

MINUTES OF THE JANUARY 22, 2015
MEETING OF THE
INTERIM FINANCE COMMITTEE
LEGISLATIVE COUNSEL BUREAU
Carson City, Nevada

Chairman Ben Kieckhefer called a regular meeting of the Interim Finance Committee (IFC) to order at 8:01 a.m. on January 22, 2015, in Room 4100 of the Nevada Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer Office Building, 555 East Washington Avenue, Las Vegas. [Exhibit A](#) is the Agenda and [Exhibit B](#) is the Meeting Packet. All exhibits are available and on file at the Fiscal Analysis Division of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Ben Kieckhefer, Chairman
Assemblyman Paul Anderson, Vice Chair
Assemblyman Derek Armstrong
Assemblywoman Teresa Benitez-Thompson
Assemblywoman Irene Bustamante Adams
Assemblywoman Maggie Carlton
Assemblywoman Jill Dickman
Assemblyman Chris Edwards
Assemblyman John Hambrick
Assemblyman Pat Hickey
Assemblywoman Marilyn Kirkpatrick
Assemblyman Randy Kirner
Assemblyman James Oscarson
Assemblyman Michael Sprinkle
Assemblywoman Heidi Swank
Assemblywoman Robin Titus
Senator Pete Goicoechea
Senator Mark Lipparelli
Senator David Parks
Senator Michael Roberson
Senator Debbie Smith
Senator Joyce Woodhouse

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Rick Combs, Director, Legislative Counsel Bureau
Brenda Erdoes, Legislative Counsel
Eileen O'Grady, Chief Deputy Legislative Counsel
Mark Krmpotic, Fiscal Analyst, Senate
Cindy Jones, Fiscal Analyst, Assembly

Alex Haartz, Principal Deputy Fiscal Analyst
Stephanie Day, Principal Deputy Fiscal Analyst
Sherie Silva, Interim Finance Committee Secretary
Cheryl Harvey, Fiscal Analysis Division Secretary

Chairman Kieckhefer greeted Committee members, members of the public attending in Carson City and Las Vegas, and those listening on the Internet. He asked the secretary to call roll.

A. ROLL CALL.

Brenda Erdoes, Legislative Counsel, Legislative Counsel Bureau, called the roll; a quorum was present in both houses.

B. PUBLIC COMMENT.

Chairman Kieckhefer asked if anyone in the audience in Carson City or Las Vegas wished to testify.

Dr. Mary Siders, environmental scientist, stated that she was attending the meeting on her own time and was not representing her agency. She had a proposal that would save Nevada taxpayers millions of dollars, better protect Nevada's scarce water resources, and fairly compensate Nevada state employees.

Dr. Siders distributed a one-page summary of her proposal and backup information to the members ([Exhibit C](#)). She explained that the three items she had mentioned were interrelated, and work on the first two would depend on resolving the third. In identifying the problem, she had looked at other states, as well as private-sector position classes and salaries, and the median salaries for state employees who were environmental scientists were far below the median salaries in other states and the private sector.

Dr. Siders said she had submitted a public information request to the State of Nevada and the State of Colorado asking how their compensation analyses were performed, and she learned that Nevada had used a sample size of one, which was not adequate. The one private-sector position used as a comparison to state senior-level scientists was an entry-level technician. A major consequence of the inappropriate compensation analysis was that it made it difficult to attract and retain highly qualified state employees with the technical expertise needed to provide effective oversight of private-sector consultants, which allowed for some out-of-control private-sector costs.

Dr. Siders recalled that in 2001, the Legislature provided a legislative adjustment for the staff engineer classification. Staff engineers and environmental scientists performed exactly the same work, and they often exchanged cases. She suggested that a short-term fix would be to provide the same legislative adjustment for the environmental scientist (ES) classification that was given to staff engineers in 2001. A long-term solution would be to have Nevada's Division of Human Resource

Management conduct a more appropriate comparison for the classification and compensation analysis. She pointed out that the competition for math- and science-degreed individuals would only increase as more technology-based companies came to the state, and the state needed to assure a competent and skilled workforce working on behalf of its citizens.

In summary, Dr. Siders requested that the Legislature consider providing a legislative salary adjustment for environmental scientists, the state's ES series classification.

Chairman Kieckhefer asked for further public testimony, and there was none.

C. APPROVAL OF THE MINUTES OF THE October 22, 2014,
MEETING.

ASSEMBLYMAN KIRNER MOVED TO APPROVE THE MINUTES
OF THE OCTOBER 22, 2014, COMMITTEE MEETING.

SENATE GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED. (Senators Roberson and Smith were not
present for the vote.)

D. ALLOCATION OF FEDERAL GRANT FUNDS FOR WHICH A STATE
AGENCY, COMMISSION OR DEPARTMENT HAS REQUESTED A
PUBLIC HEARING PURSUANT TO NRS 353.337.

1. **Department of Health and Human Services - Public and Behavioral Health - Chronic Disease - FY 2015** - Deletion of \$2,955 in federal Maternal Child and Health Services Block grant funds transferred from the Maternal Child Health (MCH) Services account and transfer of \$10,051 from the Personnel Services category to the Transfer from MCH category for data collection, assessment activities and subject matter expertise in oral health, obesity prevention, and wellness. **Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing. Work Program #C31503**

Chairman Kieckhefer opened the public hearing on Agenda Item D-1, Department of Health and Human Services, Public and Behavioral Health, Chronic Disease. The item required a public hearing because it involved the allocation of block grant funds. He asked for public comment and hearing none, he closed the public hearing and called for a motion.

ASSEMBLYMAN OSCARSON MOVED TO APPROVE AGENDA
ITEM D-1.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED. (Senators Roberson and Smith were not present for the vote.)

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

1. **Department of Health and Human Services-Child and Family Services - Rural Child Welfare - FY 2015** - Addition of \$2,096,543 in Federal Adoption Incentive Payments Program grant funds designed to encourage states to finalize adoptions of children from foster care, with additional incentives for adopting foster children with special needs and older child adoptions. Requires Interim Finance approval since the amount added to the Adoption Incentive Payments category exceeds \$75,000. **Work Program #C31608**
2. **Department of Public Safety - Emergency Management - FY 2015** - Addition of \$90,880 in Department of Emergency Management Federal Emergency Management Agency (FEMA) 4202 grant funds transferred from the Nevada Department of Public Safety - Emergency Management Assistance Grants account to support the widespread flooding that impacted the Moapa Band of the Paiutes Reservation located in Clark County. Requires Interim Finance approval since the amount added to the FEMA 4202 Moapa Tribe category exceeds \$75,000. **Relates to Work Program E. 3. Work Program #C31607**
3. **Department of Public Safety - Emergency Management Assistance Grants - FY 2015** - Addition of \$2,720,970 in Federal Emergency Management Agency (FEMA) grant funds to accept an award related to the widespread flooding impacting the Moapa Band of the Paiutes Reservation located in Clark County. Requires Interim Finance approval since the amount added to the FEMA 4202 Moapa Tribe category exceeds \$75,000. **Relates to Work Program E. 2. Work Program #C31606**

Chairman Kieckhefer explained that the three work programs in Agenda Item E were expeditious items that were required to be approved within 15 days. The work programs were for the Committee's information only and no action was required.

F. APPROVAL OF GIFTS, GRANTS, WORK PROGRAM REVISIONS AND POSITION CHANGES IN ACCORDANCE WITH CHAPTER 353 OF NRS.

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, announced that Agenda Item F-31, Department of Health and Human Services (DHHS), Division of Public and Behavioral Health, Maternal Child Health Services, and items F-46 and F-47, DHHS, Division of Child and Family Services, involved the allocation of block grant funds and required a public hearing. No other items were identified by the Committee for testimony or discussion.

