

FISCAL ANALYSIS DIVISION 2017 NEVADA LEGISLATURE Presession Orientation for New Legislators November 16, 2016

Fiscal Analysis Division
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Overview

The division is headed by the Senate Fiscal Analyst and the Assembly Fiscal Analyst, who are appointed by the Director with the approval of the Legislative Commission. The division consists of the Senate and Assembly Fiscal Analysts, 23 other professional positions and 6 clerical positions. Each House of the Legislature is assigned a Principal Deputy Fiscal Analyst to assist the Fiscal Analyst. A third Principal Deputy Fiscal Analyst is assigned to supervise revenue matters.

The primary goal of the division is to provide the Legislature with the capability for independent review and analysis of budgetary and fiscal matters as set forth in NRS 218F.600: The division achieves this goal by providing the following services to the members of the Legislature.

1. Analysis of The Executive Budget and Proposed Legislation
2. Forecasting and Monitoring State Revenues
3. Providing Information About State Operations from a Fiscal Perspective

1. Analysis of *The Executive Budget* and Proposed Legislation

The Fiscal Analysis division performs an extensive independent review, on behalf of the Legislature, of The Executive Budget proposed by the Governor. The Executive Budget communicates the expected revenues and expenditures needed to operate existing programs and proposed program enhancements or expansions, over the upcoming two fiscal years. In addition, the division analyzes proposed legislation that has the potential to have a fiscal impact on state government or local governmental entities.

Standing Legislative Fiscal Committees

The division provides staff support for the standing Senate Committee on Finance and the Assembly Committee on Ways and Means, which are charged with reviewing The Executive Budget and proposed legislation that has a potential fiscal impact on state government or local governmental entities.

The division also provides staff support for the standing Senate Committee on Revenue and Economic Development and the Assembly Committee on Taxation. These committees are typically assigned jurisdiction over measures affecting Title 32 (Revenue and Taxation) of NRS and any other measures that affect state or local revenues in a significant way.

2. Forecasting and Monitoring State Revenues

The division analyzes revenue information (primarily General Fund) and trends in order to make projections concerning certain public revenues expected to be available to support the operation of state government.

The Economic Forum

The Fiscal Analysis Division also provides staff support for the Economic Forum. By statute, the Economic Forum is required to provide General Fund revenue forecasts on or before December 3 of even-numbered years and on or before May 1 of odd-numbered years. The December 3 revenue forecast is used by the Governor in preparing budget recommendations presented to the Legislature in January of odd numbered years. The May 1 forecast is the final official revenue estimate that is used by the Legislature in balancing the budget for each biennial budget period. The Governor appoints all five members to the Economic Forum, with the Senate Majority Leader and the Speaker of the Assembly each nominating one member for appointment.

Assembly Bill 332 of the 2011 Legislative Session added two additional meetings to consider current economic indicators on or before June 10 of each even-numbered year and December 10 of each odd-numbered year.

3. Providing Information About State Operations from a Fiscal Perspective

The division develops briefing materials for use by legislators during committee hearings to assist the members in making decisions regarding fiscal expenditure and tax policy and budget recommendations. The division also gathers information and prepares responses to legislator requests for information regarding specific programs or questions that are fiscal in nature.

Publications Prepared by the Division

The Fiscal Analysis Division prepares reports each biennium related to the financial position of the state.

The following reports are available on the Legislative Counsel Bureau's website at www.leg.state.nv.us/Division/Fiscal/

Fiscal Report: This report is designed to provide members of the Legislature with a summary of the financial status of the state and the Governor's budget recommendations for the next biennium. The report is completed during February of odd-numbered years for use during the legislative session. The report includes historical revenue and expenditure trends, the revenue projections made by the Economic Forum at its December 1 meeting and the Governor's recommended appropriations for the upcoming biennium. Emphasis is placed on expansions and reductions in existing programs and any new programs recommended by the Governor.

Appropriations Report: After each regular legislative session, the division prepares a report designed to provide legislators with a summary of all legislative budgetary and taxation actions taken during the legislative session. This document details the differences between the budget recommended by the Governor and the budget approved by the Legislature. Similar to the Fiscal Report, emphasis is placed on expansions and reductions in existing programs and any new programs approved by the Legislature.

The Nevada Plan: The Nevada Plan document describes the means used to finance elementary and secondary education in Nevada's public schools. The report contains an overview of school funding in the state, as well as comparative national information. An example of how the Nevada Plan is applied to a hypothetical school district is also included in the report.

Revenue Reference Manual: Each biennium near the beginning of the legislative session, the division prepares a comprehensive report describing the state's fee and tax revenues. The report includes historical information and statutory citations.

Reports for the Economic Forum: As staff to the Economic Forum, the Fiscal Analysis Division prepares the forecast reports approved by the Economic Forum at the December and May meetings that are required to be submitted to the Governor and the Legislature. The division also prepares periodic status reports during the interim for the Economic Forum that compare their forecasts to actual collections for each fiscal year.

For information about state operations from a fiscal perspective, or for any other questions, please contact

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