawn.

II. Legal Discussion

"[T]he scope of judicial review of [an] arbitration award is limited and is nothing like the scope of an appellate court's review of a trial court's decision." *Health Plan,* 120 Nev. at 695, 100 P.3d at 176. A movant has "high bars to clear." *News+Media Capitol Group*, 137 Nev. Adv. 45. "The party seeking to attack the validity of an arbitration award has the burden of proving, by clear and convincing evidence, the statutory or common-law ground relied upon for challenging the award." *Id.* (emphasis added). Mere "errors of fact or law—even arguably serious ones—do not justify vacating an award. An Arbitrator's misinterpretation of [the parties] agreement constitutes an excess of authority only if the adopted interpretation is not even minimally plausible." *News+Media Capitol Group,* 137 Nev. Adv. 45. This is in-part because parties rely on an arbitrator with "specialized knowledge and competence" to speed up litigation. *Clark Cty. Pub. Emps. Ass'n v. Pearson,* 106 Nev. 587, 597, 798 P.2d 136, 142 (1990). So, "courts are properly reluctant to overturn an arbitration award once rendered" in order "to preserve the efficiency and other benefits of arbitration." *News+Media Capitol Group*, 137 Nev. Adv. 45 at *4.

The State argues in its motion to vacate the Arbitration award that the Arbitrator exceeded his power by considering the State's compensation offer withdrawn. This Court begins its analysis with the presumption that arbitrator acted within the scope of his authority. *Health Plan*, 120 Nev. 689 at 697, 100 P.3d at 178. However, this presumption is not absolute: "[a]rbitrators exceed their powers when they address issues or make awards outside the scope of [an agreement]." *Health Plan*, 120 Nev. at 697-98, 100 P.3d at 178. "[B]ut arbitrators do not exceed their powers if their interpretation of an agreement, even if erroneous, is rationally grounded in the agreement." Therefore, the proper question for this Court is "whether the arbitrator had the authority under the agreement to decide an issue, not whether the issue was correctly decided." *Id.* at 698, 100 P.3d at 178. If the Arbitrator had authority by the parties' agreement to decide the issue, this Court will confirm the award "so long as the arbitrator [was] arguably construing or applying the [agreement]" and the outcome had a "colorable justification." *Id.*

This Court finds that the State failed to overcome its burden to show the Arbitrator exceeded his authority because "the parties bargained for the arbitrator's interpretation." *United Steelworkers of America v. Enterprise Wheel Car Corp.*, 363 U.S. 593, 599, 80 S.Ct. 1358 (1960). The parties agreed that the Arbitrator had authority to apply the following statute: "[a]ny proposal that conflicts with or is otherwise inconsistent with any provision of state law, other than the provisions of chapters 284 and 287 of NRS shall be considered withdrawn by the proposing party." NRS 288.575(1). The State prepared the scheduling order, and the record establishes that the State insisted the Arbitrator should have the authority to make this decision. As such, the State is bound by the Arbitrator's ruling so long as the decision is rationally grounded in the parties' agreement that he decide the issue and has a colorable justification.

Here, the Statute the parties gave the Arbitrator authority to rule under is clear. NRS 288.575(1) determines offers are withdrawn if they conflict with Statute subject to only two exceptions. *See* NRS 288.575(1). Because the Arbitrator's decision did not rely on a conflict with NRS Chapter 284 or 287, the Arbitrator did not exceed his authority. *See Galloway v. Truesdell*, 83 Nev. 13, 26, 422 P.2d 237, 246 (1967) ("[T]he expression of one thing is the exclusion of another, has been repeatedly confirmed in this State.). Therefore, this Court "will not find that the arbitrator exceeded his or her powers . . . unless there is not even a minimally plausible argument to support the arbitrator's decision." *News+Media Capitol Group*, 137 Nev. Adv. 45, at 4 (emphasis added). And here, there was.

The State's central claim is that the Arbitrator exceeded his power in striking the State's compensation offer because the EMRB has exclusive jurisdiction over bad "faith claims" and sole ability to determine an action is a "prohibited practice." The Union argues that the Arbitrator did not find the State acted in bad faith and that the Arbitrator had authority to strike the State's offer because the parties agreed the Arbitrator could determine an offer conflicted with Statute. The Union also argues that the State waived its ability to challenge the Arbitrator's award because it consented to the Arbitrator's final ruling and authority to determine whether the offer conflicted with Statute.

This Court finds that the State failed to overcome its burden to show the Arbitrator's made a "bad faith" or "prohibited practice" finding, even if the parties did not consent to his authority to make the ruling. The record and order show that the Arbitrator never made this finding. Instead, the parties mutually agreed to have the Arbitrator decide whether the State's offer conflicted with any portion of Statute at the insistence of the State's legal counsel. The State agreed that the Arbitrator had authority to strike the State's compensation offer if he determined it conflicted with Statute.

This Court finds further that the State waived its ability to challenge the Arbitration award for three reasons. First, the parties mutually agreed to have the Arbitrator decide whether the State's offer conflicted with any portion of Statute at the insistence of the State's legal counsel. Second, the State agreed that the Arbitrator had authority to strike the State's compensation offer if he determined it conflicted with Statute to avoid the Union's EMRB complaint, which does not establish the EMRB had jurisdiction. Third, the Arbitrator determined the offer conflicted with

Statute. This Court finds that these actions prevent the State from now challenging the Arbitrator's authority before this Court. *See National Gypsum Co. v. Oil, Chemical & Atomic Workers Intern. Union*, 1997 WL 358048 ("The scope of an arbitrator's authority may also be defined by a submission agreement by the parties stating the issue(s) to be decided by the arbitrator . . . where there is a submission agreement, that agreement . . . defines the limits of the arbitrator's authority."); *see also Ales v. Anderson, Gabelmann, Lower & Whitlow, P.C.*, 728 N.W.2d 832 (Iowa 2007) ("The agreement between the parties gave the arbitrator the authority."); *Washoe County v. Seegmiller*, 477 P.3d 368 (Nev. 2020) ("[T]he County . . . agreed to the arbitrator's authority to decide the issue, but we decline to consider the argument further because the County failed to raise it before the arbitrator.").

This Court, therefore, denies the State's *Motion to Vacate* and grants the Union's *Petition to Confirm See* NRS 38.239 ("After a party to an arbitral proceeding receives notice of an award, the party may make a motion to the court for an order confirming the award at which time the court shall issue a confirming order ...") (emphasis supplied); *see also* 9 U.S.C. §§ 9, 13. Further, upon confirmation of the award "the court shall enter a judgment in conformity therewith." NRS 38.243(1); *see also* 9 U.S.C. §§ 9, 13. The judgment may then "be recorded, docketed and enforced as any other judgment in a civil action." *Id.*; *see also* 9 U.S.C. § 13.

This Court orders the State to pay the Union's reasonable attorney fees and costs. NRS 38.243(3) authorizes an award of fees to the prevailing party to a judicial challenge to any type of arbitration, such a fee award is particularly appropriate in the context of a labor arbitration. "Arbitration of labor disputes under collective bargaining agreements is part and parcel of the collective bargaining process itself." *United Steelworkers of America v. Warrior & Gulf Nav. Co.*, 636 U.S. 574, 578, 80 S.Ct. 1347, 1351 (1960). Because arbitration constitutes a "framework of self-government between the parties," an attack upon the merits of an arbitration award is an attack on the collective bargaining process itself. *NFL Management Council v. National Football League Players Association*, 820 F.3d 527, 536 (2d Cir. 2016). This is especially relevant given that the State agreed to have the Arbitrator decide the issue. It cannot now use the judicial review process to attack an agreement it made. This Court, therefore, awards attorney fees and costs, that will be determined pursuant to a *Brunzell* affidavit.

IT IS SO ORDERED that Petitioner's *Motion to Confirm the Arbitration Award* is GRANTED in its entirety.

IT IS FURTHER ORDERED that Respondent's *Motion to Vacate the Arbitration Award* is DENIED in its entirety.

IT IS FURTHER ORDERED that Respondent, Nevada Department of Administration, shall pay to Petitioner reasonable costs of the Petition and this proceeding, including reasonable attorney's fees and other reasonable expenses of litigation pursuant to NRS 38.243(2) and (3) in an amount proven by Petitioners.

IT IS FURTHER ORDERED that Respondent shall provide an affidavit for the Court to properly consider under *Brunzell v. Golden Gate National Bank*, 85 Nev. 345, 455 P.2d 31 (1969) and a statement of the fees being sought within 10 days of the entry of this Order.

IT IS FURTHER ORDERED that Respondent, through its attorney, will serve a notice of entry of this order on all other parties and proof of such service within seven (7) days after the date the Court sent the order to the attorney.

DATED this 6th day of December, 2021

DISTRICT JUDGE

Respectfully Submitted by:
HUTCHISON & STEFFEN, PLLC

By:
Alex Velto, Esq. (SBN# 14961)
5371 Kietzke Lane
Reno, Nevada 89511
Attorney for Nevada Police Union

CERTIFICATE OF MAILING

Pursuant to NRCP 5(b), I certify that I am an employee of the First Judicial District Court, and that on this 6th day of December, 2021, I deposited for mailing, postage paid, at Carson City, Nevada, a true and correct copy of the foregoing Order addressed as follows:

Alex Velto, Esq.
5371 Kietzke Lane
Reno, NV 89511

Greg Ott, Esq.
100 N Carson Street
Carson City, NV 89701

Jackson J. Tann, Esq.
Law Clerk, Dept. I

Fraternal Order of Police C.O. Lodge 21's Response to Petition for Declaratory Relief

FILED
June 26, 2026
State of Nevada
E.M.R.B.
11:40 a.m.

LAW OFFICE OF DANIEL MARKS
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STATE OF NEVADA
GOVERNMENT EMPLOYEE-MANAGEMENT
RELATIONS BOARD

EXECUTIVE DEPARTMENT OF THE STATE OF NEVADA, Petitioner	Case No.: 2026-010 **RESPONSE OF FRATERNAL ORDER OF POLICE C.O. LODGE 21 TO PETITION FOR DECLARATORY RELIEF**

I. INTRODUCTION

Fraternal Order of Police Nevada C. O. Lodge 21 (hereafter "FOP Lodge 21") joins in the Responses filed by the Nevada Police Union and AFSCME Local 4041. FOP Lodge 21 further submits its Response addressing the issues of binding interest arbitration under NRS 288.580(4) and the Boards lack of authority to decide the issues raised by the Petition.

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II. NAMES AND ADDRESSES OF PETITIONER AND RESPONDENTS

The name and address of Petitioner Executive Department is set forth in Petitioner's Petition, as well as the Response of the Nevada Police Union and is therefore incorporated by reference.

FOP Lodge 21 is the exclusive bargaining representative for Bargaining Units I and N representing the nonsupervisory Category III peace officers (Unit I) and supervisory Category III peace officers (Unit N). The address for FOP Lodge 21 is 610 S. 9th St., Las Vegas, NV 89101.

III. THE EXECUTIVE DEPARTMENT'S PETITION SEEKS TO HAVE THE BOARD ISSUE A DECISION BEYOND ITS AUTHORITY.

A. NRS 288.580(4) States That The Decision of An Interest Arbitrator Is "Binding" On The Parties.

NRS 288.575 and 288.580 govern interest arbitration between the parties to settle the contract where impasse occurs. Negotiations for collective bargaining agreements for the 2025-2027 biennium resulted in interest arbitration for every represented bargaining unit with the exception of bargaining Units "K" and "O" represented by Battle Born Fire Fighters Association, IAFF Local 3895.

Subsection (4) of states NRS 288.580 "The decision of the arbitrator is final and binding upon the parties." Thus, every bargaining unit which went to arbitration had its collective bargaining agreement settled by an arbitrator, the decision of which was "binding on the parties".

The Executive Department's Petition spends considerable space addressing the Legislature's constitutional authority and citing the legislative history of Senate Bill 135 to argue that the awards of the interest arbitrators are not binding on the Legislature. This is not disputed by the recognized labor organizations. An arbitration award could never be binding on the Legislature *because the Legislature was not a party to the arbitration proceedings*.

However, it does not follow that the award is not binding on the *Executive Department* as the Petition requests this Board to declare. Under the plain language of NRS 288.580 "The decision of the arbitrator is final and binding upon the parties." The Executive Department was a party to all of the arbitration proceedings and is therefore bound. Where the language of a statute is "plain and unambiguous, there is simply no room for construction of the statute" by this Board. *Washoe County Sheriff's Deputies and Washoe County*, Case No. A1-045540 Item #316 (1993).

The Board cannot lawfully change, supplant, modify, or add to a statute, and it would be legal error to do so. Administrative agencies have only those powers which the legislature specifically delegates to it, *see Andrews v. Nevada State Board of Cosmetology,* 86 Nev. 207, 467 P.2d 96 (1970), which does not include the power to modify or change a duly enacted statute. *See also Clark Cnty. Sch. Dist. v. Clark Cnty. Classroom Tchrs. Ass'n*, 115 Nev. 98, 103, 977 P.2d 1008, 1011 (1999) ("[T]he court may not confer upon an administrative agency power in excess of that authorized by the legislature."). Therefore, to the extent that the Executive Department's Petition seeks any type of declaration in whole or in part that it is not bound by the collective bargaining agreements settled by the interest arbitrators for purposes of establishing the status quo, such arguments must be rejected.[1]

B. This Board Lacks Jurisdiction To Determine Whether Any Provisions Within Collective Bargaining Agreements Are Void Under AB 596.

This Board has long recognized that it is not empowered to decide constitutional issues. In *Jared Barto et al v City of Las Vegas*, Case No. Al-046091 Item 799 (2014) the Board held:

> Complainants raise a novel argument that the language in Section 10-B only applies if the discharge does not violate state or federal law, and that in this case the discharge violated federal substantive due process as it was done in public. Complainants point to a bevy of media coverage over this incident in support. However this argument is an invitation for the Board to stray well outside of our statutory authority under the Act. This argument is predicated upon finding that the City violated the due process rights of the Complainants. *That is not a finding that this Board has been empowered to make. That is a question that must be raised before another tribunal.*

[1] It should further be pointed out that after the arbitrators issued their awards for the bargaining units, the contracts including the provisions awarded by the arbitrators, were expressly ratified by the Executive Department through the Board of Examiners ("BOE") at its meetings of May 23 and 29, 2025. (Exhibit "A").

Barto at p. 5 (*emphasis added*).[2]

The Executive Department now is asking this Board to declare, based on the appropriations language in Section 1.10 of Assembly Bill 596, that any provision within the collective bargaining agreements which requires the Legislature to appropriate monies and for which monies were not appropriated, to be "void". This is exactly the type of constitutional issue which is outside of the Board's jurisdiction, and for which the Legislature has determined "must be raised before another tribunal". *Barto*, supra.

Collective bargaining agreements are contracts within the meaning of the common law. They have been long recognized as third party beneficiary contracts with the employees as the beneficiaries. 4A *Corbin on Contracts* § 781 at 72, § 782 at 83-84 (1962); see also Clyde W. Summers, *Collective Agreements and the Law of Contracts*, Yale Law School Faculty Scholarship Series Paper 3914 (1969).

