

## LEGISLATURE STARTS PROCESSING BILLS; GOVERNOR THREATENS VETO

DATE: FEBRUARY 26, 2010

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On Day Three of the Special Legislative Session, the Assembly considered and passed A.B. 3 on a 41 to 1 vote.

The bill provides the following:

- Transfers to the State General Fund the remaining balance of the Abandoned Property Trust Account.
- Permits the Legislature to temporarily reduce the amount of an assessment that is used to pay a portion of the cost of premiums or contributions for the Public Employee's Benefits program.
- Transfers \$24,700,000 from the Retirement Benefits Investment Fund to the State Retiree's Health and Welfare Benefits Fund to pay a portion of the costs for health and welfare benefits for state retirees for Fiscal Years 2009-2010 and 2010-2011.
- Authorizes the transfer of certain sums appropriated to the Department of Health and Human Services among the various budgets of the Department.
- Reduces the current amount of money budgeted for Fiscal Years 2009-2010 and 2010-2011 for the following state agencies: Department of Agriculture; Department of Administration; Commission on Mineral Resources; Department of Education; Department of Public Safety; Department of Taxation; State Department of Conservation and Natural Resources; Department of Business and Industry;

Department of Health and Human Services; Secretary of State; Agency for Nuclear Projects; Nevada Athletic Commission; State Public Works Board; and the State Board of Examiners. Reductions from these agencies will be transferred to the General Fund Budget Reserve Account in each fiscal year.

- Provides that the transfers from the agencies to the General Fund are not applicable to the extent they would constitute an impairment of the rights of the holders of bonds issued by the State.

The Senate considered and passed A.B. 3 on a 17 to 3 vote.

The Senate considered S.B. 3, which revises the existing law requiring state employees to take unpaid furlough leave during the 2009-2011 biennium and provides for a 4-day, 10-hour work week for state employees. The bill requires most State offices to be closed on Fridays. It also increases the required furlough leave for full-time state employees from 8 hours per month to 10 hours per month. In addition, it authorizes local governments to impose unpaid furloughs except where the provision would conflict with collective bargaining agreements. Where an employee is exempt from the mandatory furlough, the bill requires a salary reduction of 5.75 percent in lieu of furlough. There was no further action taken on S.B. 3.

During the afternoon of Day Three, Governor Jim Gibbons made an unannounced visit to the Legislature to meet with Republican leadership. The Governor announced Wednesday evening that he will veto Senate Bill 2, which would entitle the State to apply for a grant from the federal Race to the Top Fund. S.B. 2 was approved on Wednesday by a 16-5 vote in the Senate and a 42-0 vote in the Assembly.

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