

MINUTES OF THE JUNE 25, 2009  
MEETING OF THE  
INTERIM FINANCE COMMITTEE  
LEGISLATIVE COUNSEL BUREAU  
Carson City, Nevada

Cochair Bernice Mathews called a regular meeting of the Interim Finance Committee (IFC) to order on June 25, 2009, at 9:17 a.m. in Room 4100 of the Legislative Building. [Exhibit A](#) is the agenda. [Exhibit B](#) is the guest list. All exhibits are available and on file at the Fiscal Analysis Division of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT IN CARSON CITY

Senator Bernice Mathews, Cochair  
Assemblyman Morse Arberry Jr., Vice Chair  
Senator Mark Amodei for Senator Hardy  
Senator William J. Raggio  
Senator Dean Rhoads  
Assemblyman Bernie Anderson for Assemblyman Marcus Conklin  
Assemblyman David Bobzien for Assemblyman John Ocegüera  
Assemblyman Moises (Mo) Denis  
Assemblywoman Heidi S. Gansert  
Assemblyman Pete Goicoechea  
Assemblyman Tom Grady  
Assemblyman Joseph (Joe) P. Hardy  
Assemblyman Joseph Hogan  
Assemblywoman Kathy McClain  
Assemblywoman Bonnie Parnell for Assemblywoman Sheila Leslie  
Assemblywoman Debbie Smith

COMMITTEE MEMBERS IN LAS VEGAS:

Senator Bob Coffin  
Senator David Parks for Senator Steven Horsford  
Senator Joyce Woodhouse  
Assemblywoman Barbara E. Buckley  
Assemblywoman Ellen Koivisto

COMMITTEE MEMBERS EXCUSED:

Senator Steven Horsford, Cochair  
Assemblyman Marcus Conklin  
Assemblywoman Sheila Leslie  
Assemblyman John Ocegüera

LEGISLATIVE COUNSEL BUREAU STAFF:

Lorne Malkiewich, Director, Legislative Counsel Bureau  
Brenda J. Erdoes, Legislative Counsel  
Eileen O'Grady, Chief Deputy Legislative Counsel  
Mark W. Stevens, Fiscal Analyst, Assembly  
Gary L. Ghiggeri, Fiscal Analyst, Senate  
Steve Abba, Principal Deputy Fiscal Analyst  
Tracy Raxter, Principal Deputy Fiscal Analyst  
Sherie Silva, Interim Finance Committee Secretary  
Donna Thomas, Fiscal Division Secretary

A. ROLL CALL.

Lorne Malkiewich, Director, Legislative Counsel Bureau and Secretary of the Interim Finance Committee, called the roll. Cochair Mathews announced a quorum of each House was present.

\*B. APPROVAL OF MINUTES OF THE MARCH 24, 2009, MEETING.

ASSEMBLYMAN DENIS MOVED FOR APPROVAL OF THE  
MARCH 24, 2009, MEETING MINUTES.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION CARRIED.

\*C. APPROVAL OF MINUTES OF THE APRIL 3, 2009, MEETING.

ASSEMBLYMAN ARBERRY MOVED FOR APPROVAL OF THE  
APRIL 3, 2009, MEETING MINUTES.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED.

\*D. APPROVAL OF MINUTES OF THE APRIL 20, 2009, MEETING.

ASSEMBLYMAN GRADY MOVED FOR APPROVAL OF THE  
APRIL 20, 2009 MEETING MINUTES.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED.

\*E. APPROVAL OF MINUTES OF THE MAY 27, 2009, MEETING.

SENATOR RHOADS MOVED FOR APPROVAL OF THE MAY 27, 2009, MEETING MINUTES.

SENATOR AMODEI SECONDED THE MOTION.

THE MOTION CARRIED.

\*F. WORK PROGRAM REVISIONS IN ACCORDANCE WITH NRS 353.220 (5) (b). INFORMATIONAL ONLY – REQUIRED EXPEDITIOUS ACTION WITHIN 15 DAYS.

1. **State Treasurer – Unclaimed Property – FY 2009** - Addition of \$70,000 in funds transferred from Abandoned Property, and transfer of \$45,000 from the Personnel Services category to the Operating category; \$6,000 from the Out-of-State Travel category to the Operating category; \$4,000 from the In-State Travel category to the Operating category; \$2,000 from the Technology Cost Allocation category to the Operating category; and \$3,000 from the Information Services category to the Operating category for unclaimed property advertising costs pursuant to NRS 120A.580. Requires Interim Finance approval since the amount transferred to the Operating category exceeds \$50,000. **Work Program #C15310**

Cochair Mathews asked for questions from Committee members, noting that the item was for information only; there were no questions.

\*G. STATE PUBLIC WORKS BOARD.

Gus Nunez, Manager, State Public Works Board, reviewed the agenda items relating to the State Public Works Board.

1. Request to reduce the scope of CIP project 07-C27, Civil Support Team Weapons of Mass Destruction (WMD) Facility in Las Vegas, from 24,000 to 16,233 square feet and to reduce state and federal funding available for the project.

Mr. Nunez explained the request was for a change in scope and authorization to receive and spend federal funds. The original scope was for a 24,000-square-foot facility and \$14 million in federal funding. After the programming and some schematic design was completed, the National Bureau in Washington, D.C. approved a 16,233-square-foot facility, with approximately \$9.5 million in federal funding. Therefore, this request would remove 7,767 square feet and \$4,477,000 in federal funding from the project. Some of the state funding was also reduced accordingly on a pro-rata basis.

Cochair Mathews asked for questions from the Committee; there were none, and she called for a motion.

ASSEMBLYMAN ARBERRY MOVED FOR APPROVAL OF ITEM 1.

ASSEMBLYWOMAN McCLAIN SECONDED THE MOTION.

THE MOTION CARRIED.

2. Request to increase the scope of CIP project 07-C24, Life Safety Improvements of Bristlecone Building at WNC, to increase the number of American with Disabilities Act (ADA) accessibility improvements at the Western Nevada College campus using surplus project funds.

Mr. Nunez explained Item 2 was a request to use leftover funds from the 07-C24 project to continue to correct ADA and life safety issues at Western Nevada College. He recalled that during the discussions on the last revised Governor Recommended project during the 2009 Session, the 09 project was reduced, and there was a discussion during those hearings with respect to making up for that reduction in funds with the 07 project.

Cochair Mathews noted that Western Nevada was one of the oldest campuses in the state, and she wondered why it was taking so long to get ADA projects going.

Mr. Nunez replied that he understood, and he explained that a planning project to look at the entire campus was started three years ago. Once that was completed, the PWB had gone to the Legislature with various phases of the project, and eventually it would be completed. With the 07 and 09 projects, at least the life safety issues defined as barriers would be mitigated on that campus.

Assemblyman Denis asked if this project would address ADA compliance requirements in other buildings besides the Bristlecone Building. Mr. Nunez replied that it would; the project involved the entire campus.

Assemblyman Denis questioned whether the Interim Finance Committee had the ability to approve this item; he requested advice from legal counsel.

Brenda Erdoes, Chief Legal Counsel, Legislative Counsel Bureau, advised that the matter had been looked into, and she believed that the IFC did have the authority, based on the intent that was established during the 2009 Legislative Session that the ADA changes on the entire campus could actually be part of the Bristlecone project.

Cochair Mathews asked for further questions or discussion; there being none, she called for the motion.

ASSEMBLYMAN DENIS MOVED FOR APPROVAL OF ITEM 2.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

THE MOTION CARRIED.

3. Request to reduce the scope of CIP project 07-C05, Indian Springs Conservation Camp 384-Bed Expansion and 168-Bed Renovation, to eliminate the demolition of Culinary Building 7, a storage building, and the tire shop.

Item 3 was withdrawn on June 17, 2009.

4. Request to increase the scope of CIP project 05-S05, Statewide Paving Program, to add replacement paving, patching and slurry sealing at the Northern Nevada Veterans' Cemetery in Fernley using surplus project funds.

Mr. Nunez explained Item 4 was a request to use excess funds from the Statewide Paving Program to perform necessary paving at the Northern Nevada Veterans' Cemetery. The project would consist of some on-site work and work along the access easement to the Fernley cemetery.

So that there was no misunderstanding with respect to what the project would do, Mr. Nunez said there would still be issues with the pavement and the street, part of the access to this facility. He explained that coming off the exit from the freeway, it was necessary to go through an old truck stop, and the pavement in front of the truck stop had basically failed; that portion of the road belonged to the city of Fernley. Mr. Nunez stated that not only had the pavement failed, but the street was not delineated – there were no curbs, gutters or striping. The street just blended into the adjacent parking lots on both sides, the parking areas were not delineated, and the parking was very disorganized. He reiterated that this project would not address those issues. Mr. Nunez believed the city of Fernley now had an interim manager, and he was starting some contact with the city to see if the issues with the truck stop could be addressed. However, the state had no jurisdiction over the roadway in front of the truck stop, which was located approximately 300-400 feet immediately after leaving the freeway.

Mr. Nunez wanted the Committee to understand the situation so that when the project was completed, the members would not be surprised if there was still an issue with the truck stop.

Cochair Mathews thanked Mr. Nunez. She noted that Assemblyman Anderson was anxious to discuss the matter.

Assemblyman Anderson remarked that Assemblyman Grady was a current member of the cemetery board, and he had served on the board as well. He said this had been a problem since the cemetery was established when there was a dirt road going from the truck stop. He thought there was another entrance that was the primary entrance to the facility. He asked if the state had responsibility for the main entrance.

Mr. Nunez responded that there was another entrance to the cemetery that went through the neighborhood streets and eventually became a dirt road prior to getting to the site. After the dirt road, there was eventually a paved road to the access easement and then back on pavement and into the cemetery. He explained that the access

coming off of the freeway was more direct and was all pavement; the streets going through the neighborhood were more delineated, but there was a section of dirt road.

Mr. Anderson understood the problem to be that the city had no desire or need to further extend the road to the Veterans' Cemetery; the city did not perceive that as part of its responsibility. He speculated that if the state did not complete the work, no one would do it.

Mr. Nunez replied he was not aware if that was the case and reiterated he had started contacts with the city. He hoped for more direct access through the truck stop, noting that most of the road was paved and in very good shape. The problem was just the very small section in front of the truck stop. He was not aware of any plans for the city to correct the problem, but he would follow up on the matter.

Assemblyman Grady noted the second exit could be used to get to either street. The problem with the primary, or old, route through the residential area was that it was difficult to come off of the bridge at Fernley and make the left-hand turn into that route. The primary route was now through the truck stop. He said that in the last few years, the cemetery board had been working very hard with the state contractors in the area, and there was now a good oil road going across the area. The worst part was approximately one-quarter mile from the end of the new pavement to the cemetery; there were some very bad cracks and breaks that needed to be looked at. Mr. Grady offered to work with the new Fernley city manager on the project.

Assemblyman Grady added that the cemetery was in excellent shape as far as the grounds, and it was going to be expanded. There was going to be a new truck stop constructed on the east side, and now would be the opportune time to solve the problem.

Mr. Nunez thanked Mr. Grady for his offer of assistance and said he would be happy to work with him and the Fernley city manager.

Assemblywoman Parnell said her question concerned the state road – any part of the state road around the cemetery. She asked if it was all now paved and if the pavement was in decent condition.

Mr. Nunez replied the portion that the state controlled for the cemetery, both the easement and on site, was all paved. However, the easement had some fairly wide cracks on the way to the cemetery and was in need of repair, which would be accomplished through this project. He added that inside the cemetery, there was a need for some surface sealing and replacement of a small amount of pavement; those issues would be addressed through the Public Works Board's jurisdiction.

Assemblywoman Parnell noted the last time she was at the cemetery, the truck stop access road was not paved, and she observed that the pavement now in need of repair was fairly new.

Mr. Nunez said the pavement was strictly in need of routine maintenance; there was some cracking along the access easement, which was common with the temperature changes in this part of the country. Within three to five years of new pavement being in place, cracks would develop and the surface would become dry, requiring crack and surface sealing; this was just routine maintenance over the life of the pavement.

Cochair Mathews asked if there was any further discussion. There being none, she called for a motion.

ASSEMBLYWOMAN SMITH MOVED FOR APPROVAL OF ITEM 4.

ASSEMBLYMAN ARBERRY SECONDED THE MOTION.

THE MOTION CARRIED.

5. Request to cancel CIP project 07-C26, Desert Willow Treatment Center Addition of 14 Beds, due to approval of 2009 CIP project 09-C02a, New 36-Bed Child and Adolescent Hospital-Southern Nevada Child and Adolescent Services.

Mr. Nunez explained that the Desert Willow Treatment Center Addition project could not be implemented as originally intended due to changes in Medicaid regulations; as a result, Item 5 was a request to cancel the project. He noted that the 2009 Capital Improvement Program had a project for a separate hospital which would meet the Medicaid regulations; the project was fully funded and would be designed and built as part of the 2009 CIP. Basically, the request was just a clean-up item to cancel the 2007 project.

Senator Coffin remarked it would be helpful to explain to people who were watching or listening that the project in essence was only a formality. The Interim Finance Committee did not meet after the final CIP meeting during the 2009 Session, so many people may not know that a new building was going to be constructed for that division because it was absolutely required by the federal government to do so.

Cochair thanked Senator Coffin for his comments. She asked for a motion.

ASSEMBLYWOMAN SMITH MOVED FOR APPROVAL OF ITEM 5.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED.

6. Request to cancel CIP project 07-M42, Shower and Bathroom Renovation at Silver Springs Conservation Camp, due to closure of facility.

Mr. Nunez reported that the SPWB was notified by the Department of Corrections that, at least for the foreseeable future, the Silver Springs Conservation Camp was being vacated, and consequently the project was to be canceled.

There being no questions, Senator Mathews called for a motion.

ASSEMBLYMAN HARDY MOVED FOR APPROVAL OF ITEM 6.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

THE MOTION CARRIED.

7. Information regarding the CIP Project Exception Report pursuant to NRS 341.100(8)(g).

The first item of the CIP Exception Report was 05-S05, Statewide Paving Program, which was on today's agenda to add scope to the cemetery project. Mr. Nunez said that the next item in the report, CIP Project 07-C07a, was moving forward and therefore it would not appear in future exception reports.

Mr. Nunez noted that project 07-C26, Desert Willow Treatment Center Addition, was also on this meeting's agenda, as was 07-C27, Civil Support Team Readiness Building.

Construction of the 07-M10 project was proceeding after the evaluation of bids. Mr. Nunez said the Notice to Proceed would be issued on September 14, 2009, and substantial completion was expected by March 4, 2010.

Mr. Nunez indicated the next item in the report, CIP Project 07-M42, was also discussed earlier. He reported the work at the Northern Nevada Correctional Center (NNCC) under project 07-M48 would provide the surveillance cameras at the NNCC and the Nevada State Prison (NSP). The SPWB had been requested by the Department of Corrections to not add any more contractors inside the fence at NNCC. Once some of the work was completed at NNCC and fewer contractors were on site, probably by the end of September, the cameras would be installed. Mr. Nunez said that with respect to NSP, the Legislature funded the facility to stay open, and the PWB was looking at proceeding with the surveillance cameras at that facility as well.

Cochair Mathews asked what would happen while there were no surveillance cameras. Were the new ones installed in phases?

Mr. Nunez replied that naturally, at any one of the facilities, the cameras would enhance the security of the building as well as the security of the guards.

Continuing, Mr. Nunez remarked that Project 07-PO6, the Elko Readiness Center, would most likely be discussed at the next IFC meeting.



Cochair Mathews noted that the Exception Report items were for informational purposes; no action was necessary. She asked for questions from the Committee, and there were none.

8. Information regarding Project Status Report: 01-C15, Planning, Design and Utility Infrastructure for Science and Engineering Complex, UNLV; 03-C23, UNLV Science, Engineering and Technology Complex Construction; and 05-C06, Construction of Science, Engineering and Technology Complex at UNLV.

Mr. Nunez said a status report on project 01-C15 had been provided to the Committee throughout the project. He reported that the base contract for the UNLV Science and Engineering Technology building was completed; alternate B contracts were completed back in June 2008, and the commissioning and close-out documentation was completed, as were final checks, system balancing and control sequence verifications. The laboratory fit-out project, which was being contracted by UNLV, was underway. Mr. Nunez noted that the funding issues were resolved through a transfer of funds for furniture, fixtures and equipment (FF&E) from the construction line. The FF&E fit-out for the labs was underway and estimated to be completed by the end of the year.

Mr. Nunez noted the report reflected the current level of occupancy and what it would be after the lab fit-out, as well as what would be left for future growth. It was likely this would be the last status report on this project unless there was a future issue.

9. Information regarding the project status report for CIP project 07-C02, Las Vegas Springs Preserve Museum, construction funding shortfall and Question 1 bond funds for original museum project.

Mr. Nunez said that as of the June 18, 2009, owner-contractor meeting, the commissioning process was completed except for one item that dealt with programming of the control system, which would be completed very soon. He said that out of 3,000-plus-or-minus punch list items in the project, there were only about 70 items remaining. Another owner-contractor meeting was taking place that morning, and it was hoped the project could be wrapped up within one to two weeks. The only item left on the project would be the exhibits. Mr. Nunez asked for questions from the Committee.

Assemblyman Denis asked if the programming of the control system involved the air conditioning. Mr. Nunez replied there was an issue with the programming of the control system. Attempts were made to correct the issues on site, but that was not possible since there appeared to be a problem with the mother board and the computer. The computer had been returned for the company to look at. The mechanical system was working properly; there was only the one issue with the control system that would operate the system in the best efficient way.

Assemblyman Denis affirmed that the programming issue was the only issue left on the commissioning. Mr. Nunez replied that was correct, reiterating that in addition, there was a 3,000-item punch list on the project, which had only about 70 items remaining.

Assemblyman Denis asked when the commissioning of the control system programming would be done. Mr. Nunez replied he did not have a specific date, but once the computer was checked, if there was an issue with the computer and not with the program, which appeared to be the case, he was sure it would be fixed or replaced.

Assemblyman Denis asked the status of the 70 items remaining on the punch list, and Mr. Nunez said those items would probably be completed in a week or two at the most.

Senator Raggio referred Mr. Nunez to the Change Order Summary on page 179 of Volume I of the agenda packet ([Exhibit C](#)). For clarification, he wondered if the original contract on phase II was \$8,066,000, or if that was the amount of Change Order 5.

Mr. Nunez replied that phase I was \$25 million and phase II was \$8 million. He recalled that, as a result of a shortfall, the SPWB had submitted a request to IFC to use some of the original state funding that was provided in the CIP for the FF&E and exhibits.

Senator Raggio recalled that request. He asked Mr. Nunez to explain Change Order 3, which was for just under \$1 million for unforeseen and A&E design issues. Mr. Nunez said he would have to provide the specifics of that item at a later date, adding that unforeseen items on a new project typically dealt with soil issues encountered during construction, underground utilities that were supposed to be in a certain location and similar issues.

