

# NEVADA LEGISLATIVE APPROPRIATIONS REPORT

SEVENTY-EIGHTH LEGISLATURE

Fiscal Years  
**2015-16 and 2016-17**



Fiscal Analysis Division  
Legislative Counsel Bureau

**November 2015**

## **INTRODUCTION**

The Nevada Legislative Appropriations Report is prepared by the Fiscal Analysis Division and is designed to provide a summary of all legislative budgetary and taxation actions taken by the Nevada Legislature during the 78<sup>th</sup> Legislative Session. The report also provides comparisons between The Executive Budget recommendations and final legislative actions.

The report contains information on the State General Fund revenues, including schedules detailing the present and projected condition of the General Fund, along with information on all capital improvement projects, special and “one-time” appropriations, supplemental appropriations, and budgetary summaries of state agencies broken down by various governmental functions.

The General Fund Projections section of the report includes a schedule of the projected balance of the State General Fund. A schedule of all General Fund revenues is provided, including estimates through the 2015-17 biennium. This section also contains pie charts of actual General Fund collections by source of revenue in Fiscal Year 2014 and budgetary estimates of General Fund revenues by source during each fiscal year of the 2015-17 biennium.

The General Fund Appropriations section includes a schedule of all operating appropriations approved by the 2015 Legislature; a schedule of General Fund “one-time” and supplemental appropriations; a schedule of appropriations to restore balances in certain funds; information on the status of the Account to Stabilize the Operation of State Government (Rainy Day Account); a schedule outlining the state’s expenditure cap; a position summary; and a listing of capital improvements. This section also contains pie charts of operating appropriations by governmental function. Similar schedules are provided for Highway Fund appropriations approved by the 2015 Legislature.

The Tax Policy section includes a description of all major tax and revenue legislation approved by the Nevada Legislature during the 78<sup>th</sup> Legislative Session.

The report also contains budget summaries of each major functional area of state government. These summaries include narrative highlights of significant legislative changes to the various budgets and a schedule of funding levels. The functional areas of state government are:

- Elected Officials
- Finance and Administration
- Education
- Commerce and Industry
- Human Services
- Public Safety
- Infrastructure
- Special Purpose Agencies

The report is designed to be as brief as possible, while at the same time provide meaningful information to all interested persons. Only major legislative budgetary actions have been highlighted. Readers are encouraged to contact the Fiscal Analysis Division if more detailed information is needed.

**PREPARED BY THE FISCAL ANALYSIS DIVISION  
FOR MEMBERS OF THE 78<sup>TH</sup> NEVADA LEGISLATURE**

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# GENERAL FUND PROJECTIONS





## **GENERAL FUND REVENUE ESTIMATES AND PROJECTED UNAPPROPRIATED GENERAL FUND BALANCES**

The 2015 Legislature approved a General Fund operating budget for the 2015-17 biennium that totals \$7.297 billion. The Governor recommended an operating budget that totaled \$7.314 billion or approximately \$17.0 million more than was approved by the 2015 Legislature.

State law provides that the Economic Forum, whose membership is from the private sector, must develop a forecast of all State General Fund revenues by December 3 of even-numbered years and a revised forecast by May 1 in odd-numbered years. The Governor's recommended budget was based on the Economic Forum's December 1, 2014, revenue forecast. The May 2015 revenue forecast was adjusted upward by \$1.205 billion before accounting for the impact of the various tax credit programs approved by the Legislature during the 77th Session (2013), 28<sup>th</sup> Special Session (2014), and 78th Session (2015) and \$1.030 billion after accounting for the impact of the tax credit programs, as depicted below:

	<b><u>FY 2015</u></b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>Total</u></b>
<b>December 3, 2014 Projections</b>				
Taxes	\$2,968,720,160	\$2,849,688,100	\$3,033,167,000	\$8,851,575,260
Licenses	\$123,169,500	\$127,328,800	\$129,316,500	\$379,814,800
Fees and Fines	\$55,009,000	\$55,747,400	\$56,720,000	\$167,476,400
Use of Money and Property	\$1,561,133	\$3,494,935	\$6,269,235	\$11,325,303
Other Revenue	\$56,829,500	\$33,333,800	\$35,509,700	\$125,673,000
<b>Total December 3, 2014 Projections</b>	<b>\$3,205,289,293</b>	<b>\$3,069,593,035</b>	<b>\$3,260,982,435</b>	<b>\$9,535,864,763</b>
<b>May 1, 2015 Projections</b>				
Taxes	\$2,992,428,720	\$3,510,339,200	\$3,537,405,850	\$10,040,173,770
Licenses	\$122,336,500	\$127,023,500	\$129,586,200	\$378,946,200
Fees and Fines	\$61,229,400	\$55,954,200	\$57,203,800	\$174,387,400
Use of Money and Property	\$1,702,223	\$2,827,235	\$4,326,235	\$8,855,693
Other Revenue	\$62,782,800	\$37,551,180	\$38,568,740	\$138,902,720
<b>Total May 1, 2015 Projections - Before Tax Credits</b>	<b>\$3,240,479,643</b>	<b>\$3,733,695,315</b>	<b>\$3,767,090,825</b>	<b>\$10,741,265,783</b>
<b>Tax Credits</b>	<b>-\$19,000,000</b>	<b>-\$79,369,000</b>	<b>-\$76,638,000</b>	<b>-\$175,007,000</b>
<b>Total May 1, 2015 Projections - After Tax Credits</b>	<b>\$3,221,479,643</b>	<b>\$3,654,326,315</b>	<b>\$3,690,452,825</b>	<b>\$10,566,258,783</b>
<b>Difference</b>				
Taxes	\$23,708,560	\$660,651,100	\$504,238,850	\$1,188,598,510
Licenses	-\$833,000	-\$305,300	\$269,700	-\$868,600
Fees and Fines	\$6,220,400	\$206,800	\$483,800	\$6,911,000
Use of Money and Property	\$141,090	-\$667,700	-\$1,943,000	-\$2,469,610
Other Revenue	\$5,953,300	\$4,217,380	\$3,059,040	\$13,229,720
<b>Total Difference - Before Tax Credits</b>	<b>\$35,190,350</b>	<b>\$664,102,280</b>	<b>\$506,108,390</b>	<b>\$1,205,401,020</b>
<b>Tax Credits</b>	<b>\$19,000,000</b>	<b>\$79,369,000</b>	<b>\$76,638,000</b>	<b>\$175,007,000</b>
<b>Total Difference - After Tax Credits</b>	<b>\$16,190,350</b>	<b>\$584,733,280</b>	<b>\$429,470,390</b>	<b>\$1,030,394,020</b>

The legislatively approved budget was based on the increased May 2015 Economic Forum revenue projections as augmented by revenue enhancements in the amount of \$1.893 billion over the 2015-17 biennium, as approved by the 2015 Legislature; \$1.190 billion General Fund and \$0.703 billion for the Distributive School Account. The revenue enhancements are addressed in the Tax Policy Section of the Appropriations Report.

The schedules that follow present the actual General Fund balance at the close of FY 2014 and the projected General Fund balance at the close of FY 2015, FY 2016 and FY 2017, and recap the revenue forecast upon which the 2015-17 biennial budget was based.

**Statement of Unappropriated General Fund Balance**  
**Actual Fiscal Year 2014 Compared to Legislature Approves**

	Fiscal Year 2014		
	Legislature Approves	Actual	Difference
<b>General Fund Resources</b>			
<b>Unappropriated Balance - July 1, 2013</b>	<b>\$ 212,718,212</b>	<b>\$ 299,966,902</b>	<b>\$ 87,248,690</b>
<b>Unrestricted General Fund Revenue</b>			
Economic Forum Forecast May 2013 / Actual	\$ 3,125,638,266	\$ 3,066,946,360	\$ (58,691,906)
Comped Meals Refund/Credit	\$ (2,069,696)	\$ -	\$ 2,069,696
<b>Total Unrestricted General Fund Revenue</b>	<b>\$ 3,123,568,570</b>	<b>\$ 3,066,946,360</b>	<b>\$ (56,622,210)</b>
<b>Restricted General Fund Revenue</b>			
Unclaimed Property - Millenium Scholarship	\$ 7,600,000	\$ 7,600,000	
Quarterly Slot Tax - Problem Gambling	\$ 1,452,721	\$ 1,410,563	\$ (42,158)
<b>Total Restricted General Fund Revenue</b>	<b>\$ 9,052,721</b>	<b>\$ 9,010,563</b>	<b>\$ (42,158)</b>
<b>General Fund Reversions/Transfers to General Fund</b>			
Unrestricted Reversions	\$ 40,000,000	\$ 40,107,370	\$ 107,370
Transfer from Rainy Day Account	\$ 84,737,276	\$ 84,737,276	\$ -
Other Budget Reserves	\$ -	\$ 8,191,658	\$ 8,191,658
<b>Total General Fund Reversions/Transfers</b>	<b>\$ 124,737,276</b>	<b>\$ 133,036,304</b>	<b>\$ 8,299,028</b>
<b>General Fund Resources</b>	<b>\$ 3,470,076,779</b>	<b>\$ 3,508,960,129</b>	<b>\$ 38,883,350</b>
<b>Less Appropriations/Transfers Between Fiscal Years</b>			
FY 2014 Operating Appropriations	\$(3,277,620,979)	\$(3,277,620,979)	\$ -
Transfers Between Fiscal Years	\$ -	\$ (6,309,803)	\$ (6,309,803)
One-Time Appropriations 2013 Legislature	\$ (397,117)	\$ (5,426,670)	\$ (5,029,553)
One-Time Appropriations 27th Special Session	\$ (2,000,000)	\$ (2,000,000)	\$ -
<b>Total Unrestricted General Fund Appropriations/Transfers</b>	<b>\$(3,280,018,096)</b>	<b>\$(3,291,357,452)</b>	<b>\$ (11,339,356)</b>
<b>Restricted Transfers</b>			
Unclaimed Property	\$ (7,600,000)	\$ (7,600,000)	
Quarterly Slot Tax - Problem Gambling	\$ (1,452,721)	\$ (1,410,563)	\$ 42,158
Disaster Relief Account	\$ -	\$ (1,500,000)	\$ (1,500,000)
Rainy Day Account	\$ -	\$ (28,061,106)	\$ (28,061,106)
<b>Total Restricted Transfers</b>	<b>\$ (9,052,721)</b>	<b>\$ (38,571,669)</b>	<b>\$ (29,518,948)</b>
<b>Adjustments to Fund Balance</b>	<b>\$ -</b>	<b>\$ 4,513,251</b>	<b>\$ 4,513,251</b>
<b>Total Unappropriated General Fund Balance June 30, 2014</b>	<b>\$ 181,005,962</b>	<b>\$ 183,544,259</b>	<b>\$ 2,538,297</b>
<b>5% Minimum Ending Fund Balance</b>	<b>\$ 163,881,049</b>	<b>\$ 164,196,539</b>	<b>\$ 315,490</b>
<b>Balance Over/(Under) 5% Minimum</b>	<b>\$ 17,124,913</b>	<b>\$ 19,347,720</b>	<b>\$ 2,222,807</b>

**Statement of Unappropriated General Fund Balance**  
**Fiscal Years 2015, 2016 and 2017**

	Fiscal Year 2015		
	Governor Recommends	Legislature Approves	Difference
<b>General Fund Resources</b>			
<b>Unappropriated Balance - July 1, 2014</b>	<b>\$ 183,544,262</b>	<b>\$ 183,544,259</b>	<b>\$ (3)</b>
<b>Unrestricted General Fund Revenue</b>			
Economic Forum Forecast Before Tax Credits Dec. 2014 / May 2015	\$ 3,205,289,294	\$ 3,236,630,323	\$ 31,341,029
Tax Credits Approved by the Economic Forum at the May 1, 2015, Meeting, Adjusted for Measures Approved by the 2015 Legislature	\$ -	\$ (19,000,000)	\$ (19,000,000)
Total Adjustments to Unrestricted General Fund Revenue <sup>a</sup>	\$ -	\$ 3,849,320	\$ 3,849,320
<b>Total Unrestricted General Fund Revenue</b>	<b>\$ 3,205,289,294</b>	<b>\$ 3,221,479,643</b>	<b>\$ 16,190,349</b>
<b>Restricted General Fund Revenue</b>			
Unclaimed Property - Millenium Scholarship	\$ 7,600,000	\$ 7,600,000	
Quarterly Slot Tax - Problem Gambling	\$ 1,459,932	\$ 1,396,747	\$ (63,185)
<b>Total Restricted General Fund Revenue</b>	<b>\$ 9,059,932</b>	<b>\$ 8,996,747</b>	<b>\$ (63,185)</b>
<b>General Fund Reversions/Transfers to General Fund</b>			
Unrestricted Reversions	\$ 40,000,000	\$ 49,712,029	\$ 9,712,029
Transfer from Rainy Day Account	\$ 28,061,106	\$ 28,061,106	\$ -
Other Budget Reserves	\$ 113,898,958	\$ 62,655,150	\$ (51,243,808)
<b>Total General Fund Reversions/Transfers</b>	<b>\$ 181,960,064</b>	<b>\$ 140,428,285</b>	<b>\$ (41,531,779)</b>
<b>General Fund Resources</b>	<b>\$ 3,579,853,552</b>	<b>\$ 3,554,448,934</b>	<b>\$ (25,404,618)</b>
<b>Less Appropriations/Transfers Between Fiscal Years</b>			
FY 2015 Operating Appropriations	\$ (3,318,446,242)	\$ (3,318,446,242)	\$ -
Transfers Between Fiscal Years	\$ 6,309,803	\$ 6,309,803	\$ -
One-Time Appropriations - 2013 Legislature	\$ (401,456)	\$ (401,456)	\$ -
Supplemental Appropriations 2015 Legislature	\$ (82,944,990)	\$ (66,404,838)	\$ 16,540,152
One-Time Appropriations - 2015 Legislature	\$ (1,259,928)	\$ (1,255,815)	\$ 4,113
Cost of 2015 Legislature	\$ (18,000,000)	\$ (18,000,000)	\$ -
<b>Total Unrestricted General Fund Appropriations/Transfers</b>	<b>\$ (3,414,742,813)</b>	<b>\$ (3,398,198,548)</b>	<b>\$ 16,544,265</b>
<b>Restricted Transfers</b>			
Unclaimed Property	\$ (7,600,000)	\$ (7,600,000)	
Quarterly Slot Tax - Problem Gambling	\$ (1,459,932)	\$ (1,396,747)	\$ 63,185
Disaster Relief Account	\$ (1,500,000)	\$ (1,500,000)	\$ -
<b>Total Restricted Transfers</b>	<b>\$ (10,559,932)</b>	<b>\$ (10,496,747)</b>	<b>\$ 63,185</b>
<b>Total Unappropriated General Fund Balance June 30, 2015</b>	<b>\$ 154,550,807</b>	<b>\$ 145,753,639</b>	<b>\$ (8,797,168)</b>
<b>5% Minimum Ending Fund Balance</b>	<b>\$ 169,754,071</b>	<b>\$ 168,927,064</b>	<b>\$ (827,008)</b>
<b>Balance Over/(Under) 5% Minimum</b>	<b>\$ (15,203,264)</b>	<b>\$ (23,173,425)</b>	<b>\$ (7,970,160)</b>

<sup>a</sup> Based on measures approved by the 2015 Legislature



**Statement of Unappropriated General Fund Balance  
Fiscal Years 2015, 2016 and 2017**

	Fiscal Year 2016		
	Governor Recommends	Legislature Approves	Difference
<b>General Fund Resources</b>			
<b>Unappropriated Balance - July 1, 2015</b>	<b>\$ 154,550,807</b>	<b>\$ 145,753,639</b>	<b>\$ (8,797,168)</b>
<b>Unrestricted General Fund Revenue</b>			
Economic Forum Forecast Before Tax Credits December 2014 / May 2015	\$ 3,069,593,035	\$ 3,068,536,235	\$ (1,056,800)
Tax Credits Approved by the Economic Forum at the May 1, 2015, Meeting, Adjusted for Measures Approved by the 2015 Legislature	\$ -	\$ (79,369,000)	\$ (79,369,000)
Total Adjustments to Unrestricted General Fund Revenue	\$ 553,623,386	\$ 665,159,080	\$ 111,535,694
<b>Total Unrestricted General Fund Revenue</b>	<b>\$ 3,623,216,421</b>	<b>\$ 3,654,326,315</b>	<b>\$ 31,109,894</b>
<b>Restricted General Fund Revenue</b>			
Unclaimed Property - Millenium Scholarship	\$ 7,600,000	\$ 7,600,000	\$ -
Quarterly Slot Tax - Problem Gambling	\$ 1,394,233	\$ 1,372,845	\$ (21,388)
Live Entertainment Tax (nongaming) - Nevada Arts Council	\$ -	\$ 150,000	\$ 150,000
<b>Total Restricted General Fund Revenue</b>	<b>\$ 8,994,233</b>	<b>\$ 9,122,845</b>	<b>\$ 128,612</b>
<b>General Fund Reversions/Transfers to General Fund</b>			
Unrestricted Reversions	\$ 40,000,000	\$ 40,000,000	\$ -
<b>Total General Fund Reversions/Transfers</b>	<b>\$ 40,000,000</b>	<b>\$ 40,000,000</b>	<b>\$ -</b>
<b>General Fund Resources</b>	<b>\$ 3,826,761,461</b>	<b>\$ 3,849,202,799</b>	<b>\$ 22,441,338</b>
<b>Less Appropriations/Transfers Between Fiscal Years</b>			
FY 2016 Operating Appropriations	\$ (3,585,526,881)	\$ (3,558,057,616)	\$ 27,469,265
One-Time Appropriations - 2015 Legislature	\$ (27,025,847)	\$ (30,201,852)	\$ (3,176,005)
<b>Total Unrestricted General Fund Appropriations/Transfers</b>	<b>\$ (3,612,552,728)</b>	<b>\$ (3,588,259,468)</b>	<b>\$ 24,293,260</b>
<b>Restricted Transfers</b>			
Unclaimed Property	\$ (7,600,000)	\$ (7,600,000)	
Quarterly Slot Tax - Problem Gambling	\$ (1,394,233)	\$ (1,372,845)	\$ 21,388
Live Entertainment Tax (nongaming) - Nevada Arts Council	\$ -	\$ (150,000)	\$ (150,000)
<b>Total Restricted Transfers</b>	<b>\$ (8,994,233)</b>	<b>\$ (9,122,845)</b>	<b>\$ (128,612)</b>
<b>Total Unappropriated General Fund Balance June 30, 2016</b>	<b>\$ 205,214,500</b>	<b>\$ 251,820,486</b>	<b>\$ 46,605,986</b>
<b>5% Minimum Ending Fund Balance</b>	<b>\$ 179,281,344</b>	<b>\$ 177,902,881</b>	<b>\$ (1,378,463)</b>
<b>Balance Over/(Under) 5% Minimum</b>	<b>\$ 25,933,156</b>	<b>\$ 73,917,605</b>	<b>\$ 47,984,449</b>

**Statement of Unappropriated General Fund Balance  
Fiscal Years 2015, 2016 and 2017**

	Fiscal Year 2017		
	Governor Recommends	Legislature Approves	Difference
<b>General Fund Resources</b>			
<b>Unappropriated Balance - July 1, 2016</b>	<b>\$ 205,214,500</b>	<b>\$ 251,820,486</b>	<b>\$ 46,605,986</b>
<b>Unrestricted General Fund Revenue</b>			
Economic Forum Forecast Before Tax Credits December 2014 / May 2015	\$ 3,260,982,435	\$ 3,242,480,185	\$ (18,502,250)
Tax Credits Approved by the Economic Forum May 1, 2015, Adjusted For	\$ -	\$ (76,638,000)	\$ (76,638,000)
Measures Approved by the 2015 Legislature			
Total Adjustments to Unrestricted General Fund Balance	\$ 560,293,913	\$ 524,610,640	\$ (35,683,273)
<b>Total Unrestricted General Fund Revenue</b>	<b>\$ 3,821,276,348</b>	<b>\$ 3,690,452,825</b>	<b>\$ (130,823,523)</b>
<b>Restricted General Fund Revenue</b>			
Unclaimed Property - Millenium Scholarship	\$ 7,600,000	\$ 7,600,000	\$ -
Quarterly Slot Tax - Problem Gambling	\$ 1,391,892	\$ 1,366,926	\$ (24,966)
Live Entertainment Tax (nongaming) - Nevada Arts Council	\$ -	\$ 150,000	\$ 150,000
<b>Total Restricted General Fund Revenue</b>	<b>\$ 8,991,892</b>	<b>\$ 9,116,926</b>	<b>\$ 125,034</b>
<b>General Fund Reversions/Transfers to General Fund</b>			
Unrestricted Reversions	\$ 40,000,000	\$ 40,000,000	\$ -
<b>Total General Fund Reversions/Transfers</b>	<b>\$ 40,000,000</b>	<b>\$ 40,000,000</b>	<b>\$ -</b>
<b>General Fund Resources</b>	<b>\$ 4,075,482,740</b>	<b>\$ 3,991,390,237</b>	<b>\$ (84,092,503)</b>
<b>Less Appropriations/Transfers Between Fiscal Years</b>			
FY 2017 Operating Appropriations	\$ (3,728,626,482)	\$ (3,738,711,497)	\$ (10,085,015)
One-Time Appropriations - 2015 Legislature	\$ (100,000)	\$ (100,000)	\$ -
Cost of 2017 Legislature	\$ (20,000,000)	\$ (20,000,000)	\$ -
<b>Total Unrestricted General Fund Appropriations/Transfers</b>	<b>\$ (3,748,726,482)</b>	<b>\$ (3,758,811,497)</b>	<b>\$ (10,085,015)</b>
<b>Restricted Transfers</b>			
Unclaimed Property	\$ (7,600,000)	\$ (7,600,000)	
Quarterly Slot Tax - Problem Gambling	\$ (1,391,892)	\$ (1,366,926)	\$ 24,966
Live Entertainment Tax (nongaming) - Nevada Arts Council	\$ -	\$ (150,000)	\$ (150,000)
Disaster Relief Account	\$ (2,000,000)	\$ -	\$ 2,000,000
Rainy Day Account	\$ (38,212,763)	\$ -	\$ 38,212,763
<b>Total Restricted Transfers</b>	<b>\$ (49,204,655)</b>	<b>\$ (9,116,926)</b>	<b>\$ 40,087,729</b>
<b>Total Unappropriated General Fund Balance June 30, 2017</b>	<b>\$ 277,551,603</b>	<b>\$ 223,461,814</b>	<b>\$ (54,089,789)</b>
<b>5% Minimum Ending Fund Balance</b>	<b>\$ 186,436,324</b>	<b>\$ 186,935,575</b>	<b>\$ 499,251</b>
<b>Balance Over/(Under) 5% Minimum</b>	<b>\$ 91,115,279</b>	<b>\$ 36,526,239</b>	<b>\$ (54,589,040)</b>

**GENERAL FUND REVENUE ENHANCEMENTS**  
**Governor Recommends / Legislature Approves**  
**2015-17 Biennium**

	Governor Recommends <sup>1</sup>		Legislature Approves <sup>2</sup>		Difference	
	FY 2016	FY 2017	FY 2016	FY 2017	FY 2016	FY 2017
<b><u>Unrestricted General Fund Revenue</u></b>						
Economic Forum Forecast - December 2014 / May 2015: Before Tax Credits	\$3,069,593,035	\$3,260,982,435	\$3,068,536,235	\$3,242,480,185	-\$1,056,800	-\$18,502,250
<b><u>Adjustments to Unrestricted General Fund Revenue</u></b>						
<b><u>Taxes</u></b>						
Net Proceeds of Minerals Tax - Pre-Payment (S.B. 475)	\$31,010,569	-\$31,011,000	\$34,642,000	-\$34,642,000	\$3,631,431	-\$3,631,000
Net Proceeds of Minerals Tax - Health and Insurance Deduction (S.B. 483)	\$8,150,431	\$0	\$4,221,000	\$0	-\$3,929,431	\$0
Business License Fees (S.B. 483)	\$35,743,000	\$36,723,000	\$63,093,000	\$64,338,000	\$27,350,000	\$27,615,000
Business License Fee based on Gross Revenue	\$187,500,000	\$250,000,000			-\$187,500,000	-\$250,000,000
Commerce Tax (S.B. 483)			\$119,826,000	\$119,826,000	\$119,826,000	\$119,826,000
Commerce Tax Credit Against the Modified Business Tax (S.B. 483)				-\$59,913,000	\$0	-\$59,913,000
Modified Business Tax - Non-Financial Institutions (S.B. 483)	\$135,214,000	\$141,975,000	\$254,677,000	\$266,989,000	\$119,463,000	\$125,014,000
Modified Business Tax - Mining Businesses - (S.B. 483)	\$7,400,000	\$7,200,000	\$17,353,000	\$17,353,000	\$9,953,000	\$10,153,000
Modified Business Tax - Financial Businesses - (S.B. 103)			-\$891,000	-\$936,000	-\$891,000	-\$936,000
Restricted Slot Tax	\$16,500,000	\$22,500,000			-\$16,500,000	-\$22,500,000
Cigarette Tax (S.B. 483)	\$39,600,000	\$38,700,000	\$96,872,000	\$95,391,000	\$57,272,000	\$56,691,000
Passenger Carrier Excise Tax (A.B. 175, S.B. 376)			\$13,685,000	\$22,936,000	\$13,685,000	\$22,936,000
Live Entertainment Tax (S.B. 266)			-\$3,682,000	-\$1,238,000	-\$3,682,000	-\$1,238,000
Sales and Use Tax - General Fund Commissions (S.B. 483)	\$1,382,300	\$1,463,600	\$1,387,300	\$1,463,400	\$5,000	-\$200
Governmental Services Tax (GST) - (S.B. 483)	\$63,259,000	\$63,702,000	\$63,463,000	\$32,054,500	\$204,000	-\$31,647,500
<b>Total Taxes</b>	<b>\$525,759,300</b>	<b>\$531,252,600</b>	<b>\$664,646,300</b>	<b>\$523,621,900</b>	<b>\$138,887,000</b>	<b>-\$7,630,700</b>
<b><u>Licenses</u></b>						
SOS Commercial Recording Fees (S.B. 483)			\$2,751,000	\$2,807,000	\$2,751,000	\$2,807,000
Real Estate License Fees (A.B. 475)			-\$1,693,400	-\$1,404,200	-\$1,693,400	-\$1,404,200
Athletic Commission Fees (A.B. 476)			<u>-\$600,000</u>	<u>-\$600,000</u>	<u>-\$600,000</u>	<u>-\$600,000</u>
<b>Total Licenses</b>			<b>\$457,600</b>	<b>\$802,800</b>	<b>\$457,600</b>	<b>\$802,800</b>
<b><u>Other Revenue</u></b>						
Governmental Services Tax Commissions and Penalties Collected by the DMV	\$27,864,086	\$29,041,313			-\$27,864,086	-\$29,041,313
Court Administrative Assessments - Portion of projected revenue to General Fund			<u>\$55,180</u>	<u>\$185,940</u>	<u>\$55,180</u>	<u>\$185,940</u>
<b>Total Other Revenue</b>	<b>\$27,864,086</b>	<b>\$29,041,313</b>	<b>\$55,180</b>	<b>\$185,940</b>	<b>-\$27,808,906</b>	<b>-\$28,855,373</b>
<b>Total Adjustments to Unrestricted General Fund Revenue</b>	<b>\$553,623,386</b>	<b>\$560,293,913</b>	<b>\$665,159,080</b>	<b>\$524,610,640</b>	<b>\$111,535,694</b>	<b>-\$35,683,273</b>
<b>Economic Forum Forecast - December 2014 / May 2015 with Adjustments: <u>Before</u> Tax Credits</b>	<b>\$3,623,216,421</b>	<b>\$3,821,276,348</b>	<b>\$3,733,695,315</b>	<b>\$3,767,090,825</b>	<b>\$110,478,894</b>	<b>-\$54,185,523</b>
<b>Tax Credits<sup>3</sup></b>	<b>\$0</b>	<b>\$0</b>	<b>-\$79,369,000</b>	<b>-\$76,638,000</b>	<b>-\$79,369,000</b>	<b>-\$76,638,000</b>
<b>Economic Forum Forecast - December 2014 / May 2015 with Adjustments: <u>After</u> Tax Credits</b>	<b><u>\$3,623,216,421</u></b>	<b><u>\$3,821,276,348</u></b>	<b><u>\$3,654,326,315</u></b>	<b><u>\$3,690,452,825</u></b>	<b><u>\$31,109,894</u></b>	<b><u>-\$130,823,523</u></b>

NOTES:

<sup>1</sup> See page 8 of the Introduction section in Volume I of the The Executive Budget for information on the revenue actions recommended by the Governor and pages 13 and 14 of the Introduction section for the revenue estimates included in The Executive Budget.

<sup>2</sup> See Table 2 on page 18 for a description of the legislative actions impacting General Fund revenue sources and the estimated impact for each revenue source for FY 2016 and FY 2017

<sup>3</sup> See Table 3 on page 24 for information on the tax credit programs and their estimated impact on the General Fund revenue for FY 2016 and FY 2017.

**GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2015, FORECAST**  
**ACTUAL: FY 2012 THROUGH FY 2014 AND FORECAST: FY 2015 THROUGH FY 2017**

**ECONOMIC FORUM'S FORECAST FOR FY 2015, FY 2016, AND FY 2017 APPROVED AT THE MAY 1, 2015, MEETING ADJUSTED FOR ACTIONS**  
**APPROVED BY THE 2015 LEGISLATURE (78th SESSION) AND TAX CREDITS APPROVED IN THE 2013 AND 2015 REGULAR SESSIONS AND 24th SPECIAL SESSION (2014)**

DESCRIPTION	FY 2012 ACTUAL	%	FY 2013 ACTUAL	%	FY 2014 ACTUAL	%	ECONOMIC FORUM MAY 1, 2015, FORECAST					
							FY 2015 FORECAST	%	FY 2016 FORECAST	%	FY 2017 FORECAST	%
<b>TAXES</b>												
MINING TAX AND MINING CLAIMS FEE												
3064 Net Proceeds of Minerals [1-12][2-12][1-14][2-14][3-16]	\$120,414,858	8.0%	\$111,275,062	-7.6%	\$26,221,970	-76.4%	\$50,756,000	93.6%	\$38,863,000		\$0	
3241 Net Proceeds Penalty							\$0		\$0		\$0	
3245 Centrally Assessed Penalties	\$4,327	-78.9%	\$64,561	1392.1%		-100.0%	\$45,000		\$45,000	0.0%	\$45,000	0.0%
3116 Mining Claims Fee [3-12]	<u>\$6,300</u>						<u>\$0</u>		<u>\$0</u>		<u>\$0</u>	
TOTAL MINING TAXES AND FEES	<u>\$120,425,485</u>	<u>-7.1%</u>	<u>\$111,339,623</u>	<u>-7.5%</u>	<u>\$26,221,970</u>	<u>-76.4%</u>	<u>\$50,801,000</u>	<u>93.7%</u>	<u>\$38,908,000</u>		<u>\$45,000</u>	
<b>SALES AND USE</b>												
3001 Sales & Use Tax	\$842,941,556	6.0%	\$888,658,964	5.4%	\$931,319,687	4.8%	\$999,006,000	7.3%	\$1,057,000,000	5.8%	\$1,114,995,000	5.5%
3002 State Share - LSST [4-12][3-14][4-16]	\$8,309,073	7.5%	\$8,791,462	5.8%	\$9,194,669	4.6%	\$9,740,300	5.9%	\$10,305,700	5.8%	\$10,871,200	5.5%
3003 State Share - BCCRT	\$3,682,170	6.0%	\$3,893,046	5.7%	\$4,088,755	5.0%	\$4,370,700	6.9%	\$4,624,400	5.8%	\$4,878,100	5.5%
3004 State Share - SCCRT	\$12,884,425	6.0%	\$13,625,039	5.7%	\$14,305,300	5.0%	\$15,297,300	6.9%	\$16,185,300	5.8%	\$17,073,400	5.5%
3005 State Share - PTT	<u>\$7,778,846</u>	<u>5.9%</u>	<u>\$8,230,334</u>	<u>5.8%</u>	<u>\$8,797,760</u>	<u>6.9%</u>	<u>\$9,407,800</u>	<u>6.9%</u>	<u>\$9,953,900</u>	<u>5.8%</u>	<u>\$10,500,100</u>	<u>5.5%</u>
TOTAL SALES AND USE	<u>\$875,596,070</u>	<u>6.0%</u>	<u>\$923,198,845</u>	<u>5.4%</u>	<u>\$967,706,171</u>	<u>4.8%</u>	<u>\$1,037,822,100</u>	<u>7.2%</u>	<u>\$1,098,069,300</u>	<u>5.8%</u>	<u>\$1,158,317,800</u>	<u>5.5%</u>
<b>GAMING - STATE</b>												
3041 Percent Fees - Gross Revenue: <u>Before Tax Credits</u>	\$653,672,645	0.2%	\$678,852,045	3.9%	\$682,311,672	0.5%	\$683,708,000	0.2%	\$698,701,000	2.2%	\$716,158,000	2.5%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]							\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]							\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]							<u>\$0</u>		<u>\$0</u>		<u>\$0</u>	
Total - Tax Credit Programs							\$0		\$0		\$0	
Percent Fees - Gross Revenue: <u>After Tax Credits</u>	\$653,672,645		\$678,852,045		\$682,311,672		\$683,708,000	0.2%	\$698,701,000	2.2%	\$716,158,000	2.5%
3032 Pari-mutuel Tax	\$2,113	-42.1%	\$3,069	45.2%	\$2,758	-10.1%	\$2,964	7.5%	\$3,000	1.2%	\$3,150	5.0%
3181 Racing Fees	\$11,616	-1.0%	\$8,698	-25.1%	\$9,258	6.4%	\$7,456	-19.5%	\$7,600	1.9%	\$7,600	0.0%
3247 Racing Fines/Forfeitures	\$0	-100.0%	\$350		\$0		\$500		\$0		\$0	
3042 Gaming Penalties	\$459,560	-67.5%	\$1,456,742	217.0%	\$7,862,472	439.7%	\$350,000	-95.5%	\$600,000	71.4%	\$600,000	0.0%
3043 Flat Fees-Restricted Slots [5-12]	\$8,485,702	0.8%	\$8,403,435	-1.0%	\$8,305,289	-1.2%	\$8,271,700	-0.4%	\$8,249,400	-0.3%	\$8,312,000	0.8%
3044 Non-Restricted Slots [5-12]	\$12,628,582	2.9%	\$12,298,703	-2.6%	\$11,383,000	-7.4%	\$11,195,300	-1.6%	\$10,984,100	-1.9%	\$10,931,900	-0.5%
3045 Quarterly Fees-Games	\$6,592,935	-1.2%	\$6,449,658	-2.2%	\$6,410,111	-0.6%	\$6,482,800	1.1%	\$6,483,100	0.0%	\$6,632,100	2.3%
3046 Advance License Fees	\$3,996,985	79.3%	\$1,340,597	-66.5%	\$672,263	-49.9%	\$1,625,000	141.7%	\$500,000	-69.2%	\$650,000	30.0%
3048 Slot Machine Route Operator	\$36,500	1.4%	\$40,500	11.0%	\$37,000	-8.6%	\$35,000	-5.4%	\$36,000	2.9%	\$36,500	1.4%
3049 Gaming Info Systems Annual	\$18,000	19.0%	\$18,000	0.0%	\$18,000	0.0%	\$42,000	133.3%	\$30,000	-28.6%	\$30,000	0.0%
3028 Interactive Gaming Fee - Operator	\$0		\$437,500		\$604,167	38.1%	\$500,000	-17.2%	\$500,000	0.0%	\$500,000	0.0%
3029 Interactive Gaming Fee - Service Provider	\$1,000		\$27,000		\$75,000	177.8%	\$60,300	-19.6%	\$52,000	-13.8%	\$45,000	-13.5%
3030 Interactive Gaming Fee - Manufacturer	\$125,000		\$775,000		\$700,000	-9.7%	\$200,000	-71.4%	\$225,000	12.5%	\$225,000	0.0%
3033 Equip Mfg. License	\$264,500	-4.9%	\$273,500	3.4%	\$290,000	6.0%	\$280,100	-3.4%	\$279,500	-0.2%	\$282,500	1.1%
3034 Race Wire License	\$38,849	16.3%	\$34,889	-10.2%	\$29,736	-14.8%	\$31,800	6.9%	\$33,000	3.8%	\$34,000	3.0%
3035 Annual Fees on Games	<u>\$116,425</u>	<u>-5.6%</u>	<u>\$106,046</u>	<u>-8.9%</u>	<u>\$105,341</u>	<u>-0.7%</u>	<u>\$120,600</u>	<u>14.5%</u>	<u>\$124,400</u>	<u>3.2%</u>	<u>\$126,900</u>	<u>2.0%</u>
TOTAL GAMING - STATE: <u>BEFORE TAX CREDITS</u>	<u>\$686,450,412</u>	<u>0.4%</u>	<u>\$710,525,734</u>	<u>3.5%</u>	<u>\$718,816,067</u>	<u>1.2%</u>	<u>\$712,913,520</u>	<u>-0.8%</u>	<u>\$726,808,100</u>	<u>1.9%</u>	<u>\$744,574,650</u>	<u>2.4%</u>
Tax Credit Programs							<u>\$0</u>		<u>\$0</u>		<u>\$0</u>	
TOTAL GAMING - STATE: <u>AFTER TAX CREDITS</u>	<u>\$686,450,412</u>	<u>0.4%</u>	<u>\$710,525,734</u>	<u>3.5%</u>	<u>\$718,816,067</u>	<u>1.2%</u>	<u>\$712,913,520</u>	<u>-0.8%</u>	<u>\$726,808,100</u>	<u>1.9%</u>	<u>\$744,574,650</u>	<u>2.4%</u>
<b>LIVE ENTERTAINMENT TAX (LET)</b>												
3031G Live Entertainment Tax-Gaming [5-16]	\$125,337,855	5.7%	\$125,709,500	0.3%	\$139,156,240	10.7%	\$131,492,000	-5.5%	\$112,960,000	-14.1%	\$108,378,000	-4.1%
3031NG Live Entertainment Tax-Nongaming [5-16]	<u>\$11,644,191</u>	<u>-3.8%</u>	<u>\$11,706,670</u>	<u>0.5%</u>	<u>\$14,979,978</u>	<u>28.0%</u>	<u>\$15,168,000</u>	<u>1.3%</u>	<u>\$31,308,000</u>	<u>106.4%</u>	<u>\$41,819,000</u>	<u>33.6%</u>
TOTAL LET	<u>\$136,982,047</u>	<u>4.9%</u>	<u>\$137,416,170</u>	<u>0.3%</u>	<u>\$154,136,218</u>	<u>12.2%</u>	<u>\$146,660,000</u>	<u>-4.9%</u>	<u>\$144,268,000</u>	<u>-1.6%</u>	<u>\$150,197,000</u>	<u>4.1%</u>
<b>COMMERCE TAX</b>												
Commerce Tax [6-16]									\$119,826,000		\$119,826,000	
<b>PASSENGER CARRIER EXCISE TAX</b>												
Passenger Carrier Excise Tax [7-16]									\$13,685,000		\$22,936,000	
<b>CIGARETTE TAX</b>												
3052 Cigarette Tax [8-16]	\$82,974,853	-3.5%	\$83,017,546	0.1%	\$79,628,983	-4.1%	\$79,678,000	0.1%	\$175,356,000	120.1%	\$172,675,000	-1.5%

**GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2015, FORECAST**  
**ACTUAL: FY 2012 THROUGH FY 2014 AND FORECAST: FY 2015 THROUGH FY 2017**

**ECONOMIC FORUM'S FORECAST FOR FY 2015, FY 2016, AND FY 2017 APPROVED AT THE MAY 1, 2015, MEETING ADJUSTED FOR ACTIONS**  
**APPROVED BY THE 2015 LEGISLATURE (78th SESSION) AND TAX CREDITS APPROVED IN THE 2013 AND 2015 REGULAR SESSIONS AND 24th SPECIAL SESSION (2014)**

DESCRIPTION	FY 2012 ACTUAL	%	FY 2013 ACTUAL	%	FY 2014 ACTUAL	%	ECONOMIC FORUM MAY 1, 2015, FORECAST					
							FY 2015 FORECAST	%	FY 2016 FORECAST	%	FY 2017 FORECAST	%
<b>TAXES - CONTINUED</b>												
MODIFIED BUSINESS TAX (MBT)												
MBT - NONFINANCIAL BUSINESSES (MBT-NFI) [6-12][4-14][9-16] [10-16][11-16][12-16]												
3069 MBT - Nonfinancial: <u>Before Tax Credits</u>	\$348,943,337	-3.4%	\$363,242,006	4.1%	\$361,095,880	-0.6%	\$379,528,000	5.1%	\$525,097,000	38.4%	\$550,930,000	4.9%
Commerce Tax Credits [13-16]											\$0	
MBT - Nonfinancial: <u>After Commerce Tax Credits</u>							\$379,528,000	5.1%	\$525,097,000	38.4%	\$550,930,000	4.9%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]							\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]							\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]							\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]							\$0		\$0		\$0	
College Savings Plan Tax Credits [TC-6]							\$0		\$0		\$0	
Total - Tax Credit Programs							\$0		\$0		\$0	
MBT - Nonfinancial: <u>After Tax Credit Programs</u>	<u>\$348,943,337</u>		<u>\$363,242,006</u>		<u>\$361,095,880</u>		<u>\$379,528,000</u>	<u>5.1%</u>	<u>\$525,097,000</u>	<u>38.4%</u>	<u>\$550,930,000</u>	<u>4.9%</u>
MBT - FINANCIAL BUSINESSES (MBT-FI) [12-16]												
3069 MBT - Financial: <u>Before Tax Credits</u>	\$20,717,296	0.8%	\$23,368,075	12.8%	\$23,789,898	1.8%	\$24,218,000	1.8%	\$24,078,000	-0.6%	\$25,007,000	3.9%
Commerce Tax Credits [13-16]											\$0	
MBT - Financial: <u>After Commerce Tax Credits</u>							\$24,218,000	1.8%	\$24,078,000	-0.6%	\$25,007,000	3.9%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]							\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]							\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]							\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]							\$0		\$0		\$0	
College Savings Plan Tax Credits [TC-6]							\$0		\$0		\$0	
Total - Tax Credit Programs							\$0		\$0		\$0	
MBT - Financial: <u>After Tax Credit Programs</u>	<u>\$20,717,296</u>		<u>\$23,368,075</u>		<u>\$23,789,898</u>		<u>\$24,218,000</u>	<u>1.8%</u>	<u>\$24,078,000</u>	<u>-0.6%</u>	<u>\$25,007,000</u>	<u>3.9%</u>
MBT - MINING BUSINESSES (MBT-MINING) [11-16]												
3069 MBT - Mining: <u>Before Tax Credits</u>									\$17,353,000		\$17,353,000	0.0%
Commerce Tax Credits [13-16]											\$0	
MBT - Mining: <u>After Commerce Tax Credits</u>									\$17,353,000		\$17,353,000	0.0%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]									\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]									\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]									\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]									\$0		\$0	
College Savings Plan Tax Credits [TC-6]									\$0		\$0	
Total - Tax Credit Programs									\$0		\$0	
MBT - Mining: <u>After Tax Credit Programs</u>									<u>\$17,353,000</u>		<u>\$17,353,000</u>	<u>0.0%</u>
TOTAL MBT - NFI, FI, & MINING												
TOTAL MBT: <u>BEFORE TAX CREDITS</u>	<u>\$369,660,633</u>	<u>-3.2%</u>	<u>\$386,610,081</u>	<u>4.6%</u>	<u>\$384,885,778</u>	<u>-0.4%</u>	<u>\$403,746,000</u>	<u>4.9%</u>	<u>\$566,528,000</u>	<u>40.3%</u>	<u>\$593,290,000</u>	<u>4.7%</u>
TOTAL COMMERCE TAX CREDITS [13-16]											<u>-\$59,913,000</u>	
TOTAL MBT: <u>AFTER COMMERCE TAX CREDITS</u>							<u>\$403,746,000</u>	<u>4.9%</u>	<u>\$566,528,000</u>	<u>40.3%</u>	<u>\$533,377,000</u>	<u>-5.9%</u>
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]							\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]							\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]							\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]							\$0		-\$5,000,000		-\$5,500,000	
College Savings Plan Tax Credits [TC-6]							\$0		<u>-\$69,000</u>		<u>-\$138,000</u>	
Total - Tax Credit Programs							\$0		<u>-\$5,069,000</u>		<u>-\$5,638,000</u>	
TOTAL MBT: <u>AFTER TAX CREDIT PROGRAMS</u>	<u>\$369,660,633</u>		<u>\$386,610,081</u>		<u>\$384,885,778</u>		<u>\$403,746,000</u>	<u>4.9%</u>	<u>\$561,459,000</u>	<u>39.1%</u>	<u>\$527,739,000</u>	<u>-6.0%</u>

**GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2015, FORECAST  
ACTUAL: FY 2012 THROUGH FY 2014 AND FORECAST: FY 2015 THROUGH FY 2017  
ECONOMIC FORUM'S FORECAST FOR FY 2015, FY 2016, AND FY 2017 APPROVED AT THE MAY 1, 2015, MEETING ADJUSTED FOR ACTIONS  
APPROVED BY THE 2015 LEGISLATURE (78th SESSION) AND TAX CREDITS APPROVED IN THE 2013 AND 2015 REGULAR SESSIONS AND 24th SPECIAL SESSION (2014)**