Article I, Section 10 of the United States Constitution and its counterpart under Article I Section 15 of the Nevada Constitution provide that "No State may pass a law impairing the obligation of contracts". This is acknowledged by the Executive Department's Petition on page 24. Where, as here, the Executive Department has entered into a contract by virtue of the interest arbitration awards and/or express ratification by the BOE on May 23 and 29, 2025, the Legislature may not "impair" any obligations contained therein. This does not mean that the Legislature must fund any given provision; merely that it is beyond the constitutional authority of the Legislature to declare any portion to be "void".[3]

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[2] It was undersigned counsel who made the "novel argument" in that case. Undersigned believes that a better descriptor for the argument would be "ground breaking".

[3] "The obligations of a contract are impaired by a law which renders them invalid, or releases or extinguishes them". *Home Bldg. & Loan Asso. v. Blaisdell*, 290 U.S. 398, 431 (1934). While this Board cannot decide such constitutional issues, it does not take a constitutional scholar to recognize that an act of the Legislature declaring portions of a contract "void" certainly "extinguishes" such.

The Nevada Legislature has passed the Uniform Declaratory Judgments Act at NRS Chapter 30.010 through 30.160. The Scope of the Act states at NRS 30.030 "Courts of record within their respective jurisdictions shall have power to declare rights, status and other legal relations whether or not further relief is or could be claimed." Questions of validity of contracts is expressly covered under NRS 30.040 "Questions of construction or validity of instruments, contracts and statutes". Subsection (1) of that statute states:

> Any person interested under a deed, written contract or other writings constituting a contract, or whose rights, status or other legal relations are affected by a statute, municipal ordinance, contract or franchise, may have determined any question of construction or validity arising under the instrument, statute, ordinance, contract or franchise and obtain a declaration of rights, status or other legal relations thereunder.

Under NRS 30.030 the Legislature has given the power to decide such issues to "Courts of record", not this Board. Because this Board cannot decide the validity of any provision of the collective bargaining agreements which were awarded by arbitrators (and ratified by the BOE), the Petition should be denied in its entirety.

DATED this 26th day of July 2026.

LAW OFFICE OF DANIEL MARKS

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Attorneys for Fraternal Order of Police C.O. Lodge 21

CERTIFICATE OF ELECTRONIC SERVICE

I hereby certify that I am an employee of the LAW OFFICE OF DANIEL MARKS, and that on the 26th day of July 2026, I served a true and correct copy of the foregoing RESPONSE OF FRATERNAL ORDER OF POLICE C.O. LODGE 21 TO PETITION FOR DECLARATORY RELIEF by emailing the same to the following recipients. Service of the foregoing document by email is in place of service via the United State Postal Service.

AARON FORD
Attorney General
JOSH REID (Bar No. 7497)
Special Counsel - Labor Relations
STEVEN 0. SORENSEN (Bar No. 15472)
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Attorneys for Respondent,
Executive Department of The State of Nevada

/s/Joi E. Harper
An employee of the
LAW OFFICE OF DANIEL MARKS

EXHIBIT A

EXHIBIT A

Governor Joe Lombardo
Chairman

Tiffany Greenameyer
Clerk of the Board

Attorney General Aaron D. Ford
Member

Secretary of State Francisco V. Aguilar
Member

STATE OF NEVADA
BOARD OF EXAMINERS

209 East Musser Street, Room 200 / Carson City, Nevada 89701-4298
Phone: (775) 684-0222 / Fax: (775) 684-0260
http://budget.nv.gov/Meetings

MEETING MINUTES

Date and Time: May 23, 2025, 11:30 AM

Location: Nevada Capitol Building
101 North Carson Street, Old Assembly Chambers
Carson City, Nevada 89701

Video Conference Location: The McCarran Center, Nevada Building
1 State of Nevada Way, Governor's Conference Room
Las Vegas, Nevada 89119

MEMBERS PRESENT:
Governor Joe Lombardo
Secretary of State Francisco V. Aguilar
Attorney General Aaron Ford

STAFF PRESENT:
Tiffany Greenameyer, Clerk of the Board
Rosalie Bordelove, Board Counsel

OTHERS PRESENT:
Craig Newby, Assistant Attorney General

1. Call to Order / Roll Call

Governor: I will call to order the public meeting of the State of Nevada Board of Examiners scheduled for today May 23, 2025 at 11:30 a.m. We'll kick it off with the roll call. Ms. Greenameyer.

Clerk of the Board: Governor Lombardo.

Governor: Here.

Clerk of the Board: Attorney General Ford.

Attorney General: Here.

Clerk of the Board: Secretary Aguilar.

Secretary of State: Here.

Clerk of the Board: Let the record reflect we have a quorum.

2. Public Comment

The first public comment period is limited to comments on items on the agenda. No action may be taken upon a matter raised under this public comment period unless the matter itself has been specifically included on the agenda as an action item. The Chair of the Board has imposed a time limit of three minutes. Public comment may be provided in person or via telephone. To provide public comment on an item on the agenda via telephone, dial 775-321-6111 or 702-329-3435. When prompted to provide the meeting ID, please enter 781 008 936#. When the Chair opens the public comment period, dial *5 to request to be unmuted. To resolve any issues related to dialing in to provide public comment for this meeting, please call (775) 684-0222.

Governor: We will move to the first opportunity for public comment. This first public comment period is limited to comments on items on the agenda. No action may be taken upon a matter raised under the public comment period unless the matter itself has been specifically included on the agenda as an action item. I will impose a three minute time limit during public comment. Public comment may be provided in person or via telephone. To provide public comment on an item on the agenda via the telephone please dial 775-321-6111 and enter the meeting ID number is 781 008 936#.

Do we have any public comment there in Las Vegas?

Craig Newby: No, Governor.

Governor: Do we have any public comment here in Carson City? None. Do we have anyone for public comment on the phone? Hearing none, we will close this first public comment period.

3. Approval of New, Extended, or Modified Collective Bargaining Agreement (For possible action)

A. Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the American Federation of State, County and Municipal Employees (AFSCME), Local 4041 for the 2025-2027 biennium for Bargaining Units A, comprised of Labor, maintenance, custodial and institutional employees; E, comprised of Professional employees who provide health care; and F, comprised of Employees, other than professional, who provide health care and personal care. The estimated fiscal impact of the CBA for the biennium is $90,209,716.

B. Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the American Federation of State, County and Municipal Employees, Local 4041 for the 2025-2027 biennium for Bargaining Unit C, comprised of technical aides to professional employees. The estimated fiscal impact of the CBA for the biennium is $57,464,302.

C. Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Nevada Police Union for the 2025-2027 biennium for Bargaining Unit G, comprised of Category I peace officers. The estimated fiscal impact of the CBA for the biennium is $28,136,383.

D. Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Nevada Police Union for the 2025-2027 biennium for Bargaining Unit L, comprised of Category I peace officer supervisors. The estimated fiscal impact of the CBA for the biennium is $7,410,587.

E. Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Battle Born Fire Fighters Association, Local 3895 for the 2025-2027 biennium for Bargaining Unit K, comprised of non-supervisory firefighters. The estimated fiscal impact of the CBA for the biennium is $184,806.

F. Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective

Bargaining Agreement (CBA) with the Battle Born Fire Fighters Association, Local 3895 for the 2025-2027 biennium for Bargaining Unit O, comprised of Supervisory Firefighters. The estimated fiscal impact of the CBA for the biennium is $65,100.

G. Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Nevada Peace Officer Association for the 2025-2027 biennium for Bargaining Unit H, comprised of Category II Peace Officers. The estimated fiscal impact of the CBA for the biennium is $1,812,372.

H. Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Nevada Peace Officer Association for the 2025-2027 biennium for Bargaining Unit M, comprised of Supervisory Category II Peace Officers. The estimated fiscal impact of the CBA for the biennium is $122,083.

I. Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Fraternal Order of Police, Nevada CO, Lodge 21 for the 2025-2027 biennium for Bargaining Unit I, comprised of Category III peace officers. The estimated fiscal impact of the CBA for the biennium is $138,891,224.

Governor: We will move on to agenda item number three *Approval of New, Extended, or Modified Collective Bargaining Agreement, for Possible Action.* Ms. Greenameyer, we will take these separately.

Clerk of the Board: These items were submitted by the Department of Administration, Division of Human Resource Management. I would note that Item 3.H, with the Nevada Peace Officer Association, Bargaining Unit M, has been withdrawn by the agency and was placed on the May 29, 2025 Special BOE meeting agenda.

Pursuant to NRS 288.555, subsection 1, the department, acting on behalf of the Executive Department of the State of Nevada requests approval of the following new Collective Bargaining Agreements for the 2025-2027 biennium. The combined total estimated fiscal impact of these agreements, calculated by the Governor's Finance Office, for the biennium, excluding Item 3.H, is $321,163,752.

Item 3.A is with the American Federation of State, County and Municipal Employees (AFSCME), Local 4041 for Bargaining Units A, E, and F. The estimated fiscal impact of this agreement, if approved, is $90,209,716. Are there any questions on this item?

Governor: Are there any questions of the Board on item 3.A?

Attorney General: None here.

Secretary of State: No, no questions.

Governor: Alright, I'll entertain a motion.

Secretary of State: Motion to approve.

Governor: We have a motion for approval. All those in favor, signify by saying aye.

Attorney General: Aye.

Secretary of State: Aye.

Governor: All those against, signify by saying nay. Nay. I'll make a comment associated with my vote.

It's my responsibility as the Governor of the State of Nevada to be responsible to both the employees of the state and the constituents of the state as the fiscal arbiter, along with the Nevada Legislature, to determine the ability to pay. As a result, via my emissaries, we present a position, as the state, in every collective bargaining agreement, on the ability to pay.

In review of the arbitrators awards, I'm in disagreement with some of the narrative provided and some of the reasoning. So, I can't, in complete confidence, vote as 'yes.' I am in full support of all employees, across the board, but I also want to remind the public and the employees of the State of Nevada that on an average, we received a 23% increase in base pay, across the board, in the last biennium. Subsequently, moving forward, we have the Economic Forum numbers that were presented to the deficit of $191 million for the 2025-2027 biennium. I, as a fiscal arbitrator, have to take that under consideration when I make a decision here today.

So, we know how the procedure goes forward from this point – depending on the vote that occurs on each one of these items today, subsequently, it will end up in the lap of the State Legislature, and they will make a decision based on ability to pay and services provided.

Unfortunately, in some of the arbitrator awards there was narrative that said the state could reduce services in order to accommodate these collective bargaining agreements. I am in absolute conflict with that statement and I want it to be a matter of record as we move forward through this process.

I will not belabor this forum today with the same comments on each one of these items. Subsequently, I wanted that said in the forward, versus at the conclusion of this. With that, moving forward, we had a motion for approval, it was approved, and we will move subsequently to item 3.B.

Clerk of the Board: Item 3.B is with the American Federation of State, County and Municipal Employees, Local 4041 for Bargaining Unit C. The estimated fiscal impact of this agreement, if approved, is $57,464,302. Are there any questions on this item?

Secretary of State: No questions motion to approve.

Governor: We have a motion for approval. All those in favor, signify by saying aye.

Attorney General: Aye.

Secretary of State: Aye.

Governor: Any against? Nay. The motion passes.

We will move on to agenda item number 3.C. Ms. Greenameyer.

Clerk of the Board: Item 3.C is with the Nevada Police Union for Bargaining Unit G. I would note that the estimated fiscal impact of this agreement has been updated. The Attorney General's Office has advised that Article 9.1.6 contained in this agreement is carryover language from the current collective bargaining agreement. The agreement proposed in item 3.C does not provide for personal leave in the next biennium. The estimated fiscal impact related to Article 9.1.6 has been removed, and the total estimated fiscal impact, if approved, has been revised from $28,136,383 to $25,125,645. Are there any questions on this item?

Governor: Do we have any questions?

Attorney General: None here. I move for approval as amended.

Governor: We have a motion for approval. All those in favor, signify by saying aye.

Attorney General: Aye.

Secretary of State: Aye.

Governor: Those against signify by saying nay. Nay. The motion passes.

We will move on to agenda item number 3.D.

Clerk of the Board: Item 3.D is with the Nevada Police Union for Bargaining Unit L. The estimated fiscal impact of this agreement, if approved, is $7,410,587. Are there any questions on this item?

Governor: Are there any questions?

Attorney General: None here.

Secretary of State: No questions. Motion to approve.

Governor: We have a motion for approval. All those in favor, signify by saying aye.

Attorney General: Aye.

Secretary of State: Aye.

Governor: Any against signify by saying nay. Nay. The motion passes.

We will move on to agenda item number 3.E.

Clerk of the Board: Item 3.E is with the Battle Born Fire Fighters Association, Local 3895 for Bargaining Unit K. The estimated fiscal impact of this agreement, if approved, is $184,806. Are there any questions on this item?

Governor: Do we have any questions?

Secretary of State: No questions. Motion to approve.

Governor: We have a motion for approval on item 3.E. All those in favor, signify by saying aye.

Attorney General: Aye.

Governor: Aye.

Secretary of State: Aye.

Governor: The motion passes.

We will move on to agenda item number 3.F.

Clerk of the Board: Item 3.F is with the Battle Born Fire Fighters Association, Local 3895 for Bargaining Unit O. The estimated fiscal impact of this agreement, if approved, is $65,100. Are there any questions on this item?

Governor: Are there any questions on 3.F?

Secretary of State: No questions. Motion to approve.

Governor: We have a motion for approval. All those in favor, signify by saying aye.

Attorney General: Aye.

Governor: Aye.

Secretary of State: Aye.

Governor: The motion passes.

Moving to agenda item 3.G.

Clerk of the Board: Item 3.G is with the Nevada Peace Officer Association for Bargaining Unit H. The estimated fiscal impact of this agreement, if approved, is $1,812,372. Are there any questions on this item?

Governor: Do we have any questions? Hearing none, I'll entertain a motion.

Attorney General: Move to approve.

Governor: We have a motion for approval. All those in favor, signify by saying aye.

Attorney General: Aye.

Governor: Aye.

Secretary of State: Aye.

Governor: The motion passes.

We will move on to agenda item 3.I.

Clerk of the Board: Item 3.I is with the Fraternal Order of Police, Nevada CO, Lodge 21 for Bargaining Unit I. The estimated fiscal impact of this agreement, if approved, is $138,891,224. Are there any questions on this item?

Governor: Do we have any questions on item 3.I?

Attorney General: None here. Move approval.

Governor: We have a motion for approval. All those in favor, signify by saying aye.

Attorney General: Aye.

Secretary of State: Aye.

Governor: Any against, signify by saying nay. Nay. The motion passes.

This completes agenda item number 3.

4. **Public Comment** This public comment period is for any matter that is within the jurisdiction of the public body. No action may be taken upon a matter raised under this public comment period unless the matter itself has been specifically included on an agenda as an action item. The Chair of the Board has imposed a time limit of three minutes. Public comment may be provided in person or via telephone. To provide public comment on an item on the agenda via telephone, dial 775-321-6111 or 702-329-3435. When prompted to provide the meeting ID, please enter 781 008 936#. When the Chair opens the public comment period, dial *5 to request to be unmuted. To resolve any issues related to dialing in to provide public comment for this meeting, please call (775) 684-0222.