Senator Raggio said he was just curious; \$1 million for unforeseen items seemed like a lot, and he did not recall discussing it at the time. He suggested that at the next meeting Mr. Nunez could provide a breakdown of what caused the \$1 million addition. Mr. Nunez replied he would provide that information.

Assemblyman Hardy said it appeared the state was building a wonderful facility, but it was being reported in the press that visitation to the old Springs Preserve was down probably a quarter of what it was projected to be. He wondered if a facility was being constructed for which the participation possibly could not be funded. He asked Mr. Nunez if that possibility had been discussed since the original decision was made to proceed with the building.

Mr. Nunez said the state was in charge of the construction of the building; he suggested that Mr. Fischer would be in a better position to answer Assemblyman Hardy's question.

Mr. Michael Fischer, Director of Cultural Affairs, approached the testimony table. He apologized that he had not heard the entire question.

Assemblyman Hardy asked if the state was building a wonderful facility that, because of visitation rates that were a part of the Springs Preserve total, would be funded at the level of anticipated visitation, or if visitation was going to be down and the project could not be funded going forward. He asked if the state would be able to staff the facility at the Springs Preserve, and he reiterated that it was reported in the newspaper that visitation was down about 25 percent.

Mr. Fischer said since the visitation estimates were made before he assumed the position, he would have to defer the question to Mr. Barton. However, he believed the estimates had been adjusted.

Peter Barton, Acting Administrator, Division of Museums and History, said the projections were based on a programming document that was about five years old that had looked at the overall site and capacity of the Springs Preserve and what was thought the draw would be. He said the estimates still held at 129,000 visitors a year, and the division believed that the program could and would support that amount of visitation. He said the original budget request for staffing was predicated on those numbers, but the staffing was now lost and would have to be revisited at the next regular session.

Mr. Barton said the division felt strongly, and he believed the water district would concur, that bringing the facility on board would have a positive effect on the district's overall visitation and drive more traffic through the Springs Preserve. The fact that the facility would not be opening for at least two years would impact the Springs, but he reiterated there was confidence that the estimates were accurate.

Assemblywoman Smith said she had thought the completion date for the punch list was June 15, 2009, and she questioned that the exhibits would not be done for two years.

Mr. Barton said the substantial completion date was actually in May of 2009. The contractor met that requirement and the punch list should be completed within the next week to ten days. The exhibit work that was funded in the regular session was now being finalized and work had begun with the Public Works Board to structure the contract with the selected contractor. He said it was hoped to have a Notice to Proceed for the exhibit work by September 2009, with a thirteen-month scope to complete. Exhibits should be in the building by October 2010, but the facility would be idle until the next regular legislative session when hopefully staffing and operating issues would be resolved.

Cochair Mathews asked for further questions or comments; there were none.

Mr. Nunez stated he had concluded with the PWB agenda items and would report back to the next IFC meeting with the information requested from the members.

Senator Rhoads asked Mr. Nunez for an update on the status of the National Guard Armory in Elko. Was there federal money still available and had a decision been made to move the Armory to the Fire Science Academy?

Mr. Nunez responded that the decision on whether the Armory would remain in Elko or be moved to Carlin would be made by the Interim Finance Committee, on behalf of the 2009 Legislature. The SPWB would be presenting a definite plan to the IFC for final approval, probably at the next meeting.

Cochair Mathews affirmed that the item would be brought to the September IFC meeting; Mr. Nunez replied that was correct.

Assemblyman Goicoechea said he assumed that Mr. Nunez would be able to tell the Committee whether federal money would be available.

Mr. Nunez replied there was federal funding available, and other funding was being pursued by the University of Nevada, Reno (UNR).

Cochair Mathews thanked Mr. Nunez for his presentation and announced the Committee would move to Agenda Item H.

\*H. APPROVAL OF GIFTS, GRANTS, WORK PROGRAM REVISIONS,  
ALLOCATION OF BLOCK GRANT FUNDS AND POSITION CHANGES IN  
ACCORDANCE WITH CHAPTER 353, *NEVADA REVISED STATUTES*.

Mr. Ghiggeri reviewed the items included in Item H and indicated the items to be considered by the Committee were as follows:

Items H-2 (taken in conjunction with Agenda Item I), 6, 13, 15, 42, 99, 148, 176, 178, 179, 184 and 185. Mr. Ghiggeri noted that Senator Amodei may have questions on Items 180 through 183.

Items 48, 77, 85, 87, 88, 92 and 97 involved block grants and required a public hearing.

Items 53, 63 (amount revised from \$7,235,557 to \$8,007,901), 102, 125, 149 and 156 were revised and required no action.

Cochair Mathews asked if Committee members wished to add any items to the list; there were no requests.

ASSEMBLYMAN DENIS MOVED FOR APPROVAL OF ALL OTHER  
WORK PROGRAMS AND POSITION CHANGES OTHER THAN  
THOSE ENUMERATED BY MR. GHIGGERI.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

THE MOTION CARRIED.

1. **Governor's Office – State Energy Office – Energy Conservation – FY 2009 –** Deletion of \$26,132 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15082**

Refer to motion for approval under Item H.

Cochair Mathews announced that Item H-2 and Agenda Item I would be considered together.

**H-2. Governor's Office – Renewable Energy and Energy Efficiency Authority – FY 2010** – Addition of \$250,000 in Transfer from Public Service Commission funding for the promotion of renewable energies and energy efficiencies. Requires Interim Finance approval pursuant to A.B. 522, Section 106.7, and S.B. 358 of the 2009 Legislative Session. **Work Program #C15439**

\*I. ESTABLISHMENT OF THE SALARIES FOR UNCLASSIFIED POSITIONS WITHIN THE RENEWABLE ENERGY AND ENERGY EFFICIENCY AUTHORITY (Senate Bill 358, 2009 Session) – Senate Bill 433, Section 2, Subsection 1 (Chapter 399, 2009 Session).

Hatice Gecol, PhD, Director of the State Energy Office, explained that work program C15082 did not belong to the State Energy Office, but there was no staff for the entity, so she was asked to present the work program. She said the work program created a budget for the newly-created Renewable Energy and Energy Efficiency Authority, as per A.B. 522 and S.B. 358 (2009). Assembly Bill 522 created the Renewable Energy and Energy Efficiency Authority, which would be funded from the reserve account of the Public Utilities Commission (PUC) up to \$500,000 for the biennium. A portion of the stimulus money coming to the Energy Office, up to three percent, would be allocated to this entity. Dr. Gecol said the Energy Office staff had met with the Department of Personnel and the Budget Division. Two unclassified positions were created, a Commissioner and an Executive Assistant for the Commissioner. The work program also included related operational and other expenses for the two positions.

Dr. Gecol added there would also be funding for two committees that were to be created under the new Renewable Energy and Energy Efficiency Authority. The committees, which would be created by the Commissioner, were the Industrial Task Force and the Local and State Panel.

Cochair Mathews asked Dr. Gecol to explain when the work program would begin and how the funds were intended to be used.

Andrew Clinger, Director, Department of Administration, approached the testimony table and explained that Item H-2 established the new budget for the Commission, which was comprised of two positions, the Commissioner and Executive Assistant, and associated operating costs. He said the budget was kept simple until the Commissioner was hired so that the Commissioner could determine some of the items to be included in the budget.

Mr. Clinger further explained that Agenda Item I was a request for the IFC to approve the salary levels for the Nevada Energy Commissioner and the Executive Assistant, since the salaries were not included in the unclassified salary pay bill. The request was that the Nevada Energy Commissioner's salary be set at \$117,030, and the Executive

Assistant's salary at \$56,265. He said those salary amounts were included in the work program to establish the budget for the new commission.

Assemblywoman Smith asked Mr. Clinger how the Commissioner's salary was determined. She understood that the salary was equivalent to a PUC Commissioner, but she wondered what information was used to determine the responsibilities of the Energy Commissioner and how they related to a PUC Commissioner.

Mr. Clinger suggested that the Department of Personnel answer that question. Under statute, the Department of Personnel was required to make a recommendation on an unclassified salary, and the Interim Finance Committee was required to approve it.

Peter Long, Division Administrator, Department of Personnel, said the duties had been explained to the department, but the range of salaries to pick from was not very broad in the unclassified comparable positions. The department then looked at the PUC Commissioner and the duties of the Energy Commissioner, as well as Assembly Bill 510, which created a new Public Utilities Executive Director position; a comparable salary was established from that study.

Assemblyman Hardy said he understood there were two positions that would be expanded into a budget, but the budget was unknown because the staff members were not in it yet. He surmised a new bureaucracy was being created on a funding mechanism that he was not optimistic about for the next biennium, and it was being done with funds that may not be available in the next biennium. Assemblyman Hardy observed that recruitment would take place for an individual who would be capable and have the skill set to be an Executive Director, without a guarantee that the position would exist in the next biennium. He wanted to determine the predictability of the agency, as well as the ability to recruit a talented enough person to work for the salary that may not be available in two years. He wondered if he was the only one concerned with the concept, if there were any plans or feelings for where the money would come from, how it would be obtained now and then, and the predictability of the Commission.

In answer to the first question on the budget, Mr. Clinger stated there was an established budget, which was put forth in the meeting packet (Volume I, page 223, [Exhibit C](#)), which included line-item detail of the request before the Committee. He explained the \$250,000 transfer from the PUC was intended to be temporary.

With regard to the future funding, Dr. Gecol stated a Renewable Energy Fund would be created from the renewable energy property tax abatement, as set forth in Assembly Bill 522. In the next two years, the tax abatement monies would go to the General Fund, but beyond two years, the Commissioner would have the discretion as to how the fund would be utilized. Dr. Gecol said it was envisioned that the Commissioner would put his or her budget toward the Renewable Energy Fund for the future beyond this biennium.

Assemblyman Hardy affirmed that was the prediction, and it was assumed there would be enough money to fund this particular process and program.

Dr. Gecol replied that was true. She said that a percentage of the property portion of the renewable energy tax abatement, either 20 or 25 percent, would be deposited into the Renewable Energy Fund.

Assemblyman Hardy thanked Dr. Gecol, adding that he assumed there was confidence the funding would be there.

Cochair Mathews asked Mr. Clinger to expand on where the funding would come from for the Commission. Mr. Clinger replied that the work program currently before the Committee requested a transfer of \$250,000 from the Public Utilities Commission reserve account, which was authorized in the A.B. 522.

As a follow-up to Assemblyman Hardy's questions, Assemblyman Denis observed that as the position and salary were developed, there was obviously some specific expertise needed. From the testimony received, he understood that the position and salary were developed through a comparison to a PUC Commissioner, which had very specific requirements. Assemblyman Denis was concerned that applicants for this position would be solicited from outside the state or state service, and he wondered if the salary would be sufficient to draw candidates at the level that was needed. It was one thing to set a salary and hire someone who was willing to work for that amount, as opposed to hiring someone who could actually get the job done. He asked if similar positions in other states or the private sector were considered.

Mr. Long, Department of Personnel, responded that the department did not look at other states or other positions that were doing similar type duties. Comparisons were made of duties and responsibilities and the minimum qualifications that were required for the position as outlined in the bill and how those equated to other positions in state service in an attempt to align comparable minimum qualifications to comparable salaries.

Cochair Mathews remarked she was concerned that the salary was too high.

Assemblyman Goicoechea said his concern was that clearly \$250,000 was not enough, and at least another \$250,000 would be required for the 2010-11 biennium. Assembly Bill 522 also allowed for contracts with legal counsel, and he questioned where that money would come from.

Mr. Clinger said he did not believe the current request included funding for legal counsel, and the bill authorized the agency to come back to IFC to request additional transfers from the Public Utilities Commission reserve.

Assemblyman Goicoechea affirmed that this request was just the first piece, and the agency would return with further requests. Mr. Clinger concurred, adding that once the Commissioner was hired and was available to more clearly define the mission of the agency, there would likely be more funding requests from the agency.

Assemblywoman Parnell asked Mr. Long if it was typical to also have the Executive Assistant in an unclassified position. Mr. Long replied it was typical now; two sessions ago all classified Executive Assistants were moved to the unclassified service, except within the University System.

Assemblywoman Smith remarked it might be beneficial to go back to square one and clarify for the Committee that there would now be two separate offices that would have two very separate sets of duties: Dr. Gecol's office, currently the Office of Energy, and the Energy Commissioner's Office, which would be funded from the PUC money. She asked if Dr. Gecol's office would be receiving the stimulus funding.

Dr. Gecol replied Assemblywoman Smith was correct, explaining that the State Energy Office was nationwide and had been chosen by the Department of Energy for three types of funding.

Assemblywoman Smith asked the status of that issue; she recalled there was a work program submitted for a previous IFC meeting that was withdrawn, and since the other energy bills passed, the duties had now changed, the roles of those offices had changed, and no work program existed to accept the stimulus funds. She asked when the disposition of the millions of dollars in stimulus funds would be known.

Dr. Gecol said the first round of funding, called the ARRA State Energy Program Fund, would be \$34.7 million. The state had been granted 10 percent of those funds to hire people and begin planning. The second portion, or 40 percent, would be for the projects, but it had not yet been granted. The first portion of the 10 percent was a general application to bring the money into the state system; later on it was defined that the money could only be used for the positions and planning. Dr. Gecol said the second application identified nine positions to be hired to manage the six programs under the Energy Program's stimulus money. However, Dr. Gecol explained, because of the changes in A.B. 522 and S.B. 358, plus an indirect cost rate that needed to be devised, her office had contacted the Department of Energy to make those changes in the application. Since at least three percent of the money would go to the Authority, some changes in personnel and programs had to be made.

Assemblywoman Smith asked if there were work programs for the first 10 percent and the positions. She wanted to know the status of the work programs and whether there was actually a plan in place.

Dr. Gecol said a work program could not be submitted because the personnel had to be identified first; some changes in personnel must be made due to changes in law, as per A.B. 522 and S.B. 358. The application with the Department of Energy had to be revised.

Assemblywoman Smith affirmed the application with the Department of Energy was being revised, and until that occurred, nothing would happen with the 10 percent. Dr. Gecol concurred, explaining the first 10 percent was to hire people and process the paperwork through State Personnel.



Assemblywoman Smith asked what the timeline was with the Department of Energy to make the changes in order that the Committee would know when to expect the process to move forward. Dr. Gecol replied she was not sure.

Assemblywoman Smith asked Dr. Gecol to work with the Committee's Fiscal staff to develop further information. She noted that later in the agenda the Committee would be establishing the Subcommittee for Federal Stimulus Oversight, and it would be helpful to have more information.

Cochair Mathews remarked that she was also concerned, and she asked the agency to submit a briefing to the Committee explaining exactly what the program would be doing.

Assemblyman Hardy asked if the new program would be under Dr. Gecol's department or if it would be a stand-alone agency. Dr. Gecol replied that the Authority would be an independent entity.

Cochair Mathews asked for questions from the members in Las Vegas.

Assemblywoman Buckley said she was concerned about the lack of specificity with regard to the stimulus application, receipt of dollars, hiring process, and the planned activities. She said she was glad that later in the agenda the Committee would be appointing the Stimulus Oversight Committee, because this situation was exactly why the process needed to get rolling. She pointed out that part of the purpose of the stimulus dollars was to get jobs on the street right away, and there were activities that could be underway, such as retrofitting state buildings. She noted that some planned activities that could get people to work could save the state dollars with regard to energy. Speaker Buckley said she needed specificity and a timeline, e.g., work with State Personnel over the next two weeks to achieve this outcome, the RFPs will be issued on a certain date. She emphasized again that she needed specificity, timelines, activities, and deadlines. The state had known about these funds since March, it was now June, and plans were not tight enough.

Assemblywoman Buckley asked the Fiscal staff to work with the Department of Administration and the Energy Office to get these activities done quickly and with specificity, because they were activities the economy needed.

Assemblywoman Smith said in considering the last comments, she was concerned that even though the Stimulus Oversight Committee would be appointed, the IFC more than likely would not meet again until September. She was also concerned about the timeline and how the information was going to get back to the Committee for approval so that the programs could be gotten off the ground. She asked Dr. Gecol to explain her plan for implementation.

Mr. Clinger replied that discussions had been held internally in processing this item as a 15-day item. Under NRS 353, the Department of Administration could request a 15-day expeditious action once a plan was in place and it was known how the funding would be

used. If a 15-day request were submitted, the IFC could schedule a meeting within that time to hear the work program.

Assemblywoman Smith affirmed that Mr. Clinger was saying that there would likely be an expeditious work program between this meeting and September. She voiced her concern that \$34 million would be processed without submittal to IFC. She said the request would need to be submitted to the full Committee.

Mr. Clinger said his office would work with Fiscal staff if it was the Committee's desire to hear the item at a special IFC meeting.

Assemblywoman Smith requested that Mr. Clinger provide the Fiscal Division with as much notice as possible so that a special meeting could be called.

Referring to Speaker Buckley's earlier comments, Mr. Clinger said he would be happy to work with the staff in the Energy Office to put the information together for the Committee.

Cochair Mathews said she appreciated Mr. Clinger's willingness to work with staff, because this process should not happen in a vacuum with the Committee having no knowledge as to what happened until the September meeting.

Dr. Gecol said she wanted to clarify that the work program to be brought before the Committee would be 10 percent of the money, which was the only amount approved; it would not be the full amount of \$34.7 million – it would just be the \$2.7 million to be used to hire people. She said the 40 percent would be for the projects Speaker Buckley had referred to, and those projects were intact. Six program proposals, which were brought before the Ways and Means and Senate Finance Committees, had been submitted to the Department of Energy. Based upon the feedback received, there was only one change needed in one program. She emphasized that was the only change in any of the programs. Until approval was received from the Department of Energy for the 40 percent, the work program would not be submitted to the Interim Finance Committee.

Assemblywoman Smith said she appreciated the information, but her point was that at the beginning of the expenditure of \$34 million, staff would be hired, which she felt was a critical piece of the program. She noted that 1,000 state government jobs had been eliminated during the last session, and it was necessary to be very cognizant of what was being done from this point forward with positions.

Cochair Mathews asked the Committee's pleasure.

ASSEMBLYMAN ARBERRY MOVED TO APPROVE ITEM H-2.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

THE MOTION CARRIED.

Cochair Mathews asked for a motion on Agenda Item I.

ASSEMBLYWOMAN GANSERT MOVED TO APPROVE AGENDA ITEM I.

THE MOTION WAS SECONDED BY SENATOR RAGGIO.

Assemblyman Denis expressed concern that a salary was being established that would simply recruit someone to fill the position and not actually accomplish what would be needed. He did not know what other options were available, but he was concerned that positions outside of state government were not considered when setting the salary, when it was possible someone from outside state government might be interested.

Assemblywoman Gansert asked if there was a way to revise the salary if the office was unable to find someone who met the qualifications put forth.

Cochair Mathews asked if Ms. Gansert would like to make that recommendation in the form of a motion.

ASSEMBLYWOMAN GANSERT MOVED THAT AGENDA ITEM I BE APPROVED AS PRESENTED, WITH THE PROVISION THAT THE SALARY COULD BE ADJUSTED IF A QUALIFIED PERSON COULD NOT BE FOUND AT THAT LEVEL.