DESCRIPTION		FY 2012		FY 2013		FY 2014		ECONOMIC FORUM MAY 1, 2015, FORECAST					
		ACTUAL	% Change	ACTUAL	% Change	ACTUAL	% Change	FY 2015 FORECAST	% Change	FY 2016 FORECAST	% Change	FY 2017 FORECAST	% Change
TAXES - CONTINUED													
3061	Insurance Premium Tax: <u>Before Tax Credits</u> [1-16]	\$236,787,376	0.8%	\$248,512,421	5.0%	\$263,531,578	6.0%	\$294,420,000	11.7%	\$324,063,000	10.1%	\$355,016,000	9.6%
	Tax Credit Programs:												
	Film Transferrable Tax Credits [TC-1]							\$0		\$0		\$0	
	Economic Development Transferrable Tax Credits [TC-2]							\$0		\$0		\$0	
	Catalyst Account Transferrable Tax Credits [TC-4]							\$0		\$0		\$0	
	Nevada New Markets Job Act Tax Credits [TC-3]							-\$13,800,000		-\$24,000,000		-\$24,000,000	
	Total - Tax Credit Programs							-\$13,800,000		-\$24,000,000		-\$24,000,000	
	Insurance Premium Tax: <u>After Tax Credit Programs</u>	\$236,787,376		\$248,512,421		\$263,531,578		\$280,620,000	6.5%	\$300,063,000	6.9%	\$331,016,000	10.3%
3062	Insurance Retaliatory Tax	\$396,380	81.1%	\$242,383	-38.9%	\$234,807	-3.1%	\$302,000	28.6%	\$223,000	-26.2%	\$223,000	0.0%
3067	Captive Insurer Premium Tax	\$675,188	-9.0%	\$635,037	-5.9%	\$755,517	19.0%	\$878,000	16.2%	\$824,000	-6.2%	\$831,000	0.8%
	TOTAL INSURANCE TAXES: <u>BEFORE TAX CREDITS</u>	\$237,858,943	0.9%	\$249,389,842	4.8%	\$264,521,903	6.1%	\$295,600,000	11.7%	\$325,110,000	10.0%	\$356,070,000	9.5%
	TAX CREDIT PROGRAMS							-\$13,800,000		-\$24,000,000		-\$24,000,000	
	TOTAL INSURANCE TAXES: <u>AFTER TAX CREDITS</u>	\$237,858,943	0.9%	\$249,389,842	4.8%	\$264,521,903	6.1%	\$281,800,000	6.5%	\$301,110,000	6.9%	\$332,070,000	10.3%
REAL PROPERTY TRANSFER TAX (RPTT)													
3055	Real Property Transfer Tax	\$48,373,678	-6.2%	\$54,989,831	13.7%	\$60,047,457	9.2%	\$65,405,000	8.9%	\$70,402,000	7.6%	\$76,064,000	8.0%
GOVERNMENTAL SERVICES TAX (GST)													
3051	Governmental Services Tax [5-14][14-16]	\$62,358,153	1.3%	\$63,503,131	1.8%	\$62,267,322	-1.9%	\$62,827,700	0.9%	\$63,463,000		\$32,054,500	
OTHER TAXES													
3113	Business License Fee [7-12][6-14][15-16]	\$64,790,426	19.0%	\$69,010,685	6.5%	\$72,166,482	4.6%	\$74,078,000	2.6%	\$103,040,000	39.1%	\$104,998,000	1.9%
3050	Liquor Tax	\$40,649,951	3.0%	\$39,884,376	-1.9%	\$41,838,536	4.9%	\$43,525,000	4.0%	\$44,411,000	2.0%	\$45,346,000	2.1%
3053	Other Tobacco Tax	\$8,274,310	-17.6%	\$10,348,437	25.1%	\$11,620,286	12.3%	\$11,296,000	-2.8%	\$12,455,000	10.3%	\$12,907,000	3.6%
4862	HECC Transfer	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%
3065	Business License Tax	\$597	-95.6%	\$2,941	393.0%	\$2,814	-4.3%	\$2,000	-28.9%	\$0		\$0	
3068	Branch Bank Excise Tax	\$3,047,528	-0.9%	\$2,996,521	-1.7%	\$2,788,166	-7.0%	\$3,074,400	10.3%	\$3,009,800	-2.1%	\$3,017,900	0.3%
	TOTAL TAXES: <u>BEFORE TAX CREDITS</u>	\$2,742,443,087	-2.5%	\$2,847,233,762	3.8%	\$2,851,648,150	0.2%	\$2,992,428,720	4.9%	\$3,510,339,200	17.3%	\$3,597,318,850	2.5%
	TOTAL COMMERCE TAX CREDITS [13-16]											-\$59,913,000	
	TOTAL TAXES: <u>AFTER COMMERCE TAX CREDITS</u>							\$2,992,428,720	4.9%	\$3,510,339,200	17.3%	\$3,537,405,850	0.8%
	Tax Credit Programs:												
	Film Transferrable Tax Credits [TC-1]							-\$5,200,000		-\$4,800,000		\$0	
	Economic Development Transferrable Tax Credits [TC-2]							\$0		-\$45,000,000		-\$45,000,000	
	Catalyst Account Transferrable Tax Credits [TC-4]							\$0		-\$500,000		-\$2,000,000	
	Nevada New Markets Job Act Tax Credits [TC-3]							-\$13,800,000		-\$24,000,000		-\$24,000,000	
	Education Choice Scholarship Tax Credits [TC-5]							\$0		-\$5,000,000		-\$5,500,000	
	College Savings Plan Tax Credits [TC-6]							\$0		-\$69,000		-\$138,000	
	Total - Tax Credit Programs							-\$19,000,000		-\$79,369,000		-\$76,638,000	
	TOTAL TAXES: <u>AFTER TAX CREDITS</u>	\$2,742,443,087	-2.5%	\$2,847,233,762	3.8%	\$2,851,648,150	0.2%	\$2,973,428,720	4.3%	\$3,430,970,200	15.4%	\$3,460,767,850	0.9%

**GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2015, FORECAST**  
**ACTUAL: FY 2012 THROUGH FY 2014 AND FORECAST: FY 2015 THROUGH FY 2017**

**ECONOMIC FORUM'S FORECAST FOR FY 2015, FY 2016, AND FY 2017 APPROVED AT THE MAY 1, 2015, MEETING ADJUSTED FOR ACTIONS**  
**APPROVED BY THE 2015 LEGISLATURE (78th SESSION) AND TAX CREDITS APPROVED IN THE 2013 AND 2015 REGULAR SESSIONS AND 24th SPECIAL SESSION (2014)**

DESCRIPTION	FY 2012 ACTUAL	%	FY 2013 ACTUAL	%	FY 2014 ACTUAL	%	ECONOMIC FORUM MAY 1, 2015, FORECAST					
							FY 2015 FORECAST	%	FY 2016 FORECAST	%	FY 2017 FORECAST	%
<b>LICENSES</b>												
3101 Insurance Licenses	\$15,646,219	-5.4%	\$16,625,163	6.3%	\$17,925,429	7.8%	\$18,463,000	3.0%	\$19,017,000	3.0%	\$19,588,000	3.0%
3120 Marriage License	\$404,472	-1.7%	\$378,324	-6.5%	\$371,684	-1.8%	\$369,000	-0.7%	\$369,700	0.2%	\$370,400	0.2%
SECRETARY OF STATE												
3105 UCC	\$1,829,710	-0.4%	\$1,685,928	-7.9%	\$1,714,724	1.7%	\$1,692,200	-1.3%	\$1,695,600	0.2%	\$1,699,600	0.2%
3129 Notary Fees	\$579,228	-24.6%	\$571,626	-1.3%	\$544,060	-4.8%	\$536,300	-1.4%	\$541,700	1.0%	\$547,100	1.0%
3130 Commercial Recordings [16-16]	\$66,693,331	-5.9%	\$65,062,391	-2.4%	\$66,661,943	2.5%	\$67,665,000	1.5%	\$71,429,000	5.6%	\$72,408,000	1.4%
3131 Video Service Franchise	\$8,425		\$7,075	-16.0%	\$3,525	-50.2%	\$1,500	-57.4%	\$0		\$0	
3121 Domestic Partnership Registry Fee	\$33,891	42.1%	\$43,956	29.7%	\$51,621	17.4%	\$40,300	-21.9%	\$26,900	-33.3%	\$13,400	-50.2%
3152 Securities	<u>\$24,534,996</u>	<u>2.1%</u>	<u>\$24,605,322</u>	<u>0.3%</u>	<u>\$25,947,110</u>	<u>5.5%</u>	<u>\$26,900,000</u>	<u>3.7%</u>	<u>\$27,707,000</u>	<u>3.0%</u>	<u>\$28,538,000</u>	<u>3.0%</u>
TOTAL SECRETARY OF STATE	<u>\$93,679,582</u>	<u>-6.5%</u>	<u>\$91,976,297</u>	<u>-1.8%</u>	<u>\$94,922,982</u>	<u>3.2%</u>	<u>\$96,835,300</u>	<u>2.0%</u>	<u>\$101,400,200</u>	<u>4.7%</u>	<u>\$103,206,100</u>	<u>1.8%</u>
3172 Private School Licenses [7-14]	\$224,140	-5.8%	\$247,504	10.4%	\$284,569	15.0%	\$260,000	-8.6%	\$270,000	3.8%	\$280,000	3.7%
3173 Private Employment Agency	\$11,800	-12.6%	\$11,700	-0.8%	\$11,400	-2.6%	\$11,400	0.0%	\$11,400	0.0%	\$11,400	0.0%
REAL ESTATE												
3161 Real Estate License [17-16]	\$4,005,955	69.4%	\$3,408,649	-14.9%	\$1,372,080	-59.7%	\$1,364,800	-0.5%	\$1,952,200	43.0%	\$2,127,300	9.0%
3162 Real Estate Fees	<u>\$3,300</u>	<u>-31.3%</u>	<u>\$2,890</u>	<u>-12.4%</u>	<u>\$4,820</u>	<u>66.8%</u>	<u>\$6,000</u>	<u>24.5%</u>	<u>\$4,000</u>	<u>-33.3%</u>	<u>\$4,000</u>	<u>0.0%</u>
TOTAL REAL ESTATE	<u>\$4,009,255</u>	<u>69.2%</u>	<u>\$3,411,539</u>	<u>-14.9%</u>	<u>\$1,376,900</u>	<u>-59.6%</u>	<u>\$1,370,800</u>	<u>-0.4%</u>	<u>\$1,956,200</u>	<u>42.7%</u>	<u>\$2,131,300</u>	<u>9.0%</u>
3102 Athletic Commission Fees [18-16]	\$5,115,117	74.8%	\$3,867,975	-24.4%	\$5,334,498	37.9%	\$5,027,000	-5.8%	\$3,999,000	-20.4%	\$3,999,000	0.0%
TOTAL LICENSES	<u>\$119,090,583</u>	<u>-3.0%</u>	<u>\$116,518,502</u>	<u>-2.2%</u>	<u>\$120,227,462</u>	<u>3.2%</u>	<u>\$122,336,500</u>	<u>1.8%</u>	<u>\$127,023,500</u>	<u>3.8%</u>	<u>\$129,586,200</u>	<u>2.0%</u>
<b>FEES AND FINES</b>												
3200 Vital Statistics Fees [8-14]	\$1,024,903	-0.5%	\$1,057,380	3.2%								
3203 Divorce Fees	\$184,862	-2.9%	\$171,211	-7.4%	\$174,376	1.8%	\$174,200	-0.1%	\$175,500	0.7%	\$177,000	0.9%
3204 Civil Action Fees	\$1,389,756	-4.0%	\$1,324,808	-4.7%	\$1,325,805	0.1%	\$1,275,400	-3.8%	\$1,275,200	0.0%	\$1,275,800	0.0%
3242 Insurance Fines	\$1,431,172	153.1%	\$1,208,502	-15.6%	\$723,272	-40.2%	\$766,700	6.0%	\$826,700	7.8%	\$826,700	0.0%
3103MD Medical Plan Discount Reg. Fees	\$9,895	-5.8%	\$2,050	-79.3%								
REAL ESTATE FEES												
3107IOS IOS Application Fees	\$9,800	31.7%	\$8,794	-10.3%	\$7,840	-10.8%	\$5,700	-27.3%	\$7,300	28.1%	\$7,300	0.0%
3165 Land Co Filing Fees	\$140,650	15.0%	\$131,320	-6.6%	\$167,495	27.5%	\$170,000	1.5%	\$174,000	2.4%	\$174,700	0.4%
3167 Real Estate Adver Fees	\$4,180	-26.9%	\$2,745	-34.3%	\$590	-78.5%	\$300	-49.2%				
3169 Real Estate Reg Fees	\$15,725	20.5%	\$18,000	14.5%	\$15,700	-12.8%	\$16,400	4.5%	\$17,000	3.7%	\$17,600	3.5%
4741 Real Estate Exam Fees	\$218,816	1.7%	\$171,144	-21.8%	\$174,117	1.7%	\$220,200	26.5%	\$172,000	-21.9%	\$174,000	1.2%
3171 CAM Certification Fee	\$86,040	31.0%										
3178 Real Estate Accred Fees	\$79,050	-8.1%	\$80,108	1.3%	\$86,475	7.9%	\$92,300	6.7%	\$83,000	-10.1%	\$86,000	3.6%
3254 Real Estate Penalties	\$101,285	32.2%	\$104,165	2.8%	\$36,835	-64.6%	\$27,100	-26.4%	\$32,700	20.7%	\$32,000	-2.1%
3190 A.B. 165, Real Estate Inspectors	<u>\$63,250</u>	<u>47.8%</u>	<u>\$50,650</u>	<u>-19.9%</u>	<u>\$60,150</u>	<u>18.8%</u>	<u>\$52,400</u>	<u>-12.9%</u>	<u>\$58,800</u>	<u>12.2%</u>	<u>\$61,500</u>	<u>4.6%</u>
TOTAL REAL ESTATE FEES	<u>\$718,796</u>	<u>13.2%</u>	<u>\$566,926</u>	<u>-21.1%</u>	<u>\$549,202</u>	<u>-3.1%</u>	<u>\$584,400</u>	<u>6.4%</u>	<u>\$544,800</u>	<u>-6.8%</u>	<u>\$553,100</u>	<u>1.5%</u>
3066 Short Term Car Lease [8-12]	\$44,499,016	15.3%	\$45,753,454	2.8%	\$46,151,238	0.9%	\$47,538,000	3.0%	\$48,868,400	2.8%	\$50,242,200	2.8%
3103AC Athletic Commission Licenses/Fines	\$231,865	70.8%	\$215,822	-6.9%	\$234,245	8.5%	\$231,500	-1.2%	\$231,500	0.0%	\$231,500	0.0%
3205 State Engineer Sales [9-14]	\$3,366,568	12.4%	\$2,617,726	-22.2%								
3206 Supreme Court Fees	\$211,955	2.6%	\$193,275	-8.8%	\$216,785	12.2%	\$197,000	-9.1%	\$197,000	0.0%	\$197,000	0.0%
3115 Notice of Default Fee	\$2,484,840	-69.5%	\$2,765,325	11.3%	\$1,706,387	-38.3%	\$1,584,200	-9.4%	\$1,435,100	-9.4%	\$1,300,500	-9.4%
3271 Misc Fines/Forfeitures	<u>\$2,851,838</u>	<u>-14.0%</u>	<u>\$11,162,515</u>	<u>291.4%</u>	<u>\$3,125,839</u>	<u>-72.0%</u>	<u>\$8,878,000</u>	<u>184.0%</u>	<u>\$2,400,000</u>	<u>-73.0%</u>	<u>\$2,400,000</u>	<u>0.0%</u>
TOTAL FEES AND FINES	<u>\$58,405,467</u>	<u>1.9%</u>	<u>\$67,038,994</u>	<u>14.8%</u>	<u>\$54,207,150</u>	<u>-19.1%</u>	<u>\$61,229,400</u>	<u>13.0%</u>	<u>\$55,954,200</u>	<u>-8.6%</u>	<u>\$57,203,800</u>	<u>2.2%</u>

**GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2015, FORECAST**  
**ACTUAL: FY 2012 THROUGH FY 2014 AND FORECAST: FY 2015 THROUGH FY 2017**

**ECONOMIC FORUM'S FORECAST FOR FY 2015, FY 2016, AND FY 2017 APPROVED AT THE MAY 1, 2015, MEETING ADJUSTED FOR ACTIONS**  
**APPROVED BY THE 2015 LEGISLATURE (78th SESSION) AND TAX CREDITS APPROVED IN THE 2013 AND 2015 REGULAR SESSIONS AND 24th SPECIAL SESSION (2014)**

DESCRIPTION	FY 2012 ACTUAL		FY 2013 ACTUAL		FY 2014 ACTUAL		ECONOMIC FORUM MAY 1, 2015, FORECAST					
		% Change		% Change		% Change	FY 2015 FORECAST	% Change	FY 2016 FORECAST	% Change	FY 2017 FORECAST	% Change
<b>USE OF MONEY AND PROP</b>												
OTHER REPAYMENTS												
4403 Forestry Nurseries Fund Repayment (05-M27)	\$20,670		\$20,670		\$20,670		\$20,670		\$20,670		\$20,670	
4408 Comp/Fac Repayment	\$23,744		\$23,744		\$23,744		\$23,744		\$23,744		\$23,744	
4408 CIP 95-M1, Security Alarm	\$2,998		\$2,998		\$2,998		\$2,998		\$2,998		\$2,998	
4408 CIP 95-M5, Facility Generator	\$6,874		\$6,874		\$6,874		\$6,874		\$6,874		\$6,874	
4408 CIP 95-S4F, Advance Planning	\$1,000		\$1,000		\$1,000		\$1,000		\$1,000		\$1,000	
4408 CIP 97-C26, Capitol Complex Conduit System, Phase I	\$62,542		\$62,542		\$62,542		\$62,542		\$62,542		\$62,542	
4408 CIP 97-S4H, Advance Planning Addition to Computer Facility	\$9,107		\$9,107		\$9,107		\$9,107		\$9,107		\$9,107	
4409 Motor Pool Repay - LV [10-14]					\$62,500		\$125,000		\$125,000		\$125,000	
4402 State Personnel IFS Repayment; S.B. 201, 1997 Legislature	\$236,082		\$326,659		\$202,987		\$202,988		\$0		\$0	
TOTAL OTHER REPAYMENTS	\$363,017	-66.9%	\$453,594	25.0%	\$392,422	-13.5%	\$454,923	15.9%	\$251,935	-44.6%	\$251,935	0.0%
INTEREST INCOME												
3290 Treasurer [9-12]	\$522,729	-52.3%	\$625,550	19.7%	\$589,930	-5.7%	\$1,242,000	110.5%	\$2,570,000	106.9%	\$4,069,000	58.3%
3291 Other	(\$17,606)	-121.1%	\$7,723		\$4,156	-46.2%	\$5,300	27.5%	\$5,300	0.0%	\$5,300	0.0%
TOTAL INTEREST INCOME	\$505,123	-57.2%	\$633,273	25.4%	\$594,086	-6.2%	\$1,247,300	110.0%	\$2,575,300	106.5%	\$4,074,300	58.2%
TOTAL USE OF MONEY & PROP	\$868,140	-62.0%	\$1,086,867	25.2%	\$986,508	-9.2%	\$1,702,223	72.6%	\$2,827,235	66.1%	\$4,326,235	53.0%
<b>OTHER REVENUE</b>												
3059 Hoover Dam Revenue	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%
MISC SALES AND REFUNDS												
4794 GST Commissions and Penalties / DMV [10-12][11-14][19-16]	\$24,678,398		\$25,127,068	1.8%			\$28,761,000					
3047 Expired Slot Machine Wagering Vouchers [11-12]	\$3,134,219		\$7,193,209	129.5%	\$7,486,068	4.1%	\$8,054,000	7.6%	\$8,228,900	2.2%	\$8,426,900	2.4%
3071 Property Tax: 4-cent operating rate (Clark & Washoe)	\$22											
3070 Property Tax: 5-cent capital rate (Clark & Washoe)	\$11											
4790 Suppl. Account for Med. Assist. to Indigent [12-12]	\$19,112,621		\$19,218,718	0.6%								
3107 Misc Fees	\$251,299	-40.8%	\$305,387	21.5%	\$298,822	-2.1%	\$300,000	0.4%	\$300,000	0.0%	\$300,000	0.0%
3109 Court Admin Assessments [13-12][12-14][20-16]	\$4,434,259	-13.5%	\$4,118,579	-7.1%	\$2,511,100	-39.0%	\$2,258,200	-10.1%	\$55,180	-97.6%	\$185,940	237.0%
3114 Court Administrative Assessment Fee	\$2,537,600	6.5%	\$2,509,553	-1.1%	\$2,335,123	-7.0%	\$2,119,100	-9.3%	\$2,127,000	0.4%	\$2,149,500	1.1%
3168 Declare of Candidacy Filing Fee	\$68,541	115.2%	\$37,937	-44.7%	\$92,200	143.0%	\$11,000	-88.1%	\$40,000	263.6%	\$16,700	-58.3%
3202 Fees & Writs of Garnishments	\$2,255	-20.7%	\$2,605	15.5%	\$2,535	-2.7%	\$2,400	-5.3%	\$2,400	0.0%	\$2,400	0.0%
3220 Nevada Report Sales	\$5,670	-37.3%	\$8,620	52.0%	\$3,480	-59.6%	\$7,200	106.9%	\$2,100	-70.8%	\$5,900	181.0%
3222 Excess Property Sales	\$32,966	56.9%	\$26,780	-18.8%	\$46,603	74.0%	\$85,700	83.9%	\$40,100	-53.2%	\$37,900	-5.5%
3240 Sale of Trust Property	\$14,429	-14.5%	\$4,718	-67.3%	\$3,447	-26.9%	\$3,500	1.5%	\$3,500	0.0%	\$3,500	0.0%
3243 Insurance - Misc	\$432,446	-22.4%	\$390,623	-9.7%	\$416,576	6.6%	\$437,400	5.0%	\$450,500	3.0%	\$464,000	3.0%
3274 Misc Refunds	\$63,338	62.0%	\$90,567	43.0%	\$30,729	-66.1%	\$30,300	-1.4%	\$29,500	-2.6%	\$31,000	5.1%
3276 Cost Recovery Plan [13-14]	\$8,495,233	-6.1%	\$8,470,707	-0.3%	\$8,883,972	4.9%	\$8,590,000	-3.3%	\$11,534,000	34.3%	\$10,770,000	-6.6%
TOTAL MISC SALES & REF	\$63,263,309	-35.0%	\$67,505,073	6.7%	\$22,110,653	-67.2%	\$50,659,800	129.1%	\$22,813,180	-55.0%	\$22,393,740	-1.8%
3255 Unclaimed Property [14-12]	\$97,397,588	16.2%	\$32,918,563	-66.2%	\$17,466,436	-46.9%	\$11,823,000	-32.3%	\$14,438,000	22.1%	\$15,875,000	10.0%
TOTAL OTHER REVENUE	\$160,960,897	-11.3%	\$100,723,636	-37.4%	\$39,877,089	-60.4%	\$62,782,800	57.4%	\$37,551,180	-40.2%	\$38,568,740	2.7%
<b>TOTAL GENERAL FUND REVENUE: BEFORE TAX CREDITS</b>	<b>\$3,081,768,174</b>	<b>-2.9%</b>	<b>\$3,132,601,761</b>	<b>1.6%</b>	<b>\$3,066,946,360</b>	<b>-2.1%</b>	<b>\$3,240,479,643</b>	<b>5.7%</b>	<b>\$3,733,695,315</b>	<b>15.2%</b>	<b>\$3,827,003,825</b>	<b>2.5%</b>
<b>TOTAL COMMERCE TAX CREDITS [13-16]</b>												
<b>TOTAL GENERAL FUND REVENUE: AFTER COMMERCE TAX CREDITS</b>							<b>\$3,240,479,643</b>	<b>5.7%</b>	<b>\$3,733,695,315</b>	<b>15.2%</b>	<b>\$3,767,090,825</b>	<b>0.9%</b>
<b>TAX CREDIT PROGRAMS:</b>												
FILM TRANSFERRABLE TAX CREDITS [TC-1]							-\$5,200,000		-\$4,800,000		\$0	
ECONOMIC DEVELOPMENT TRANSFERRABLE TAX CREDITS [TC-2]							\$0		-\$45,000,000		-\$45,000,000	
CATALYST ACCOUNT TRANSFERRABLE TAX CREDITS [TC-4]							\$0		-\$500,000		-\$2,000,000	
NEVADA NEW MARKET JOBS ACT TAX CREDITS [TC-3]							-\$13,800,000		-\$24,000,000		-\$24,000,000	
EDUCATION CHOICE SCHOLARSHIP TAX CREDITS [TC-5]							\$0		-\$5,000,000		-\$5,500,000	
COLLEGE SAVINGS PLAN TAX CREDITS [TC-6]							\$0		-\$69,000		-\$138,000	
<b>TOTAL- TAX CREDIT PROGRAMS</b>							<b>-\$19,000,000</b>		<b>-\$79,369,000</b>		<b>-\$76,638,000</b>	
<b>TOTAL GENERAL FUND REVENUE: AFTER TAX CREDITS</b>	<b>\$3,081,768,174</b>	<b>-2.9%</b>	<b>\$3,132,601,761</b>	<b>1.6%</b>	<b>\$3,066,946,360</b>	<b>-2.1%</b>	<b>\$3,221,479,643</b>	<b>5.0%</b>	<b>\$3,654,326,315</b>	<b>13.4%</b>	<b>\$3,690,452,825</b>	<b>1.0%</b>



**GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2015, FORECAST  
ACTUAL: FY 2012 THROUGH FY 2014 AND FORECAST: FY 2015 THROUGH FY 2017**

**ECONOMIC FORUM'S FORECAST FOR FY 2015, FY 2016, AND FY 2017 APPROVED AT THE MAY 1, 2015, MEETING ADJUSTED FOR ACTIONS  
APPROVED BY THE 2015 LEGISLATURE (78th SESSION) AND TAX CREDITS APPROVED IN THE 2013 AND 2015 REGULAR SESSIONS AND 24th SPECIAL SESSION (2014)**

DESCRIPTION	FY 2012 ACTUAL	%	Change	FY 2013 ACTUAL	%	Change	FY 2014 ACTUAL	%	Change	ECONOMIC FORUM MAY 1, 2015, FORECAST					
										FY 2015 FORECAST	%	Change	FY 2016 FORECAST	%	Change

**NOTES:**

**FY 2012**

- [1-12] S.B. 493 clarifies and eliminates certain deductions allowed against gross proceeds to determine net proceeds for the purpose of calculating the Net Proceeds of Minerals (NPM) tax liability. All of the deduction changes are effective beginning with the NPM tax payments due in FY 2012 based on calendar year 2012 mining activity and are permanent, except for the elimination of the deduction for health and industrial insurance expenses, which are effective for FY 2012 and FY 2013 only. Deduction changes are estimated to generate \$11,919,643 in additional revenue in both FY 2012 and FY 2013.
- [2-12] A.B. 561 extends the June 30, 2011, sunset (approved in S.B. 429 (2009)) to June 30, 2013, on the Net Proceeds of Minerals (NPM) tax, which continues the payment of taxes in the current fiscal year based on the estimated net proceeds for the current calendar year with a true-up against actual net proceeds for the calendar year in the next fiscal year. The two-year extension of the sunset is estimated to yield \$69,000,000 in FY 2012 only as tax payments are required in FY 2013 with or without the extension of the sunset.
- [3-12] S.B. 493 repeals the Mining Claims Fee, approved in A.B. 6 (26th Special Session), requiring payment of the fee in FY 2011 only with the June 30, 2011, sunset. S.B. 493 establishes provisions for entities that paid the Mining Claims Fee to apply to the Department of Taxation for a credit against their Modified Business Tax (MBT) liability or for a refund. No estimate of the impact in FY 2012 and FY 2013 from Mining Claims Fee credits was prepared so no adjustment was made to the Economic Forum May 2, 2011, forecast for MBT - Nonfinancial tax collections.
- [4-12] Extension of the sunset on the 0.35% increase in the Local School Support Tax (LSST) in A.B. 561 from June 30, 2011, to June 30, 2013, generates additional revenue from the 0.75% General Fund Commission assessed against LSST proceeds before distribution to school districts in each county. Estimated to generate \$1,052,720 in FY 2012 and \$1,084,301 in FY 2013.
- [5-12] A.B. 500 reduces the portion of the quarterly licensing fees imposed on restricted and non-restricted slot machines from \$2 to \$1 per slot machine that is dedicated to the Account to Support Programs for the Prevention and Treatment of Problem Gambling. The other \$1 is deposited in the State General Fund in FY 2012 and FY 2013, due to the June 30, 2013, sunset in A.B. 500. Estimated to generate \$682,982 in FY 2012 and \$692,929 in FY 2013 from non-restricted slot machines and \$75,970 in FY 2012 and \$77,175 in FY 2013 from restricted slot machines.
- [6-12] A.B. 561 changes the structure and tax rate for the Modified Business Tax on General Business (nonfinancial institutions) for FY 2012 and FY 2013 by exempting taxable wages (gross wages less allowable health care expenses) paid by an employer to employees up to and including \$62,500 per quarter and taxable wages exceeding \$62,500 per quarter are taxed at 1.17%, effective July 1, 2011. These provisions for the MBT-General Business sunset effective June 30, 2013, at which time the tax rate will be 0.63% on all taxable wages per quarter. Estimated to generate an additional \$117,981,497 in FY 2012 and \$119,161,117 in FY 2013.
- [7-12] A.B. 561 extends the sunset from June 30, 2011, (approved in S.B. 429 (2009 Session)) to June 30, 2013, on the \$100 increase in the Business License Fee (BLF) from \$100 to \$200 for the initial and annual renewal. Estimated to generate an additional \$29,949,000 in FY 2012 and \$30,100,000 in FY 2013.
- [8-12] A.B. 561 requires the 1% portion of the 10% Short-term Car Rental Tax, currently dedicated to the State Highway Fund based on A.B. 595 (2007 Session), to be deposited in the State General Fund along with the other 9%. This change is effective July 1, 2011, and is permanent. Estimated to generate \$4,402,222 in FY 2012 and \$4,457,778 in FY 2013.
- [9-12] The Legislature approved funding for the State Treasurer's Office to use a subscription rating service to allow for more effective investment in corporate securities, which is anticipated to generate additional interest income from the Treasurer's Office investment of the State General Fund. Estimated to generate \$105,313 in FY 2012 and \$244,750 in FY 2013.
- [10-12] S.B. 503 requires the proceeds from the commission retained by the Department of Motor Vehicles from the amount of Governmental Services Tax (GST) collected and any penalties for delinquent payment of the GST to be transferred to the State General Fund in FY 2012 and FY 2013. S.B. 503 specifies that the amount transferred shall not exceed \$20,894,228 from commissions and \$4,672,213 from penalties in both FY 2012 and FY 2013.
- [11-12] A.B. 219 requires 75 percent of the value of expired slot machine wagering vouchers retained by nonrestricted gaming licensees to be remitted to the Gaming Commission for deposit in the State General Fund on a quarterly basis. Based on the expiration period of 180 days for slot machine wagering vouchers and the effective date of July 1, 2011, only one quarterly payment will be made in FY 2012 with four quarterly payments made in FY 2013 and going forward. Estimated to generate \$3,332,750 in FY 2012 and \$13,331,000 in FY 2013.
- [12-12] A.B. 529 requires transfer of \$19,112,621 in FY 2012 and \$19,218,718 in FY 2013 from the Supplemental Account for Medical Assistance to Indigent Persons in the Fund for Hospital Care to Indigent Persons to the State General Fund.
- [13-12] A.B. 531 (2009 Session) requires the deposit of the portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund.
- [14-12] S.B. 136 reduces the period from 3 to 2 years after which certain types of unclaimed property is presumed to be abandoned if the holder of the property reported holding more than \$10 million in property presumed to be abandoned for the most recent report filed with the Treasurer's Office. Based on the Treasurer's Office analysis of the entities subject to this change, it was estimated that there would be net gain in unclaimed property receipts in FY 2012 of \$30,594,750, but a net loss in FY 2013 of \$33,669,923.

**FY 2014: Represents legislative actions approved during the 2013 Legislative Session.**

- [1-14] S.B. 475 extends the June 30, 2013, sunset (approved in A.B. 561 (2011)) to June 30, 2015, on the Net Proceeds of Minerals (NPM) tax, which continues the payment of taxes in the current fiscal year based on the estimated net proceeds for the current calendar year with a true-up against actual net proceeds for the calendar year in the next fiscal year. The two-year extension of the sunset is estimated to yield \$88,295,000 in FY 2014 as tax payments are required in FY 2015 with or without the extension of the sunset. The extension of the sunset is also estimated to generate an additional \$2,936,000 in FY 2015 as the difference between Economic Forum forecast for FY 2015, based on elimination of the sunset, and the estimate based on the extension of the sunset approved in S.B. 475.
- [2-14] S.B. 475 extends the June 30, 2013, sunset (approved in S.B. 493 (2011)) to June 30, 2015, that eliminates health and industrial insurance deductions allowed against gross proceeds to determine net proceeds for the purpose of calculating the Net Proceeds of Minerals (NPM) tax liability. These deduction changes are effective for the NPM tax payments due in FY 2014 and FY 2015. The health and industrial insurance deduction changes are estimated to generate \$7,393,000 in additional revenue in FY 2014 and \$9,741,000 in FY 2015.
- [3-14] Extension of the sunset on the 0.35% increase in the Local School Support Tax (LSST) in S.B. 475 from June 30, 2013, to June 30, 2015, generates additional revenue from the 0.75% General Fund Commission assessed against LSST proceeds before distribution to school districts in each county. Estimated to generate \$1,226,600 in FY 2014 and \$1,294,100 in FY 2015.
- [4-14] S.B. 475 changes the structure and tax rate for the Modified Business Tax on General Business (nonfinancial institutions) for FY 2014 and FY 2015 by exempting taxable wages (gross wages less allowable health care expenses) paid by an employer to employees up to and including \$85,000 per quarter and taxable wages exceeding \$85,000 per quarter are taxed at 1.17%, effective July 1, 2013. The taxable wages exemption threshold was \$62,500 per quarter for FY 2012 and FY 2013, based on A.B. 561 (2011). These provisions in S.B. 475 for the MBT-General Business sunset effective June 30, 2015, at which time the tax rate will be 0.63% on all taxable wages per quarter. Estimated to generate an additional \$113,501,000 in FY 2014 and \$120,572,000 in FY 2015.

**GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2015, FORECAST**  
**ACTUAL: FY 2012 THROUGH FY 2014 AND FORECAST: FY 2015 THROUGH FY 2017**

**ECONOMIC FORUM'S FORECAST FOR FY 2015, FY 2016, AND FY 2017 APPROVED AT THE MAY 1, 2015, MEETING ADJUSTED FOR ACTIONS**  
**APPROVED BY THE 2015 LEGISLATURE (78th SESSION) AND TAX CREDITS APPROVED IN THE 2013 AND 2015 REGULAR SESSIONS AND 24th SPECIAL SESSION (2014)**

		ECONOMIC FORUM MAY 1, 2015, FORECAST									
		FY 2015 FORECAST		% Change	FY 2016 FORECAST		% Change	FY 2017 FORECAST		% Change	
DESCRIPTION		FY 2012 ACTUAL	% Change	FY 2013 ACTUAL	% Change	FY 2014 ACTUAL	% Change				
[5-14]	A.B. 491 requires the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to continue to be allocated to the State General Fund for FY 2014 and FY 2015, instead of the State Highway Fund as approved in S.B. 429 (2009). Under A.B. 491, the additional revenue generated from the GST depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2016. The GST depreciation schedule change is estimated to generate \$64,224,000 in FY 2014 and \$65,134,000 in FY 2015.										
[6-14]	S.B. 475 extends the sunset from June 30, 2013, (approved in A.B. 561 (2011)) to June 30, 2015, on the \$100 increase in the Business License Fee (BLF) from \$100 to \$200 for the initial and annual renewal. Estimated to generate an additional \$31,273,000 in FY 2014 and \$31,587,000 in FY 2015.										
[7-14]	S.B. 470 increases certain existing fees and imposes a new fee collected by the Commission on Postsecondary Education from certain private postsecondary educational institutions. The fee changes are estimated to generate an additional \$86,675 in FY 2014 and \$80,700 in FY 2015.										
[8-14]	A.B. 449 requires revenue from fees for vital statistics collected by the Health Division of the Department of Health and Human Services to be retained by the division and not deposited in the State General Fund, beginning in FY 2014. Estimated to result in a reduction of General Fund revenue of \$1,027,500 in FY 2014 and \$1,007,300 in FY 2015.										
[9-14]	S.B. 468 increases various fees and requires the revenue from the fees collected by the State Water Engineer of the Department of Conservation and Natural Resources (DCNR) to be deposited in the Water Distribution Revolving Account for use by the Division of Water Resources of DCNR and not deposited in the State General Fund, beginning in FY 2014. Estimated to result in a reduction of General Fund revenue of \$2,600,000 in FY 2014 and FY 2015.										
[10-14]	Section 23 of S.B. 521 allows the Fleet Services Division of the Department of Administration to use revenues from intergovernmental transfers to the State General Fund for the repayment of \$2.5 million that was appropriated to the Division for the purchase of a building in Las Vegas. The legislatively approved repayment from the Division to the State General Fund is \$83,332 in FY 2014 and \$125,000 in FY 2015, with an annual repayment of \$125,000 each year through FY 2035.										
[11-14]	A.B. 491 requires the proceeds from the commission retained by the Department of Motor Vehicles from the amount of Governmental Services Tax (GST) collected and any penalties for delinquent payment of the GST to be transferred to the State General Fund in FY 2015 only. A.B. 491 specifies that the amount transferred shall not exceed \$20,813,716 from commissions and \$4,097,964 from penalties in FY 2015.										
[12-14]	Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved budget for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059).										
[13-14]	Adjustment to the Statewide Cost Allocation amount included in the Legislature Approves budget after the May 1, 2013, approval of the General Fund revenue forecast by the Economic Forum.										
FY 2016: Note 1 represents legislative actions approved during the 28th Special Session in September 2014.											
[1-16]	Assembly Bill 3 (28th S.S.) limits the amount of the home office credit that may be taken against the Insurance Premium Tax to an annual limit of \$5 million, effective January 1, 2016. The home office credit is eliminated pursuant to this bill, effective January 1, 2021.										
FY 2016: Notes 2 through 21 represent legislative actions approved during the 2015 Legislative Session.											
[2-16]	S.B. 483 extends the June 30, 2015, sunset (approved in S.B. 475 (2013)) by one year to June 30, 2016, on the Net Proceeds of Minerals (NPM) tax, which continues the payment of taxes in the current fiscal year based on the estimated net proceeds for the current calendar year with a true-up against actual net proceeds for the calendar year in the next fiscal year. The one-year extension of the sunset is estimated to yield \$34,642,000 in FY 2016. There is no estimated tax payment in FY 2017 with the one-year extension of the prepayment of NPM taxes.										
[3-16]	S.B. 483 extends the June 30, 2015, sunset (approved in S.B. 475 (2013)) by one-year to June 30, 2016, that eliminates health and industrial insurance deductions allowed against gross proceeds to determine net proceeds for the purpose of calculating the Net Proceeds of Minerals (NPM) tax liability. These deduction changes are effective for the NPM tax payments due in FY 2016. The health and industrial insurance deduction changes are estimated to generate \$4,221,000 in additional revenue in FY 2016.										
[4-16]	S.B. 483 makes the 0.35% increase in the Local School Support Tax (LSST) permanent. The 0.35% increase generates additional revenue from the 0.75% General Fund Commission assessed against LSST proceeds before distribution to school districts in each county, which is estimated to generate \$1,387,300 in FY 2016 and \$1,463,400 in FY 2017.										
[5-16]	S.B. 266 makes changes to the structure of the tax base and tax rate for the Live Entertainment Tax (LET) in NRS Chapter 368A that is administered by the Gaming Control Board for live entertainment at licensed gaming establishments and the Department of Taxation for live entertainment provided at non-gaming establishments. Under existing law, the tax rate is 10% of the admission charge and amounts paid for food, refreshments, and merchandise, if the live entertainment is provided at a facility with a maximum occupancy of less than 7,500 persons, and 5% of the admission charge only, if the live entertainment is provided at a facility with a maximum occupancy equal to or greater than 7,500 persons. S.B. 266 removes the occupancy threshold and establishes a single 9% tax rate on the admission charge to the facility only. The tax rate does not apply to amounts paid for food, refreshments, and merchandise unless that is the consideration required to enter the facility for the live entertainment. S.B. 266 adds the total amount of consideration paid for escorts and escort services to the LET tax base and makes these activities subject to the 9% tax rate. The bill provides that the exemption from the LET for certain nonprofit organizations applies depending on the number of tickets sold and the type of live entertainment being provided. S.B. 266 establishes an exemption for the following: 1.) the value of certain admissions provided on a complimentary basis; 2.) a charge for access to a table, seat, or lounge or for food, beverages, and merchandise that are in addition to the admission charge to the facility; and 3.) certain license and rental fees of luxury suites, boxes, or similar products at a facility with a maximum occupancy of more than 7,500 persons. The provisions of S.B. 266 also make other changes to the types of activities that are included or excluded from the tax base as live entertainment events subject to the 9% tax rate. The provisions of S.B. 266 are effective October 1, 2015. The amounts shown reflect the estimated net change from the provisions of S.B. 266 on the amount of the LET collected from the portion administered by the Gaming Control Board and the Department of Taxation separately and the combined impact. The changes to the LET are estimated to reduce LET-Gaming collections by \$19,165,000 in FY 2016 and by \$26,551,000 in FY 2017, but increase LET-Nongaming collections by \$15,483,000 in FY 2016 and \$25,313,000 in FY 2017. The combined net effect on total LET collections is estimated to be reduction of \$3,682,000 in FY 2016 and \$1,238,000 in FY 2017.										
[6-16]	S.B. 483 establishes the Commerce Tax as an annual tax on each business entity engaged in business in the state whose Nevada gross revenue in a fiscal year exceeds \$4,000,000 at a tax rate based on the industry in which the business is primarily engaged. The Commerce Tax is due on or before the 45th day immediately following the fiscal year taxable period (June 30th). Although the Commerce Tax collections are received after the June 30th end of the fiscal year tax period, the proceeds from the Commerce Tax will be accrued back and accounted for in that fiscal year, since that fiscal year is not officially closed until the third Friday in September. The Commerce Tax provisions are effective July 1, 2015, for the purpose of taxing the Nevada gross revenue of a business, but the first tax payment will not be made until August 14, 2016, for the FY 2016 annual taxable business activity period.										
[7-16]	A.B. 175 requires the collection of an excise tax by the Nevada Transportation Authority or the Taxicab Authority, as applicable, on the connection of a passenger to a driver affiliated with a transportation network company, a common motor carrier of passengers, or a taxicab equal to 3% of the fare charged to the passenger. The excise tax becomes effective on passage and approval (May 29, 2015) for transportation network companies and August 28, 2015, for common motor carrier and taxicab companies. The first \$5,000,000 in tax proceeds from each biennium are required to be deposited in the State Highway Fund and the estimate for FY 2016 reflects this requirement.										
[8-16]	S.B. 483 increases the cigarette tax per pack of 20 by \$1.00 from 80 cents per pack (10 cents to Local Government Distribution Fund, 70 cents to State General Fund) to \$1.80 per pack (10 cents to Local Government Distribution Fund, \$1.70 to State General Fund), effective July 1, 2015. The \$1.00 per pack increase is estimated to generate \$96,872,000 in FY 2016 and \$95,391,000 in FY 2017.										

**GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2015, FORECAST  
ACTUAL: FY 2012 THROUGH FY 2014 AND FORECAST: FY 2015 THROUGH FY 2017**

**ECONOMIC FORUM'S FORECAST FOR FY 2015, FY 2016, AND FY 2017 APPROVED AT THE MAY 1, 2015, MEETING ADJUSTED FOR ACTIONS  
APPROVED BY THE 2015 LEGISLATURE (78th SESSION) AND TAX CREDITS APPROVED IN THE 2013 AND 2015 REGULAR SESSIONS AND 24th SPECIAL SESSION (2014)**

DESCRIPTION	FY 2012 ACTUAL	%	Change	FY 2013 ACTUAL	%	Change	FY 2014 ACTUAL	%	Change	ECONOMIC FORUM MAY 1, 2015, FORECAST					
										FY 2015 FORECAST	%	Change	FY 2016 FORECAST	%	Change
[9-16] S.B. 483 permanently changes the structure and tax rate for the Modified Business Tax on General Business (nonfinancial institutions) by exempting quarterly taxable wages (gross wages less allowable health care expenses) paid by an employer to employees up to and including \$50,000 per quarter and taxable wages exceeding \$50,000 per quarter are taxed at 1.475%. The taxable wages exemption threshold was \$85,000 per quarter for FY 2014 and FY 2015 with a 1.17% tax rate on quarterly taxable wages exceeding \$85,000, based on S.B. 475 (2013). These provisions in S.B. 475 were scheduled to sunset effective June 30, 2015, at which time the tax rate would have been 0.63% on all taxable wages per quarter. The provisions in S.B. 483 are effective July 1, 2015. The estimated net increase in MBT-NFI tax collections from the 1.475% tax rate on quarterly taxable wages exceeding \$50,000 compared to the Economic Forum May 1, 2015, forecast, based on the 0.63% tax rate on all quarterly taxable wages before accounting for the estimated impact of any other legislatively approved changes to the MBT-NFI is \$268,041,000 for FY 2016 and \$281,443,000 for FY 2017.															
[10-16] A.B. 389 deems the client company of an employee leasing company to be the employer of the employees it leases for the purposes of NRS Chapter 612 (unemployment compensation). Under these provisions, the wages of employees leased from employee leasing companies by client companies will no longer be reported on an aggregated basis under the employee leasing company. The wages of the employees will now be reported on a disaggregated basis under each client company. Instead of the \$50,000 quarterly exemption applying to the employee leasing company, it will now apply to each client company. These provisions are effective October 1, 2015. The wages paid to employees being reported on a disaggregated basis for each client company versus an aggregated basis for the employee leasing company is estimated to reduce MBT-NFI collections by \$2,758,000 in FY 2016 and \$3,861,000 in FY 2017.															
[11-16] S.B. 483 requires businesses subject to the Net Proceeds of Minerals (NPM) tax in NRS Chapter 362 to pay a 2.0% tax on all quarterly taxable wages paid by the employer to the employees, which is identical to the Modified Business Tax (MBT) paid by financial institutions under NRS Chapter 363A. These provisions are effective July 1, 2015. This change is estimated to reduce MBT-NFI tax collections by \$10,884,000 in both FY 2016 and FY 2017. The mining companies paying the 2% tax rate on all taxable wages are estimated to generate \$17,353,000 in both FY 2016 and FY 2017 for the MBT-Mining. This change is estimated to yield a net increase in General Fund revenue of \$6,469,000 in both FY 2016 and FY 2017.															
[12-16] S.B. 103 exempts from the definition of "financial institution" in NRS Chapter 363A any person who is primarily engaged in the sale, solicitation, or negotiation of insurance, which makes such a person subject to the Modified Business Tax on General Business (nonfinancial institutions) in NRS Chapter 363B at 1.475% on quarterly taxable wages exceeding \$50,000 and not the 2.0% tax on all quarterly taxable wages. These provisions are effective July 1, 2015. MBT-FI is estimated to be reduced by \$891,000 in FY 2016 and \$936,000 and the MBT-NFI is estimated to be increased by \$278,000 in FY 2016 and \$291,000 in FY 2017. The net decrease in General Fund revenue is estimated to be \$613,000 in FY 2016 and \$645,000 in FY 2017.															
[13-16] S.B. 483 provides for a credit against a business's Modified Business Tax (MBT) due during the current fiscal year not to exceed 50% of the Commerce Tax paid by the business for the preceding fiscal year. The credit can be taken against any or all of the four quarterly MBT payments for the current fiscal year, but any amount of credit not used cannot be carried forward and used in succeeding fiscal years. The total estimated Commerce Tax credits against the MBT are estimated to be \$59,913,000 in FY 2017, but this estimated credit amount was not allocated separately to the MBT-NFI, MBT-FI, and MBT-Mining.															
[14-16] S.B. 483 requires 100% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2016. In FY 2017, 50% of the proceeds will be allocated to the State General Fund and 50% to the State Highway Fund. Under S.B. 483, 100% of the additional revenue generated from the GST 10% depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2018 and going forward permanently.															
[15-16] S.B. 483 makes the \$100 increase in the Business License Fee (BLF) from \$100 to \$200 permanent for the initial and annual renewal, that was scheduled to sunset on June 30, 2015, (as approved in A.B. 475 (2013)) for all types of businesses, except for corporations. The initial and annual renewal fee for corporations, as specified in S.B. 483, is increased from \$200 to \$500 permanently. These provisions are effective July 1, 2015. The changes to the BLF are estimated to generate additional General Fund revenue of \$63,093,000 in FY 2016 and \$64,338,000 in FY 2017 in relation of the Economic Forum May 1, 2015, forecast with all business types paying a \$100 annual fee.															
[16-16] S.B. 483 permanently increases the fee for filing the initial and annual list of directors and officers by \$25 that is required to be paid by each business entity organizing under the various chapters in Title 7 of the NRS, effective July 1, 2015. The \$25 increase in the initial and annual list filing fee is estimated to increase Commercial Recordings Fee revenue by \$2,751,000 in FY 2016 and \$2,807,000 in FY 2017.															
[17-16] A.B. 475 changes the initial period from 24 to 12 months and the renewal period from 48 to 24 months for a license as a real estate broker, broker-salesperson, or salesperson and also changes the period for other licenses from 48 to 24 months, effective July 1, 2015. Existing licenses issued before July 1, 2015, do not need to be renewed until the expiration date required under statute prior to July 1, 2015. This change in the licensing period is estimated to reduce Real Estate License Fee revenue by \$1,693,400 in FY 2016 and \$1,404,200 in FY 2017.															
[18-16] A.B. 476 increases the current 6% license fee on the gross receipts from admission charges to unarmed combat events, that is dedicated to the State General Fund, by 2% to 8% with 75% of the proceeds from the 8% fee deposited in the State General Fund and 25% retained by the Athletic Commission to fund the agency's operations. A.B. 476 repeals the two-tiered fee based on the revenues from the sale or lease of broadcast, television and motion picture rights that is dedicated to the State General Fund. A.B. 476 allows the promoter of an unarmed combat event a credit against the 8% license fee equal to the amount paid to the Athletic Commission or organization sanctioned by the Commission to administer a drug testing program for unarmed combatants. These provisions are effective June 9, 2015, based on the passage and approval effective date provisions of A.B. 476. These changes are estimated to reduce Athletic Commission Fee revenue by \$600,000 in both FY 2016 and FY 2017.															
[19-16] A.B. 491 (2013) required the proceeds from the commission retained by the Department of Motor Vehicles from the amount of Governmental Services Tax (GST) collected and any penalties for delinquent payment of the GST to be transferred to the State General Fund in FY 2015 only. A.B. 491 specified that the amount transferred shall not exceed \$20,813,716 from commissions and \$4,097,964 from penalties in FY 2015. A.B. 490 amended the commissions amount to \$23,724,000 and the penalties amount to \$5,037,000. This results in an estimated net increase in General Fund revenue of \$3,849,320 in FY 2015 from GST Commissions and Penalties.															
[20-16] Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2016 and FY 2017.															

**GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2015, FORECAST**  
**ACTUAL: FY 2012 THROUGH FY 2014 AND FORECAST: FY 2015 THROUGH FY 2017**

**ECONOMIC FORUM'S FORECAST FOR FY 2015, FY 2016, AND FY 2017 APPROVED AT THE MAY 1, 2015, MEETING ADJUSTED FOR ACTIONS**  
**APPROVED BY THE 2015 LEGISLATURE (78th SESSION) AND TAX CREDITS APPROVED IN THE 2013 AND 2015 REGULAR SESSIONS AND 24th SPECIAL SESSION (2014)**

DESCRIPTION	FY 2012 ACTUAL	%	Change	FY 2013 ACTUAL	%	Change	FY 2014 ACTUAL	%	Change	ECONOMIC FORUM MAY 1, 2015, FORECAST					
										FY 2015 FORECAST	%	Change	FY 2016 FORECAST	%	Change

**TAX CREDIT PROGRAMS APPROVED BY THE LEGISLATURE IN THE 2013 AND 2015 REGULAR SESSIONS AND THE 24TH SPECIAL SESSION IN SEPTEMBER 2014**

- [TC-1] Pursuant to S.B. 165 (2013), the Governor's Office of Economic Development (GOED) could issue up to \$20 million per fiscal year for a total of \$80 million for the four-year pilot program in transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. The provisions of the film tax credit program were amended in S.B. 1 (28th Special Session (2014)) to reduce the total amount of the tax credits that may be approved by GOED to a total of \$10 million. The amounts shown reflect estimates based on information provided by GOED during the 2015 Session on the amount of tax credits that have been or will be approved for use in FY 2015 and FY 2016.
- [TC-2] Pursuant to S.B. 1 (28th Special Session (2014)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$12,500 for each qualified employee employed by the participants in the project, to a maximum of 6,000 employees, plus 5 percent of the first \$1 billion of new capital investment in the State made collectively by the participants in the qualifying project, plus an additional 2.8 percent of the next \$2.5 billion in new capital investment in the State made collectively by the participants in the project. The amount of credits approved by GOED may not exceed \$45 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$195 million. The amounts shown reflect the maximum amount of credits that will be approved in each fiscal year for the Tesla project based on information provided by GOED during the 2015 Session.
- [TC-3] Pursuant to S.B. 357 (2013), the Nevada New Markets Jobs Act allows insurance companies to receive a credit against the tax imposed on insurance premiums in exchange for making qualified equity investments in community development entities, particularly those that are local and minority-owned. A total of \$200 million in qualified equity investments may be certified by the Department of Business and Industry. In exchange for making the qualified equity investment, insurance companies are entitled to receive a credit against the Insurance Premium Tax in an amount equal to 58 percent of the total qualified equity investment that is certified by the Department. The credits may be taken in increments beginning on the second anniversary date of the original investment, as follows:  
2 years after the investment is made: 12 percent of the qualified investment  
3 years after the investment is made: 12 percent of the qualified investment  
4 years after the investment is made: 12 percent of the qualified investment  
5 years after the investment is made: 11 percent of the qualified investment  
6 years after the investment is made: 11 percent of the qualified investment
- Under the provisions of S.B. 357, the insurance companies were allowed to begin taking tax credits in the third quarter of FY 2015. The amounts shown reflect estimates of the amount of tax credits that will be taken in each fiscal year based on information provided by the Department of Business and Industry and the Department of Taxation during the 2015 Session.
- [TC-4] S.B. 507 (2015) authorizes the Governor's Office of Economic Development (GOED) to approve transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax to new or expanding businesses to promote the economic development of Nevada. The total amount of transferrable tax credits that may be issued is \$500,000 in FY 2016, \$2,000,000 in FY 2017, and \$5,000,000 for FY 2018 and each fiscal year thereafter. The amounts shown are the estimate based on the maximum amount that can be issued in each fiscal year.
- [TC-5] A.B. 165 (2015) allows taxpayers who make donations of money to certain scholarship organizations to receive a dollar-for-dollar credit against the taxpayer's liability for the Modified Business Tax (MBT). The total amount of credits that may be approved by the Department is \$5 million in FY 2016, \$5.5 million in FY 2017, and 110 percent of the total amount of credits authorized in the previous year, for all subsequent fiscal years. The amounts shown reflect the estimate based on the assumption that the total amount authorized for each fiscal year will be donated to a qualified scholarship organization and taken as credits against the MBT.
- [TC-6] S.B. 412 (2015) provides a tax credit against the Modified Business Tax (MBT) to certain employers who match the contribution of an employee to one of the college savings plans offered through the Nevada Higher Education Prepaid Tuition Program and the Nevada College Savings Program authorized under existing law. The amount of the tax credit is equal to 25 percent of the matching contribution, not to exceed \$500 per contributing employee per year, and any unused credits may be carried forward for 5 years. The provisions relating to the Nevada College Savings Program are effective January 1, 2016, and the Higher Education Prepaid Tuition Program are effective July 1, 2016. The amounts shown are estimates based on information provided by the Treasurer's Office on enrollment and contributions for the college savings plans.

**TABLE 1**  
**ECONOMIC FORUM MAY 1, 2015, GENERAL FUND REVENUE FORECAST FOR FY 2015, FY 2016, AND FY 2017**  
**BEFORE AND AFTER TAX CREDITS APPROVED AT THE MAY MEETING**  
**AND WITHOUT ADJUSTMENT FOR MEASURES APPROVED BY THE 2015 LEGISLATURE (78TH SESSION)**

DESCRIPTION	ECONOMIC FORUM MAY 1, 2015, FORECAST <u>BEFORE</u> AND <u>AFTER</u> TAX CREDITS AND <u>WITHOUT</u> ADJUSTMENT FOR MEASURES APPROVED BY THE 2015 LEGISLATURE										
	FY 2015		% Change	FY 2016		% Change	FY 2017		% Change	2015-2017 BIENNIUM*	
<b>Economic Forum May 1, 2015, Forecast <u>Before</u> Tax Credits and <u>Without</u> Measures Approved by the 2015 Legislature</b>	\$3,236,630,323		5.5%	\$3,068,536,235		-5.2%	\$3,242,480,185		5.7%	\$6,311,016,420	
<b>ESTIMATED TAX CREDITS APPROVED BY THE ECONOMIC FORUM AT THE MAY 1, 2015, MEETING</b>											
<b>TRANSFERRABLE FILM TAX CREDIT PROGRAM (S.B. 165 (2013))</b>											
Pursuant to S.B. 165 (2013), the Governor's Office of Economic Development (GOED) could issue up to \$20 million per fiscal year for a total of \$80 million for the four-year pilot program in transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. The film tax credit program was amended in S.B. 1 (28th Special Session (2014)) to reduce the total amount of the tax credits that may be approved by GOED to a total of \$10 million. The amounts shown reflect estimates based on information provided by GOED during the 2015 Session on the amount of tax credits that have been or will be approved for use in FY 2015 and FY 2016.											
	-\$5,200,000			-\$4,800,000						-\$4,800,000	
<b>NEVADA NEW MARKETS JOBS ACT TAX CREDIT PROGRAM (S.B. 357 (2013))</b>											
Pursuant to S.B. 357 (2013), the Nevada New Markets Jobs Act allows insurance companies to receive a credit against the tax imposed on insurance premiums in exchange for making qualified equity investments in community development entities, particularly those that are local and minority-owned. A total of \$200 million in qualified equity investments may be certified by the Department of Business and Industry. In exchange for making the qualified equity investment, insurance companies are entitled to receive a credit against the Insurance Premium Tax in an amount equal to 58 percent of the total qualified equity investment that is certified by the Department. The credits may be taken in increments beginning on the second anniversary date of the original investment, as follows: 2 years after the investment is made: 12 percent of the qualified investment 3 years after the investment is made: 12 percent of the qualified investment 4 years after the investment is made: 12 percent of the qualified investment 5 years after the investment is made: 11 percent of the qualified investment 6 years after the investment is made: 11 percent of the qualified investment											
	-\$17,700,000			-\$24,000,000			-\$24,000,000			-\$48,000,000	
Under the provisions of S.B. 357, the insurance companies were allowed to begin taking tax credits in the third quarter of FY 2015. The amounts shown reflect estimates of the amount of tax credits that will be taken in each fiscal year based on information provided by the Department of Business and Industry and the Department of Taxation during the 2015 Session.											



**TABLE 1**  
**ECONOMIC FORUM MAY 1, 2015, GENERAL FUND REVENUE FORECAST FOR FY 2015, FY 2016, AND FY 2017**  
**BEFORE AND AFTER TAX CREDITS APPROVED AT THE MAY MEETING**  
**AND WITHOUT ADJUSTMENT FOR MEASURES APPROVED BY THE 2015 LEGISLATURE (78TH SESSION)**

DESCRIPTION	ECONOMIC FORUM MAY 1, 2015, FORECAST <u>BEFORE</u> AND <u>AFTER</u> TAX CREDITS AND <u>WITHOUT</u> ADJUSTMENT FOR MEASURES APPROVED BY THE 2015 LEGISLATURE										
	FY 2015		% Change	FY 2016		% Change	FY 2017		% Change	2015-2017 BIENNIUM*	
ECONOMIC DEVELOPMENT TRANSFERRABLE TAX CREDIT PROGRAM (S.B. 1 (28TH SS)) Pursuant to S.B. 1 (28th Special Session (2014)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$12,500 for each qualified employee employed by the participants in the project, to a maximum of 6,000 employees, plus 5 percent of the first \$1 billion of new capital investment in the State made collectively by the participants in the qualifying project, plus an additional 2.8 percent of the next \$2.5 billion in new capital investment in the State made collectively by the participants in the project. The amount of credits approved by GOED may not exceed \$45 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$195 million. The amounts shown reflect the maximum amount of credits that will be approved in each fiscal year for the Tesla project based on information provided by GOED during the 2015 Session.											
NEVADA EDUCATIONAL CHOICE SCHOLARSHIP TAX CREDIT PROGRAM (A.B. 165 (2015)) A.B. 165 (2015) allows taxpayers who make donations of money to certain scholarship organizations to receive a dollar-for-dollar credit against the taxpayer's liability for the Modified Business Tax (MBT). The total amount of credits that may be approved by the Department is \$5 million in FY 2016, \$5.5 million in FY 2017, and 110 percent of the total amount of credits authorized in the previous year, for all subsequent fiscal years. The amounts shown reflect the estimate based on the assumption that the total amount authorized for each fiscal year will be donated to a qualified scholarship organization and taken as credits against the MBT.											
CATALYST ACCOUNT TRANSFERRABLE TAX CREDIT PROGRAM (S.B. 507 (2015)) S.B. 507 (2015) authorizes the Governor's Office of Economic Development (GOED) to approve and issue transferrable tax credits that may be used against the Modified Business Tax (MBT), Insurance Premium Tax, and Gaming Percentage Fee Tax to new or expanding businesses to promote the economic development of Nevada. The total amount of transferrable tax credits that may be issued is \$500,000 in FY 2016, \$2,000,000 in FY 2017, and \$5,000,000 for FY 2018 and each fiscal year thereafter. The amounts shown are the estimate based on the maximum amount that can be issued in each fiscal year.											
TOTAL TAX CREDITS APPROVED BY ECONOMIC FORUM AT THE MAY 1, 2015, MEETING											
Economic Forum May 1, 2015, Forecast <u>After</u> Tax Credits and <u>Without</u> Measures Approved by the 2015 Legislature											

\* The amounts shown in the 2015-2017 Biennium column represent the sum of the FY 2016 and FY 2017 amounts and do not include any amounts shown for FY 2015.

**TABLE 2**  
**ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2015, FORECAST FOR THE 2015-17 BIENNIUM**  
**BASED ON MEASURES APPROVED BY THE 2015 LEGISLATURE (78th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS						
	FY 2015	% Change	FY 2016	% Change	FY 2017	% Change	2015-2017 BIENNIUM*
<b>Economic Forum May 1, 2015, Forecast <u>Before</u> Tax Credits and <u>Without</u> Measures Approved by the 2015 Legislature</b>	<b>\$3,236,630,323</b>	<b>5.5%</b>	<b>\$3,068,536,235</b>	<b>-5.2%</b>	<b>\$3,242,480,185</b>	<b>5.7%</b>	<b>\$6,311,016,420</b>
<b>TAXES</b>							
NET PROCEEDS OF MINERALS TAX - PREPAYMENT (S.B. 483) S.B. 483 extends the June 30, 2015, sunset (approved in S.B. 475 (2013)) to June 30, 2016, on the prepayment of the Net Proceeds of Minerals (NPM) tax. This extends the payment of taxes in the current fiscal year based on the estimated net proceeds for the current calendar year with a true-up against actual net proceeds for the calendar year in the next fiscal year. The one-year extension of the sunset yields NPM tax in FY 2016 but eliminates the tax payments for FY 2017 forecast by the Economic Forum with the sunset occurring. (This item was included in the Governor's Executive Budget.)			\$34,642,000		-\$34,642,000		
NET PROCEEDS OF MINERALS TAX - HEALTH & INDUSTRIAL INSURANCE DEDUCTION (S.B. 483) S.B. 483 extends the January 1, 2016, sunset (approved in S.B. 475 (2013)) to January 1, 2017, that eliminates health and industrial insurance deductions allowed against gross proceeds to determine net proceeds for the purpose of calculating the Net Proceeds of Minerals (NPM) tax liability for FY 2018 based on calendar year 2016 mining activity. (This item was included in the Governor's Executive Budget.)			\$4,221,000				\$4,221,000
BUSINESS LICENSE FEES (S.B. 483) S.B. 483 makes the \$100 increase in the Business License Fee (BLF) from \$100 to \$200 permanent for the initial and annual renewal, that was scheduled to sunset on June 30, 2015, (as approved in A.B. 475 (2013)) for all types of businesses, except for corporations. The initial and annual renewal fee for corporations, as specified in S.B. 483, is increased from \$200 to \$500 permanently. These provisions are effective July 1, 2015.			\$63,093,000		\$64,338,000		\$127,431,000
COMMERCE TAX (S.B. 483) S.B. 483 establishes the Commerce Tax as an annual tax on each business entity engaged in business in the state whose Nevada gross revenue in a fiscal year exceeds \$4,000,000 at a tax rate based on the industry in which the business is primarily engaged. The Commerce Tax is due on or before the 45th day immediately following the fiscal year taxable period (June 30th). Although the Commerce Tax collections are received after the June 30th end of the fiscal year tax period, the proceeds from the Commerce Tax will be accrued back and accounted for in that fiscal year, since that fiscal year is not officially closed until the third Friday in September. The Commerce Tax provisions are effective July 1, 2015, for the purpose of taxing the Nevada gross revenue of a business, but the first tax payment will not be made until August 14, 2016, for the FY 2016 annual taxable business activity period.			\$119,826,000		\$119,826,000		\$239,652,000
CIGARETTE TAX (S.B. 483) S.B. 483 increases the cigarette tax per pack of 20 by \$1.00 from 80 cents per pack (10 cents to Local Government Distribution Fund, 70 cents to State General Fund) to \$1.80 per pack (10 cents to Local Government Distribution Fund, \$1.70 to State General Fund), effective July 1, 2015. (The Governor's Executive Budget included a recommendation to increase the tax rate by 40 cents per pack.)			\$96,872,000		\$95,391,000		\$192,263,000

**TABLE 2**  
**ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2015, FORECAST FOR THE 2015-17 BIENNIUM**  
**BASED ON MEASURES APPROVED BY THE 2015 LEGISLATURE (78th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS			
	FY 2015 % Change	FY 2016 % Change	FY 2017 % Change	2015-2017 BIENNIUM*
PASSENGER CARRIER EXCISE TAX (A.B. 175, S.B. 376) A.B. 175 requires the collection of an excise tax by the Nevada Transportation Authority or the Taxicab Authority, as applicable, on the connection of a passenger to a driver affiliated with a transportation network company, a common motor carrier of passengers, or a taxicab equal to 3% of the fare charged to the passenger. S.B. 376 transferred the responsibility to administer and collect these excise taxes from the Transportation Authority and Taxicab Authority to the Department of Taxation. The excise tax becomes effective on passage and approval (May 29, 2015) for transportation network companies and August 28, 2015, for common motor carrier and taxicab companies.		\$13,685,000	\$22,936,000	\$36,621,000
LIVE ENTERTAINMENT TAX - TOTAL		-\$3,682,000	-\$1,238,000	-\$4,920,000
LIVE ENTERTAINMENT TAX - GAMING		-\$19,165,000	-\$26,551,000	-\$45,716,000
LIVE ENTERTAINMENT TAX - NONGAMING		\$15,483,000	\$25,313,000	\$40,796,000
S.B. 266 makes changes to the structure of the tax base and tax rate for the Live Entertainment Tax (LET) in NRS Chapter 368A that is administered by the Gaming Control Board for live entertainment at licensed gaming establishments and the Department of Taxation for live entertainment provided at non-gaming establishments. Under existing law, the tax rate is 10% of the admission charge and amounts paid for food, refreshments, and merchandise, if the live entertainment is provided at a facility with a maximum occupancy of less than 7,500 persons, and 5% of the admission charge only, if the live entertainment is provided at a facility with a maximum occupancy equal to or greater than 7,500 persons. S.B. 266 removes the occupancy threshold and establishes a single 9% tax rate on the admission charge to the facility only. The tax rate does not apply to amounts paid for food, refreshments, and merchandise unless that is the consideration required to enter the facility for the live entertainment. S.B. 266 adds the total amount of consideration paid for escorts and escort services to the LET tax base and makes these activities subject to the 9% tax rate. The bill provides that the exemption from the LET for certain nonprofit organizations applies depending on the number of tickets sold and the type of live entertainment being provided. S.B. 266 establishes an exemption for the following: 1.) the value of certain admissions provided on a complimentary basis; 2.) a charge for access to a table, seat, or lounge or for food, beverages, and merchandise that are in addition to the admission charge to the facility; and 3.) certain license and rental fees of luxury suites, boxes, or similar products at a facility with a maximum occupancy of more than 7,500 persons. The provisions of S.B. 266 also make other changes to the types of activities that are included or excluded from the tax base as live entertainment events subject to the 9% tax rate. The provisions of S.B. 266 are effective October 1, 2015. The amounts shown reflect the estimated net change from the provisions of S.B. 266 on the amount of the LET collected from the portion administered by the Gaming Control Board and the Department of Taxation separately and the combined impact.				



**TABLE 2**  
**ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2015, FORECAST FOR THE 2015-17 BIENNIUM**  
**BASED ON MEASURES APPROVED BY THE 2015 LEGISLATURE (78th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS			
	FY 2015 % Change	FY 2016 % Change	FY 2017 % Change	2015-2017 BIENNIUM*
MODIFIED BUSINESS TAX - NONFINANCIAL INSTITUTIONS (MBT-NFI): NET AMOUNT		\$254,677,000	\$266,989,000	\$521,666,000
MBT-NFI: 1.475% TAX RATE ON QUARTERLY TAXABLE WAGES OVER \$50,000 (S.B. 483)		\$268,041,000	\$281,443,000	\$549,484,000
S.B. 483 permanently changes the structure and tax rate for the Modified Business Tax on General Business (nonfinancial institutions) by exempting quarterly taxable wages (gross wages less allowable health care expenses) paid by an employer to employees up to and including \$50,000 per quarter and taxable wages exceeding \$50,000 per quarter are taxed at 1.475%. The taxable wages exemption threshold was \$85,000 per quarter for FY 2014 and FY 2015 with a 1.17% tax rate on quarterly taxable wages exceeding \$85,000, based on S.B. 475 (2013). These provisions in S.B. 475 were scheduled to sunset effective June 30, 2015, at which time the tax rate would have been 0.63% on all taxable wages per quarter. The provisions in S.B. 483 are effective July 1, 2015. The amounts shown reflects the total estimated net increase in MBT-NFI tax collections from the 1.475% tax rate on quarterly taxable wages exceeding \$50,000 compared to the Economic Forum May 1, 2015, forecast, based on the 0.63% tax rate on all quarterly taxable wages before accounting for the estimated impact of any other legislatively approved changes to the MBT-NFI.				
MBT-NFI: EMPLOYEE LEASING COMPANIES (A.B. 389)		-\$2,758,000	-\$3,861,000	-\$6,619,000
A.B. 389 deems the client company of an employee leasing company to be the employer of the employees it leases for the purposes of NRS Chapter 612 (unemployment compensation). Under these provisions, the wages of employees leased from employee leasing companies by client companies will no longer be reported on an aggregated basis under the employee leasing company. The wages of the employees will now be reported on a disaggregated basis under each client company. Instead of the \$50,000 quarterly exemption applying to the employee leasing company, it will now apply to each client company. These provisions are effective October 1, 2015. The amounts shown reflects the total estimated amount that will be lost under the MBT-NFI from the wages paid to employees being reported on a disaggregated basis for each client company versus an aggregated basis for the employee leasing company. The amount shown for FY 2016 reflects three quarters of the fiscal year with the October 1, 2015, effective date.				
MBT-NFI: MINING BUSINESSES SUBJECT TO THE NET PROCEEDS OF MINERAL TAX (S.B. 483)		-\$10,884,000	-\$10,884,000	-\$21,768,000
S.B. 483 requires businesses that are subject to the Net Proceeds of Minerals (NPM) tax in NRS Chapter 362 to pay a 2.0% tax on all quarterly taxable wages paid by the employer to the employees, which is identical to the Modified Business Tax (MBT) paid by financial institutions under NRS Chapter 363A. These provisions are effective July 1, 2015. The amounts shown reflects the total estimated amount that will be lost under the MBT-NFI by mining companies subject to the NPM that will no longer pay the MBT at 1.475% on quarterly taxable wages exceeding \$50,000.				
MBT-NFI: PERSONS SELLING INSURANCE (S.B. 103)		\$278,000	\$291,000	\$569,000
S.B. 103 exempts from the definition of "financial institution" in NRS Chapter 363A any person who is primarily engaged in the sale, solicitation, or negotiation of insurance, which makes such a person subject to the Modified Business Tax on General Business (nonfinancial institutions) in NRS Chapter 363B at 1.475% on quarterly taxable wages exceeding \$50,000 and not the 2.0% tax on all quarterly taxable wages in NRS Chapter 363A. These provisions are effective July 1, 2015. The amounts shown reflects the total estimated amount that will be paid by persons primarily engaged in selling insurance who will pay the MBT at 1.475% on quarterly taxable wages exceeding \$50,000.				

**TABLE 2**  
**ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2015, FORECAST FOR THE 2015-17 BIENNIUM**  
**BASED ON MEASURES APPROVED BY THE 2015 LEGISLATURE (78th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS			
	FY 2015 % Change	FY 2016 % Change	FY 2017 % Change	2015-2017 BIENNIUM*
<b>MODIFIED BUSINESS TAX - FINANCIAL INSTITUTIONS (S.B. 103)</b> S.B. 103 exempts from the definition of "financial institution" in NRS Chapter 363A any person who is primarily engaged in the sale, solicitation, or negotiation of insurance, which makes such a person subject to the Modified Business Tax on General Business (nonfinancial institutions) in NRS Chapter 363B at 1.475% on quarterly taxable wages exceeding \$50,000 and not the 2.0% tax on all quarterly taxable wages. These provisions are effective July 1, 2015. The amounts shown reflects the total estimated amount that will be lost under the MBT-FI by persons primarily engaged in selling insurance who will no longer pay the MBT at 2.0% on all quarterly taxable wages.		-\$891,000	-\$936,000	-\$1,827,000
<b>MODIFIED BUSINESS TAX - MINING (S.B. 483)</b> S.B. 483 requires businesses that are subject to the Net Proceeds of Minerals (NPM) tax in NRS Chapter 362 to pay a 2.0% tax on all quarterly taxable wages paid by the employer to employees, which is identical to the Modified Business Tax paid by financial institutions under NRS Chapter 363A. These provisions are effective July 1, 2015. The amounts shown reflects the total estimated amount that will be paid by mining companies subject to the NPM at the tax rate of 2.0% on all quarterly taxable wages.		\$17,353,000	\$17,353,000	\$34,706,000
<b>MBT - NONFINANCIAL, FINANCIAL, AND MINING: 50% COMMERCE TAX CREDIT (S.B. 483)</b> S.B. 483 provides for a credit against a business's Modified Business Tax (MBT) due during the current fiscal year not to exceed 50% of the Commerce Tax paid by the business for the preceding fiscal year. The credit can be taken against any or all of the four quarterly MBT payments for the current fiscal year, but any amount of credit not used cannot be carried forward and used in succeeding fiscal years.			-\$59,913,000	-\$59,913,000
<b>GOVERNMENTAL SERVICES TAX - GST (S.B. 483)</b> S.B. 483 requires 100% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2016. In FY 2017, 50% of the proceeds will be allocated to the State General Fund and 50% to the State Highway Fund. Under S.B. 483, 100% of the additional revenue generated from the GST 10% depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2018 and going forward permanently.		\$63,463,000	\$32,054,500	\$95,517,500
<b>SALES AND USE TAX - GENERAL FUND COMMISSIONS (S.B. 483)</b> S.B. 483 makes the 0.35% increase in the Local School Support Tax (LSST) permanent, which generates additional revenue from the 0.75% General Fund Commission assessed against LSST proceeds before distribution to school districts in each county. (This item was included in the Governor's Executive Budget.)		\$1,387,300	\$1,463,400	\$2,850,700
<b>NET IMPACT - TOTAL TAXES</b>		<u>\$664,646,300</u>	<u>\$523,621,900</u>	<u>\$1,188,268,200</u>

**TABLE 2**  
**ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2015, FORECAST FOR THE 2015-17 BIENNIUM**  
**BASED ON MEASURES APPROVED BY THE 2015 LEGISLATURE (78th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS			
	FY 2015 %	FY 2016 %	FY 2017 %	2015-2017 BIENNIUM*
	Change	Change	Change	
<b>LICENSES</b>				
SOS COMMERCIAL RECORDING FEES (S.B. 483) S.B. 483 permanently increases the fee for filing the initial and annual list of directors and officers by \$25 that is required to be paid by each business entity organizing under the various chapters in Title 7 of the NRS, effective July 1, 2015.		\$2,751,000	\$2,807,000	\$5,558,000
REAL ESTATE LICENSE FEES (A.B. 475) A.B. 475 changes the initial period from 24 to 12 months and the renewal period from 48 to 24 months for a license as a real estate broker, broker-salesperson, or salesperson and also changes the period for other licenses from 48 to 24 months, effective July 1, 2015. Existing licenses issued before July 1, 2015, do not need to be renewed until the expiration date required under statute prior to July 1, 2015.		-\$1,693,400	-\$1,404,200	-\$3,097,600
ATHLETIC COMMISSION FEES (A.B. 476) A.B. 476 increases the current 6% license fee on the gross receipts from admission charges to unarmed combat events, that is dedicated to the State General Fund, by 2% to 8% with 75% of the proceeds from the 8% fee deposited in the State General Fund and 25% retained by the Athletic Commission to fund the agency's operations. A.B. 476 repeals the two-tiered fee based on the revenues from the sale or lease of broadcast, television and motion picture rights that is dedicated to the State General Fund. A.B. 476 allows the promoter of an unarmed combat event a credit against the 8% license fee equal to the amount paid to the Athletic Commission or organization sanctioned by the Commission to administer a drug testing program for unarmed combatants. These provisions are effective June 9, 2015, based on the passage and approval effective date provisions of A.B. 476.		-\$600,000	-\$600,000	-\$1,200,000
NET IMPACT - LICENSES		<u>\$457,600</u>	<u>\$802,800</u>	<u>\$1,260,400</u>
<b>OTHER REVENUE</b>				
GST COMMISSIONS AND PENALTIES COLLECTED BY THE DMV (A.B. 490) A.B. 491 (2013) required the proceeds from the commission retained by the Department of Motor Vehicles from the amount of Governmental Services Tax (GST) collected and any penalties for delinquent payment of the GST to be transferred to the State General Fund in FY 2015 only. A.B. 491 specified that the amount transferred shall not exceed \$20,813,716 from commissions and \$4,097,964 from penalties in FY 2015. A.B. 490 amended the commissions amount to \$23,724,000 and the penalties amount to \$5,037,000.	\$3,849,320			
COURT ADMINISTRATIVE ASSESSMENTS Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2016 and FY 2017.		\$55,180	\$185,940	\$241,120
NET IMPACT - OTHER REVENUE	<u>\$3,849,320</u>	<u>\$55,180</u>	<u>\$185,940</u>	<u>\$241,120</u>
<b>NET IMPACT - TOTAL GENERAL FUND BEFORE TAX CREDITS</b>	<u>\$3,849,320</u>	<u>\$665,159,080</u>	<u>\$524,610,640</u>	<u>\$1,189,769,720</u>
<b>ECONOMIC FORUM MAY 1, 2015, FORECAST BEFORE TAX CREDITS AND WITH ADJUSTMENTS</b>				
<b>BASED ON MEASURES APPROVED BY THE 2015 LEGISLATURE</b>	<u>\$3,240,479,643</u> 5.7%	<u>\$3,733,695,315</u> 15.2%	<u>\$3,767,090,825</u> 0.9%	<u>\$7,500,786,140</u>

\* The amounts shown in the 2015-2017 Biennium column represent the sum of the FY 2016 and FY 2017 amounts and do not include any amounts shown for FY 2015.

**TABLE 2**  
**ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2015, FORECAST FOR THE 2015-17 BIENNIUM**  
**ADJUSTMENTS TO THE DISTRIBUTIVE SCHOOL ACCOUNT (DSA) FOR THE 2015-17 BIENNIUM**  
**BASED ON MEASURES APPROVED BY THE 2015 LEGISLATURE (78th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS			
	FY 2015 %	FY 2016 %	FY 2017 %	2015-2017 BIENNIUM*
STATE 3% ROOM TAX - I.P. 1 (2009) (S.B. 515) S.B. 515 requires the proceeds generated from the State 3% Room Tax deposited in the State Supplemental School Support Fund, pursuant to I.P. 1 (2009 Session), to be transferred to the Distributive School Account (DSA) for FY 2016 and FY 2017. The transfer of the room tax proceeds to the DSA provides a State General Fund offset in FY 2016 and FY 2017. Beginning in FY 2018, the proceeds from the State 3% Room Tax will remain in the State Supplemental School Support Fund and will be used to provide funding for K-12 education as intended under I.P. 1.		\$154,736,000	\$159,212,000	\$313,948,000
LOCAL SCHOOL SUPPORT TAX (S.B. 483) S.B. 483 makes the 0.35% increase in the Local School Support Tax (LSST) rate from 2.25% to 2.60% permanent. The 0.35% rate increase was originally approved in the 2009 Session with the two year sunset, but the sunset on the rate increase was extended in both the 2011 and 2013 Sessions. The proceeds from the LSST 0.35% rate increase provide revenue for K-12 education and provide a State General Fund offset for FY 2016 and FY 2017 through the Nevada Plan funding mechanism.		\$183,587,000	\$193,660,000	\$377,247,000
NET PROCEEDS OF MINERALS TAX (S.B. 483) - PREPAYMENT The one-year extension of the prepayment sunset for the Net Proceeds of Minerals (NPM) tax in S.B. 483, discussed in the General Fund revenue table, yields revenue for those school districts with mining activity in FY 2017. The extension of the prepayment sunset actually requires a NPM tax payment for FY 2016, but the NPM tax revenue budgeted by the school districts each fiscal year is based on NPM tax paid in the prior fiscal year. The amount represents the estimate of the additional NPM revenue that is considered as local funds available under the Nevada Plan funding formula for K-12 education and provides a State General Fund offset.			\$10,975,000	\$10,975,000
NET PROCEEDS OF MINERALS TAX (S.B. 483) - HEALTH & INDUSTRIAL INSURANCE DEDUCTION The changes to health and industrial insurance deductions for the Net Proceeds of Minerals (NPM) tax in S.B. 483, discussed in the General Fund revenue table, also generate additional NPM revenue for those school districts with mining activity. The amount represents the estimate of the additional NPM revenue that is considered as local funds available under the Nevada Plan funding formula for K-12 education and provides a State General Fund offset.			\$1,339,000	\$1,339,000
<b>NET IMPACT - DSA</b>		<b><u>\$338,323,000</u></b>	<b><u>\$365,186,000</u></b>	<b><u>\$703,509,000</u></b>

**GENERAL FUND AND DISTRIBUTIVE SCHOOL ACCOUNT (DSA)**  
**ADJUSTMENTS TO THE GENERAL FUND AND DSA FOR THE 2015-17 BIENNIUM**  
**BASED ON MEASURES APPROVED BY THE 2015 LEGISLATURE (78th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS			
	FY 2015 %	FY 2016 %	FY 2017 %	2015-2017 BIENNIUM*
GENERAL FUND	\$3,849,320	\$665,159,080	\$524,610,640	\$1,189,769,720
DISTRIBUTIVE SCHOOL ACCOUNT (DSA)		\$338,323,000	\$365,186,000	\$703,509,000
<b>NET IMPACT - GENERAL FUND AND DSA</b>	<b><u>\$3,849,320</u></b>	<b><u>\$1,003,482,080</u></b>	<b><u>\$889,796,640</u></b>	<b><u>\$1,893,278,720</u></b>

\* The amounts shown in the 2015-2017 Biennium column represent the sum of the FY 2016 and FY 2017 amounts and do not include any amounts shown for FY 2015.

**TABLE 3**  
**ECONOMIC FORUM MAY 1, 2015, GENERAL FUND REVENUE FORECAST FOR FY 2015, FY 2016, AND FY 2017**  
**BEFORE AND AFTER TAX CREDIT PROGRAMS APPROVED DURING THE 2013 AND 2015 LEGISLATIVE SESSIONS**  
**AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2015 LEGISLATURE (78TH SESSION)**

DESCRIPTION	ECONOMIC FORUM MAY 1, 2015, FORECAST <u>BEFORE</u> AND <u>AFTER</u> TAX CREDITS AND <u>WITH</u> ADJUSTMENT FOR MEASURES APPROVED BY THE 2015 LEGISLATURE									
	FY 2015		% Change	FY 2016		% Change	FY 2017		% Change	2015-2017 BIENNIUM*
<b>Economic Forum May 1, 2015, Forecast <u>Before</u> Tax Credits and <u>Without</u> Measures Approved by the 2015 Legislature</b>	\$3,236,630,323		5.5%	\$3,068,536,235		-5.2%	\$3,242,480,185		5.7%	\$6,311,016,420
Adjustments to the Economic Forum May 1, 2015, Forecast Based on Measures Approved by the 2015 Legislature (78th Session) <u>Before</u> Tax Credits	\$3,849,320			\$665,159,080			\$524,610,640			\$1,189,769,720
<b>Economic Forum May 1, 2015, Forecast <u>Before</u> Tax Credits and <u>With</u> Measures Approved by the 2015 Legislature</b>	\$3,240,479,643		5.7%	\$3,733,695,315		15.2%	\$3,767,090,825		0.9%	\$7,500,786,140
<b>ESTIMATED TAX CREDITS</b>										
<b>TRANSFERRABLE FILM TAX CREDIT PROGRAM (S.B. 165 (2013))</b>										
Pursuant to S.B. 165 (2013), the Governor's Office of Economic Development (GOED) could issue up to \$20 million per fiscal year for a total of \$80 million for the four-year pilot program in transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. The film tax credit program was amended in S.B. 1 (28th Special Session (2014)) to reduce the total amount of the tax credits that may be approved by GOED to a total of \$10 million. The amounts shown reflect estimates based on information provided by GOED during the 2015 Session on the amount of tax credits that have been or will be approved for use in FY 2015 and FY 2016.	-\$5,200,000			-\$4,800,000						-\$4,800,000
<b>NEVADA NEW MARKETS JOBS ACT TAX CREDIT PROGRAM (S.B. 357 (2013))</b>	-\$13,800,000			-\$24,000,000			-\$24,000,000			-\$48,000,000
Pursuant to S.B. 357 (2013), the Nevada New Markets Jobs Act allows insurance companies to receive a credit against the tax imposed on insurance premiums in exchange for making qualified equity investments in community development entities, particularly those that are local and minority-owned. A total of \$200 million in qualified equity investments may be certified by the Department of Business and Industry. In exchange for making the qualified equity investment, insurance companies are entitled to receive a credit against the Insurance Premium Tax in an amount equal to 58 percent of the total qualified equity investment that is certified by the Department. The credits may be taken in increments beginning on the second anniversary date of the original investment, as follows: 2 years after the investment is made: 12 percent of the qualified investment 3 years after the investment is made: 12 percent of the qualified investment 4 years after the investment is made: 12 percent of the qualified investment 5 years after the investment is made: 11 percent of the qualified investment 6 years after the investment is made: 11 percent of the qualified investment  Under the provisions of S.B. 357, the insurance companies were allowed to begin taking tax credits in the third quarter of FY 2015. The amounts shown reflect estimates of the amount of tax credits that will be taken in each fiscal year based on information provided by the Department of Business and Industry and the Department of Taxation during the 2015 Session.										

**TABLE 3**  
**ECONOMIC FORUM MAY 1, 2015, GENERAL FUND REVENUE FORECAST FOR FY 2015, FY 2016, AND FY 2017**  
**BEFORE AND AFTER TAX CREDIT PROGRAMS APPROVED DURING THE 2013 AND 2015 LEGISLATIVE SESSIONS**  
**AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2015 LEGISLATURE (78TH SESSION)**

DESCRIPTION	ECONOMIC FORUM MAY 1, 2015, FORECAST <u>BEFORE</u> AND <u>AFTER</u> TAX CREDITS AND <u>WITH</u> ADJUSTMENT FOR MEASURES APPROVED BY THE 2015 LEGISLATURE			
	FY 2015 % Change	FY 2016 % Change	FY 2017 % Change	2015-2017 BIENNIUM*
<p><b>ECONOMIC DEVELOPMENT TRANSFERRABLE TAX CREDIT PROGRAM (S.B. 1 (28TH SS))</b>  Pursuant to S.B. 1 (28th Special Session (2014)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$12,500 for each qualified employee employed by the participants in the project, to a maximum of 6,000 employees, plus 5 percent of the first \$1 billion of new capital investment in the State made collectively by the participants in the qualifying project, plus an additional 2.8 percent of the next \$2.5 billion in new capital investment in the State made collectively by the participants in the project. The amount of credits approved by GOED may not exceed \$45 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$195 million. The amounts shown reflect the maximum amount of credits that will be approved in each fiscal year for the Tesla project based on information provided by GOED during the 2015 Session.</p>		-\$45,000,000	-\$45,000,000	-\$90,000,000
<p><b>NEVADA EDUCATIONAL CHOICE SCHOLARSHIP TAX CREDIT PROGRAM (A.B. 165 (2015))</b>  A.B. 165 (2015) allows taxpayers who make donations of money to certain scholarship organizations to receive a dollar-for-dollar credit against the taxpayer's liability for the Modified Business Tax (MBT). The total amount of credits that may be approved by the Department is \$5 million in FY 2016, \$5.5 million in FY 2017, and 110 percent of the total amount of credits authorized in the previous year, for all subsequent fiscal years. The amounts shown reflect the estimate based on the assumption that the total amount authorized for each fiscal year will be donated to a qualified scholarship organization and taken as credits against the MBT.</p>		-\$5,000,000	-\$5,500,000	-\$10,500,000
<p><b>CATALYST ACCOUNT TRANSFERRABLE TAX CREDIT PROGRAM (S.B. 507 (2015))</b>  S.B. 507 (2015) authorizes the Governor's Office of Economic Development (GOED) to approve transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax to new or expanding businesses to promote the economic development of Nevada. The total amount of transferrable tax credits that may be issued is \$500,000 in FY 2016, \$2,000,000 in FY 2017, and \$5,000,000 for FY 2018 and each fiscal year thereafter. The amounts shown are the estimate based on the maximum amount that can be issued in each fiscal year.</p>		-\$500,000	-\$2,000,000	-\$2,500,000
<p><b>COLLEGE SAVINGS PLAN EMPLOYER MATCHING EMPLOYEE CONTRIBUTION TAX CREDIT PROGRAM (S.B. 412 (2015))</b>  S.B. 412 (2015) provides a tax credit against the Modified Business Tax (MBT) to certain employers who match the contribution of an employee to one of the college savings plans offered through the Nevada Higher Education Prepaid Tuition Program and the Nevada College Savings Program authorized under existing law. The amount of the tax credit is equal to 25 percent of the matching contribution, not to exceed \$500 per contributing employee per year, and any unused credits may be carried forward for 5 years. The provisions relating to the Nevada College Saving Program are effective January 1, 2016, and the Higher Education Prepaid Tuition Program are effective July 1, 2016. The amounts shown are estimates based on information provided by the Treasurer's Office on enrollment and contributions for the college savings plans.</p>		-\$69,000	-\$138,000	-\$207,000

**TABLE 3**  
**ECONOMIC FORUM MAY 1, 2015, GENERAL FUND REVENUE FORECAST FOR FY 2015, FY 2016, AND FY 2017**  
**BEFORE AND AFTER TAX CREDIT PROGRAMS APPROVED DURING THE 2013 AND 2015 LEGISLATIVE SESSIONS**  
**AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2015 LEGISLATURE (78TH SESSION)**

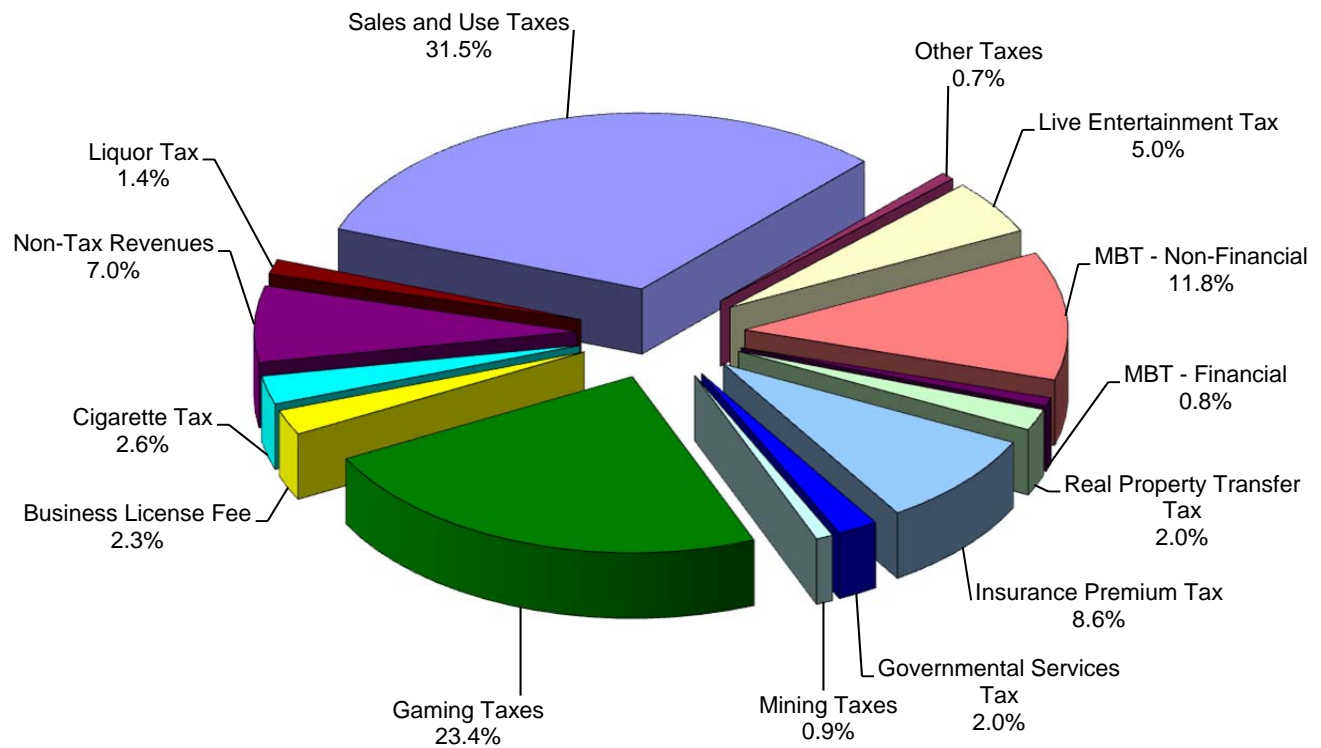
DESCRIPTION	ECONOMIC FORUM MAY 1, 2015, FORECAST <u>BEFORE</u> AND <u>AFTER</u> TAX CREDITS AND <u>WITH</u> ADJUSTMENT FOR MEASURES APPROVED BY THE 2015 LEGISLATURE									
	FY 2015		% Change	FY 2016		% Change	FY 2017		% Change	2015-2017 BIENNIUM*
TOTAL TAX CREDITS APPROVED BY ECONOMIC FORUM AT THE MAY 1, 2015, MEETING ADJUSTED FOR MEASURES BY THE 2015 LEGISLATURE	-\$19,000,000			-\$79,369,000			-\$76,638,000			-\$156,007,000
Economic Forum May 1, 2015, Forecast <u>After</u> Tax Credits Approved on May 1, 2015, and <u>Without</u> Measures Approved by the 2015 Legislature	\$3,213,730,323		4.8%	\$2,989,236,235		-7.0%	\$3,165,980,185		5.9%	\$6,155,216,420
Economic Forum May 1, 2015, Forecast <u>After</u> Tax Credits Approved on May 1, 2015, and Adjusted for Measures Approved by the 2015 Legislature and <u>With</u> Measures Approved by the 2015 Legislature	\$3,221,479,643		5.0%	\$3,654,326,315		13.4%	\$3,690,452,825		1.0%	\$7,344,779,140
Difference <u>After</u> Tax Credits: Economic Forum May 1, 2015, Forecast <u>With</u> less <u>Without</u> Measures Approved by the 2015 Legislature	\$7,749,320			\$665,090,080			\$524,472,640			\$1,189,562,720

\* The amounts shown in the 2015-2017 Biennium column represent the sum of the FY 2016 and FY 2017 amounts and do not include any amounts shown for FY 2015.