Mr. Krmpotic noted that Agenda Item F-8, Department of Administration, Enterprise Information Technology Services, Telecommunications, and item F-13, Department of Education, Discretionary Grants, Restricted, had been withdrawn.

Chairman Kieckhefer opened the public hearing on all items in Agenda Item F, with the exception of items F-8 and F-13, which had been withdrawn. There was no public comment, and he closed the public hearing.

SENATOR SMITH MOVED TO APPROVE THE WORK PROGRAM REVISIONS AND POSITION CHANGES IN AGENDA ITEM F, WITH THE EXCEPTION OF ITEMS F-8 AND F-13.

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Work Programs

1. **Office of the Governor - State Energy Office - Renewable Energy, Energy Efficiency and Energy Conservation Loans Program - FY 2015** - Transfer of \$114,572 from the Reserve category to the Energy Loans category to fund current revolving loan disbursements for approved energy projects. Requires Interim Finance approval since the amount transferred to the Energy Loans category exceeds \$75,000. **Work Program #C31748**

Refer to motion for approval under Agenda Item F.

2. **Office of the Attorney General - Violence Against Women Grants - FY 2015** - Addition of \$1,311,529 in federal Violence Against Women Act (VAWA) - Services Training Officers Prosecution (STOP) grant funds and \$351,079 in federal VAWA Sexual Assault Services Provider grant funds to increase victim safety and recovery and perpetrator accountability by providing victim services and perpetrator consequences. Requires Interim Finance approval since the amount added to the STOP Grant category exceeds \$75,000. **Work Program #C31638**

Refer to motion for approval under Agenda Item F.

3. **Office of the Attorney General - Violence Against Women Grants - FY 2015** - Addition of \$200,000 in federal Sentencing, Monitoring, Apprehending, Registering and Tracking (SMART) Office grant funds to enhance statewide compliance with the federal Sex Offender Registration and Notification Act by increasing local sex offender sweeps and registration compliance in rural jurisdictions. Requires Interim Finance approval since the amount added to the SMART Grant category exceeds \$75,000. **Work Program #C31635**

Refer to motion for approval under Agenda Item F.

4. **Office of the Attorney General-Victims of Domestic Violence - FY 2015 -** Deletion of \$36,758 in Services Training Officers Prosecution grant funds transferred from the Violence Against Women Grants account to align funding for the statewide Victim Information and Notification Everyday (VINE) system and respond to victim fatalities caused by intimate partners. Requires Interim Finance approval since the amount deducted from the VINE Expenses category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C31641**

Refer to motion for approval under Agenda Item F.

5. **Treasurer's Office - Millennium Scholarship Administration - FY 2015 -** Deletion of \$40,591 in funds transferred from the Endowment Trust account due to the elimination of an Administrative Aid position and the approval of a Management Analyst position in the Higher Education Tuition Program account that was approved in Fiscal Year 2014. Requires Interim Finance approval since the amount deleted from the Personnel Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C30696**

Refer to motion for approval under Agenda Item F.

6. **Department of Administration - Division of Human Resource Management - FY 2015 -** Transfer of \$33,342 from the Reserve for Agency Human Resource Services (AHRs) category to the AHRs category to fund the office move of the AHRs staff. Requires Interim Finance approval since the amount transferred to the AHRs category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C31639**

Refer to motion for approval under Agenda Item F.

7. **Department of Administration-Enterprise IT Services - Telecommunications - FY 2015 -** Transfer of \$166,500 from the Reserve category to the Telephone Watts and Tolls category to fund projected telecommunication maintenance for the remainder of the fiscal year. Requires Interim Finance approval since the amount transferred to the Telephone Watts and Tolls category exceeds \$75,000. **Work Program #C31740**

Refer to motion for approval under Agenda Item F.

8. **Department of Administration-Enterprise IT Services - Telecommunications - FY 2015 -** Transfer of \$198,828 from the Reserve category to the Telephone Watts and Tolls category to fund the remaining telecommunication equipment needed for the completion of the Statewide Telephone System upgrade. Requires Interim Finance approval since the amount transferred to the Telephone Watts and Tolls category exceeds \$75,000. **Work Program #C31758. WITHDRAWN.**

9. **Department of Administration - Risk Management - Insurance and Loss Prevention - FY 2015** - Transfer of \$361,442 from the Workers' Compensation Reserve category to the Workers' Compensation Captive category to cover heart and lung cancer claims through Fiscal Year 2015. Requires Interim Finance approval since the amount transferred to the Workers' Compensation Captive category exceeds \$75,000. **Work Program #C31709**

Refer to motion for approval under Agenda Item F.

10. **Department of Education - Educational Trust Account - FY 2015** - Transfer of \$60,173 from the Reserve category to the Transfer to Education category to fund costs for a statewide curriculum database associated with the implementation of the recommendations of the Common Core State Standards Implementation and Professional Development Team. Requires Interim Finance approval since the amount transferred to the Transfer to Education category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM F. 11. Work Program #C31699**

Refer to motion for approval under Agenda Item F.

11. **Department of Education - State Programs - FY 2015** - Addition of \$60,173 in Transfers from the Educational Trust Fund account to complete the development of a statewide curriculum database for the implementation of Common Core Standards. Requires Interim Finance approval since the amount added to the Common Core Standards Implementation Team category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM F. 10. Work Program #C31700**

Refer to motion for approval under Agenda Item F.

12. **Department of Education - GEAR UP - FY 2015** - Addition of \$1,550,593 in federal Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) grant funds to align state and federal authority to continue programs to improve educational opportunities for economically disadvantaged children. Requires Interim Finance approval since the amount added to the GEAR UP Aid to Schools category exceeds \$75,000. **Work Program #C31692**

Refer to motion for approval under Agenda Item F.

13. **Department of Education - Discretionary Grants - Restricted - FY 2015** - Addition of \$3,202,930 in federal Preschool Development grant funds to fund the development and expansion of high-quality preschool programs in high-need communities for children from low and moderate income families. Requires Interim Finance approval since the amount added to the Nevada Ready - High Quality Preschool category exceeds \$75,000. **Work Program #C31772 . WITHDRAWN.**

14. **Department of Education - Continuing Education - FY 2015** - Addition of \$1,250,828 in federal Adult Basic Education grant funds to align federal and state authority for the continuation of this program. Requires Interim Finance approval since the amount added to the Adult Basic Education Aid to Schools category exceeds \$75,000. **Work Program #C31697**

Refer to motion for approval under Agenda Item F.

15. **Department of Agriculture - Nutrition Education Programs - FY 2015** - Addition of \$270,902 in federal U.S. Department of Agriculture - National School Lunch Program (NSLP) Equipment grant funds to award equipment assistance subgrants to eligible school food authorities. Requires Interim Finance approval since the amount added to the NSLP School Equipment Grant category exceeds \$75,000. **Work Program #C31679**

Refer to motion for approval under Agenda Item F.

16. **Department of Agriculture - Registration and Enforcement - FY 2015** - Transfer of \$43,043 from the Reserve category to the Transfer to Pest, Plant Disease, Noxious Weed Control category to partially fund an Agriculturalist position responsible for the daily management of the Noxious Weed Program. Requires Interim Finance approval since the amount added to the Transfer to Pest, Plant Disease Noxious Weed Control category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C31687**

Refer to motion for approval under Agenda Item F.

17. **Department of Agriculture - Registration and Enforcement - FY 2015** - Addition of \$115,584 in federal U.S. Environmental Protection Agency (EPA) - Pesticide Performance Partnership grant funds to fund a regional inspector training on urban pesticide issues. Requires Interim Finance approval since the amount added to the EPA Pesticide Enforcement category exceeds \$75,000. **Work Program #C31612**

Refer to motion for approval under Agenda Item F.