Assemblywoman Smith said she had talked with Assemblywoman Kirkpatrick, who spent a great deal of time working on the bill, as well as many people who were intimately involved with the idea of an Energy Commissioner, and it appeared there was agreement among all of the parties that the recommended salary was commensurate with the duties and that it would be possible to attract a qualified candidate.

Cochair Mathews said the original motion would be left as it was made. She asked for further discussion.

Assemblyman Denis asked for clarification of the motion. Cochair Mathews stated the motion was to approve the salaries as presented in Agenda Item I without the provision to come back for adjustment.

Assemblyman Denis said he thought the ability to adjust the salary should be kept as an option.

Assemblywoman Gansert asked if the agency could come back anyway if a qualified candidate was not found.

Chief Legal Counsel Brenda Erdoes advised that the vote could be revised at a later time if necessary.

Cochair Mathews asked if that provision should be made part of the motion, and Ms. Erdoes indicated it would not hurt to do so, although it could be done anyway.

Cochair Mathews suggested that the provision to come back be made part of the motion if Assemblywoman Gansert and Senator Raggio agreed.

Senator Raggio said it was understanding that would be the situation when he seconded the motion. He felt the Committee needed to accept the recommendation from the Personnel Department staff since their judgment was far better than the Committee's. However, if the position could not be filled, the salary would have to be reconsidered.

Cochair Mathews asked for further discussion; there was none.

THE MOTION CARRIED.

3. **Attorney General – Workers' Compensation Fraud – FY 2009** – Transfer of \$23,000 from the Reserve category to the Operating category to support the projected workers' compensation fraud expenditures through fiscal year end. Requires Interim Finance approval since the cumulative amount transferred to the Operating category exceeds ten percent of the legislatively-approved level for that category. **Work Program #C15242**

Refer to motion for approval under Item H.

4. **State Controller – FY 2009** – Deletion of \$185,953 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C10539**

Refer to motion for approval under Item H.

5. **Secretary of State – HAVA Election Reform – FY 2009** – Addition of \$10,319 in federal Balance Forward Title II funds; \$1 in federal Balance Forward Title I funds; deletion of \$10,320 in Balance Forward from Previous Year funds; and transfer of \$38,457 from the Reserve category to the Reserve Title II category to properly align the federal grant revenues. Requires Interim Finance approval since the cumulative amount transferred ~~to~~ **from** the Reserve Title II category exceeds ten percent of the legislatively-approved amount for that category. **Work Program #C14645**

Refer to motion for approval under Item H.

6. **Secretary of State – Investigations and Enforcements – FY 2009** – Addition of \$1,198,451 in Miscellaneous Program Fees for the receipt of a one-time settlement for auction rate securities. Requires Interim Finance approval ~~since~~

~~the amount added involves a one-time settlement~~ ***pursuant to section 18 of Senate Bill 431 of the 2009 Legislature. Work Program #C15417***

Nicole Lamboley, Chief Deputy, Secretary of State, explained that the work program in Item 6 was pursuant to some changes made in the 2009 Legislature related to the miscellaneous fines and fees program in the Secretary of State's budget. This program would allow the office to accept nearly \$1.2 million for the receipt of a one-time unanticipated settlement of auction rate securities funds that was part of a national settlement. In addition, Ms. Lamboley continued, \$100,000 would be balanced forward to allow the office to have operating cash to fund operations in the first months of the biennium. She said the office would approach IFC, probably in September, with an expenditure plan for the remainder of the funds, which were specified in statute to be used for specific purposes related to securities enforcement and other activities of the office.

Cochair Mathews asked if the office was expecting any funds beyond the three settlements already received. Ms. Lamboley replied it was likely there would be some additional fines and fees assessed, which may not necessarily be related to auction rate securities; they may be related to other activities currently being investigated. She said the goal of the Securities Division was to look at fraudulent activities or compliance in the Investigations Unit, and as activity was discovered that was either out of compliance with state law or fraudulent, the division administrator had the authority to assess fines and fees for any activity that may be in violation of state law.

Cochair Mathews asked for questions from the Committee.

Senator Raggio, remarking that his question was not a reflection on the Secretary of State, noted that this was unforeseen funding in the amount of \$1.2 million to be put into a reserve. He suggested the Committee consider that funds of this kind might be used to restore some of the funding that was deleted from the Department of Cultural Affairs. Senator Raggio believed funding of the Department of Cultural Affairs was an extremely necessary issue to be considered, since the situation was very difficult. He recalled that during the time the budget was being put together, the Department of Cultural Affairs was not adequately funded. He thought these funds would be of great assistance toward restoring some of the funding. Museums and other institutions were only open four days a week, and the employees of those facilities were cut more severely than any other state employees. Senator Raggio complimented the Secretary of State for obtaining the funds, but he thought that rather than putting this kind of revenue into reserve, it should be put back into the Department of Cultural Affairs' budget. He noted that no one had asked him to make this suggestion; he was just concerned about the severe cuts in that agency and felt that some assistance should be provided.

Cochair Mathews said she agreed that Senator Raggio's recommendation should be considered, but she wanted to ask staff if there was a mechanism in place to implement it.

Senator Raggio thought the Committee had the authority to determine whether the funds should go into reserve or into the General Fund.

Cochair Mathews asked staff if determination by the Committee was sufficient.

Gary Ghiggeri, Senate Fiscal Analyst, said staff would have to work with the Secretary of State's office and the Department of Cultural Affairs to develop a spending plan for the dollars. He would be hesitant to deposit the money into the General Fund, since there would be no way to get it back out without the Legislature being in session. He said there were probably insufficient funds in the Contingency Fund to provide an allocation to Cultural Affairs, but mechanically, Fiscal staff would have to develop a procedure to transfer the funds from the Secretary of State to Cultural Affairs, based on some sort of budget. Mr. Ghiggeri remarked that hopefully a plan could be devised between now and the September IFC meeting.

Senator Raggio said he would like to suggest that be done, because he felt it was an important issue and deficiency that needed to be addressed. Knowing staff's ability to move things around, he thought it could be done.

Assemblywoman Smith said she just wanted to make sure all options would be available for consideration in September, because there were undoubtedly several places where the money could be used.

Ms. Lamboley said the Secretary of State's office would like to at least receive approval for the balance forward of \$100,000 so the office could continue funding operations for the coming months until the IFC meeting in September.

Assemblywoman Buckley remarked all of the legislators had really struggled with the cuts to the Department of Cultural Affairs. She also wanted to make sure that with the fluctuating income from filing fees, the Secretary of State's office would not develop a shortfall that would then have to be funded after this funding source was exhausted. Following up on Assemblywoman Smith's comments, Ms. Buckley said she would also like staff to examine stimulus fund opportunities – how much was the state receiving in stimulus funds that could be redirected to these agencies? She recalled that during the last few days of the Legislative Session, there was discussion as to where any additional money found for Cultural Affairs would go. All of the different needs were considered, and the needs were so numerous, they were hard to prioritize because of the level of cuts.

Continuing, Assemblywoman Buckley asked that staff prioritize those restorations to examine the stimulus funds and include that information in the report back to the Committee, along with what trends were being seen in the Secretary of State's office and whether the reserves would be needed to avoid the General Fund having to bail the office out over the next two years. She would appreciate receiving the requested information.

Mr. Ghiggeri responded that based on testimony provided, staff would recommend that the work program before the Committee be adjusted to change the amount in category 86 to reserve from \$1,198,451 to \$1,098,451 and then establish a new category reserve for balance forward so that the agency would not have to return to the IFC to balance forward \$100,000. This would leave \$1,098,451 available for the purposes requested by the Committee and provide the Secretary of State the \$100,000 requested for balance forward authority into fiscal year 2010.

SENATOR RAGGIO MOVED FOR APPROVAL.

SENATOR RHOADS SECONDED THE MOTION

THE MOTION CARRIED.

7. **State Treasurer – FY 2009** – Deletion of \$80,695 in General Fund Salary Adjustment funds to deaugment revenue and expenditure authority based on projected personnel costs for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15090**

Refer to motion for approval under Item H.

8. **Department of Administration – Division of Internal Audits – FY 2009** – Transfer of \$2,000 from the Operating category to the Personnel Services category and \$20,000 from the Information Services category to the Personnel Services category to cover salary projections through the end of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from ~~change to~~ the Personnel Services category exceeds \$50,000. **Work Program #C15386**

Refer to motion for approval under Item H.

9. **Department of Administration – Purchasing Division – FY 2009** – Transfer of \$17,319 from the Operating category to the Personnel Services category to cover terminal leave payout costs. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15254**

Refer to motion for approval under Item H.

10. **Department of Administration – Victims of Crime – FY 2009** – Transfer of \$343,150 from the Reserve category to the Victims Payments category to cover projected payments to victims through the end of the fiscal year. Requires Interim Finance approval since the amount added to the Victims Payments category exceeds \$50,000. **Work Program #C15413**

Refer to motion for approval under Item H.

11. **Public Works Board – Administration – FY 2009** – Transfer of \$2,900 from the In-State Travel category to the Personnel Services category; \$4,624 from the Operating category to the Personnel Services category; \$5,425 from the Information Services category to the Personnel Services category; and \$100 from the Training category to the Personnel Services category to cover a projected shortfall for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative change to the Personnel Services category exceeds \$50,000. **Work Program #C15218**

Refer to motion for approval under Item H.

12. **Department of Taxation – FY 2009** – Transfer of \$70,000 from the Operating category to the Lockbox Services category to cover anticipated expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Lockbox Services category exceeds \$50,000. **Work Program #C15861**

Refer to motion for approval under Item H.

13. **Department of Information Technology – Systems and Programming Division – Application Design and Development Unit – FY 2009** – Transfer of \$18,422 from the Personnel Services category to the Information Services category and \$27,000 from the Operating category to the Information Services category to purchase a web content management system. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds ten percent of the legislatively-approved level for that category. **Work Program #C15066**

Dan Stockwell, Director, Department of Information Technology (DoIT), introduced John McCuin, Chief Accountant, and David Gustafson, Deputy Director. Mr. Stockwell stated the agency was requesting \$71,000 through transfers to purchase a software system called Content Management. He would provide some background on the system and explain why the purchase was not requested earlier.

Mr. Stockwell noted that some Committee members were probably aware from prior meetings that beginning in 2002, Brown University each year conducted a review of all of the states' websites and rated them on a myriad of criteria, everything from web presence to navigation, to accuracy, to correct information. At that time, Nevada ranked 7<sup>th</sup> in the United States, but dropped to 45<sup>th</sup> the last year the review was conducted (Brown University is now called The Brookings Institute). Mr. Stockwell said there were several reasons for the drop, but it was partly because DoIT had lost its ability to standardize all of the websites. At that time, the agency had 17,000 individual pages that could be reviewed in state government for different operations, opportunities, or whatever the need might be. Mr. Stockwell indicated that other factors contributed as well, e.g., decentralization had begun to take hold, so a lot of agencies started to manage their own websites, create their own sites, and use their administrative assistants and management analysts to provide that service to that particular agency. In the process, Mr. Stockwell said it took DoIT to the point it was at today.



One additional position for the web group was approved during the 2009 Legislative Session, for which Mr. Stockwell thanked the Committee, which took the web staff to four people and would provide more support in that area. He said that DoIT supported 157 sites statewide with four people; previously support was provided by three staff members. Each of the other 160 sites that were not under DoIT had a support person. Mr. Stockwell explained that a situation had been created in which it had become more and more difficult for the taxpayers, not only in the state of Nevada but in any other state as well, to access information on whether they wanted to move here, what opportunities were available and other information regarding the state.

Mr. Stockwell went on to explain that in the web content process, there was a software system that would have allowed DoIT the ability to provide a lot of the functions, standardize them, improve the process, and make it easier for everyone with less staffing. For the \$76,000 transfer being requested, DoIT would not have to add one more person in the next three years to provide these services, which would allow the individual agency staff members to perform the duties that they were tasked to do prior to assuming the web duties. In addition, the websites could be standardized and brought back to the previous level.

Cochair Mathews interrupted Mr. Stockwell's testimony indicating that Assemblyman Denis had a question.

Assemblyman Denis said he understood everything Mr. Stockwell was saying, but he asked that he provide the quick version. He affirmed that Mr. Stockwell was talking about one centralized software program that would allow everyone to do their web pages in a consistent manner, and consequently the individual departments and agencies would not have to expend funds on what they were currently utilizing.

Mr. Stockwell stated that Assemblyman Denis was correct – that was exactly what the new software would do, as well as allow DoIT to standardize the websites, without impacting the individual agencies, through templates that would be developed through the software. Each agency would fill in its own content, and DoIT would then format the content through the template.

Assemblyman Denis affirmed that the agencies would then not have to devote a staff member to their websites. Mr. Stockwell replied that the only need at the agency level would be to provide the web content and any changes being made within the department.

Assemblyman Bobzien noted that according to the information provided, there would be an estimated savings of \$500,000 per year based on the other agencies not needing to purchase their own software. His first question was how Mr. Stockwell had arrived at that amount. Secondly, he appreciated the information that there were 157 sites currently being supported by DoIT and 160 sites that were not. However, it struck him that 157 agencies were happy with the services offered by DoIT, but for whatever reason, 160 agency sites had requirements that might be different than what DoIT could provide. Mr. Bobzien said that adding the Content Management software would resolve

part of the problem, but there was also an organizational issue whereby, absent some top-level executive directive that everyone would use the same platform, he wondered if DoIT would really be able to convince the 160 agencies to come under the tent. Despite the fact that DoIT thought the package was going to be broad enough to meet everyone's needs, the 160 sites might look at it and decide it would not meet their needs. Mr. Bobzien asked what the status was in terms of a top-level directive to coordinate all of the websites.

Mr. Stockwell replied he would answer the second part of Mr. Bobzien's question, and the DoIT Chief Accountant would answer the first portion. He said that when the IT optimization study was completed in 2002, the floodgates were open to decentralization, so many agencies created positions or took existing positions to support their independent websites. That was basically the trend at that time; the agencies did not necessarily do anything outside of the scope. Mr. Stockwell added that DoIT's web group was supported through assessment, and many of the agencies paid that assessment anyway but wanted to create their own sites due to "Pride of Authorship." Mr. Stockwell said other software packages were absolutely considered. He added that DoIT was working under two other directives as well; one was through the Governor and his Investment Consolidation Committee. Being recognized as the enterprise, DoIT's functions could be done more efficiently and with less redundancy in terms of licensing, duplication of effort, et cetera. Under the Governor's consolidation committee, one of the directives was to consolidate the IT activities of those agencies in the Executive Branch and bring them back under DoIT. Along with that, the SAGE Commission was meeting that day in Las Vegas, and Mr. Stockwell had asked two representatives to attend the IFC meeting, because the Commission was going to make a recommendation regarding Content Management as well.

Cochair Mathews asked how DoIT would fund the unbudgeted maintenance expense for the program through fiscal year 2011.

John McCuin, Chief Accountant for DoIT, replied the first year of maintenance was included in the purchase, and the second year, if the agency chose to purchase the maintenance agreement, would be approximately \$14,200. He said there were different thoughts on whether to continue maintenance every year, which would guarantee receipt of all upgrades, or to pass on the annual maintenance contract and just purchase the software major upgrades. Mr. McCuin said that issue had not yet been completely decided; he was tending toward purchasing the maintenance agreement in 2011.

Cochair Mathews again asked how the maintenance expense would be paid for, since it was unbudgeted.

Mr. Stockwell replied that DoIT would have to return in the next biennium and request funds for the maintenance. However, he noted, there would also be savings across the board in each of those agencies involved. He said the Committee had been provided with a breakdown of how much the savings would be in all of the redundant software the

agencies had and would no longer need. Mr. Stockwell estimated there was probably ten times more in savings than the maintenance cost.

Cochair Mathews said the program would be in place and she still didn't understand how the maintenance would be paid for; she speculated the agency would return to the Interim Finance Committee and ask for the funding. She said from all appearances, there would not be a whole lot of money next biennium either; there was going to be a huge hole.

Mr. Stockwell reiterated that money would be saved from the other agencies not having to purchase the licensing for the existing software.

Cochair Mathews said she was still unclear. She thanked Mr. Stockwell and asked if there were other questions.

Assemblyman Bobzien said he had received a partial answer on the \$500,000 figure, but he needed to hear more from the accountant as to exactly how that figure was derived. He asked if the number was a really detailed look at all the other systems being employed by the other sites that would, as affirmatively stated by each agency, go away if the new software was purchased or if it was an estimate by simple math. Which method was used to arrive at the \$500,000 figure?

David Gustafson, Deputy Director of Information Technology, responded that the \$500,000 was actually calculated from the current 28 outsource websites, based on an average of \$15,500 for a yearly maintenance hosting and development fee, which brought the total to \$434,000 yearly, which was without any software renewal fees. That was assuming that the agencies would still have the Front Page or their Dreamweaver software support. Mr. Gustafson said if that amount was taken out as part of the web Content Management program, then the savings would be well over \$500,000.

Assemblyman Bobzien said \$15,500 sounded like a somewhat arbitrary number. He knew that some sites were 100 percent shoestring and maybe running on free software, while others may have purchased the Cadillac Content Management system.

Mr. McCuin said that figure was provided by his web team as an industry average per website.

Mr. Bobzien affirmed Mr. Gustafson was referring to an industry average – not an actual look at what the sites were currently using that they would no longer need to use.

Cochair Mathews asked what would happen if this item was deferred until the September IFC meeting; there were some real questions in Committee members' minds. The agency could research the questions and bring information back to IFC in a briefer format that would be concise and to the point.

Mr. McCuin replied the reason the request was being made at this time was in order to make the purchase in fiscal year 2009; purchasing documents would have to be completed by June 30.

Cochair Mathews said the Committee understood from staff that the funding would balance forward, so deferring action would not make any difference in terms of date of purchase.

Mark Stevens, Assembly Fiscal Analyst, remarked that the money would balance forward; it would not revert to the State General Fund. Therefore, the system could be purchased in 2010 with the balance forward amount in 2010 if it was not expended now.

Mr. Stockwell said DoIT would prepare whatever information the Committee would like for the September IFC meeting.

Cochair Mathews said the Fiscal staff would work with the agency to come back to the next IFC meeting with the answers to some of the questions asked today, and she requested that the information be in a form that a non-technical person could understand. She stated the information must be made clear to the chair in order for her to call for a motion.

Assemblyman Anderson said in light of the discussion with Assemblyman Bobzien, it seemed to him the agency was anticipating that these other agencies were going to willingly give up what they were doing, yet the agency did not know if that was true. He asked what kind of evidence DoIT had that the agencies would actually switch to the new software so the anticipated savings would be realized. He didn't see any reassurance that that would take place.

Mr. Stockwell replied there were a couple of things to consider. First, for the agencies under the Executive Branch, there was a motion going forward from the SAGE Commission that Nevada's Department of Information Technology should implement and maintain a coordinated enterprise web content management system capable of hosting agency web content and web-based applications to provide a single point of access for Nevada citizens and reduce state website costs. Mr. Stockwell said the same recommendation was also coming from the Governor's consolidation committee, which was made up of seven directors, who were also on board with the recommendation.