# NEVADA GENERAL FUND REVENUE

## ACTUAL BY SOURCE, FY 2014<sup>1</sup>



### ACTUAL GENERAL FUND REVENUE - FY 2014<sup>1</sup>

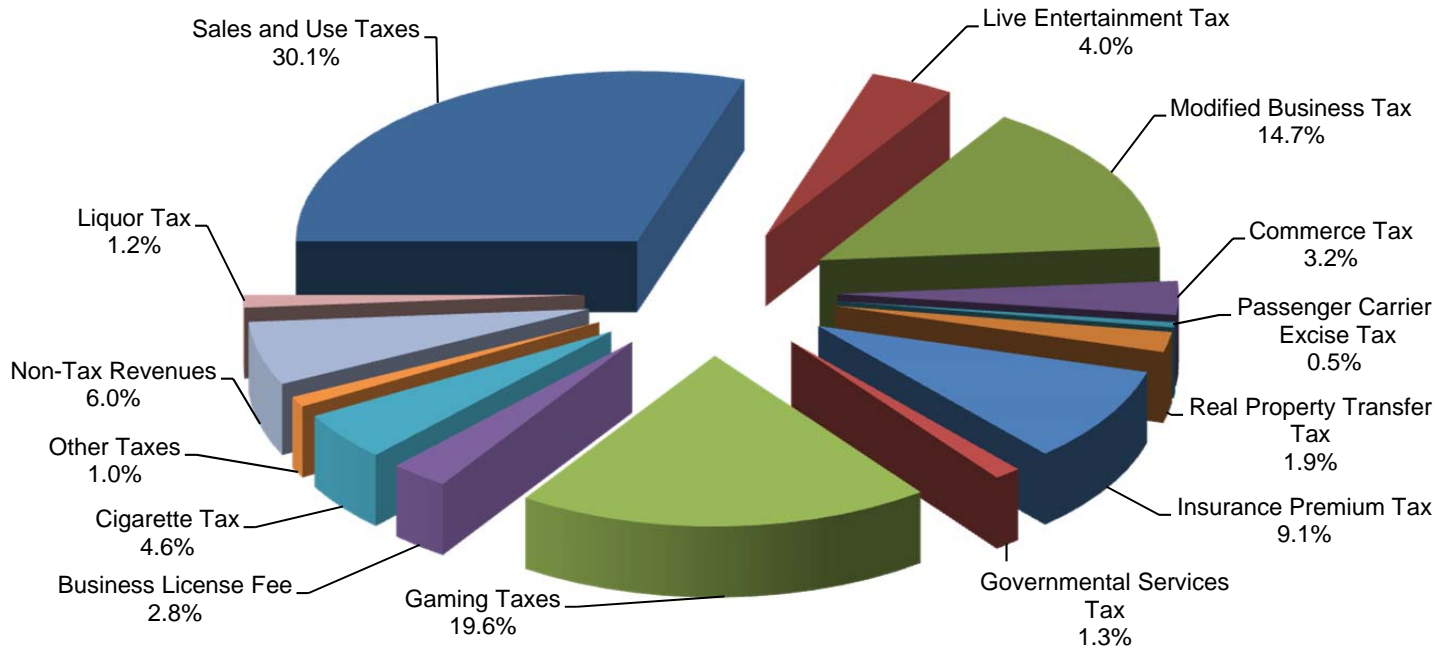
	Millions \$'s	% of Total		Millions \$'s	% of Total
<b>Taxes:</b>			<b>Other Taxes:</b>		
State Gaming Taxes	\$718.8	23.4%	Annual Slot Tax Transfer	\$5.0	0.2%
Sales and Use Taxes	\$967.7	31.5%	Other Tobacco Tax	\$11.6	0.4%
Insurance Premium Tax	\$264.5	8.6%	Branch Bank Excise Tax	\$2.8	0.1%
Cigarette Tax	\$79.6	2.6%	Business License Tax <sup>2</sup>	\$0.0	0.0%
<b>Live Entertainment Tax:</b>			<b>Subtotal Other Taxes</b>	<b>\$19.4</b>	<b>0.7%</b>
Gaming Establishments	\$139.2	4.5%	<b>Subtotal Taxes</b>	<b>\$2,851.6</b>	<b>93.0%</b>
Non-Gaming Establishments	\$15.0	0.5%			
<b>Modified Business Tax (MBT):</b>			<b>Non-Tax Revenues</b>		
Non-Financial Institutions	\$361.1	11.8%	Licenses	\$120.2	3.9%
Financial Institutions	\$23.8	0.8%	Fees and Fines	\$54.2	1.8%
Real Property Transfer Tax	\$60.0	2.0%	Use of Money and Property	\$1.0	0.0%
Business License Fee	\$72.2	2.3%	Miscellaneous Revenues	\$39.9	1.3%
Liquor Tax	\$41.8	1.4%	<b>Subtotal Non-Tax Revenues</b>	<b>\$215.3</b>	<b>7.0%</b>
Mining Tax	\$26.2	0.9%			
Governmental Services Tax	\$62.3	2.0%	<b>Total General Fund</b>	<b>\$3,066.9</b>	<b>100.0%</b>

<sup>1</sup>Reflects Legislative actions approved by the 2013 Legislature (77th Session).

<sup>2</sup>Business License Tax was repealed by S.B. 8 (20th Special Session), but residual amounts are still collected from audits.



# NEVADA GENERAL FUND REVENUE ADJUSTED ECONOMIC FORUM FORECAST, 2015-17 BIENNIUM\*



## ESTIMATED GENERAL FUND REVENUE: 2015-17 BIENNIUM ADJUSTED ECONOMIC FORUM MAY 1, 2015, FORECAST\*

	<u>Millions</u> <u>\$'s</u>	<u>% of</u> <u>Total</u>		<u>Millions</u> <u>\$'s</u>	<u>% of</u> <u>Total</u>
<b>Taxes:</b>			<b>Other Taxes:</b>		
State Gaming Taxes (2.)	\$1,471.4	19.6%	Mining Tax (1.)	\$39.0	0.5%
Sales and Use Taxes (1.)	\$2,256.4	30.1%	Annual Slot Tax Transfer	\$10.0	0.1%
Insurance Premium Taxes (2.)	\$681.2	9.1%	Other Tobacco Tax	\$25.4	0.3%
Cigarette Tax (1.)	\$348.0	4.6%	Branch Bank Excise Tax	\$6.0	0.1%
<b>Live Entertainment Tax:</b>			<b>Subtotal Other Taxes</b>	<b>\$80.4</b>	<b>1.0%</b>
Gaming Establishments (1.)	\$221.3	3.0%			
Non-Gaming Establishments (1.)	\$73.1	1.0%	<b>Subtotal Taxes</b>	<b>\$7,047.8</b>	<b>94.0%</b>
Modified Business Tax (MBT) (1.)(2.)(3.)	\$1,099.9	14.7%			
Commerce Tax (1.)	\$239.7	3.2%	<b>Non-Tax Revenues</b>		
Passenger Carrier Excise Tax (1.)	\$36.6	0.5%	Licenses (1.)	\$256.6	3.4%
Real Property Transfer Tax	\$146.5	1.9%	Fees and Fines	\$113.2	1.5%
Business License Fee (1.)	\$208.0	2.8%	Use of Money and Property	\$7.1	0.1%
Liquor Tax	\$89.8	1.2%	Miscellaneous Revenues (1.)	\$76.1	1.0%
Governmental Services Tax (GST) (1.)	\$95.5	1.3%	<b>Subtotal Non-Tax Revenues</b>	<b>\$453.0</b>	<b>6.0%</b>
			<b>Total General Fund - Before Tax Credit Programs</b>	<b>\$7,500.8</b>	<b>100.0%</b>
			<b>Tax Credit Programs</b>	<b>-\$156.0</b>	
			<b>Total General Fund - After Tax Credit Programs</b>	<b>\$7,344.8</b>	

\* Adjusted for legislative actions approved by the 2015 Legislature (78th Session).

(1.) Denotes a revenue source affected by legislative actions approved by the 2015 Legislature. See Table 2 on page 18 for a description of the legislative action and the estimated impact for each revenue source.

(2.) The Gaming Percentage Fee Tax, the Modified Business Tax, and the Insurance Premium Tax may be impacted by one or more tax credit programs approved by the Legislature during the 2013 and 2015 Regular Sessions and the 2014 Special Session. See Table 3 on page 24 and the General Fund Revenues Table on page 7 for information on the tax credit programs and their estimated impact.

(3.) The amount shown for the Modified Business Tax (MBT) represents the estimates for the nonfinancial, financial, and mining portions of the MBT based on the legislative actions approved by the 2015 Legislature, including the credit of up to 50% of the Commerce Tax against the MBT.

# GENERAL FUND APPROPRIATIONS





## **GENERAL FUND APPROPRIATIONS**

As noted in the table below, the 2015 Legislature appropriated \$7.413 billion from the State General Fund over the 2015-17 biennium, which is approximately \$30.8 million less than the amount recommended by the Governor in The Executive Budget. Refer to page 31 for additional details regarding the total appropriations approved for the 2015-17 biennium.

	<b>Governor Recommends</b>	<b>Legislature Approves</b>	<b>Difference</b>
<b>FY 2015</b>			
Cost of Session	\$ 18,000,000	\$ 18,000,000	\$ -
Supplemental Appropriations	\$ 82,944,990	\$ 66,404,838	\$ (16,540,152)
One-Time Appropriations	\$ 259,928	\$ 255,815	\$ (4,113)
Replenishment of Fund Balances	\$ 1,000,000	\$ 1,000,000	\$ -
<b>Total FY 2015</b>	<b>\$ 102,204,918</b>	<b>\$ 85,660,653</b>	<b>\$ (16,544,265)</b>
<b>FY 2016</b>			
One-Time Appropriations	\$ 7,025,847	\$ 16,601,852	\$ 9,576,005
Operating Appropriations	\$ 3,585,526,881	\$ 3,558,057,616	\$ (27,469,265)
Replenishment of Fund Balances	\$ 20,000,000	\$ 13,600,000	\$ (6,400,000)
<b>Total FY 2016</b>	<b>\$ 3,612,552,728</b>	<b>\$ 3,588,259,468</b>	<b>\$ (24,293,260)</b>
<b>Total Cumulative</b>	<b>\$ 3,714,757,646</b>	<b>\$ 3,673,920,121</b>	<b>\$ (40,837,525)</b>
<b>FY 2017</b>			
One-Time Appropriations	\$ 100,000	\$ 100,000	\$ -
Operating Appropriations	\$ 3,728,626,482	\$ 3,738,711,497	\$ 10,085,015
<b>Total FY 2017</b>	<b>\$ 3,728,726,482</b>	<b>\$ 3,738,811,497</b>	<b>\$ 10,085,015</b>
<b>Total Cumulative</b>	<b>\$ 7,443,484,128</b>	<b>\$ 7,412,731,618</b>	<b>\$ (30,752,510)</b>

For FY 2016, General Fund operating appropriations of \$3.558 billion were approved, which represents a 5.3 percent increase when compared to \$3.379 billion appropriated for FY 2015 (includes supplemental appropriations and appropriation transfers between FY 2014 and FY 2015). For FY 2017, General Fund operating appropriations of \$3.739 billion were approved, which represents a 5.1 percent increase from the FY 2016 operating appropriations. Operating appropriations approved by the 2015 Legislature were approximately \$27.5 million less in FY 2016 and approximately \$10.1 million more in FY 2017 than the amounts recommended by the Governor.

The following table compares the Governor's recommended General Fund operating appropriations with the operating appropriations approved by the 2015 Legislature. Please refer to the sections on functional areas of state government for additional information concerning the General Fund operating appropriations as approved by the 2015 Legislature.

<b>General Fund Operating Appropriations</b> <b>Governor Recommends versus Legislature Approves</b> <b>2015-17 Biennium</b>					
	<b>Governor Recommends</b>		<b>Legislature Approves</b>		<b>Difference</b>
Elected Officials	\$ 257,665,501	3.5%	\$ 295,583,814	4.1%	\$ 37,918,313
Finance & Administration	\$ 86,592,015	1.2%	\$ 124,920,026	1.7%	\$ 38,328,011
K-12 Education	\$ 2,881,652,889	39.4%	\$ 2,811,335,904	38.5%	\$ (70,316,985)
Nevada System of Higher Education	\$ 1,062,059,774	14.5%	\$ 1,072,485,609	14.7%	\$ 10,425,835
Other Education	\$ 613,318	0.0%	\$ 612,448	0.0%	\$ (870)
Commerce & Industry	\$ 127,914,675	1.7%	\$ 118,216,108	1.6%	\$ (9,698,567)
Human Services	\$ 2,190,302,378	30.0%	\$ 2,171,545,101	29.8%	\$ (18,757,277)
Public Safety	\$ 631,704,974	8.6%	\$ 628,828,148	8.6%	\$ (2,876,826)
Infrastructure	\$ 64,011,001	0.9%	\$ 62,056,673	0.8%	\$ (1,954,328)
Special Purpose Agencies	\$ 11,636,838	0.2%	\$ 11,185,282	0.2%	\$ (451,556)
<b>Total</b>	<b>\$ 7,314,153,363</b>	<b>100.0%</b>	<b>\$ 7,296,769,113</b>	<b>100.0%</b>	<b>\$ (17,384,250)</b>

After adjusting for interagency transfers, the total authority for spending for the 2015-17 biennium for revenue sources other than the General Fund is \$13.643 billion. Total spending authority from all sources, including General Fund appropriations, is \$20.940 billion, which compares to \$17.770 billion for the 2013-15 biennium (includes supplemental appropriations approved by the 2013 Legislature and appropriation transfers).

**GENERAL FUND APPROPRIATIONS  
2015 LEGISLATURE  
GOVERNOR RECOMMENDS VERSUS LEGISLATURE APPROVES**

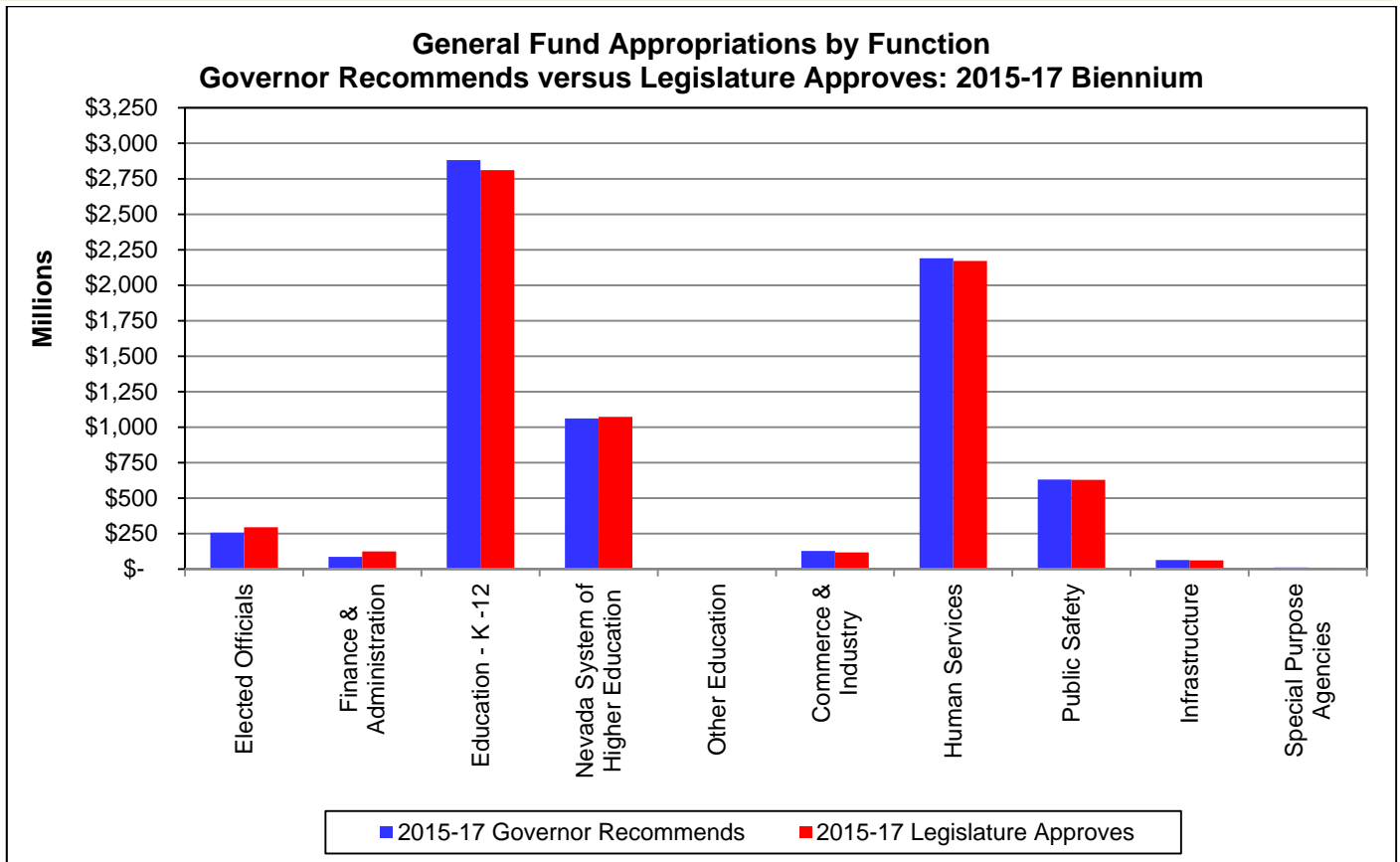
	<b>Governor Recommends</b>	<b>Legislature Approves</b>	<b>Difference</b>
<b><u>FISCAL YEAR 2015</u></b>			
Supplemental Appropriations	\$ 82,944,990	\$ 66,404,838	\$ (16,540,152)
Special or One-Time Appropriations	\$ 259,928	\$ 255,815	\$ (4,113)
Restore Fund Balances	\$ 1,000,000	\$ 1,000,000	\$ -
Cost of Legislation	\$ 18,000,000	\$ 18,000,000	\$ -
<b>Total Appropriations</b>	<b>\$ 102,204,918</b>	<b>\$ 85,660,653</b>	<b>\$ (16,544,265)</b>
<b><u>FISCAL YEAR 2016</u></b>			
Operating Appropriations	\$ 2,213,784,497	\$ 2,224,841,642	\$ 11,057,145
Distributive School Account	\$ 1,099,712,143	\$ 1,093,556,243	\$ (6,155,900)
School Remediation Trust	\$ 167,987,580	\$ 160,873,244	\$ (7,114,336)
Other State Education Programs	\$ 101,042,661	\$ 76,786,487	\$ (24,256,174)
Incentives for Licensed Educational Personnel	\$ 3,000,000	\$ 2,000,000	\$ (1,000,000)
Special or One-Time Appropriations	\$ 7,025,847	\$ 16,601,852	\$ 9,576,005
Restore Fund Balances	\$ 20,000,000	\$ 13,600,000	\$ (6,400,000)
<b>Total Appropriations</b>	<b>\$ 3,612,552,728</b>	<b>\$ 3,588,259,468</b>	<b>\$ (24,293,260)</b>
<b><u>FISCAL YEAR 2017</u></b>			
Operating Appropriations	\$ 2,305,262,442	\$ 2,354,261,235	\$ 48,998,793
Distributive School Account	\$ 1,091,677,682	\$ 1,101,624,225	\$ 9,946,543
Total Appropriations	\$ 195,264,149	\$ 187,331,674	\$ (7,932,475)
Other State Education Programs	\$ 133,422,209	\$ 93,494,363	\$ (39,927,846)
Incentives for Licensed Educational Personnel	\$ 3,000,000	\$ 2,000,000	\$ (1,000,000)
Special or One-Time Appropriations	\$ 100,000	\$ 100,000	\$ -
<b>Total Appropriations</b>	<b>\$ 3,728,726,482</b>	<b>\$ 3,738,811,497</b>	<b>\$ 10,085,015</b>
<b>Cumulative</b>	<b>\$ 7,443,484,128</b>	<b>\$ 7,412,731,618</b>	<b>\$ (30,752,510)</b>

The above schedule does not include the following restricted transfers from General Fund sources:			
	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
Transfer to the Disaster Relief Account	\$ 1,500,000	\$ -	\$ -
Transfer to the Millennium Scholarship Trust Fund	\$ 7,600,000	\$ 7,600,000	\$ 7,600,000
Transfer to Problem Gambling	\$ 1,396,747	\$ 1,372,845	\$ 1,366,926
Transfer to Nevada Arts Council <sup>a</sup> .		\$ 150,000	\$ 150,000
<b>Total</b>	<b>\$ 10,496,747</b>	<b>\$ 9,122,845</b>	<b>\$ 9,116,926</b>

<sup>a</sup>. S.B. 266 of the 2015 Session requires the Department of Taxation, on or before October 1 of each year, to deposit \$150,000 from the taxes, interest and penalties it receives from the tax on live entertainment, for credit to the Nevada Arts Council of the Department of Tourism and Cultural Affairs.

# NEVADA GENERAL FUND APPROPRIATIONS

## COMPARISON OF 2015-17 BIENNIUM



### GENERAL FUND APPROPRIATIONS BY FUNCTIONAL AREA: 2015-17 BIENNIUM

#### GOVERNOR RECOMMENDS VERSUS LEGISLATURE APPROVES

	Governor Recommends 2015-17 Biennium		Legislature Approves 2015-17 Biennium		Legislature Approves versus Governor Recommends	
	Appropriations	Share of Total	Appropriations	Share of Total	Dollar Change	Percent Change
ELECTED OFFICIALS	\$257,665,501	3.5%	\$295,583,814	4.1%	\$37,918,313	14.7%
FINANCE & ADMINISTRATION	\$86,592,015	1.2%	\$124,920,026	1.7%	\$38,328,011	44.3%
EDUCATION:						
K - 12 EDUCATION	\$2,881,652,889	39.4%	\$2,811,335,904	38.5%	-\$70,316,985	-2.4%
NEVADA SYSTEM OF HIGHER EDUCATION	\$1,062,059,774	14.5%	\$1,072,485,609	14.7%	\$10,425,835	1.0%
OTHER EDUCATION	\$613,318	0.0%	\$612,448	0.0%	-\$870	-0.1%
SUBTOTAL EDUCATION	\$3,944,325,981	53.9%	\$3,884,433,961	53.2%	-\$59,892,020	-1.5%
COMMERCE & INDUSTRY	\$127,914,675	1.7%	\$118,216,108	1.6%	-\$9,698,567	-7.6%
HUMAN SERVICES	\$2,190,302,378	30.0%	\$2,171,545,101	29.8%	-\$18,757,277	-0.9%
PUBLIC SAFETY	\$631,704,974	8.6%	\$628,828,148	8.6%	-\$2,876,826	-0.5%
INFRASTRUCTURE	\$64,011,001	0.9%	\$62,056,673	0.8%	-\$1,954,328	-3.1%
SPECIAL PURPOSE AGENCIES	\$11,636,838	0.2%	\$11,185,282	0.2%	-\$451,556	-3.9%
<b>TOTAL APPROPRIATIONS</b>	<b>\$7,314,153,363</b>	<b>100.0%</b>	<b>\$7,296,769,113</b>	<b>100.0%</b>	<b>-\$17,384,250</b>	<b>-0.2%</b>

## GENERAL FUND OPERATING APPROPRIATIONS BY FUNCTIONAL AREA: 2013-15 AND 2015-17 BIENNIUM

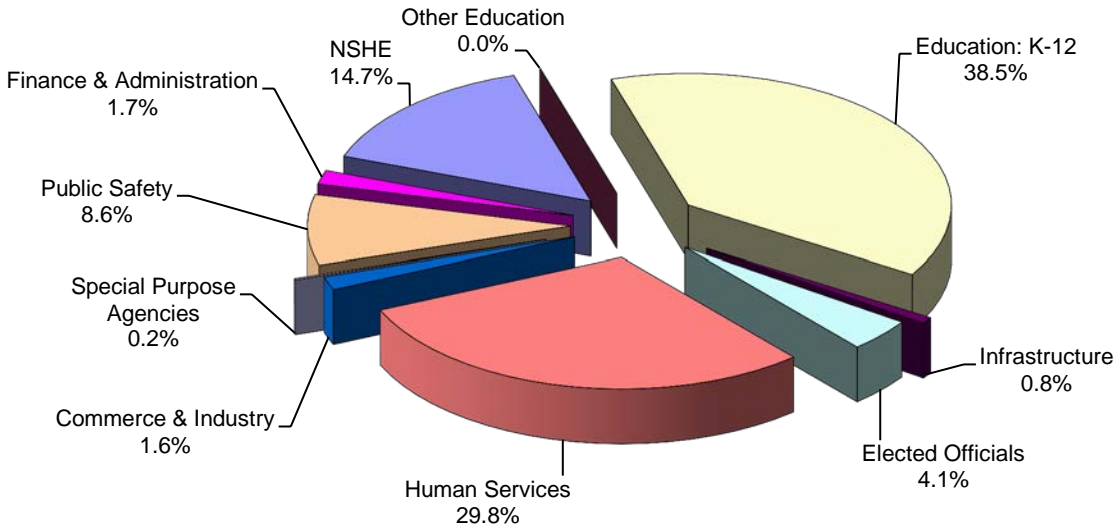
Functional Area	Legislature Approved 2013-15 <sup>a.</sup>		Governor Recommends 2015-17				Legislature Approves 2015-17			
	Amount	Share of Total	Amount	Share of Total	Dollar Change	Percent Change	Amount	Share of Total	Dollar Change	Percent Change
Elected Officials <sup>b., c.</sup>	\$ 202,995,723	3.0%	\$ 257,665,501	3.5%	\$ 54,669,778	26.9%	\$ 295,583,814	4.1%	\$ 92,588,091	45.6%
Finance & Administration <sup>b., d.</sup>	\$ 92,299,033	1.4%	\$ 86,592,015	1.2%	\$ (5,707,018)	-6.2%	\$ 124,920,026	1.7%	\$ 32,620,993	35.3%
Education										
K-12	\$ 2,609,662,952	39.2%	\$ 2,881,652,889	39.4%	\$ 271,989,937	10.4%	\$ 2,811,335,904	38.5%	\$ 201,672,952	7.7%
NSHE	\$ 971,294,216	14.6%	\$ 1,062,059,774	14.5%	\$ 90,765,558	9.3%	\$ 1,072,485,609	14.7%	\$ 101,191,393	10.4%
Other Education <sup>c.</sup>	\$ 2,778,650	0.0%	\$ 613,318	0.0%	\$ (2,165,332)	-77.9%	\$ 612,448	0.0%	\$ (2,166,202)	-78.0%
Total Education	\$ 3,583,735,818	53.8%	\$ 3,944,325,981	53.9%	\$ 360,590,163	10.1%	\$ 3,884,433,961	53.2%	\$ 300,698,143	8.4%
Commerce & Industry	\$ 95,127,595	1.4%	\$ 127,914,675	1.7%	\$ 32,787,080	34.5%	\$ 118,216,108	1.6%	\$ 23,088,513	24.3%
Human Services	\$ 2,051,646,273	30.8%	\$ 2,190,302,378	30.0%	\$ 138,656,105	6.8%	\$ 2,171,545,101	29.8%	\$ 119,898,828	5.8%
Public Safety	\$ 582,784,699	8.7%	\$ 631,704,974	8.6%	\$ 48,920,275	8.4%	\$ 628,828,148	8.6%	\$ 46,043,449	7.9%
Infrastructure	\$ 44,721,761	0.7%	\$ 64,011,001	0.9%	\$ 19,289,240	43.1%	\$ 62,056,673	0.8%	\$ 17,334,912	38.8%
Special Purpose Agencies	\$ 10,325,805	0.2%	\$ 11,636,838	0.2%	\$ 1,311,033	12.7%	\$ 11,185,282	0.2%	\$ 859,477	8.3%
<b>Total Appropriations</b>	<b>\$ 6,663,636,707</b>	<b>100.0%</b>	<b>\$ 7,314,153,363</b>	<b>100.0%</b>	<b>\$ 650,516,656</b>	<b>9.8%</b>	<b>\$ 7,296,769,113</b>	<b>100.0%</b>	<b>\$ 633,132,406</b>	<b>9.5%</b>

- a. Includes supplemental appropriations approved by the 2015 Legislature and transfers of appropriations between fiscal years.
- b. The Legislature approved moving the Department of Administration, Budget Division and Division of Internal Audits to the newly created Office of Finance in the Office of the Governor. In Legislature Approved 2013-15 the General Fund operating appropriations for these agencies are included in the Finance and Administration function. In Governor Recommends 2015-17 and Legislature Approves 2015-17 the General Fund operating appropriations for these agencies are included in the Elected Officials function.
- c. For comparison purposes, WICHE is included in Other Education for Legislature Approved 2013-15 and Governor Recommends 2015-17. The 2015 Legislature approved the transfer of WICHE to Elected Officials and the operating appropriation is included in the new functional area in Legislature Approves 2015-17.
- d. Legislature Approves 2015-17 includes \$4,231,214 pursuant to Section 4 of A.B. 489, \$13,185,284 pursuant to Section 5 of A.B. 489, and \$19,184,816 pursuant to Section 7 of A.B. 489 appropriated to the Board of Examiners for salary adjustment allocations.



# NEVADA GENERAL FUND APPROPRIATIONS

## LEGISLATURE APPROVED – 2015-17 BIENNIUM



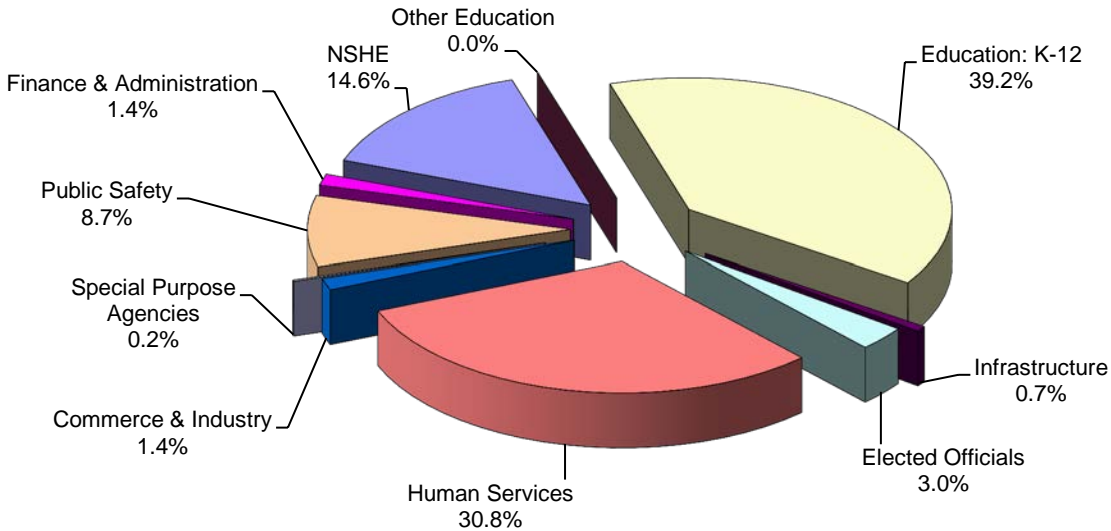
### LEGISLATURE APPROVED APPROPRIATIONS - 2015-17 BIENNIUM

	FY 2016	FY 2017	TOTAL	% of Total
Elected Officials <sup>a, b.</sup>	\$ 133,758,451	\$ 161,825,363	\$ 295,583,814	4.1%
Finance & Administration <sup>a, c.</sup>	\$ 56,288,357	\$ 68,631,669	\$ 124,920,026	1.7%
Education:				
Kindergarten to 12th Grade	\$ 1,379,528,179	\$ 1,431,807,725	\$ 2,811,335,904	38.5%
Nevada System of Higher Education	\$ 530,862,990	\$ 541,622,619	\$ 1,072,485,609	14.7%
Other Education <sup>b.</sup>	\$ 303,003	\$ 309,445	\$ 612,448	0.0%
Subtotal Education	\$ 1,910,694,172	\$ 1,973,739,789	\$ 3,884,433,961	53.2%
Commerce & Industry	\$ 64,383,766	\$ 53,832,342	\$ 118,216,108	1.6%
Human Services	\$ 1,044,884,014	\$ 1,126,661,087	\$ 2,171,545,101	29.8%
Public Safety	\$ 311,926,105	\$ 316,902,043	\$ 628,828,148	8.6%
Infrastructure	\$ 30,645,160	\$ 31,411,513	\$ 62,056,673	0.8%
Special Purpose Agencies	\$ 5,477,591	\$ 5,707,691	\$ 11,185,282	0.2%
<b>Total</b>	<b>\$ 3,558,057,616</b>	<b>\$ 3,738,711,497</b>	<b>\$ 7,296,769,113</b>	<b>100.0%</b>

- a. The 2015 Legislature approved moving the Department of Administration, Budget Division and Division of Internal Audits to the newly created Office of Finance in the Office of the Governor. The operating appropriations for the Office of Finance were transferred from the Finance and Administration function to the Elected Officials function for Legislature Approved Appropriations 2015-17 Biennium.
- b. The 2015 Legislature transferred Western Interstate Commission for Higher Education (WICHE) from Other Education in the Education functional area to Elected Officials and the operating appropriation included in the new functional area in Legislature Approved Appropriations 2015-17 Biennium.
- c. The Finance and Administration function for Legislature Approved Appropriations 2015-17 Biennium includes \$4,231,214 pursuant to Section 4 of A.B. 489, \$13,185,284 pursuant to Section 5 of A.B. 489, and \$19,184,816 pursuant to Section 7 of A.B. 489 appropriated to the Board of Examiners for salary adjustment allocations.

# NEVADA GENERAL FUND APPROPRIATIONS

## LEGISLATURE APPROVED – 2013-15 BIENNIUM



### LEGISLATURE APPROVED APPROPRIATIONS - 2013-15 BIENNIUM <sup>a</sup>

	FY 2014	FY 2015	TOTAL	% of Total
Elected Officials	\$ 100,491,653	\$ 102,504,070	\$ 202,995,723	3.0%
Finance & Administration <sup>b</sup>	\$ 39,332,807	\$ 52,966,226	\$ 92,299,033	1.4%
Education:				
Kindergarten to 12th Grade <sup>c,e</sup>	\$ 1,300,585,798	\$ 1,309,077,154	\$ 2,609,662,952	39.2%
Nevada System of Higher Education	\$ 479,610,988	\$ 491,683,228	\$ 971,294,216	14.6%
Other Education <sup>d</sup>	\$ 1,364,681	\$ 1,413,969	\$ 2,778,650	0.0%
Subtotal Education	\$ 1,781,561,467	\$ 1,802,174,351	\$ 3,583,735,818	53.8%
Commerce & Industry <sup>c</sup>	\$ 47,374,019	\$ 47,753,576	\$ 95,127,595	1.4%
Human Services	\$ 997,487,874	\$ 1,054,158,399	\$ 2,051,646,273	30.8%
Public Safety	\$ 289,613,151	\$ 293,171,548	\$ 582,784,699	8.7%
Infrastructure	\$ 23,482,874	\$ 21,238,887	\$ 44,721,761	0.7%
Special Purpose Agencies	\$ 5,094,314	\$ 5,231,491	\$ 10,325,805	0.2%
<b>Total</b>	<b>\$ 3,284,438,159</b>	<b>\$ 3,379,198,548</b>	<b>\$ 6,663,636,707</b>	<b>100.0%</b>

a. Includes supplemental appropriations approved by the 2015 Legislature and transfers of appropriations between fiscal years.

b. Legislature Approved Appropriations 2013-15 Biennium includes \$16,021,435 appropriated to the Board of Examiners for salary adjustment allocations pursuant to Section 7 of A.B. 511.

c. 2013 Legislature approved the transfer of appropriations for the Nutrition Education Programs from K-12 Education (Department of Education) to Commerce & Industry (Department of Agriculture).

d. Appropriations for Western Interstate Commission for Higher Education (WICHE) are included under Other Education.

e. Appropriation in FY 2014 of \$750,000 for Public Charter School Loan Program under the State Public Charter School Authority is included under K-12 Education.

**GENERAL FUND SUPPLEMENTAL APPROPRIATIONS  
GOVERNOR RECOMMENDS v. LEGISLATURE APPROVES  
2015 LEGISLATURE**

BILL NO.	CHAPTER	DEPARTMENT / DIVISION	PURPOSE	GOVERNOR RECOMMENDS			LEGISLATURE APPROVES		
				FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017
		Department of Health and Human Services, Division of Health Care Financing and Policy	For an increase in caseload over the amount legislatively approved for fiscal year 2014 and fiscal year 2015. <b>Withdrawn by the Administration.</b>	\$ 527,872	\$ -	\$ -	\$ -	\$ -	\$ -
		Department of Corrections, Northern Nevada Restitution Center	For projected personnel costs through June 30, 2015. <b>Withdrawn by the Administration.</b>	\$ 4,781	\$ -	\$ -	\$ -	\$ -	\$ -
		Department of Corrections, Carlin Conservation Camp	For projected personnel costs through June 30, 2015. <b>Withdrawn by the Administration.</b>	\$ 12,619	\$ -	\$ -	\$ -	\$ -	\$ -
		Department of Corrections, Tonopah Conservation Camp	For projected personnel costs through June 30, 2015. <b>Withdrawn by the Administration.</b>	\$ 10,472	\$ -	\$ -	\$ -	\$ -	\$ -
A.B. 265	17	Judicial Branch, Supreme Court	For unexpected expenses related to the Commission on Judicial Selection.	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ -
A.B. 439		Office of the Military	For additional military leave authorized under NRS 281.145, but not eligible for reimbursement through the Master Cooperative Agreement. <b>Withdrawn by the Administration.</b>	\$ 303,867	\$ -	\$ -	\$ -	\$ -	\$ -
A.B. 440		Commission on Postsecondary Education	For terminal leave costs due to retirement of an employee in December 2014. <b>Withdrawn by the Administration.</b>	\$ 33,308	\$ -	\$ -	\$ -	\$ -	\$ -
A.B. 441		State Controller	For projected terminal leave costs due to an anticipated retirement prior to June 30, 2015. <b>Withdrawn by the Administration.</b>	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -
A.B. 442	188	Lieutenant Governor	For projected payroll and other costs associated with the 2015 Legislative Session.	\$ 25,887	\$ -	\$ -	\$ 7,150	\$ -	\$ -
A.B. 465	187	Department of Public Safety, Nevada Highway Patrol Division	For projected costs of visiting dignitary protection assignments.	\$ 20,000	\$ -	\$ -	\$ 20,000	\$ -	\$ -
A.B. 467	290	Department of Corrections, Prison Medical Care	For an unanticipated shortfall in transfers from the Inmate Welfare Account for prison medical care.	\$ 793,191	\$ -	\$ -	\$ 1,193,577	\$ -	\$ -
A.B. 468	276	Department of Corrections, Office of the Director	For shortfalls in projected personnel costs.	\$ 1,279,523	\$ -	\$ -	\$ 1,265,718	\$ -	\$ -
A.B. 468	276	Department of Corrections, Correctional Programs	For shortfalls in projected personnel costs.	\$ 329,932	\$ -	\$ -	\$ 39,255	\$ -	\$ -
A.B. 468	276	Department of Corrections, Northern Nevada Correctional Center	For shortfalls in projected personnel costs.	\$ 146,144	\$ -	\$ -	\$ 540,338	\$ -	\$ -
A.B. 468	276	Department of Corrections, Ely State Prison	For shortfalls in projected personnel costs.	\$ 493,819	\$ -	\$ -	\$ 121,981	\$ -	\$ -
A.B. 468	276	Department of Corrections, High Desert State Prison	For shortfalls in projected personnel costs.	\$ 173,943	\$ -	\$ -	\$ 428,075	\$ -	\$ -
S.B. 427	101	Office of the Attorney General, Office of the Extradition Coordinator	To replenish FY 2015 extradition funds used in 2014, and to supplement funds for FY 2015 due to increased extradition costs.	\$ 169,000	\$ -	\$ -	\$ 169,000	\$ -	\$ -
S.B. 429	186	Department of Education, Distributive School Account	For a shortfall from an unanticipated increase in K-12 enrollment for the 2013-2014 and 2014-2015 school years.	\$ 77,704,344	\$ -	\$ -	\$ 62,026,744	\$ -	\$ -
S.B. 469	60	Judicial Branch, Supreme Court	For an unanticipated shortfall in revenue in FY 2015 resulting from a deficit in the collection of administrative assessments.	\$ 555,001	\$ -	\$ -	\$ 588,000	\$ -	\$ -
S.B. 486		Department of Conservation and Natural Resources, Division of Forestry	For the cost of terminal leave and PERS buyout. <b>Withdrawn by the Administration.</b>	\$ 59,634	\$ -	\$ -	\$ -	\$ -	\$ -
S.B. 486		Department of Conservation and Natural Resources, Division of Forestry, Forestry Conservation Camps	For the cost of terminal leave and PERS buyout. <b>Withdrawn by the Administration.</b>	\$ 266,653	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL GENERAL FUND SUPPLEMENTAL APPROPRIATIONS</b>				<b>\$ 82,944,990</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 66,404,838</b>	<b>\$ -</b>	<b>\$ -</b>

**HIGHWAY FUND SUPPLEMENTAL APPROPRIATIONS  
GOVERNOR RECOMMENDS v. LEGISLATURE APPROVES  
2015 LEGISLATURE**

BILL NO.	CHAPTER	DEPARTMENT / DIVISION	PURPOSE	GOVERNOR RECOMMENDS			LEGISLATURE APPROVES		
				FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017
		Department of Public Safety, Highway Patrol Division	For projected personnel costs through June 30, 2015. <b>Withdrawn by the Administration.</b>	\$ 318,471					
S.B. 468		Department of Business and Industry, Nevada Transportation Authority	For projected personnel costs through June 30, 2015. <b>Withdrawn by the Administration.</b>	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -
S.B. 470		Department of Motor Vehicles, Director's Office	For projected personnel costs through June 30, 2015. <b>Withdrawn by the Administration.</b>	\$ 36,523	\$ -	\$ -	\$ -	\$ -	\$ -
S.B. 470		Department of Motor Vehicles, Administrative Services Division	For projected electronic payment costs and printing costs through June 30, 2015. <b>Withdrawn by the Administration.</b>	\$ 238,784	\$ -	\$ -	\$ -	\$ -	\$ -
S.B. 470		Department of Motor Vehicles, Central Services Division	For projected print on demand services costs through June 30, 2015. <b>Withdrawn by the Administration.</b>	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL HIGHWAY FUND SUPPLEMENTAL APPROPRIATIONS</b>				<b>\$ 773,778</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**GENERAL FUND ONE-TIME APPROPRIATIONS  
GOVERNOR RECOMMENDS v. LEGISLATURE APPROVES  
2015 LEGISLATURE**

BILL NO.	CHAPTER	DEPARTMENT / DIVISION	PURPOSE	GOVERNOR RECOMMENDS			LEGISLATURE APPROVES		
				FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017
A.B. 234	368	Department of Education, Section 4.5	For the costs of programming changes to the licensure system of the department and the adoption of regulations related to multicultural education.	\$ -	\$ -	\$ -	\$ -	\$ 8,406	\$ -
A.B. 399	459	Nevada System of Higher Education, Section 5	To allow the College of Southern Nevada to purchase software for a geographic information system, hire a person who is a specialist in geographic information systems to operate the system and provide other services as necessary to assist and carry out the NV Grow Program as a pilot program to stimulate Nevada's economy.	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -
A.B. 438	462	Department of Conservation and Natural Resources, Division of Forestry	For employee retirement buyouts, terminal leave payments and other termination-related costs for eliminated positions within the Intergovernmental All-Risk Fire Management Program of the division.	\$ 259,928	\$ -	\$ -	\$ 255,815	\$ -	\$ -
A.B. 443	390	Legislative Counsel Bureau	For the cost of dues and registration for national organizations.	\$ -	\$ 778,181	\$ -	\$ -	\$ 776,460	\$ -
A.B. 443	390	Legislative Counsel Bureau	For one-time building maintenance and information technology purchases.		\$ 1,232,892			\$ 1,227,772	
A.B. 491	549	Department of Administration, State Public Works Division	2015-17 Biennium Capital Improvement Projects. <i>Specific projects supported by General Funds listed in Section 1, A.B. 491.</i>	\$ -	\$ 1,980,748	\$ -	\$ -	\$ 6,403,083	\$ -
S.B. 428	427	Department of Conservation and Natural Resources, Division of Forestry	For the replacement of emergency response and firefighting equipment and vehicles.	\$ -	\$ 1,142,675	\$ -	\$ -	\$ 1,140,613	\$ -
S.B. 428	427	Department of Conservation and Natural Resources, Division of Forestry, Forestry Conservation Camps	For the replacement of critical equipment and vehicles.	\$ -	\$ 1,791,351	\$ -	\$ -	\$ 1,795,518	\$ -
S.B. 514	534	Fund for Aviation, Section 50	For enlargement, improvement or maintenance of rural airports, landing areas or air navigation facilities.	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ 100,000
S.B. 514	534	Interim Finance Committee, Section 60	For allocation to the Department of Health and Human Services, Aging and Disability Services Division for implementing a senior citizen's property tax assistance rebate program.				\$ -	\$ 5,000,000	\$ -
<b>TOTAL GENERAL FUND ONE-TIME APPROPRIATIONS</b>				<b>\$ 259,928</b>	<b>\$ 7,025,847</b>	<b>\$ 100,000</b>	<b>\$ 255,815</b>	<b>\$ 16,601,852</b>	<b>\$ 100,000</b>