18. **Department of Agriculture - Veterinary Medical Services - FY 2015** - Addition of \$77,075 in federal West Nile Virus grant funds transferred from the Department of Health and Human Services - Division of Public and Behavioral Health to mitigate the risk of the West Nile Virus in Nevada. Requires Interim Finance approval since the amount added to the West Nile Surveillance category exceeds ~~\$75,000~~ **10 percent of the legislatively approved amount for that category.** **Work Program #C31659. REVISED 1-6-15.**

Refer to motion for approval under Agenda Item F.

19. **Department of Health and Human Services - Director's Office - Public Defender - FY 2015** - Addition of \$31,799 in federal John R. Justice Program grant funds to allow payments to lending institutions for qualifying loans of recently graduated attorneys working in the public sector. Requires Interim Finance approval since the cumulative amount added to the John R. Justice Program Grant category exceeds \$75,000. **Work Program #C31629**

Refer to motion for approval under Agenda Item F.

20. **Department of Health and Human Services-Aging and Disability Services - Federal Programs and Administration - FY 2015** - Addition of \$96,681 in federal Aging and Disability Resource Center (ADRC) grant funds to continue needed services and education to veterans, as well as the aging and disabled populations in Nevada. Authority also includes an ADRC planning grant to develop a No Wrong Door System for long-term services and supports by streamlining access to programs and services. Requires Interim Finance approval since the amount added to the ADRC Grant category exceeds \$75,000. **Work Program #C31533**

Refer to motion for approval under Agenda Item F.

21. **Department of Health and Human Services-Aging and Disability Services - Federal Programs and Administration - FY 2015** - Addition of \$93,845 in federal Medicare Improvements for Patients and Providers Act (MIPPA) for Beneficiary Outreach and Assistance grant funds to continue providing outreach and assistance to Medicare beneficiaries. Requires Interim Finance approval since the amount added to the MIPPA Grant category exceeds \$75,000. **Work Program #C31660**

Refer to motion for approval under Agenda Item F.

22. **Department of Health and Human Services-Public and Behavioral Health - Radiation Control - FY 2015** - Addition of \$65,000 in federal Environmental Protection Indoor Radon Grant Program funds and transfer of \$67 from the Division Cost Allocation category to the Indoor Radon Grant category to provide education and public awareness of radon and the associated risk for developing lung cancer, promote testing and mitigation of existing housing stock, and provide measurement and mitigation advise to home owners in Nevada. Requires Interim Finance approval since the amount added to the Indoor Radon Grant category exceeds 10 percent of the legislative approved amount for that category. **Work Program #C31614**

Refer to motion for approval under Agenda Item F.

23. **Department of Health and Human Services-Public and Behavioral Health - Radiation Control - FY 2015** - Transfer of \$19,834 from the Reserve category to the Operating category, \$88,295 from the Transfer to 3216-Program Support

category to the Operating category and \$178,485 from the Reserve category to the Division Cost Allocation category to fund increased federal indirect rate costs, additional cost for internet bandwidth, and temporary contract staff to meet workload needs. Requires Interim Finance approval since the amount transferred to the Division Cost Allocation category exceeds \$75,000. **Work Program #C31658**

Refer to motion for approval under Agenda Item F.

- 24. Department of Health and Human Services-Public and Behavioral Health - Health Facilities Hospital Licensing - FY 2015** - Transfer of \$66,261 from the Reserve category to the In-State Travel category and \$7,686 from the Reserve category to the Division Cost Allocation category to allow the Health Care Quality and Compliance Program to travel to health care facilities throughout the state to perform inspections, surveys, and investigate complaints. Requires Interim Finance approval since the amount transferred to the In-State Travel category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM F.26. Work Program #C31516**

Refer to motion for approval under Agenda Item F.

- 25. Department of Health and Human Services - Public and Behavioral Health - Health Facilities Hospital Licensing - FY 2015** - Addition of \$357,224 in federal Health Care Quality and Compliance Background Check Program grant funds and transfer of \$44,208 from the Personnel Services category to the Background Check Grant category for background checks of employees with direct patient access at long-term care facilities. Requires Interim Finance approval since the amount added to the Background Check Grant category exceeds \$75,000. **Work Program #C31517**

Refer to motion for approval under Agenda Item F.

- 26. Department of Health and Human Services - Public and Behavioral Health - Health Facilities Hospital Licensing - FY 2015** - Transfer of \$140,363 from the Reserve category to the Operating category, \$115,648 from the Reserve category to the Medical Lab Inspection category, and \$472,929 from the Reserve category to the Division Cost Allocation category to support contract staff for licensing, inspecting, and investigating complaints for healthcare facilities and to assure sufficient authority for payment of the division's federal indirect rate agreement. Requires Interim Finance approval since the amount transferred to the Operating category exceeds \$75,000. **RELATES TO ITEM F. 24. Work Program #C31529**

Refer to motion for approval under Agenda Item F.

27. **Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2015** - Addition of \$387,406 in federal Centers for Disease Control and Prevention Epidemiology Laboratory Capacity (ELC) for Infectious Diseases grant funds and \$230,541 in Public Health Emergency Preparedness Program grant funds transferred from the Public Health Preparedness Program account to support community partners to perform health surveillance and detection activities and epidemiological investigations. Requires Interim Finance approval since the amount added to the ELC Supplemental category exceeds \$75,000. **Work Program #C31442**

Refer to motion for approval under Agenda Item F.

28. **Department of Health and Human Services - Public and Behavioral Health - Biostatistics and Epidemiology - FY 2015** - Addition of \$30,586 in federal Viral Hepatitis - Prevention and Surveillance grant funds to expand and improve efforts to develop and disseminate viral hepatitis training and educational materials targeting health care professionals to build capacity to assess, test, and medically manage populations at risk for hepatitis and link persons infected with hepatitis with community health centers, clinics, and other health organizations. Requires Interim Finance approval since the amount added to the Federal Hepatitis category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C31637**

Refer to motion for approval under Agenda Item F.

29. **Department of Health and Human Services - Public and Behavioral Health - Maternal Child Health Services - FY 2015** - Addition of \$156,396 in federal Centers for Disease Control and Prevention - Sexual Violence Prevention and Education grant funds to provide funding to community partners who provide educational activities for kids and adults to reduce and prevent sexual violence. Requires Interim Finance approval since the amount added to the Rape Prevention and Education category exceeds \$75,000. **Work Program #C31622**

Refer to motion for approval under Agenda Item F.

30. **Department of Health and Human Services - Public and Behavioral Health - Maternal Child Health Services - FY 2015** - Addition of \$84,815 in federal Project Aware grant funds transferred from the Nevada Department of Education to increase the capacity for Nevada students to access mental health support by offering youth mental health first aid training to adults who come into contact with school-aged youth. Requires Interim Finance approval since the amount added to the Project Aware category exceeds \$75,000. **Work Program #C31640**

Refer to motion for approval under Agenda Item F.

31. **Department of Health and Human Services - Public and Behavioral Health - Maternal Child Health Services - FY 2015** - Addition of \$107,733 in federal Maternal and Child Health Services block grant funds to improve the health of families by providing health care education, preventative activities and quality assurance, and health care services. **Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount added to the Pre/Post Natal Program category exceeds \$75,000. Work Program #C31627**

Refer to motion for approval under Agenda Item F.

32. **Department of Health and Human Services - Public and Behavioral Health - Community Health Services - FY 2015** - Addition of \$69,091 in federal Centers for Disease Control (CDC) Bioterrorism grant funds transferred from the Public Health Preparedness Program account to improve healthcare system preparedness, collaborate with local health organizations to begin the development of crisis standards, and implement an emergency system for advance registration of volunteer health professionals to improve volunteer recruitment and coordination. **Requires Interim Finance approval since the amount added to the CDC Public Health Preparedness category exceeds 10 percent of the legislatively approved amount for that category. Work Program #C31552**

Refer to motion for approval under Agenda Item F.