In addition, Mr. Stockwell continued, it would relieve, especially with the economy and the downsizing of staffing, the administrative assistants and management analysts who were providing this service; they would only have to provide the content. And, finally, it would help DoIT rise back up to a reputable position in the United States as far as having the same feel, touch and navigational tools to avoid users having to explore for five hours to figure out how to get through the site.

Cochair Mathews stated the item would be deferred until the September meeting.

Assemblyman Bobzien said he was very sympathetic to the situation and definitely applauded the goal. However, he thought the plan on how the program would come together needed to be more specific. In order to help the Committee understand the matter, rather than just say arbitrarily \$15,000 per site, he recommended some outreach between now and the September meeting to those rogue websites to find out what their needs were, if they were interested in shifting to a new system, and the amount of current investments and expenditures that might result in savings – information that would provide the Committee with more specifics as to savings that would actually be realized.

Cochair Mathews thanked Assemblyman Bobzien and the DoIT representatives. She asked that Fiscal staff work with DoIT staff to obtain the needed information prior to the September IFC meeting.

Cochair Mathews called a five minute break at 11:20 a.m. The meeting resumed at 11:25 a.m.

Cochair Mathews announced some agencies had requested to be moved on the agenda because of prior commitments.

14. **Department of Information Technology – Data Communications Division – Communications and Network Engineering – FY 2009** – Transfer of \$7,203 from the Directors Assessment category to the Personnel Services category, \$19,500 from the Training category to the Personnel Services category, and \$22,297 from the Reserve category to the Personnel Services category to meet anticipated fiscal year 2009 payroll expenditures. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C14842**

Refer to motion for approval under Item H.

15. **Department of Personnel – State Unemployment Compensation – FY 2009** – Transfer of \$560,000 from the Reserve category to the State Employees' Unemployment Compensation category to cover anticipated expenditures through the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the State Employees' Unemployment Compensation category exceeds \$50,000. **Work Program #C15279**

Greg Weyland, Division Administrator, Department of Personnel, explained that Item 15 dealt with the department's unemployment account, and it moved \$560,000 from the reserve category into the expenditure category to meet the expected liability for the last quarter of state fiscal year 2009 for unemployment claims from former state employees. He offered to answer any questions.

Cochair Mathews asked if any changes in unemployment claims were expected. Mr. Weyland replied the last information he had received from the Department of Employment, Training and Rehabilitation (DETR) on state claims was that April was

fairly flat. He had not received additional information for May or June, but he expected the \$560,000 would cover the liability that would be billed the end of July for the last quarter of the fiscal year. Mr. Weyland said the increase in the assessment rate to 0.70 percent would start July 1 and should be adequate to meet the state's unemployment compensation needs in fiscal year 2010.

Cochair Mathews asked how many weeks a person could draw unemployment. Mr. Weyland said he did not have that specific information; DETR actually administered the unemployment process and State Personnel merely handled the account and the assessments for pay-as-you-go funding for previous state employees who were drawing unemployment. He was aware that there was a regular period and that an extended period of weeks had been added to the liability.

Cochair Mathews asked for questions; there were none. She called for a motion.

ASSEMBLYMAN GOICOECHEA MOVED FOR APPROVAL OF ITEM 15.

THE MOTION WAS SECONDED BY ASSEMBLYMAN DENIS.

THE MOTION CARRIED.

- 16. Nevada System of Higher Education – System Administration – FY 2009 –** Deletion of \$18,636 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15156**

Refer to motion for approval under Item H.

- 17. Nevada System of Higher Education – System Computing Center – FY 2009 –** Deletion of \$676,061 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15161**

Refer to motion for approval under Item H.

- 18. Nevada System of Higher Education – University of Nevada – Reno – FY 2009 –** Deletion of \$417,110 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15152**

Refer to motion for approval under Item H.

- 19. Nevada System of Higher Education – Statewide Programs – UNR – FY 2009 –** Deletion of \$22,693 in General Fund Salary Adjustment funds to

record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15155**

Refer to motion for approval under Item H.

20. **Nevada System of Higher Education – School of Medical Sciences – FY 2009** – Deletion of \$122,792 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15153**

Refer to motion for approval under Item H.

21. **Nevada System of Higher Education – Agricultural Experiment Station – FY 2009** – Deletion of \$11,423 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15159**

Refer to motion for approval under Item H.

22. **Nevada System of Higher Education – Cooperative Extension Service – FY 2009** – Deletion of \$37,119 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15160**

Refer to motion for approval under Item H.

23. **Nevada System of Higher Education – University of Nevada – Las Vegas – FY 2009** – Deletion of \$35,924 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15157**

Refer to motion for approval under Item H.

24. **Nevada System of Higher Education – Intercollegiate Athletics – UNLV – FY 2009** – Deletion of \$17,658 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15158**

Refer to motion for approval under Item H.

25. **Nevada System of Higher Education – UNLV Law School – FY 2009** – Deletion of \$31,853 in General Fund Salary Adjustment funds to record General

Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15162**

Refer to motion for approval under Item H.

26. **Nevada System of Higher Education – Dental School – UNLV – FY 2009 –** Deletion of \$24,799 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15166**

Refer to motion for approval under Item H.

27. **Nevada System of Higher Education – Great Basin College – FY 2009 –** Deletion of \$46,778 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15163**

Refer to motion for approval under Item H.

28. **Nevada System of Higher Education – Western Nevada College – FY 2009 –** Deletion of \$359,865 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the amount deducted from the Operating category exceeds \$50,000. **Work Program #C15174**

Refer to motion for approval under Item H.

29. **Nevada System of Higher Education – College of Southern Nevada – FY 2009 –** Deletion of \$151,660 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15171**

Refer to motion for approval under Item H.

30. **Nevada System of Higher Education – Truckee Meadows Community College – FY 2009 –** Deletion of \$84,328 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the amount deducted from the Operating category exceeds \$50,000.  
**Work Program #C15172**

Refer to motion for approval under Item H.



31. **Nevada System of Higher Education – Nevada State College at Henderson – FY 2009** – Deletion of \$78,966 in General Fund Salary Adjustment funds to record General Fund salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds \$50,000. **Work Program #C15169**

Refer to motion for approval under Item H.

32. **Department of Cultural Affairs – Administration – FY 2009** – Deletion of \$39,073 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15344**

Refer to motion for approval under Item H.

33. **Department of Cultural Affairs – Museums and History Division – Museum and Historical Society – LV – FY 2009** – Deletion of \$48,211 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15342**

Refer to motion for approval under Item H.

34. **Department of Cultural Affairs – Museums and History Division – Nevada Historical Society – FY 2009** – Deletion of \$36,335 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15088**

Refer to motion for approval under Item H.

35. **Department of Cultural Affairs – Museums and History Division – State Railroad Museums – FY 2009** – Deletion of \$55,201 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15087**

Refer to motion for approval under Item H.

36. **Department of Cultural Affairs – State Library and Archives – Nevada State Library – FY 2009** – Deletion of \$111,015 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15352**

Refer to motion for approval under Item H.

37. **Department of Cultural Affairs – State Library and Archives – Archives and Records – FY 2009** – Deletion of \$38,133 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15350**

Refer to motion for approval under Item H.

38. **Department of Cultural Affairs – State Library and Archives – Nevada State Library – CLAN – FY 2009** – Addition of \$6,066 in User Charges; \$41,112 in County Participation Funds; \$767 in Receipts from Local Government and deletion of \$30,938 in funds transferred from other department budget accounts; \$23,287 in funds transferred from Nevada State Library; and \$4,307 in funds transferred from Historic Preservation to correspond with the Cooperative Libraries Automated Network (CLAN) Board's annually approved budget. Requires Interim Finance approval since the amount added to the CLAN Operating category exceeds ten percent of the legislatively-approved level for that category. **Work Program #C14879**

Refer to motion for approval under Item H.

39. **Department of Agriculture – Administration – FY 2009** – Deletion of \$24,891 in General Fund Salary Adjustment funds to deaugment revenue and expenditure authority based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15245**

Refer to motion for approval under Item H.

40. **Department of Agriculture – Plant Industry – FY 2009** – Deletion of \$85,753 in General Fund Salary Adjustment funds based on projected salaries through the end of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15281**

Refer to motion for approval under Item H.

41. **Department of Agriculture – Veterinary Medical Services – FY 2009** – Deletion of \$41,303 in General Fund Salary Adjustment funds based on projected salaries through the end of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15284**

Refer to motion for approval under Item H.

**42. Department of Business and Industry – Insurance Division – Captive Insurers – FY 2009** – Addition of \$351,000 in examination fees to cover the cost of increased examinations required by the National Association of Insurance Commissioners. Requires Interim Finance approval since the amount added to the Examination Expenses category exceeds \$50,000. **Work Program #C15072**

Kim Huys, Deputy Commissioner of Insurance, explained the work program request would increase the revenue and expenditures within the Captive Insurers account. She asked if there were any questions from the Committee.

Assemblyman Denis asked if the division had suspended examinations for captive insurers because examinations were current or because the agency lacked sufficient expenditure authority to pay the contractors.

Ms. Huys replied the division had in fact depleted its authority and requested the contractors to wait until additional authority was approved. Once approval was received, the division would move forward with the required number of financial examinations that were pending.

Assemblyman Denis asked how the suspension of examinations had impacted the division's accreditation. Ms. Huys was happy to report that the division was notified informally verbally on June 12 that it was fully accredited and all suspensions had been lifted. A formal letter would be coming and a copy would be forwarded to the Fiscal Division. She said the division was moving ahead on numerous examinations other than captive groups, as well as scheduling the captives and preparing to assign contractors as soon as the funding was received.

Assemblyman Denis remarked that was very good news. He asked if the division would assign all the required captive insurer examinations to independent contractors by the end of this fiscal year.

Ms. Huys said that since January 1, which was the last time the Division of Insurance appeared before the IFC, 70 examinations had been scheduled and opened, but she did not know the exact number of captive insurer examinations. She added that approximately 150 to 160 examinations were identified annually, so the 70 examinations completed to date indicated the scheduling of the required examinations was on track.

Assemblyman Denis asked, in depleting all of the expenditure authority for conducting examinations of captive insurers, why did the division wait until the June IFC meeting to bring the request forward?

Ms. Huys replied the amount of captives was a very fluid number because it was influenced by factors such as the timing and specificity of exams, number of exams assigned, and how the billings came in from the contractors. Generally, the division had to approach the IFC toward the end of the year. Ms. Huys said the division was

consolidating its tracking systems and looking at better methods to stay on top of the examination process but, she reiterated, it was a fluid number.

There being no further questions or comments, Cochair Mathews called for a motion.

ASSEMBLYMAN DENIS MOVED FOR APPROVAL OF ITEM 42.

THE MOTION WAS SECONDED BY ASSEMBLYMAN GOICOECHEA.

THE MOTION CARRIED.

Mr. Ghiggeri stated that the motion would need to be amended to indicate the revenue GL 3730, category 10, should reflect \$387,644 and the revenue GL 3755, category 86, which was reserve, should indicate \$114,046.

ASSEMBLYMAN DENIS MOVED FOR APPROVAL OF THE AMENDMENT.

THE MOTION WAS SECONDED BY ASSEMBLYMAN GOICOECHEA.

THE MOTION CARRIED.

- 43. Department of Business and Industry – Consumer Affairs – FY 2009 –** Deletion of \$66,417 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15358**

Refer to motion for approval under Item H.

- 44. Department of Business and Industry – Real Estate Division – Administration – FY 2009 –** Deletion of \$108,604 in General Fund Salary Adjustment funds to deaugment revenue and expenditure authority based on projected salaries for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15286**

Refer to motion for approval under Item H.

- 45. Department of Business and Industry – Labor Commission – FY 2009 –** Deletion of \$25,364 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15274**

Refer to motion for approval under Item H.

46. **Department of Business and Industry – Industrial Development Bonds – FY 2009** – Transfer \$46,000 from the Reserve category to the Cost of Issuance category to provide sufficient funding through the end of the fiscal year. Requires Interim Finance approval since the amount transferred to the Cost of Issuance category exceeds ten percent of the legislatively-approved amount for that category. **Work Program #C15416**

Refer to motion for approval under Item H.

47. **Commission on Economic Development – FY 2009** – Addition of \$5,265 in funds transferred from the Department of Business and Industry, Insurance Division, Captive Insurers budget account to support the marketing and advertisement of the Captive Insurance program. Requires Interim Finance Committee approval pursuant to NRS 694C.460. **Work Program #C15132**

Refer to motion for approval under Item H.

48. **Commission on Economic Development – Rural Community Development – FY 2009** – Addition of \$1,000,000 in federal Housing and Urban Development (HUD) funds to accept the federal fiscal year state allocation in support of the State and Small Cities Community Development Block Grant (CDBG) program. **Requires Interim Finance approval since the amount involves the allocation of block grant funds and this action requires a public hearing. Work Program #C15149**

Cochair Mathews announced that Item 48 required a public hearing.

Dennis Craig, Director of the Community Development Block Grant Program (CDBG), Commission on Economic Development, explained the work program requested an increase in spending authority by the commission to drawn down up to \$1,000,000 more in federal CDBG funding as stipulated in the 2009 budget. He would be happy to answer any questions.

Hearing no response to a request for questions or testimony from the public, Cochair Mathews closed the hearing on Item 48.

SENATOR RAGGIO MOVED FOR APPROVAL OF ITEM 48.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

THE MOTION CARRIED.

49. **Commission on Tourism – Nevada Magazine – FY 2009** – Deletion of \$83,933 in funds transferred from the Commission on Tourism due to a projected Commission on Tourism revenue shortfall. Requires Interim Finance approval since the amount deducted from the Magazine Printing Expense category exceeds \$50,000. **Work Program #C15085**

Refer to motion for approval under Item H.

50. **Commission on Tourism – Tourism Development – FY 2009** – Transfer of \$96,865 from the Reserve category to the Tourism Grant category to allow the agency to reimburse grant recipients as awarded. Requires Interim Finance approval since the amount transferred to the Tourism Grant category exceeds \$50,000. **Work Program #C15219**

Refer to motion for approval under Item H.

51. **Department of Health and Human Services – Health and Human Services Director's Office – Healthy Nevada Fund – FY 2009** – Addition of \$128,809 in Transfer from the Department of Health and Human Services, Health Division to enroll HIV/AIDS patients in the Medicare Part D plan during the coverage gap, which will enhance the drug co-payment process through the Part D risk corridors into catastrophic coverage where prescription drug costs will be covered at 95 percent. Requires Interim Finance approval since the amount added to the HIV/AIDS Rx Program category exceeds \$50,000. **Work Program #C15309**

Refer to motion for approval under Item H.

52. **Department of Health and Human Services – Aging Services Division – Aging Older Americans Act – FY 2009** – Addition of \$703,819 in federal Title III-C Nutrition Grant funds; \$194,908 in federal Administrative Cost Allowance funds; and \$12,339 in federal Title III-E Caregiver funds and deletion of \$105,664 in federal Title III-B Projects funds; \$1,139 in federal Title III-D Prevention Health funds and \$32,000 in Title XIX, Medicaid Waiver funds to align available grant funds that allow senior citizens to remain independent; provide nutrition services to maintain health, independence and quality of life for older Americans; develop and strengthen preventive health services; and provide caregiver information, training and access to services for family caregivers and older individuals who are relative caregivers. Requires Interim Finance approval since the amount added to the Title III-C Nutrition category exceeds \$50,000. **Work Program #C40932**

Refer to motion for approval under Item H.

53. **Department of Health and Human Services – Aging Services Division – Aging Older Americans Act – FY 2009** – Addition of \$163,914 in Nutrition Services Incentive Program (NSIP) grant funds to provide nutritious meals to older adults. Requires Interim Finance approval since the amount added to the ~~Emergency Foster Care~~ **Nutrition Services Incentive** category exceeds \$50,000. **Work Program #C40930. REVISED MAY 28, 2009.**

Refer to motion for approval under Item H.

54. **Department of Health and Human Services – Aging Services Division – Aging Older Americans Act – FY 2009** – Deletion of \$176,322 in General Fund

Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GF3151**

Refer to motion for approval under Item H.

55. **Department of Health and Human Services – Aging Services Division – Senior Services Program – FY 2009** – Deletion of \$39,330 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GF3146**

Refer to motion for approval under Item H.

56. **Department of Health and Human Services – Aging Services Division – EPS/Homemaker Programs – FY 2009** – Deletion of \$114,776 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GF3252**

Refer to motion for approval under Item H.

57. **Department of Health and Human Services – Aging Services Division – EPS/Homemaker Programs – FY 2009** – Transfer of \$13,500 from the Personnel Services category and \$8,500 from the In-State Travel category to the Purchase of Services category to provide in-home services for adults 60 years and older, as well as adults with disabilities to avoid institutional placement. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C40933**

Refer to motion for approval under Item H.

58. **Department of Health and Human Services – Division of Health Care Financing and Policy – Administration – FY 2009** – Deletion of \$16,325 in federal Title XIX funds, \$1,424 in federal Title XXI funds and \$296 in Health Insurance for Work Advancement (HWA) funds and transfer of \$11,637 from the Personnel Services category to the Reserve for Reversion category to record the reduction in Retired Employees' Group Insurance (REGI) assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #REGI3158**

Refer to motion for approval under Item H.

59. **Department of Health and Human Services – Division of Health Care Financing and Policy – Administration – FY 2009** – Addition of \$93,096 in Budgetary Transfer from Medicaid and addition of \$93,096 in federal Title XIX funds to pay personnel costs through the remainder of fiscal year 2009. In the 24th Special Session, the Legislature provided the Director of the Department of Health and Human Services with the authority to transfer funds among departmental budget accounts per Senate Bill 2. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$50,000. Refer to companion work program #C15223. **Work Program #C15215**

Refer to motion for approval under Item H.

60. **Department of Health and Human Services – Division of Health Care Financing and Policy – Increased Quality of Nursing Care – FY 2009** – Addition of \$1,716,257 in Long Term Care Provider Tax funds and deletion of \$89,937 in Treasurer's Interest Distribution to align provider tax revenues and expenditures with FY 2009 third quarter projections. Requires Interim Finance approval since the amount added to the Transfer to Medicaid category exceeds \$50,000. Refer to Companion Work Program #C15211. **Work Program #C15210**

Refer to motion for approval under Item H.

61. **Department of Health and Human Services – Division of Health Care Financing and Policy – Nevada Check-Up Program – FY 2009** – Deletion of \$23,583 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3178**

Refer to motion for approval under Item H.

62. **Department of Health and Human Services – Division of Health Care Financing and Policy – Nevada Medicaid – Title XIX – FY 2009** – Deletion of \$20,201 in federal Title XIX funds and transfer of \$20,201 from the Personnel Services category to the Reserve for Reversion category to record the reduction of Retired Employees' Group Insurance (REGI) assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #REGI3243**

Refer to motion for approval under Item H.



