

ECONOMIC FORUM

Structure and Function

- Created by the Legislature during the 1993 legislative session by Senate Bill 23. The structure and functions of the Economic Forum are established in NRS 353.226 – 353.229.
- Consists of five members appointed by the Governor who serve two-year terms. Members cannot be employees of state government, including publicly supported institutions of higher education.
 - Governor appoints all five members: three members selected by Governor, one member nominated by the Senate Majority Leader, and one member nominated by the Speaker of the Assembly.
 - Current members are:
 - John Restrepo, Linda Rosenthal, and Matthew Maddox - Governor Jim Gibbons
 - Mike Alastuey - Speaker of the Assembly Barbara Buckley
 - Andrew Martin - Senate Majority Leader Steven Horsford
- The Legislative Counsel Bureau and the Budget Division of the Department of Administration are statutorily required to provide meeting rooms, staff support, clerical assistance, etc.
- Statutorily required to provide an estimate of revenue collected by the State for general, unrestricted uses, and not for special purposes. Generally, referred to as the State General Fund Revenues when referenced relative to the Economic Forum and the state budget.
- Required by statute to prepare two official unrestricted General Fund revenue forecasts:
 - On or before December 1 in even-numbered years which must be used by the Governor in preparing the Executive Budget presented to the Legislature in January.
 - On or before May 1 in odd-numbered years which is used by the Legislature during the session in developing the legislatively-approved General Fund budget for the next biennium.
- Forecasts are prepared for the current fiscal year of the current biennium and each fiscal year of the next biennium for which the state General Fund budget will be prepared.

ECONOMIC FORUM

Process for Preparing General Fund Revenue Forecasts

- Generally, three meetings are held in the fall of even-numbered years in preparation for the official December 1 forecast used by the Governor:
 - One in late September/early October to organize the Economic Forum and review the prior forecasts compared to actual collections.
 - One in late October/early November to prepare a preliminary General Fund revenue forecast for the current fiscal year of the current biennium and each fiscal year of the next biennium.
 - One in late November/December 1 to prepare official General Fund revenue forecast to be used in preparing the Executive Budget.
- Only one meeting is held in late April/May 1 of odd-number years to prepare the May 1 official forecast used by the Legislature in developing the legislatively-approved budget.
- Although responsible for approving a forecast for all unrestricted General Fund revenue sources, the Economic Forum formally reviews and prepares forecasts for the state’s major revenue sources.
 - Forecasts for the “non-major” revenue sources are prepared by the Technical Advisory Committee to the Economic Forum (TAC) and presented to the Economic Forum for consideration and approval.
- Forecasts for the major General Fund revenue sources are prepared by the Fiscal Analysis Division, Budget Division, staff from specific agencies responsible for collecting the revenue source, and a national forecasting firm for the state sales tax and gaming percentage fee tax.