**HIGHWAY FUND ONE-TIME APPROPRIATIONS  
GOVERNOR RECOMMENDS v. LEGISLATURE APPROVES  
2015 LEGISLATURE**

BILL NO.	CHAPTER	DEPARTMENT / DIVISION	PURPOSE	GOVERNOR RECOMMENDS			LEGISLATURE APPROVES		
				FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017
A.B. 491	549	Department of Administration, State Public Works Division	2015-17 Biennium Capital Improvement Projects. <i>Specific projects supported by Highway Funds listed in Section 3, A.B. 491.</i>	\$ -	\$ 4,983,302	\$ -	\$ 5,162,832	\$ -	\$ -
S.B. 111	533	Department of Public Safety, Nevada Highway Patrol Division, Section 6.3	For carrying out the requirement for certain peace officers employed by the Nevada Highway Patrol to wear a portable event recording device while on duty.	\$ -	\$ -	\$ -	\$ -	\$ 785,002	\$ 475,104
S.B. 467	393	Department of Public Safety, Nevada Highway Patrol Division	To replace fleet vehicles that have exceeded the mileage threshold.	\$ 7,690,412	\$ -	\$ -	\$ 7,679,026	\$ -	\$ -
S.B. 467	393	Department of Public Safety, Nevada Highway Patrol Division	To purchase fleet motorcycles and replace other types of fleet vehicles that have exceeded the mileage threshold.	\$ 326,592	\$ -	\$ -	\$ 326,592	\$ -	\$ -
<b>TOTAL HIGHWAY FUND ONE-TIME APPROPRIATIONS</b>				<b>\$ 8,017,004</b>	<b>\$ 4,983,302</b>	<b>\$ -</b>	<b>\$ 13,168,450</b>	<b>\$ 785,002</b>	<b>\$ 475,104</b>

**GENERAL FUND ONGOING APPROPRIATIONS  
GOVERNOR RECOMMENDS v. LEGISLATURE APPROVES  
2015 LEGISLATURE**

BILL NO.	CHAPTER	DEPARTMENT / DIVISION	PURPOSE	GOVERNOR RECOMMENDS			LEGISLATURE APPROVES		
				FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017
A.B. 489	472	Board of Examiners, Section 4	For the cost of providing a salary increase of 1 percent on July 1, 2015 and 2 percent on July 1, 2016 - unclassified employees.					\$ 1,054,304	\$ 3,176,910
A.B. 489	472	Board of Examiners, Section 5	For the cost of providing a salary increase of 1 percent on July 1, 2015 and 2 percent on July 1, 2016 - classified and nonclassified employees.					\$ 3,216,448	\$ 9,968,836
A.B. 489	472	Board of Examiners, Section 7	For the cost of providing a salary increase of 1 percent on July 1, 2015 and 2 percent on July 1, 2016 - classified and professional employees of the Nevada System of Higher Education.	\$ -	\$ -	\$ -	\$ -	\$ 4,761,688	\$ 14,423,128
A.B. 489	472	Legislative Fund, Section 8	For the cost of providing a salary increase of 1 percent on July 1, 2015 and 2 percent on July 1, 2016 for personnel of the Legislative Counsel Bureau.	\$ -	\$ -	\$ -	\$ -	\$ 195,157	\$ 593,759
A.B. 490	484	Gaming Control Board, Section 3	Authorizes funding for operating expenses.	\$ -	\$ 30,079,192	\$ 30,471,909	\$ -	\$ 29,950,174	\$ 30,523,896
A.B. 490	484	Gaming Commission, Section 4	Authorizes funding for operating expenses.	\$ -	\$ 462,848	\$ 464,328	\$ -	\$ 462,531	\$ 464,447
S.B. 133	486	Department of Education, Teachers' School Supply Reimbursement Account, Section 7	For distribution to teachers for reimbursement for certain out-of-pocket expenses.	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
S.B. 332	473	Clark County School District, Section 1	To carry out a program of peer assistance and review of teachers.	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000
S.B. 511	388	State Board of Education, Teach Nevada Scholarship Program Account, Section 11.1	For grants to award scholarships to students entering certain teaching programs.	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
S.B. 511	388	Department of Education, Account for Programs for Innovation and the Prevention of Remediation, Section 11.2	For grants to school districts to provide financial incentives to newly hired teachers who are employed to teach in certain schools.	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000
S.B. 514	534	General Appropriations Act, Sections 2 to 32	For operating expenses.	\$ -	\$ 2,170,795,076	\$ 2,258,501,273	\$ -	\$ 2,143,761,921	\$ 2,239,738,968
S.B. 514	534	Interim Finance Committee, Section 47	For allocation to the Office of Economic Development for the Unmanned Aerial Vehicle program.	\$ -	\$ -	\$ 692,000	\$ -	\$ -	\$ 692,000
S.B. 514	534	Interim Finance Committee, Section 48	For allocation to the Office of Economic Development for the Train Employees Now Program.	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ 500,000
S.B. 514	534	Interim Finance Committee, Section 59	For allocation to the Department of Health and Human Services, Aging and Disability Services Division, Community Based Services for the costs of services provided by the Autism Treatment Program.	\$ -	\$ -	\$ 2,205,506	\$ -	\$ -	\$ 2,205,506
S.B. 514	534	Department of Health and Human Services, Division of Health Care Financing and Policy, Nevada Medicaid, Section 61.1	For costs related to increasing the reimbursement rate for acute inpatient hospital services to a total of 5 percent, effective July 1, 2015.	\$ -	\$ -	\$ -	\$ -	\$ 4,600,000	\$ -
S.B. 514	534	Department of Health and Human Services, Division of Health Care Financing and Policy, Nevada Check Up, Section 61.2	For costs related to increasing the reimbursement rate for acute inpatient hospital services to a total of 5 percent, effective July 1, 2015.	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ -

**GENERAL FUND ONGOING APPROPRIATIONS  
GOVERNOR RECOMMENDS v. LEGISLATURE APPROVES  
2015 LEGISLATURE**

BILL NO.	CHAPTER	DEPARTMENT / DIVISION	PURPOSE	GOVERNOR RECOMMENDS			LEGISLATURE APPROVES		
				FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017
S.B. 514	534	Department of Taxation, Section 62	For additional staffing, programming and operating costs to implement legislation approved by the 78th Session of the Nevada Legislature.	\$ -	\$ -	\$ -	\$ -	\$ 5,432,794	\$ -
S.B. 514	534	Interim Finance Committee, Section 63	For allocation to the Department of Corrections to fund salaries, benefits and related operating expenditures associated with adding 55 protective services positions.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,062,977
S.B. 514	534	Interim Finance Committee, Section 71.1	For allocation to the Nevada System of Higher Education for start-up costs related to the development of an allopathic medical school at the University of Nevada, Las Vegas.	\$ -	\$ -	\$ -	\$ -	\$ 5,897,569	\$ 12,467,702
S.B. 514	534	Interim Finance Committee, Section 71.2	For allocation to the Nevada System of Higher Education, University of Nevada School of Medicine to expand public undergraduate and graduate medical education.	\$ -	\$ -	\$ -	\$ -	\$ 1,848,656	\$ 1,999,568
S.B. 514	534	Nevada System of Higher Education, Great Basin College, Section 71.3	To mitigate the reduction in General Fund appropriations and expenditures that would otherwise be experienced in adjusting to the level of state support provided by the funding formula.	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000
S.B. 514	534	Nevada System of Higher Education, Western Nevada College, Section 71.4	To mitigate the reduction in General Fund appropriations and expenditures that would otherwise be experienced in adjusting to the level of state support provided by the funding formula.	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ 850,000
S.B. 514	534	Nevada System of Higher Education, Desert Research Institute, Section 71.5	To mitigate the reduction in General Fund appropriations and expenditures that would otherwise be experienced in adjusting to the level of state support provided by the funding formula.	\$ -	\$ -	\$ -	\$ -	\$ 477,312	\$ 477,312
S.B. 514	534	Nevada System of Higher Education, University of Nevada, Las Vegas, Statewide Programs, Section 71.6	For the cost of establishing the International Center for Excellence in Gaming Regulation.	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000
S.B. 514	534	Nevada System of Higher Education, Silver State Opportunity Grant Program, Section 72	To fund grants to pay a portion of the cost of education for eligible students enrolled in a state or community college within the Nevada System of Higher Education.	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
S.B. 514	534	Public Employees' Retirement Board, Section 74	For the administration of the Legislators' Retirement System.	\$ -	\$ -	\$ -	\$ -	\$ 134,707	\$ -
S.B. 515	537	Department of Education, State Distributive School Account, Section 5	For the enrollment of pupils with disabilities with the funding multiplier calculated by the Department of Education.	\$ -	\$ -	\$ 167,946,575	\$ -	\$ -	\$ 168,125,519
S.B. 515	537	Department of Education, State Distributive School Account, Section 7	Includes funding for basic support guarantee, special education program units, class-size reduction and special transportation costs.	\$ -	\$ 1,099,712,143	\$ 923,731,107	\$ -	\$ 1,093,556,243	\$ 933,498,706



**GENERAL FUND ONGOING APPROPRIATIONS  
GOVERNOR RECOMMENDS v. LEGISLATURE APPROVES  
2015 LEGISLATURE**

BILL NO.	CHAPTER	DEPARTMENT / DIVISION	PURPOSE	GOVERNOR RECOMMENDS			LEGISLATURE APPROVES		
				FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017
S.B. 515	537	Department of Education, Other State Education Programs Account, Section 19	Includes funding for National Board Teacher Certification, Counselor National Board Certification, LEA library books, Nevada Ready 21 Technology grant program, assistance for schools with broadband and Wide Area Network access and improvements, Career and Technical Education grants, Jobs for America's Graduates program, special counseling services for at-risk elementary school pupils, professional School Library Specialists salary increases, Adult Education, Gifted and Talented Education programs, Early Childhood Education, College and Career Readiness grant program, Social Worker or Other Licensed Mental Health Worker grant programs, and underperforming schools.	\$ -	\$ 86,163,172	\$ 76,901,635	\$ -	\$ 65,906,998	\$ 65,243,789
S.B. 515	537	Interim Finance Committee, Section 23	For allocation to the Department of Education for a block grant program to school districts and charter schools to provide for contract social workers or other licensed mental health workers.	\$ -	\$ -	\$ 24,270,000	\$ -	\$ -	\$ 11,188,800
S.B. 515	537	Department of Education, Other State Education Programs Account, Section 25	For grants for a nonprofit organization to aid the establishment and operation of high quality charter schools to serve pupils who live in poverty pursuant to S.B. 491.	\$ -	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 5,000,000	\$ 5,000,000
S.B. 515	537	Department of Education, Other State Education Programs Account, Section 26	For grants for literacy programs for pupils enrolled in kindergarten and grades 1, 2 and 3 to ensure all pupils are proficient in reading by the end of the third grade pursuant to Section 15 of S.B. 391.	\$ -	\$ 4,879,489	\$ 22,250,574	\$ -	\$ 4,879,489	\$ 22,250,574
S.B. 515	537	Department of Education, Account for Programs for Innovation and the Prevention of Remediation, Section 27	For grants for the Clark County School District, Washoe County School District, other school districts and the governing body of a charter school to carry out a program of Zoom elementary schools and to expand the program to middle schools, junior high schools and high schools during the 2015-17 biennium pursuant to Section 1 of S.B. 405.	\$ -	\$ 49,950,000	\$ 49,950,000	\$ -	\$ 49,950,000	\$ 49,950,000
S.B. 515	537	Department of Education, Account for Programs for Innovation and the Prevention of Remediation, Section 28	For the distribution of money to schools designated as Victory Schools pursuant to Section 2 of S.B. 432.	\$ -	\$ 24,850,000	\$ 25,000,000	\$ -	\$ 24,850,000	\$ 25,000,000
S.B. 515	537	Department of Education, Account for Programs for Innovation and the Prevention of Remediation, Section 29	For the expansion of full-day kindergarten, the implementation of full-day kindergarten in charter schools, kindergarten class size reduction and portable classrooms for full-day kindergarten.	\$ -	\$ 93,187,580	\$ 115,314,149	\$ -	\$ 76,073,244	\$ 97,381,674
S.B. 515	537	Department of Education, Account for Programs for Innovation and the Prevention of Remediation, Section 33	For grants to school districts to provide financial incentives to newly hired teachers who are employed to teach in certain schools.	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000
S.B. 515	537	Department of Education, Professional Development Programs Account, Section 34	For regional training programs for the professional development of teachers and administrators.	\$ -	\$ 7,560,948	\$ 1,000,000	\$ -	\$ 7,560,948	\$ 7,560,948
S.B. 515	537	Department of Education, Great Teaching and Leading Fund, Section 37	For grants to provide professional development, peer assistance and review, leadership training and development, and recruitment selection and retention for teachers, administrators and other licensed educational personnel pursuant to Section 1.5 of S.B. 474.	\$ -	\$ 4,886,433	\$ 11,427,426	\$ -	\$ 4,886,433	\$ 4,866,478

**GENERAL FUND ONGOING APPROPRIATIONS  
GOVERNOR RECOMMENDS v. LEGISLATURE APPROVES  
2015 LEGISLATURE**

BILL NO.	CHAPTER	DEPARTMENT / DIVISION	PURPOSE	GOVERNOR RECOMMENDS			LEGISLATURE APPROVES		
				FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017
S.B. 515	537	Department of Education, Contingency Account for Special Education Services, Section 38	To reimburse school districts and charter schools for extraordinary program expenses and related services for students with significant disabilities pursuant to Section 24 of S.B. 508.	\$ -	\$ -	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000
S.B. 515	537	Department of Education, Grant Fund for Incentives for Licensed Educational Personnel, Section 39	To purchase one-fifth of a year retirement service credit.	\$ -	\$ 3,000,000	\$ 3,000,000	\$ -	\$ 2,000,000	\$ 2,000,000
<b>TOTAL GENERAL FUND ONGOING APPROPRIATIONS</b>				<b>\$ -</b>	<b>\$ 3,585,526,881</b>	<b>\$ 3,728,626,482</b>	<b>\$ -</b>	<b>\$ 3,558,057,616</b>	<b>\$ 3,738,711,497</b>

**HIGHWAY FUND ONGOING APPROPRIATIONS  
GOVERNOR RECOMMENDS v. LEGISLATURE APPROVES  
2015 LEGISLATURE**

BILL NO.	CHAPTER	DEPARTMENT / DIVISION	PURPOSE	GOVERNOR RECOMMENDS			LEGISLATURE APPROVES		
				FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017
A.B. 489	472	Board of Examiners, Section 4	For the cost of providing a salary increase of 1 percent on July 1, 2015, and 2 percent on July 1, 2016 - unclassified employees.	\$ -	\$ -	\$ -	\$ -	\$ 41,018	\$ 123,802
A.B. 489	472	Board of Examiners, Section 6	For the cost of providing a salary increase of 1 percent on July 1, 2015, and 2 percent on July 1, 2016 - classified employees.					\$ 850,707	\$ 2,604,111
A.B. 490	484	Department of Transportation, Section 1	For operating expenses.	\$ -	\$ 323,047,739	\$ 325,053,834	\$ -	\$ 322,074,771	\$ 322,295,530
S.B. 514	534	General Appropriations Act, Section 33	For operating expenses.		\$ 157,555,743	\$ 159,574,526	\$ -	\$ 128,821,623	\$ 128,636,922
S.B. 514	534	Interim Finance Committee, Section 83	For allocation to the Department of Motor Vehicles, System Modernization Account for the costs of software implementation for the System Modernization project.		\$ 14,087,500	\$ 14,087,500		\$ 11,238,790	\$ 14,087,500
<b>TOTAL HIGHWAY FUND ONGOING APPROPRIATIONS</b>				\$ -	\$ 494,690,982	\$ 498,715,860	\$ -	\$ 463,026,909	\$ 467,747,865

**GENERAL FUND APPROPRIATIONS TO RESTORE FUND BALANCES  
GOVERNOR RECOMMENDS v. LEGISLATURE APPROVES  
2015 LEGISLATURE**

BILL NO.	CHAPTER	DEPARTMENT / DIVISION	PURPOSE (a.)	GOVERNOR RECOMMENDS			LEGISLATURE APPROVES		
				FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017
A.B. 437	289	Reserve for Statutory Contingency Account	To restore the balance in the Statutory Contingency Account.	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -
S.B. 497	392	State Claims Account	To restore the balance in the State Claims Account.	\$ -	\$ 2,500,000	\$ -	\$ -	\$ 2,000,000	\$ -
S.B. 497	392	Emergency Account	To restore the balance in the Emergency Account.	\$ -	\$ 500,000	\$ -	\$ -	\$ 100,000	\$ -
S.B. 497	392	Reserve for Statutory Contingency Account	To restore the balance in the Reserve for Statutory Contingency Account.	\$ -	\$ 5,000,000	\$ -	\$ -	\$ 2,500,000	\$ -
S.B. 497	392	Interim Finance Contingency Account	To restore the balance in the Interim Finance Contingency Account.	\$ -	\$ 12,000,000	\$ -	\$ -	\$ 9,000,000	\$ -
<b>TOTAL GENERAL FUND APPROPRIATIONS TO RESTORE FUND BALANCES</b>				<b>\$ 1,000,000</b>	<b>\$ 20,000,000</b>	<b>\$ -</b>	<b>\$ 1,000,000</b>	<b>\$ 13,600,000</b>	<b>\$ -</b>

## **CAPITAL IMPROVEMENT PROGRAM**

The Capital Improvement Program (CIP) for the 2015-17 biennium, as approved by the 2015 Legislature, totals approximately \$215.3 million, which is \$18.8 million less than the amount originally recommended by the Governor (\$234.1 million). The 2015 CIP is funded from the following sources:

<b>Funding Sources</b>	<b>Governor Recommends</b>	<b>% of Total</b>	<b>Legislature Approves</b>	<b>% of Total</b>	<b>Difference</b>
General Fund	\$ 6,723,991	2.87%	\$ 6,403,083	2.97%	\$ (320,908)
General Obligation Bonds <sup>1</sup>	\$ 98,500,000	42.07%	\$ 121,450,650	56.40%	\$ 22,950,650
Highway Fund	\$ 4,983,302	2.13%	\$ 5,162,832	2.40%	\$ 179,530
Agency Funds <sup>2</sup>	\$ 27,931,123	11.93%	\$ 28,170,592	13.08%	\$ 239,469
Federal Funds	\$ 43,401,600	18.54%	\$ 43,599,579	20.25%	\$ 197,979
Special Higher Education Capital Construction Fund	\$ 7,500,000	3.20%	\$ 5,000,000	2.32%	\$ (2,500,000)
Funds Reallocated From Prior CIPs	\$ 600,000	0.26%	\$ 5,559,896	2.58%	\$ 4,959,896
Lease Purchase <sup>1</sup>	\$ 23,492,130	10.03%	\$ -	0.00%	\$ (23,492,130)
General Obligation Financing - Debt Service Paid by Agencies <sup>3</sup>	\$ 21,014,148	8.97%	\$ -	0.00%	\$ (21,014,148)
<b>Total</b>	<b>\$ 234,146,294</b>	<b>100.0%</b>	<b>\$ 215,346,632</b>	<b>100.0%</b>	<b>\$ (18,799,662)</b>

<sup>1</sup> General Obligation Bonds approved by the Legislature include \$98,500,000 in bonds with debt service paid from ad valorem tax, and \$22,950,650 in bonds with debt service paid from the Highway Fund and Pollution Control Account for CIP Project 15-C04, Replace DMV, East Sahara Complex, which was originally recommended to be funded with a lease purchase.

<sup>2</sup> Agency Funds include \$935,706 approved to support agency projects in CIP Project 15-S09, Statewide Building Official Program.

<sup>3</sup> The 2015 Legislature did not approve the Governor's recommended Statewide Energy Program (15-S08) due to concerns with the recommendation to commit agency budgets to debt service payments paid with utility savings that may not be realized and the potential budgetary impacts from doing so.

As noted in the table above, the Governor initially recommended to fund CIP Project 15-C04, Replace the Department of Motor Vehicles (DMV), East Sahara Complex, as a lease purchase. The funding recommendation was amended to the issuance of general obligation bonds for efficiency and cost savings purposes. The Legislature approved the amended financing for the project with debt service to be repaid from the Highway Fund and Pollution Control Account within the DMV. The \$23.0 million project will construct a new 38,500 square foot DMV service office at the East Sahara complex in Las Vegas.

The following table summarizes the CIP as recommended by the Governor in January 2015 compared to the CIP approved by the 2015 Legislature:

<b>State Agency</b>	<b>Governor Recommends</b>	<b>% of Total</b>	<b>Legislature Approves</b>	<b>% of Total</b>	<b>Difference</b>
Department of Administration <sup>1</sup>	\$ 42,032,632	17.95%	\$ 22,308,167	10.36%	\$ (19,724,465)
Department of Conservation and Natural Resources <sup>2</sup>	\$ 378,372	0.16%	\$ -	0.00%	\$ (378,372)
Department of Corrections <sup>3</sup>	\$ 25,864,368	11.05%	\$ 27,961,219	12.98%	\$ 2,096,851
Department of Health and Human Services <sup>4</sup>	\$ 15,755,880	6.73%	\$ 15,262,728	7.09%	\$ (493,152)
Office of the Military	\$ 13,085,750	5.60%	\$ 13,308,601	6.18%	\$ 222,851
Department of Motor Vehicles <sup>5</sup>	\$ 23,492,130	10.03%	\$ 22,950,650	10.66%	\$ (541,480)
Department of Tourism and Cultural Affairs	\$ 1,180,984	0.50%	\$ 1,203,175	0.56%	\$ 22,191
Office of Veterans' Services	\$ 48,235,478	20.60%	\$ 48,224,211	22.39%	\$ (11,267)
Department of Wildlife	\$ 329,867	0.14%	\$ 337,047	0.16%	\$ 7,180
Nevada System of Higher Education	\$ 63,790,833	27.24%	\$ 63,790,834	29.62%	\$ 1
<b>Total</b>	<b>\$ 234,146,294</b>	<b>100.00%</b>	<b>\$ 215,346,632</b>	<b>100.00%</b>	<b>\$ (18,799,662)</b>

<sup>1</sup> The 2015 Legislature did not approve the Governor's recommended Statewide Energy Program (15-S08) due to concerns with the recommendation to commit agency budgets to debt service payments paid with utility savings that may not be realized and the potential budgetary impacts from doing so.

<sup>2</sup> The Legislature did not approve CIP Project 15-M36, Fire Station Upgrades, Kyle Canyon Fire Station, as the land and facility was to be transferred to Clark County prior to the end of Fiscal Year 2015.

<sup>3</sup> The 2015 Legislature added CIP Project 15-M79, Central Plant Renovation, Southern Desert Correctional Center, to the 2015 CIP, accounting for the majority of the increase for Department of Corrections.

<sup>4</sup> The Legislature did not approve CIP Project 15-C02, Renovation of Building 3A Southern Nevada Adult Mental Health Services, as the Department of Health and Human Services will not be operating the facility in the 2015-17 biennium.

<sup>5</sup> The costs for CIP Project 15-C04 were reduced to remove the agency moving costs from the project.

The 2015 Legislature approved the Governor's amended recommendation to increase the annual inflationary rate in the 2015 CIP by 2.0 percent, or from 4.75 to 6.75 percent, based on anticipated impacts to costs in the construction market over the 2015-17 biennium. The increased inflation impacted all but 12 projects in the 2015 CIP which had their rate retained at 4.75 percent. The rate increase added \$2.2 million to overall project costs in the CIP.

Assembly Bill 491 (2015 CIP Legislation), as approved, includes funding of \$48.8 million to complete CIP Project 15-C78, Construct New Hotel College Academic Building, University of Nevada Las Vegas (UNLV). The funding includes \$24.4 million in state funding and \$24.4 million in university or donor funds, to construct a 93,500 square foot facility on the UNLV campus. However, the Legislature did not approve the Governor's recommendation to have the UNLV manage the construction project, but instead approved the project with project management services provided by the State Public Works Division of the Department of Administration. In addition, Assembly Bill 491 authorized funding of \$48.2 million for CIP Project 15-C77 to construct a new Northern Nevada State Veterans Home. The funding includes \$34.1 million in federal and agency funds and \$14.1 million in state funds. The 102,000 square foot veterans home, to be located in Sparks, will provide long-term nursing care for veterans and their spouses in Northern Nevada.

The 2015 Legislature established the property tax rate at \$0.1545 per \$100 of assessed valuation to support the principal and interest payments on the existing and newly approved general obligation bonds that will be issued to pay for capital improvement projects and for projects for the preservation and promotion of the state's cultural resources. The Legislature also approved the levy of an additional \$0.0155 property tax rate per \$100 of assessed valuation to support the principal and interest payments on the existing issuance of general obligation bonds as a result of the approval of Question 1 by the voters at the general election conducted on November 5, 2002. The levies above the historic 15-cent levy (2 cents) are not subject to the \$3.64 local government property tax cap.

The 2015 Legislature approved the extension of the following three projects from previous CIPs, as requested by the State Public Works Board.

Project Number	Project Name
09-C14	New readiness center - North Las Vegas
09-C18	Southern Nevada Veterans' Cemetery expansion
11-M14	Install electronic door controls - Warm Springs Correctional Center

**SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS  
2015 CIP PROGRAM**

		Governor Recommends - January 2015				Legislatively Approved					
Project Number	Project Description	State Funding	Other Funding	Total Funding	Other Funding Source	State Funding	Highway Funds	Other Funding	Total Funding	Other Funding Source	Difference
CONSTRUCTION PROJECTS											
15-C01	Renovation of Building 3, Phase II, Southern Nevada Adult Mental Health Services. <b>Project costs reduced to remove Surveys, Soils Analysis and Occupied Facility Allowance costs, and reduce HCQC License Fee.</b>	\$ 1,586,674	\$ -	\$ 1,586,674		\$ 1,483,259	\$ -	\$ -	\$ 1,483,259		\$ (103,415)
15-C02	Renovation of Building 3A (SNAMHS). <b>Project was not approved by the 2015 Legislature.</b>	\$ 861,575	\$ -	\$ 861,575		\$ -	\$ -	\$ -	\$ -		\$ (861,575)
15-C03	Remodel Administration Building to Accommodate Executions, Ely State Prison	\$ 829,178	\$ -	\$ 829,178		\$ 858,539	\$ -	\$ -	\$ 858,539		\$ 29,361
15-C04	Construct New Department of Motor Vehicles Service Office, East Sahara Complex. <b>Project costs reduced to remove agency moving costs.</b>	-	\$ 23,492,130	\$ 23,492,130	Lease Purchase - Debt Service to be paid from Highway & Pollution Control Funds	\$ 22,950,650	\$ -	\$ -	\$ 22,950,650		\$ (541,480)
15-C05	Renovation of the Metro Building, Las Vegas. <b>Project scope expanded to add fire sprinklers and a fire alarm throughout the building, construction of three new labs, interior renovations for Agriculture to utilize all 16,000 sf of the building, new HVAC units, plumbing modifications, a new roof system, electrical upgrades, a new loading dock, and ADA upgrades.</b>	\$ 253,752	\$ -	\$ 253,752		\$ 1,294,424	\$ -	\$ 692,969	\$ 1,987,393		\$ 1,733,641
15-C06	Organizational Parking Lot Lighting, Floyd Edsall Training Center	\$ 46,053	\$ 716,061	\$ 762,114	Federal Funds	\$ 46,274	\$ -	\$ 744,020	\$ 790,294	Federal Funds	\$ 28,180
15-C07	Security Fence Addition, Stead Training Center	\$ 21,149	\$ 206,954	\$ 228,103	Federal Funds	\$ 21,306	\$ -	\$ 214,877	\$ 236,183	Federal Funds	\$ 8,080
15-C77	Construct New Northern Nevada State Veterans Home. <b>Project costs reduced to remove bond sale costs.</b>	\$ 14,151,968	\$ 34,059,383	\$ 48,211,351	Agency & Federal Funds	\$ 14,139,883	\$ -	\$ 34,059,383	\$ 48,199,266	Agency & Federal Funds	\$ (12,085)
15-C78	Construct New Hotel College Academic Building, University of Nevada Las Vegas	\$ 23,895,417	\$ 24,895,417	\$ 48,790,834	Agency Funds	\$ 24,395,417	\$ -	\$ 24,395,417	\$ 48,790,834	Agency Funds	\$ -
15-C79	Construct New Facility Maintenance Shop, Washoe County Armory. <b>Project costs increased by \$92,000 to maximize the amount of available federal funding.</b>	\$ 200,000	\$ 8,600,000	\$ 8,800,000	Federal Funds	\$ 200,000	\$ -	\$ 8,692,000	\$ 8,892,000	Federal Funds	\$ 92,000
Total Construction Projects		\$ 41,845,766	\$ 91,969,945	\$ 133,815,711		\$ 65,389,752	\$ -	\$ 68,798,666	\$ 134,188,418		\$ 372,707

<b>MAINTENANCE PROJECTS</b>											
15-M01	Replace Air Handling Units, Ely State Prison, Phase II	\$ 3,290,723	\$ -	\$ 3,290,723		\$ 3,366,821	\$ -	\$ -	\$ 3,366,821		\$ 76,098
15-M02	Replace Distribution Switchgear and Panelboards, Southern Desert Correctional Center	\$ 3,917,178	\$ -	\$ 3,917,178		\$ 4,061,288	\$ -	\$ -	\$ 4,061,288		\$ 144,110

**SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS  
2015 CIP PROGRAM**

Project Number	Project Description	Governor Recommends - January 2015				Legislatively Approved					Difference
		State Funding	Other Funding	Total Funding	Other Funding Source	State Funding	Highway Funds	Other Funding	Total Funding	Other Funding Source	
15-M03	Replace Air Handling Units, Lovelock Correctional Center Phase II Housing Units. <b>Project costs increased to add Mechanical and Electrical Plan costs.</b>	\$ 2,509,685	\$ -	\$ 2,509,685		\$ 2,578,333	\$ -	\$ -	\$ 2,578,333		\$ 68,648
15-M04	Upgrade Door Control Panels, Lovelock Correctional Center, Phase II	\$ 3,390,884	\$ -	\$ 3,390,884		\$ 3,515,326	\$ -	\$ -	\$ 3,515,326		\$ 124,442
15-M05	Replace Rooftop HVAC Units, Florence McClure Women's Correctional Center, Phase II	\$ 1,437,298	\$ -	\$ 1,437,298		\$ 1,489,100	\$ -	\$ -	\$ 1,489,100		\$ 51,802
15-M06	Replace Heat Exchangers, Lovelock Correctional Center Buildings 1, 2, 3, 4 and 5, and Housing Units 3 and 4	\$ 1,411,456	\$ -	\$ 1,411,456		\$ 1,461,875	\$ -	\$ -	\$ 1,461,875		\$ 50,419
15-M07	Replace Door Locks, Florence McClure Women's Correctional Center	\$ 859,203	\$ -	\$ 859,203		\$ 890,194	\$ -	\$ -	\$ 890,194		\$ 30,991
15-M08	Replace Warehouse Freezers and Coolers, Southern Desert Correctional Center	\$ 1,533,013	\$ -	\$ 1,533,013		\$ 1,587,483	\$ -	\$ -	\$ 1,587,483		\$ 54,470
15-M09	Replace Boilers and Water Heaters, Stewart Conservation Camp	\$ 935,218	\$ -	\$ 935,218		\$ 968,656	\$ -	\$ -	\$ 968,656		\$ 33,438
15-M10	Replace Central Warehouse and Culinary Refrigeration Units, Lovelock Correctional Center	\$ 1,337,086	\$ -	\$ 1,337,086		\$ 1,384,816	\$ -	\$ -	\$ 1,384,816		\$ 47,730
15-M11	Chiller Replacement, Desert Willow Treatment Center, Southern Nevada Child and Adolescent Services	\$ 710,833	\$ -	\$ 710,833		\$ 735,983	\$ -	\$ -	\$ 735,983		\$ 25,150
15-M12	HVAC Systems Renovation, Northern Nevada Correctional Center Housing Unit 7, Gymnasium and Law Library	\$ 3,343,020	\$ -	\$ 3,343,020		\$ 3,465,544	\$ -	\$ -	\$ 3,465,544		\$ 122,524
15-M13	Replace Central Warehouse Refrigeration Units, Northern Nevada Correctional Center	\$ 487,648	\$ -	\$ 487,648		\$ 504,853	\$ -	\$ -	\$ 504,853		\$ 17,205
15-M14	Sanitary Sewer Rehabilitation, Southern Nevada Adult Mental Health Services, Southern Nevada Child and Adolescent Services and Desert Regional Center	\$ 2,703,766	\$ -	\$ 2,703,766		\$ 2,806,336	\$ -	\$ -	\$ 2,806,336		\$ 102,570
15-M15	Replace Switchgear and Panels, Lake's Crossing	\$ 327,264	\$ -	\$ 327,264		\$ 338,819	\$ -	\$ -	\$ 338,819		\$ 11,555
15-M16	Electrical System Upgrades, Nevada Youth Training Center	\$ 1,953,622	\$ -	\$ 1,953,622		\$ 2,024,243	\$ -	\$ -	\$ 2,024,243		\$ 70,621
15-M17	Emergency Power System Upgrades, Northern Nevada Adult Mental Health Services Campus	\$ 1,205,591	\$ -	\$ 1,205,591		\$ 1,248,979	\$ -	\$ -	\$ 1,248,979		\$ 43,388
15-M18	HVAC Replacement, Desert Regional Center Buildings 1301, 1302, 1303, 1304	\$ 497,903	\$ -	\$ 497,903		\$ 508,795	\$ -	\$ -	\$ 508,795		\$ 10,892
15-M19	HVAC Renovation, Northern Nevada Adult Mental Health Services Building 2	\$ 488,876	\$ -	\$ 488,876		\$ 506,180	\$ -	\$ -	\$ 506,180		\$ 17,304
15-M20	Ductwork Replacement, Lake's Crossing	\$ 342,281	\$ -	\$ 342,281		\$ 349,759	\$ -	\$ -	\$ 349,759		\$ 7,478
15-M21	Drainage Improvements, Veterans Cemetery – Boulder City	\$ 24,127	\$ -	\$ 24,127		\$ 24,945	\$ -	\$ -	\$ 24,945		\$ 818
15-M22	Replace Chillers and Boilers, Supreme Court Building	\$ 797,874	\$ -	\$ 797,874		\$ 826,295	\$ -	\$ -	\$ 826,295		\$ 28,421
15-M23	Replace Chiller and Boilers, Nevada Highway Patrol Reno Headquarters	-	\$ 304,306	\$ 304,306	Highway Funds	\$ -	\$ 315,015	\$ -	\$ 315,015		\$ 10,709
15-M24	Replace Air Handling Unit, Blasdel Building	\$ 556,458	\$ -	\$ 556,458		\$ 576,095	\$ -	\$ -	\$ 576,095		\$ 19,637
15-M25	Replace Rooftop Units, Carson City Education Building	\$ 426,929	\$ -	\$ 426,929		\$ 436,251	\$ -	\$ -	\$ 436,251		\$ 9,322



**SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS  
2015 CIP PROGRAM**

Project Number	Project Description	Governor Recommends - January 2015				Legislatively Approved					Difference
		State Funding	Other Funding	Total Funding	Other Funding Source	State Funding	Highway Funds	Other Funding	Total Funding	Other Funding Source	
15-M26	Replace Fan Coil Units, Stewart Buildings 6 and 107	\$ 886,451	\$ -	\$ 886,451		\$ 918,103	\$ -	\$ -	\$ 918,103		\$ 31,652
15-M27	Replace Emergency Generator, Blasdel Building	\$ 101,528	\$ -	\$ 101,528		\$ 105,094	\$ -	\$ -	\$ 105,094		\$ 3,566
15-M28	HVAC Replacement, West Flamingo Department Of Motor Vehicles	-	\$ 1,673,382	\$ 1,673,382	Highway Funds	\$ -	\$ 1,733,745	\$ -	\$ 1,733,745		\$ 60,363
15-M29	Building Upgrades, West Flamingo Department Of Motor Vehicles	-	\$ 1,796,880	\$ 1,796,880	Highway Funds	\$ -	\$ 1,862,139	\$ -	\$ 1,862,139		\$ 65,259
15-M30	Exterior Finishes, Lost City Museum	\$ 290,063	\$ -	\$ 290,063		\$ 300,863	\$ -	\$ -	\$ 300,863		\$ 10,800
15-M31	Replace Flooring, Decatur, Donovan and Henderson Department Of Motor Vehicles	-	\$ 741,590	\$ 741,590	Highway Funds	\$ -	\$ 768,336	\$ -	\$ 768,336		\$ 26,746
15-M32	Mechanical Systems Commissioning, Nevada State Museum, Las Vegas	\$ 232,077	\$ -	\$ 232,077		\$ 232,077	\$ -	\$ -	\$ 232,077		\$ -
15-M33	Security, Safety and Drainage Improvements, Nevada Historical Society	\$ 262,235	\$ -	\$ 262,235		\$ 271,490	\$ -	\$ -	\$ 271,490		\$ 9,255
15-M34	Central Plant Renovation, Clark County Armory	\$ 561,439	\$ 474,713	\$ 1,036,152	Federal Funds	\$ 580,197	\$ -	\$ 493,104	\$ 1,073,301	Federal Funds	\$ 37,149
15-M35	Install Destratification Fans, Office of the Military Carson City, Las Vegas and Yerington	\$ 23,758	\$ 189,617	\$ 213,375	Federal Funds	\$ 23,939	\$ -	\$ 196,974	\$ 220,913	Federal Funds	\$ 7,538
15-M36	Fire Station Upgrades (Kyle Canyon Fire Station). <b>Project was not approved by the 2015 Legislature.</b>	\$ 378,372	\$ -	\$ 378,372		\$ -	\$ -	\$ -	\$ -		\$ (378,372)
15-M37	HVAC Replacement, Wildlife, Las Vegas	\$ 329,867	\$ -	\$ 329,867		\$ 337,047	\$ -	\$ -	\$ 337,047		\$ 7,180
15-M38	Upgrade Basement Heating and Drainage Improvements, Nevada State Museum, Carson City	\$ 98,687	\$ -	\$ 98,687		\$ 100,823	\$ -	\$ -	\$ 100,823		\$ 2,136
15-M39	Install Gas Furnaces and Unit Heaters, Nevada Youth Training Center	\$ 948,848	\$ -	\$ 948,848		\$ 982,289	\$ -	\$ -	\$ 982,289		\$ 33,441
15-M40	Central Plant Improvements, Nevada Youth Training Center Education and Multi-Purpose Buildings	\$ 2,201,684	\$ -	\$ 2,201,684		\$ 2,281,358	\$ -	\$ -	\$ 2,281,358		\$ 79,674
15-M41	Building Exterior Energy Retrofit, Nevada Youth Training Center	\$ 1,926,961	\$ -	\$ 1,926,961		\$ 1,996,728	\$ -	\$ -	\$ 1,996,728		\$ 69,767
15-M42	Deferred Maintenance – Nevada System of Higher Education	\$ 7,500,000	\$ 7,500,000	\$ 15,000,000	SHECC	\$ 10,000,000	\$ -	\$ 5,000,000	\$ 15,000,000	SHECC	\$ -
15-M77	Direct Digital Control System Replacement, Grant Sawyer Office Building	\$ 1,012,528	\$ -	\$ 1,012,528		\$ 1,049,639	\$ -	\$ -	\$ 1,049,639		\$ 37,111
15-M79	Central Plant Renovation, Southern Desert Correctional Center. <b>Project added to the CIP by the 2015 Legislature.</b>	\$ -	\$ -	\$ -		\$ 1,245,614	\$ -	\$ -	\$ 1,245,614		\$ 1,245,614
15-M98	Replace Domestic Water Heaters, Stead Army Aviation Support Facility	\$ 23,801	\$ 195,114	\$ 218,915	Federal Funds	\$ 23,983	\$ -	\$ 202,695	\$ 226,678	Federal Funds	\$ 7,763
15-M99	Replace Domestic Water Heaters, Stead Regional Training Institute	\$ 50,734	\$ 434,302	\$ 485,036	Federal Funds	\$ 50,995	\$ -	\$ 451,156	\$ 502,151	Federal Funds	\$ 17,115
<b>Maintenance Projects Total</b>		<b>\$ 51,316,969</b>	<b>\$ 13,309,904</b>	<b>\$ 64,626,873</b>		<b>\$ 56,157,208</b>	<b>\$ 4,679,235</b>	<b>\$ 6,343,929</b>	<b>\$ 67,180,372</b>		<b>\$ 2,553,499</b>

**SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS  
2015 CIP PROGRAM**

		Governor Recommends - January 2015				Legislatively Approved					
Project Number	Project Description	State Funding	Other Funding	Total Funding	Other Funding Source	State Funding	Highway Funds	Other Funding	Total Funding	Other Funding Source	Difference
PLANNING PROJECTS											
15-P01	Advance Planning: Boiler Plant and Hot Water Distribution Upgrades, Northern Nevada Correctional Center	\$ 582,777	\$ -	\$ 582,777		\$ 582,777	\$ -	\$ -	\$ 582,777		\$ -
15-P02	Advance Planning, Nevada National Guard Readiness Center in North Las Vegas	\$ 642,886	\$ -	\$ 642,886		\$ 642,886	\$ -	\$ -	\$ 642,886		\$ -
15-P03	Advance Planning, Master Plan for Campus Buildings and Welcome Center in Building 2, Stewart Facility. <b>Project scope modified to remove the planning work for Building 1, and replace that work with efforts to complete a Master Plan for the Stewart Facility.</b>	\$ 297,922	\$ -	\$ 297,922		\$ 297,922	\$ -	\$ -	\$ 297,922		\$ -
Planning Projects Total		\$ 1,523,585	\$ -	\$ 1,523,585		\$ 1,523,585	\$ -	\$ -	\$ 1,523,585		\$ -

**Statewide Projects**

15-S01	Statewide Roofing Program	\$ 3,571,580	\$ -	\$ 3,571,580	Transfer from Roof Maintenance Reserve Budget	\$ 3,595,700	\$ -	\$ 46,500	\$ 3,642,200	Transfer from Roof Maintenance Reserve Budget	\$ 70,620
15-S01g	Roof Replacement, Office of the Military, Elko Readiness Center and Henderson	\$ 371,931	\$ 327,239	\$ 699,170	Federal Funds	\$ 384,481	\$ -	\$ 339,714	\$ 724,195	Federal Funds	\$ 25,025
15-S02	Statewide ADA Program	\$ 2,023,051	\$ -	\$ 2,023,051		\$ 2,088,488	\$ -	\$ -	\$ 2,088,488		\$ 65,437
15-S03	Statewide Fire & Life Safety	\$ 1,809,799	\$ -	\$ 1,809,799		\$ 1,875,117	\$ -	\$ -	\$ 1,875,117		\$ 65,318
15-S04	Statewide Advance Planning Program	\$ 1,164,142	\$ -	\$ 1,164,142		\$ 1,164,142	\$ -	\$ -	\$ 1,164,142		\$ -
15-S05	Statewide Paving Program	\$ 889,996	\$ -	\$ 889,996		\$ 921,413	\$ -	\$ -	\$ 921,413		\$ 31,417
15-S05g	Preventative Maintenance for Existing Pavement, Nevada National Guard Stead Training Center	\$ 10,172	\$ 64,113	\$ 74,285	Federal Funds	\$ 10,295	\$ -	\$ 66,606	\$ 76,901	Federal Funds	\$ 2,616
15-S05g1	Preventative Maintenance for Existing Pavement and New Paving, Nevada National Guard Fallon Readiness Center and Washoe Readiness Center	\$ 161,903	\$ 134,104	\$ 296,007	Federal Funds	\$ 167,037	\$ -	\$ 139,050	\$ 306,087	Federal Funds	\$ 10,080
15-S05h	Preventative Maintenance for Existing Pavement, Department of Public Safety Training Center, Carson City	\$ 37,424	\$ 87,320	\$ 124,744	Highway Funds	\$ 38,738	\$ 90,387	\$ -	\$ 129,125		\$ 4,381
15-S05h1	Preventative Maintenance for Existing Pavement, Department of Motor Vehicles Offices at Donovan in Las Vegas and in Henderson	\$ -	\$ 379,824	\$ 379,824	Highway Funds	\$ -	\$ 393,210	\$ -	\$ 393,210		\$ 13,386
15-S06	Statewide Indoor Air Quality	\$ 97,673	\$ 100,000	\$ 197,673	Agency Funds	\$ 97,673	\$ -	\$ 100,000	\$ 197,673	Agency Funds	\$ -
15-S08	Statewide Energy Efficiency Program. <b>Project was not approved by the 2015 Legislature.</b>	\$ 1,000,000	\$ 21,014,148	\$ 22,014,148	General Obligation Bonds, including QECB Bonds - Debt Service Paid with Agency Funds		\$ -		\$ -		\$ (22,014,148)
15-S09	Statewide Building Official Program	\$ -	\$ 935,706	\$ 935,706	Agency Funds	\$ -	\$ -	\$ 935,706	\$ 935,706	Agency Funds	\$ -
<b>Statewide Projects Total</b>		<b>\$ 11,137,671</b>	<b>\$ 23,042,454</b>	<b>\$ 34,180,125</b>		<b>\$ 10,343,084</b>	<b>\$ 483,597</b>	<b>\$ 1,627,576</b>	<b>\$ 12,454,257</b>		<b>\$ (21,725,868)</b>

<b>All Projects Total</b>		<b>\$ 105,823,991</b>	<b>\$ 128,322,303</b>	<b>\$ 234,146,294</b>		<b>\$ 133,413,629</b>	<b>\$ 5,162,832</b>	<b>\$ 76,770,171</b>	<b>\$ 215,346,632</b>		<b>\$ (18,799,662)</b>
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## **ACCOUNT TO STABILIZE THE OPERATION OF STATE GOVERNMENT (NRS 353.288)**

In 1991, the Legislature created the Fund to Stabilize the Operation of State Government to help stabilize the budget. The 2011 Legislature, through the enactment of S.B. 74, changed the name of the Fund to the Account to Stabilize the Operation of State Government (hereinafter referred to as the Rainy Day Account) within the State General Fund. The intent of the Rainy Day Account was to create an account that could be funded during good economic times and accessed in a financial emergency. When the State General Fund surplus reaches a certain threshold at the end of a fiscal year, a portion of the excess is maintained in the account to help the state through financial emergencies. The conditions under which monies from the account can be accessed for expenditures are set forth in NRS 353.288, which provides that the Director of the Office of Finance in the Office of the Governor may submit a request to the State Board of Examiners to transfer funds from the Rainy Day Account to the State General Fund to offset a budget shortfall or fiscal emergency under certain circumstances. Any transfer from the Rainy Day Account to the State General Fund must be approved by either the Legislature, if in session, or the Interim Finance Committee if the Legislature is not in session. This negates the need to call a special session to access the Rainy Day Account. The Interim Finance Committee is not bound to follow the recommendation of the State Board of Examiners. The Committee provides an independent evaluation of the recommendation and may take action to establish the amount, set forth by resolution, for any funding transfers from the Rainy Day Account to the State General Fund.

Based on the unrestricted General Fund balance as of June 30, 2011, the State Controller transferred \$39.2 million from the General Fund to the Rainy Day Account in FY 2012. Based on the unrestricted General Fund balance as of June 30, 2012, the State Controller transferred \$45.5 million from the General Fund to the Rainy Day Account in FY 2013. The 2013 Legislature approved the transfer of the combined total of \$84.7 million from the Rainy Day Account to the General Fund (A.B. 507) in FY 2014 for unrestricted General Fund use. Based on the unrestricted General Fund balance as of June 30, 2013, the State Controller transferred \$28.1 million from the General Fund to the Rainy Day Account in FY 2014. Through the passage of S.B. 490, the 2015 Legislature approved the transfer of \$28.1 million from the Rainy Day Account to the General Fund in FY 2015 for unrestricted use.