63. **Department of Health and Human Services – Division of Health Care Financing and Policy – Nevada Medicaid – Title XIX – FY 2009** – Addition of \$7,235,557 in federal Title XIX American Recovery and Reinvestment Act of 2009 (ARRA) funds for the Division of Mental Health and Developmental Services. Requires Interim Finance approval since the amount added to the Mental Health/Developmental Services Payment category exceeds \$50,000. **Work Program #C15207**

Refer to motion for approval under Item H.

64. **Department of Health and Human Services – Division of Health Care Financing and Policy – Nevada Medicaid – Title XIX – FY 2009** – Addition of \$1,243,051 in Transfer of Long Term Care Provider Tax funds and \$1,243,051 in federal Title XIX funds to pay the state share of the provider tax rate enhancements to skilled nursing facilities. Requires Interim Finance approval since the amount added to the Medical Assistance to the Aged, Blind and Disabled (MAABD) category exceeds \$50,000. Refer to Companion Work Program #C15210. **Work Program #C15211**

Refer to motion for approval under Item H.

65. **Department of Health and Human Services – Division of Health Care Financing and Policy – Nevada Medicaid – Title XIX – FY 2009** – Deletion of \$93,096 from Budgetary Transfer and \$93,096 from federal Title XIX funds to cover personnel costs for the division's administration account through the remainder of fiscal year 2009. In the 24th Special Session, the Legislature provided the Director of the Department of Health and Human Services with the authority to transfer funds among departmental budget accounts, per Senate Bill 2. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. Refer to companion work program #C15215. **Work Program #C15223**

Refer to motion for approval under Item H.

66. **Department of Health and Human Services – Division of Health Care Financing and Policy – Nevada Medicaid, Title XIX – FY 2009** – Addition of \$231,718 federal Medicaid Infrastructure Grant (MIG) program funds to allow disabled persons who are employed to buy into Medicaid so they would not lose medical coverage when they start work. Requires Interim Finance approval since the amount added to the Health Insurance for Work Advancement (HIWA) category exceeds \$50,000. **Work Program #C14349**

Refer to motion for approval under Item H.

67. **Department of Health and Human Services – Health Division – Radiological Health – FY 2009** – Transfer of \$72,140 from the Reserve category to the Operating category to support inspections and licensing of facilities. Requires

Interim Finance approval since the amount transferred to the Operating category exceeds \$50,000. **Work Program #C15238**

Refer to motion for approval under Item H.

68. **Department of Health and Human Services – Health Division – Vital Statistics – FY 2009** – Deletion of \$34,669 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15195**

Refer to motion for approval under Item H.

69. **Department of Health and Human Services – Health Division – Vital Statistics – FY 2009** – Addition of \$95,986 in federal Behavioral Risk Factor Surveillance System (BRFSS) Grant funds to improve the timeliness and quality of data analysis and transfer of \$10,139 from the Transfer to Maternal Child Health Services category to the Behavioral Risk category to reallocate grant authority to the BRFSS program. Requires Interim Finance approval since the amount added to the Behavioral Risk category exceeds \$50,000. **Work Program #C15067. RELATES TO ITEM 78.**

Refer to motion for approval under Item H.

70. **Department of Health and Human Services – Health Division – Early Intervention Services – FY 2009** – Deletion of \$395,522 in General Fund Salary Adjustment funds to support the Personnel Services category for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3208**

Refer to motion for approval under Item H.

71. **Department of Health and Human Services – Health Division – WIC Food Supplement – FY 2009** – Addition of \$186,683 in vendor refunds for overcharges in food prices and voucher rule violations and transfer of \$48,192 from the Reserve category to the Vendor Refunds category to support the Women, Infant, and Children (WIC) Program improving the nutritional health status for eligible recipients. Requires Interim Finance approval since the amount added to the Vendor Refunds category exceeds \$50,000. **Work Program #C15198**

Refer to motion for approval under Item H.

72. **Department of Health and Human Services – Health Division – Sexually Transmitted Disease Control – FY 2009** – Addition of \$18,337 in Federal Hepatitis Grant funds to support adult virus hepatitis prevention programs

coordinating the integration of hepatitis services in existing public/private programs for adults at risk for chronic hepatitis and providing hepatitis education for health care professionals and hepatitis awareness activities statewide. Requires Interim Finance approval since the cumulative amount added to the Hepatitis category exceeds \$50,000. **Work Program #C14777**

Refer to motion for approval under Item H.

73. **Department of Health and Human Services – Health Division – Sexually Transmitted Disease Control – FY 2009** – Addition of \$358,832 in federal HIV Prevention Grant funds to support HIV prevention outreach, education, and testing. Requires Interim Finance approval since the amount added to the AIDS Prevention category exceeds \$50,000. **Work Program #C14987**

Refer to motion for approval under Item H.

74. **Department of Health and Human Services – Health Division – Sexually Transmitted Disease Control – FY 2009** – Addition of \$550,132 in Rebate funds to support drug costs in the AIDS Drug Assistance Program (ADAP) as a result of additional drug manufacturers participating in the rebate program. Requires Interim Finance approval since the amount added to the Rebates category exceeds \$50,000. **Work Program #C15175**

Refer to motion for approval under Item H.

75. **Department of Health and Human Services – Health Division – Communicable Disease Control – FY 2009** – Addition of \$206,490 in National Cancer Prevention and Control funds to support the medical bill expenditures associated with the diagnosis and placement into care of eligible women with breast and/or cervical cancer. Requires Interim Finance approval since the amount added to the Women's Health Connection category exceeds \$50,000. **Work Program #C15145**

Refer to motion for approval under Item H.

76. **Department of Health and Human Services – Health Division – Maternal Child Health Services – FY 2009** – Addition of \$224,380 in Client Charge funds and transfer of \$64,626 from the Personnel Services category and \$47,162 from the Operating category to the Medical Dental category to support the metabolic testing for newborns in Nevada. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C14992**

Refer to motion for approval under Item H.

77. **Department of Health and Human Services – Health Division – Maternal Child Health Services – FY 2009** – Transfer of \$1,110 from the Primary Care

category; transfer of \$539 from the System Development Grant category; transfer of \$4,085 from the Medical/Dental Expenses category; transfer of \$458 from the Early Hearing and Detection category; transfer of \$639 from the Newborn Hearing Screening category; transfer of \$8,776 from the Maternal Child Health Campaign category; transfer of \$1,357 from the Abstinence Education category; transfer of \$574 from the Based Core Injury category; transfer of \$196 from the Sexual Assault category; transfer of \$2,146 from the Rape Prevention and Education category; and transfer of \$253 from the Early Childhood Systems category to the Oral Health and Reserve for Reversion categories to align the Purchasing Assessment with the proper funding sources. **Requires Interim Finance approval since the amount involves the allocation of block grant funds and this action requires a public hearing. Work Program #C14995**

Mary Keating, Administrative Services Officer, Health Division, testified that Item 77 was simply an accounting clean-up for the Maternal and Child Health Care program, but since it was a block grant, it required a public hearing.

Cochair Mathews asked for questions from the Committee; there were none.

Hearing no response to a request for questions or testimony from the public, Cochair Mathews closed the hearing on Item 77.

ASSEMBLYMAN HARDY MOVED FOR APPROVAL OF ITEM 77.

THE MOTION WAS SECONDED BY ASSEMBLYMAN HOGAN.

THE MOTION CARRIED.

- 78. Department of Health and Human Services – Health Division – Maternal Child Health Services – FY 2009** – Deletion of \$10,139 in Transfer from Health Division funds to reflect the realignment of personnel duties to enhance the collaboration between the Newborn Screening Program and the Health Division Data Center. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C14996. RELATES TO ITEM 69.**

Refer to motion for approval under Item H.

- 79. Department of Health and Human Services – Health Division – Community Health Services – FY 2009** – Addition of \$15,879 in Federal Family Planning Program Grant funds and transfer of \$174,382 from the Personnel Services category to the Family Planning category to allow the Frontier and Rural (FaR) Health Services Community Health Nursing Program to provide family planning services in rural communities. Requires Interim Finance approval since the amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #C14416. RELATES TO ITEMS 80, 81, 82 and 83.**

Refer to motion for approval under Item H.

80. **Department of Health and Human Services – Health Division – Community Health Services – FY 2009** – Deletion of \$312,549 in Family Medical Planning Services Fees and transfer of \$25,994 from the Personnel Services category to the Operating category supporting the Frontier and Rural (FaR) Public Health Services Program. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C14442. WITHDRAWN JUNE 10, 2009.**

Refer to motion for approval under Item H.

81. **Department of Health and Human Services – Health Division – Community Health Services – FY 2009** – Addition of \$45,681 in Substance Abuse Prevention and Treatment Agency (SAPTA) grant funds and transfer of \$21,077 from the Personnel Services category to the TB/HIV Facility Screening category to enhance services provided by Community Health Nurses (CHN) to the medically underserved population throughout rural and frontier Nevada. Requires Interim Finance approval since the amount added to the TB/HIV Facility Screening category exceeds \$50,000. **Work Program #C14478. RELATES TO ITEMS 79, 80, 82 and 83.**

Refer to motion for approval under Item H.

82. **Department of Health and Human Services – Health Division – Community Health Services – FY 2009** – Addition of \$103,386 in County Participation Funds and transfer of \$7,934 from the County Contribution category to the Personnel Services category to provide services by Community Health Nurses to medically underserved populations throughout rural and frontier Nevada. Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$50,000. **Work Program #C14481. RELATES TO ITEMS 79, 80, 81 and 83.**

Refer to motion for approval under Item H.

83. **Department of Health and Human Services – Health Division – Community Health Services – FY 2009** – Deletion of \$195,983 in Medical Service Charges funds; transfer of \$22,706 from the Personnel Services category to the Operating category; and transfer of \$39,759 *from Reserve* to the Operating category, transfer of \$3,962 to the TB/HIV Facility Screening category, transfer of \$13,126 to the County Participation category, and transfer of \$410 to the Information Services category from the Family Planning category to reflect the projected fee revenue and categorical expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C14489. RELATES TO ITEMS 79, 80, 81 and 82.**

Refer to motion for approval under Item H.

- 84. Department of Health and Human Services – Welfare Division – Administration – FY 2009** – Transfer of \$40,000 from the Personnel Services category to the Transaction Costs category to meet contractual obligations based on increased caseload projections for the Electronic Benefit Transfer (EBT) function. Requires Interim Finance approval since the cumulative amount transferred to the Transaction Costs category exceeds \$50,000. **Work Program #C15356**

Refer to motion for approval under Item H.

Cochair Mathews announced that Items 85, 87, 88 and 92 would be heard together.

- 85. Department of Health and Human Services – Welfare Division – Administration – FY 2009** – Deletion of \$694 in federal USDA Supplemental Nutrition Assistance Program funds; \$882 in federal Child Support Program funds; \$1,199 in federal Temporary Assistance for Needy Families (TANF) Program Block Grant funds; \$37 in federal Low Income Home Energy Assistance (LIHEA) funds; \$41 in federal Child Care Development funds and \$306 in federal Title XIX funds to record the DoIT Planning assessment reduction and properly account for savings realized for the fourth quarter of FY 2009. **Requires Interim Finance approval since the amount involves the allocation of block grant funds and this action requires a public hearing. Work Program #DOIT3228**

Sue Smith, Deputy Administrator, Administrative Services for the Division of Welfare and Supportive Services, explained that Item 85 for the Welfare Administration budget account was to record the reduction of the fourth quarter fiscal year 2009 DoIT assessment. The work program involved the allocation of TANF and LIHEA block grant funds, which required a public hearing.

Refer to motion for approval under Item 92.

- 86. Department of Health and Human Services – Welfare Division – Administration – FY 2009** – Deletion of \$211,133 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3228**

Refer to motion for approval under Item H.

- 87. Department of Health and Human Services – Welfare Division – TANF – FY 2009** – Addition of \$300,000 in federal Temporary Assistance to Needy Families (TANF) Program funds to provide cash assistance grants based on May 2009 projections. **Requires Interim Finance approval since the amount involves the allocation of block grant funds and this action requires a public hearing. Work Program #C15307**

Sue Smith, Deputy Administrator, Administrative Services for the Division of Welfare and Supportive Services, explained that Item 87 for the Welfare TANF budget requested approval to increase the FY 09 TANF revenue and cash assistance categories in order to fund TANF cash assistance grants based on May 2009 projections. The work program also required a public hearing.

Refer to motion for approval under Item 92.

- 88. Department of Health and Human Services – Welfare Division – Field Services – FY 2009** – Deletion of \$4,604 in federal USDA Supplemental Nutrition Assistance Program funds; \$44 in federal Child Support Program funds; \$8,746 in federal Temporary Assistance for Needy Families (TANF) Block Grant funds; \$11 in federal Low Income Home Energy Assistance (LIHEA) funds; \$43 in federal Child Care Development funds and \$4,576 in federal Title XIX funds to record the DoIT Planning assessment reduction and properly account for savings realized for the fourth quarter of FY 2009. **Requires Interim Finance approval since the amount involves the allocation of block grant funds and this action requires a public hearing. Work Program #DOIT3233**

Sue Smith, Deputy Administrator, Administrative Services for the Division of Welfare and Supportive Services, explained that the purpose of the work program for the Welfare Field Services budget was to record the reduction of the fourth-quarter fiscal year 2009 DoIT assessment. The work program involved the allocation of TANF and LIHEA block grant funds, which required a public hearing.

Refer to motion for approval under Item 92.

- 89. Department of Health and Human Services – Welfare Division – Field Services – FY 2009** – Deletion of \$1,169,053 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3233**

Refer to motion for approval under Item H.

- 90. Department of Health and Human Services – Welfare Division – Child Assistance and Development – FY 2009** – Addition of \$145,792 in Transfer from the Department of Health and Human Services, Director's Office, Grant Management Unit funds to partially restore child care subsidy payments and allow the Owens District Office to remain open for the remainder of fiscal year 2009. Requires Interim Finance approval since the amount added to the Extended Daycare category exceeds \$50,000. **Work Program #C14372**

Refer to motion for approval under Item H.

91. **Department of Health and Human Services – Welfare Division – Child Assistance and Development – FY 2009** – Transfer of \$310,000 from the Discretionary Child Care category to the Child Care Mandatory Matching category and \$6,000 from the Discretionary Child Care category to the Utilities category to provide extended child day care subsidies for families who are working, but are at-risk of needing cash assistance and to cover utility costs for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Child Care Mandatory Matching category exceeds \$50,000.  
**Work Program #C15102**

Refer to motion for approval under Item H.

92. **Department of Health and Human Services – Welfare Division – Energy Assistance Program – FY 2009** – Transfer of \$1,300,000 from the Reserve for federal Low Income Home Energy Assistance (LIHEA) category to the LIHEA Payments category to provide for increased applications and to continue Household benefit payments with no disruption through the remainder of the fiscal year. **Requires Interim Finance approval since this action involves the allocation of block grant funds and requires a public hearing.**  
**Work Program #C15078**

Sue Smith, Deputy Administrator, Administrative Services for the Division of Welfare and Supportive Services, explained that the work program for the Energy Assistance Program requested approval to transfer \$1.3 million from the federal reserve category to the LIHEA client payments category in order to ensure payments with no disruption through the remainder of fiscal year 2009. The work program involved the allocation of LIHEA block grant funds, which required a public hearing.

Cochair Mathews asked if the Committee had questions on Items 85, 87, 88 and 92.

Assemblyman Denis asked how the allocation of LIHEA funds was going; he recalled at one point there was some difficulty. Ms. Smith asked if he was referring to the UEC and spending the reserve; Mr. Denis replied that was correct. Ms. Smith stated the reserve was fully expended this fiscal year and the remaining balance was expected to be minimal in the pass-through account as of June 30.

Assemblyman Denis affirmed the funds were getting out to the people, and Ms. Smith concurred. He asked the length of the wait to receive the funds, and Ms. Smith replied she did not have that answer in front of her, although she knew there were 1,700 pending applications remaining from almost 10,000 applications in January.

Romaine Gilliland, Administrator of the Division of Welfare and Supportive Services, testified that in February the wait list for new applications was running approximately four months. As of today, an application brought to the office would be processed in two to three weeks.



Cochair Mathews asked if there were any further questions from the Committee; there were none.

Cochair Mathews asked if anyone from the public wished to testify on Items 85, 87, 88, and 92. There being no response, she called for a motion for approval of the four items.

ASSEMBLYMAN DENIS MOVED FOR APPROVAL OF ITEMS 85, 87, 88 AND 92.

THE MOTION WAS SECONDED BY ASSEMBLYMAN HARDY.

THE MOTION CARRIED.

93. **Department of Health and Human Services – Division of Mental Health and Developmental Services – Southern Nevada Adult Mental Health Services – FY 2009** – Transfer of \$257,953 from the Personnel Services category to the Reserve for Reversion category to record the reduction in Retired Employees' Group Insurance assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance approval since the amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #REGI3161**

Refer to motion for approval under Item H.

94. **Department of Health and Human Services – Division of Mental Health and Developmental Services – Southern Nevada Adult Mental Health Services – FY 2009** – Transfer of \$495,349 from the Personnel Services category to the Professional Services category to fund contract psychiatrists to support current agency operations and maintain quality patient care. Requires Interim Finance approval since the amount transferred to the Professional Services category exceeds \$50,000. **Work Program #C15239**

Refer to motion for approval under Item H.

95. **Department of Health and Human Services – Division of Mental Health and Developmental Services – Northern Nevada Adult Mental Health Services – FY 2009** – Transfer of \$85,158 from the Personnel Services category to the Reserve for Reversion category to record the reduction in Retired Employees' Group Insurance assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance approval since the amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #REGI3162**

Refer to motion for approval under Item H.

96. **Department of Health and Human Services – Division of Mental Health and Developmental Services – Administration – FY 2009** – Transfer of \$12,521 from the Personnel Services category to the Reserve for Reversion category to record the reduction in Retired Employees' Group Insurance assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #REGI3168**

Refer to motion for approval under Item H.

97. **Department of Health and Human Services – Division of Mental Health and Developmental Services – Bureau of Alcohol and Drug Abuse – FY 2009** – Transfer of \$243 from the Personnel Services category to the State Outcomes Measurement and Management System category, \$4,710 from the Personnel Services category to the Block Grant category, \$769 from the Personnel Services category to the federal Strategic Prevention Framework category and \$3,617 from the Personnel Services category to the Reserve for Reversion category to record the reduction in Retired Employees' Group Insurance assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. **Requires Interim Finance approval since the amount involves the allocation of block grant funds and this action requires a public hearing. Work Program #REGI3170**

Deborah Crowley, Administrative Services Officer, Division of Mental Health, explained the work program simply reduced the Retirement Employees' Group Assessment; she was present to testify because there were federal funds involved.

Cochair Mathews asked for questions from the Committee; there were none.

Hearing no response to a request for questions or testimony from the public, Cochair Mathews closed the hearing on Item 97.

ASSEMBLYMAN HARDY MOVED FOR APPROVAL OF ITEM 97.