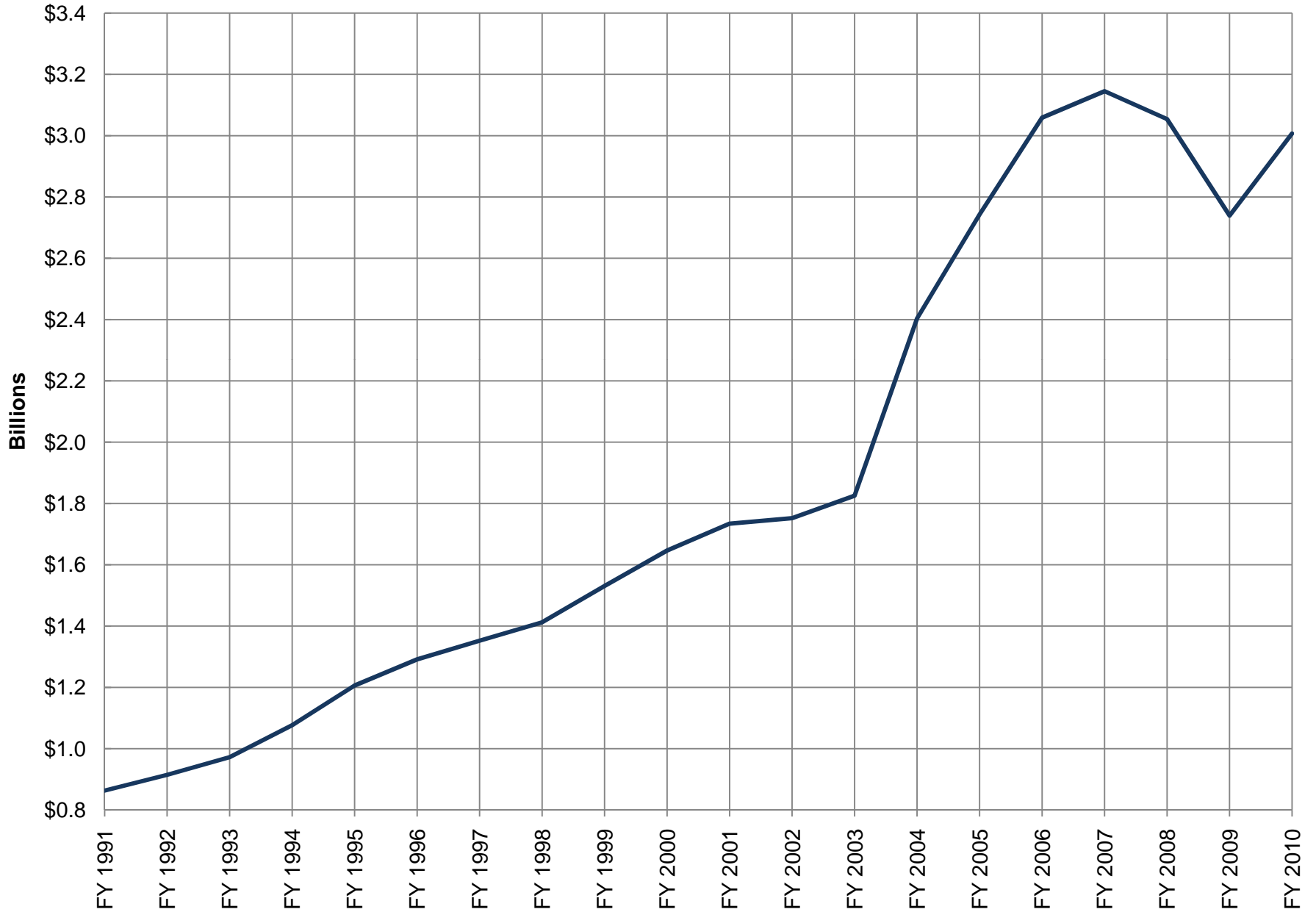
ECONOMIC FORUM

Major General Fund Revenues for FY 2010 – Actual Collections

- The list of major General Fund revenue sources has varied slightly since the inception of the Economic Forum, mainly due to tax changes. The major revenue sources considered by the Economic Forum for FY 2010 at its January 22, 2010, meeting were:

<u>Revenue Source</u>	<u>FY 2010 Actual Collections (Millions)</u>	<u>% of Total GF Revenues</u>
State 2% Sales Tax	\$755.3	25.1%
Gaming Percentage Fee Tax	\$630.5	21.0%
Insurance Premium Tax	\$233.9	7.8%
Modified Business Tax		
Nonfinancial Businesses	\$363.4	12.1%
Financial Businesses	\$21.7	0.7%
Live Entertainment Tax-Gaming	\$108.2	3.6%
Real Property Transfer Tax	\$53.3	1.8%
Cigarette Tax	\$88.5	2.9%
Room Tax	\$97.6	3.2%
Commercial Recording Fees (SOS)	\$68.7	2.3%
TOTAL-MAJOR REVENUES	\$2,421.4	80.5%
ALL OTHER REVENUES	\$585.7	19.5%
TOTAL GENERAL FUND REVENUE	\$3,007.0	

Total State Unrestricted General Fund Revenue Actual: FY 1991 - FY 2010



Economic Forum Total General Fund Revenue Forecasts: FY 2006 to FY 2011