This is the second opportunity for public comment. Do we have any public comment there in Las Vegas?

Craig Newby: Seeing none here, Governor.

Governor: Do we have any public comment here in Carson City? Seeing none. Do we have any public comment on the phone? None. We will close this second opportunity for public comment.

5. Adjournment (For possible action)

I will make a motion for adjournment. All those in favor, signify by saying aye.

Attorney General: Aye.

Governor: Aye.

Secretary of State: Aye.

Governor: The motion passes. Thank you all.

Governor Joe Lombardo
Chairman

Tiffany Greenameyer
Clerk of the Board

Attorney General Aaron D. Ford
Member

Secretary of State Francisco V. Aguilar
Member

STATE OF NEVADA
BOARD OF EXAMINERS

209 East Musser Street, Room 200 / Carson City, Nevada 89701-4298
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MEETING MINUTES

Date and Time: May 29, 2025, 1:00 PM

Location: Nevada Capitol Building
101 North Carson Street, Old Assembly Chambers
Carson City, Nevada 89701

Video Conference Location: The McCarran Center, Nevada Building
1 State of Nevada Way, Governor's Conference Room
Las Vegas, Nevada 89119

MEMBERS PRESENT:
Governor Joe Lombardo
Secretary of State Francisco V. Aguilar
Attorney General Aaron Ford

STAFF PRESENT:
Tiffany Greenameyer, Clerk of the Board
Rosalie Bordelove, Board Counsel

OTHERS PRESENT:
Josh Reid, Special Counsel, Attorney General's Office

1. Call to Order / Roll Call

Governor: We will get started the special State of Nevada Board of Examiners (BOE) meeting scheduled for today May 29, 2025 at 1:00 p.m. We will start with the roll call. Ms. Greenameyer.

Clerk of the Board: Governor Lombardo.

Governor: Here.

Clerk of the Board: Attorney General Ford.

Attorney General: Here.

Clerk of the Board: Secretary Aguilar.

Secretary of State: Here.

Clerk of the Board: Let the record reflect we have a quorum.

2. Public Comment

The first public comment period is limited to comments on items on the agenda. No action may be taken upon a matter raised under this public comment period unless the matter itself has been specifically included on the agenda as an action item. The Chair of the Board has imposed a time limit of three minutes. Public comment may be provided in person or via telephone. To provide public comment on an item on the agenda via telephone, dial 775-321-6111 or 702-329-3435. When prompted to provide the meeting ID, please enter 557 435 475#. When the Chair opens the public comment period, dial *5 to request to be unmuted. To resolve any issues related to dialing in to provide public comment for this meeting, please call (775) 684-0222.

Governor: Agenda item number two. This is the first opportunity for public comment. The public comment period is limited to comments on items on the agenda. No action may be taken upon a matter raised under this public comment period unless the matter itself has been specifically included on the agenda as an action item. Comments will be limited to three minutes. If you wish to call in to participate in public comment, that number is 775-321-6111 and enter the ID number 557 435 475#. Do we have any public comment there in Las Vegas?

Rosalie Bordelove: No sir.

Governor: Do we have any public comment here in Carson City? None. Is anybody on the phone? Hearing none. We will close public comment.

3. Approval of New, Extended, or Modified Collective Bargaining Agreement (For possible action)

A. Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Nevada Peace Officer Association for the 2025-2027 biennium for Bargaining Unit M, comprised of Supervisory Category II

Peace Officers. The estimated fiscal impact of the CBA for the biennium is $122,083.

B. Pursuant to NRS 288.555, subsection 1, the Department of Administration, Division of Human Resource Management acting on behalf of the Executive Department of the State of Nevada, requests approval of the new Collective Bargaining Agreement (CBA) with the Fraternal Order of Police, Nevada CO, Lodge 21 for the 2025-2027 biennium for Bargaining Unit N, comprised of Category III peace officer supervisors. The estimated fiscal impact of the CBA for the biennium is $21,155,823.

Governor: Agenda item number three, *Approval of New, Extended, or Modified Collective Bargaining Agreement for Possible Action*. Ms. Greenameyer, we will take these separately.

Clerk of the Board: Yes, sir.

These items were submitted by the Department of Administration, Division of Human Resource Management. Pursuant to NRS 288.555, subsection 1, the department, acting on behalf of the Executive Department of the State of Nevada, requests approval of the following new Collective Bargaining Agreements for the 2025-2027 biennium. The combined total estimated fiscal impact of the agreements on the agenda today, calculated by the Governor's Finance Office, for the biennium, is $21,277,906. The two agreements before you today, combined with the eight agreements approved at the May 23, 2025 Board of Examiners meeting, has a total estimated fiscal impact of $342,441,658.

Item 3.A is with the Nevada Peace Officer Association (NPOA) for Bargaining Unit M. The estimated fiscal impact of this agreement, if approved, is $122,083. This agreement is presented to the Board on the understanding that it is effective without signature by the union, as it is a product of signed tentative agreements and binding arbitration. Are there any questions on this?

Attorney General: So, I'm a little concerned that this agreement has not been signed and I would like some articulation on the record from either counsel in my office or someone who can explain what the ramifications are of us approving an unsigned agreement. I understand what you've just said Madam Clerk, but could I get a little more legal analysis as to what the effect would be if we were to ratify an unsigned contract?

Josh Reid: Josh Reed, Special Counsel for Labor Relations. So, this union's counsel is in agreement with the state's position that this agreement, as are all the other agreements that were presented at the previous meeting, are a result of ten signed Tenative Agreements between the unions and the Executive Department and binding arbitration decisions.

It is common in that most unions don't require ratification after a binding arbitration decision. In discussions with counsel for NPOA, he agreed with me, in writing, that a signature from Unit M is not required for the CBA to be binding. I think the policy behind it, is most unions would agree with this position because they don't want the state to not execute an agreement where they won in binding impass arbitration. So, I think most unions would agree with the position that this is a binding agreement resulting from signed Tenative Agreements and the binding arbitrator decision.

Attorney General: Well, I appreciate that analysis. It obviously runs counter to what we learned in Contracts 101, which says, you can't enforce an unsigned contract against the person who did not sign it, but listening to you talk, you're indicating that if the shoe were on the other foot, and the state did not sign it, it would nonetheless be enforceable against us as well. Is that your analysis?

Josh Reid: The state is a is a different animal, and this is in the legislative history of when Senate Bill 135, when state collective bargaining came into effect in 2019, the state does require for a CBA to be effective, the approval of the Board of Examiners. For any fiscal provisions in the CBA, it does require appropriation by the Nevada Legislature through legislation. So, it is a little different. State bargaining is new and so that issue of if the BOE didn't approve a collective bargaining agreement that resulted from binding arbitration, the courts have not handled that issue as of yet but the arbitration decision is binding on the Executive Department. Meaning we can't go back and renegotiate. The arbitration decision is binding on the Executive Department pursuant to NRS 288. So, the Executive Department couldn't take a position different from what the arbitrator decided but that doesn't bind the Board of Examiners, and it does not bind the Nevada Legislature.

Attorney General: Yes, I see that makes a lot of sense. I understand the different entities involved in that issue so, explain to me this though, Josh – what happens if this does not pass today, if we vote against this, what's the effect?

Josh Reid: So, the proposed CBA doesn't become effective until July 1st of this year, and so, what makes today special, is that it's before the end of the Nevada Legislative session. The amount, the fiscal impact amount of $122,083 for those provisions with fiscal impact to come into effect, the Nevada Legislature needs to appropriate the money for those provisions to become effective. The downside of not approving the agreement would be that the Nevada Legislature would not be able to appropriate the funds for this agreement because they don't consider the appropriation until after the approval of the Board of Examiners. So, it would be a detriment to the union to not have this approved because nothing guarantees an appropriation from the Nevada Legislature, but they wouldn't have the opportunity for that appropriation.

Attorney General: Further follow up, Governor. I want to be clear on something though that you just said about the legislature. I'm not quite sure I agree that the legislature could not nonetheless appropriate funds to accommodate the bargaining unit here and even fulfill the terms of this contract if we did not ratify it. It seems to me that the legislature could, in their pay bill, include salary adjustments in the budget for the Governor's consideration at the end of the day, that would accomplish the goals of this particular agreement without it having been presented to them from the Board of Examiners. So, maybe that's beyond your purview Josh, but if you have an opinion on that I'd like to hear it.

Josh Reid: I agree with what you're saying. What binds the legislature is that they have to do a balanced budget and it has to be proved through legislation and signed by the Governor.

I agree with you the legislature can do whatever it wants. The practicality of it, based on the legislative hearings on the bills that were passed last week, it appears that they may be waiting for the Board's approval. The CBAs, the fiscal impacts of the CBAs on the agenda today are not in the bill that are proposed to approve the fiscal impacts of the various CBAs and appeared, based on that committee hearing, they're waiting to hear from the BOE, but it is true, the legislature can do whatever they want. They can give every employee a golden pony, whether it's in the CBA or not.

Attorney General: Okay. Thank you, Josh. I find this to be a very precarious situation. Obviously, it's unique that we've never had to deal with an unsigned contract before, but with the fiscal impact being only $122,083, and with the bargaining units counsel acknowledging that their signature isn't required to enforce it because they've been through binding arbitration, and based on our conversation that we've just had, I'm inclined to support this – which is different than when I walked in here, I wasn't going to support it, but I'm inclined to support the contract based on what you've just said, to allow the legislature to perhaps at a minimum, appropriate monies that are accounted for here in this particular binding agreement. So, thank you so much for those answers Josh. Thanks for the counsel.

Governor: I believe we have one more question.

Secretary of State: My question is, the negotiated dollar amount is agreed to, it's the terms of the contract that the other party has not agreed to sign, is that correct?

Josh Reid: Yes, and part of the reason why they haven't signed the agreement is their counsel has told them it's not required. They are not contesting the terms in the proposed contract. Any contract that is approved by the BOE, if it requires an appropriation or a legislative change by the legislature, those provisions don't become effective until that appropriation or legislative change is made.

Secretary of State: Okay, is that advice to the client that it is not necessary for them to sign, is it in writing, and do we have a copy of that guidance?

Josh Reid: We do have in writing from their attorney that he agrees that their signature is not required and the CBA becomes effective with or without their signature.

Secretary of State: So, does this set a precedent for future negotiation and contract agreements?

Josh Reid: Well again, I think it's a precedent that most of the unions would agree with. The unions don't want the state or the Executive Department to not submit CBAs for BOE approval because they disagree with an arbitrator's decision. The unions and the state, we both have the ability to challenge an arbitrator's decision in district court. Under the Uniform Arbitration Act, you have 90 days to do that. It's highly unlikely that would happen in this case but there can be litigation issues that come up after BOE approval. Our advice is, we don't want a precedent of holding up BOE approval because union members disagree with the binding arbitrator's decision. So, I think there is a precedent set but I think it's a positive precedent for the Executive Department.

Attorney General: Josh, I want to be clear, as the Attorney General for the for the state and the counsel for the Executive Department, I am not sitting at this dais now acquiescent to the notion that an unsigned arbitration agreement on behalf of the Executive Department can be enforced against the Executive Department. You might be right, but I don't want it to be construed as, the Attorney General sitting here as counselor of the Executive Department acknowledging and acquiescing to that particular fact. It would take some additional research and/or litigation to accomplish that.

Back to the original point, which is, their counsel has given you written confirmation that they believe that this can be enforced against them, even though it's not been signed. That, to me, is a distinction that makes a big difference.

I do think, however, there was some confusion relative to the Secretary's question to you. I don't think that the bargaining unit agrees to the number amount. They may agree with the terms but they don't agree with the number and that's the biggest problem right? They want this number to be a lot larger, relative to what they were bargaining for. Am I right about that?

Josh Reid: Yes, their proposal to the arbitrator would have been a much larger number.

Attorney General: So, aside from the number, the other terms, they probably are less concerned about. They are really at odds with the fact that they're only getting the $122,083 collective bargaing agreement submitted to the legislature.

Josh Reid: Yes, it is $122,083 but also, there is also a provision that if all state employees are provided additional compensation, that they also get the same additional compensation.

Attorney General: That makes a lot of sense. Okay, thanks so much. Thanks for indulging me, Governor.

Secretary of State: Now I have a question, a clarifying question. So, they're not signing the collective bargaining agreement because they do not agree to the amount, but we went to an arbitrator, the arbitrator ruled in the favor of the state with this number and they have failed to file an appeal on that arbitration, or is that not determined?

Josh Reid: They have 90 days from the date of the decision, which was about three weeks ago.

Secretary of State: Then, say if we approve this and it gets sent over to the legislature, the legislature may adopt this in its budgeting process, the arbitrator then rules in favor of the union, and there is a different district court judge – then does the legislature have to go back into special session to be able to appropriate that additional funding, or where do we end up?

Josh Reid: This has been litigated. There was litigation in 2021 and 2023 after collective bargaining by various unions and this issue has been litigated. It has happened where a union received a positive arbitrator's decision with an award for a Cost-of-Living Adjustment pay increase but it was after legislative session had concluded. These appropriations have to be in a regular session and not special session and courts have upheld the notion that if the legislature doesn't appropriate it, they don't get it. So, depending on what the legislature does, there could be similar litigation again.

With respect to the amount, I have not heard or received any comments with respect to the proposed CBA that they haven't contested any of the specific terms of the proposed CBA. The articles that they submitted for arbitration, they wanted those to win in arbitration and so they have concerns about that but there have been no concerns about an incorrect fiscal impact. At least, no concerns given to me through their attorney or that any of the other terms and conditions are incorrect.

Governor: Alright, if there are no further questions, I'll entertain a motion for approval.

Secretary of State: Motion to approve.

Governor: We have a motion. All those in favor, signify by saying aye.

Secretary of State: Aye.

Attorney General: Aye.

Governor: Aye. The motion passes.

We will move on to agenda item 3.B. Ms. Greenameyer.

Clerk of the Board: Item 3.B is with the Fraternal Order of Police, Nevada CO, Lodge 21 for Bargaining Unit N. The estimated fiscal impact of this agreement, if approved, is $21,155,823. Are there any questions on this item?

Governor: Do we have any questions? If there are no questions, I'll entertain a motion for approval.

Attorney General: Move approval.

Governor: All those in favor, signify by saying aye.

Secretary of State: Aye.

Attorney General: Aye.

Governor: All those against, signify by saying nay. Nay. The motion passes.

4. Public Comment This public comment period is for any matter that is within the jurisdiction of the public body. No action may be taken upon a matter raised under this public comment period unless the matter itself has been specifically included on an agenda as an action item. The Chair of the Board has imposed a time limit of three minutes. Public comment may be provided in person or via telephone. To provide public comment on an item on the agenda via telephone, dial 775-321-6111 or 702-329-3435. When prompted to provide the meeting ID, please enter 557 435 475#. When the Chair opens the public comment period, dial *5 to request to be unmuted. To resolve any issues related to dialing in to provide public comment for this meeting, please call (775) 684-0222.

Governor: We will move on to agenda item number 4, the second opportunity for public comment. This public comment period is for any matter that is within the jurisdiction of the public body. Please limit your comments to three minutes.

Do we have anyone for public comment there in Las Vegas?