33. **Department of Health and Human Services - Public and Behavioral Health - Northern Nevada Adult Mental Health Services - FY 2015** - Transfer of \$321,750 from the Medications category to the Transitional Living category to continue to serve clients receiving housing services. **Requires Interim Finance approval since the amount transferred to the Transitional Living category exceeds \$75,000. Work Program #C31653**

Refer to motion for approval under Agenda Item F.

34. **Department of Health and Human Services - Public and Behavioral Health - Northern Nevada Adult Mental Health Services - FY 2015** - Transfer of \$148,083 from the Medications category to the Criminal Justice Diversion category to provide housing and behavioral health wrap around services to individuals released from jails, prisons, and forensic behavioral health institutions. **Requires Interim Finance approval since the amount transferred to the Criminal Justice Diversion category exceeds \$75,000. Work Program #C31654**

Refer to motion for approval under Agenda Item F.

- 35. Department of Health and Human Services-Child and Family Services - Children, Youth and Family Administration - FY 2015** - Addition of \$51,810 in federal Statewide Victim Assistance Academy grant funds, \$47,945 in federal grant funds transferred from the Rural Child Welfare account and deletion of \$5,937 in federal Victims of Crime Act - Victims Assistance grant funds, \$16,795 in federal Victims Family Violence and Prevention Services Act grant funds, \$3,723 in federal Chafee Foster Care Independence Program grant funds, \$6,057 in federal Child Abuse Prevention and Treatment grant funds, \$881 in federal Educational and Training Vouchers Program grant funds, \$11,526 in federal Children's Justice Act grant funds, \$3,407 in federal Title IV-B, Subpart II grant funds, and \$21,739 in federal Dependency Mothers Drug Court Program - Methamphetamine grant funds to realign grant authority and continue development and implementation of Nevada's first Statewide Victim Assistance Academy. Requires Interim Finance approval since the cumulative amount added to the State Victims Assistance Academy category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEMS F. 36, 37, 38, 39, 40, 41, 42, 43. Work Program #C31421**

Refer to motion for approval under Agenda Item F.

- 36. Department of Health and Human Services-Child and Family Services - Children, Youth and Family Administration - FY 2015** - Addition of \$2,453,035 in federal Victims of Crime Act (VOCA) - Victims Assistance grant funds to continue support for direct service providers to respond to the emotional and physical needs of crime victims, assist primary and secondary victims of crime to stabilize their lives after victimization, assist victims to understand and participate in the criminal justice system, and provide victims of crime with a measure of safety and security. Requires Interim Finance approval since the amount added to the U.S. Crime Victims category exceeds \$75,000. **RELATES TO ITEM F. 35. Work Program #C31633**

Refer to motion for approval under Agenda Item F.

- 37. Department of Health and Human Services-Child and Family Services - Children, Youth and Family Administration - FY 2015** - Addition of \$185,007 in federal Family Violence and Prevention Services Act grant funds to continue support of emergency shelter and related assistance for victims of domestic violence and their children. Requires Interim Finance approval since the amount added to the Family Violence category exceeds \$75,000. **RELATES TO ITEM F.35. Work Program #C31644**

Refer to motion for approval under Agenda Item F.

- 38. Department of Health and Human Services-Child and Family Services - Children, Youth and Family Administration - FY 2015** - Addition of \$838,919 in federal Chafee Foster Care Independence Program grant funds to continue to assist current and former foster youth achieve self-sufficiency prior to, and after,

exiting the foster care system. Requires Interim Finance approval since the amount added to the Independent Living category exceeds \$75,000. **RELATES TO ITEM F. 35. Work Program #C31664**

Refer to motion for approval under Agenda Item F.

- 39. Department of Health and Human Services-Child and Family Services - Children, Youth and Family Administration - FY 2015** - Addition of \$308,998 in federal Child Abuse Prevention and Treatment Act grant funds to prevent, assess, identify, and treat child abuse and neglect. Requires Interim Finance approval since the amount added to the Child Abuse and Neglect category exceeds \$75,000. **RELATES TO ITEM F. 35. Work Program #C3167**

Refer to motion for approval under Agenda Item F.

- 40. Department of Health and Human Services-Child and Family Services - Children, Youth and Family Administration - FY 2015** - Addition of \$109,042 in federal Educational and Training Vouchers Program grant funds to continue to assist current and former foster youth in payment of tuition to attend an institution of higher education. Requires Interim Finance approval since the amount added to the Education and Training Voucher category exceeds \$75,000. **RELATES TO ITEM F. 35. Work Program #C31683**

Refer to motion for approval under Agenda Item F.

- 41. Department of Health and Human Services-Child and Family Services - Children, Youth and Family Administration - FY 2015** - Addition of \$37,716 in federal Children's Justice Act grant funds to continue to improve the investigation, prosecution, and judicial handling of cases of child abuse and neglect in a manner that limits the trauma to the child victim. Requires Interim Finance approval since the amount added to the Children's Justice Act Grant category exceeds 10 percent of the legislatively approved amount for that category. **RELATES TO ITEM F. 35. Work Program #C31689**

Refer to motion for approval under Agenda Item F.

- 42. Department of Health and Human Services-Child and Family Services - Children, Youth and Family Administration - FY 2015** - Addition of \$1,357,678 in federal Title IV-B, Subpart II - Promoting Safe and Stable Families Program grant funds to continue to prevent the unnecessary separation of children from their families, improve the quality of care and services to children and their families, and ensure permanency for children by reuniting them with their parents, adoption, or another permanent living arrangement. Requires Interim Finance approval since the amount added to the Title IV-B, Subpart II category exceeds \$75,000. **RELATES TO ITEM F. 35. Work Program #C31693**

Refer to motion for approval under Agenda Item F.

43. **Department of Health and Human Services-Child and Family Services - Children, Youth and Family Administration - FY 2015** - Addition of \$386,079 in federal Dependency Mothers Drug Court Program grant funds to continue regional partnerships for the purpose of improving outcomes for children and families who are affected by methamphetamine or other substance use disorders. Requires Interim Finance approval since the amount added to the Methamphetamine Grant category exceeds \$75,000. **RELATES TO ITEM F. 35. Work Program #C31696**

Refer to motion for approval under Agenda Item F.

44. **Department of Health and Human Services-Child and Family Services - Children, Youth and Family Administration - FY 2015** - Transfer of \$47,088 from the Personnel Services category to the Temporary Contract Staffing category to fund a temporary contract for a Grants Project Analyst position to assist in managing approximately 140 subgrantees. Requires Interim Finance approval since the amount transferred to the Temporary Contract Staffing category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C31621**

Refer to motion for approval under Agenda Item F.

45. **Department of Health and Human Services-Child and Family Services - Child Welfare Trust - FY 2015** - Addition of \$64,616 in Social Security Administration Reimbursement funds to align revenue authority with projected receipts to offset the cost of care for the Rural Child Welfare program. Requires Interim Finance approval since the amount added to the Payments to Budget Account 3229 category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C31440**

Refer to motion for approval under Agenda Item F.

46. **Department of Health and Human Services-Child and Family Services - Northern Nevada Child and Adolescent Services - FY 2015** - Addition of \$64,309 in Community Mental Health Services (CMHS) block grant funds transferred from the Public and Behavioral Health account to provide continued services and maintain full access to all behavioral health care services for families not covered by a health care plan. **Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount added to the CMHS Respite and Placement Prevention Services category exceeds 10 percent of the legislatively approved amount for that category. Work Program #C30562**

Refer to motion for approval under Agenda Item F.

