MINUTES OF THE MAY 27, 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 May 27, 2009, at 8:15 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:

Senator Bernice Mathews, Cochair
Senator Steven Horsford, Cochair
Assemblyman Morse Arberry Jr.
Assemblyman Marcus Conklin
Assemblyman Mo Denis
Assemblywoman Heidi S. Gansert
Assemblyman Pete Goicoechea
Assemblyman Tom Grady
Assemblyman Joseph Hogan
Assemblywoman Ellen Koivisto
Assemblywoman Sheila Leslie
Assemblywoman Kathy McClain
Assemblyman John Oceguera
Assemblywoman Debbie Smith
Senator Bob Coffin
Senator Warren B. Hardy
Senator William J. Raggio
Senator Dean A. Rhoads
Senator Joyce Woodhouse

COMMITTEE MEMBERS EXCUSED:

Assemblywoman Barbara E. Buckley
Assemblyman Joseph (Joe) P. Hardy

OTHER LEGISLATORS IN ATTENDANCE:

Senator Maurice Washington

LEGISLATIVE COUNSEL BUREAU STAFF:

Lorne Malkiewich, Director, Legislative Counsel Bureau
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
Brian Burke, Principal Deputy Fiscal Analyst
Tracy Raxter, Principal Deputy Fiscal Analyst
Connie Davis, Interim Finance Committee Secretary
Vickie Kieffer, Committee Assistant

A. ROLL CALL

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

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

1. **Office of the Governor – State Fiscal Stabilization Account – FY 2009** – Addition of $217,351,168 in Federal Education Stabilization grant funds and $48,359,307 in Federal Government Services Stabilization grant funds. Requires Interim Finance approval since the amount includes State Fiscal Stabilization funds. **Work Program #C15258**

2. **Department of Education – Distributive School Account – FY 2009** – Addition of $139,626,106 in Transfer of Federal American Recovery and Reinvestment Act (ARRA) of 2009 funds. Requires Interim Finance approval since the amount includes State Fiscal Stabilization funds. **Work Program #C15260**

Andrew Clinger, Director, Department of Administration, requested approval of the two work programs listed under Item B that were related to the American Recovery and Reinvestment Act of 2009 (ARRA) passed by Congress on February 13, 2009. "The stimulus bill provided a total of $396.6 million in State Fiscal Stabilization Funds for Nevada, with $324.4 million identified for education and an additional $72.2 million identified as 'general purpose' funding."

Mr. Clinger reported that the work program listed under Item 1 established a new budget account titled Office of the Governor, State Fiscal Stabilization Account, to receive the federal Stabilization funds and to transfer $139,626,106 to the Distributive School Account. Mr. Clinger advised that the federal stimulus money received represented 67 percent of the total funding allocated to Nevada of which $217,351,168 was the education component and $48,359,307 the Government Services Stabilization component. Mr. Clinger pointed out that only $139,626,106 was requested for fiscal year 2009, and the remaining funding would be reserved and balanced forward to fiscal year 2010.

Mr. Clinger requested approval of the work program listed under Item 2 to receive the $139,626,106 in Stabilization funds for the Distributive School Account. Mr. Clinger advised that $128,608,406 of the funding would be placed in Reserve to address budget shortfalls in fiscal year 2009. Additionally, Mr. Clinger informed the Committee that the 67 percent of the stimulus funding that had been received was Phase 1 of the process, and that the remaining 33 percent would be available by September 30, 2009.

In response to a request by Cochair Mathews for the funding in dollars rather than a percentage, Mr. Clinger referenced Page 37 of the Committee's Information packet (Exhibit C) that reflected $396,582,797 as the total amount available for the state.

SENATOR RAGGIO MOVED APPROVAL OF ITEMS 1 AND 2.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Buckley and Assemblyman Hardy were not present for the vote.)

C. PUBLIC COMMENT.

There was no public comment.

Cochair Mathews announced that the next Interim Finance Committee meeting would be held on June 25, 2009.

D. ADJOURNMENT.

Cochair Mathews adjourned the hearing at 8:21 a.m.

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Senator Mathews, Cochair
Interim Finance Committee

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

EXHIBITS INTERIM FINANCE COMMITTEE		
Exhibit	**Witness/Agency**	**Description**
A	Fiscal Analysis Division, Legislative Counsel Bureau	Agenda
B	Fiscal Analysis Division, Legislative Counsel Bureau	Guest List
C	Fiscal Analysis Division, Legislative Counsel Bureau	IFC Information Packet
D		
E		
F		