Rosalie Bordelove: No, sir.

Governor: Do we have anyone here in Carson City? Do we have anyone on the phone? Hearing none.

5. Adjournment (For possible action)

Governor: I will entertain a motion for adjournment.

Secretary of State: So moved.

Governor: We have a motion for adjournment. All those in favor, signify by saying aye.

Secretary of State: Aye.

Attorney General: Aye.

Governor: Aye. We are adjourned. Thank you.

American Federation of State, County & Municipal Employees, Local 4041's Response to Petition for Declaratory Order

FILED
June 26, 2026
State of Nevada
E.M.R.B.
2:55 p.m.

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BEFORE THE STATE OF NEVADA

GOVERNMENT EMPLOYEE-MANAGEMENT RELATIONS BOARD

EXECUTIVE DEPARTMENT OF THE STATE OF NEVADA, an individual;

Petitioner,

v.

AMERICAN FEDERATION OF STATE, COUNTY & MUNICIPAL EMPLOYEES, LOCAL 4041, et al.;

Respondent.

Case No.: 2026-010

AMERICAN FEDERATION OF STATE, COUNTY & MUNICIPAL EMPLOYEES, LOCAL 4041'S RESPONSE TO PETITION FOR DECLARATORY ORDER

Pursuant to NAC 288.390, Respondent, American Federation of State, County & Municipal Employees, Local 4041, by and through the undersigned counsel, hereby files its Response ("Response") to the Executive Department of the State of Nevada's Petition for Declaratory Order ("Petition").

I. INTRODUCTION

Respondent, American Federation of State, County and Municipal Employees, Local 4041 ("AFSCME" or "the Union"), the certified exclusive bargaining agent for State Employee Bargaining Units A, B, C, E, and F, respectfully moves the Government Employee-Management Relations Board ("EMRB" or "Board") to dismiss the Petition for Declaratory Order ("Petition") filed by the Executive Department of the State of Nevada ("Executive Department," "State," or "Petitioner"), or, in the alternative, for the Board to exercise its discretion under NAC 288.410(1)

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to deny the Executive Department's requested declaratory order. The Executive Department's petition is procedurally and substantively deficient.

First, the Petition does not present a justiciable controversy. It asks the Board to declare, in the abstract and in advance, the legal consequences of Assembly Bill 596 of the 2025 Legislative Session ("AB 596") for collective bargaining agreements ("CBAs") that do not yet exist—the agreements for the 2027–2029 biennium. Negotiations for these CBAs only recently commenced in April. There is no executed agreement, no declared impasse, no interest-arbitration award, and no pending prohibited practices complaint placing any concrete dispute before the Board. What the State seeks is an advisory pronouncement to strengthen its hand at the bargaining table. Nevada law does not permit it, and the Board's own regulations, specifically NAC 288.410(1), supply multiple independent grounds to decline such an invitation to make an order. The Board should deny this request for a declaratory order because the question presented by the Petitioner is purely hypothetical, the Petitioner lacks a concrete, present interest that would support standing in a request for judicial relief, the Petitioner asks the Board for relief outside of its jurisdiction, and the Petitioner's request for relief interferes with ongoing bargaining efforts, contradicting the best interests of both parties.

Tellingly, the State concedes the very point that dissolves any present controversy. In Footnote 6 of its Petition, the State acknowledges that the EMRA "does not prevent, nor is the Executive Department objecting to," a bargaining unit's use of an unfunded—even "void"—CBA term "as a basis to support a compensation proposal during the collective bargaining process for future CBA negotiations." If the Union may lawfully advance such proposals, then no live dispute exists over whether it may do so. The only thing the State asks the Board to decide is an abstract label ("status quo"), divorced from any concrete bargaining conduct of parties—the archetype of a request for a purely advisory opinion.

Second, even if the EMRB finds a justiciable controversy and compliance with NAC 288.410(1), the declaratory relief requested is contrary to the plain language and intent of the statutory and regulatory framework for collective bargaining between the Executive Department and certified state employee bargaining units. As an initial matter, NRS 288.505 pertains to the requirements for collective bargaining agreements negotiated between the Executive Department and state employee bargaining units, holding that CBA terms requiring appropriation be effective only to the extent of legislative appropriation and that CBAs must contain a clause acknowledging such. NRS 288.505(1)(c); NRS 288.505(5)(c). Additionally, the plain language of Senate Bill 135 of the 2019 Legislative Session ("SB 135"), as Petitioner agrees, was clearly intended to give effect to the collective bargaining agreements negotiated between the Executive Department and state employee bargaining units. SB 135 reaffirms, as is enshrined elsewhere by law,[1] the Legislature's ultimate authority to decide whether to fund compensation or benefits provisions contained in negotiated CBAs. It also holds the Executive Department and the representatives of state employee bargaining units to their respective duties to bargain in good faith during negotiations for initial and successors CBAs.

Meanwhile, Assembly Bill 596 of the 2025 Legislative Session appropriated funds for certain compensation and benefit provisions that were either negotiated between the Executive Department and state employee bargaining units or ordered in impasse arbitrations pursuant to NRS Chapter 288. AB 596 also expressly addressed the legal effect of appropriation. AB 596 does not state, nor reasonably imply, that the Legislature's decision to not fund any particular negotiated or arbitrator-ordered provision of a CBA erases that provision from the parties' bargaining history or automatically replaces the parties' last written agreement as the status quo for purposes of future collective bargaining negotiations. Such an interpretation would substantially alter the good-faith bargaining framework established by SB 135 without any express indication that the Legislature intended that result.

The Executive Department's Petition is devoid of statutory or regulatory support. While it is true that a monetary term in a CBA is void if legislative appropriation is not made to fund it under Nevada law, nothing in Nevada's statutory or regulatory scheme suggests that the

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[1] The Legislature's dedicated power to appropriate funds for governmental purposes is set out clearly in the Nevada Constitution, so the pronouncement within SB 135 and codified within NRS Chapter 288, is not some unique change specially formulated for collective bargaining agreements. *See* Nev. Const. Art. 4, Sec. 19.

Legislature's funding decision—whether to fund a term fully, partially, on a one-time basis, or not at all—precludes the parties' prior agreement or an arbitration order from constituting the status quo. In fact, a new Legislature—elected at a later general election—could decide to later fund rejected CBA terms. How then would the Executive Department's definition of status quo be considered in such a circumstance?

Neither AB 596 nor SB 135 expressly state, nor reasonably imply, that the Legislature's decision to not appropriate funds for a compensation or benefits provision in a CBA eliminates the parties' bargaining history ex post facto, as though the provision was never agreed to or ordered by an arbitrator. Had the Legislature intended to alter the established good faith bargaining framework in such a significant manner, it could have done so expressly, as it did in NRS 288.620(3), holding certain acts of the governor to not be evidence of a failure to bargain in good faith. Instead, the good faith bargaining decisions of the EMRB, existing before SB 135 was enacted, survive. *See* NRS 288.500(7). This fact alone establishes reason enough to not disturb the Legislature's written statutes with an assumed interpretation offered by the Executive Department.

The Executive Department's second request for relief seeks to expand existing law and make new law based only on the Executive Department's views. Petitioner seeks an expansive and novel declaration that the Legislature is not bound to fund compensation and benefits provisions in a CBA negotiated pursuant to SB 135 in future biennia, except to the extent the Legislature decides to so commit itself through a legislative act (which is already clear from the statutory language of AB 596). Petitioner asks the Board to take the additional step of declaring that such provisions are "no longer part of the CBA," unless the Legislature states otherwise. While a compensation or benefits provision may be void for lack of legislative appropriation during the contract term and unenforceable through court or other action, the term was agreed upon between state employee bargaining units and the Executive Department or ordered hy an arbitrator at impasse, and therefore, the terms remain relevant in the good faith bargaining inquiry. It is unclear how declaring a void provision to no longer be part of a CBA would resolve the supposed justiciable controversy present here. Instead, Petitioner effectively seeks to modify

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its duty of good faith through its requested declaratory relief, which would hold that the Petitioner's prior agreement to a term in a CBA or an arbitrator's order as not part of the status quo without full and continuing legislative appropriation for the term. There is no support in law for such an expansive order.

Petitioner's third form of requested relief again attempts to transform a legislative appropriation limitation into a rule governing future collective bargaining negotiations. Section 1.11 of AB 596 addresses whether certain appropriations can bind future Legislatures to make similar appropriations or bind the State of Nevada to include same or similar CBA provisions in the future. That Section does not state that the underlying CBA provisions cease to be relevant to future bargaining, cease to be part of the parties' bargaining history, or may not be considered when determining whether the parties are bargaining in good faith. The Legislature's decision not to bind future appropriations merely preserves its constitutional authority over future funding decisions; AB 596 so clearly states this fact that no declaratory relief is required.[2]

The Petitioner seeks an order of the EMRB that interprets away the historical fact that a compensation or benefits provision was either negotiated and agreed to or was ordered by an arbitrator, despite that no law cited by Petitioner specifically states or contains language reflecting snch an intent. Accordingly, the requested declaratory relief extends far beyond the text of AB 596 and should be rejected.

In conclusion, the EMRB should not issue a declaratory order because the requested relief fails under NAC 288.410. Even if the EMRB finds there is a justiciable controversy under NAC 288.410, any declaratory order must be limited to the plain language and intent of SB 135 and AB 596, which means the relief requested is unavailable. The Executive Department seeks to alter its duty to bargain in good faith in a manner not contemplated, explicitly or by inference, by Nevada's Legislature or the existing law. For these reasons, the Petition must be dismissed or denied.

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[2] In fact, this principle is known as the anti-entrenchment rule and is a bedrock constitutional and legislative principle.

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II. NAMES AND ADDRESSES OF PETITIONER AND RESPONDENTS

As required by NAC 288.390, the names and addresses of the Petitioner and each Respondent are as follows. The Petitioner, the Executive Department of the State of Nevada ("Executive Department" or "State"), is located at 1 State of Nevada Way, Suite 100, Las Vegas, NV 89119.

Respondent American Federation of State, County, & Municipal Employees, Local 4041, is the exclusive bargaining representative for bargaining units A, B, C, E, and F. It is located at 601 S. Rancho Drive, Unit C-24, Las Vegas, Nevada 89106.

III. FACTS AND PROCEDURAL HISTORY

Pursuant to NRS 288.565(2)(a), the Executive Department and state employee bargaining units were required to commence negotiations for the 2027-2029 biennium on or before April 1, 2026. Those negotiations between the Executive Department and AFSCME are ongoing. However, no 2027-2029 CBA has been executed; no party has declared impasse; no matter has proceeded to interest arbitration; and no prohibited-practices complaint concerning the parties' bargaining conduct is pending before the Board.

In its Petition filed on May 19, 2026, the Executive Department requested a declaratory order from the EMRB that interprets Nevada law as follows:

(1) that NRS 288.505(1)(c) and NRS 288.505(5)(c), as well as the nonappropriation clause required to be included in any collective bargaining agreement ("CBA") entered into by the Executive Department or local government employers under NRS 288.505(1)(c), should "nullify a State bargaining unit's right to receive a compensation or benefit term in a CBA if the appropriations request for that compensation or benefit term was not approved or authorized by an act of the Nevada Legislature;"

(2) that Section 1.10 of AB 596, Chapter 510, 2025 Statutes of Nevada, NRS 288.505(1)(c), NRS 288.505(5)(c), and the nonappropriation clause in CBAs as required under NRS 288.505(1)(c), should render any term of a CBA for the 2025-2027 biennium that required the Legislature to appropriate funds or authorize the

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expenditure of money during the 83rd Session, but were not so funded by AB 596 or another act of the 83rd Session that was approved by the Governor, void and "no […] longer part of the CBA;" and

(3) that Section 1.11 of AB 596, Chapter 510, 2025 Statutes of Nevada, should be interpreted to mean that the compensation and benefit terms in CBAs for the 2025-2027 biennium, to the extent that they received appropriations from the Legislature through AB 596 (with the exception of the one-percent per fiscal year salary increases provided in Section 1.12), "are not binding on the Executive Department for future CBAs" because the Legislature specified that these appropriations were one-time grants of money.

See Petition, 2;1-20.

The Petition states that these questions "affect all twelve organized State bargaining units equally." *See* Petition, 12;17. The Executive Department further asks the Board to declare that the prior CBA terms "should not be considered the 'status quo' for the purposes of collective bargaining for the 2027–2029 biennium." *See* Petition, 5;17-22.

IV. MEMORANDUM OF POINTS AND AUTHORITIES

A. LEGAL STANDARD

1. Justiciability

The Board's authority to issue declaratory orders derives from NRS 233B.120 and is governed procedurally by NAC 288.380 through NAC 288.420. While NRS 233B.120 authorizes both declaratory orders and advisory opinions, the Board retains express discretion to decline. NAC 288.410(1) provides that the Board "may, for good cause, refuse to issue a declaratory order" where: (a) "the question is speculative or purely hypothetical and does not involve existing facts or facts that can reasonably be expected to exist in the near future"; (b) "the petitioner's interest is not of the type which would give him standing to maintain an action if he were to seek judicial relief"; (c) "the issuance of the declaratory order may adversely affect the interest of the Board or any of its officers or employees in a litigation which is pending or

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may reasonably be expected to arise;" or (d) "the matter is not within the jurisdiction of the Board."

These regulatory grounds embody settled Nevada justiciability principles. The Nevada Supreme Court has held that its "duty is not to render advisory opinions but, rather, to resolve actual controversies by an enforceable judgment," and that addressing a merely "potential future" matter "would be speculative and lead to an improper advisory opiniou." *Personhood Nev. v. Bristol*, 126 Nev. 599, 602, 245 P.3d 572, 574 (2010). A matter is non-justiciable if it "seeks to determine an abstract question which does not rest upon existing facts or rights." *NCAA v. Univ. of Nev., Reno*, 97 Nev. 56, 58, 624 P.2d 10, 11 (1981).

2. Statutory interpretation

The declaratory relief sought here pertains to the meanings of statutes and regulations, and thus, the principles of statutory interpretation are relevant. "When the language of a statute is clear on its face, this court will not go beyond the statute's plain language." *J.E. Dunn Nw., Inc. v. Corus Constr. Venture, LLC*, 127 Nev. 72, 79, 249 P.3d 501, 505 (2011) (internal quotations and alterations omitted). If the language of a statute is subject to more than one reasonable interpretation, the statute is ambiguous. *Id.* If the statute is ambiguous, then Nevada courts look beyond the statute to the legislative history and interpret the statute in a reasonable manner "in light of the policy and the spirit of the law." *Id.* (internal quotations omitted).

Under NRS 288.500(2), the Executive Department and certified bargaining units have a co-equal duty to bargain in good faith with respect to the negotiation of a CBA and the resolution of any question arising under the CBA. The duty to bargain in good faith necessarily examines the bargaining relationship and history between the parties to the CBA. While an exact definition of good faith bargaining has not been set by the EMRB, caselaw has determined some of its bounds. The EMRB has held in bargaining, parties must evince a sincere desire to reach an agreement, and "the determination of whether there has been such sincerity is made by "drawing inferences from the conduct of the parties as a whole." *City of Reno v. Int'l Ass'n of Firefighters, Local 731*, Item No. 253-A (EMRB, Feb. 8, 1991) (quoting *NLRB v. Ins. Agent's Int'l Union*, 361 U.S. 488 (1970)).