Revisions to the Rainy Day Account were approved by the 2009 Legislature through the passage of A.B. 165, which required the Governor to reserve 1.0 percent of the total anticipated revenue for each fiscal year as projected by the Economic Forum in December of even-numbered years. The bill also required that the State Controller transfer from the General Fund to the Rainy Day Account, at the beginning of each fiscal year, 1.0 percent of the total anticipated revenue projected by the Economic Forum in May of odd-numbered years and be adjusted by any legislation enacted by the Legislature that affects state revenue. However, due to the economic condition of the state following the nation's recession, these provisions were delayed first by the 2011 Legislature in A.B. 561 and again by the 2013 Legislature in A.B. 507, resulting ultimately in a July 1, 2015, effective date for these statutory revisions. Following the actions of the previous two legislatures, the 2015 Legislature also extended the effective date of the statutory changes to July 1, 2017, with the passage of Senate Bill 514.

## **EXPENDITURE CAP**

The 1979 Legislature established the state's current expenditure limitation *Nevada Revised Statutes* (NRS) 353.213, which applies to all General Fund appropriations recommended by the Governor, except appropriations recommended for construction. The base period is the 1975-77 biennium (FY 1976 and FY 1977), and the base amount is increased by the growth in population and the rate of inflation each biennium. The limitation can be exceeded to the extent necessary to meet situations involving a threat to life or property. The 2007 Legislature in the approval of Assembly Bill 196 modified NRS 353.213 to exclude General Fund appropriations recommended by the Governor for reducing the unfunded liability related to the Public Employees' Benefits Program from the expenditure limitation. The intent of the legislation is to exclude General Fund appropriations recommended by the Governor to pre-fund the liabilities for the retiree health insurance subsidies, which must be recorded as a liability to the state beginning in FY 2008.

The current expenditure limitations and the General Fund appropriations approved by the Legislature for each biennium are outlined below:

	<b><u>2013-15 Biennium</u></b>	<b><u>2015-17 Biennium</u></b>
<b>Expenditure Limitation</b>	<b>\$ 8,314,269,733</b>	<b>\$ 8,938,825,864</b>
<b>General Fund Appropriations/Transfers:</b>		
<b>2013 Legislature Approves</b>		
Unrestricted Appropriations	\$ 6,598,865,794	\$ -
Restricted Transfers	\$ 18,007,310 a.	\$ -
<b>2015 Legislature Approves</b>		
Unrestricted Appropriations	\$ 67,660,653	\$ 7,327,070,965
Restricted Transfers	\$ 1,500,000	\$ 18,239,771 b.
Cost of the 2015 Legislative Session	\$ 18,000,000	
Estimated Cost of the 2017 Legislative Session	\$ -	\$ 20,000,000
<b>Total General Fund Appropriations/Transfers</b>	<b>\$ 6,704,033,757</b>	<b>\$ 7,365,310,736</b>
<b>General Fund Appropriations/Transfers Exempt from Expenditure Limitation</b>		
<b>2013 Legislature Approves</b>		
Appropriations for Construction	\$ (10,057,169) c.	
<b>2015 Legislature Approves</b>		
Appropriations for Construction	\$ -	\$ (16,765,223) d.
<b>Total General Fund Appropriations/Transfers Exempt from Expenditure Limitation</b>	<b>\$ (10,057,169)</b>	<b>\$ (16,765,223)</b>
<b>Appropriations/Transfers Over/(Under) Expenditure Limitation</b>	<b>\$ (1,620,293,145)</b>	<b>\$ (1,590,280,351)</b>

- Includes \$7,600,000 transferred per year to the Millennium Scholarship Trust Fund, transfers of Quarterly Slot Tax Revenue to the Account for Problem Gambling of \$1,410,563 in FY 2014 and \$1,396,747 in FY 2015.
- Includes \$7,600,000 per year transfer to the Millennium Scholarship Trust Fund, transfers of Quarterly Slot Tax Revenue to the Account for Problem Gambling of \$1,372,845 in FY 2016 and \$1,366,926 in FY 2017, and transfer of \$150,000 to the Nevada Arts Council of Live Entertainment Tax (nongaming) pursuant to S.B. 266 (2015).
- Includes appropriations for deferred maintenance and appropriations for debt payments for Summit View Juvenile Correctional Facility and the Florence McClure Women's Correctional Facility.
- Includes appropriations for the Capital Improvement Program in A.B. 491 (2015), appropriations for deferred maintenance, and appropriations for debt payments for Summit View Juvenile Correctional Facility and the Florence McClure Women's Correctional Facility.

## **POSITION SUMMARY**

The following table displays the eliminated and new full-time equivalent (FTE) positions approved by the 2015 Legislature by functional area for the 2015-17 biennium. The FY 2015 (work program year) total position count is displayed to provide a perspective of the total number of eliminated and new positions approved by the Legislature for the 2015-17 biennium. The total number of positions for the Nevada System of Higher Education (NSHE) is detailed separately and is included in the grand totals.

For FY 2016, excluding NSHE, the 2015 Legislature approved a total of 19,348.36 positions. The Legislature approved the elimination of 120.24 existing positions when compared to FY 2015 (work program year) and the addition of 734.88 new positions. The net increase in positions (new less eliminated) was 614.64 when compared to the FY 2015 work program year.

For FY 2017, excluding NSHE, the 2015 Legislature approved a total of 19,377.87 positions. The Legislature approved the elimination of 18.00 positions and the addition of 47.51 new positions, a net increase in positions (new less eliminated) of 29.51. This resulted in a total of 138.24 eliminated positions over the 2015-17 biennium. The net increase in positions (new less eliminated) for the 2015-17 biennium was 644.15 when compared to the number of positions in the FY 2015 work program year.

Significant position additions approved by the Legislature include the addition of 363.05 positions in FY 2016, and 19.51 positions in FY 2017 in the Human Services functional area and the addition of 189.96 positions in FY 2016 and 15.00 positions in FY 2017 in the Public Safety functional area. The 382.56 additional positions for the Human Services functional area over the 2015-17 biennium were primarily approved to meet increased demand in programs and services provided by the Division of Welfare and Supportive Services; reopen Summit View Youth Correctional Center as a state-operated facility; and reopen the Stein Hospital, a mental health hospital in Southern Nevada. The 204.96 additional positions for the Public Safety functional area over the 2015-17 biennium were approved to provide additional protective services staff for the Nevada Department of Corrections, address caseload adjustments for the Division of Parole and Probation, and provide additional staff for the Department of Motor Vehicle's field offices.

The Legislature approved establishing a new Governor's Finance Office within the Constitutional Agencies functional area and staffing it with 18.00 existing positions and 2.00 new positions transferred from the Finance and Administration functional area. The Legislature also approved transferring 11.00 existing positions and 2.00 new positions from the Division of Internal Audits from the Finance and Administration functional area to the Constitutional Agencies functional area.

The budgeting and allocation of state-funded positions at NSHE is determined when the Board of Regents approves its annual operating budgets. For FY 2016, NSHE added a total of 467.25 professional positions and 3.21 classified positions. NSHE's position counts for FY 2016 reflect 5,303.15 professional positions and 2,068.44 classified positions, for a total of 7,371.59 positions. Final FY 2017 position count information will not be available until NSHE's FY 2017 operating budgets are prepared and approved by the Board of Regents.

**Nevada Legislative Counsel Bureau  
Legislatively Approved Position Count  
(Full-Time Equivalency Count)**

	FY 2015  Work Program <sup>a.</sup>	Legislatively Approved FY 2016				Legislatively Approved FY 2017			
		Eliminated Positions	Net Transfers <sup>c.</sup>	New Positions	Total	Eliminated Positions	Net Transfers <sup>c.</sup>	New Positions	Total
<b>Government Function</b>									
Constitutional Agencies <sup>b.</sup>	1,163.91	(9.71)	29.00	28.98	1,212.18	-	-	3.00	1,215.18
Finance and Administration	900.23	(0.51)	(32.00)	26.54	894.26	-	-	1.00	895.26
Education	162.02	(1.00)	1.00	24.00	186.02	(4.00)	-	1.00	183.02
Human Services	6,460.55	(63.00)	-	363.05	6,760.60	(14.00)	-	19.51	6,766.11
Commerce and Industry	1,456.97	(13.00)	-	33.60	1,477.57	-	-	3.00	1,480.57
Public Safety	5,381.21	(8.02)	-	189.96	5,563.15	-	-	15.00	5,578.15
Infrastructure	2,735.81	(25.00)	2.00	54.00	2,766.81	-	-	4.00	2,770.81
Special Purpose Agencies	473.02	-	-	14.75	487.77	-	-	1.00	488.77
<b>Sub-Total</b>	<b>18,733.72</b>	<b>(120.24)</b>	<b>-</b>	<b>734.88</b>	<b>19,348.36</b>	<b>(18.00)</b>	<b>-</b>	<b>47.51</b>	<b>19,377.87</b>
<b>Nevada System of Higher Education</b>									
Professional <sup>d. &amp; e.</sup>	4,835.90	N/A	N/A	N/A	5,303.15	N/A	N/A	N/A	5,303.15
Classified <sup>d. &amp; e.</sup>	2,065.23	N/A	N/A	N/A	2,068.44	N/A	N/A	N/A	2,068.44
<b>Sub-Total</b>	<b>6,901.13</b>				<b>7,371.59</b>				<b>7,371.59</b>
<b>Total <sup>f.</sup></b>	<b>25,634.85</b>				<b>26,719.95</b>				<b>26,749.46</b>

a. The FY 2015 work program sub-total by Government Function in The Appropriations Report differs from The Executive Budget due to necessary adjustments for those items which are not reflected in The Executive Budget work program. The 2015 Legislature approved transferring the Western Interstate Commission for Higher Education (2.20 FTE) from the Nevada System of Higher Education (NSHE) to the Constitutional Agencies function. For comparison purposes, that change is reflected in the FY 2015 work program, FY 2016, and FY 2017. The FY 2015 work program subtotal for NSHE reflects the positions approved by the Board of Regents for FY 2015. Reconciliation is on file in the Fiscal Analysis Division.

b. The 2015 Legislature approved transferring the Governor's Finance Office (18.0 Existing FTE) and the Division of Internal Audits (11.0 Existing FTE) from the Finance and Administration Function to the Constitutional Agencies function. New positions approved by the Legislature for the Governor's Finance Office and the Division of Internal Audits are reflected in the Constitutional Agencies functional area.

c. Net transfers reflect the net change in transferred positions from functional areas.

d. The NSHE Professional FTE count includes 12.19 Resident Physician FTE in FY 2015 Work Program, and 14.95 Resident Physician FTE in FY 2016 and FY 2017.

e. Final FY 2017 FTE count information for NSHE will not be available until the FY 2017 state supported operating budgets are prepared and approved by the Board of Regents.

f. Total does not include Boards, Commissions, or the Tahoe Regional Planning Agency.

**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
2015-17 Legislature**

	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>ELECTED OFFICIALS</b>					
GENERAL FUND	109,229,245	127,120,421	133,758,451	130,545,080	161,825,363
BALANCE FORWARD	195,074,788	158,084,307	158,316,274	146,453,665	146,417,496
FEDERAL FUND	5,506,379	4,887,021	4,931,947	4,747,692	4,794,683
HIGHWAY FUND	5,000	5,000	11,243,790	5,000	14,092,500
INTERAGENCY TRANSFER	58,850,768	74,395,065	74,756,909	82,040,387	82,583,424
INTERIM FINANCE	2,210,033				
OTHER FUND	212,015,628	226,367,004	225,191,146	232,927,047	232,550,864
REVERSIONS					
<b>TOTAL FOR ELECTED OFFICIALS</b>	<b>582,891,841</b>	<b>590,858,818</b>	<b>608,198,517</b>	<b>596,718,871</b>	<b>642,264,330</b>
Less: INTER-AGENCY TRANSFER	58,850,768	74,395,065	74,756,909	82,040,387	82,583,424
<b>NET ELECTED OFFICIALS</b>	<b>524,041,073</b>	<b>516,463,753</b>	<b>533,441,608</b>	<b>514,678,484</b>	<b>559,680,906</b>
<b>FINANCE &amp; ADMINISTRATION</b>					
GENERAL FUND	47,336,516	44,411,481	56,288,357	42,180,534	68,631,669
BALANCE FORWARD	31,590,641	29,190,407	28,343,031	26,958,290	27,008,892
FEDERAL FUND	4,764,509	4,215,407	4,215,407	4,215,407	4,215,407
HIGHWAY FUND	2,367,294	325,072	1,216,797	3,900,000	6,627,913
INTERAGENCY TRANSFER	100,898,866	107,128,340	106,809,496	105,561,070	107,721,218
INTERIM FINANCE	24,779				
OTHER FUND	16,962,647	18,133,905	18,200,814	17,974,330	18,145,407
REVERSIONS					
<b>TOTAL FOR FINANCE &amp; ADMINISTRATION</b>	<b>203,945,252</b>	<b>203,404,612</b>	<b>215,073,902</b>	<b>200,789,631</b>	<b>232,350,506</b>
Less: INTER-AGENCY TRANSFER	100,898,866	107,128,340	106,809,496	105,561,070	107,721,218
<b>NET FINANCE &amp; ADMINISTRATION</b>	<b>103,046,386</b>	<b>96,276,272</b>	<b>108,264,406</b>	<b>95,228,561</b>	<b>124,629,288</b>
<b>EDUCATION</b>					
GENERAL FUND	1,801,078,886	1,940,827,933	1,910,694,172	2,003,498,048	1,973,739,789
BALANCE FORWARD	21,484,717	5,404,759	5,019,991	6,532,958	6,671,377
FEDERAL FUND	287,951,526	279,182,944	278,876,607	270,199,296	269,901,033
INTERAGENCY TRANSFER	156,954,700	165,827,196	168,595,835	170,664,994	173,686,294
OTHER FUND	575,478,609	592,573,879	610,051,605	616,515,420	635,785,439
REVERSIONS					
<b>TOTAL FOR EDUCATION</b>	<b>2,842,948,438</b>	<b>2,983,816,711</b>	<b>2,973,238,210</b>	<b>3,067,410,716</b>	<b>3,059,783,932</b>
Less: INTER-AGENCY TRANSFER	156,954,700	165,827,196	168,595,835	170,664,994	173,686,294
<b>NET EDUCATION</b>	<b>2,685,993,738</b>	<b>2,817,989,515</b>	<b>2,804,642,375</b>	<b>2,896,745,722</b>	<b>2,886,097,638</b>
<b>COMMERCE &amp; INDUSTRY</b>					
GENERAL FUND	47,753,576	73,966,167	64,383,766	53,948,508	53,832,342
BALANCE FORWARD	76,834,697	59,367,226	58,377,775	70,524,472	57,100,002
FEDERAL FUND	152,298,619	150,145,501	149,822,228	144,970,057	142,770,188
HIGHWAY FUND	2,379,382	2,805,362	2,798,079	2,967,460	2,973,639
INTERAGENCY TRANSFER	30,402,946	30,410,715	30,415,154	28,389,420	28,019,463
INTERIM FINANCE	1,248,000				
OTHER FUND	142,323,154	155,045,867	150,240,093	156,258,660	152,105,544
REVERSIONS					
<b>TOTAL FOR COMMERCE &amp; INDUSTRY</b>	<b>453,240,374</b>	<b>471,740,838</b>	<b>456,037,095</b>	<b>457,058,577</b>	<b>436,801,178</b>
Less: INTER-AGENCY TRANSFER	30,402,946	30,410,715	30,415,154	28,389,420	28,019,463
<b>NET COMMERCE &amp; INDUSTRY</b>	<b>422,837,428</b>	<b>441,330,123</b>	<b>425,621,941</b>	<b>428,669,157</b>	<b>408,781,715</b>

**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
2015-17 Legislature**

	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>HUMAN SERVICES</b>					
GENERAL FUND	1,054,158,399	1,048,476,426	1,044,884,014	1,141,825,952	1,126,661,087
BALANCE FORWARD	81,595,506	62,268,662	65,054,572	40,768,061	40,395,987
FEDERAL FUND	2,930,759,042	3,000,452,237	3,125,204,976	3,078,910,158	3,135,256,542
INTERAGENCY TRANSFER	450,268,013	441,350,561	449,302,115	429,601,369	434,390,760
INTERIM FINANCE	1,896,897				
OTHER FUND	366,209,131	325,448,381	344,426,495	319,221,571	341,580,623
REVERSIONS					
<b>TOTAL FOR HUMAN SERVICES</b>	<b>4,884,886,988</b>	<b>4,877,996,267</b>	<b>5,028,872,172</b>	<b>5,010,327,111</b>	<b>5,078,284,999</b>
Less: INTER-AGENCY TRANSFER	450,268,013	441,350,561	449,302,115	429,601,369	434,390,760
<b>NET HUMAN SERVICES</b>	<b>4,434,618,975</b>	<b>4,436,645,706</b>	<b>4,579,570,057</b>	<b>4,580,725,742</b>	<b>4,643,894,239</b>
<b>PUBLIC SAFETY</b>					
GENERAL FUND	293,171,548	312,655,870	311,926,105	319,049,104	316,902,043
BALANCE FORWARD	26,619,578	19,411,973	19,411,973	23,274,953	22,717,519
FEDERAL FUND	58,044,823	28,932,017	29,109,651	28,039,234	28,037,172
HIGHWAY FUND	138,721,452	168,507,809	125,693,472	166,789,566	121,758,283
INTERAGENCY TRANSFER	50,015,133	44,898,804	44,789,975	42,836,074	42,840,890
INTERIM FINANCE	140,256				
OTHER FUND	97,687,183	104,410,490	136,020,441	110,096,481	142,852,874
REVERSIONS					
<b>TOTAL FOR PUBLIC SAFETY</b>	<b>664,399,973</b>	<b>678,816,963</b>	<b>666,951,617</b>	<b>690,085,412</b>	<b>675,108,781</b>
Less: INTER-AGENCY TRANSFER	50,015,133	44,898,804	44,789,975	42,836,074	42,840,890
<b>NET PUBLIC SAFETY</b>	<b>614,384,840</b>	<b>633,918,159</b>	<b>622,161,642</b>	<b>647,249,338</b>	<b>632,267,891</b>
<b>INFRASTRUCTURE</b>					
GENERAL FUND	21,238,887	32,447,016	30,645,160	31,563,985	31,411,513
BALANCE FORWARD	130,013,510	34,062,841	33,492,219	33,119,146	31,679,559
FEDERAL FUND	371,111,135	360,072,849	358,031,071	354,845,218	355,065,781
HIGHWAY FUND	283,544,258	323,047,739	322,074,771	325,053,834	322,295,530
INTERAGENCY TRANSFER	46,579,268	50,583,319	50,974,874	49,934,923	50,651,644
OTHER FUND	202,940,533	223,675,950	223,913,298	274,135,225	279,659,696
REVERSIONS					
<b>TOTAL FOR INFRASTRUCTURE</b>	<b>1,055,427,591</b>	<b>1,023,889,714</b>	<b>1,019,131,393</b>	<b>1,068,652,331</b>	<b>1,070,763,723</b>
Less: INTER-AGENCY TRANSFER	46,579,268	50,583,319	50,974,874	49,934,923	50,651,644
<b>NET INFRASTRUCTURE</b>	<b>1,008,848,323</b>	<b>973,306,395</b>	<b>968,156,519</b>	<b>1,018,717,408</b>	<b>1,020,112,079</b>
<b>SPECIAL PURPOSE AGENCIES</b>					
GENERAL FUND	5,231,491	5,621,567	5,477,591	6,015,271	5,707,691
BALANCE FORWARD	193,803,406	171,240,379	171,240,379	144,383,646	139,810,463
FEDERAL FUND	78,590,062	33,465,983	33,348,830	30,980,618	31,171,118
INTERAGENCY TRANSFER	486,374,576	482,585,081	482,028,283	477,966,887	506,675,694
INTERIM FINANCE					
OTHER FUND	131,675,809	115,143,812	117,147,763	112,332,013	118,432,242
REVERSIONS					
<b>TOTAL FOR SPECIAL PURPOSE AGENCIES</b>	<b>895,675,344</b>	<b>808,056,822</b>	<b>809,242,846</b>	<b>771,678,435</b>	<b>801,797,208</b>
Less: INTER-AGENCY TRANSFER	486,374,576	482,585,081	482,028,283	477,966,887	506,675,694
<b>NET SPECIAL PURPOSE AGENCIES</b>	<b>409,300,768</b>	<b>325,471,741</b>	<b>327,214,563</b>	<b>293,711,548</b>	<b>295,121,514</b>



**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
2015-17 Legislature**

	<b>2014-2015 Work Program</b>	<b>2015-2016 GOVERNOR RECOMMENDS</b>	<b>2015-2016 LEGISLATIVELY APPROVED</b>	<b>2016-2017 GOVERNOR RECOMMENDS</b>	<b>2016-2017 LEGISLATIVELY APPROVED</b>
<b>STATEWIDE</b>					
GENERAL FUND	3,379,198,548	3,585,526,881	3,558,057,616	3,728,626,482	3,738,711,497
BALANCE FORWARD	757,016,843	539,030,554	539,256,214	492,015,191	471,801,295
FEDERAL FUND	3,889,026,095	3,861,353,959	3,983,540,717	3,916,907,680	3,971,211,924
HIGHWAY FUND	427,017,386	494,690,982	463,026,909	498,715,860	467,747,865
INTERAGENCY TRANSFER	1,380,344,270	1,397,179,081	1,407,672,641	1,386,995,124	1,426,569,387
INTERIM FINANCE	5,519,965				
OTHER FUND	1,745,292,694	1,760,799,288	1,825,191,655	1,839,460,747	1,921,112,689
REVERSIONS					
<b>TOTAL FOR STATEWIDE</b>	<b>11,583,415,801</b>	<b>11,638,580,745</b>	<b>11,776,745,752</b>	<b>11,862,721,084</b>	<b>11,997,154,657</b>
Less: INTER-AGENCY TRANSFER	1,380,344,270	1,397,179,081	1,407,672,641	1,386,995,124	1,426,569,387
<b>NET STATEWIDE</b>	<b>10,203,071,531</b>	<b>10,241,401,664</b>	<b>10,369,073,111</b>	<b>10,475,725,960</b>	<b>10,570,585,270</b>





## **TAX POLICY**

The Executive Budget submitted by Governor Sandoval in advance of the 2015 Session proposed total General Fund expenditures in excess of \$7.4 billion for the 2015-17 biennium, well over the \$6.3 billion in General Fund revenue forecast by the Economic Forum at its meeting on December 3, 2014. Though the budget submitted by Governor Sandoval proposed making many of the tax increases that were approved in the 2013 Session and set to expire on June 30, 2015, permanent, additional revenue sources would be necessary above the so-called “sunset” taxes in order to fund the budget that was submitted.

The budget submitted by Governor Sandoval, in addition to making permanent the increases in the Local School Support Tax and the Modified Business Tax, made changes to the state’s Business License Fee that would have required all businesses to pay a minimum of \$400 per year, with businesses generating larger amounts of revenue in Nevada to pay an increasing amount depending on the industry classification of the business. Additionally, under the revenue proposal submitted by the Governor, businesses that pay the Net Proceeds of Minerals Tax would be required to pay a higher Modified Business Tax rate on all taxable wages, certain slot route operators would have been required to pay the gross gaming percentage fee tax on all restricted and non-restricted slot machines, and the cigarette tax would have been increased by 40 cents per pack.

Throughout the session, in addition to the proposals submitted by the Governor, additional proposals were submitted and considered by the Legislature, including one bill introduced in the Senate that would have created a gross receipts tax on all businesses making more than \$25,000 per year, as well as another bill introduced in the Assembly that would have increased the Modified Business Tax on Nonfinancial Institutions and the Business License Fee on certain corporations.

In the end, the proposal approved by the Legislature and signed by the Governor consisted of a hybrid proposal that took elements of the Governor’s original proposal as well as those alternative proposals introduced by the Legislature during the session. The elements from this hybrid proposal are discussed in Senate Bill 483 below.

### **BILLS REGARDING STATE REVENUES AND TAXES**

**Senate Bill 483** is the major General Fund revenue enhancement bill enacted by the Legislature during the 2015 Session. The bill makes the following changes to currently existing revenue sources:

- The June 30, 2015, sunset for the 0.35 percent increase in the Local School Support Tax (LSST) portion of the statewide sales and use tax rate is removed, making the 2.60 percent LSST rate permanent. (The proceeds from the Local School Support Tax are deposited in the State Distributive School Account).
- The Modified Business Tax (MBT) on Nonfinancial Institutions is revised by reducing the level of taxable wages that are exempt from the tax per quarter, from \$85,000 to \$50,000, and permanently increases the tax rate on taxable wages from 1.17 percent tax rate on taxable wages over the exempt amount to 1.475 percent.

- Businesses that are subject to the Net Proceeds of Minerals Tax will be required to pay the MBT at a rate of 2 percent on all taxable wages, effective July 1, 2015, rather than the rate for other nonfinancial institutions.
- The advanced payment of the tax on the net proceeds of minerals and royalties is continued for one year by extending the expiration date from June 30, 2015, to June 30, 2016, and also extends the expiration date for one year for which health and industrial insurance expenses are not allowed as deductions against gross proceeds.
- The portion of the Governmental Services Tax scheduled to be deposited in the State Highway Fund beginning on July 1, 2015, is required to be deposited in the State General Fund until June 30, 2016. Effective July 1, 2016, 50 percent of these proceeds are to be deposited in the State Highway Fund and 50 percent into the State General Fund, and effective July 1, 2017, 100 percent of the revenue is to be deposited in the State Highway Fund.
- The \$200 annual business license fee paid to the Secretary of State's Office, which was scheduled to revert to \$100 effective July 1, 2015, is made permanent. In addition, the fee for certain corporations to obtain a state business license is increased to \$500, effective July 1, 2015.
- The filing fees for initial and annual lists for business entities formed through the Secretary of State's Office is increased by \$25, effective July 1, 2015.
- The excise tax on cigarettes is increased, effective July 1, 2015, from 40 mills per cigarette (80 cents per pack of 20) to 90 mills per cigarette (\$1.80 per pack of 20). The additional \$1.00 per pack is to be deposited in the State General Fund.

Senate Bill 483 also implements the Nevada Commerce Tax, which is to be paid by businesses who have more than \$4.0 million in Nevada gross revenue per fiscal year. The tax is levied on the business's Nevada gross revenue in excess of \$4.0 million per fiscal year, at a rate that depends on the North American Industry Classification System (NAICS) code of the business. The provisions of the Commerce Tax allow up to 50 percent of a business's Commerce Tax payment for the preceding fiscal year to be used as a credit against its MBT liability in the current fiscal year.

The provisions of Senate Bill 483 additionally contain a trigger mechanism which will reduce the rates of the MBT (Nonfinancial Institutions, Financial Institutions, and Mining Businesses) if the actual combined collections from the MBT and Commerce Tax exceed 104 percent of the revenue projected from these sources in an even-numbered fiscal year. The amount of the rate reduction must be done proportionally among the MBT rates such that the rates would have generated 104 percent of the forecast in that fiscal year, and the reduced rates will become effective on July 1 of the following year (the beginning of the next even-numbered fiscal year).

**Assembly Bill 474** increases the per unit fee paid by homeowners' associations to the Administrator of the Real Estate Division of the Department of Business and Industry from a maximum of \$3.00 to a maximum of \$5.00, based on the actual costs of administering the Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels located within the Real Estate Division.

**Assembly Bill 475** changes the terms for licenses issued by the Real Estate Division of the Department of Business and Industry for real estate brokers and salespersons from two years to one year for initial licensure and from four years to two years for subsequent licensure. The legislation also reduces the licensing fees outlined in the bill to align with the new licensing renewal period, ensuring that the per-year license fee does not change as a result of the change in the licensure period, and provides that existing licenses issued by the Real Estate Division before July 1, 2015, do not require renewal until the expiration date indicated on the license.

**Assembly Bill 476** requires the Athletic Commission to perform drug testing of amateur and professional unarmed combatants, at any time, including, without limitation, during any period of training. The legislation increases the license fee percentage of the total gross receipts from admission fees to a live contest or exhibition of unarmed combat required to be paid by a promoter from 6 percent to 8 percent, and also provides for a promoter to receive a credit against license fees in an amount equal to the amount paid by the promoter to administer a drug-testing program for unarmed combatants.

The bill requires one-fourth of the 8 percent license fees collected be deposited with the State Treasurer for credit to the Athletic Commission's budget, which supports the Governor's recommendation and approval of the money committees that the Athletic Commission become self-funded.

Assembly Bill 476 also repeals the fee required to be paid by promoters based on the sale, lease, or other exploitation of broadcasting, television, and motion picture rights for a contest or exhibition of unarmed combat. This fee was equal to 3 percent of the first \$1.0 million and 1 percent of the next \$2.0 million of these proceeds.

Additionally, Assembly Bill 476 requires the Commission to adopt regulations governing the treatment of complimentary tickets, excluding charitable organizations from gross receipts and including complimentary tickets exceeding 8 percent of the seats in the house in the calculation of the license fee.

**Assembly Bill 478** increases certain developer application and renewal fees collected by the Real Estate Division of the Department of Business and Industry relating to the sale of subdivided land and timeshares and establishes expedite filing fees and late penalty fees. The bill also establishes timeshare exchange company registration and abbreviated conversion fees, and increases the fee for sales agent association change or license location change. The bill also specifies which fees are to be deposited in the State General Fund and which are to be retained by the Real Estate Division to defray the costs of administering the provisions of Chapter 119 and 119A of the *Nevada Revised Statutes* (NRS).

**Senate Bill 266** restructures the Live Entertainment Tax, effective October 1, 2015, to establish that the tax, with certain exceptions, is based on an admission charge being paid for the right or privilege to enter or have access to either indoor or outdoor facilities where live entertainment is provided.

The bill establishes provisions requiring the Live Entertainment Tax to be imposed on escort services, certain nude dancing, performances by disc jockeys, and certain live entertainment provided by nonprofit entities when the number of tickets offered for sale or other distribution is 15,000 or more.

The current Live Entertainment Tax rates of 10 percent or 5 percent based on the 7,500 seat threshold are deleted and replaced by a single rate of 9 percent. The requirement for the tax to be imposed on food, refreshments and merchandise is also repealed, unless the purchase of food, refreshments, and merchandise is the consideration that is required to have access to the live entertainment.

The bill specifies that the tax does not apply to any facility with a maximum occupancy of less than 200; live entertainment provided by certain nonprofit organizations, only if the number of tickets offered for sale or distribution to the live entertainment is less than 7,500; live entertainment that is governed by the Nevada Interscholastic Activities Association or is sponsored by an elementary, junior high, middle, or high school if only students or faculty provide the live entertainment; athletic events conducted by a professional team based in Nevada; and certain fees retained by an independent financial institution in connection with the use of credit cards or debit cards to pay the admission charge to a facility where live entertainment is provided.

Finally, the bill requires the Department of Taxation to transfer \$150,000 of the Live Entertainment Tax proceeds it collects to the Nevada Arts Council on or before October 1 of each year.

**Senate Bill 492** requires that all revenue collected by the Department of Motor Vehicles for titling and registration of an off-highway vehicle (OHV) must be deposited in the Revolving Account for the Administration of Off-Highway Vehicle Titling and Registration. The bill requires that money in the account is to be used by the Department of Motor Vehicles to pay the expenses of administering the titling and registration of OHVs.

The Department must transfer, at least once each fiscal quarter, any amount in the account in excess of \$150,000 to the Account for Off-Highway Vehicles, after paying the expenses of administering the titling and registration of OHVs. Any money remaining in the account at the end of a fiscal year may be balanced forward and must not revert to the Highway Fund.

**Senate Bill 502** allows the Department of Motor Vehicles to collect a nonrefundable \$1.00 technology fee for any transaction performed by the department for which a fee is charged between July 1, 2015, and June 30, 2020. The technology fee revenue is to be used by the department for costs associated with the implementation, upgrade, and maintenance of the platform of information technology used by the department.

**Senate Bill 515** which contains the provisions authorizing funding for K-12 education in Nevada's 17 school districts, extends the distribution of the proceeds from the 3 percent room tax originally approved by the Legislature in Initiative Petition 1 of the 2009 Session to the State Distributive School Account until June 30, 2017. The proceeds from this tax were to be distributed to the State Supplemental School Support Account, effective July 1, 2015, under Senate Bill 522 of the 2013 Session.

## **BILLS REGARDING TECHNICAL AND ADMINISTRATIVE CHANGES**

**Assembly Bill 32** makes various changes relating to taxes imposed by the Department of Motor Vehicles (DMV) on the sale of special fuels, including:

- Expanding the definition of “special fuel dealer” to include a person who sells liquefied natural gas and who delivers that fuel into the fuel tank of a motor vehicle not owned or controlled by that person;
- Reducing the rate on the sale or use of liquefied petroleum gas from 21 cents per gallon to 6.4 cents per gallon;
- Changing the conversion rate on liquefied petroleum gas from 125 cubic feet per gallon to 36.3 cubic feet or 4.2 pounds per gallon;
- Establishing a conversion rate for liquefied natural gas equal to 6.06 pounds per gallon; and
- Requiring that special fuel dealers report all quantities of special fuel sold in gallons when the tax return is filed.

**Assembly Bill 57** which was brought forward by the Department of Taxation in order to maintain the state’s compliance with the Streamlined Sales and Use Tax Agreement, revises provisions relating to the taxation of direct mail to remove the distinction between sellers of direct mail who maintain a place of business in Nevada and those who do not maintain a place of business in Nevada. Under the provisions of Assembly Bill 57, the purchaser is required to report and pay any applicable sales or use taxes regardless of whether the business is located in Nevada or not. The seller, in the absence of bad faith, is relieved from any obligation to collect, pay or remit any sales or use tax applicable to the transaction.

**Assembly Bill 70** provides for administrative and enforcement provisions related to taxes on the sale of marijuana, edible marijuana products, and marijuana-infused products by medical marijuana establishments that were originally approved by the Legislature in Senate Bill 374 of the 2013 Session. The administrative provisions contained within the bill are similar to currently existing provisions used by the Department of Taxation for other taxes and fees currently administered by the department.

The bill additionally removes provisions requiring the Department of Taxation to periodically review the excise tax rate and to provide recommendations to the Legislature relating to adjustments to the rate; provides for the collection of a fee by an agency of a local government from a medical marijuana establishment for certain costs of the agency; and authorizes an independent contractor to provide labor to a medical marijuana establishment in certain circumstances.

**Assembly Bill 83** expands the definition of “manufacturer” for the purposes of the regulation of cigarettes and other tobacco products to include certain persons who produce, fill, roll, dispense, or otherwise manufacture cigarettes using certain commercial-grade cigarette rolling machines. The bill requires that a manufacturer must obtain a license from the Department of Taxation in order to operate a rolling machine for commercial purposes, and additionally provides for the seizure and destruction of a rolling machine that is operated illegally.



Assembly Bill 83 also removes provisions requiring certain tobacco manufacturers who are required to maintain a registered agent in Nevada solely to comply with certain state and federal laws from the requirement to obtain a state business license from the Secretary of State's Office.

**Assembly Bill 116** revises provisions governing the Clark County Regional Business Development Advisory Council, which was originally enacted by the Legislature pursuant to Assembly Bill 7 of the 20<sup>th</sup> Special Session (2003). The changes include:

- Removing the representatives from the Housing Authority of the City of Las Vegas, Housing Authority of the City of North Las Vegas, Clark County Health District, Clark County Housing Authority, Clark County Sanitation District, Las Vegas Urban Chamber of Commerce, and Hispanic Business Roundtable;
- Adding representatives from the Southern Nevada Health District and the Southern Nevada Regional Housing Authority;
- Revising the type and scope of information that must be reported by the Council; and
- Requiring that the Council submit a report every two years to the Legislature regarding the policies, programs, and procedures that the Council proposed and implemented during the previous two-year period.

**Assembly Bill 175** provides for the permitting by the Public Utilities Commission of Nevada of transportation network companies and the regulation by the Commission of the provision of transportation services. A "transportation network company" is defined as an entity that uses a digital network or software application service to connect passengers to drivers who can provide transportation services to passengers.

In addition to the regulatory provisions contained in the bill, Assembly Bill 175 requires the Commission to establish a fee for the issuance of a permit to operate a transportation network company, as well as the payment of an annual assessment by each transportation network company in this state beginning in the year after the company receives a permit. The Commission is also required to collect from a company an excise tax on the use of a digital network or software application service to connect a passenger to a driver at the rate of 3 percent of the total fare charged for transportation services. A similar excise tax is imposed on the connection made by a common motor carrier or certificate holder of a passenger to a person or operator or taxicab, to be collected by the Nevada Transportation Authority and the Taxicab Authority. The State Treasurer must credit the first \$5,000,000 of the combined amount of such excise taxes collected in each biennium to the State Highway Fund.

**NOTE: The provisions of the bill requiring for the regulation of transportation network companies were superseded by Assembly Bill 176, which requires these companies to be regulated by the Nevada Transportation Authority. Additionally, the provisions requiring the excise tax to be collected by the Public Utilities Commission, the Nevada Transportation Authority, and the Taxicab Authority were superseded by Senate Bill 376, which transfers the responsibility to administer and collect these excise taxes to the Department of Taxation.**

**Assembly Bill 332** prohibits any public body, including the state, its local governments, school districts, and any public agency thereof which sponsors or finances a public work, from entering into an express or implied contract for a public work which provides that any construction materials or goods to be used on the public work be purchased or otherwise supplied by the public body, a contractor who is a constituent part of the public body, or a contractor who is not a constituent part of the public body acting on behalf of the public body. A public body may, however, enter into such a contract for a public work provided that the contract requires the payment of any state or local sales and use taxes that would otherwise have been due for the purchase and use of such construction materials or goods if they had been purchased and used by an entity not exempted from the payment of such taxes.

These provisions do not apply if the express or implied contract for public work uses certain construction materials or goods that are purchased pursuant to governmental procurement rules, needed on a recurring basis and used to protect the health, safety or welfare of the public; or the construction materials or goods purchased are specialized, project-specific components.

Assembly Bill 332 additionally removes the exemption from the state's public works law for any building for the Nevada System of Higher Education if less than 25 percent of the costs of the building are paid from state or federal money; however, the public body is not required to use the services of the State Public Works Division of the Department of Administration relating to the planning, maintenance, and construction of the building.

**Assembly Bill 380** enacts provisions relating to the imposition, collection, and remittance of sales and use taxes by retailers located outside of Nevada. The bill creates a rebuttable presumption that the sales and use tax must be imposed, collected, and remitted by retailers located outside of the state under the following conditions:

- The retailer is part of a controlled group of business entities that has a component member who has physical presence in Nevada, and the component member engages in certain activities in Nevada that relate to the ability of the retailer to make retail sales to Nevada residents; or
- The retailer enters into an agreement with a resident of Nevada under which the resident receives certain consideration for referring potential customers to the retailer through a link on the resident's Internet website, and the cumulative gross receipts from sales by the retailer to Nevada customers through all such referrals exceeds \$10,000 during the preceding four quarterly periods.

**Assembly Bill 389** specifies that, for the purposes of laws relating to unemployment compensation in Chapter 612 of the NRS, the client company of an employee leasing company is deemed to be the employer of the employees it leases, effective October 1, 2015.

Under these provisions, the wages of employees leased from employee leasing companies by client companies will no longer be reported on an aggregated basis under the employee leasing company. The wages of the employees will now be reported on a disaggregated basis under each client company. Thus, under the structure of the Modified Business Tax on Nonfinancial Institutions approved by the Legislature in

Senate Bill 482, instead of the \$50,000 quarterly exemption applying to the employee leasing company, it will now apply to each client company.

**Assembly Bill 399** requires the Office of Economic Development, in consultation with the College of Southern Nevada, the University of Nevada, Las Vegas, and other parties, to develop, create, and oversee the NV Grow Program as a pilot program designed to stimulate Nevada's economy. The program is to be designed to provide assistance to businesses that are already located and operating in Nevada rather than to recruit businesses from other states to relocate to Nevada.

Assembly Bill 399 also requires the appropriation of \$150,000 from the State General Fund to the Nevada System of Higher Education to allow the College of Southern Nevada to purchase software for a geographic information system, to hire a person to operate the system, and to provide other services as are necessary to carry out the pilot program in Clark County. Any remaining balance of the appropriation made must not be committed for expenditure after June 30, 2017.

**Assembly Bill 451** revises provisions relating to the University of Nevada, Las Vegas, Campus Improvement Authority originally approved by the Legislature pursuant to Assembly Bill 335 of the 2013 Session. The bill extends the date by which the Authority must conclude its business by two years, from September 30, 2015, to September 30, 2017, and requires that the Authority submit an additional report to the Legislature containing recommendations of the Authority on or before September 30, 2016.

Assembly Bill 451 additionally changes the boundaries of the Authority area to include all parcels of property that are located not more than 1.5 miles from the current boundary, as well as specifying that the meetings of the Board of Directors of the Authority may be held anywhere within Clark County rather than only within the boundaries of the Authority area.

**Assembly Bill 452** makes various changes relating to the filing of property tax appeals to a county board of equalization or to the State Board of Equalization. The bill specifies that the written authorization to file the appeal on behalf of the owner of the property may be signed by the owner, or a person employed by the owner or an affiliate of the owner who is acting within the scope of his or her employment. The term "owner" is defined to include a person who owns or controls taxable property or possesses, in its entirety, taxable property.

The bill also requires that, if there is an objection to a written authorization, written notice specifying the grounds for the objection must be given to the person filing the appeal by either certified mail or by electronic mail, if an electronic mail address is provided. Additionally, if the person filing the appeal submits any documentation necessary to cure the objection within five business days after the receipt of the notice, the appeal must be deemed to have been filed in a timely manner.

**Assembly Bill 497** expands current provisions in law relating to the designation of a tax increment area for the purpose of undertaking certain public works projects to specify that a portion of the sales and use taxes and modified business taxes imposed in the tax increment area may be allocated to pay the debt incurred by the municipality to finance or refinance the undertaking if the undertaking is a water project, the estimated cost exceeds \$50,000,000, and such financing is approved by the Interim Finance Committee.

The bill additionally authorizes a municipality to obtain financing through the Municipal Bond Bank for an undertaking located within a tax increment area if the undertaking is a water project, the estimated cost exceeds \$50,000,000, and such financing is approved by the Interim Finance Committee.

**Senate Bill 21** revises the reporting requirements to the Department of Motor Vehicles for special fuel users who are subject to the multistate International Fuel Tax Agreement and who also pay any of the indexed special fuel taxes imposed in Clark and Washoe counties to specify that these special fuel users are authorized, rather than required, to file a request for reimbursement with the department.

The bill removes provisions requiring the department to determine whether a special fuel user may owe any additional amounts as a result of the International Fuel Tax Agreement and additional special fuel taxes imposed in Clark and Washoe counties. Therefore, these provisions apply only to a request for reimbursement of any special fuel taxes imposed on special fuels which are consumed outside this state, and to the extent that the proceeds from these additional special fuel taxes are not obligated to bonds that have been previously issued in either county.

**Senate Bill 22** changes the administrative responsibility for issuing a liquor license, if the applicant maintains his or her primary place of business within the boundaries of an incorporated city. Pursuant to this bill, applications for a liquor license will be made to the governing body of the city, rather than to the board of county commissioners, if the business is located within the boundaries of an incorporated city.

For applicants whose primary place of business is not located within the boundaries of an incorporated city, the applications will continue to be made to the board of county commissioners, as required under current law.

**Senate Bill 78** authorizes any person, firm, company, association or corporation claiming overvaluation or excessive valuation of its property that is centrally assessed by the Department of Taxation to file an appeal of that assessment directly to the State Board of Equalization without first filing an appeal to a county board of equalization.

The direct appeal to the State Board of Equalization must be filed by January 15, which corresponds with the date an appeal must be submitted to the county board of equalization under current law. If January 15 falls on a Saturday, Sunday or legal holiday, the appeal may be filed on the next business day.

**Senate Bill 79** revises the definition of other tobacco products to specify that the term does not include an alternative nicotine product or a vapor product as those terms are defined pursuant to the bill. The bill establishes that a vapor product is not taxable as an other tobacco product regardless of whether or not the nicotine in the product is derived from tobacco. The bill further establishes that an alternative nicotine product that is made or derived from tobacco is considered to be an “other tobacco product,” and is subject to regulation and taxation in a manner consistent with other tobacco products.

Additionally, the bill clarifies that any alternative nicotine product or vapor product that is regulated by the United States Food and Drug Administration under certain provisions, are excluded from the definitions of those terms.

**Senate Bill 103** changes the definition of “financial institution,” for the purposes of the modified business tax on financial institutions pursuant to Chapter 363A of NRS, by excluding from that definition a person who is primarily engaged in the sale, solicitation or negotiation of insurance, therefore making such a person subject to the modified business tax applicable to general businesses or nonfinancial institutions pursuant to Chapter 363B of NRS. This bill also provides that the general modified business tax is first applicable for the calendar quarter beginning after the effective date of this bill (June 8, 2015).

**Senate Bill 155** authorizes a farmer or rancher to claim a refund of 80 percent of the taxes paid by the farmer or rancher on bulk purchases of special fuel, which is consistent with provisions of current law that provide for a similar refund on bulk purchases of motor vehicle fuel. The bill defines bulk purchases as purchases of more than 50 gallons of special fuel which are not placed directly into the tanks of motor vehicles.

The bill consolidates into the term “implements of husbandry” the vehicles and agricultural equipment that are described in various provisions of existing law as “farm equipment,” “farm tractors” and “implements of husbandry.”

The bill requires a person who engages in the operation, towing, and transportation of implements of husbandry on the highways of this state, to apply for and obtain a permanent farm license plate which must be displayed on the implement of husbandry and pay the Department of Motor Vehicles a nonrefundable fee of \$100.

The bill additionally provides that, instead of a farm license plate, a reflective placard for slow-moving vehicles approved by the United States Department of Transportation may be displayed on certain implements of husbandry that are operated or transported on the highways of this state.

**Senate Bill 376** contains provisions amending Assembly Bill 175 of the 2015 Session, which was approved by the Legislature and signed by the Governor on May 29, 2015, to transfer the administration of the 3 percent excise tax on transportation network companies, common motor carriers of passengers, or taxicabs from the Nevada Transportation Authority and the Taxicab Authority to the Department of Taxation.

**NOTE: Assembly Bill 175, which originally required the regulation of transportation network companies and the imposition of the excise tax, required the tax to be collected by the Public Utilities Commission, the Nevada Transportation Authority, and the Taxicab Authority. These provisions were superseded by Assembly Bill 176, which requires the transportation network companies to be regulated by the Nevada Transportation Authority, and by Senate Bill 376, which transfers the responsibility to administer and collect the excise tax to the Department of Taxation.**

#### **BILLS REGARDING EXEMPTIONS, ABATEMENTS AND POSTPONEMENTS**

**Assembly Bill 17** authorizes the Executive Director of the Office of Economic Development, upon the approval of the Board of Economic Development, to cause the formation of a nonprofit corporation for certain economic development purposes. The bill specifies that the nonprofit corporation must have a board of directors consisting of seven members, based on qualifications and requirements specified in the bill.

The bill additionally requires that the board of directors of the nonprofit corporation submit, on or before December 1 of each year, an annual report to the Governor and the Director of the Legislative Counsel Bureau containing certain information relating to the activities of the nonprofit corporation.