- 47. Department of Health and Human Services-Child and Family Services - Southern Nevada Child and Adolescent Services - FY 2015** - Addition of \$79,917 in Community Mental Health Services (CMHS) block grant funds transferred from the Public and Behavioral Health account to fund Desert Willow Treatment Center psychiatry fellows who will provide psychiatric services to patients and youth in residential treatment programs. **Requires Interim Finance approval since the work program involves the allocation of block grant funds and the agency is choosing to use the IFC meeting for the required public hearing and since the amount added to the CMHS Grant category exceeds \$75,000. Work Program #C31604**

Refer to motion for approval under Agenda Item F.

- 48. Department of Employment, Training and Rehabilitation - Rehabilitation - Vocational Rehabilitation - FY 2015** - Transfer of \$40,606 from the Social Security Administration Program Income category to the Operating category, \$4,394 from the Utilities category to the Operating category, \$5,606 from the Utilities category to the Equipment category, \$3,600 from the In-State Travel category to the Equipment category, and \$1,400 from the In-State Travel category to the Information Services category to fund the relocation of Rehabilitation Division Offices in Carson City, Henderson, and Sparks. Requires Interim Finance approval since the amount transferred to the equipment category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C31739**

Refer to motion for approval under Agenda Item F.

- 49. Department of Employment, Training and Rehabilitation - Administrative Services - Information Development and Processing - FY 2015** - Addition of \$98,000 in Charges for New Hire/Welfare funds for program enhancements and modifications to the State Directory of New Hires. Requires Interim Finance approval since the amount added to the Information Services category exceeds \$75,000. **Work Program #C31698**

Refer to motion for approval under Agenda Item F.

- 50. Department of Corrections - Prison Medical Care - FY 2015** - Transfer of \$532,484 from the Personnel Services category to the Professional Services category to contract with licensed healthcare providers to maintain required medical service levels. Requires Interim Finance Approval since the amount transferred from the Personnel Services category exceeds \$75,000. **Work Program #C31556**

Refer to motion for approval under Agenda Item F.

- 51. Department of Corrections - Prison Medical Care - FY 2015** - Transfer of \$800,991 from the Inmate Drivens category to the Medical Inmate Driven Stale Claims category, transfer of \$15,337 from the Inmate Drivens category to the Uniform Allowance category, and transfer of \$4,865 from the Inmate Drivens category to the Information Services category to fund projected shortfalls for the remainder of the fiscal year. Requires Interim Finance Approval since the amount transferred from the Inmate Drivens category exceeds \$75,000. **Work Program #C31558**

Refer to motion for approval under Agenda Item F.

- 52. Department of Motor Vehicles - Central Services - FY 2015** - Transfer of \$89,264 from the Personnel Services category to the Operating category and \$52,000 from the Reversion to the Highway Fund category to the Operating category to cover projected shortfalls for expedited titles and postage. Requires Interim Finance approval since the amount transferred to the Operating category exceeds \$75,000. **Work Program #C31650**

Refer to motion for approval under Agenda Item F.

- 53. Department of Motor Vehicles - Central Services - FY 2015** - Transfer of \$147,832 from the Personnel Services category to the Data Mailers and Decals category to partially cover an unanticipated shortfall. Requires Interim Finance approval since the amount transferred to the Data Mailers and Decals category exceeds \$75,000. **Work Program #C31647**

Refer to motion for approval under Agenda Item F.

- 54. Department of Public Safety - Highway Patrol - FY 2015** - Transfer of \$21,000 from the Uniforms and Specialty Equipment category to the Lab Services category and \$50,000 from the Communication High Band System category to the Lab Services category for anticipated costs of blood draws due to an increased focus on offenders driving under the influence. Requires Interim Finance approval since the cumulative change to the Communication High Band System category exceeds \$75,000. **Work Program #C31589**

Refer to motion for approval under Agenda Item F.

- 55. Department of Public Safety - Division of Investigations - FY 2015** - Addition of \$427,833 in federal State Homeland Security Program (SHSP) grant funds transferred from the Division of Emergency Management (DEM) Assistance Grant account to align revenue and expenditure authority to continue the support of law enforcement and public entities statewide with the collection, analysis, and dissemination of relevant and timely criminal and threat information. Requires Interim Finance approval since the amount added to the DEM 2010 SHSP Grant category exceeds 75,000. **Work Program #C31632**

Refer to motion for approval under Agenda Item F.

- 56. Department of Public Safety - Division of Investigations - FY 2015** - Addition of \$24,412 in federal Office of Criminal Justice Assistance Grant (JAG) funds transferred from the Department of Public Safety - Criminal Justice Assistance Account and transfer of \$16,411 from the Personnel Services category to the JAG Overtime/Travel category to align revenue and expenditure authority to continue grant funding for narcotics enforcement and major crime investigations. Requires Interim Finance approval since the amount added to the JAG Overtime/Travel category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C31624**

Refer to motion for approval under Agenda Item F.

- 57. Department of Public Safety - Emergency Management Division – FY 2015** - Addition of \$145,723 in federal U.S. Department of Education - School Emergency Management Program grant funds transferred from the Nevada Department of Education to support school emergency management planner activities. Requires Interim Finance approval since the amount added to the School Emergency Management Program category exceeds \$75,000. **Work Program #C31575**

Refer to motion for approval under Agenda Item F.

- 58. Department of Public Safety - Emergency Management Assistance Grants - FY 2015** - Addition of \$120,490 in Federal Emergency Management Agency - Pre-Disaster Mitigation grant funds to support projects that reduce injuries, loss of life, and damage/destruction of property from disasters. Requires Interim Finance approval since the amount added to the Pre-Disaster Mitigation category exceeds \$75,000. **Work Program #C31617**

Refer to motion for approval under Agenda Item F.

- 59. Department of Public Safety - Emergency Management Assistance Grants - FY 2015** - Addition of \$30,000 in federal Department of Homeland Security - Pre-Disaster Mitigation grant funds for the Cooperating Technical Partners Program to deliver and implement a statewide resilience strategy to reduce risks related to floods across the state. Requires Interim Finance approval since the cumulative amount added to the Pre-Disaster Mitigation category exceeds \$75,000. **Work Program #C31615**

Refer to motion for approval under Agenda Item F.

- 60. Department of Public Safety - Parole Board - FY 2015** - Transfer of \$47,840 from the Intra-Agency Cost Allocation category to the Information Services category to accurately classify budgeted Master Service Agreement contract authority. Requires Interim Finance approval since the amount transferred to the Information Services category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C31672**

Refer to motion for approval under Agenda Item F.

- 61. Department of Conservation and Natural Resources - Forestry - Forest Fire Suppression - FY 2015** - Transfer of \$250,000 from the Reserve category to the Fire Suppression category to fund the maintenance and repair of emergency response vehicles and equipment. Requires Interim Finance approval since the amount transferred to the Fire Suppression category exceeds \$75,000. **RELATES TO ITEM F. 72. Work Program #C31669**

Refer to motion for approval under Agenda Item F.

- 62. Department of Conservation and Natural Resources - Environmental Protection - Water Quality Planning - FY 2015** - Addition of \$200,000 in federal Environmental Protection Agency - Clean Water Act Section 106 grant funds to support the agency's ongoing efforts in developing water quality standards, monitoring and assessing surface waters statewide, and developing water quality improvement plans. Requires Interim Finance approval since the amount added to the Federal 106 category exceeds \$75,000. **Work Program #C31694**

Refer to motion for approval under Agenda Item F.

- 63. Department of Conservation and Natural Resources - Environmental Protection - Water Quality Planning - FY 2015** - Addition of \$1,292,000 in federal Environmental Protection Agency - Clean Water Act Section 319H - Non-Point Source grant funds to assist the agency in implementing the Nevada Non-Point Source Management Plan. Requires Interim Finance approval since the amount added to the Federal 319 Clean Water Act category exceeds \$75,000. **Work Program #C31655**

Refer to motion for approval under Agenda Item F.