By corollary and as shown in the EMRB caselaw to which Petitioner itself cites, the circumstances and bargaining history between the parties in negotiations for a CBA under SB 135 are key to determining whether the parties are bargaining in good faith. By way of example, regressive bargaining, one way in which the duty of good faith may be violated, is clear from its own etymology to require reference to past proposals. "A regressive bargaining proposal is defined, logically, as a change from a prior more favorable proposal." *Clark County Defenders Union v. Clark County*, Case No. 2024-014, Item No. 904 (EMRB, December 12, 2024) (citing *Mid-Continent Concrete*, 336 NLRB 258, 260 (2001)). Regressive proposals are not per se unlawful, as "they may be justified by changes in the economy of the industry and the relative strengths of the participants." *Id.* (citing *Rescar, Inc.*, 274 NLRB 1, 2 (1985). Regressive proposals indicate a violation of the duty of good faith bargaining if the proposal is unexplained or if the explanation appears dubious. *Id.* (citing *Mid-Continent Concrete,* 336 NLRB at 260 (2001)).

EMRB caselaw is abundantly clear that the duty of good faith in bargaining depends on an inquiry into the bargaining history and relationship to the parties to the CBA. Where that duty has been limited, the EMRA has been express. *See* NRS 288.620(3) (a governor's decision to exclude an amount of money for compensation and benefit terms in a CBA between the Executive Department and State bargaining units in their biennial proposed executive budget "must not be construed as a failure of the Executive Department to negotiate in good faith").

B. ARGUMENT

A declaratory order is not warranted where there is no justiciable controversy. Here, there is no justiciable controversy. Second, even if the EMRB finds a justiciable controversy, the clear language and intent of NRS 288.505(1)(c), NRS 288.505(5)(c), SB 135, and AB 596 do not support the Executive Department's attempt to modify its duty to bargain in good faith by defining the status quo in a manner not contemplated by the controlling statutes and regulations by way of a declaratory order issued by the EMRB.

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1. The Executive Department's Requested Relief Violates NAC 288.410.

The Executive Department's requested declaratory relief violates three separate subsections of NAC 288.410. The Petition violates NAC 288.410(1)(a) because it presents a speculative or purely hypothetical question. The Petition violates NAC 288.410(1)(b) because it does not present the type of matter that would give standing for judicial relief. The Petition violates NAC 288.410(1)(d) because it presents a matter in which the Board is being asked to opine on vested contractual and related rights, which is outside its jurisdiction. Lastly, the Petition violates NAC 288.410(1)(c) because issuance of the requested relief would adversely affect the interests of the Board.

i. The Petition Presents Only Speculative and Hypothetical Questions That Do Not Rest on Existing Facts in Violation of NAC 288.410(1)(a).

Each operative question in the Petition turns on agreements and events that do not yet exist. The State asks what terms are "binding… for future CBAs" and whether prior terms are the "status quo" for the 2027–2029 negotiations. But there is no 2027-2029 CBA, no impasse, no arbitration award, and no concrete bargaining proposal before the Board to evaluate. Whether a particular proposal is "regressive," or whether either party has bargained in bad faith, can be assessed only against an actual factual record — the proposals exchanged, the parties' conduct, and the terms in effect. *City of Reno v. Reno Police Protective Ass'n,* Case No. A1-046096, Item No. 790 (EMRB, Nov. 27, 2013) (bad faith bargaining does not turn on a single isolated incident; rather, the Board looks at the totality of conduct throughout negotiations to determine whether a party's conduct at the bargaining table evidences a real desire to come into agreement). Those facts do not exist and cannot be supplied by mere speculation through a declaratory petition.

This is precisely the circumstance NAC 288.410(1)(a) addresses: a "speculative or purely hypothetical" question that "does not involve existing facts or facts that can reasonably be expected to exist in the near future." It is also a circumstance in which the Nevada Supreme Court declines to consider declaratory relief within its jurisprudence. *See Personhood Nev.*, 126 Nev. at 602; *NCAA*, 97 Nev. at 58.

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The regressive bargaining concern raised by the State itself is belied by this Board's case law concerning the standards for such a finding. This Board has defined regressive bargaining as "a party making an initial contract proposal that is less favorable to employees than the status quo." *Clark County Defenders Union v. Clark County*, Case No. 2024-014, Item No. 904 (EMRB, Dec. 12, 2024). Whether any future proposal meets that definition is an inherently fact-bound, case-by-case inquiry that cannot be resolved in advance of the proposals themselves and must be decided with an examination of the entire proposal and course of bargaining.

The State's own Petition confirms the absence of a present, justiciable controversy. "The EMRA does not prevent, nor is the Executive Department objecting to, a state employee bargaining unit from using an unfunded and now void CBA compensation or benefit term as a basis to support a compensation proposal during the collective bargaining process for future CBA negotiations." *See* Petition, fn. 6. Having conceded that the Union may use unfunded and even "void" CBA terms as the basis for future bargaining proposals, the State leaves no concrete dispute for the Board to resolve. What remains is a request to attach a legal label—"not the status quo"—to conduct that has not yet occurred. That is an advisory opinion, plain and simple, and one the Board should decline to exercise jurisdiction over.

ii. <u>The State Lacks the Kind of Concrete, Present Interest That Supports Standing to Seek Judicial Relief Under NAC 288.410(1)(b).</u>

Under NAC 288.410(1)(b), the Board may decline to exercise its jurisdiction where the petitioner's interest "is not of the type which would give him standing to maintain an action if he were to seek judicial relief." NAC 288.410(1)(b). In Nevada, courts require a justiciable controversy between two parties who are adverse, with the party seeking declaratory relief having a legal interest in the controversy and the issue being ripe for judicial determination before a decision may be issued. *See* NRS 30.030; *See also Knittle v. Progressive Casualty Ins. Co.*, 908 P.2d 724, 725 (Nev. 1996). This matter is not justiciable because it "seeks to determine an abstract question which does not rest upon existing facts or rights." *See NCAA v. Univ. of Nev., Reno*, 97 Nev. 56, 58, 624 P.2d 10, 11 (1981). The Executive Department points to no adverse action taken against it, no prohibited practice filed against it (or stated threat thereof),

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and no obligation presently imposed upon it. Its stated interest is to "avoid costly administrative litigation by selecting the proper course of action in advance." That is a request for pre-litigation reassurance, not redress of a justiciable injury, and it does not support an action for declaratory relief in district court. *See Personhood Nev.*, 126 Nev. at 602.

Simply because the Executive Department frames this supposed disagreement as one over "good faith" bargaining, it does not follow that standing must therefore lie. If the Executive Department believes a bargaining unit has committed a prohibited practice, the EMRA provides a complaint procedure in which the issue can be adjudicated on a developed record. *See* NRS 288.625. So too, a bargaining agent can bring a prohibited practice complaint should it feel the Executive Department has engaged in a prohibited practice. The declaratory order process is not a substitute for the specific statutory adversarial mechanism, and it cannot be used to obtain a pre-judgment of defenses the State anticipates raising at a later date in such an adversarial proceeding.

iii. <u>The Petition Asks the Board to Resolve Questions Outside Its Jurisdiction in Violation of NAC 288.410(1)(d).</u>

The Executive Department asks the EMRB to declare that AB 596—a legislative appropriations act—renders CBA provisions "void," bargaining history erased, to construe the State Budget Act (NRS Chapter 353), and to resolve whether bargaining units hold "vested" contractual rights under the Contracts Clauses of the United States and Nevada Constitutions. Whether a statute extinguishes a contract right, and whether a contractual interest is constitutionally vested, are quintessentially judicial questions of contract and constitutional law. The State's own lead authority underscores the point: the appropriations-and-enforceability question it relies upon was decided not by the Board, but by the First Judicial District Court. *See AFSCME, Local 4041 v. Lombardo*, Case No. 23 EW 00016 1B (1st Jud. Dist. Ct. 2023).

The Board's jurisdiction under NRS Chapter 288 is to administer the EMRA and to adjudicate matters such as prohibited practices, bargaining-unit composition, and representation. NAC 288.410(1)(d) permits the Board to decline where, as here, the requested order would require it to adjudicate constitutional vesting of contract rights and the validity and reach of appropriations

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legislation—matters at the periphery of, or beyond, its statutory charge. The Board has previously recognized limits on its declaratory authority and declined to entertain petitions not properly before it. "When a labor statute may be interpreted in a way to avoid a serious constitutional question, that interpretation is to be preferred." *City of Reno v. Reno Firefighters Local 731 et. al.*, Case No. A1-046049, Item No. 777-B (EMRB, Aug. 1, 2012). "The Board should interpret the Act to avoid constitutional questions, if possible." Id. (citing *NLRB v. Catholic Bishop of Chicago*, 440 U.S. 490 (1979)).

In asking whether bargaining units hold vested contractual rights under specific constitutional and statutory provisions, the Executive Department asks the EMRB to exceed its authority and answer questions which can only be answered by the Nevada Supreme Court, state district courts, or potentially federal courts as to U.S. Constitutional questions.

iv. Issuing the Requested Order Would Interfere With Ongoing Good-Faith Bargaining and Prejudge Unfiled Disputes, Which Would Adversely Affect the Board's Interests Under NAC 288.410(1)(c).

The 2027-2029 negotiations between the Executive Department and AFSCME and other certified bargaining units are underway and ongoing. The Executive Department asks the EMRB to declare, mid-negotiation, that prior CBA terms (as written) are not the "status quo"—a ruling that would hand the Executive Department an advantage in any good faith bargaining question that may come before the EMRB that has not yet ripened into a prohibited practice complaint. The Executive Department and all certified bargaining agents owe a duty to bargain in good faith under NRS 288.500(2). Using the declaratory order process to obtain an advance ruling on the merits of a potential prohibited practice complaint or its defenses distorts the bargaining process the EMRA is designed to protect. It would also invite precisely the "abstract" adjudication Nevada law forbids. *NCAA*, 97 Nev. at 58.

Furthermore, this interference with ongoing negotiations and pre-judging of actions would, at a minimum, "adversely affect the interests of the Board or any of its officers or employees." NAC 288.410(1)(c). Weighing in on this matter now would potentially de-legitimize the EMRB's status as a neutral intermediary and almost certainly cause protracted litigation over the order's constitutionality.

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2. Even if the EMRB Finds this Matter Meets the Requirements of NAC 288.410, the Executive Department's Requested Relief contradicts the Plain Language and Intent of NRS 288.505, SB 135, and AB 596.

The Petitioner's requested relief would create new legal principles that are not within the plain language, nor aligned with the clear intent, of the very same statutory and regulatory frameworks to which Petitioner cites. Petitioner's position allows it to agree to terms during bargaining or have that term set by an arbitrator's order, then rely on legislative action to erase those terms from the parties' bargaining history as relevant to its later obligations to bargain in good faith. The Legislature voiding a compensation or benefits provision in a CBA by failing to appropriate funding to it is not the same as that provision being nonexistent for purposes of bargaining history.

In attempting to justify the unsupported legal principles it seeks as declaratory relief, the Petitioner acknowledges that the EMRA "does not prevent, nor is the Executive Department objecting to," a bargaining unit's use of an unfunded—even "void"—CBA term "as a basis to support a compensation proposal during the collective bargaining process for future CBA negotiations." *See* Petition, fn. 6. However, the Petitioner seeks a declaratory order "that, except for the one-percent salary increases, the compensation and benefit provisions in current State employee CBAs that received an appropriation from the Nevada Legislature through AB 596 *should not be considered the "status quo"* for the purposes of collective bargaining for the 2027-2029 biennium, regardless of whether they received [a one-time] appropriation from the Nevada Legislature through AB 596" *See* Petition, 5;17-22 (emphasis added).

In other words, the Executive Department states that it is not arguing that these negotiated and agreed-upon compensation and benefits terms should be excluded from consideration in successor CBA negotiations. But by seeking declaratory relief that these provisions must not be considered "the status quo" for future negotiations, the Petitioner seeks to alter the good faith bargaining inquiry, which, per the very same caselaw to which Petitioner cites, is determined by reference to the bargaining history of the parties when negotiating a successor CBA. The

Executive Department is attempting to create new rules for itself that only benefit itself and harm hard-working public employees.

i. <u>The Executive Department's First Request for Relief Should be Denied Because it Seeks to Impermissibly Interpret NRS 288.505(1)(C) and NRS 288.505(5)(C), Regarding the Effect of Non-Appropriation of Funds on Compensation and Benefits Terms, as Modifying the State's Duty to Bargain in Good Faith Without Statutory Support.</u>

While it is true that an unfunded CBA provision is void for lack of legislative appropriation, and assuming *arguendo* that state bargaining unit employees have no vested right to payment abseut such an appropriation, neither are relevant to the Executive Department's requests for declaratory relief because the law does not state that the past is erased and no bargaining history occurred on such CBA provisions. The requested declaratory relief instead seeks to establish new legal principles regarding good faith bargaining, despite nothing in Nevada's statutory or regulatory framework providing that the Legislature's failure to appropriate funding thereby removes the term from the parties' bargaiuing history or automatically replaces the term in the contract with the amount ultimately appropriated by the Legislature.

The Executive Department has a statutory obligation to bargain in good faith. *See* NRS 288.500(2). The Executive Department and the Respondent negotiated and reached agreement on the majority of material terms and went to impasse arbitration over others, which euded in AFSCME's favor. The parties conducted the impasse arbitratiou pursuant to the framework established within SB 135 and codified in NRS Chapter 288. The Legislature's subsequent failure to appropriate funds for a particular CBA provision within AB 596 affects whether that provision may be enforced by a public employee or their bargaining agent during the contract's term, but it does not alter the fact that the parties reached agreement to that provision during collective bargaiuing or were ordered by an impasse arbitrator to a certain resolution. Nor does AB 596 state that the Legislature's appropriation decision automatically becomes the bargaining status quo between the parties for purposes of future negotiations.

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Thus, prior agreements and impasse awards on compensation and benefits remain highly relevant in determining whether the parties are bargaining in good faith in negotiations for successor collective bargaining agreements. Nothing in AB 596 modifies that duty or directs that previously agreed-upon compensation and benefits provisions be excluded from consideration when evaluating bargaining history, bargaining positions, regressive proposals, or whether a party's conduct satisfies its obligation to bargain in good faith.

Petitioner's interpretation improperly conflates implementation of a provision with the parties' bargaining history. While AB 596 may prevent implementation of an unfunded compensation or benefits provision, it does not follow that the Legislature's funding decision thereby supplants the parties' last negotiated agreement as the status quo for bargaining purposes. Had the Legislature intended such a result, it could have expressly provided that unfunded provisions are deemed removed from the CBA or may not be considered in future bargaining negotiations. It did not do so. What the Legislature fails to state in its actions, the EMRB cannot read in out of whole cloth.