**Assembly Bill 71** provides for the following tax incentives relating to military veterans and surviving spouses and relatives of members of the Nevada National Guard.

- A person who is eligible to receive a property tax exemption or a Governmental Services Tax exemption as the surviving spouse of a disabled veteran is authorized to also receive the exemption from these taxes given to certain veterans, if that taxpayer is eligible to receive both exemptions.
- An employer who hires a veteran who has been unemployed for a period of at least three months may deduct 100 percent of the wages of that veteran from the employer's calculation for the Modified Business Tax for the first four full calendar quarters following the hiring of the employee, and 50 percent of the wages for the next eight calendar quarters.
- Certain family members of a Nevada National Guard member killed while engaged in full-time National Guard duty, while performing his or her duties as a member of the Nevada National Guard during a period when the member was called into active service, receive an exemption from the sales and use tax for a period of three years following the death of the Nevada National Guard member.

Assembly Bill 71 additionally makes consistent the calculations for the inflation adjustment used to determine the amount of the exemption from the property tax and the Governmental Services Tax for certain disabled veterans.

**Assembly Bill 161** provides for the Office of Economic Development to grant a partial abatement of property taxes and sales and use taxes for up to 20 years for qualified new and existing aircraft related businesses, if the business meets certain employment requirements and eligibility criteria as set forth in the bill. The amount of the sales and use tax abatement is equal to all sales and use taxes except for the state 2 percent rate and the property tax abatement is equal to all personal property taxes.

The sales and use and property tax abatements are for tangible personal property used to operate, manufacture, service, maintain, test, repair, overhaul, or assemble an aircraft or any component of an aircraft.

The bill also repeals provisions of current law that authorize a sales and use tax exemption for aircraft and major components of aircraft under certain circumstances, which the Nevada Supreme Court has ruled as unconstitutional.

**Assembly Bill 165** establishes the Nevada Educational Choice Scholarship Program. The measure authorizes the formation of scholarship organizations to provide grants for pupils of low-income families for attendance at schools of their choice in Nevada, including private schools.

Scholarship organizations created under this act must meet the following criteria:

- The organization may not own or operate any school, and it must be exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code;
- The organization must not spend more than 5 percent of the money it receives for administrative costs, nor may it limit grants to a single school or to specific pupils. The sources of scholarship funds collected by the organization may come from gifts, grants, and donations;
- The grant provided on behalf of a pupil must not exceed \$7,755 for FY 2016, and the maximum grant amount must be adjusted each year in accordance with changes to the Consumer Price Index; and
- Schools receiving such grants must maintain records of each pupil's academic progress in such a manner that the information may be aggregated and reported to Nevada's Department of Education.

The bill provides for a tax credit against the modified business tax and establishes a process for a taxpayer who intends to donate to a scholarship organization to request approval for the credit from the scholarship organization, who must apply for the credit through the Department of Taxation. In addition, Assembly Bill 165 establishes a process that the Department of Taxation must follow to approve or deny applications for the tax credit. The total credits approved may not exceed \$5.0 million for FY 2016; \$5.5 million for FY 2017; and for each fiscal year thereafter, 110 percent of the amount authorized for the immediately preceding fiscal year. The balance of any credit approved by the department that is not used may be carried forward for a total of five years.

**Assembly Bill 203** specifies that, for the purposes of the governmental services fee imposed on the short-term lease of a passenger car, the amount of any fee or charge that is imposed by a governmental entity is not included in the calculation of the fee that is imposed upon the short-term lessor.

Assembly Bill 203 additionally specifies that this fee does not apply to any passenger car leased by or on behalf of the state, its unincorporated agencies and instrumentalities, or any county, city, district or other political subdivision of the state.

**Assembly Bill 391** expands the property tax exemption for certain property owned by a religious society or corporation to include parcels of land used exclusively for worship, including, without limitation, both developed and undeveloped portions of a parcel.

**Senate Bill 36** specifies that a person is deemed not to be conducting business in Nevada, thus being exempt from the requirement to obtain a state business license from the Secretary of State's Office, if the sole activity of the person's business in this State is to provide, on a short-term basis, vehicles or equipment in response to a wildland fire, a flood, an earthquake or another emergency. The bill authorizes such a person to enter into a contract with the State of Nevada without obtaining a state business license.

**Senate Bill 74** makes various changes to the eligibility requirements and the administration of the economic development abatements administered by the Office of Economic Development as follows:

- The office is prohibited from approving certain partial abatements if the business intends to locate or expand in a county in which the rate of unemployment is 6 percent or more and the average hourly wage that will be paid by the applicant to its new employees in this state is less than 65 percent of the average statewide hourly wage;
- The office is prohibited from approving certain partial abatements if the business intends to locate or expand in a county in which the rate of unemployment is less than 6 percent and the average hourly wage that will be paid by the applicant to its new employees in this state is less than 80 percent of the average statewide hourly wage;
- If the new or expanded business is located in a county in which the rate of unemployment is 6 percent or more and the average hourly wage that will be paid by the business to its new employees in this state is less than 80 percent of the average statewide hourly wage, the abatements approved may not exceed 25 percent of the taxes on personal property payable by the business each year or 25 percent of the Modified Business Tax otherwise due;
- If the new or expanded business is located in a county in which the rate of unemployment is less than 6 percent and the average hourly wage that will be paid by the business to its new employees in this state is less than 100 percent of the average statewide hourly wage, the abatements approved may not exceed 25 percent of the taxes on personal property payable by the business each year, 25 percent of the Modified Business Tax otherwise due, or the local sales and use taxes (all sales and use taxes except for the state 2 percent rate and the Local School Support Tax);



- Certain employment requirements that must be met in order to become eligible for an abatement must be met within a 2-year period, rather than a 1-year period, following the effective date of the abatement. An applicant is also required to provide an estimate of the total number of new employees anticipated to be hired within that 2-year period;
- The agreement between the office and the applicant must state the effective date of the abatement, as agreed to by the office and the applicant; and
- Only wages paid to new employees in this state may be considered when determining whether an applicant satisfies the average hourly wage requirement.

**Senate Bill 94** makes various changes regarding the administration and eligibility criteria for the transferable film tax credit program administered by the Office of Economic Development, which was originally approved by the Legislature pursuant to Senate Bill 165 of the 2013 Session and further modified by Senate Bill 1 of the 28<sup>th</sup> Special Session in September 2014.

The bill eliminates the June 30, 2023, expiration date for the program, thus making the program permanent rather than a four-year pilot program. The bill also removes the \$10,000,000 limitation on the total amount of tax credits that may be approved, and instead limits the total amount of tax credits to the amount appropriated or authorized for each fiscal year by the Legislature, effective July 1, 2015.

The bill changes the definition of “qualified expenditures and production costs” that may serve as the basis for transferable tax credits to reflect “qualified direct production expenditures,” and further clarifies the types of expenditures and productions that may qualify for the tax credits.

Various provisions are changed to reflect that the transferable tax credits are available only to a “production company” rather than a “producer.” A production company is required to prove that 70 percent of the funding for the qualified project has been obtained, rather than having to prove that 50 percent or more of the funding has been placed in an escrow account.

Finally, the bill increases, from 14 days to 60 days, the length of time permitted for the Office of Economic Development to certify the statutorily required audit and make a final determination of whether a certificate of transferable tax credits will be issued.

**Senate Bill 170** allows the Office of Economic Development to grant a partial abatement of personal property taxes or sales and use taxes for up to 20 years for qualified new and existing data centers and any colocated businesses within a qualified data center, if the data center and the colocated businesses meet certain requirements relating to the number of employees, the minimum capital investment, and the average hourly wage, as set forth in the bill.

The amount of the property tax abatement is limited to 75 percent of the personal property taxes imposed on property located at the data center. The amount of the sales and use tax abatement is equal to all sales and use taxes imposed in a political subdivision of this state, except for the taxes imposed by the Sales and Use Tax Act (the state 2 percent rate). Additionally, in Fiscal Year 2016 only, the sales and use tax abatement may not include the Local School Support Tax (2.60 percent).

Senate Bill 170 also removes provisions from existing abatements provided for data centers locating in certain economic development areas pursuant to NRS 274.310, NRS 274.320, and NRS 274.330, which were originally approved by the Legislature pursuant to Assembly Bill 1 of the 27<sup>th</sup> Special Session (June 2013).

**Senate Bill 412** provides a tax credit against the Modified Business Tax to an employer who matches the contribution of an employee to a college savings plan offered through either the Nevada College Savings Program, effective January 1, 2016, or the Nevada Higher Education Prepaid Tuition Program, effective July 1, 2016.

The tax credit is in an amount equal to 25 percent of the matching contribution, not to exceed \$500 per contributing employee per year, and any unused credits may be carried forward for 5 years.

**Senate Bill 507** authorizes the Board of Economic Development and the Executive Director of the Office of Economic Development to approve and issue transferable tax credits to new or expanding businesses in Nevada to promote the economic development of this state. A business that intends to locate or expand in Nevada may apply to the office for transferable tax credits in accordance with procedures established by the Executive Director in consultation with the Board.

The Board and the Executive Director may not approve applications for transferable tax credits that exceed \$500,000 for FY 2016, \$2,000,000 for FY 2017, and \$5,000,000 for each fiscal year thereafter.

The bill also permits a county or an incorporated city whose application for a grant or loan from the Catalyst Account was approved before the effective date of this bill to surrender the grant or loan, or any portion thereof, in exchange for the issuance of transferable tax credits upon such terms and conditions as agreed to by the Executive Director and the parties to any contracts involving the grant or loan.

**Senate Bill 514** which contains the appropriations to state agencies necessary to implement the state's budget for the 2015-17 biennium, appropriates \$5.0 million in FY 2016 to the Interim Finance Committee for allocation to the Aging and Disability Services Division of the Department of Health and Human Services for implementing a senior citizen's property tax assistance rebate program.

The money may be allocated to the Aging and Disability Services Division with the approval of the Interim Finance Committee upon recommendation by the Governor of a plan which provides for property tax rebates, including the criteria upon which eligibility is based; and a determination by the Interim Finance Committee that the plan and allocation are in the public interest.

## **BILLS REGARDING LOCAL GOVERNMENT TAXES AND REVENUES**

**Assembly Bill 25** specifies that residential construction taxes collected by local governments, in addition to the current uses specified in law, may additionally be used for the improvement of park facilities. The bill specifies that “improvement” includes the expansion, modification, redesign, redevelopment or enhancement of existing facilities or the installation of new or additional facilities. The bill clarifies that the parks and related facilities that are acquired, improved, expanded or installed, as applicable, with the money collected through the tax must be attributable to the new construction or development for which the money was collected.

Assembly Bill 25 also specifies that the money collected through the tax must be expended within the park district from which it was collected, and must not be expended for maintenance or operational expenses.

**Assembly Bill 191** makes the following changes to the fuel tax indexing provisions originally approved by the Legislature in Assembly Bill 413 of the 2013 Session:

- Provisions requiring a statewide ballot question on the November 2016 ballot seeking permission to create an indexed fuel tax rate to be imposed based on the state gasoline and special fuel taxes are repealed;
- Provisions requiring countywide ballot questions on the November 2016 ballot in all counties except for Washoe County seeking permission to create indexed fuel tax rates are amended to include the state gasoline and special fuel tax rates, in addition to the federal and local rates; and
- Certain proceeds generated from the indexed rates based on the state gasoline and special fuel taxes are required to be deposited to the State Highway Fund, for use on transportation projects in the county where the revenue was generated. These provisions apply to revenues from any future increases in the indexed rates imposed by ordinance in Clark County after November 8, 2016, and in any other county approving a ballot question authorizing indexed fuel tax rates on or after January 1, 2017.

**Assembly Bill 366** makes consistent the provisions relating to the acceptable use of certain proceeds by counties, cities, and towns from certain fuel taxes imposed pursuant to Chapter 365 of the NRS. The bill specifies that the proceeds that are distributed to counties, cities, and towns under current law may be used by these entities for the construction, maintenance, and repair of rights-of-way, as defined in the bill.

**Senate Bill 95** allows the county assessor in each of Nevada’s counties the option of publishing the list of taxpayers and assessed valuation on an Internet website maintained by the county or the county assessor instead of publishing the list in the newspaper or mailing the list to taxpayers.

If the assessor elects to publish this list on the website, he or she must provide notice through a newspaper advertisement to inform the public that the list has been made available on the Internet. Between July 1, 2015, and June 30, 2016, notice must be published in the newspaper four times per year, and effective July 1, 2016, notice must be published one time, on or before January 1 of each year.

If the list is published on the Internet, the assessor must also provide information about the availability of the list on the annual assessed value notice that is sent out to taxpayers on or before December 18 of each year.

Finally, in counties whose population is less than 100,000 (all counties except for Clark and Washoe), the county assessor must also print at least ten copies of the notice that are available to the general public upon request.

**Senate Bill 207** provides that, regardless of whether such approval occurred more than 10 years before the effective date of the bill (March 4, 2015), if the voters approved a question that was submitted by a board of trustees of a school district for authorization to issue general obligation bonds, such approval shall be deemed to constitute approval of the qualified electors for the issuance of general obligation bonds by the board of trustees of the school district for a period of 10 years commencing on the effective date if the question was approved by the voters more than 10 years before the effective date, or otherwise commencing on the date of the expiration of the 10-year period approved by the voters in the question. No other approval of the qualified electors is required for such issuance of general obligation bonds by the board of trustees of the school district for that period.

During the 10-year period in which a board of trustees is authorized to issue bonds as provided in the bill, proceeds may be transferred by the board of trustees to the school district's fund for capital projects and used to pay the cost of capital projects which can lawfully be paid from that fund under the following conditions:

- All or a portion of the revenue generated by the school district's property tax for debt service which is in excess of the amount required for debt service in the current fiscal year;
- For other purposes related to the bonds by the instrument pursuant to which the bonds were issued; and
- To maintain the reserve account required by law.

**Senate Bill 310** extends the period by which a tourism improvement district may operate from 20 to 25 years, if the district is a district in which, during the first five full fiscal years of its existence, the amount of the money pledged to the financing of projects in the district and received by the municipality with respect to the district is equal to zero. The bill further exempts such a district from the provisions that prohibit the governing body of a municipality from providing any financing or reimbursement to a tourism improvement district from the proceeds of the Local School Support Tax collected from retailers that locate within the district on or after July 1, 2013.

**Senate Bill 312** imposes, in a city that has created a district to finance capital projects necessary to improve and maintain publicly owned facilities for tourism and entertainment (currently, the City of Reno), a \$2.00 per night surcharge for the rental of a room in a hotel in the district, other than a hotel that holds a nonrestricted gaming license. In a city that has created such a district, an additional \$1.00 per night surcharge is imposed for the rental of a room in a hotel in the district that holds a nonrestricted gaming license. The county fair and recreation board is required to collect the surcharges and expend the money to implement a strategic plan for the promotion of tourism in the region.

Additionally, in any county in which is located a city that has created a district to finance capital projects necessary to improve and maintain publicly owned facilities for tourism and entertainment (currently Washoe County), the bill creates a district for the promotion of tourism in the region. The board of county commissioners must adopt an ordinance prescribing the boundaries of the district, which must include within its boundaries all property which is located in the county and located in any city in the county other than property that is located within a district created by a city to finance capital projects necessary to improve and maintain publicly owned facilities for tourism and entertainment, and which is located not more than 20 miles from the boundaries of any such district created by a city. A \$2.00 per night surcharge for the rental of a room in a hotel in the district must be imposed, and the county fair and recreation board must collect the surcharge and expend the money to implement a strategic plan for the promotion of tourism in the region.

Additionally, the board is required to prepare and submit to the Legislature a report concerning the expenditure by the board of any money received from the surcharge every five years, with the first report due on or before January 15, 2021.

**Senate Bill 377** specifically provides that any appeal to a county board of equalization filed by mail is deemed to be filed based on the date the envelope is postmarked by the post office. If the postmark date is omitted or illegible, the appeal is deemed to be filed on the day the appeal is received. Any postmark not provided directly by the post office does not establish that an appeal is timely filed.

The bill also specifies that the methodology provided in current law for equally allocating the taxable value of common elements within a common-interest community to each of the units within the community may be used only if the community association provides the county assessor with the information necessary to identify the units to which the taxable value of the common elements must be allocated.

If the community association does not provide such information to the county assessor, the property taxes on common elements must be paid by the person or association who is the owner of the common elements.

**Senate Bill 411** allows the board of trustees of a school district in any county that is not currently imposing a room tax or real property transfer tax rate for the benefit of the school district (currently all counties except Clark) to establish by resolution a Public Schools Overcrowding and Repair Needs Committee to recommend the imposition of one or more taxes for consideration by the voters at the 2016 General Election to fund

the capital projects of the school district. The taxes that may be recommended by the Committee are limited to additional rates for the room tax, the Governmental Services Tax, the Real Property Transfer Tax, the sales and use tax, and the property tax.

The bill specifies the membership of the Committee and requires that if such a Committee is established and submits its recommendations to the board of county commissioners by April 2, 2016, the board of county commissioners is required to submit a question to the voters at the November 2016 General Election asking whether any of the taxes recommended by the Committee should be imposed in the county.

If a majority of the voters approve the question, the board of county commissioners is required to adopt an ordinance to impose the approved tax or taxes and the proceeds must be deposited in the fund for capital projects of the school district.

The provisions of this bill authorizing the board of trustees of a school district to establish such a Committee expire by limitation on April 2, 2016.

**Senate Joint Resolution 13** proposes to amend the Nevada Constitution to limit the total amount of certain property taxes that may be levied on real property to 1.25 percent of the base value of the property. Base value is defined, with certain exceptions, as the taxable value from which the assessed value for the Fiscal Year 2017-2018 was calculated.

The 1.25 percent limit on the amount of property taxes that may be levied does not apply to property taxes levied to pay the interest and principal of any bonded indebtedness or to pay any obligation under a contract made in connection with such bonded indebtedness.

The resolution provides, with certain exceptions, that the base value becomes the cash value of the property upon the transfer of at least one-half of the ownership interest in the property, an improvement to the property increases the base value by the cash value of the improvement, and the base value cannot increase or decrease from year to year by more than 3 percent.

**(Pursuant to Article 16, Section 1 of the *Nevada Constitution* and Chapter 218D of the *Nevada Revised Statutes*, the provisions contained within this joint resolution, as adopted by the Legislature during the 2015 Session, must be approved by the Legislature during the 2017 Session, followed by voter approval at the 2018 General Election, in order to be ratified.)**



# ELECTED OFFICIALS







## **ELECTED OFFICIALS**

The Elected Officials function encompasses elected officials of the Executive Branch of government, including the Governor, Lieutenant Governor, Attorney General, Secretary of State, Treasurer and Controller, as well as the Judicial and Legislative Branches of government. For the 2015-17 biennium, General Fund appropriations for the Elected Officials function total \$295.6 million, which is a 46.8 percent increase from the amount approved for the 2013-15 biennium.

### **OFFICE OF THE GOVERNOR**

The Governor is the Chief Executive Officer of the state and is elected to a four-year term. The responsibilities of the Governor include serving as the Commander in Chief of all military forces and as chair of the Board of Examiners, the Board of Directors of the Department of Transportation, the Executive Branch Audit Committee, the Board of State Prison Commissioners, and the State Board of Pardons Commissioners.

The Office of the Governor's budget for the 2015-17 biennium, as approved by the 2015 Legislature, included a total of 18 non-classified employees in addition to the Governor.

### **MANSION MAINTENANCE**

The Mansion Maintenance budget was established to account for funding provided for staffing, operation, and maintenance of the Governor's Mansion in Carson City. For the 2015-17 biennium, the legislatively approved budget includes funding for 2.64 positions to staff the mansion. The Legislature approved \$59,155 over the 2015-17 biennium for mansion deferred maintenance projects including driveway, sidewalk, retaining wall, flooring, and roof repairs. The legislature also approved an increase of \$3,869 in each year of the 2015-17 biennium for the First Lady and staff to attend conferences related to education and nutrition.

### **WASHINGTON OFFICE**

The Governor's Washington, D.C. Office (Office) identifies, monitors, and provides information on select federal issues of high priority to Nevada, such as nuclear waste, transportation funding, gaming, and economic development. The Legislature approved funding for the Office of \$259,433 in each year of the 2015-17 biennium, which is unchanged from the amount approved for FY 2015. The Washington Office is funded through transfers from Nevada Department of Transportation (NDOT), the Commission on Tourism, and the Office of Economic Development.

### **GOVERNOR'S OFFICE OF ENERGY**

The Governor's Office of Energy (GOE) is responsible for implementing the Governor's Nevada Energy Protection Plan and for serving as the state's point of contact with the U.S. Department of Energy's (DOE) State Energy Program (SEP). The GOE administers grants and contracts that promote the economic development of the state; encourages conservation and energy efficiency; encourages the development and

utilization of Nevada's renewable energy resources; and promotes alternative fuel use in Nevada. The activities of the office include energy emergency support, energy policy formulation and implementation, technical assistance, public information and education, and administering the Renewable Energy Fund and the Renewable Energy, Efficiency and Conservation Loan Account.

The Legislature approved the transfer of \$1.5 million in FY 2016 to the Weatherization budget in the Department of Business and Industry's Housing Division to establish the Direct Energy Assistance Loan (DEAL) program that provides State of Nevada employees an interest-free loan of up to \$6,000 to fund energy efficiency measures in their homes. In addition to the cost for the program, this recommendation included the receipt of \$200,000 in each year of the 2015-17 biennium as loan repayment funds received by DEAL program recipients. The Legislature also approved the Governor's recommendation for Base Budget funding of \$1.6 million in each year of the 2015-17 biennium for two programs that started in FY 2015: the Performance Contract Audit Assistance Program (PCAAP) and the Home Energy Retrofit Opportunity for Seniors (HEROS) program. The PCAAP provides monetary assistance for Financial-Grade Operational Audits to eligible Nevada governmental entities that choose to enter into a Performance Contract for Operating Cost-Savings Measures in accordance with *Nevada Revised Statutes* (NRS) 332.300 through 332.440, while the HEROS program assists with reducing energy costs for Nevada seniors by improving the energy efficiency of their homes.

The Legislature did not approve the Governor's recommendation to utilize \$1,000 in each year of the 2015-17 biennium to establish a host fund to pay for working lunches and dinners for the Director, other staff members, and their clients, which include applicants and their representatives for tax abatement projects. Per state administrative rules, it is not an appropriate use of a host fund, and employees are not eligible for meal reimbursements less than 50 miles from their official duty station.

#### **OFFICE OF SCIENCE, INNOVATION AND TECHNOLOGY**

The Legislature approved General Fund appropriations of \$5.0 million over the 2015-17 biennium to reestablish the Office of Science, Innovation and Technology (Office). The Office is established in the Office of the Governor pursuant to NRS 223.600. However, it had been inactive since 2003 when funding was removed from the budget. The Office was reestablished to promote the development of a skilled workforce in the areas of Science, Technology, Engineering, and Mathematics (STEM) and improve broadband availability, adoption, and use. The funding approved by the Legislature will support four non-classified positions and operating costs, provide resources to improve Nevada's broadband infrastructure and access, and make available \$3.0 million for a new STEM Challenge Grant program.

## **AGENCY FOR NUCLEAR PROJECTS**

The Agency for Nuclear Projects (Agency) was established by executive order in 1983 following passage of the federal Nuclear Waste Policy Act of 1982. The 1985 Legislature formally established the Agency in statute and created a seven-member Commission on Nuclear Projects to advise the Agency and provide guidance to the Governor and Legislature on matters concerning the high-level nuclear waste program. In 1997, the Legislature made the agency an organizational component of the Governor's Office.

Funding for the Agency consists primarily of State General Funds, an annual grant from the federal DOE, and an annual transfer of Highway Funds in the amount of \$400,000 from NDOT. The Legislature approved the Governor's recommendation of General Fund appropriations totaling \$2.7 million over the 2015-17 biennium for the Agency compared to \$1.4 million in total funding approved for the 2013-15 biennium. Of that amount, \$1.3 million was approved for the Agency to address the restart of the licensing proceedings before the Nuclear Regulatory Commission (NRC) to establish a high-level nuclear waste repository at Yucca Mountain. The funds were approved to allow the Agency to contract with technical experts, who will work in conjunction with the Attorney General's legal experts and staff, to review the Safety Evaluation Report and the Supplemental Environmental Impact Statement reports submitted by the NRC and prepare for the anticipated administrative licensing proceedings.

## **OFFICE OF FINANCE**

The 2015 Legislature approved the creation of the Office of Finance in the Office of the Governor, consisting of the Budget Division and the Division of Internal Audits.

### **BUDGET DIVISION**

The Budget Division's primary responsibilities are to produce The Executive Budget, provide budgetary oversight to all agencies, and coordinate statewide planning efforts. The division also provides staff support to the Board of Examiners and the Economic Forum. The 2015 Legislature approved General Fund appropriations of \$7.6 million for the Budget Division during the 2015-17 biennium.

The Legislature approved the Governor's recommendation for General Fund appropriations of \$416,074 over the 2015-17 biennium for two new positions, an unclassified Director of the Office of Finance in the Office of the Governor and an Administrative Assistant. The new director will oversee the preparation, implementation, and management of The Executive Budget, while the Administrative Assistant will assist with the responsibilities of coordinating and submitting items for placement on the agendas for the Board of Examiners and the Interim Finance Committee (IFC) meetings. The Legislature also approved the following transfers: six existing positions and associated operating expenditures into a new budget for the Department of Administration Director's Office; three existing positions and one new Executive Grants Analyst position into a new budget for the Grants Office, which will remain under the Department of Administration; and two existing positions (1.51 FTE) to

the Office of the Chief Information Officer budget within the Division of Enterprise Information Technology Services.

### **DIVISION OF INTERNAL AUDITS**

The Division of Internal Audits consists of three sections: the Internal Audits section, which provides recommendations through the audit process geared toward improving the efficiency and effectiveness of Executive Branch agencies; the Financial Management section, which reviews Executive Branch agencies' internal controls and provides training to ensure effective financial administration; and the Post Review section, which statistically samples Executive Branch agency transactions for compliance with laws, regulations, guidelines, and contract stipulations. The Legislature approved General Fund appropriations of \$3.0 million over the 2015-17 biennium to support the Division of Internal Audits.

The Legislature approved General Fund appropriations of \$296,606 over the 2015-17 biennium for two new Executive Branch Auditor positions. The new auditor positions will analyze the performance of state contractors to determine if they are meeting the requirements of their contract as well as the performance requirements to ensure the contract satisfies the objectives of the specific agency or program in the most efficient manner. The 2015 Legislature also requested that the Division of Internal Audits provide the 2017 Legislature with a list of the contracts and requests for proposal that are audited over the 2015-17 biennium, a report of its audit findings, and a summary of any corrective actions that resulted in quantifiable savings.

### **WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION**

Nevada's participation in the Western Regional Education Compact and membership in the Western Interstate Commission for Higher Education (WICHE) provides educational assistance to students seeking education in various professional fields of study not offered by higher education institutions within the state. WICHE was organizationally transferred from being a standalone commission to the Nevada System of Higher Education (NSHE), effective in FY 2010, to facilitate efficiency and effectiveness of the program, generate cost savings, and to enhance the administrative functioning of WICHE. As recommended by the Governor, the money committees approved to reverse the previous action and restore WICHE as an independent entity no longer under the NSHE administrative structure. Subsequent to the budget closing, the 2015 Legislature approved Senate Bill 195, which created the Office of the Western Regional Higher Education Compact within the Office of the Governor, and transferred Nevada WICHE and its employees to the new office.

### **STUDENT SLOTS**

To support the cost of Professional Student Exchange Program (PSEP) and Health Care Access Program (HCAP) student slots, the 2015 Legislature approved Loan and Stipend funding totaling \$1.1 million in each fiscal year of the 2015-17 biennium, which includes General Fund appropriations of \$765,994 in FY 2016 and \$773,572 in FY 2017. The remaining approved revenues are primarily loan and stipend repayments and interest payments assessed on student loans and stipends.

Additionally, the Legislature approved the Governor's recommendation to reduce the number of student slots to 76 slots in FY 2016 and 59 slots in FY 2017 compared to the 89 slots approved for FY 2015. The Legislature approved the allocation of 45 PSEP students in FY 2016 and 48 PSEP students in FY 2017, an increase from the 42 slots approved for FY 2015. Moreover, the Legislature supported a total of 31 HCAP slots in FY 2016 and 11 HCAP slots in FY 2017. The changes in slot allotments are the result of a structural change to the HCAP in support of behavioral mental health expansion through the creation of Psychology Internships and Post-graduate Psychiatric Nurse slots.

Finally, the Legislature approved the Commission's request for authority to balance forward unspent loan and stipend revenues received after May 15 of each fiscal year for expenditure on HCAP program slots in the subsequent fiscal year, and approved authority for the Commission to transfer General Fund appropriations between the WICHE Loan and Stipend account and the WICHE Administration account with the approval of the IFC.

### **ATTORNEY GENERAL'S OFFICE**

The Office of the Attorney General (OAG) serves as legal advisor to nearly all state agencies, boards, and commissions, and assists the county district attorneys throughout the state. During the 2013-15 biennium, the office consisted of 14 divisions within the Bureau of Litigation, Bureau of Government Affairs, Bureau of Criminal Justice, and Bureau of Consumer Protection. The 2015 Legislature approved a restructure of the OAG into the Bureau of Government Affairs, Bureau of Business and Industry, Bureau of Litigation, and Bureau of Criminal Justice.

The Legislature approved total funding of \$145.5 million over the 2015-17 biennium for the OAG, which is a 27.0 percent decrease from the \$199.2 million approved for the 2013-15 biennium. The decrease is primarily due to a reduction in the balance forward amounts of the National Mortgage Settlement (NMS) funds for the Home Again program administered by the OAG. Of the \$145.5 million in total funding, the Legislature approved General Fund appropriations of \$34.2 million for the 2015-17 biennium, a 7.4 percent increase from General Fund appropriations of \$31.8 million approved for the 2013-15 biennium.

### **ADMINISTRATIVE FUND**

The Administrative Fund is primarily funded from a General Fund appropriation and through assessments paid by non-General Fund agencies and boards and commissions that receive legal services from the OAG. The budget also receives a transfer from the State Treasurer to support the Tobacco Enforcement Unit, in addition to several other miscellaneous revenues. The 2015 Legislature approved General Fund appropriations of \$26.0 million for support of the Administrative Fund, which is a 9.2 percent decrease from the \$28.7 million legislatively approved for the 2013-15 biennium.

The Legislature approved the addition of seven new positions in conjunction with the restructure included in The Executive Budget:

- A General Counsel position to advise the Attorney General on legislative affairs and constitutional and ethical obligations, provide oversight regarding outside counsel contracts, and oversee public record requests and open meeting law issues;
- Four Bureau Chiefs to oversee the new bureaus identified as Bureau of Government Affairs, Bureau of Business and Industry, Bureau of Litigation, and the Bureau of Criminal Justice; and
- Two Special Assistant Attorney Generals—one for the new Office of Neighborhood Protection and one for the new Office of Military Legal Assistance.

In approving the restructure, the Legislature also approved the elimination of six full-time positions and a part-time position, as recommended by the OAG, in an effort to make the restructure cost neutral. The OAG restructure was based on recommendations from a 2007 report of the OAG by the National Association of Attorneys General (NAAG), which had not been fully implemented due to the recession, and an internal audit of the OAG performed by the newly-elected Attorney General. The restructure is anticipated to improve efficiencies, increase effectiveness of the OAG, and create a 4:1 ratio of reporting to the Attorney General rather than a 14:1 ratio of reporting.

Other positions approved by the Legislature include: two Special Counsel positions, two Legal Researcher positions, and a Supervising Legal Secretary position to serve as the Project NEON team along with outside counsel and the Nevada Department of Transportation staff. Project NEON is a major transportation project managed by the NDOT to improve traffic flow along U.S. Highway 95 and Interstate 15 in Southern Nevada. The project is anticipated to take twenty years to complete and requires the acquisition of properties and right-of-way along the construction areas. In approving the Project NEON team within the OAG, the Legislature was advised that more eminent domain cases can be handled in-house; however, outside counsel will still be required due to the volume of acquisitions involved with the project. The OAG Project NEON team is supported through a transfer from NDOT of \$390,078 in FY 2016 and \$516,462 in FY 2017.

Other position changes included in The Executive Budget, and approved by the Legislature, include a new Administrative Services Officer for the OAG Fiscal Unit and a new Investigator position for the Human Sex Trafficking Unit, which was established by the 2013 Legislature. A vacant Grants and Projects Analyst position determined to no longer be necessary was also approved for elimination.

Although not included in The Executive Budget, the 2015 Legislature approved a Deputy Attorney General (DAG) position dedicated to the Colorado River Commission (CRC). The position and operating costs of \$98,990 in FY 2016 and \$122,103 in FY 2017 are supported entirely through a transfer from the CRC to provide the legal support needed due to increased contracts relative to the hydropower electric resources generated at the Hoover Dam.

The 2015 Legislature modified the recommendation included in The Executive Budget to upgrade the salaries for the unclassified Legal Researchers and the Supervising Legal Researchers within the OAG. The increases of 22.0 percent and 5.0 percent, respectively, bring the unclassified positions in line with the salary scale for the Legal Research Assistant positions in the classified service of the state. The recommendation was largely based on an audit by the Division of Human Resource Management. The increase impacts Legal Researcher positions within the Administrative Fund, the Bureau of Consumer Protection, and the National Settlement Administration budgets.

The transfer of the Criminal Mortgage Fraud (CMF) Unit, consisting of eight positions, from the Administrative Fund to the National Settlement Administration budget, as included in The Executive Budget, was approved by the 2015 Legislature. The CMF Unit will be supported over the 2015-17 biennium by \$1.5 million in NMS funds since the prior grant funds initially supporting the CMF unit had expired.

The Legislature approved Senate Bill 60, which creates the Office of Military Legal Assistance within the OAG to serve the unmet civil legal needs of active and veteran military personnel. The bill also transferred the Confidential Address Program from the Secretary of State's Office to the OAG, including approximately \$11,000 each year for operating costs, and extended the Substance Abuse Working Group established within the OAG through June 30, 2019.

Lastly, the Legislature approved \$1.5 million (\$871,145 General Fund) in new and replacement equipment.

### **SPECIAL FUND**

The Special Fund provides for the payment of litigation and expenses associated with unanticipated litigation costs, such as depositions and expert witnesses. The budget also supports the Construction Law Counsel position and the costs of litigation and administrative proceedings related to the proposed high-level nuclear waste repository at Yucca Mountain.

The Legislature approved General Fund appropriations of \$2.5 million each fiscal year of the 2015-17 biennium, as recommended by the Governor, to support efforts related to the restart of licensing proceedings before the NRC. For the past four fiscal years, no new federal funds were authorized for the licensing proceedings; however, in August 2013, the U.S. Circuit Court of Appeals issued an order directing the NRC to restart the licensing proceedings using remaining available federal funds. The \$2.5 million will be utilized by the OAG to contract with legal experts to review the multi-volume Safety Evaluation Report and the Supplemental Environmental Impact Statement issued by NRC staff and prepare for the anticipated licensing proceedings. The funds will also be utilized to continue supporting the ongoing litigation related to the challenges to radiation protection standards promulgated by the United States Environmental Protection Agency; the licensing rule issued by the NRC; the DOE selection of the Caliente rail corridor; and the consolidated challenge to the DOE's attempted withdrawal of its NRC licensing application.



## **NATIONAL SETTLEMENT ADMINISTRATION**

The National Settlement Administration account was established during the 2011-13 Interim to provide for the general administration of the funds received from the National Mortgage Multi-Bank Settlement and the Bank of America Mortgage Settlement.

The 2015 Legislature approved \$10.6 million in NMS funds over the 2015-17 biennium to continue funding the housing call center, financial guidance services, and legal services for the Home Again program administered by the OAG, as included in The Executive Budget. Based on these expenditures, a reserve balance of \$4.6 million was approved for the end of FY 2017; however, \$8.7 million in additional reserves were balanced forward at the end of FY 2015 from unused funds approved by the 2013 Legislature for the 2013-15 biennium.

In addition to continuing expenditures for the Home Again program, the Legislature also approved the Governor's recommendation to transfer \$1.2 million in NMS funds to maintain and expand the Consumer Affairs Unit established within the Department of Business and Industry. The Legislature determined that supporting the Consumer Affairs Unit using NMS funds was necessary and appropriate in addressing consumer complaints and issues related to the mortgage and foreclosure crisis over the 2015-17 biennium. The Legislature modified the transfer of NMS funds included in The Executive Budget for the Foreclosure Mediation Program (FMP), administered by the Judicial Branch, by approving \$625,697 in FY 2016, but not approving \$595,997 for a web-based portal enhancement since the FMP is anticipated to be phased out by the end of FY 2017.

Although not included in The Executive Budget, the Legislature approved the transfer of NMS funds totaling \$649,050 over the 2015-17 biennium to the Department of Business and Industry's Real Estate Division to continue 5.4 positions that were previously supported with NMS funds, but recommended by the Governor for elimination. The continuation of the positions is anticipated to assist the Real Estate Division in adequately maintaining customer service and regulating the real estate industry as the real estate market rebounds from the recession.

## **SECRETARY OF STATE**

The Secretary of State (Office) maintains the official records of the acts of the Nevada Legislature and of the Executive Branch of state government. The Office is responsible for ensuring the integrity of elections, receiving and recording business entity filings, administering the uniform commercial code, protecting consumers against securities fraud, preserving public records, and promoting public awareness and education in these areas.

The Legislature approved General Fund appropriations totaling \$41.8 million for the 2015-17 biennium, which is an increase of \$14.6 million or 53.6 percent over the amounts approved for the 2013-15 biennium. The increase is primarily due to a technology investment request (TIR), recommended by the Governor and approved by the Legislature, totaling \$12.1 million over the 2015-17 biennium to replace the eSoS

Reporting System (eSoS), the primary application used by the Office for processing, archiving, and receipting Commercial Recording business entity filings electronically. The Office indicates the application is over ten years old and is insufficient to handle the complexity and volume of increased business entity filings. Of the total amount of TIR funding, the Legislature approved \$326,659 to fund three new Information Technology Professional positions to support the eSoS replacement project. In addition, the Legislature granted the Office the ability to transfer TIR funding between fiscal years of the 2015-17 biennium to provide the project flexibility.

In accordance with the provisions of *Nevada Revised Statutes* 75A.100, the Secretary of State established a state business portal to facilitate transactions conducted between businesses and governmental agencies in a one-stop process. The business portal, known as SilverFlume, was launched to the public in 2012. For the 2015-17 biennium, the Legislature approved two new Information Technology Professional positions to provide additional support of the state's business portal. However, in lieu of funding the two new positions with additional General Fund appropriations, as recommended by the Governor, the Legislature approved funding the position costs totaling \$212,403 over the biennium with an offsetting reduction to IT contract funding. The Legislature also approved reserve reductions of \$224,722 over the biennium for two new Compliance/Audit Investigators and associated operating costs to support civil and criminal investigations of the Securities Division.

Further, the Legislature approved the Governor's recommendation to increase General Fund appropriations for credit card processing fees to \$4.3 million over the 2015-17 biennium, a 13.2 percent increase when compared to \$3.8 million for the 2013-15 biennium.

As recommended by the Governor, the Legislature approved General Fund appropriations totaling \$1.7 million and reserve reductions totaling \$2,109 over 2015-17 biennium for new and replacement equipment. However, due to concerns expressed by the money committees regarding the number of computer equipment items to be replaced, the Office will be required to submit a more detailed plan to the IFC for review and approval in order to access the \$1.4 million approved for computer replacement equipment, which was placed in reserve.

The Governor's proposal to eliminate a vacant Administrative Assistant position and to reduce funding for training no longer needed was approved by the Legislature, resulting in General Fund savings totaling \$175,405 over the 2015-17 biennium.

The Notary Training budget account will continue to reimburse the Secretary of State's main operating budget account for the personnel costs of an Administrative Assistant position that provides services related to notary training.

## **HELP AMERICA VOTE ACT (HAVA) ELECTION REFORM**

The 2015 Legislature approved the Governor's recommendation of federal Title II reserves of \$51,036 in FY 2017 for the administration of statewide voter registration lists. Additionally, as recommended by the Governor, the Legislature continued General Fund appropriations of \$100 in each year of the 2015-17 biennium. This nominal amount provides the HAVA account access to the Interim Finance Committee Contingency Account should any additional federal funds requiring a state match become available.

## **STATE TREASURER**

The State Treasurer, which has offices located in Carson City and Las Vegas, is responsible for investing state and local government funds, issuing and servicing debt on behalf of the state, managing the state's pooled collateral program, distributing interest earnings to statutorily approved funds and budget accounts, managing the state's banking relationships, reconciling bank transactions, drawing federal funds, and the distribution of state checks. The office is also responsible for the administration of the Governor Guinn Millennium Scholarship program, Nevada Prepaid Tuition program, the state's 529 College Savings Plans program, and the Unclaimed Property program.

The 2015 Legislature did not approve the Governor's recommendation for \$50,000 in total funding in the State Treasurer (\$3,750), Millennium Scholarship (\$10,400), Unclaimed Property (\$25,400), and Higher Education Tuition Administration (\$10,450) budgets in FY 2016 for moving and remodeling costs to meet the agency's needs in Las Vegas. The State Treasurer's Office was not able to provide definitive information on plans or costs regarding the office consolidation and/or relocation. The agency was advised to approach the IFC with a request for budget authority if a plan was completed during the biennium.

The Legislature also did not approve the Governor's recommendation to add a Management Analyst position that would be responsible for managing a new Micro Loan Program. The Legislature's decision was based on the subsequent withdrawal of the request for the new position from the State Treasurer's Office. According to the State Treasurer's Office, \$1.0 million of the \$50.0 million in capital from the State Permanent School Fund, as provided for in NRS 355.250-355.285, would be loaned to a vendor for the proposed Micro Loan Program upon approval of the Nevada Capital Investment Corporation (NCIC) Board. The vendor would use the funds to loan \$1,000 to \$8,000 to Nevada businesses. The NCIC would receive quarterly interest payments of 2.0 percent over four years, and receive the \$1.0 million principal at the end of the four-year period.

The State Treasurer proposed a budget amendment to increase the salaries of two Senior Deputy Treasurers from \$107,465 to \$114,000 annually, and four Deputy Treasurers from \$97,901 to \$107,000 annually, which was also subsequently withdrawn by the State Treasurer. The Legislature did not concur with a budget amendment requested by the State Treasurer, and recommended by the Governor, to reclassify an Accounting Assistant position to a Management Analyst and to add a new Public Information Officer. The reclassified Management Analyst was

recommended to provide service to the Merchant Services Program due to an increase in workload and the transition to a new merchant services vendor. However, a Management Analyst position was added to support the state's e-payment/merchant services program and provide oversight for the arbitrage program that was approved by the IFC on December 11, 2012. The Public Information Officer was requested to manage public relations and address information inquiries on behalf of the State Treasurer's Office.

The 2015 Legislature approved Senate Bill 302, which establishes the Education Savings Account (ESA) Program by which a child who receives instruction from a certain entity rather than from a public school may receive a grant of money in an amount equal to the statewide average basic support per pupil or a partial grant for a student who is enrolled part-time in a public school while receiving part of his or her instruction from certain entities. The parent of the child enters into an agreement with the State Treasurer, according to which the child will receive instruction from certain entities and receive the grant. Each agreement is valid for one school year, but may be terminated early. An agreement terminates automatically if the child no longer resides in the State of Nevada, and any money remaining in the ESA of the child reverts to the State General Fund. The grant must be deducted from the total apportionment to the resident school district of the child on whose behalf the grant is made, and the State Treasurer may deduct not more than 3.0 percent for the administrative costs from the amount of the grant.

#### **NEVADA COLLEGE SAVINGS PROGRAM**

The Nevada College Savings Program allows individuals to establish and contribute to a child's college savings account and then use the savings proceeds to pay for qualifying higher education expenses. Withdrawals, including earnings on contributions which are used for qualifying educational expenses, are not subject to federal taxation pursuant to Internal Revenue Code Section 529. The value of each account is based upon investment performance and is subject to investment gains and losses. The proceeds from the 529 College Savings Plan can be used at any eligible educational institution in the United States.

The base budget includes \$2.0 million in funds transferred from the Endowment Account budget in FY 2016 for the Nevada College Kick Start (CKS) Program that establishes college savings accounts with an initial deposit of \$50 for all public school kindergarten students in Nevada. The program was initially established in the fall of 2013 as a pilot program for kindergarten classes in 13 rural counties, and was expanded statewide by the Board of Trustees of the College Savings Plans of Nevada (Board) on December 9, 2013, with an evaluation of the program required after three years. Funding is included for FY 2016, which is the third year of the program, but is not included for FY 2017 since the Board requires a reevaluation of the program after three years. According to the State Treasurer's Office, measurement of the progress of outreach and enrollment, along with other metrics, would be examined by the Board in making a decision on whether to extend the program past the initial three years. CKS participants, upon attendance at an eligible postsecondary institution, will receive any principal saved plus any accrued interest in their CKS account to pay for qualified expenses.

## **NEVADA PREPAID TUITION PROGRAM**

The Nevada Higher Education Prepaid Tuition Program is a qualified federal Internal Revenue Code Section 529 plan that provides a method for Nevada's families to prepay undergraduate tuition at a Nevada System of Higher Education (NSHE) institution or any other accredited public, private, or out-of-state institution that is eligible to participate in federal student financial aid programs. The Prepaid Tuition Program locks in the cost of future educational expenses at current prices.

The base budget of the State Treasurer's Office Endowment Account includes Contract Services Charges of \$3.6 million over the 2015-17 biennium to improve the financial viability of the Prepaid Tuition Trust Fund. The 2011 Legislature approved the recommendation of the Board of Trustees of the College Savings Plans of Nevada (Board) to transfer \$1.3 million in each year of the 2011-13 biennium from the Endowment Account to the Prepaid Tuition Trust Fund for this same purpose. According to the State Treasurer's Office annual report, the statutorily required (NRS 353B.190) annual actuarial study of the Nevada Higher Education Prepaid Tuition Trust Fund, as of June 30, 2014, the Trust Fund held assets of \$194.0 million and a funded status of 112.0 percent. The transfer of \$1.8 million in each year of the 2015-17 biennium, which is consistent with the level of funding transferred in the 2013-15 biennium, will assist with establishing the Board's goal of 120.0 percent funded status within ten years (2020) due to higher tuition costs.

## **MILLENNIUM SCHOLARSHIP ADMINISTRATION**

The Millennium Scholarship program was recommended by Governor Guinn and approved by the 1999 Legislature to increase the number of Nevada students who attend and graduate from Nevada institutions of higher education. In general, to be eligible for a Governor Guinn Millennium Scholarship (GGMS), a student must graduate with a diploma from a Nevada high school with at least a 3.25 grade point average, pass all areas of the Nevada High School Proficiency Examination, and have been a resident of Nevada for at least two years of high school. Alternative eligibility paths have been established for students with a documented physical disability, mental disability or whose K-12 education was subject to an individualized education plan, and for those students who meet high school graduation eligibility without having graduated from a Nevada public or private high school. The GGMS provides \$40 per enrolled lower division credit hour and \$60 per enrolled upper division credit hour at a NSHE community college; \$60 per enrolled credit hour at a NSHE state college; and \$80 per enrolled credit hour at all other eligible institutions, excluding remedial courses. Excluding certain exceptions, students have six years to apply for and utilize the GGMS with a lifetime maximum award of \$10,000 per student. Once enrolled, students must maintain at least a 2.60 grade point average (GPA) each semester during the first year of enrollment in the GGMS Program and at least a 2.75 GPA during each subsequent semester. Academic eligibility can be lost and restored once.