THE MOTION WAS SECONDED BY ASSEMBLYMAN GRADY.

THE MOTION CARRIED.

98. **Department of Health and Human Services – Division of Mental Health and Developmental Services – Desert Regional Center – FY 2009** – Deletion of \$608,858 in General Fund Salary Adjustment funds to eliminate authority as the division has sufficient authority in the Personnel Services category to cover anticipated expenditures in fiscal year 2009. Requires Interim Finance approval

since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15272**

Refer to motion for approval under Item H.

99. **Department of Health and Human Services – Mental Health and Developmental Services – Desert Regional Center – FY 2009** – Transfer of \$44,170 from the Personnel Services category to the Maintenance of Buildings and Grounds category and \$28,109 from the Personnel Services category to the Reserve for Reversion category to record the reduction in Retired Employees' Group Insurance assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #REGI3279**

Robert Forderhase, Administrative Services Officer, Sierra Regional Center, stated there had been a change to the work program, and the agency would not be increasing authority in category 7 (Maintenance of Buildings and Grounds). Instead, federal Medicaid Title XIX funding would be reduced.

Mr. Ghiggeri said it was testified that the amount that was augmented to Category 07, \$44,170, would be a deaugmentation to federal Medicaid revenue, GL 3862, by the same amount.

Cochair Mathews asked for questions from the Committee. She called for a motion to approve the item as revised.

ASSEMBLYMAN DENIS MOVED FOR APPROVAL OF ITEM 99 AS REVISED.

THE MOTION WAS SECONDED BY ASSEMBLYMAN GOICOECHEA.

THE MOTION CARRIED.

100. **Department of Health and Human Services – Division of Mental Health and Developmental Services – Sierra Regional Center – FY 2009** – Deletion of \$323,051 in General Fund Salary Adjustment funds to eliminate authority as the division has sufficient authority in the Personnel Services category to cover anticipated expenditures in fiscal year 2009. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15282**

Refer to motion for approval under Item H.

101. **Department of Health and Human Services – Division of Mental Health and Developmental Services – Sierra Regional Center – FY 2009** – Deletion of \$11,614 in Title XIX Community Services funds and transfer of \$12,141 from the

Personnel Services category to the Reserve for Reversion category to record the reduction in Retired Employees' Group Insurance assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #REGI3280**

Refer to motion for approval under Item H.

- 102. Department of Health and Human Services – Division of Mental Health and Developmental Services – Rural Regional Center – FY 2009** – Deletion of \$5,583 in Title XIX - Community Services funds and transfer of ~~\$11,420~~ **\$5,837** from the Personnel Services category to the Reserve for Reversion category to record the reduction in Retired Employees' Group Insurance assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #REGI3167. REVISED PER FISCAL DIVISION JUNE 17,2009.**

Refer to motion for approval under Item H.

- 103. Department of Health and Human Services – Division of Mental Health and Developmental Services – Rural Regional Center – FY 2009** – Deletion of \$94,610 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15124**

Refer to motion for approval under Item H.

- 104. Department of Health and Human Services – Division of Mental Health and Developmental Services – Facility for the Mental Offender – FY 2009** – Transfer of \$32,111 from the Personnel Services category to the Reserve for Reversion category to record the reduction in Retired Employees' Group Insurance assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #REGI3645**

Refer to motion for approval under Item H.

- 105. Department of Health and Human Services – Division of Mental Health and Developmental Services – Rural Clinics – FY 2009** – Deletion of \$486 in Client Charge funds; \$972 in Medical Services Charge funds; \$972 in Title XIX

Medicaid funds; \$486 in Medicaid Charges funds; and \$972 in Insurance Recoveries funds and transfer of \$44,704 from the Personnel Services category to the Reserve for Reversion category to record the reduction in Retired Employees' Group Insurance assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance approval since the cumulative amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #REGI3648**

Refer to motion for approval under Item H.

- 106. Department of Health and Human Services – Division of Child and Family Services – UNITY/SACWIS – FY 2009** – Deletion of \$97,478 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3143**

Refer to motion for approval under Item H.

- 107. Department of Health and Human Services – Division of Child and Family Services – Children, Youth and Family Administration – FY 2009** – Deletion of \$258,413 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3145**

Refer to motion for approval under Item H.

- 108. Department of Health and Human Services – Division of Child and Family Services – Juvenile Correctional Facility – FY 2009** – Deletion of \$354,790 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3148**

Refer to motion for approval under Item H.

- 109. Department of Health and Human Services – Division of Child and Family Services – Caliente Youth Center – FY 2009** – Deletion of \$422,640 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3179**

Refer to motion for approval under Item H.

110. **Department of Health and Human Services – Division of Child and Family Services – Rural Child Welfare – FY 2009** – Deletion of \$396,616 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3229**

Refer to motion for approval under Item H.

111. **Department of Health and Human Services – Division of Child and Family Services – Nevada Youth Training Center – FY 2009** – Deletion of \$546,646 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3259**

Refer to motion for approval under Item H.

112. **Department of Health and Human Services – Division of Child and Family Services – Youth Parole Services – FY 2009** – Transfer of \$19,860 from the Operating category to the Personnel Services category and \$2,000 from the Operating category to the In-State Travel category to cover anticipated expenditures through the remainder of this fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15091**

Refer to motion for approval under Item H.

113. **Department of Health and Human Services – Division of Child and Family Services – Wraparound In Nevada – FY 2009** – Deletion of \$142,055 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3278**

Refer to motion for approval under Item H.

114. **Department of Health and Human Services – Division of Child and Family Services – Northern Nevada Child and Adolescent Services – FY 2009** – Deletion of \$346,840 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3281**  
Refer to motion for approval under Item H.

115. **Department of Health and Human Services – Division of Child and Family Services – Southern Nevada Child and Adolescent Services – FY 2009** –

Deletion of \$763,271 in General Fund Salary Adjustment funds since salary projections for the remainder of the fiscal year indicate sufficient authority. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #GFSA3646**

Refer to motion for approval under Item H.

116. **Department of Employment, Training and Rehabilitation – Rehabilitation Division – Vocational Rehabilitation – FY 2009** – Deletion of \$70,524 in General Fund Salary Adjustment funds to document salary savings. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15107**

Refer to motion for approval under Item H.

117. **Department of Employment, Training and Rehabilitation – Rehabilitation Division – Services to the Blind and Visually Impaired – FY 2009** – Deletion of \$25,993 in General Fund Salary Adjustment funds to document salary savings. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds ten percent of the legislatively-approved amount for that category. **Work Program #C15108**

Refer to motion for approval under Item H.

118. **Department of Employment, Training and Rehabilitation – Employment Security Division – FY 2009** – Transfer of \$400,000 from the Reserve category to the Operating category to cover additional banking, printing, telephone and other costs due to an increase in the unemployment rate. Requires Interim Finance approval since the amount transferred to the Operating category exceeds \$50,000. **Work Program #C15357**

Refer to motion for approval under Item H.

119. **Department of Corrections – Director's Office – FY 2009** – Deletion of \$124,009 in Budgetary Transfers to provide funding for statewide projected expenditures within the department for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the In-State Travel category exceeds \$50,000. **Work Program #C15324**

Refer to motion for approval under Item H.

120. **Department of Corrections – Prison Medical Care – FY 2009** – Addition of \$581,106 in funds transferred from Programs; deletion of \$14,949 in Boarder Reimbursements; \$7,619 in Reimbursements; \$172,372 in General Fund Salary Adjustment funds; \$135,438 in funds transferred from Prison Store; and transfer of \$2,000 from the In-State Travel category to the Inmate Driven category to align anticipated revenues and provide funding for projected expenditures for the

remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Inmate Drivens category exceeds \$50,000. **Work Program #C13911**

Refer to motion for approval under Item H.

- 121. Department of Corrections – High Desert State Prison – FY 2009** – Addition of \$124,037 in Budgetary Transfers; deletion of \$7,673 in Room, Board and Transportation Charges; and transfer of \$100,956 from the One Shot/Start Up category to the Inmate Drivens category; \$29,684 from the Equipment category to the Inmate Drivens category; \$21,653 from the Maintenance Contracts category to the Inmate Drivens category; \$11,791 from the Utilities category to the Inmate Drivens category; and \$7,387 from the Agency Issue Uniform category to the Inmate Drivens category to provide funding for projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the One Shot/Start Up category exceeds \$50,000. **Work Program #C15331**

Refer to motion for approval under Item H.

- 122. Department of Corrections – High Desert State Prison – FY 2009** – Transfer of \$13,936 from the Information Services category to the Reserve for Reversion category to record the reduction of the Department of Information Technology (DoIT) Planning Assessment for fiscal year 2009 to properly account for savings realized from DoIT waiving the fourth quarter billing. Requires Interim Finance approval since the cumulative amount transferred from the Information Services category exceeds ten percent of the legislatively-approved amount for that category. **Work Program #DOIT3762**

Refer to motion for approval under Item H.

- 123. Department of Corrections – Northern Nevada Correctional Center – FY 2009** – Addition of \$569 in Employee Services; \$164 in Laundry Service; \$61 in Power Sales and deletion of \$11,163 in Room, Board and Transportation Charges; \$1,933 in Bakery Sales; and \$15,919 in utility reimbursements from Prison Industries. Also, transfer of \$17,456 from the Operating category to the Utilities category to provide funding for projected expenditures and align revenues and expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount added to the Utilities category exceeds \$50,000. **Work Program #C15330**

Refer to motion for approval under Item H.

- 124. Department of Corrections – Nevada State Prison – FY 2009** – Deletion of \$25,057 in Budgetary Transfers, \$12,066 in Room, Board and Transportation Charges, and \$107 in Meal Sales and addition of \$15,424 in Power Sales - DMV Tag Plant. Also, transfer of \$4,176 from the Operating category to the Utilities



category to cover projected expenditures through the end of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Operating category exceeds ten percent of the legislatively-approved level for that category. **Work Program #C15334**

Refer to motion for approval under Item H.

125. **Department of Corrections – Southern Nevada Correctional Center – FY 2009** – Addition ~~Addition~~ **Deletion** of \$10,984 in Budgetary Transfers to provide funding for statewide projected expenditures within the department for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category includes a budgetary transfer that balances against other work programs. **Work Program #C15332**

Refer to motion for approval under Item H.

126. **Department of Corrections – Lovelock Correctional Center – FY 2009** – Addition of \$1,480 in Jail Meals; deletion of \$1,447 in Employee Services; \$7,680 in Room, Board and Transportation Charges; \$949 in Meal Sales; \$3,430 in utility reimbursement from Prison Industries; and \$635,909 in General Fund Salary Adjustment funds to align revenue and expenditures with projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C14895**

Refer to motion for approval under Item H.

127. **Department of Corrections – Florence McClure Womens Correctional Center – FY 2009** – Deletion of \$17,253 in Budgetary Transfers to provide funding for statewide projected expenditures within the department for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Utilities category includes a budgetary transfer that balances against other work programs. **Work Program #C15338**

Refer to motion for approval under Item H.

128. **Department of Corrections – Casa Grande Transitional Housing – FY 2009** – Deletion of \$294,775 in Room, Board and Transportation Charges and transfer of \$12,836 from the Operating category to the Utilities category for projected revenue and expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Operating category exceeds \$50,000. **Work Program #C14904**

Refer to motion for approval under Item H.

129. **Department of Corrections – Northern Nevada Restitution Center – FY 2009** – Addition of \$8,534 in Budgetary Transfers and deletion of \$5,373 in

Room, Board and Transportation Charges to provide funding for projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Utilities category includes a budgetary transfer that balances against other work programs. **Work Program #C15335**

Refer to motion for approval under Item H.

- 130. Department of Corrections – Pioche Conservation Camp – FY 2009 –** Addition of \$6,551 in Budgetary Transfers and deletion of \$6,551 in Room, Board and Transportation Charges to align revenue with projections for the remainder of the fiscal year. Requires Interim Finance approval since it includes a budgetary transfer that balances against other work programs. **Work Program #C15326**

Refer to motion for approval under Item H.

- 131. Department of Corrections – Indian Springs Conservation Camp – FY 2009 –** Addition of \$20,642 in Budgetary Transfers and deletion of \$6,905 in Room, Board and Transportation Charges for projected revenue and expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Utilities category includes a budgetary transfer that balances against other work programs. **Work Program #C15339**

Refer to motion for approval under Item H.

- 132. Department of Corrections – Wells Conservation Camp – FY 2009 –** Addition of \$18,987 in Budgetary Transfers, and deletion of \$6,733 in Room, Board and Transportation Charges and \$52,072 in General Fund Salary Adjustment funds to fund projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15327**

Refer to motion for approval under Item H.

- 133. Department of Corrections – Humboldt Conservation Camp – FY 2009 –** Addition of \$11,908 in Budgetary Transfers and deletion of \$4,262 in Room, Board and Transportation Charges for projected revenue and expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Utilities category includes a budgetary transfer that balances against other work programs. **Work Program #C15328**

Refer to motion for approval under Item H.

- 134. Department of Corrections – Ely Conservation Camp – FY 2009 –** Addition of \$36,253 in Budgetary Transfers, deletion of \$4,099 in Room, Board and Transportation Charges, and transfer of \$215 from the Operating category to the Personnel category to provide funding for projected expenditures for the

remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Personnel Services category includes a budgetary transfer that balances against other work programs. **Work Program #C14891**

Refer to motion for approval under Item H.

- 135. Department of Corrections – Jean Conservation Camp – FY 2009 –** Deletion of \$14,844 in Budgetary Transfers and transfer of \$2,622 from the Utilities category to the Operating category to provide funding for projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Utilities category includes a budgetary transfer that balances against other work programs. **Work Program #C15336**

Refer to motion for approval under Item H.

- 136. Department of Corrections – Silver Springs Conservation Camp – FY 2009 –** Deletion of \$7,147 in Budgetary Transfers to provide funding for statewide projected expenditures within the department for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Closure Costs category includes a budgetary transfer that balances against other work programs. **Work Program #C15337**

Refer to motion for approval under Item H.

- 137. Department of Corrections – Carlin Conservation Camp – FY 2009 –** Deletion of \$15,745 in Budgetary Transfers and transfer of \$2,680 from the Personnel Services category to the Utilities category to provide funding for projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15329**

Refer to motion for approval under Item H.

- 138. Department of Corrections – Tonopah Conservation Camp – FY 2009 –** Deletion of \$11,873 in Budgetary Transfers, \$3,962 in Room, Board and Transportation Charges, and \$45,303 in General Fund Salary Adjustment funds, and transfer of \$2,122 from the Personnel Services category to the Operating category, and \$11,784 from the Personnel Services category to the Utilities category to provide funding for projected expenditures for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C14724**

Refer to motion for approval under Item H.

- 139. Department of Corrections – Inmate Welfare Account – FY 2009 –** Transfer of \$445,668 from the Retained Earnings category to the Transfer to Medical-Co-Pays category to provide funding for medical co-pays of indigent

inmates. Requires Interim Finance approval since the amount transferred to the Transfer to Medical-Co-Pays category exceeds \$50,000. **Work Program #C15325**

Refer to motion for approval under Item H.

- 140. Department of Motor Vehicles – Automation – FY 2009** – Deletion of \$278,302 in Highway Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15096**

Refer to motion for approval under Item H.

- 141. Department of Motor Vehicles – Administrative Services – FY 2009** – Deletion of \$163,689 in Highway Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15094**

Refer to motion for approval under Item H.

- 142. Department of Motor Vehicles – Compliance Enforcement – FY 2009** – Deletion of \$165,600 in Highway Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15100**

Refer to motion for approval under Item H.

- 143. Department of Motor Vehicles – Central Services – FY 2009** – Deletion of \$420,076 in Highway Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15093**

Refer to motion for approval under Item H.

- 144. Department of Motor Vehicles – Field Services – FY 2009** – Deletion of \$2,143,526 in Highway Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15098**

Refer to motion for approval under Item H.

- 145. Department of Motor Vehicles – Motor Carrier – FY 2009** – Deletion of \$184,665 in Highway Fund Salary Adjustment funds based on salary projections

for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15097**

Refer to motion for approval under Item H.

- 146. Department of Motor Vehicles – Research and Development – FY 2009 –** Deletion of \$130,516 in Highway Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15099**

Refer to motion for approval under Item H.

- 147. Department of Public Safety – Justice Assistance Act – FY 2009 –** Transfer of \$19,888 from the Falcon's Nest Program category to the Assessment Fees 1122 Program. This transfer enables funding to support costs associated with the operating of the 1122 federal government's General Service Administration (GSA) Purchasing Program. Requires Interim Finance approval since the amount added to the Assessment Fees 1122 Program category exceeds ten percent of the legislatively-approved level for that category. **Work Program #C14840**

Refer to motion for approval under Item H.

- 148. Department of Public Safety – Justice Assistance Grant Trust – FY 2009 –** Addition of \$13,801,023 in American Recovery and Reinvestment Act (ARRA) of 2009 Justice Assistance Grant (JAG) to support state and local law enforcement programs throughout Nevada. Requires Interim Finance approval since the amount added to the ARRA JAG Grant category exceeds \$50,000. **Work Program #C15263. RELATES TO ITEM 179.**

Michele Hamilton, Bureau Chief, Office of Criminal Justice Assistance, Department of Public Safety, testified that the purpose of the work program was to receive the American Recovery and Reinvestment Act (ARRA) Justice Assistance Grant in the amount of \$13,801,023. She explained the grant did not have a match and allowed for a 10 percent administrative fee; thus there was no fiscal impact to the Office of Criminal Justice Assistance.

Cochair Mathews asked for questions from the Committee; there were none.

ASSEMBLYWOMAN SMITH MOVED FOR APPROVAL OF ITEM 148.

THE MOTION WAS SECONDED BY SENATOR AMODEI.

Cochair Mathews noted that the motion included the submission of status reports to the IFC on expenditure of the grant funds. Ms. Hamilton concurred.

THE MOTION CARRIED.

- 149. Department of Public Safety – Highway Patrol – FY 2009 –** Deletion of \$2,699,904 in General **Highway** Fund Salary Adjustment funds to reflect projected salary savings. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15118. REVISED JUNE 8, 2009.**

Refer to motion for approval under Item H.

- 150. Department of Public Safety – Highway Patrol – FY 2009 –** Addition of \$35,242 in High Intensity Drug Trafficking Area (HIDTA) Reimbursement funds from the Las Vegas Metropolitan Police Department for participation in a Northern Command HIDTA Task Force. Requires Interim Finance approval since the amount added to the HIDTA Task Force category exceeds ten percent of the legislatively-approved amount for that category. **Work Program #C15243**

Refer to motion for approval under Item H.

- 151. Department of Public Safety – Division of Investigations – FY 2009 –** Addition of \$15,000 in U.S. Marshal Reimbursement funds to support overtime costs for operation FALCON (Federal and Local COPS Organized Nationally). Requires Interim Finance approval since the cumulative amount added to the U.S. Marshal category exceeds \$50,000. **Work Program #C15316**

Refer to motion for approval under Item H.