Accordingly, this requested relief should be denied because, although an unfunded compensation or benefits provision may be unenforceable by members or the union for the term of the contract absent legislative appropriation, the parties' agreement to that provision or an arbitrator's award of that provision remains part of the bargaining history and may continue to inform the determination of the status quo and the parties' respective duties to bargain in good faith during successor negotiations.

ii. <u>The Executive Department's Second Requested Relief Should be Denied Because it Seeks to Impermissibly Construe the Language of AB 596 to Modify the State's Duty to Bargain in Good Faith.</u>

The Executive Department's second request for relief seeks far more than a declaration that unfunded compensation and benefits provisions are unenforceable. The Executive Department goes much further in asking that the Board to take the additional step of declaring that such provisions are "no longer part of the CBA" and therefore may not be considered when evaluating the parties' bargaining relationship, bargaining history, or the status quo in successor

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negotiations. Respondent does not dispute that, under Nevada law, a compensation or benefits provision requiring legislative appropriation is void if the Legislature declines to appropriate the necessary funds, but the great leap taken by the Executive Department in seeking further to eliminate the facts of bargaining or the bargaining history forever has no support in law.

Nothing within NRS 288.505, SB 135 of the 2019 Legislative Session, AB 596 of the 2025 Legislative Session, or any other law cited by the Executive Department supports its requested relief. The Executive Department does not cite a single provision of law stating that CBA terms negotiated and agreed upon by the parties or awarded by an arbitrator in an impasse arbitration are deemed never to have existed for the purposes of future collective bargaining because the Legislature declined to fund them. Nor does any legal precedent provide that the Legislature's appropriation decision supplants the parties' last negotiated agreement as the status quo for bargaining purposes.

Petitioner's interpretation improperly conflates enforceability with bargaining history and relevance. The fact that a provision cannot be implemented absent legislative appropriation does not change the fact that the Executive Department negotiated and agreed to a provision or an impasse arbitrator awarded such a provision. That agreement remains part of the parties' bargaining history. Because the duty to bargain in good faith necessarily considers the bargaining relationship between the parties, including prior agreements and bargaining positions, Petitioner's requested declaration would effectively alter the good-faith bargaining framework established under Senate Bill 135 and EMRB precedent without any express statutory authorization to do so.

Again, the Legislature could have clearly indicated that the voiding of these provisions was intended to alter the analysis of whether the Executive Department violated its duty to bargain in good faith, as it had done in NRS 288.630(3). Yet, the Legislature did not do so. What the Legislature does not state in legislation, the EMRB should not read into law by administrative advisory order. Thus, the Executive Department's second request for relief should be denied.

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iii. The Executive Department's Third Request for Relief Should be Denied Because it Seeks to Impermissibly Construe the Language of AB 596, Which Merely Reaffirms that the Legislature is Not Bound to Appropriate Funds for Certain CBA Terms into the Future, Without Statutory Support.

The Executive Department's third request for relief attempts to transform a legislative appropriation limitation into a rule governing future collective bargaining. Section 1.11 of AB 596 addresses whether certain appropriations for compensation and benefits terms in CBAs bind the Legislature to make such appropriations in future legislative sessions. It does not state that the underlying provisions cease to be relevant to future bargaining, cease to be part of the parties' bargaining history, or may not be considered when determining whether the parties are bargaining in good faith. Instead, the law states that the Legislature, through its one-time grants of money, is not "*an agreement* to provide or fund such incentives or other benefits in any future biennium or to include in any future collective bargaining agreement the same or similar provisions." AB 596, Section 1.11 (emphasis added). This is a mere affirmation of the legal principle already enshrined in SB 135, namely, that the Legislature ultimately has authority, untethered to any past appropriation to fund a CBA provision, to decide whether to appropriate money to fund a compensation or benefits CBA provision in any particular biennium. It is further a statement of the long enforced and well known anti-entrenchment rule, which holds that a current Legislature cannot bind the hands of future Legislatures. *See Education Freedom PAC v. Reid*, 138 Nev. Adv. Op. 47, 512 P.3d 296, 305 (2022).

The Executive Department's requested interpretation improperly finds that AB 596's appropriations for compensation and benefits terms are not binding on future Legislatures somehow means that the agreement to those terms is no longer part of the bargaining history between the parties to the CBA. Those are distinct concepts. The Legislature's decision not to bind future appropriations merely preserves its authority over future appropriation decisions. It does not erase the historical fact that the Executive Department negotiated and agreed to the underlying compensation and benefits provisions or those provisions were awarded by an impasse arbitrator. Accordingly, the Executive Department's requested declaration extends far beyond the text of AB 596 and should be rejected.

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The Petitioner seems to raise an argument that somehow the Legislature *might* be argued to be bound to appropriate money to fund a compensation or benefits provision without the EMRB granting this declaratory relief, but such a concern is backwards from the legal reality. First, there is no such controversy at present. Second, the Executive Department does not demonstrate how the statutory language itself fails to address this very concern. Third, the statutes and Chapter 288 concerning legislative appropriation are clear on their face; no more clarity is needed.

To the extent that Petitioner fears that it will be bound by the terms of a current or previous CBA in a successor CBA, that is simply not how the bargaining process works. They are also not even required to start with the previous agreement as a base and can start anew from a "clean slate." *See Formosa Plastics Co.*, 320 NLRB 631 (2023). The Executive Department is equally at liberty, as is AFSCME or any other union, to reject any proposal during CBA negotiations; insistence on a bargaining position does not violate the duty to bargain in good faith. *See Reno Municipal Employees Ass'n v. City of Reno*, Item No. 93 (1980). Petitioner is even at liberty to make regressive proposals, if it can justify such in accordance with EMRB caselaw. *See, e.g. Clark County Defenders Union v. Clark County*, Case No. 2024-014, Item No. 904 (EMRB, December 12, 2024) (stating regressive proposals are not per se unlawful). Still, good faith bargaining—which the Petitioner has a duty to engage in by statute—includes an analysis of the bargaining history between the parties of the CBA. It is this history that Petitioner seeks to make dependent on whether the Legislature decides to appropriate funds to certain CBA terms or not, despite the statutory and regulatory framework surrounding collective bargaining between the Executive Department and state employee bargaining units simply does not support that principle.

V. CONCLUSION

There is no justiciable controversy here which justifies granting the Executive Department's request of declaratory relief. There is no agreement, no arbitration award, no impasse declared, and no prohibited practice complaint characterizing the current negotiations between the Executive Department and AFSCME (or any other certified bargaining agent).

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Under NAC 288.410, the Board should choose not to exercise jurisdiction and should dismiss the Executive Department's Petition.

Moreover, the Petition fails on the merits. Petitioner improperly proposes new legal principles that go well beyond the plain text and purpose of the statutes and regulations to which it cites. Nothing in SB 135, AB 596, or any other applicable statute or regulation suggests that negotiated terms of a CBA lose all meaning, and that, ex post facto, the bargaining history is eliminated when determining good faith bargaining in future negotiation sessions simply because those provisions were not appropriated funding by the Legislature.

For all the reasons set out above, AFSCME respectfully requests that the EMRB dismiss the Petition filed by the Executive Department of the State of Nevada, or, in the alternative, for the Board to exercise its discretion under NAC 288.410(1) to deny issuing the requested declaratory order.

Dated: June 26, 2026

By: _/s/ *Monique N. Rodriguez*_

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that she is an employee of REESE RING VELTO, PLLC, and on this 26th day of June, 2026, and that she caused to be served a true and correct copy of the above and foregoing **RESPONSE TO PETITION FOR DECLARATORY ORDER** on the parties set forth below via the Court e-filing system where an email address is provided and/or by depositing the same in the United States Mail, first class, postage prepaid, addressed as follows:

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Nevada Peace's Officers Association's Response to Petition for Declaratory Relief

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Representatives for Nevada Peace Officers Association

FILED
June 26, 2026
State of Nevada
E.M.R.B.
12:20 p.m.

STATE OF NEVADA
GOVERNMENT EMPLOYEE-MANAGEMENT
RELATIONS BOARD

EXECUTIVE DEPARTMENT OF THE STATE OF NEVADA, Petitioner .	Case No.: 2026-010 **RESPONSE OF NEVADA PEACE OFFICERS ASSOCIATION TO PETITION FOR DECLARATORY RELIEF**

I. INTRODUCTION

Pursuant to NAC 288.390, Respondent, NEVADA PEACE OFFICERS ASSOCIATION, by and through their representatives of record, NEVADA ASSOCIATION OF PUBLIC SAFETY OFFICERS, hereby files its Response to the Executive Department of the State of Nevada's Petition for Declaratory Order as follows: the Nevada Peace Officers Association (hereafter "NPOA") joins in the Responses filed by the Nevada Police Union and AFSCME Local 4041 as well as the Joinder of FOP Lodge 21. For the purposes of judicial economy and simplicity, it is respectfully requested that the arguments and citations made in those pleadings be incorporated fully herein and by reference as if fully set forth below.

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II. NAMES AND ADDRESSES OF PETITIONER AND RESPONDENTS

The name and address of Petitioner Executive Department is set forth in Petitioner's Petition, as well as the Response of the Nevada Police Union and is therefore incorporated by reference.

NPOA is the exclusive bargaining representative for Bargaining Units H and M representing the nonsupervisory Category II peace officers (Unit H) and Category II supervisory peace officers (Unit M). The address for NPOA is 145 Panama Street, Henderson, NV 89015.

III. ARGUMENT

As set forth in the introduction paragraph, for the purposes of judicial economy and simplicity, it is respectfully requested that the arguments and citations made in the pleadings filed on behalf of Units G, L, I and N be incorporated fully herein and by reference as if fully set forth herein. Accordingly, Respondent Nevada Peace Officers Association joins with Respondents, Nevada Police Union, American Federation of State, County, & Municipal Employees, LOCAL 4041 and Fraternal Order of Police CO Lodge 21 to respectfully request that the Board deny the Petition for Declaratory Order or exercise its discretion under NAC 288.410 to refuse to issue the requested declaratory order.

DATED this 26th day of June 2026.

NEVADA ASSOCIATION OF PUBLIC SAFETY OFFICERS

/s/ *Andrew Regenbaum*

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Representatives for Nevada Peace Officers Association

CERTIFICATE OF ELECTRONIC SERVICE

I hereby certify that I am an employee of the Nevada Association of Public Safety Officers, and that on the 26th day of June 2026, I served a true and correct copy of the foregoing RESPONSE OF NEVADA PEACE OFFICERS ASSOCIATION TO PETITION FOR DECLARATORY RELIEF by emailing the same to the following recipients. I also have filed the document with the Nevada Government Employee-Management Relations Board via its email address at emrb@business.nv.gov. Service of the foregoing document by email is in place of service via the United State Postal Service.

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NEVADA ASSOCIATION OF PUBLIC SAFETY OFFICERS

BBFFA's Joinder to Responses to State's Petition for Declaratory Order

FILED
June 26, 2026
State of Nevada
E.M.R.B.
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STATE OF NEVADA

GOVERNMENT EMPLOYEE-MANAGEMENT RELATIONS BOARD

EXECUTIVE DEPARTMENT OF THE STATE OF NEVADA,

Petitioner.

______________________________/

Case No.: 2026-010

BBFFA'S JOINDER TO RESPONSES TO STATE'S PETITION FOR DECLARATORY ORDER

COMES NOW the Battle Born Firefighters Association, IAFF Local 3895 ("BBFFA"), by and through its counsel Messing, Adam, Jasmine & Shore, LLP, and Thomas J. Donaldson, Esq., and pursuant to NAC 288.390 hereby files this Joinder to the Nevada Police Union's Response to Petition for Declaratory Relief, Response of Nevada Peace Officers Association to Petition for Declaratory Relief, AFSCME Local 4041's Response to Petition for Declaratory Order and the Response of Fraternal Order of Police C.O. Lodge 21 to Petition for Declaratory Relief filed herein. For the purposes of judicial economy and simplicity, it is respectfully requested that the arguments and citations made in those pleadings be incorporated fully herein and by reference as if fully set forth herein.

DATED this 26th day of June, 2026.

Messing, Adam, Jasmine & Shore, LLP

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CERTIFICATE OF ELECTRONIC SERVICE

I hereby certify that I am an employee of Messing Adam Jasmine & Shore, LLP, and that on the 26th day of June, 2026, I served a true and correct copy of the foregoing BBFFA'S JOINDER TO RESPONSES TO STATE'S PETITION FOR DECLARATORY ORDER by emailing the same to the following recipients. I also have filed the document with the Nevada Government Employee-Management Relations Board via its email address at emrb@business.nv.gov.

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Reply in Support of Petition for Declaratory Order

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State of Nevada
E.M.R.B.
3:59 p.m.

STATE OF NEVADA

GOVERNMENT EMPLOYEE-MANAGEMENT RELATIONS BOARD

EXECUTIVE DEPARTMENT OF THE STATE OF NEVADA, Petitioner, v. AMERICAN FEDERATION OF STATE, COUNTY & MUNICIPAL EMPLOYEES, LOCAL 4041; BATTLE BORN FIREFIGHTERS ASSOCIATION, IAFF LOCAL 3895; FRATERNAL ORDER OF POLICE C.O. LODGE 21; NEVADA PEACE OFFICERS ASSOCIATION, and; NEVADA POLICE UNION Respondents.	Case No. 2026-010 **EXECUTIVE DEPARTMENT'S REPLY IN SUPPORT OF ITS PETITION FOR DECLARATORY ORDER**

Petitioner, Executive Department of the State of Nevada ("Executive Department" or "State"), by and through its counsel, Josh Reid, Special Counsel – Labor Relations, Steven O. Sorensen, Deputy Attorney General, and Matthew E. Estrada, Deputy Attorney General, respectfully submits its Reply to the Government Employee-Management Relations Board ("EMRB" or "Board") in support of its Petition for a Declaratory Order.

I. THE QUESTIONS PRESENTED IN THE PETITION ARE NOT HYPOTHETICAL AND ARE RIPE FOR THE BOARD'S REVIEW

A. THERE IS A CLEAR AND PRESENT DISPUTE ABOUT THE IMPACT OF AB 596 AND CBA PROVISIONS THAT DID NOT BECOME EFFECTIVE ON FUTURE COLLECTIVE BARGAINING NEGOTIATIONS AND THE DUTY TO BARGAIN IN GOOD FAITH

1. The Compensation Articles in All State Bargaining Unit CBAs Do Not Reflect the Actual Compensation Provided to State Bargaining Unit Employees

Under the EMRA, most collective bargaining agreements ("CBAs") for State bargaining units are approved by the State Board of Examiners before the Nevada Legislature decides whether to fund, partially fund, or enhance the compensation provisions in a State bargaining unit CBA. This was the case for all current State bargaining unit CBAs for the 2025 – 2027 biennium. As outlined in the Executive Department's Petition for a Declaratory Order ("Petition"), during the 83rd Legislative Session (2025), the Nevada Legislature exercised its authority over State employee bargaining unit CBAs through the passage of AB 596, Chapter 510, 2025 Statutes of Nevada ("AB 596"). As summarized in **Exhibit 6** of the Petition, through AB 596, the Nevada Legislature either declined to appropriate, or only partially appropriated, money to fund the compensation and benefit provisions in the CBAs of eight State bargaining units. At the same time, through AB 596, the Nevada Legislature increased the compensation and benefit provisions in the CBAs of four State bargaining units. *See* AB 596 Section 1.12. In addition, the Nevada Legislature expressed its clear intent to either amend, in cases of partial funding, or void the compensation and benefit provisions of State bargaining unit CBAs that it decided not to fund. Accordingly, the compensation articles of **all** State bargaining unit CBAs, including the CBAs posted on the Board's website, do not reflect the status quo of the actual compensation that all State bargaining unit employees will receive during the 2025 – 2027 biennium.

