

MERIT AWARD BOARD

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Website – https://hr.nv.gov/Boards/MeritAward/Merit_Award_Board/

Agendas and Meetings – [https://hr.nv.gov/Boards/MeritAward/Merit_Award_Board - Meetings/](https://hr.nv.gov/Boards/MeritAward/Merit_Award_Board_-_Meetings/)

NEVADA REVISED STATUTES (NRS) CHAPTER 285

BOARD MEMBERS ([NRS 285.030](#))

The Merit Award Board, Division of Human Resource Management (DHRM), Department of Administration, is composed of five members, as follows:

- Two who are members of the American Federation of State, County and Municipal Employees or its successor, designated by the executive committee of that Federation or its successor;
- One from the Budget Division, Office of Finance, Office of the Governor, appointed by the chief of the Budget Division;
- One from the DHRM appointed by the administrator of the Division; and
- One appointed by and representing the governor.

Either the member from the Budget Division or from the DHRM serves as the secretary of the Board.

The Merit Award Board is the controlling authority for the Merit Award Program.

POWERS AND DUTIES OF THE BOARD

- The Board shall adopt regulations for transacting its business and carrying out the provisions of [Chapter 285](#) of NRS ([NRS 285.030](#));
- The Board shall investigate, review, and evaluate the merits of each suggestion proposed by a state employee or group of state employees ([NRS 285.040](#));
- The Board may, in consultation with the Budget Division and the Interim Finance Committee (IFC), establish such additional standards for the submission of employee suggestions as it deems proper ([NRS 285.050](#));
- The Secretary shall receive employee suggestions and refer them to the head of the state agency affected by the suggestion ([NRS 285.060](#));
 - The head of the state agency shall report findings and recommendations to the Board. The report must indicate whether the suggestion was adopted and its impact, or rejected and the reason for the rejection;
 - The Board shall review, evaluate, and monitor the efficacy and progress of a suggestion that has been put into practice; and
 - The Board shall report biannually to the Budget Division and the IFC on employee suggestions that were rejected or adopted. It shall also summarize any legislation required before a suggestion may be adopted.

BACKGROUND

LEGISLATION

- 1967—[Assembly Bill 507](#) (Chapter 391, *Statutes of Nevada*), sponsored by the Assembly Committee on Ways and Means, established the Merit Award Board and the Merit Award Program.
- 1975—[AB 66](#) (Chapter 158, *Statutes of Nevada*), sponsored by the Assembly Committee on Ways and Means, increased from \$200 to \$500 the maximum cash award that may be made to an employee.
- 1983—[Senate Bill 232](#) (Chapter 264, *Statutes of Nevada*), sponsored by Senators Glover, Mello, Ashworth, Wagner, Robinson, Hickey, Townsend, Horn, Neal, Bilbray and Hernstadt. Required the Board to adopt regulations for transacting its business and carrying out the provisions of [Chapter 285](#) of NRS.
- 1991—[AB 183](#) (Chapter 557, *Statutes of Nevada*), sponsored by the Assembly Committee on Government Affairs, revised the eligibility requirements for merit awards and authorized the expenditure of a limited amount of money for expenses of the Board.
- 2011—[SB 286](#) (Chapter 66, *Statutes of Nevada*), sponsored by Senators Rhoads and Smith, revised the Merit Award Program, which among other provisions: placed certain limitations on employee suggestions; required the Board to consult with the Budget Division when making awards; placed limitations on awards and distribution of savings resulting from the suggestion; established that any award in excess of \$5,000 must be approved by the IFC; and prohibited awards to be made until the state has realized savings.
- 2017—[SB 72](#) (Chapter 519, *Statutes of Nevada*), sponsored by the Senate Committee on Legislative Operations and Elections, revised the Merit Award program by increasing from \$1,000 to \$5,000 the maximum amount of funds that may be expended by the Board for operations of the Board, and clarifies that an employee suggestion must not have been previously considered by the affected state agency. The bill revises the time period which the head of the state agency must report recommendations to the Board and the time period in which a qualified award installment must be paid. Additionally, the measure requires payments to be made after the end of the fiscal year during which the state realized a reduction, elimination, or avoidance of state expenditures and specifies award distributions to a group of employees must be made in equal proportion to each state employee in the group. Finally, the bill requires the Board to provide a report to the Budget Division and the Interim Finance Committee not later than 90 days after the end of each fiscal year ending on June 30 of an even-numbered year.

LEGISLATIVE HISTORY

No legislative histories of AB 507, AB 66, SB 232, AB 183, SB 286, or SB 72 have been compiled.

REPORTS TO THE LEGISLATURE

At the end of a fiscal year ending on June 30 of an even-numbered year, the Board shall provide a report to the Budget Division and the IFC that includes information on the employee suggestions that were rejected or adopted, as well as any legislation required to be enacted before any employee suggestions may be adopted ([NRS 285.060](#)).

Records Held by the Legislative Counsel Bureau

- [*Report of Merit Award Board on Employee Suggestions to the Budget Division and the Interim Finance Committee*](#), Department of Administration, November 2012,

REVIEWED BY THE SUNSET SUBCOMMITTEE OF THE LEGISLATIVE COMMISSION

The Sunset Subcommittee reviewed the Merit Award Board on [March 15, 2016](#), The Subcommittee voted to recommend the Board's continuation with statutory changes as follows:

- Clarify in Chapter 285 of NRS that the "adoption" of an employee's suggestion means the actual implementation of the suggestion;
- Remove the obsolete reference to a cap on expenditures by the Board because the budget for the Board is established in a budget account;
- Delete the word "currently" in NRS 285.050 and clarify that an employee is limited to two suggestions in any calendar year;
- Increase the period within which the head of a state agency must report findings and recommendations to the Board; and
- Revise the time frame for paying installments of awards.