- 152. Department of Public Safety – Narcotics Control – FY 2009 –** Deletion of \$86,813 in General Fund Salary Adjustment funds to reflect projected General Fund salary savings. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15202**

Refer to motion for approval under Item H.

- 153. Department of Public Safety – Narcotics Control – FY 2009 –** Addition of \$25,000 in Federal Drug Enforcement Agency (DEA) Grant funds to gather and report intelligence data relating to illicit possession and distribution of controlled substances within the state of Nevada. Requires Interim Finance approval since the amount added to the DEA Grant category exceeds ten percent of the legislatively-approved level for that category. **Work Program #C15292**

Refer to motion for approval under Item H.

154. **Department of Public Safety – Traffic Safety – FY 2009** – Addition of \$429,676 in Federal Traffic Safety Grant; deletion of \$7,546 in Federal 405 Incentive Grant; ~~and transfer deletion of \$470,337 from the Aid to State Agencies category;~~ ***deletion of \$7,546 from the Occupant Protection Grant category; and addition of \$900,013*** to the Aid to Local Entities category to adjust authority to actual grants. Requires Interim Finance approval since the cumulative amount added to the Aid to Local Entities exceeds \$50,000. **Work Program #C15269**

Refer to motion for approval under Item H.

155. **Department of Public Safety – Highway Safety Planning and Administration – FY 2009** – Deletion of \$155,515 in 402 Highway **Safety** Funds; deletion of \$7,546 in 405 Occupant Protection Funds; ~~and transfer of \$68,724 from the Personnel Services category to the Professional Services category to align expenditures with actual projects~~ ***deletion of \$189,871 from the Personal Services category; deletion of \$4,919 from the Traffic Records category; deletion of \$36,995 from the Occupant Protection category; and addition of \$68,724 to the Professional Services category to adjust authority to actual grants.*** Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15302**

Refer to motion for approval under Item H.

156. **Colorado River Commission – FY 2009** – Transfer of \$15,757 from the Personnel Services category to the Reserve ~~for Reversion~~ category to record the reduction in Retired Employees' Group Insurance assessment for fiscal year 2009 to properly account for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #REGI4490. REVISED JUNE 11, 2009.**

Refer to motion for approval under Item H.

157. **Department of Conservation and Natural Resources – Administration – FY 2009** – Deletion of \$40,405 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15106**

Refer to motion for approval under Item H.

158. **Department of Conservation and Natural Resources – Conservation Districts – FY 2009** – Deletion of \$10,233 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel

Services category exceeds ten percent of the legislatively-approved amount for that category. **Work Program #C15112**

Refer to motion for approval under Item H.

- 159. Department of Conservation and Natural Resources – Forestry Division – FY 2009** – Transfer of \$1,923 from the Operating category, \$42,251 from the Air Operations-Fire category, \$4,076 from the Information Services category, \$114 from the Communications category, and \$1,150 from the Purchasing Assessment category to the Reserve for Reversion category to record the reduction of internal service rates and assessments for fiscal year 2009. Requires Interim Finance approval since the cumulative amount transferred to the Air Operations-Fire category exceeds \$50,000. **Work Program #IS4195**

Refer to motion for approval under Item H.

- 160. Department of Conservation and Natural Resources – State Parks – FY 2009** – Deletion of \$446,453 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15224**

Refer to motion for approval under Item H.

- 161. Department of Conservation and Natural Resources – Division of Water Resources – FY 2009** – Deletion of \$289,655 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15123**

Refer to motion for approval under Item H.

- 162. Department of Conservation and Natural Resources – State Lands – FY 2009** – Deletion of \$60,414 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15111**

Refer to motion for approval under Item H.

- 163. Department of Conservation and Natural Resources – Tahoe Regional Planning Agency – FY 2009** – Deletion of \$22,790 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15131**

Refer to motion for approval under Item H.



- 164. Department of Conservation and Natural Resources – Environmental Protection – Air Quality – FY 2009** – Addition of \$1,730,000 in federal Environmental Protection Agency, American Recovery and Reinvestment Act (ARRA) of 2009, State Clean Diesel Grant Program funds to support the state's School Bus Replacement Program. The funding will be used to replace 17 of the oldest, high emission school buses that are still in service and have not yet been retrofitted. Requires Interim Finance approval since the amount added to the ARRA State Clean Diesel Grant Program expenditure category exceeds \$50,000. **Work Program #C15170**

Refer to motion for approval under Item H.

- 165. Department of Conservation and Natural Resources – Environmental Protection – Water Quality Planning – FY 2009** – Deletion of \$16,596 in General Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the cumulative amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15103**

Refer to motion for approval under Item H.

- 166. Department of Conservation and Natural Resources – Environmental Protection – DEP Water Pollution Control – FY 2009** – Addition of \$22,000 in Federal Bureau of Reclamation Brownsfield Cleanup Grant funds to support the Brownsfield clean-up efforts. Requires Interim Finance approval since the amount added to the Federal Brownsfield Cleanup Grant Program category exceeds ten percent of the legislatively-approved amount for that category. **Work Program #C15017**

Refer to motion for approval under Item H.

- 167. Department of Conservation and Natural Resources – Environmental Protection – Water Quality Planning – FY 2009** – Addition of \$194,300 in Federal Public Health Services Planning Grant funds provided under the American Recovery and Reinvestment Act (ARRA) of 2009 to support the water quality management planning activities within the Nevada Department of Conservation and Natural Resources, Division of Environmental Protection. Requires Interim Finance approval since the amount added to the federal Section 604B Environmental Protection Agency Grant category exceeds \$50,000. **Work Program #C15345**

Refer to motion for approval under Item H.

- 168. Department of Conservation and Natural Resources – Environmental Protection – Safe Drinking Water Regulatory Program – FY 2009** – Addition of \$444,179 in federal Drinking Water State Revolving Fund ten percent Set-Aside funding provided under the American Recovery Reinvestment Act

(ARRA) of 2009 to enhance current regulatory and oversight activities of the State Public Water System Supervision program administered by the State Bureau of Safe Drinking Water. Requires Interim Finance approval since the amount added to the Federal Drinking Water State Revolving Fund Grant category exceeds \$50,000. **Work Program #C15298**

Refer to motion for approval under Item H.

- 169. Department of Wildlife – Administration – FY 2009** – Addition of \$19,200 in U.S. Fish and Wildlife Services Crane Grant funds to complete the Greater Sandhill Crane Colt Study. Requires Interim Finance approval since the cumulative amount added to the Game Management category exceeds \$50,000. **Work Program #C14909**

Refer to motion for approval under Item H.

- 170. Department of Wildlife – Administration – FY 2009** – Addition of \$267,495 in Federal Pittman Robertson Aid funds and addition of \$75,000 in Gifts and Donations to fund fencing and vegetation costs associated with the US Highway 93 Deer Migration Overpass. Requires Interim Finance approval since the amount added to the Game Management category exceeds \$50,000. **Work Program #C15054**

Refer to motion for approval under Item H.

- 171. Department of Wildlife – Administration – FY 2009** – Addition of \$28,150 in Miscellaneous Revenue to offset some of the expenses incurred in the development, production and distribution of publications. Requires Interim Finance approval since the cumulative amount added to the Conservation Education category exceeds \$50,000. **Work Program #C15266**

Refer to motion for approval under Item H.

- 172. Department of Wildlife – Administration – FY 2009** – Addition of \$14,651 in Gifts and Donation funds for a Private Lands Access pilot project, the development and mailing of a wildlife coloring book, and the purchase of taxidermy mounts and study skins for the Wildlife Education program. Requires Interim Finance approval since the non-governmental grant exceeds \$10,000. **Work Program #C15059**

Refer to motion for approval under Item H.

- 173. Department of Wildlife – Obligated Reserve – FY 2009** – Transfer of \$24,701 from the Reserve category to the Elk Damage Projects category to provide funding for elk damage obligations through the end of fiscal year 2009. Requires Interim Finance approval since the cumulative amount added to the Elk Damage Projects category exceeds \$50,000. **Work Program #C15089**

Refer to motion for approval under Item H.

- 174. Department of Transportation – FY 2009** – Deletion of \$7,299,413 in Highway Fund Salary Adjustment funds based on salary projections for the remainder of the fiscal year. Requires Interim Finance approval since the amount deducted from the Personnel Services category exceeds \$50,000. **Work Program #C15410**

Refer to motion for approval under Item H.

- 175. Office of the Military – FY 2009** – Addition of \$215,000 in Department of Defense funds to provide for projected federal utilities for the remainder of the fiscal year. Requires Interim Finance approval since the amount added to the Utility category exceeds \$50,000. **Work Program #C15217**

Refer to motion for approval under Item H.

- 176. Office of Veterans' Services – Commissioner for Veterans' Affairs – FY 2009** – Transfer of \$29,950 from the Fernley Cemetery category to the Personnel Services category; \$49,190 from the Boulder City Cemetery category to the Personnel Services category; \$4,200 from the Information Services category to the Personnel Services category; \$2,000 from the Training category to the Personnel Services category; \$12,500 from the Equipment category to the Operating category; \$1,700 from the Fernley Cemetery category to the Operating category; \$5,000 from the In-State Travel category to the Advisory Commission Travel category; and \$900 from the Training category to the Advisory Commission Travel category to cover projected shortfalls for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Personnel Services category exceeds \$50,000. **Work Program #C15237**

Tim Tetz, Executive Director, Office of Veterans' Services, explained the work program was a request to shift funds to cover shortfalls in expenditures due to some miscalculations in a number of subcategories. The request included a transfer of \$5,900 into the Veterans' Service Commission travel from the in-state travel account and the training account. The Veterans' Service Commission had increased its travel time and involvement in advising the agency committee. A transfer of \$14,200 would be made to operations at the agency to cover an unanticipated increase in costs. Finally, Mr. Tetz explained, the biggest piece was a transfer from the operations and equipment categories and the information services category at the cemetery to cover shortfalls in personnel. He said the agency was fortunate this past year to have had no vacancies throughout the entire agency, so the \$18,000 that had been budgeted in vacancy savings was a shortfall that was not anticipated. He added that there was also a retirement payout at the Southern Nevada Veterans' Memorial Cemetery; the Superintendent retired in May, and his payout was nearly \$20,000.

Continuing, Mr. Tetz said there was also an expense of \$16,000 for standby pay. The 2007 Legislature approved the hiring of a Personnel Officer, the first one ever hired by the agency. She came to the agency with vast experience from other agencies, and when she reviewed the staff and operations of the agency and realized that the two

Superintendents were required to carry a cell phone and be accessible to return to the cemetery on a 24-hour basis, she informed the agency that policy and state law dictated that those individuals needed to be on standby pay. Mr. Tetz explained that the Superintendents were called back several times a month to deal with matters such as drunkenness and misuse of the cemeteries, as well as destructive activities. Consequently, the Superintendents were moved to standby pay status for the remainder of that fiscal year, but when the agency attempted to move that expenditure forward into the next biennium, the Budget Office and others removed the standby pay. Mr. Tetz said the Superintendents would not be on standby pay in the future, but an expenditure of \$16,000 was incurred during this fiscal year, which was not funded by the 2007 Legislature.

Cochair Mathews asked if the Superintendents were at the cemeteries full-time. Mr. Tetz replied they were not; they lived approximately 30 miles away and were required to call in and possibly return to the cemetery when there was a law enforcement, fire, or alarm system call. Mr. Tetz said the agency was considering placing the Superintendents on call-back pay, but they would not be required to return to the cemetery while on call-back status, so Mr. Tetz would be required to drive from Carson City to the cemetery if the Fernley Superintendent was not available.

Assemblywoman Parnell asked what the negative impact would be on the cemeteries when money was shifted from one category to another; she wondered if the cemeteries actually realized a loss as a result of transfers.

Mr. Tetz replied his office worked closely with the cemeteries in order to minimize the negative impact. He noted that, as many Committee members would recall, until the 2007 Legislative Session, the agency did not have an equipment budget, as well as other basic enhancements, but the cemeteries now had adequate equipment, even though it might be 20 years old. Efforts were made to ensure the cemeteries experienced little negative impact.

Cochair Mathews asked for further questions. There being none, she called for a motion,

ASSEMBLYWOMAN McCLAIN MOVED FOR APPROVAL OF ITEM 176.

THE MOTION WAS SECONDED BY ASSEMBLYWOMAN SMITH.

THE MOTION CARRIED.

- 177. Office of Veterans' Services – Veterans' Home Account – FY 2009** – Transfer of \$50,236 from the Personnel Services category to the Reserve for Reversion category for the reduction in Retired Employees' Group Insurance assessment for fiscal year 2009. This adjustment properly accounts for savings realized from changing the fiscal year 2009 assessment from 2.97 percent of payroll to 1.57 percent of payroll effective February 2009. Requires Interim Finance

approval since the amount transferred from the Personnel Services category exceeds \$50,000. **Work Program #REGI2561**

Refer to motion for approval under Item H.

#### **WORK PROGRAM REVISIONS RECEIVED ON JUNE 16, 2009**

- 178. Department of Agriculture – Noxious Weed and Insect Control – FY 2009 –** Addition of \$760,800 in United States Forest Service American Recovery and Reinvestment Act (USFS - ARRA) Tamarisk funds, \$627,660 in USFS - ARRA Carson River funds, \$717,660 in USFS - ARRA Hawken 2007 Fire funds, \$582,660 in USFS - ARRA Peavine 2006 Fire funds, \$248,660 in USFS - ARRA Washoe Open Space funds, \$537,660 in USFS - ARRA Belli Fire funds, \$448,660 in USFS - ARRA Rancho Haven/Red Rock funds, \$1,076,660 in USFS - ARRA Arrowcreek funds and \$268,660 in USFS - ARRA Truckee River funds to support state forest programs throughout Nevada. Requires Interim Finance approval since the amount added to the USFS - ARRA Arrowcreek category exceeds \$50,000. **Work Program #C15466**

Scott Marsh, the Noxious Weed Program Coordinator for the Nevada Department of Agriculture, testified that the agency had been approved for \$5,274,000 in American Recovery and Reinvestment Act (ARRA) funds to fund nine projects in seven counties in western and southern Nevada. Mr. Marsh said the agency hoped to employ more than 160 people through these programs, and the projects would cover more than 11,000 acres. The funding was coming from the USDA Forest Services State and Private Forestry program. Mr. Marsh said since there wouldn't be much accomplished in FY 2009, he was requesting authority to balance forward the funds for 2010, based on the 2009 work program.

Senator Rhoads asked if the program covered western Nevada and not eastern. Mr. Marsh replied it did not cover eastern Nevada. The priority for the projects was based on the unemployment rate by county, and the highest rates were in western and southern Nevada.

Cochair Mathews remarked it was unfortunate the program did not cover the eastern part of the state. She asked Mr. Marsh how the agency knew how many employees would be needed.

Mr. Marsh responded that the sub-grantees had to prepare narratives and work programs for the projects, and those were the numbers they developed.

Senator Parks asked if any of the programs would include the use of conservation camp inmate labor.

Mr. Marsh said he was told that preference had to be given to those who were unemployed, thus providing new jobs for individuals without jobs. The sub-grantees

would do the actual employing, and he did not believe that inmates would be considered.

SENATOR RHOADS MOVED FOR APPROVAL OF ITEM 178.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

THE MOTION CARRIED.

- 179. Department of Public Safety – Narcotics Control – FY 2010** – Addition of \$1,236,057 in Transfer from Department of Public Safety (DPS) Criminal Justice to accept the Justice Assistance Grant award, which funds five DPS Officer II positions for the 2009-11 biennium ***using American Recovery and Reinvestment funds.*** Requires Interim Finance approval since the amount added to the Personnel Services category exceeds \$50,000. **Work Program #C15482. RELATES TO ITEM 148.**

Scott Jackson, Chief of the Investigation Division, Department of Public Safety, stated that Item 179 was a request to transfer a revised amount of \$1,146,213.07 from the Office of Criminal Justice Assistance to the Investigation Division to fund five Detective positions for drug task forces in the state of Nevada. Three of the positions were currently filled, and two would potentially be used to staff a task force in Nye County.

Assemblyman Denis asked what support was being provided to Esmeralda and Nye Counties by the positions approved by the 2007 Legislature.

Mr. Jackson replied the Committee might recall that the Investigation Division's budget was reduced by a total of nine FTEs, three of which were in the 3744 account, which was for drug task forces. The request was to fund at least five positions to satisfy the three positions that were currently filled, with the two additional positions to be used to staff the task force in Nye County, specifically in Pahrump. He said that Esmeralda County had some logistical concerns because of geographic and staffing issues, so even though there was hope and anticipation of potentially staffing Esmeralda County, at this point he did not see it as being feasible. Mr. Jackson said the division would continue to provide resources and assistance to Sheriff Department requests, and if there was a need in Esmeralda County, the division would provide available resources to assist in any way possible.

Assemblyman Denis asked Mr. Jackson to discuss the justification for a task force in Nye County, specifically Pahrump.

Mr. Jackson said task forces existed in 14 of 17 counties; currently Nye, Esmeralda, and Storey Counties were without a force, although they did work in Storey County on occasion, both with narcotics and general crimes. Nye County was growing; it was one of the largest counties in the country and definitely the largest in the state. Pahrump had become a large city that was getting impacted by drug trafficking, and there was a definite need for the state to assist the Nye County Sheriff in the eradication and

disruption of drug trafficking in Nye County. Mr. Jackson said assistance was being provided to Nye County with resources toward those efforts, and he believed it would be beneficial to the state of Nevada.

Assemblyman Denis asked if the local enforcement agencies were participating and providing any financial assistance.

Mr. Jackson replied in the affirmative, noting that the Nye County Sheriff had committed to assigning some resources to the task force and had applied for Justice Administration Grant (JAG) funding to assist in that effort. Mr. Jackson noted there were some logistics that needed to be worked out, including infrastructure, office space, supervision, inter-local agreements, and those types of issues, which would take some time. The hope and anticipation was to assist the Sheriff in Pahrump specifically, although resources would be available to the entire county for drug enforcement.

Assemblyman Grady asked if the positions were all new hires and would have to be POST certified.

Mr. Jackson said three of the positions were currently in the division and were POST certified. Any staff hired for the two vacant positions would have to be certified Category I Peace Officers in the state of Nevada.

Assemblyman Grady asked if their training would be paid for from the ARRA funds. Mr. Jackson replied that was correct; training would be provided in-house through a field training officer type program and on-the-job training, which would get the officers to where they needed to be for drug enforcement.

Andrew Clinger, Director of the Department of Administration, noted that Item 179 related to Item 148, which accepted the JAG grants in FY 2009, and he asked if the Committee could revise its motion on Item 148 so that those funds could be balanced forward into fiscal year 2010 as well. Otherwise, it would be necessary to bring another work program back to IFC in September. Mr. Clinger said the inclusion of the provision to balance the funds forward would simplify the process.

ASSEMBLYWOMAN McCLAIN MOVED THAT THE JUSTICE ASSISTANCE GRANT MONIES ACCEPTED IN ITEM 148 BE BALANCED FORWARD TO FISCAL YEAR 2010.

