

Revenue Diversions are Impacting Nevada's Counties

Prepared by the Nevada Association of Counties April 19, 2010

2007 Legislative Session

\$6M - *Property Tax – (AB 595) – Up to 3cents ad valorem tax revenue for capital projects from Clark and Washoe Counties diverted to pay for State transportation projects starting July 1, 2008.*

2008 (25th) Special Session

\$25M - *Fund for Hospital Care to Indigent Persons* diverted to the State General Fund. The Fund offsets some of the costs for treating the medically indigent for which counties have been mandated responsibility, and protects many counties against catastrophic medical claims that could devastate their budget.

\$12M - *Mineral lease revenue* diverted from rural counties where minerals were extracted to the Distributive School Account. Diversion is retroactive to the beginning of the fiscal year.

\$160M - line-of-credit against the Local Government Investment Pool is established for the State's use.

2009 Legislative Session

\$56M - *Fund for Hospital Care to Indigent Persons* sweep continued, impacting every county, including a \$38M reduction to University Medical Center.

\$66M - *Property Tax – (AB543) – 4cents ad valorem tax revenue from County operating rate diversion* reduces the available operating budgets of Clark County by \$55M and Washoe County by \$11M, further limiting their ability to provide mandated services.

\$78M - *Property Tax – (AB 543) – 5cents ad valorem tax revenue for capital projects from Clark and Washoe Counties* eliminates all available funding available for certain capital projects.

\$11M - *Sales and Use Tax Collection fee increase – (AB 552)* diversion impacts all counties.

\$11M - *Other Reductions in Health and Human Services* mostly impact Clark County and include Medicare Part D "Clawback" Payments for County Match, Child Welfare Integration Budgets, and TANF Emergency Assistance

\$26.5M in one-time and ongoing Clark County Redevelopment Agency Funds redistributed

2010 (26th) Special Session

\$54,000 - State reduction in funding to Clark County for Juvenile Justice Services

\$62M from the Clean Water Coalition, an interlocal agreement between the Clark County Reclamation District and the cities of Henderson, Las Vegas and North Las Vegas, was transferred to the State's General Fund.

\$265,000,000 - **Total Diversion of County Revenues Since July 1, 2008**

*Other actions by the Legislature have also impacted Nevada's Counties including: unfunded mandates, partial abatement of local sales and property taxes for renewable energy projects, and shifting costs as a result of reducing and placing enrollment caps on State services.

EXHIBIT H NevadaStakeholder Document consists of 1 page.

☒ Entire document provided.

A copy of the complete document is available through the Research Library (775/684-6827) or e-mail library@lcb.state.nv.us. Meeting Date: 4/21/10