While NRS 288.505(1)(c) requires that each State bargaining unit CBA include a "nonappropriation clause that provides that any provision of the collective bargaining agreement which requires the Legislature to appropriate money is effective only to the extent of legislative appropriation," the EMRA does not contain a mechanism to send State CBAs back to the Board of Examiners to remove

CBA provisions that were either amended or voided by the Legislature, or failed to become effective pursuant to the CBAs nonappropriation clause.[1] This is very confusing for both Executive Department management and State bargaining unit employees, and is why you cannot determine the actual compensation that State bargaining unit employees are receiving without AB 596. This plainly demonstrates that the questions presented in the Petition are: (1) Not hypothetical; (2) Present issues currently faced by the Executive Department; (3) Relevant to all State bargaining units, and; (4) Unique to the Executive Department and State bargaining units. Accordingly, a determination by the Board determining the impact of AB 596 on the status quo for good faith collective bargaining negotiations is exactly the type of question envisioned by the EMRA, the Administrative Procedures Act and NAC 288.380.

2. Fraternal Order of Police C.O. Lodge 21 Example

The compensation articles for the Fraternal Order of Police C.O., Lodge 21, ("FOP") Bargaining Unit I (Corrections Officers) and Bargaining Unit N (Corrections Officer Supervisors) CBAs were finalized through the EMRA's impasse arbitration procedures. *See* Petition **Exhibit 5**, p. 17-27. The arbitrator awarded FOP Bargaining Unit I two annual pay grade increases (a pay grade increase equals approximately 5%) and two annual 3% salary increases, which equals two 8% annual salary increases during the term of the 2025 – 2027 FOP Bargaining Unit I CBA. *See* Petition **Exhibit 5**, p. 19-20. The Governor's Finance Office ("GFO") estimated the cost of these salary increases totaled $53,252,095 of the $138,891,224 total fiscal impact of the FOP Bargaining Unit I CBA. *See* Petition **Exhibit 5**, p. 21-22. These salary increases are reflected in the compensation article in the FOP Bargaining Unit I CBA. Through the passage of AB 596, the Nevada Legislature rejected the appropriations request by the Governor's Office for these salary increases and declared them void. *See* AB 596 Section 1.5 and Section 1.10. In lieu of the salary increases awarded by the impasse arbitrator to FOP Bargaining Unit I, through AB 596, the Nevada Legislature provided two 1% annual salary increases during the term of the 2025 – 2027 CBA. *See* AB 596 Section 1.12. The Nevada Legislature appropriated $20,418,120 to fund two 1%

[1] Nothing prevents the Executive Department and any State bargaining unit from submitting an updated CBA to the State Board of Examiners, but this has not been the practice since the first State bargaining unit CBAs were approved in 2021.

annual salary increases for **all** State bargaining unit employees, which is less than half of the estimated cost of the salary increases provided for in the FOP Bargaining Unit I CBA. *See* AB 596 Section 1.12.

In its Response to the Petition, FOP made the same arguments that it has made to the Executive Department during our current collective bargaining negotiations for the 2027 – 2029 biennium. While FOP agrees with the Executive Department that an impasse arbitration award cannot bind the Nevada Legislature, it argues that the impasse arbitration award is final and binding on the State irrespective of whether a CBA provision fails to become effective due to the Nevada Legislature's decision to not appropriate money to fund the CBA provision. *See* FOP Response p. 2-4. In its Response, FOP fails to address the plain language of the required appropriations clause found in Article 33 of the Bargaining Unit I CBA. *See* Petition **Exhibit 1**. At the bargaining table, FOP has argued that the two 8% annual salary increases provided for the FOP Bargaining Unit I CBA represents the current status quo for collective bargaining, as opposed to the two 1% annual salary increases actually provided by the Nevada Legislature. Having a State bargaining unit begin negotiations claiming that the State of Nevada currently owes them $53,252,095 from their 2025 impasse arbitration award, a pot of money that does not exist and can only be provided by the Nevada Legislature, has a negative impact on good faith negotiations.

This one example demonstrates that the questions presented by the Executive Department in its Petition are real issues currently being faced by the Executive Department. As multiple State bargaining units have made similar arguments to those made by FOP Bargaining Unit I at the bargaining table, a Declaratory Order by the EMRB addressing the questions presented in the Petition is necessary for both the Executive Department and State bargaining units to understand the ground rules for productive and good faith collective bargaining negotiations in compliance with the EMRA.

3. The Status Quo and Bargaining History

State bargaining groups argue that the "status quo" for collective bargaining should be defined in a manner that dramatically deviates from decades of EMRB precedent. State bargaining units argue that the status quo with respect to compensation is not defined as the compensation that State bargaining unit employees are currently entitled to receive, rather they argue that the status quo should be defined by the compensation stated in a CBA, irrespective of: (1) The Legislature not appropriating the money to fund the CBA provision; (2) The required nonappropriation clause in the CBA; (3) Whether the State Board of Examiners votes to approve the CBA as required by NRS 288.555(1)[2]; (4) Laws enacted by the Nevada Legislature expressly voiding CBA provisions that they decided not to fund; or (5) Whether the CBA provision failed to become effective because it required a change in Nevada law pursuant to NRS 288.560. The State bargaining units position conflicts with the plain language of the EMRA and decades of EMRB decisions defining the status quo as the compensation and benefits that employees currently receive. *See Stationary Engineers, Local 39 vs. Airport Authority of Washoe County,* Case No. A1-045349, Item No. 133 (1982). An understanding of the status quo is essential in determining whether a unilateral change is made or whether there has been a violation of the obligation to bargain in good faith. *See Clark County Public Employees Ass 'n, SEIU Local 1107 v. Housing Auth. Of the City of Las Vegas*, Case No. Al-045478, Item No. 270 (1991); *AFSCME, Local 4041 v. State of Nevada, Dep't of Health and Human Services*, Case No. 2020-001, Item No. 862-A (2021) and *AFSCME, Local 4041 v. State of Nevada, Dep't of Corrections*, Case No. 2020-002, Item No. 862-A (2021). Accordingly, the EMRB addressing the questions presented in the Petition is necessary for both the Executive Department and State bargaining units to understand the ground rules for productive and good faith collective bargaining negotiations in compliance with the EMRA.

Both the American Federation of State, County, & Municipal Employees, Local 4041 ("AFSCME") and the Nevada Police Union ("NPU") expressed various concerns in their Responses to the Petition that the Executive Department had an interest in deleting the "bargaining history" between the Executive Department and a State bargaining unit. *See* AFSCME's Response p. 3-8 and 12-20, and NPU's Response p. 5-23. As stated in the Petition, the Executive Department disagrees that the Petition intends to remove anything from the historical record between the parties. Part of the problem is caused because the term "bargaining history" is not defined in either the EMRA or the National Labor Relations Management Act, 29 USC § 151-169 ("NLRA"). The term "bargaining history" has never been addressed by the EMRB in a published order.

/ / /

[2] The State Board of Examiners consists of the Governor, the Attorney General and the Secretary of State, three independently elected constitutional officers. Nothing in the EMRA requires the members of the State Board of Examiners to vote to approve a CBA.

In the Petition, the Executive Department expressly stated that "[t]he EMRA does not prevent, nor is the Executive Department objecting to, a State employee bargaining unit from using an unfunded and now void CBA compensation or benefit term as a basis to support a compensation proposal during the collective bargaining process for future CBA negotiations." *See* Petition p. 9, Footnote 6.[3] Nevertheless, the Responses from State bargaining units argue that the Executive Department's Petition would delete parts of the bargaining history between the parties. It looks like State bargaining units are using the term bargaining history because they recognize that defining the status quo for compensation as "what could have been" rather than the actual compensation that employees receive conflicts with decades of EMRB precedent. What they have not realized is that their argument is contrary to important EMRB precedent that benefits represented employees, like in situations when a management practice not included in a CBA can become part of the status quo. *See Washoe County Teachers Association v. Washoe County School District*, Case No. A1-045678, Item No. 470C (2001). This is another example demonstrating that the questions presented in the Petition are not hypothetical or speculative.

4. Final and Binding Impasse Arbitration

While conceding the argument that the Nevada Legislature cannot be bound by an impasse arbitration award, State bargaining units argue that impasse arbitration awards are not just final and binding on the Executive Department during the collective bargaining process, but that these awards continue to be binding on the Executive Department if they never become effective terms in a CBA. *See* FOP Response p. 2-3. At the same time, State bargaining units do not believe that impasse arbitration awards are not final and binding on State bargaining units, which allows them to actively lobby the Nevada Legislature for, and receive, additional compensation not included in the impasse arbitration award or their CBA. While the EMRA makes impasse arbitration awards final and binding on the Executive Department through the CBA approval process, the plain language of the EMRA is clear that

[3] State bargaining units argue that this statement in the Petition means that there is no longer any dispute for the EMRB to resolve. *See* AFSCME Response p. 11 ("Having conceded that the Union may use unfunded and even "void" CBA terms as the basis for future bargaining proposals, the State leaves no concrete dispute for the Board to resolve."). This is a feeble argument that ignores the other twenty-four pages in the Petition. There is an enormous difference between being able to use a prior impasse arbitration award that was rejected by the Nevada Legislature as evidence to support arguments that a future compensation proposal is reasonable, whether at the bargaining table, or to an arbitrator if negotiations go to impasse, and having those ineffective CBA provisions being considered the status quo.

impasse arbitration awards are not binding on the head of the Executive Department, the Governor. *See* NRS 288.510 and NRS 288.620(3). Final and binding impasse arbitration means that the Executive Department is required to submit CBAs for State Board of Examiner approval containing the terms of the impasse arbitration award. *See* NRS 288.555. It also means that the Governor is required to submit a bill request to the Nevada Legislature that includes the terms of the impasse arbitration award. *See* NRS 288.560(2)(a). The EMRA places no obligation on the State Board of Examiners to vote to approve a CBA, the Governor to vote to approve a CBA as a member of the State Board of Examiners or prevents the Governor from vetoing any bill enacted by the Nevada Legislature authorizing appropriations to fund a CBA.

5. Bad Faith and Other Prohibited Practices are the Exclusive Jurisdiction of the EMRB

Curiously, the Responses from State bargaining units spend a significant amount of time arguing that the EMRB should decline to respond to the questions presented in the Petition. The language in 288.625(1) is clear and unambiguous in stating that the party aggrieved by the prohibited practice "must file a complaint with the Board." The Nevada Supreme Court has long recognized that the EMRB has exclusive jurisdiction over unfair labor practice complaints filed under the EMRA. See *City of Reno v. Reno Police Protective Ass'n*, 118 Nev. 889, 895 (2002). As outlined in the Petition, the collective bargaining process for the Executive Department is both new and dramatically different from the process in local government. This raises the question as to why State bargaining units do not want the EMRB to issue a Declaratory Order on this matter of first impression for the Board.

Based on past practice, one of the reasons why is that as long as the EMRB does not address benchmark matters like the status quo and bad faith for the Executive Department, it will allow State bargaining units to improperly use the impasse arbitration process to address alleged prohibited practices. In NPU's Response they cite a 2021 First Judicial District opinion, which they attached as Exhibit 1.[4] NPU Bargaining Unit G and the Executive Department used the EMRA's impasse arbitration procedure

[4] NPU attached this case to their Response as evidence that the Executive Department has a practice of trying to overturn impasse arbitration awards. As outlined in the Petition and this Reply, the Petition does not address the merits of any arbitration award, nor does it ask the EMRB to vacate any impasse arbitration award.

to finalize Bargaining Unit G's 2021 – 2021 CBA and their 2025 – 2027 CBA. As outlined in NPU's Exhibit 1, during the 2021 – 2023 impasse arbitration NPU asked the arbitrator to vacate the Executive Department's last and final offer pursuant to NRS 288.575(1), which states that when the parties go to impasse arbitration that "[a]ny proposal that conflicts or is otherwise inconsistent with any provision of state law, other than the provisions of chapters 284 and 287 of NRS, shall be considered withdrawn by the proposing party when mediation is discontinued." NPU filed nearly the exact same motion to vacate the Executive Department's last and final offer during the impasse arbitration for their 2025 – 2027 CBA.[5] The plain language of NRS 288.580 clearly identifies the standards for impasse arbitration awards, and these standards do not include making determinations on prohibited practices. This is just another example of the need for clarity from the EMRB on the benchmark issues included in the Petition.

6. Whether a Declaratory Order Advantages One Side or the Other is Not a Standard to Deny the Petition

In its Response to the Petition, NPU argues that the EMRB's "role is not to give one party an advance ruling that strengthens its hand. The Board's role is to adjudicate actual disputes under the EMRA." NPU Response p. 13. In AFSCME's Response to the Petition, it argues that the "Executive Department asks the EMRB to declare, mid-negotiation, that prior CBA terms (as written) are not the "status quo"—a ruling that would hand the Executive Department an advantage in any good faith bargaining question that may come before the EMRB that has not yet ripened into a prohibited practice complaint." AFSCME Response p. 13. Whether or not a declaratory order benefits one party or another is not a standard for the EMRB to deny a Petition for a Declaratory Order found in NAC 288.410, the Administrative Procedures Act or a prior opinion from the EMRB. Even if the EMRB agreed with the Executive Department's view on the questions presented in the Petition, the Declaratory Order would not necessarily help the Executive Department in any future impasse arbitration under the standards outlined in NRS 288.580(3)(a).[6]

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[5] NPU Bargaining Unit G eventually withdrew their motion during the impasse arbitration for their 2025 – 2027 CBA.

[6] NRS 288.580(3) states that the arbitrator shall: *(a) Compare the wages, hours and other terms and conditions of employment for the employees within the bargaining unit with the wages, hours and other terms and conditions of employment for other employees performing similar services and for other employees generally:*

For the Executive Department, collective bargaining is not done in a vacuum. As required by State law, the Executive Department is currently developing the State budget for the 2027 – 2029 biennium that will be submitted to the Nevada Legislature in January 2027. As the Nevada Constitution requires the Governor to submit a balanced budget, and NRS 288.510(1)(a) now mandates that the Governor include the compensation provisions in State bargaining unit CBAs in the proposed State budget, the Executive Department is required to comply with all of its legal obligations under Nevada law, including the duty to bargain in good faith. Compliance with these legal duties, not any perceived benefit at the bargaining table, is why the Executive Department exercised its right to Petition the EMRB for a Declaratory Order.