ASSEMBLYWOMAN PARNELL SECONDED THE MOTION.

THE MOTION CARRIED.

Referring to Item 179, Cochair Mathews asked Mr. Jackson if the crime rate in the rural counties was increasing, or if there was just money available to get ahead of the curve.

Mr. Jackson replied he believed both were true. The ARRA funding provided an opportunity to fund five drug task force Investigators that were eliminated. However,

during the current economy, law enforcement was experiencing increases in lower-level crimes which, in his opinion, were related to drug activity. Statistical reporting indicated that violent crimes were down in the state and nationally, but the lower-level crimes such as petty theft were certainly up, which was related not only to the economy, but to the drug problem.

Assemblywoman McClain said she appreciated receipt of the JAG grant, but she wondered if the division had applied for the competitive grant available through ARRA funds.

Mr. Jackson replied the ARRA funds were referred to as the COPS funding; the division had applied for nine positions and agreed that if the five positions were funded from JAG funds, the five positions would be de-obligated and the division would only apply for four from COPS funding. Mr. Jackson recalled that he and Assemblywoman McClain had discussed the fact that there was \$1 billion available for competitive COPS funds at the time. It was his understanding that over \$8 billion in requests were submitted, and he was fairly pessimistic that Nevada would get any positions. Additionally, it was Mr. Jackson's understanding that some of the criteria was also based on the Uniform Crime Report (UCR) program, and his agency was not the primary agency reporting UCR violent crime data.

Assemblywoman McClain said she was not surprised, but she appreciated Mr. Jackson's attempts to obtain the COPS funding.

Cochair Mathews asked for questions from the Committee; there were none. She called for a motion.

Mr. Ghiggeri said that Fiscal staff had worked with the agency, and the amount of the work program should be reduced from \$1,236,057, as reflected on the agenda, to \$1,146,213.

Cochair Mathews indicated that a motion was needed to include that revision, as well as the provision that funding would be balanced forward to FY 2010.

ASSEMBLYWOMAN McCLAIN MOVED FOR APPROVAL OF  
ITEM 179 AS AMENDED.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

THE MOTION CARRIED.

Cochair Mathews announced that Items 180, 181, 182 and 183 would be heard together.

**180. Department of Cultural Affairs – Museums and History Division – Nevada State Museum – Carson City – FY 2009 –** Addition of \$45,025 in General Fund Appropriation to purchase service credit for a position elimination occurring on



June 30, 2009. Requires Interim Finance approval pursuant to Assembly Bill 562, Section 38 of the 2009 Legislative Session. **Work Program #C15493**

Refer to motion for approval the narrative under Item 183.

- 181. Department of Cultural Affairs – Museums and History Division – Nevada State Museum – Carson City – FY 2010** – Deletion of \$45,025 in General Fund Appropriation to purchase service credit for a position elimination occurring on June 30, 2009. Requires Interim Finance approval pursuant to Assembly Bill 562, Section 38 of the 2009 Legislative Session. **Work Program #C15494**

Refer to motion for approval and narrative under Item 183.

- 182. Department of Cultural Affairs – State Library and Archives – Nevada State Library – FY 2009** – Addition of \$19,500 in General Fund Appropriation to purchase service credit for a position elimination occurring on June 30, 2009. Requires Interim Finance approval pursuant to Assembly Bill 562, Section 38 of the 2009 Legislative Session. **Work Program #C15501**

Refer to motion for approval and narrative under Item 183.

- 183. Department of Cultural Affairs – State Library and Archives – Nevada State Library – FY 2010** – Deletion of \$19,500 in General Fund Appropriation to purchase service credit for a position elimination occurring on June 30, 2009. Requires Interim Finance approval pursuant to Assembly Bill 562, Section 38 of the 2009 Legislative Session. **Work Program #C15503**

Michael Fischer, Director of the Department of Cultural Affairs, introduced Patrick Cates, Fiscal Officer for the department, and indicated Mr. Cates would speak to the issue of funding transfers.

Mr. Cates stated that agenda Items 180 through 183 were essentially the same, and all were moving budgeted General Funds from fiscal year 2010 to fiscal year 2009 for the purpose of paying employee retirement agreements with employees as a result of their positions being eliminated in fiscal year 2010.

Mr. Ghiggeri further explained that the positions were eliminated as part of the FY 2009 budget, and these individuals would be retiring as of June 30, 2009; the funds needed to be moved from FY 2010 to FY 2009 to effect the payout and payment for their retirement.

ASSEMBLYMAN HARDY MOVED FOR APPROVAL OF ITEMS 180, 181, 182 AND 183.

THE MOTION WAS SECONDED BY ASSEMBLYMAN DENIS.

THE MOTION CARRIED.

Senator Amodei said that he had been alerted by a constituent to a situation that involved 57 employees at the Division of Museums and History who, as a result of the budget proposed by the Governor's Office, were now required to take a furlough day a week instead of a furlough day a month, as required for other state employees. He said when the legislation was passed to implement the furlough for state employees, the Department of Cultural Affairs was exempted because the department's proposed budget was already based on one furlough day a week. The impact on accrual of benefits, specifically sick leave, annual leave and retirement, was that those 57 employees were exempted from the hold-harmless provisions provided to other state employees. So 57 people were now accruing their benefits, unlike the rest of the state workforce, at a part-time rate. Senator Amodei did not think that was the intent of the money committees, but as a practical matter, the language that created the furlough legislation exempted the Department of Cultural Affairs and did not make any exceptions for accrual of benefits. He reiterated that 57 employees were in effect accruing benefits differently than any other state employee who was under furlough provisions; they were accruing them at a part-time rate.

Continuing, Senator Amodei stated that he understood the fiscal impact to put the department's employees on track with everybody else would be about \$100,000 a year. He was not sure what the mechanics would be to rectify the situation or even if there would be an opportunity to do so. In conclusion, he said that if his facts were generally in the ballpark, he would ask Cultural Affairs to confirm or deny them. He had reviewed the 2009 Session committee minutes regarding this issue, and he did not believe it was discussed; he thought it was overlooked inadvertently. He expressed his hope that those 57 employees could receive the same accrual benefits as the rest of the state workforce under the furlough provisions.

Mr. Fischer stated Senator Amodei's numbers were reasonably accurate. He would be happy to prepare actual numbers. He said the department was extremely mindful that the money committees had a very difficult time during the last session, and he was very appreciative that there was still some effort toward helping the Department of Cultural Affairs.

Cochair Mathews agreed with Senator Amodei; she was surprised and indicated it was not her intention to create this situation. Nothing could be done at this meeting, but Fiscal staff would be contacting Mr. Fischer.

Assemblywoman Buckley asked Fiscal staff to work with the Department of Cultural Affairs. She said in crafting the furlough legislation, efforts were made not to affect anyone's eligibility for benefits. In the big scheme of things, \$100,000 to rectify the situation was not a lot of money. She believed that if the benefits were being calculated differently for these employees, it would seem to be a better policy to be consistent and not permanently hurt their eligibility for their pension, their sick days or other benefits. She again asked Fiscal staff to work with the Department of Cultural Affairs and develop some options.

Cochair Mathews thanked Speaker Buckley, adding that was the intent of her request to staff as well.

Mr. Fischer thanked the Committee for its consideration.

Cochair Mathews indicated that Items 184 and 185 would be heard together.

- 184. Department of Business and Industry – Consumer Affairs – FY 2009 –** Addition of \$115,394 in General Fund Appropriation to purchase service credit for position eliminations occurring on June 30, 2009. Requires Interim Finance approval pursuant to Assembly Bill 562, Section 38 of the 2009 Legislative Session. **Work Program #C15470**

Refer to motion for approval and narrative under Item 185.

- 185. Department of Business and Industry – Consumer Affairs – FY 2010 –** Deletion of \$115,394 in General Fund Appropriation to purchase service credit for position eliminations occurring on June 30, 2009. Requires Interim Finance approval pursuant to Assembly Bill 562, Section 38 of the 2009 Legislative Session. **Work Program #C15488**

Robin Reedy, Deputy Director for the Department of Business and Industry, introduced Susan Hahn, Accounting Technician for the department. She explained that Items 184 and 185 were basically the same as items previously considered by the Committee. Funds were being moved between fiscal years in order to facilitate the buyout of two employees whose positions were eliminated.

Cochair Mathews asked for questions; there were none.

ASSEMBLYMAN DENIS MOVED FOR APPROVAL OF ITEMS 184 AND 185.

THE MOTION WAS SECONDED BY ASSEMBLYMAN GOICOECHEA.

THE MOTION CARRIED.

#### **WORK PROGRAM REVISION RECEIVED ON JUNE 18, 2009.**

- 186. Department of Corrections – Correctional Programs – FY 2010 –** Addition of \$540,000 in Department of Justice Prison Reentry Initiative grant and \$295,607 in Department of Justice Going Home Prepared grant to provide continued funding for the Prisoner Reentry Initiative to implement an institutional and community corrections-based offender reentry program, as well as balance forward funding for the 2007 Prison Reentry Initiative grant. Requires Interim Finance approval since the amount added to the Prison Reentry Initiative Grant exceeds \$50,000. **Work Program #C15225**

Refer to motion for approval under Item H.

## RECLASSIFICATIONS

Agency	Agency/ Account Number	Position Number	Present Class Title, Class Code, Grade & Salary	Proposed Class Title, Class Code, Grade & Salary
Secretary of State	040/1050	0151	Administrative Assistant II, Code: 2.212, grade 25, step 02, \$31,403.52 Employer/Employee Paid Retirement	Program Officer I, Code: 7.649, grade 31, step 01, \$38,523.60 Employer/Employee Paid Retirement
Corrections/ Correctional Programs	440/3711	0302	Correctional Casework Spec. II, Code: 12.559, grade 38, step 01, \$51,865.92 Employee/Employer Paid Retirement	Program Officer I, Code: 7.649, grade 31, step 01, \$38,523.60 Employee/Employer Paid Retirement
Corrections/ Correctional Programs	440/3711	0303	Correctional Casework Spec. II, Code: 12.559, grade 38, step 01, \$51,865.92 Employee/Employer Paid Retirement	Program Officer I, Code: 7.649, grade 31, step 01, \$38,523.60 Employee/Employer Paid Retirement
PS/Emergency Management	101/3673	0020	Grants and Projects Analyst III, Code: 7.753, grade 37, step 10, \$74,082.24 Employee/Employer Paid Retirement	Emergency Management Programs Manager, Code: 11.603, grade 39, step 10, \$81,139.68 Employee/Employer Paid Retirement
DCNR/State Parks	704/4162	0198	Park Ranger I Non- Commissioned, Code: 1.923, grade 30, step 01, \$33,491.52 Employer Paid Retirement	Park Ranger II Commissioned, Code: 13.142, grade 35, step 01, \$41,321.52 Employer Paid Retirement
DCNR/State Parks	704/4162	0073	Park Ranger II Commissioned, Code: 13.142, grade 35, step 10, \$67,692.96 Employee/Employer Paid Retirement	Park Ranger II Non- Commissioned, Code: 01.922, grade 33, step 10, \$61,950.96 Employee/Employer Paid Retirement
DCNR/State Parks	704/4162	0151	Landscape Architect Supervisor Code: 6.729, grade 40, step 01, \$51,364.80 Employer Paid Retirement	Conservation Staff Specialist II Code: 1.810, grade 36, step 01, \$43,179.84 Employer Paid Retirement

Refer to motion for approval under Item H.

**\*J. APPOINTMENT OF THE SUBCOMMITTEE TO REVIEW STATE PUBLIC WORKS BOARD MATTERS – NRS 218.6827.**

Cochair Mathews said the first names announced for this particular committee would serve as the chairs. Members were: Senator Coffin, Senator Mathews, and Senator Raggio.

Assemblywoman Smith announced the Assembly members: Assemblywoman Smith, Assemblyman Hogan, and Assemblyman Grady.

SENATOR COFFIN MOVED FOR APPROVAL.

ASSEMBLYMAN ANDERSON SECONDED THE MOTION

THE MOTION CARRIED.

**\*K. APPOINTMENT OF THE COMMITTEE ON INDUSTRIAL PROGRAMS – NRS 209.4817.**

Cochair Mathews announced the Senate members: Senator Parks and Senator Rhoads.

Assemblywoman Smith announced the Assembly members: Assemblyman Denis and Assemblyman Hambrick.

Cochair Mathews announced the public members who had agreed to continue: Michael Mackenzie, Mike Magnani, Bruce Aguilera, and Allen Puliz.

Cochair Mathews added that the committee would select the chair.

ASSEMBLYMAN ANDERSON MOVED FOR APPROVAL.

SENATOR AMODEI SECONDED THE MOTION.

THE MOTION CARRIED.

**\*L. APPOINTMENT OF THE SUBCOMMITTEE FOR FEDERAL STIMULUS OVERSIGHT – A.C.R. 34, 2009 SESSION.**

Cochair Mathews announced the Senate members: Senator Schneider, Senator Breeden, Senator Mathews, Senator Horsford, Senator Raggio, and Senator Townsend.

Assemblywoman Smith announced the Assembly members: Assemblyman Atkinson, Assemblyman Conklin, Assemblywoman Leslie, Assemblywoman Smith, Assemblyman Goicoechea, and Assemblyman Hardy.

Assemblywoman Buckley stated that the committee would be chaired by the Assembly, and she nominated Assemblywoman Smith as chair.

Cochair Mathews called for a motion to approve the committee membership, as well as the appointment of Assemblywoman Smith as chair.

ASSEMBLYWOMAN BUCKLEY MOVED FOR APPROVAL.

THE MOTION WAS SECONDED BY ASSEMBLYWOMAN McCLAIN.

THE MOTION CARRIED.

- \*M. APPROVAL OF REQUEST BY THE DIVISION OF STATE PARKS, DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES, TO UTILIZE EXCESS FEE REVENUE IN ACCORDANCE WITH NRS 407.0762.

In the absence of representatives from the Division of State Parks, Mr. Ghiggeri explained that Item M was a request by the division to use what they termed overage funds to make repairs to the wagon shelter at the Mormon Station. The cost of the repairs was \$35,000. He said staff had no issues with the request. He clarified that statute required IFC approval of amounts in excess of \$25,000, and the estimated cost was \$35,000.

ASSEMBLYMAN HARDY MOVED FOR APPROVAL OF ITEM M.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED.

- O. APPROVAL OF CONSULTANT CONTRACTS, PER ASSEMBLY BILL 463, 2009 SESSION (CHAPTER 463).

Mr. Ghiggeri reported that there were two items in Item O ([Exhibit D](#)) that were held out for approval by the Committee. The first was Item 14, the Division of Health Care Financing and Policy's Medicaid contract with First Health Services Corporation. He noted there were two potential additional amendments to that contract; a handout had been provided to Committee members that explained them ([Exhibit E](#)).

Mr. Ghiggeri said the issue to be reviewed by the Committee was the extension of the contract with First Health for the period of July 1 through July 31. If the Committee did not meet, then after July 31 there would be extensions for the months of August and September to facilitate the continued payments of claims by First Health.

ASSEMBLYWOMAN SMITH MOVED TO APPROVE ITEM O-14, TO INCLUDE THE AMENDMENT AND TWO ADDITIONAL AMENDMENTS.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED.

Mr. Ghiggeri stated the second issue was with Item 31, a contract between the Nevada Agency for Nuclear Projects and Strolin Consulting, LLC.

Mr. Bruce Breslow, Executive Director, Agency for Nuclear Projects, explained that the agency had made a proposal to the Ways and Means and Senate Finance Committees to reduce its budget from seven employees to four employees, with one retiring to become part-time. He said the request was in the closing budget, and this specific contract was spelled out in the closing budget. Mr. Breslow had already terminated another consultant in order to fund this contract. He wanted to make sure he followed the letter of the law with Assemblywoman Smith's new bill, which required submission of contracts not only to the Interim Finance Committee, but to the Board of Examiners.

Assemblywoman Smith said there had been a lot of discussion about this issue, and in her mind this was the perfect example of the time when this type of expertise was needed. She had no issue at all with the contract and would move for approval.

ASSEMBLYWOMAN SMITH MOVED FOR APPROVAL OF ITEM 0-31.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

THE MOTION CARRIED.

Assemblywoman Smith remarked she had a couple of general questions on this item. This was a new procedure and there were still questions as to the process, but she was not sure who she should address questions to as far as the items on the list. She asked Mr. Clinger if someone was screening the contracts to see if they fit the criteria as far as the cooling off period and other issues were concerned.

Mr. Clinger replied the contracts on the list that were approved by the Board of Examiners the previous week were due to the Department of Administration in May, which was obviously before A.B. 463 was passed. He said there was no screening process in place on consultants or other issues as outlined in the bill. His office was still in the process of developing the procedures, which he hoped to submit to the July Board of Examiners meeting for its approval and then have the screening process in place.

As far as screening the LLCs to make sure there were no state employees involved, Mr. Clinger said that would be more difficult to do and he was not yet sure how it would be accomplished.

Assemblywoman Smith said that was her concern. She was recalling a purchasing agreement she had seen; she meant to talk to Greg Smith, but had not had an opportunity to do so. The Purchasing Division actually indicated on the contract if state employees were involved.

Mr. Clinger said one item that had been discussed was adding questions to the contract summaries that would address the questions that needed to be asked related to

A.B. 463. For example, does this company employ a current state employee or a retired state employee? It would be the responsibility of the agencies to answer those questions and report whether those entities with which they were contracting did in fact employ current or former state employees.

Assemblywoman Smith thought that made sense; it should be the agencies' responsibility to check their procedures.

She noted Item 10, Education – Ed Cantia ([Exhibit D](#)). She thought the Board of Examiners document indicated the amount of \$24,999, but this document reflected \$192,000. She assumed something had been transposed.

Mr. Clinger said he would check on it; it could have been the total amount versus the amendment amount.

#### P. INFORMATIONAL ITEMS

Mr. Ghiggeri stated staff was not aware of any informational items that would be of concern to the Committee.

#### Q. PUBLIC COMMENT

There was no public comment.

#### R. ADJOURNMENT

Cochair Mathews adjourned the hearing at 12:35 p.m.

---

Senator Mathews, Cochair  
Interim Finance Committee

---

Lorne Malkiewicz, Director,  
Legislative Counsel Bureau and  
Secretary, Interim Finance Committee



<b>EXHIBITS</b> <b>INTERIM FINANCE COMMITTEE</b>		
<b>Exhibit</b>	<b>Witness/Agency</b>	<b>Description</b>
A	Fiscal Analysis Division Legislative Counsel Bureau	Agenda
B	Fiscal Analysis Division Legislative Counsel Bureau	Guest List
C	Fiscal Analysis Division Legislative Counsel Bureau	June 25, 2009 Meeting Packet
D	Fiscal Analysis Division Legislative Counsel Bureau	Consultant Contract Spreadsheet
E	Fiscal Analysis Division Legislative Counsel Bureau	Item O-14 – Amendments to Division of Health Care Financing/First Health Services Corporation Contract