- 64. Department of Wildlife - Game Management - FY 2015** - Addition of \$298,214 in federal U.S. Fish and Wildlife Service - Wildlife Restoration grant funds and \$99,405 in Sportsmen Revenue transferred from the Wildlife Fund account to continue restoration efforts for the Game Management Program. Requires Interim Finance approval since the amount added to the Mule Deer Research category exceeds \$75,000. **Work Program #C31652**

Refer to motion for approval under Agenda Item F.

- 65. Department of Wildlife - Game Management - FY 2015** - Addition of \$62,261 in federal U.S. Fish and Wildlife Service - Wildlife Restoration grant funds and \$20,754 in Sportsmen Revenue transferred from the Wildlife Fund account for Sage-Grouse conservation projects. Requires Interim Finance approval since the amount added to the Sage-Grouse Conservation category exceeds \$75,000. **Work Program #C31643**

Refer to motion for approval under Agenda Item F.

- 66. Department of Wildlife - Fisheries Management - FY 2015** - Addition of \$167,482 in federal U.S. Fish and Wildlife Service - Fish and Wildlife Management Assistance grant funds and \$55,828 in Aquatic Invasive Species (AIS) Decal Fees transferred from the Wildlife Fund account to enhance the AIS Inspection and Decontamination Program. Requires Interim Finance approval since the amount added to the AIS Outreach and Inspection category exceeds \$75,000. **Work Program #C31691**

Refer to motion for approval under Agenda Item F.

- 67. Department of Wildlife - Fisheries Management - FY 2015** - Addition of \$69,043 in federal U.S. Fish and Wildlife Service - Sport Fish Restoration grant funds and \$23,014 in Sportsmen Revenue transferred from the Wildlife Fund account for fish hatchery production and distribution activities. Requires Interim Finance approval since the amount added to the Sport Fish Production Distribution category exceeds \$75,000. **Work Program #C31582**

Refer to motion for approval under Agenda Item F.

- 68. Department of Wildlife - Habitat - FY 2015** - Addition of \$200,000 in Dream Tag private grant funds from the Community Foundation of Western Nevada for ongoing and new habitat restoration projects. Requires Interim Finance approval since the amount added to the Dream Tag Projects category exceeds \$75,000. **Work Program #C31678**

Refer to motion for approval under Agenda Item F.

- 69. Department of Wildlife - Habitat - FY 2015** - Addition of \$270,000 in federal Bureau of Land Management grant funds for habitat restoration in Nevada. Requires Interim Finance approval since the amount added to the Nevada Partners for Conservation and Development Program category exceeds \$75,000. **Work Program #C31626**

Refer to motion for approval under Agenda Item F.

- 70. Department of Wildlife - Habitat - FY 2015** - Addition of \$20,297 in federal U.S. Fish and Wildlife Service (USFWS) - Wildlife Restoration grant funds, \$4,321 in federal USFWS - Sport Fish Restoration grant funds, \$15,300 in National Fish and Wildlife Foundation funds, and \$8,206 in Sportsmen Revenue transferred from the Wildlife Fund account to fund the Wildlife Management Area System. Requires Interim Finance approval since the amount added to the Wildlife Management Area System category exceeds 10 percent of the legislatively approved amount for that category. **Work Program #C31602**

Refer to motion for approval under Agenda Item F.

- 71. Silver State Health Insurance Exchange - Administration - FY 2015** - Deletion of \$487,594 in federal Title XIX funds transferred from the Division of Health Care Financing and Policy account and transfer of \$348,480 from the Exchange Implementation Grant category to the Operating category, \$8,792 from the Qualified Health Plan (QHP) Reserve category to the Out-of-State Travel category, \$6,487 from the QHP Reserve category to the Information Services category, and \$699,279 from the QHP Reserve category to the Navigators category to align revenue authority with current projected enrollment. Requires Interim Finance approval since the amount transferred to the Navigators category exceeds \$75,000. **Work Program #C3166**

Refer to motion for approval under Agenda Item F.

- 72. Department of Conservation and Natural Resources - Forestry – FY 2015** - Addition of \$250,000 in funds transferred from the Fire Suppression account to fund major repair work on fire suppression vehicles and equipment. Requires Interim Finance approval since the amount added to the Fleet Expenditures category exceeds \$75,000. **RELATES TO ITEM F. 61. Work Program #C31815. RECEIVED AFTER SUBMITTAL DEADLINE 1-8-15.**

Refer to motion for approval under Agenda Item F.

Position Changes

Agency	Agency/ Account Number	Position Number	Present Class Title, Class Code, Grade and Salary	Proposed Class Title, Class Code, Grade and Salary
Department of Administration – Fleet Services	084/1354	0021	Program Officer I, Code: 07.649, Grade 31, Step 10 Employer Paid Retirement \$50,174.64	Equipment Mechanic IV , Code: 09.322, Grade 33, Step 10, Employer Paid Retirement \$54,893.52
Department of Agriculture – Administration	550/4554	0010	Management Analyst II, Code: 07.625, Grade 35, Step 01, Employer Paid Retirement \$40,361.04	Accounting Assistant III, Code: 02.301, Grade 27, Step 01, Employer Paid Retirement \$28,939.68
Department of Agriculture – Food and Nutrition	550/2691	0020	Accountant Technician III, Code: 07.140, Grade 34, Step 01, Employee/Employer Paid Retirement \$43,639.20	Accounting Assistant IV, Code: 02.300, Grade 29, Step 01, Employee/Employer Paid Retirement \$35,475.12
Department of Motor Vehicles – Central Services	810/4741	CC7035	Administrative Assistant I, Code: 02.213, Grade 23, Step 10, Employee/Employer Paid Retirement \$40,110.48	DMV Services Technician II, Code: 11.425, Grade 25, Step 10 Employee/Employer Paid Retirement \$43,639.20
Department of Motor Vehicles – Central Services	810/4741	CC7040	Administrative Assistant I, Code: 02.213, Grade 23, Step 04, Employee/Employer Paid Retirement \$31,403.52	DMV Services Technician II, Code: 11.425, Grade 25, Step 04, Employee/Employer Paid Retirement \$34,055.28
Department of Motor Vehicles – Central Services	810/4741	CC7061	Administrative Assistant I, Code: 02.213, Grade 23, Step 05, Employee/Employer Paid Retirement \$32,677.20	DMV Services Technician II, Code: 11.425, Grade 25, Step 05, Employee/Employer Paid Retirement \$35,475.12

Agency	Agency/ Account Number	Position Number	Present Class Title, Class Code, Grade and Salary	Proposed Class Title, Class Code, Grade and Salary
Department of Motor Vehicles – Central Services	810/4741	CC7062	Administrative Assistant I, Code: 02.213, Grade 23, Step 02, Employee/Employer Paid Retirement \$29,064.96	DMV Services Technician II, Code: 11.425, Grade 25, Step 02, Employee/Employer Paid Retirement \$31,403.52
Department of Motor Vehicles – Central Services	810/4741	CC7063	Administrative Assistant I, Code: 02.213, Grade 23, Step 10, Employer Paid Retirement \$35,537.76	DMV Services Technician II, Code: 11.425, Grade 25, Step 10, Employer Paid Retirement \$38,669.76
Department of Motor Vehicles – Central Services	810/4741	CC7089	Administrative Assistant I, Code: 02.213, Grade 23, Step 09, Employer Paid Retirement \$34,138.80	DMV Services Technician II, Code: 11.425, Grade 25, Step 09, Employer Paid Retirement \$37,124.64
Department of Motor Vehicles – Central Services	810/4741	CC7090	Administrative Assistant I, Code: 02.213, Grade 23, Step 03, Employee/Employer Paid Retirement \$30,192.48	DMV Services Technician II, Code: 11.425, Grade 25, Step 03, Employee/Employer Paid Retirement \$32,677.20
Department of Motor Vehicles – Central Services	810/4741	CC7091	Administrative Assistant I, Code: 02.213, Grade 23, Step 01, Employer Paid Retirement \$24,721.92	DMV Services Technician II, Code: 11.425, Grade 25, Step 01, Employer Paid Retirement \$26,747.28
Department of Transportation – Administrative Service	800/4660	075007	Administrative Aide, Code: 02.221, Grade 21, Step 01, Employee/Employer Paid Retirement \$25,912.08	Program Officer II, Code: 07.647, Grade 33, Step 01, Employee/Employer Paid Retirement \$41,906.16
Department of Transportation – Administrative Service	800/4660	073009	Custodial Worker I, Code: 09.634 Grade: 21, Step 01, Employee/Employer Paid Retirement \$25,912.08	Program Officer II, Code: 07.647, Grade 33, Step 01, Employee/Employer Paid Retirement \$41,906.16

Refer to motion for approval under Agenda Item F.