B. THE EMRB HAS ALL OF THE FACTS NECESSARY TO ISSUE A DECLARATORY ORDER

The purpose of a declaratory statement by the EMRB is to address the applicability of a statutory provision or order or rule of the agency in particular circumstances. *See City of Reno v. Reno Firefighters Local 731, Int't Ass 'n of Firefighters*, Item 777A, Case No. Al-046049 (2012). The general factual premise is not in dispute with regard to the Petition. Instead, the Petition generally presents a question of the Board's statutory interpretation of the EMRA, the statute the Board is charged with enforcing. *Clark County School Dist. v. Local Govt. Employee-Mgmt. Rel. Bd.,* 90 Nev. 442, 446, 530 P.2d 114, 117 (1974); *Folio v. Briggs,* 99 Nev. 30, 33, 656 P.2d 842 (1983); *Truckee Meadows Fire Prot. Dist. v. Int'/ Ass'n of Fire Fighters, Local 2487,* 109 Nev. 367, 369, 849 P.2d 343, 345 (1993); *City of Reno v. Reno Police Protective Ass'n,* 118 Nev. 889, 900, 59 P.3d 1212, 1219-20 (2002); *City of Henderson v. Kilgore,* 121 Nev. 331, 337 n. 11, 131 P.3d 11, 15 (2006); *City of N. Las Vegas v. State Local Gov't Employee-*

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(1) In public employment in comparable communities; and

(2) In private employment in comparable communities; and

(b) Consider, without limitation:

(1) The financial ability of the State to pay the costs associated with the proposed collective bargaining agreement, with due regard for the primary obligation of the State to safeguard the health, safety and welfare of the people of this State;

(2) The average prices paid by consumers for goods and services in geographic location where the employees work; and

(3) Such other factors as are normally or traditionally used as part of collective bargaining, mediation, arbitration or other methods of dispute resolution to determine the wages, hours and other terms and conditions of employment for employees in public or private employment.

Mgmt. Relations Bd., 127 Nev. Adv. Op. 57, 261 P.3d 1071, 1076 (2011); *Bisch v. Las Vegas Metropolitan Police Dep't.,129* Nev. Adv. Op. 36, 302 P.3d 1108, 1112 (2013); *Clark Cty. Deputy Marshals Ass'n v. Clark Cty.,* 425 P.3d 381, Docket No. 68660, filed September 7, 2018, unpublished deposition (Nev. 2018). The Petition contains all of the information required by NAC 288.410. The Petition is not a prohibited practices complaint. Rather, the Petition simply requests that the EMRB exercise its statutory authority to clarify certain provisions of the EMRA. As outlined further below, the EMRB has a history of using its authority under the EMRA and the Administrative Procedures Act to explain the impact of new legislation enacted by the Nevada Legislature on the EMRA.

II. THE QUESTIONS PRESENTED IN THE PETITION ARE WITHIN THE BOARD'S JURISDICTION UNDER THE EMRA AND THE ADMINISTRATIVE PROCEDURES ACT

A. NRS 30.030 DOES NOT APPLY TO THE EMRB

1. The EMRB Has Independent Statutory Authority to Issue Declaratory Orders

As the EMRB has noted in past decisions, "administrative declaratory orders are not based upon the provisions of NRS Chapter 30." *City of Reno v. Reno Firefighters Local 731, Int't Ass 'n of Firefighters*, Item 777A, Case No. Al-046049 (2012). The Petition requests that the EMRB exercise its authority under the EMRA and the Administrative Procedures Act on matters arising out of the interpretation of, or performance under, the provisions of the EMRA. *See* NRS 233B.120 and NRS 288.110(2). As the EMRB noted in *City of Reno v. Reno Firefighters Local 731, Int't Ass 'n of Firefighters*, "[t]his is precisely the purpose for which administrative declaratory orders are made available under the Administrative Procedures Act." Id on p. 3, *citing Chiles v. Department of State, Div. of Elections*, 711 So.2d 151, 154-155 (Fla. App. 1998) ("[t]he purpose of a declaratory statement is to address the applicability of a statutory provision or an order or rule of an agency in particular circumstances. A party who obtains a statement of the agency's position may avoid costly administrative litigation by selecting the proper course of action in advance.").

The EMRA expressly grants the EMRB broad authority to "hear and determine any complaint arising out of the interpretation of, or performance under, the provisions of this chapter by any local government employer, local government employee or employee organization." *Rosequist v. IAFF*, 118 Nev. 444, 448 (2002) (quoting NRS 288.110(2)). The legislative history for the EMRA shows that the

EMRB was intended to relieve a burden on the courts in resolving disputes. *Id.* at 450. The purpose of the EMRB is to apply expertise to labor disputes and assist in resolving them before they reach the courts. *See Id.* at 451. Once the EMRA is found to apply to a proceeding, the remedies provided under the EMRA and before the EMRB must be exhausted before the district court has subject matter jurisdiction. *See Id.* In addition to this express grant of authority to the EMRB, an administrative agency charged with the duty of administering an act is impliedly clothed with power to construe the relevant laws and set necessary precedent to administrative action. *See State Indus. Ins. Sys. v. Snyder*, 109 Nev. 1223,1228, (1993).

The Petition does not request that the EMRB take action to invalidate any CBA provision. The term "void" did not originate from the Executive Department, nor will it originate from the EMRB. Rather it came directly from an act by the Nevada Legislature under the procedures outlined in the EMRA. *See* AB 596, Section 1.10. The EMRB has clear and unambiguous authority on matters arising under the interpretation of, or performance under, the EMRA. *See Simo v. City of Henderson,* Case No. Al-04611, Item No. 796 (2014); *see e.g., Flores v. Clark Cty.,* Case No. Al-045990, Item No. 737 (2010); *Bonner v. City of N Las Vegas,* Case No. 2015-027 (2017), *ajf'd Bonner v. City of North Las Vegas,* Docket No. 76408, 2020 WL 3571914, at 3 filed June 30, 2020, unpublished deposition (Nev. 2020); *Kerns v. LVMPD,* Case No. 2017-010 (2018); *Yu v. LVMPD,* Case No. 2017-025, Item No. 829 (2018). As outlined further below, this is not the first time that the EMRB has interpreted EMRA related legislation from the Nevada Legislature that declared certain CBA provisions "unenforceable and void." *See Clark County Education Association v. Clark County School District*, Case No. 2020-008, Item 869-B (2023).

2. The Executive Department has Standing to File a Petition for a Declaratory Order

In their Responses, State bargaining units make the frivolous argument that the Executive Department lacks standing to file the Petition. *See* NPU Response p. 12 and AFSCME Response p. 11-12. State bargaining units rely on arguments applying the justiciability standards in NRS Chapter 30 that have already been rejected by the EMRB. *See City of Reno v. Reno Firefighters Local 731, Int't Ass 'n of Firefighters*, Item 777A, Case No. Al-046049 (2012) and *In RE: Clark County Education Association's Petition for Declaratory Order*, Case No. 2024-029 (consolidated with Case No. 2023-020) (2024).

Pursuant to NRS 288.565(1), the Governor's Representative, represents all State agencies, including the Nevada System of Higher Education, in collective bargaining with State bargaining units. The Executive Department is a party to all State bargaining unit CBAs. The very text of NRS 288.110(2) states that "[t]he Board may hear and determine any complaint arising out of the interpretation of, or performance under, the provisions of this chapter by the Executive Department, any local government employer, any employee, as defined in NRS 288.425, any local government employee, any employee organization or any labor organization." The Nevada Supreme Court has held that government employers have standing to file complaints before the EMRB. *See UMC Physicians Bargaining Unit v. Nevada Service Employees Union/SEID Local 1107*, 124 Nev. 84, 90-91 (2008).[7]

B. THE BOARD HAS ISSUED MULTIPLE DECLARATORY ORDERS ON THE IMPACT OF LEGISLATION ON THE EMRA

1. SB 241 (2015)

AB 596 is not the first time the Nevada Legislature has enacted legislation that has a significant impact on the rights and responsibilities of government employers and bargaining units under the EMRA. SB 241 went into effect upon passage on June 1, 2015. Under SB 241, a collective bargaining agreement expires "at the end of the term stated in the agreement, notwithstanding any provisions of the agreement that it remain in effect, in whole or in part, after the end of that term, until a successor agreement become effective." SB 241, Sec. 1.3(1)(b). SB 241 was later codified, in part, in NRS 288.255.[8] NRS 288.255 provides:

> *A local government employer may agree to provide leave to any of its employees for time spent by the employee in performing duties or providing services for an employee organization if the full cost of such leave is paid or reimbursed by the employee organization or is offset by the value of concessions made by the employee organization in the negotiation of an agreement with the local government employer pursuant to this chapter.*

The EMRB recognized that SB 241 created "an exception to the general obligation to maintain the status quo." *Serv. Employees of Int'l Union, Local 1107 v. Clark County*, Case No. 2015-011, Item No. 810 (2015) (Reversed on other grounds). The EMRB also recognized that SB 241 made "significant

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[7] The EMRB recognized the Nevada Supreme Court's holding. See *UMC Physicians Bargaining Unit v. Nevada Service Employees Union/SEID Local 1107*, Case No. A1-045812, Item 605-A (2014).
[8] These provisions were repealed during the 2017 legislative session.

changes to the collective bargaining relationships subject to the Act, including a prohibition against the use of so-called evergreen clauses and a prohibition on increases in employee compensation following the expiration of a collective bargaining agreement." *Id.* In response to SB 241, the ERMB issued multiple decisions interpreting SB 241's impact on bad faith, the status quo, unilateral changes and other related matters. *See Clark County v. Nevada Local Government Employee-Management Relations Board and Service Employees International Union, Local 17*, Case No. A-15-728412-J (8th Judicial District Court 2016), *Police Officers Ass'n of the Clark County Sch. Dist. v. Clark County Sch. Dist.*, Case No. 2015-031, Item No. 816 (2016), *Las Vegas Peace Officer Association v. City of Las Vegas*, Case No. 2015-034, Item No. 821 (2017), *SEIU, Local 1107 v. Clark County*, Case No. 2015-011 (2015).

2. AB 469 (2017)

During the 2017 legislative session, the Nevada Legislature passed AB 469, which was codified as NRS 388G.500 to 388G.810.[9] AB 469 required the superintendent of large school districts to transfer certain authority and responsibilities to local school precincts (individual schools), including the authority to select teachers, administrators other than the principal, and other staff. *See* NRS 388G.610(2). In 2020, the EMRB issued a Declaratory Order in response to a Petition requesting the Board to decide whether NRS 388G.610 was a subject to mandatory bargaining under NRS 288.150. *See Clark County Education Association v. Clark County School District*, Case No. 2020-008, Item 869-B (2023). In *Clark County Education Association v. Clark County School District*, the EMRB reviewed NRS Chapter 388G in order to determine whether it conflicted with the EMRA. *See Id.* at p.4. ("The Board simply notes that, as further detailed below, NRS Chapter 3880.610 does not appear to conflict with Chapter 288 and can be read to render a harmonious result."). The Board held that ". . .while this Board can neither enforce nor find a violation as related to NRS 3880.610, NRS 388G.610(2)(a) is also plain and unambiguous." *Id* at p. 6. The Board also held that it "may construe the parties' CBA and other provisions to resolve ambiguities as necessary to determine whether or not a unilateral change has been committed. This is well established." Id. at Fn 5. (citing *Jackson v. Clark County,* Case no. 2018007 (2019); *Boykin v. City of N Las Vegas Police Dept.,* Item No. 674E, Case No. Al-045921 (2010), *citing NLRB v. Strong Roofing & Ins. Co.,* 393 U.S. 357 (1969), *NLRB v. C&C Plywood Corp.,* 385 U.S. 421 (1967); *NL.R.B. v. Ne.*

[9] The Nevada Legislature repealed these provisions during the 2025 legislative session.

Oklahoma City Mfg. Co., 631 F.2d 669,675 (10th Cir. 1980); *Jim Walter Resources,* 289 NLRB 1441, 1449 (1988); *Kerns v. LVMPD,* Case No. 2017-010 (2018); *Yu v. Las Vegas Metropolitan Dep't,* Case No. 2017-025, Item No. 829 (2018); Intl. *Ass'n of Fire Fighters, Local 4068 v. Town of Pahrump,* Case No. 2017-009 (2018)).

3. AB 596 is a Direct Product of the EMRA

Pursuant to NRS 288.560, during the 2025 Legislative Session Governor Lombardo requested that the Nevada Legislature draft a legislative measure to appropriate funds for specific compensation and benefit provisions in State bargaining unit CBAs for the 2025-2027 biennium that required an appropriation from the Nevada Legislature. *See* BDR S-1247, 5/23/2025. The appropriation amounts requested by the Governor for each of these CBA provisions were based on estimates prepared by the GFO and presented to the State Board of Examiners at a public hearing pursuant to NRS 288.555. Based on the Governor's request, the Nevada Legislature passed AB 596, which was signed by the Governor on June 10, 2025. *See* Petition **Exhibit 2**. Accordingly, AB 596 is a product of the EMRA, which makes it clearly within the ERMB's purview.

C. THE PETITION'S REFERENCES TO THE STATE CONSTITUTION AND THE STATE BUDGET ACT PROVIDE CONTEXT FOR THE APPROPRIATION REQUIREMENT IN THE EMRA

State bargaining units argue that the Petition is outside the EMRB's jurisdiction because it requires the EMRB to decide questions under the United States Constitution and the Nevada State Constitution. *See* AFSCME Response p. 12-14, NPU Response p. 12-13, FOP Response p. 3-4. The plain language of the questions in the Petition do not mention the United States Constitution or the Nevada State Constitution. The Petition refers to fairly elementary constitutional provisions, such as Article 4 § 19 of the Nevada State Constitution vesting the Nevada Legislature with the appropriations power. These references are directly related to the appropriations requirement in the EMRA. NRS 288.505(1)(c) requires each State bargaining unit CBA to include "[a] nonappropriation clause that provides that any provision of the collective bargaining agreement which requires the Legislature to appropriate money is effective only to the extent of legislative appropriation." NRS 288.505(5)(c) states that CBA provisions that require an appropriation from the Nevada Legislature are only effective within the limits of the amount appropriated by the Nevada Legislature.

An administrative agency charged with the duty of administering a Nevada statute, is impliedly clothed with power to construe the relevant laws and set necessary precedent to administrative action. *See State Indus. Ins. Sys. v. Snyder*, 109 Nev. 1223,1228, (1993). The EMRB may review constitutional or other statutory provisions related to the EMRA to ensure that its interpretation avoids any serious constitutional questions or conflicts with Nevada law. *See City of Reno v. Reno Firefighters Local 731, Int't Ass 'n of Firefighters*, Item 777B, Case No. Al-046049 (2012); *see also City of Reno v. Reno Police Protective Ass'n*, 98 Nev. 472, 474-75 (1982) ("the EMRB merely deferred to NRS ch. 288, the statute under which it operates. While the EMRB did discuss the Reno City Charter in its decision, our review of that decision reveals that the board only did so because the City placed its Charter in issue by relying on it as justification for its refusal to bargain with the RPPA. The EMRB did not interpret the Charter.") Similarly, the Petition's references to the State Budget Act provide context for the appropriations process required by the EMRA.

III. CONCLUSION

For the reasons stated above, and in the Petition, the Executive Department respectfully requests that the EMRB enter a Declaratory Order as outlined in the Petition.

DATED this 20th day of July 2026.

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CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Office of the Attorney General, and that on this 20th day of July 2026, I served a true and correct copy of the foregoing REPLY IN SUPPOR OF ITS PETITION FOR DECLARATORY ORDER by electronic mail to the following email addresses:

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