G. DEPARTMENT OF ADMINISTRATION – STATE PUBLIC WORKS DIVISION.

1. Request to modify the scope of CIP project 13-S09, Statewide Building Official Projects, to increase the project authority to receive and expend an additional \$1,307,687 in agency funds to complete additional building permits for state agencies, pursuant to NRS 341.145(1)(f).

Evan Dale, Administrator, Administrative Services Division, Department of Administration, explained that Agenda Item G.1. was a request to change the scope and increase the authority for Capital Improvement Program (CIP) Project 13-S09. The project involved the receipt and expenditure of building permit fees for the State Public Works Board. The building activity for the state had been higher than expected and more permit fees were being collected, which required an increase in authority to receive the fees.

Chairman Kieckhefer affirmed that the request was not tied to a specific capital improvement project: it was a holding account to collect and expend fees for projects throughout the state.

Mr. Dale said that Chairman Kieckhefer was correct, adding that the projects were outside the CIP. The Public Works Board received the permit fees and conducted the plan checks and inspections.

SENATOR GOICOECHEA MOVED TO APPROVE AGENDA
ITEM G-1.

ASSEMBLYWOMAN BENITEZ THOMPSON SECONDED THE
MOTION.

THE MOTION CARRIED UNANIMOUSLY.

2. State Public Works Division – CIP Project Exception Report provided pursuant to NRS 341.100(8)(g).

Gus Nuñez, Administrator, Public Works Division, Department of Administration, stated there were no changes to the CIP Project Exception Report since the December meeting. There were no questions from the Committee.

H. STATEMENT OF CONTINGENCY ACCOUNT BALANCE.

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, reported the balances in the Interim Finance Contingency Account as shown on the Interim Finance Contingency Account balance statement on page 505 of the meeting packet (copy attached as [Exhibit D](#)), which reflected the following balances for fiscal year (FY) 2014 as of January 22, 2015:

Unrestricted General Fund Balance	\$3,908,907
Unrestricted Highway Fund Balance	\$1,536,576
Restricted General Fund Balance	\$3,172,000

Mr. Krmpotic noted that a proposed request for \$25,888 from the Contingency Account for the Office of the Lieutenant Governor had been withdrawn (Agenda Item I). The Administration decided to provide funding through a supplemental appropriation to be considered by the 2015 Legislature.

Mr. Krmpotic added that there was a recommendation from the Governor to replenish the Unrestricted General Fund balance to \$12 million, which, if approved by the 2015 Legislature, would increase the balance to approximately \$16 million for the 2015-2017 biennium.

With respect to the Restricted General Fund balance, Mr. Krmpotic said that \$1,292,000 was set aside by the 2013 Legislature for the unmanned aerial vehicle program for the Governor's Office of Economic Development; \$800,000 was set aside for the state telephone system; and \$1 million was set aside for the state longitudinal data system.

Mr. Krmpotic noted that, given the restrictions in *Nevada Revised Statutes*, the Committee would not receive any Contingency Account requests until after the 2015 Legislative Session.

- I. REQUEST FOR ALLOCATION FROM THE IFC CONTINGENCY ACCOUNT (GENERAL FUND) PURSUANT TO NRS 353.268. (Note: IFC may approve a different amount for an allocation than the amount requested below). Office of the Lieutenant Governor – Request for an allocation of \$25,888 for shortfalls in salaries and travel. **WITHDRAWN 1-8-15.**
- J. DEPARTMENT OF ADMINISTRATION – Update on the projected FY 2015 ending balance of the State General Fund.

Julia Teska, Director, Department of Administration, referred Committee members to page 2 of [Exhibit E](#), "FY [Fiscal Year] 2015 Fund Balance," which reflected the same summary information as submitted to the Committee in December 2014. She reviewed some of the problems encountered in trying to maintain an adequate General Fund balance at the end of fiscal year (FY) 2015:

- Based on the Economic Forum's projections at its December meeting, gaming revenues were coming in below forecast.
- Net proceeds/mining taxes were below forecast, which was related to the conditions created by the prepayments and credits that were built up as a result.
- K-12 enrollment had experienced greater growth than projected in the 2013-2015 biennial budget, and there were unusually high hold-harmless items related to charter school enrollment, which had been capped due to performance issues and was part of what was driving the number to be significantly higher than normal.

Moving to page 3 of [Exhibit E](#), Ms. Teska pointed out that the fund balance information had been updated since the previous report to the Committee. She called the Committee's attention to two items:

- The amount of anticipated supplemental appropriations had decreased slightly since December.
- A one-shot appropriation would be necessary for 2015 shortfalls in the Statutory Contingency Account. While the account was funded by General Funds, it only

received its infusion of funds in the first year of the biennium and funds were balanced forward to the second year.

Ms. Teska recalled that in December, she had requested \$1.5 million from the IFC Contingency Account to restore the balance in the Statutory Contingency Account, and it was anticipated that an additional \$1 million would be needed through the end of fiscal year 2015 for two significant purposes:

- Expenses for outside counsel to represent the state in the lawsuit filed by the City of San Francisco on mental health issues.
- Post-conviction relief claims involving payment of legal fees for incarcerated individuals, which had been steadily increasing over the past several years. During the recession, the budget was kept relatively flat and the excess was paid from the Statutory Contingency Account.

Ms. Teska noted that the 2015-2017 biennial budget for the Office of the Public Defender would include a significant increase in the amounts budgeted for legal fees, based on past trends.

Ms. Teska said it had been beneficial for her office to review what was done during the 2013-2015 biennium to trim budgets because of the recession. Staff had identified problems in 2013-2015 and considered ways to address them to avoid being in the same situation in the 2015-2017 biennium.

Ms. Teska noted that her office had recently been notified that the projected cost of the 2015 Legislative Session had been reduced from \$20 million to \$18 million, thereby providing an additional \$2 million to apply to the balance shortage. She referred the Committee to page 4 of [Exhibit E](#), which listed several proposed solutions to the ending fund balance problem. She said that without implementing any of the solutions being proposed, there would be a \$12,500,000 unappropriated ending fund balance, and the target balance was approximately \$170 million. She reviewed the current proposed solutions:

- \$28,061,106 was available in the Rainy Day Fund. Legislative action would be required to move those funds into the General Fund, which would bring the shortage to approximately \$40.5 million.
- Two AEGIS (Active Employee Group Insurance System) holidays were being proposed. Ms. Teska clarified that the holidays involved state money that had already been paid by state agencies and was sitting in an account waiting to be drawn into the actual account that paid claims. They were excess state-paid funds: they were not contributions made by state employees. The proposal was for a two-month suspension, which was estimated at about \$20 million.

- Unemployment contributions would not be taken from state agencies for the second half of FY 2015. The reserve in the account was sufficient to support claims due to favorable claims experience during the current biennium.
- The projected dollar amount resulting from the Division of Public and Behavioral Health's new avenues to bill Medicaid for services provided to clients had been updated to slightly over \$1.9 million.
- Approximately \$1.2 million was anticipated to be available through the Medicaid upper payment limit (UPL).
- The Department of Taxation had discovered about \$3.6 million in unclaimed overpayments, which had been transferred to the General Fund. Under *Nevada Revised Statutes*, they were to revert to the General Fund.
- It was recommended that the Nevada System of Higher Education (NSHE) forego its salary adjustment funds in the amount of \$6.5 million.

Ms. Teska recalled that she had previously told the Committee that approximately \$36 million was the discounted figure available to apply toward the ending fund balance, but about \$23 million in settlement funds that would not be needed by the Attorney General's Office had been identified. Assuming that all of the proposed solutions were approved, Ms. Teska said that the projected ending fund balance would be \$154.5 million, which was a 4.5 percent balance. She noted that although it was not quite 5 percent, the Department was going to continue to work on the problem, because 5 percent was still the goal.

Ms. Teska said it was anticipated that the bill drafts necessary to implement the adjustments and transfers would be submitted within a few days and they would be available by the start of the 2015 Session.

Continuing, Ms. Teska said that page 6 of [Exhibit E](#) reflected a detailed breakdown of all requests for one-shot and supplemental appropriations for the 2015 Legislative Session. She noted that the number of requests for additional General Funds in agency budget accounts was large. She said the Department took the number of the requests and the dollar amounts of the requests very seriously. In putting together the 2015-2017 budget, the Budget Division had looked at every area and questioned what could be done differently in the future to avoid shortfalls.

The last page of [Exhibit E](#) was a summary at the department level of the proposed reserve transfers. Ms. Teska pointed out that a number of smaller transactions made up many of the proposed reserve transfers.

Senator Goicoechea recalled that there had been premium holidays in the past when the employer and employee did not pay premiums, but he understood that the proposed premium holidays would not affect the contributions from the employees.

Ms. Teska replied that he was correct. In the past premium holidays, the savings came from different accounts in the Public Employees' Benefits Program's direct reserves. The current requests were from a separate budget account that only contained the state agency contributions, which had an excess balance.

Chairman Kieckhefer asked whether the excess balance would affect the rate that employees would have to pay moving forward.

Ms. Teska replied that all of the proposed solutions were taken into account when the 2015-2017 biennial budget was prepared. There would be a slight increase in the fiscal year 2016 rate, but in 2017, the rate would be lower than it was currently. The impact on the employees and state agencies would be very minor in the next biennium.

Assemblywoman Carlton asked whether she understood correctly that the funds were for healthcare benefits and there was too much in the fund: the funds were the state's portion of the benefits.

Ms. Teska replied that the state agencies had over-contributed based on the actual costs of the plan, and there was an excess amount in the state's contribution fund for employee benefits.

If more contributions were made than were needed because of lack of utilization, Assemblywoman Carlton asked whether there were extra funds in the employee fund. She said it seemed to her that if there were extra funds on the employer side and the contributions were equal, there might be extra funds on the employee side.

Ms. Teska replied that was true, which was where the excess reserves in PEBP's account were from. It was her understanding that the PEBP Board had determined to use those funds to enhance employee benefits. While the employees would not see a premium holiday, there would be some additional contributions to the employees' health savings accounts. The employees would receive the benefit—just in a different form.

Assemblywoman Carlton remarked that some employees might see an additional benefit; the question would be discussed further in the subcommittee hearings during the 2015 Session. Ultimately, she said, health benefits were one of the most expensive costs to an employee, and adjustments were needed to put more money in the employees' paychecks.

Assemblyman Sprinkle said it appeared that the identified shortfall caused the Department of Taxation to pursue unidentified unclaimed overpayments of \$3.6 million, and he questioned whether the Department should be reviewing unclaimed overpayments more often.

Ms. Teska replied she did not believe the Department began its review because of the shortfall, but as a result of her questioning agencies concerning excess funds, she was made aware of the available funds.

Assemblyman Sprinkle observed that some of the reserve transfers were very large, such as the Attorney General's transfer of \$23 million, and he asked how the reserves would be replenished.

Ms. Teska explained that the \$23 million from the Attorney General's account were old settlement funds that had not been used and were available to transfer to the General Fund, and the same was true of a portion of the funds from the Department of Business and Industry. Two of the transfers, the Economic Development Fund and the Charter School Authority fund, were General Fund appropriations that were being brought back into the General Fund for cash-flow purposes in FY 2015, and they would be restored in the FY 2016 budget. The rest of the transfers were largely from outside funding sources that had created balances in excess of what were necessary for them to run their programs. She noted that all of the funds had other purposes assigned to them, but under the current circumstances, the agencies were able to use them toward the budget shortfall problem.

Assemblyman Sprinkle noted that reserves were established for a reason, and he asked whether they would be reinstated through the 2015-2017 biennial budget.

Ms. Teska replied that some were directly built into the agencies' biennial budgets, and other agencies would replenish their reserves over time.

Assemblywoman Kirkpatrick remarked that the state must do better for state employees in the next biennium. She said that at some point, the state must stop using reserves for other purposes: they must be accessible for emergencies. She understood the need for funds to resolve the budget shortage, but other options needed to be pursued in the next legislative session.

Ms. Teska said that after extensive research of the reasons for the budget shortfall, the following changes were being proposed on the revenue side:

- At the end of FY 2016, stop the prepayment of the net proceeds.
- Start from a lower projection.
- Increase the K-12 enrollment by nearly double.
- Study each agency that required supplemental appropriations to determine what could be done differently.
- Leave an excess amount over the 5 percent ending fund balance in each year of the 2015-2017 proposed biennial budget.

Ms. Teska said the 2015-2017 budget was very responsible and allowed for unanticipated circumstances. While the contribution was not able to be made to the Rainy Day Fund in 2016, it was budgeted at 1 percent contribution in FY 2017 to provide a true savings account. She strongly recommended legislative approval of the contribution to the Rainy Day Fund to provide for emergency situations.

Senator Goicoechea asked whether there were still reserves in the Attorney General's account.

Ms. Teska replied that the \$23 million was from unused settlement funds: no accounts were depleted. She said the Budget Division had worked with all of the agencies, and they had agreed to the proposed solutions.

Senator Goicoechea said he would hope that funds would be available for any upcoming litigation, particularly involving the protection of sage grouse.

Chairman Kieckhefer asked whether the 2015 Legislature would be seeing legislation requesting all of the transfers.

Ms. Teska replied that the first bill draft request (BDR) had been sent to the Fiscal Analysis Division for review, and it was hoped to have the BDR finalized within the week. She said that the AEGIS holidays would require legislative action, and a bill would be required to move funds from the Rainy Day Fund to the General Fund. She anticipated that three to five pieces of legislation would be required to complete the process.

Chairman Kieckhefer asked for further questions from the Committee and hearing none, he thanked Ms. Teska for her testimony.

K. INFORMATIONAL ITEMS.

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, announced that there were no requests for testimony on any informational items.

L. PUBLIC COMMENT.

Chairman Kieckhefer asked for public comment and there was none.

M. ADJOURNMENT.

Chairman Kieckhefer adjourned the meeting at 8:53 a.m.

Senator Ben Kieckhefer, Chairman
Interim Finance Committee

Rick Combs, Director, Legislative Counsel
Bureau, and Secretary, Interim Finance Committee

**EXHIBITS
INTERIM FINANCE COMMITTEE
January 22, 2015**

Exhibit	Witness/Agency	Description
A	*****	Agenda
B	*****	Meeting Packet
C	Dr. Mary Siders Environmental Scientist	Proposal and Information regarding state position classifications for environmental scientists
D	Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division Legislative Counsel Bureau	Statement of IFC Contingency Account Balance as of January 22, 2015
E	Julia Teska, Director Department of Administration	Presentation on FY (Fiscal Year) 2015 Fund Balance