Through Assembly Bill 150, the 2015 Legislature extended eligibility of the GGMS to students who do not meet the minimum grade point average requirement based on his or her year of graduation, but who receive a certain score on a college entrance examination offered in this state. Assembly Bill 150 requires the Board of Regents of the University of Nevada to establish such score requirements.

The 2015 Legislature approved Senate Bill 128, which increases the number of credit hours in which a NSHE community college student must be enrolled to be eligible for a GGMS from 6 credit hours to 9 credit hours, beginning July 1, 2015. Additionally, for all students regardless of whether they are enrolled at a NSHE community college, state college, university or an eligible accredited private 4-year institution in Nevada (currently Sierra Nevada College and Roseman University), Senate Bill 128 also increases the amount of money that a student may receive from a GGMS from not more than the cost of 12 semester credit hours per semester to not more than the cost of 15 semester credits per semester.

According to information provided by the State Treasurer's Office, the Millennium Scholarship Trust Fund is projected to become insolvent in FY 2018 since Senate Bill 128 is anticipated to shorten the long-term viability of the program by approximately two years. The State Treasurer's Office is unable to determine how Assembly Bill 150 may affect the total number of eligible students and the impact on the solvency of the Millennium Scholarship Trust Fund. Trust Fund revenues and scholarship payments are not reflected in The Executive Budget.

## **STATE CONTROLLER**

The State Controller's Office (Office) maintains the state's accounting system, pays claims against the state, administers the state's debt collection program, and publishes the annual financial statements. The 2015 Legislature approved General Funds totaling \$11.2 million over the 2015-17 biennium, which represents a 27.7 percent increase from the \$8.8 million approved for the 2013-15 biennium.

The Legislature concurred with the Governor's recommendation to provide General Fund appropriations totaling \$1.4 million over the 2015-17 biennium for the replacement of the Office's current Oracle Discoverer system (Discoverer). Discoverer, a query, reporting, and web publishing toolset that provides direct and web access to data stored in the state's accounting system (Advantage), will be replaced with a Business Intelligence system, which will also include a state-of-the-art technology component to the legacy functions of Discoverer that will provide in-depth data analytics to help the Office and state agencies make better informed management decisions.

The Legislature approved the Governor's recommendation for General Fund appropriations of \$150,124 in FY 2016 and \$19,257 in FY 2017 for the purchase of equipment and associated maintenance costs to add videoconferencing capabilities to the existing State Computer Training Facility (Facility), and to leave the Facility under the management of the State Controller's Office rather than move it under another state agency. The Legislature also concurred with the Governor's amendment to provide General Fund appropriations of \$52,000 in each year of the 2015-17 biennium to

provide contract auditing services related to the recently implemented Government Accounting Standards Board (GASB) Statement 68, which deals with pension plans.

The Legislature approved the Governor's base budget recommendation for state share of debt collections retained in the Debt Recovery Account to be \$1.7 million in FY 2016 and \$3.0 million in FY 2017 based on total statewide debt collections of \$7.2 million in FY 2016 and \$13.2 million in FY 2017. In order to fund the costs associated with the new debt collection system that was approved at the August 27, 2014, meeting of the IFC, the Legislature further approved the Governor's recommendation to transfer \$955,745 in FY 2016 and \$959,637 in FY 2017 to the State Controller's Office budget to pay the contract costs associated with the new debt collection system.

### **COMMISSION ON ETHICS**

The Commission on Ethics is responsible for receiving and investigating inquiries and complaints involving the ethical conduct of public officials and employees, providing ethical guidance through published opinions. Since the 2003 Legislative Session, local governments have participated in the funding of the Commission on Ethics based on the usage of the agency (number of Requests for Opinions submitted) and the population of the local government (counties with a population of 10,000 or more and cities with a population of 15,000 or more are assessed).

The Legislature concurred with the Governor's recommended funding split for the 2015-17 biennium of 21.0 percent state support and 79.0 percent local government support based on the actual workload of the agency in Fiscal Years 2013 and 2014. The funding split for the 2013-15 biennium was 31.0 percent state support and 69.0 percent local government support.

The 2015 Legislature did not approve the Commission on Ethics' request to increase the salaries of the Executive Director and a Commission Counsel position; adjust the titles and salaries of the Executive Assistant and Senior Legal Researcher positions; or modify the title of a Commission Counsel position to an Associate Counsel. The requested changes were not included in the Governor's recommendations.

### **LEGISLATIVE BRANCH**

#### **LEGISLATIVE COUNSEL BUREAU**

The Legislative Counsel Bureau is the administrative support agency for the Nevada Legislature. The bureau includes the Administration Division, Legal Division, Research Division, Audit Division, and Fiscal Analysis Division.

The 2015 Legislature approved General Fund appropriations of \$31.9 million in FY 2016 and \$31.5 million in FY 2017 to support the operations of the Legislative Counsel Bureau. This represents an increase in General Fund support of 5.8 percent from the amounts approved to support Legislative operations during the 2013-15 biennium. The 2015 Legislature also approved Assembly Bill 443, which appropriated \$2,004,232 to

the Legislative Counsel Bureau for dues and registration costs for national organizations and one-time building maintenance and information technology purchases.

## **JUDICIAL BRANCH**

Pursuant to NRS 353.246, the budgets of the Judicial Branch are included in The Executive Budget, but are not subject to review by the Governor. The budgets of the Judicial Branch include funding for the Supreme Court, the Court of Appeals, the Administrative Office of the Courts, the Judicial Programs and Services Division, the Uniform System of Judicial Records, and the Foreclosure Mediation Program. The budgets also include funding for the salaries, travel expenses, and pension costs of district court judges; the continuing education requirements of judges, justices of the peace, municipal court judges, and Supreme Court personnel; and the salaries and travel expenses of retired judges and justices who are recalled to active service by the Chief Justice to expedite judicial business. Also included in the judiciary budgets is funding for Specialty Courts throughout the state, the Supreme Court Law Library, the Commission on Judicial Selection, and the Commission on Judicial Discipline. For the 2015-17 biennium, General Fund appropriations for the Judicial Branch, including the Commission on Judicial Discipline, total \$76.6 million, which represents a 19.8 percent increase from the \$63.9 million approved for the 2013-15 biennium.

## **ADMINISTRATIVE COURT ASSESSMENT**

Pursuant to NRS 176.059, at least 51.0 percent of the administrative court assessment revenues received by the State Controller must be distributed to the Administrative Office of the Courts for allocation among the various Judicial Branch budgets based on percentages defined in statute. Not more than 49.0 percent of administrative court assessment revenues must be allocated to various Executive Branch budgets to the extent of the legislative authority. For the 2015-17 biennium, the Legislature approved 56.5 percent of the administrative court assessment revenues received by the State Controller be distributed to the Judicial Branch budgets. The Legislature also approved the Judicial Branch's revised statewide administrative court assessment revenue projections of \$44.2 million over the 2015-17 biennium. Of that amount, the 2015 Legislature approved \$25.0 million over the 2015-17 biennium for the Judicial Branch budgets, which represents 4.0 percent less than the legislatively approved amount of \$26.0 million over the 2013-15 biennium.

## **JUDICIAL BRANCH POSITION CLASSIFICATION CHANGES**

The Legislature did not approve the reclassification of all unclassified positions within the Judicial Branch, excluding the Judicial Discipline Commission budget, to non-classified positions. Removal from legislative oversight was the primary reason the 2015 Legislature did not approve the reclassifications recommended by the Judicial Branch.



## **COURT OF APPEALS**

Approved by the 2013 Legislature (Senate Joint Resolution [SJR] 14), and ratified by the voters in the 2014 General Election, the Nevada Court of Appeals (NCoA) was created in January 2015. Cases received by the Supreme Court are screened and assigned to the NCoA on a case-by-case basis. By Supreme Court Rule, the NCoA evaluates appeals from petitions for judicial review of administrative agency decision; appeals from petitions for post-conviction relief, except in cases involving a death sentence; and fast track criminal appeals. Additionally, the NCoA evaluates original proceedings challenging a ruling in a criminal case, except in cases that involve the death penalty. Three judges were initially appointed to the NCoA by the Governor. After the initial two-year appointment, the judges of the NCoA are subject to a general election for a term of six years. Staff and operating expenditures are funded by the NCoA budget, while the three NCoA judges are paid from the State Judicial Elected Officials budget. The Legislature approved General Fund appropriations of \$4.4 million over the 2015-17 biennium to support the Court of Appeals.

## **SPECIALTY COURT**

Nevada's Specialty Court programs facilitate testing, treatment, and oversight of certain persons over whom the court has jurisdiction, and has determined suffer from a mental illness, alcohol or drug abuse, or other addictions or behaviors. The Specialty Court budget is supported by three funding sources: a \$7.00 administrative assessment fee for misdemeanor convictions in a justice or municipal court (NRS 176.0613); the allocation of 12.0 percent of the Judicial Branch's share of administrative court assessment revenue collected pursuant to NRS 176.059; and 10.0 percent of the revenue collected from bail bond forfeitures (NRS 178.518). During the 2013-15 biennium, this budget also received fees for misdemeanor and felony convictions of driving under the influence (DUI) (NRS 484C.515). Section 109 of Senate Bill 483 (2015) continues the DUI fees through the 2015-17 biennium. The 2015 Legislature also approved General Fund appropriations of \$5.0 million over the 2015-17 biennium to serve an additional 800 to 900 participants in specialty court programs, and meet existing requests from specialty courts. Additionally, the Legislature approved General Fund appropriations of \$1.1 million in FY 2017 to stabilize the Specialty Court budget, and directed the Judicial Branch to expend the General Fund appropriation in FY 2017.

## **FORECLOSURE MEDIATION PROGRAM**

The FMP budget was established by the 2009 Legislature through Assembly Bill 149, which provides homeowners in default the right to request mediation under which the homeowner may receive a loan modification. The FMP collects two different fees for the program: Notice of Default (NOD) fees and Mediation Service fees. Pursuant to NRS 107.080, the FMP retains approximately \$44.00 of the \$45.00 NOD fees collected, which are utilized for the FMP operating expenses. Mediation fees are used as a pass-through revenue source to pay for mediation services. The Judicial Branch projected NOD fee collections of \$599,496 over the 2015-17 biennium, a 57.3 percent decrease when compared to the \$1.4 million legislatively approved for the 2013-15 biennium. Due to declining revenues for the FMP, funding and reserves to

continue the program were projected by the Judicial Branch to be depleted by March 2016. To continue the FMP, the 2015 Legislature approved a transfer of National Mortgage Settlement Funds of \$625,697 to the Foreclosure Mediation Program budget. Senate Bill 512 (2015) abolishes the Foreclosure Mediation Program, effective June 30, 2017.

#### **COMMISSION ON JUDICIAL DISCIPLINE**

The Legislature approved General Fund appropriations of \$11,405 and reductions of \$259,796 to contract services over the 2015-17 biennium to support a new non-classified Associate General Counsel (AGC) position and related costs. The new AGC will focus on the less complex cases, provide assistance with general litigation matters, and provide a more timely response to inquiries from judges and aspirants to judicial office. To increase a part-time, non-classified Management Analyst position to full-time, the Legislature approved General Fund appropriations of \$79,004 over the 2015-17 biennium, which will assist in the elimination of a backlog and the archiving of cases. The Legislature also approved General Fund appropriations of \$31,955 to support a salary increase for the non-classified Paralegal/Management Analyst position due to an increase in duties.

**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
2015-17 Legislature**

	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>ELECTED OFFICIALS</b>					
<b>ELECTED OFFICIALS</b>					
<b>OFFICE OF THE GOVERNOR</b>	2,259,083	2,365,809	2,318,136	2,377,115	2,341,149
GENERAL FUND	2,259,083	2,365,809	2,318,136	2,377,115	2,341,149
REVERSIONS					
<b>GOVERNOR'S MANSION MAINTENANCE</b>	385,591	337,812	326,151	382,403	372,594
GENERAL FUND	385,591	337,812	326,151	382,403	372,594
REVERSIONS					
<b>GOVERNOR'S WASHINGTON OFFICE</b>	259,433	259,433	259,433	259,433	259,433
INTERAGENCY TRANSFER	259,433	259,433	259,433	259,433	259,433
<b>GOVERNOR'S OFFICE HIGH LEVEL NUCLEAR WASTE</b>	1,838,728	1,912,537	1,898,792	1,951,182	1,927,288
GENERAL FUND	686,572	1,371,133	1,357,388	1,409,778	1,385,884
INTERAGENCY TRANSFER	400,000	400,000	400,000	400,000	400,000
INTERIM FINANCE	610,752				
OTHER FUND	141,404	141,404	141,404	141,404	141,404
REVERSIONS					
<b>GOVERNOR'S OFFICE OF ENERGY</b>	1,670,762	1,612,813	1,606,221	1,694,404	1,694,091
GENERAL FUND	100	100	100	100	100
BALANCE FORWARD					
FEDERAL FUND	582,866	354,154	354,154	306,154	306,154
INTERAGENCY TRANSFER	1,087,796	1,192,559	1,185,967	1,322,150	1,321,837
OTHER FUND		66,000	66,000	66,000	66,000
REVERSIONS					
<b>RENEWABLE ENERGY FUND</b>	10,031,253	10,473,910	10,473,910	11,194,548	11,194,548
BALANCE FORWARD	5,337,161	5,531,196	5,531,196	6,234,056	6,234,056
OTHER FUND	4,694,092	4,942,714	4,942,714	4,960,492	4,960,492
<b>OFFICE OF SCIENCE, INNOVATION AND TECHNOLOGY</b>		2,000,000	1,998,935	3,000,000	3,000,558
GENERAL FUND		2,000,000	1,998,935	3,000,000	3,000,558
<b>RENEWABLE ENERGY, EFFICIENCY AND CONSERVATION LOAN</b>	2,620,596	1,583,126	1,583,126	682,451	682,451
BALANCE FORWARD	1,343,592	1,347,835	1,347,835	446,842	446,842
FEDERAL FUND					
INTERAGENCY TRANSFER					
OTHER FUND	1,277,004	235,291	235,291	235,609	235,609
<b>LIEUTENANT GOVERNOR</b>	515,302	552,817	551,864	587,758	589,558
GENERAL FUND	515,302	552,817	551,864	587,758	589,558
REVERSIONS					
<b>AG - EXTRADITION COORDINATOR</b>	730,977	679,105	678,660	674,389	674,972
GENERAL FUND	628,310	588,155	587,710	583,439	584,022
OTHER FUND	102,667	90,950	90,950	90,950	90,950
REVERSIONS					

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<b>AG - ADMINISTRATIVE FUND</b>	27,019,846	30,299,271	29,935,287	29,225,369	29,040,085
GENERAL FUND	14,612,188	14,343,817	13,548,787	13,157,600	12,472,065
BALANCE FORWARD	783,916				
FEDERAL FUND					
INTERAGENCY TRANSFER	10,387,776	14,583,755	15,026,829	14,715,449	15,227,239
OTHER FUND	1,235,966	1,371,699	1,359,671	1,352,320	1,340,781
REVERSIONS					
<b>AG - SPECIAL FUND</b>	2,532,693	2,696,093	2,695,728	2,709,193	2,709,326
GENERAL FUND	271,242	2,500,000	2,500,000	2,500,000	2,500,000
BALANCE FORWARD	1,260,867				
INTERAGENCY TRANSFER	230,010	196,093	195,728	209,193	209,326
INTERIM FINANCE	765,400				
OTHER FUND	5,174				
REVERSIONS					
<b>AG - WORKERS' COMP FRAUD</b>	3,930,922	3,921,407	3,957,076	3,788,542	3,859,950
BALANCE FORWARD	107,745	25,280	25,280	19,292	
FEDERAL FUND	71,003				
INTERAGENCY TRANSFER	964,370	918,658	965,672	874,608	965,278
OTHER FUND	2,787,804	2,977,469	2,966,124	2,894,642	2,894,672
REVERSIONS					
<b>AG - CRIME PREVENTION</b>	281,725	369,488	370,356	401,069	386,527
GENERAL FUND	233,943	331,337	332,205	364,570	350,028
BALANCE FORWARD	1,460				
INTERAGENCY TRANSFER					
OTHER FUND	46,322	38,151	38,151	36,499	36,499
REVERSIONS					
<b>AG - MEDICAID FRAUD</b>	3,491,067	3,773,923	3,773,923	3,795,838	3,800,856
GENERAL FUND	100	100	100	100	100
BALANCE FORWARD	1,703,706	1,376,230	1,376,230	1,390,009	1,395,027
FEDERAL FUND	1,288,840	1,846,420	1,846,420	1,846,420	1,846,420
OTHER FUND	498,421	551,173	551,173	559,309	559,309
REVERSIONS					
<b>AG - CONSUMER ADVOCATE</b>	6,265,886	6,426,038	6,417,748	5,895,521	5,891,268
GENERAL FUND	625,303	665,551	657,261	663,896	666,375
BALANCE FORWARD	1,899,500	2,853,956	2,853,956	2,325,094	2,318,362
OTHER FUND	3,741,083	2,906,531	2,906,531	2,906,531	2,906,531
REVERSIONS					
<b>AG - VIOLENCE AGAINST WOMEN GRANTS</b>	2,668,749	2,133,637	2,182,248	2,142,394	2,192,983
FEDERAL FUND	2,521,213	2,133,637	2,182,248	2,142,394	2,192,983
INTERAGENCY TRANSFER	128,781				
OTHER FUND	18,755				

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<b>AG - COUNCIL FOR PROSECUTING ATTORNEYS</b>	390,197	397,185	397,185	397,740	400,873
GENERAL FUND	100	100	100	100	100
BALANCE FORWARD	178,234	203,148	203,148	203,703	206,836
INTERAGENCY TRANSFER	7,943				
OTHER FUND	203,920	193,937	193,937	193,937	193,937
REVERSIONS					
<b>AG - VICTIMS OF DOMESTIC VIOLENCE</b>	573,134	396,304	447,865	448,027	409,493
GENERAL FUND		97,272		97,358	
BALANCE FORWARD	99,961	24,078	110,411	75,715	72,039
FEDERAL FUND					
INTERAGENCY TRANSFER	303,323	142,500	205,000	142,500	205,000
OTHER FUND	169,850	132,454	132,454	132,454	132,454
<b>AG - ATTORNEY GENERAL TORT CLAIM FUND</b>	7,791,487	8,488,072	8,431,005	8,486,231	8,418,992
BALANCE FORWARD	3,202,354	3,681,759	3,681,759	3,666,706	3,667,211
INTERAGENCY TRANSFER	4,584,133	4,801,313	4,744,246	4,814,525	4,746,781
OTHER FUND	5,000	5,000	5,000	5,000	5,000
<b>AG - NATIONAL SETTLEMENT ADMINISTRATION</b>	30,458,672	17,585,342	17,585,342	10,590,428	10,839,356
BALANCE FORWARD	30,448,672	17,510,342	17,510,342	10,515,428	10,764,356
OTHER FUND	10,000	75,000	75,000	75,000	75,000
<b>CONTROLLER - CONTROLLER'S OFFICE</b>	4,960,942	7,319,199	7,344,186	5,749,544	5,802,909
GENERAL FUND	4,369,629	6,363,454	6,388,441	4,789,907	4,843,272
BALANCE FORWARD	60,408				
INTERAGENCY TRANSFER	530,905	955,745	955,745	959,637	959,637
REVERSIONS					
<b>CONTROLLER - DEBT RECOVERY ACCOUNT</b>	1,017,734	1,980,018	1,980,018	4,078,546	4,078,546
BALANCE FORWARD	312,879	304,747	304,747	1,023,275	1,023,275
OTHER FUND	704,855	1,675,271	1,675,271	3,055,271	3,055,271
<b>SOS - SECRETARY OF STATE</b>	15,444,734	21,107,463	20,637,008	24,488,399	24,052,137
GENERAL FUND	13,945,557	19,798,715	19,286,995	23,030,448	22,539,928
BALANCE FORWARD	843,744	833,144	833,144	984,470	992,916
FEDERAL FUND	213,376	61,419	57,734	61,333	57,735
INTERAGENCY TRANSFER					
OTHER FUND	442,057	414,185	459,135	412,148	461,558
REVERSIONS					
<b>SOS - HAVA ELECTION REFORM</b>	2,787,043	1,752,301	1,752,301	990,357	990,875
GENERAL FUND	100	100	100	100	100
BALANCE FORWARD	2,396,440	1,650,165	1,650,165	988,221	988,739
FEDERAL FUND	378,927	100,000	100,000		
OTHER FUND	11,576	2,036	2,036	2,036	2,036

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<b>TREASURER - STATE TREASURER</b>	2,559,338	2,845,469	2,752,927	2,818,449	2,729,480
GENERAL FUND	721,515	476,564	544,167	419,998	519,881
BALANCE FORWARD	18,590				
INTERAGENCY TRANSFER	799,292	1,013,021	891,976	1,025,663	901,049
INTERIM FINANCE	27,140				
OTHER FUND	992,801	1,355,884	1,316,784	1,372,788	1,308,550
<b>TREASURER - HIGHER EDUCATION TUITION ADMIN</b>	594,921	650,809	631,893	674,703	657,001
OTHER FUND	594,921	650,809	631,893	674,703	657,001
<b>TREASURER - BOND INTEREST &amp; REDEMPTION</b>	285,044,336	278,732,765	278,726,599	294,062,109	294,070,724
BALANCE FORWARD	119,793,045	111,780,434	111,780,434	109,620,474	109,635,925
INTERAGENCY TRANSFER	18,118,504	19,687,771	19,687,771	27,681,891	27,681,891
OTHER FUND	147,132,787	147,264,560	147,258,394	156,759,744	156,752,908
<b>TREASURER - MUNICIPAL BOND BANK REVENUE</b>	16,504,030	27,605,142	27,605,489	26,416,367	26,416,978
BALANCE FORWARD	2,212				
OTHER FUND	16,501,818	27,605,142	27,605,489	26,416,367	26,416,978
<b>TREASURER - MUNICIPAL BOND BANK DEBT SERVICE</b>	16,678,566	27,779,161	27,778,900	26,590,011	26,589,800
INTERAGENCY TRANSFER	16,501,818	27,602,861	27,602,600	26,414,036	26,413,825
OTHER FUND	176,748	176,300	176,300	175,975	175,975
<b>TREASURER - MILLENNIUM SCHOLARSHIP ADMINISTRATION</b>	415,341	387,277	357,918	378,944	361,243
OTHER FUND	415,341	387,277	357,918	378,944	361,243
<b>TREASURER - NEVADA COLLEGE SAVINGS TRUST</b>	4,083,251	3,641,611	3,617,040	1,643,650	1,619,982
OTHER FUND	4,083,251	3,641,611	3,617,040	1,643,650	1,619,982
<b>TREASURER - ENDOWMENT ACCOUNT</b>	11,550,770	10,082,257	10,082,257	10,762,142	10,834,989
BALANCE FORWARD	6,764,235	3,824,134	3,824,134	3,969,546	4,042,393
OTHER FUND	4,786,535	6,258,123	6,258,123	6,792,596	6,792,596
<b>TREASURER - UNCLAIMED PROPERTY</b>	1,869,321	2,073,235	2,022,986	2,078,415	2,058,152
OTHER FUND	1,869,321	2,073,235	2,022,986	2,078,415	2,058,152
<b>COMMISSION ON ETHICS</b>	813,823	841,725	839,480	826,512	827,146
GENERAL FUND	234,376	163,865	174,489	162,472	173,701
BALANCE FORWARD	67,219	52,840	52,840	52,840	52,840
OTHER FUND	512,228	625,020	612,151	611,200	600,605
REVERSIONS					
<b>GOVERNOR'S FINANCE OFFICE</b>	4,667,926	3,707,772	3,546,921	4,151,623	4,006,387
GENERAL FUND	4,370,153	3,707,772	3,546,921	4,151,623	4,006,387
BALANCE FORWARD					
INTERAGENCY TRANSFER	297,773				
INTERIM FINANCE					
REVERSIONS					

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<b>GOVERNOR'S FINANCE OFF - DIV OF INTERNAL AUDITS</b>	1,259,557	1,472,540	1,464,382	1,529,008	1,534,307
GENERAL FUND	1,259,557	1,472,540	1,464,382	1,529,008	1,534,307
REVERSIONS					
<b>W.I.C.H.E. ADMINISTRATION</b>	338,108	350,617	350,165	353,708	354,026
GENERAL FUND	338,108	350,617	350,165	353,708	354,026
REVERSIONS					
<b>W.I.C.H.E. LOAN &amp; STIPEND</b>	1,084,910	1,104,454	1,104,454	1,140,750	1,140,750
GENERAL FUND	757,357	765,994	765,994	773,572	773,572
BALANCE FORWARD	33,588				
OTHER FUND	293,965	338,460	338,460	367,178	367,178
REVERSIONS					
<b>TOTAL ELECTED OFFICIALS</b>	477,390,754	491,697,937	490,483,915	499,417,272	498,811,783
GENERAL FUND	46,214,186	58,253,624	56,700,391	60,335,053	59,007,707
BALANCE FORWARD	176,659,528	150,999,288	151,085,621	141,515,671	141,840,817
FEDERAL FUND	5,056,225	4,495,630	4,540,556	4,356,301	4,403,292
INTERAGENCY TRANSFER	54,601,857	71,753,709	72,120,967	78,819,085	79,291,296
INTERIM FINANCE	1,403,292				
OTHER FUND	193,455,666	206,195,686	206,036,380	214,391,162	214,268,671
REVERSIONS					
<b>LEGISLATIVE BRANCH</b>					
<b>LEG - LEGISLATIVE COUNSEL BUREAU</b>	38,889,833	31,654,466	32,009,403	30,875,958	31,473,714
GENERAL FUND	29,612,856	30,713,342	31,068,279	30,257,325	30,855,081
BALANCE FORWARD	7,914,704				
HIGHWAY FUND	5,000	5,000	5,000	5,000	5,000
INTERAGENCY TRANSFER	222,740	311,278	311,278	258,401	258,401
OTHER FUND	1,134,533	624,846	624,846	355,232	355,232
REVERSIONS					
<b>LEG - NEVADA LEGISLATURE INTERIM</b>	633,802	643,494	794,745	641,368	682,860
GENERAL FUND	633,802	643,494	794,745	641,368	682,860
REVERSIONS					
<b>LEG - INTERIM FINANCE COMMITTEE</b>			18,985,015		46,204,053
GENERAL FUND			7,746,225		32,116,553
HIGHWAY FUND			11,238,790		14,087,500
<b>LEG - PRINTING OFFICE</b>	3,700,682	3,048,612	3,043,198	3,157,579	3,227,470
BALANCE FORWARD	693,184	693,184	693,184	188,628	187,693
INTERAGENCY TRANSFER	2,977,798	2,329,328	2,323,914	2,962,151	3,032,977
OTHER FUND	29,700	26,100	26,100	6,800	6,800
<b>TOTAL LEGISLATIVE BRANCH</b>	43,224,317	35,346,572	54,832,361	34,674,905	81,588,097
GENERAL FUND	30,246,658	31,356,836	39,609,249	30,898,693	63,654,494
BALANCE FORWARD	8,607,888	693,184	693,184	188,628	187,693
HIGHWAY FUND	5,000	5,000	11,243,790	5,000	14,092,500
INTERAGENCY TRANSFER	3,200,538	2,640,606	2,635,192	3,220,552	3,291,378
OTHER FUND	1,164,233	650,946	650,946	362,032	362,032
REVERSIONS					

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<b>JUDICIAL BRANCH</b>					
<b>SUPREME COURT</b>	11,589,598	10,926,001	10,865,122	10,884,787	10,960,866
GENERAL FUND	5,388,021	4,563,834	4,834,495	4,459,627	4,870,562
BALANCE FORWARD	8,875				
INTERAGENCY TRANSFER	28,860				
INTERIM FINANCE	444,250				
OTHER FUND	5,719,592	6,362,167	6,030,627	6,425,160	6,090,304
REVERSIONS					
<b>COURT OF APPEALS</b>	997,088	2,122,645	2,205,302	2,117,723	2,207,643
GENERAL FUND		2,122,645	2,205,302	2,117,723	2,207,643
INTERAGENCY TRANSFER	997,088				
<b>STATE JUDICIAL ELECTED OFFICIALS</b>	21,709,600	21,730,016	21,740,081	21,968,076	22,039,369
GENERAL FUND	21,378,512	21,730,016	21,740,081	21,968,076	22,039,369
BALANCE FORWARD					
INTERIM FINANCE	331,088				
<b>JUDICIAL SELECTION</b>	30,432	15,349	15,349	15,349	15,349
GENERAL FUND	23,270	15,349	15,349	15,349	15,349
INTERIM FINANCE	7,162				
REVERSIONS					
<b>SENIOR JUSTICE &amp; SENIOR JUDGE PROGRAM</b>	1,491,981	1,492,650	1,492,603	1,492,641	1,492,610
GENERAL FUND	966,600	967,329	991,457	962,727	987,112
BALANCE FORWARD					
INTERIM FINANCE					
OTHER FUND	525,381	525,321	501,146	529,914	505,498
REVERSIONS					
<b>LAW LIBRARY</b>	1,659,970	1,747,475	1,745,747	1,860,051	1,860,567
GENERAL FUND	1,634,197	1,744,778	1,743,050	1,857,354	1,857,870
INTERAGENCY TRANSFER	22,425	750	750	750	750
OTHER FUND	3,348	1,947	1,947	1,947	1,947
REVERSIONS					
<b>ADMINISTRATIVE OFFICE OF THE COURTS</b>	5,183,815	5,261,375	5,062,476	4,816,730	4,445,691
BALANCE FORWARD	2,120,946	1,762,593	1,762,593	1,329,089	1,155,703
OTHER FUND	3,062,869	3,498,782	3,299,883	3,487,641	3,289,988
<b>JUDICIAL PROGRAMS AND SERVICES DIVISION</b>	1,158,768	1,130,341	1,127,410	1,153,134	1,153,920
GENERAL FUND	697,022	712,288	709,357	735,081	735,867
FEDERAL FUND	434,321	391,391	391,391	391,391	391,391
OTHER FUND	27,425	26,662	26,662	26,662	26,662
REVERSIONS					
<b>UNIFORM SYSTEM OF JUDICIAL RECORDS</b>	3,624,528	2,621,639	2,547,182	1,988,692	1,826,933
BALANCE FORWARD	2,679,820	1,660,657	1,660,657	966,865	896,467
OTHER FUND	944,708	960,982	886,525	1,021,827	930,466



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<b>JUDICIAL EDUCATION</b>	1,729,624	1,397,582	1,397,582	1,171,237	1,172,510
BALANCE FORWARD	947,730	623,178	623,178	404,333	405,606
OTHER FUND	781,894	774,404	774,404	766,904	766,904
<b>SPECIALTY COURT</b>	7,412,184	9,516,656	9,433,771	10,239,573	9,772,974
GENERAL FUND		3,000,000	2,521,692	4,431,160	3,652,852
BALANCE FORWARD	2,357,345	1,650,427	1,650,427	894,534	811,649
FEDERAL FUND	15,833				
OTHER FUND	5,039,006	4,866,229	5,261,652	4,913,879	5,308,473
<b>FORECLOSURE MEDIATION PROGRAM</b>	1,963,123	2,733,144	2,095,874	1,526,770	1,491,786
GENERAL FUND					
BALANCE FORWARD	1,018,117	571,266	716,900	868,851	833,867
OTHER FUND	945,006	2,161,878	1,378,974	657,919	657,919
<b>JUDICIAL SUPPORT, GOVERNANCE AND SPECIAL EVENTS</b>	1,021,039	465,714	465,714	627,694	627,694
BALANCE FORWARD	674,539	123,714	123,714	285,694	285,694
OTHER FUND	346,500	342,000	342,000	342,000	342,000
<b>JUDICIAL RETIREMENT SYSTEM STATE SHARE</b>	2,061,891	1,815,862	1,815,862	1,971,801	1,971,801
GENERAL FUND	2,037,650	1,815,862	1,815,862	1,971,801	1,971,801
INTERIM FINANCE	24,241				
<b>JUDICIAL DISCIPLINE</b>	643,129	837,860	872,166	792,436	824,737
GENERAL FUND	643,129	837,860	872,166	792,436	824,737
BALANCE FORWARD					
INTERIM FINANCE					
<b>TOTAL JUDICIAL BRANCH</b>	62,276,770	63,814,309	62,882,241	62,626,694	61,864,450
GENERAL FUND	32,768,401	37,509,961	37,448,811	39,311,334	39,163,162
BALANCE FORWARD	9,807,372	6,391,835	6,537,469	4,749,366	4,388,986
FEDERAL FUND	450,154	391,391	391,391	391,391	391,391
INTERAGENCY TRANSFER	1,048,373	750	750	750	750
INTERIM FINANCE	806,741				
OTHER FUND	17,395,729	19,520,372	18,503,820	18,173,853	17,920,161
REVERSIONS					
<b>ELECTED OFFICIALS</b>					
GENERAL FUND	109,229,245	127,120,421	133,758,451	130,545,080	161,825,363
BALANCE FORWARD	195,074,788	158,084,307	158,316,274	146,453,665	146,417,496
FEDERAL FUND	5,506,379	4,887,021	4,931,947	4,747,692	4,794,683
HIGHWAY FUND	5,000	5,000	11,243,790	5,000	14,092,500
INTERAGENCY TRANSFER	58,850,768	74,395,065	74,756,909	82,040,387	82,583,424
INTERIM FINANCE	2,210,033				
OTHER FUND	212,015,628	226,367,004	225,191,146	232,927,047	232,550,864
REVERSIONS					
<b>TOTAL FOR ELECTED OFFICIALS</b>	582,891,841	590,858,818	608,198,517	596,718,871	642,264,330
Less: INTER-AGENCY TRANSFER	58,850,768	74,395,065	74,756,909	82,040,387	82,583,424
<b>NET ELECTED OFFICIALS</b>	524,041,073	516,463,753	533,441,608	514,678,484	559,680,906

# FINANCE AND ADMINISTRATION





## **FINANCE AND ADMINISTRATION**

The Finance and Administration function includes those Executive Branch agencies that generally coordinate and provide services to other agencies and programs in state government. It includes the Department of Administration and the Department of Taxation. The 2015 Legislature approved total General Fund appropriations of \$124.9 million with \$56.3 million in FY 2016 and \$68.6 million in FY 2017 for the Finance and Administration function. However, if the \$36.6 million in General Funds allocated to the Board of Examiners for state employee salary increases for the 2015-17 biennium is excluded, total General Fund appropriations total \$88.3 million. This represents a 15.8 percent increase over the \$76.3 million in General Fund appropriations approved for the 2013-15 biennium, exclusive of salary adjustment funds in both biennia. In contrast, the legislatively approved General Fund appropriations were \$39.3 million in FY 2014 and \$36.9 million in FY 2015. The 2015 Legislature approved total funding (net of interagency transfers) of \$98.3 million for FY 2016 and \$94.3 million for FY 2017 for the Finance and Administration function. In comparison, total funding (net of interagency transfers) approved by the 2013 Legislature was \$88.4 million for FY 2014 and \$86.0 million for FY 2015.

### **SALARY ADJUSTMENTS**

From FY 2010 through FY 2015, state employees were required to take unpaid furlough leave, varying from 12 days each year to 6 days each year, thereby reducing the salaries of state employees. The 2015 Legislature approved the Governor's recommendation to eliminate unpaid furlough leave requirements for the 2015-17 biennium. From FY 2010 through FY 2014, the Legislature approved the suspension of merit salary increases for state employees, including employees of the Nevada System of Higher Education (NSHE). The 2013 Legislature approved the resumption of merit salary increases for state employees and employees of NSHE in FY 2015, and the 2015 Legislature approved the Governor's recommendation to continue merit salary increases in each year of the 2015-17 biennium for state employees and classified employees of NSHE. Although requested by the Board of Regents, the Governor did not recommend, and the Legislature did not approve, General Fund appropriations to support merit salary increases for NSHE professional employees for the 2015-17 biennium.

From FY 2010 through FY 2015, the Legislature approved the temporary suspension of longevity payments for eligible state employees who had a minimum of eight years of continuous service with the state. The 2015 Legislature approved the Governor's recommendation to permanently eliminate these longevity payments for state and eligible NSHE employees.

Finally, the 2015 Legislature passed, and the Governor approved, Assembly Bill 489, which provided across-the-board salary increases for all employee groups of 1.0 percent effective July 1, 2015, and 2.0 percent effective July 1, 2016. Overall, Assembly Bill 489 approved General Fund appropriations of \$9.2 million in FY 2016 and \$28.2 million in FY 2017 and Highway Fund appropriations of \$891,725 in FY 2016 and \$2.7 million in FY 2017 to finance salary increases for all state employees, including NSHE professional and classified positions.

## **DEPARTMENT OF ADMINISTRATION**

### **DIRECTOR'S OFFICE**

Through passage of Assembly Bill 469, the 2015 Legislature approved the Governor's recommendation to transfer the Budget Division and the Division of Internal Audits from the Department of Administration to the new Governor's Office of Finance and created a Director's Office within the Department of Administration. The Director's Office is responsible for providing oversight and guidance to the following divisions: Enterprise Information Technology Services; Human Resource Management; Risk Management; Fleet Services; State Library and Archives; Hearings; Purchasing; State Public Works; Office of Grant Procurement, Coordination, and Management; and Administrative Services. Six existing positions were approved to transfer from the previous Budget and Planning budget to a new budget created for the Director's Office. The Legislature approved the new Director's Office to be supported by cost allocation reimbursements of \$1.4 million over the 2015-17 biennium, which are paid by the divisions within the Department of Administration.

The Legislature also approved a new budget created for the existing Office of Grant Procurement, Coordination, and Management, renamed the Grants Office, to separate its revenue and expenditures from those within the Director's Office.

As previously noted under Elected Officials, Assembly Bill 469 was passed, transferring the Budget Division and the Division of Internal Audits to the new Governor's Office of Finance. The Legislature approved General Fund appropriations of \$296,606 over the 2015-17 biennium for two new Executive Branch Auditor positions with the Division of Internal Audits to analyze the performance of state contractors to determine if they are meeting the requirements of their contract. The auditors will also analyze the performance requirements to ensure the contract satisfies the objectives of the specific agency or program in the most efficient manner.

### **SPECIAL APPROPRIATIONS**

The 2015 Legislature approved General Fund appropriations of \$1.0 million over the 2015-17 biennium to fund a business process consultant to review the state's financial and human resource business processes. In addition, the Legislature approved General Fund appropriations of \$100,000 in each year of the 2015-17 biennium to the Governor's Advisory Council on Holocaust Education. This funding will be used to provide programs for the education of children and adults on issues related to the Holocaust. The 2015 Legislature also approved General Fund appropriations of \$10.0 million over the 2015-17 biennium to fund grants to expand graduate medical education opportunities in Nevada.

Finally, the Legislature approved General Fund appropriations of \$2.1 million and Highway Fund authorizations of \$3.9 million in FY 2017 for the initial lease payments associated with replacing the communications component of the existing state-owned microwave communications system.

## **DIVISION OF HUMAN RESOURCE MANAGEMENT**

The Division of Human Resource Management (DHRM) is responsible for attracting and retaining a qualified workforce that serves the citizens of Nevada. The DHRM operates six sections: Employee and Management Services; Compensation, Classification, and Recruitment; Agency Human Resource (HR) Services; Payroll and Records; Equal Employment Opportunity; and the Office of Employee Development. The DHRM is funded by uniform assessments to all state agencies for personnel and payroll services. In addition, the DHRM performs direct personnel services for select state agencies through its Agency HR Services section. Only those agencies receiving personnel services from Agency HR Services are assessed for those services. The 2015 Legislature approved the Governor's recommendation that the statewide personnel assessment, approved by the 2013 Legislature at 0.61 percent of employee gross salaries in FY 2015, remain at 0.61 percent in FY 2016 and then decrease to 0.60 percent in FY 2017. The Legislature also approved the Governor's recommendation to decrease the statewide payroll assessment from 0.16 percent of employee gross salaries in FY 2015 to 0.14 percent in each year of the 2015-17 biennium.

The Legislature approved expenditure authority of \$360,500 over the 2015-17 biennium for a technology investment request (TIR) to place official employee service documents and payroll reports online within the Nevada Employee Action and Timekeeping System (NEATS). The Legislature also concurred with the Governor's recommendation for three new Personnel Analyst positions, including one to operate the new Veteran's Recruitment Program within the Compensation, Classification, and Recruitment section, and two to provide additional support for the division's Agency HR Services and Equal Employment Opportunity sections.

## **DIVISION OF ENTERPRISE INFORMATION TECHNOLOGY SERVICES**

The Division of Enterprise Information Technology Services (EITS) provides state agencies of the Executive Branch with a centralized source of information technology (IT) related services, including programming, database management, computing, and communications. The division consists of the Office of the Chief Information Officer, Application Support, Computing, Security, and Communications operational units. For the 2015-17 biennium, the Legislature approved funding totaling \$89.4 million, a 15.8 percent increase from the amount approved for the 2013-15 biennium (\$77.2 million).

## **OFFICE OF THE CHIEF INFORMATION OFFICER**

The Office of the Chief Information Officer (CIO) establishes enterprise vision for the state's IT services and oversees the division's operational units. To provide additional support for the Office, the Legislature concurred with the Governor's recommendation to transfer four positions to the Office of the CIO, including one position from the Application Support budget, two positions from the Budget and Planning budget, and one position from the Telecommunications budget.

As part of the integration of DPS IT services into EITS budgets, the Legislature approved transferring costs totaling \$922,617 over the 2015-17 biennium to the Office of the CIO, including an additional four positions, and increasing reserves by \$38,700 over the biennium. The transferred positions will establish a Project Management Unit to allow for improved project planning and oversight for significant IT projects. To ensure that costs associated with DPS-specific IT services would not be inappropriately merged into existing EITS cost pools, the Legislature approved charging the DPS approximately \$414,000 over the 2015-17 biennium for specialized IT services.

### **APPLICATION SUPPORT**

The Application Support Unit is responsible for providing information technology solutions for enterprise applications, including all aspects of system life-cycle development. This operational unit provides enterprise customer service, business analysis, technical support, database hosting, and enterprise web development services. The 2015 Legislature approved additional user fee revenues totaling \$523,369 over the 2015-17 biennium for four new positions, including three positions for customer support to meet customer demand for services and one position to provide administrative support for the Application Support Unit, as recommended by the Governor.

The 2015 Legislature concurred with the Governor's recommendation to utilize contracted software developers for two DPS technology investment request projects, including the Nevada Criminal Justice Information System (NCJIS) modernization project and the Offender Tracking Information System (OTIS) replacement project. However, the Legislature did not approve the Governor's recommendation to include the contract costs in the programmer/developer cost pool, which would have resulted in a significant increase in the programmer/developer service rate charged to all state agencies. Rather, the Legislature approved charging the DPS directly for contract programming costs totaling \$2.4 million over the biennium.

As part of the integration of the DPS IT services into EITS budgets, the Legislature approved transferring costs totaling \$6.9 million over the 2015-17 biennium, including 35 positions and related operating costs, to the Application Support Unit, and increasing reserves by \$550,455 over the biennium. To ensure that costs associated with DPS-specific IT services would not be inappropriately merged into existing EITS cost pools, the Legislature approved charging the DPS approximately \$2.7 million over the 2015-17 biennium for specialized IT services provided through the Application Support Unit.

### **COMPUTING UNIT**

The Computing Unit manages and operates the state's mainframe, Internet and application servers in a secure environment. The 2015 Legislature approved eliminating base budget costs totaling \$913,053 over the 2015-17 biennium associated with cloud-based email, consistent with actions by the Interim Finance Committee (IFC) at its April 9, 2015, meeting, to continue utilizing a state-owned e-mail system rather than transitioning to an outsourced, cloud-based system. However, in doing so the Legislature also approved the Governor's recommendation of additional funding totaling \$103,020 over the 2015-17 biennium to support a pilot cloud computing project.

The Legislature concurred with the Governor's recommendation for additional funding of \$987,387 over the 2015-17 biennium to enhance the state's disaster recovery capabilities, including consulting services, equipment purchasing, training, and one new position.

The 2015 Legislature approved the Governor's recommendation for additional funding of \$384,379 over the 2015-17 biennium to purchase a new Unix-based archiving system to address a federal mandate imposed on the Division of Welfare and Supportive Services. Recognizing that EITS billing model does not have a mechanism to charge users for Unix-based storage, the money committees instructed the agency to evaluate whether there is a means of charging customers equitably for such storage.

As part of the integration of the DPS IT services into EITS budgets, the Legislature approved transferring costs totaling \$3.0 million over the 2015-17 biennium to the Computer Facility budget to transfer in four positions and related operating costs, and increase reserves by \$166,989 over the biennium. Finally, consistent with other cost areas of this DPS-IT consolidation, to ensure that DPS-specific IT service costs would not be inappropriately merged into existing EITS cost pools, the Legislature approved charging the DPS approximately \$777,000 over the 2015-17 biennium for specialized IT services provided through the Computing Unit.

#### **COMMUNICATIONS UNIT**

The Communications Unit, comprised of the Telecommunications, Data Communications and Network Engineering, and Network Transport Services budgets, provides the planning, procurement, operation, and maintenance services necessary to support the communications infrastructure that delivers information transport services, including e-mail, voice, radio, Internet access, and information data exchanges to state agencies.

The 2015 Legislature approved the Governor's recommendation to replace the communications component of the existing state-owned microwave communications system with a leased system, with lease payments expected to total \$18.7 million over a 12-year period. However, to comply with statutory provisions governing internal services funds and specific statutes pertaining to the Fund for Information Services, the Legislature did not approve the Governor's recommendation to appropriate General Funds and Highway Funds to EITS. Rather, the Legislature approved appropriating General Funds of \$2.1 million and Highway Funds of \$3.9 million to the Special Appropriations budget in FY 2017 for the initial lease payments. The Legislature approved requiring EITS to pay back the funding, and the money committees approved issuing a letter of intent and language in the 2015 Appropriations Act (Senate Bill 514, Section 51) to memorialize the payback provisions. In recognition of the fact that microwave communication service rates will increase in future biennia to cover the costs of the leased system, the Legislature approved increasing service rates by approximately \$374,000 in FY 2016 and \$1.1 million in FY 2017 to smooth the impact of rate increases to customers.



The Legislature also concurred with the Governor's recommendation of additional user fee revenue of \$1.1 million over the 2015-17 biennium to increase network capacity between Carson City and Las Vegas and for Ely, Pahrump, and Reno in order to meet growing customer demand for IT communications. The Legislature did not approve the Governor's recommendation to increase network capacity for Winnemucca, as it was determined that no increase was necessary. The Legislature also approved additional user fee revenue of \$566,555 over the 2015-17 biennium to locate the state's Las Vegas network equipment at a data colocation facility to provide an appropriate environment for equipment critical to the operations of state agencies, as recommended by the Governor.

The money committees discussed the status of the core telephone system upgrade approved by the 2013 Legislature and noted that a number of stand-alone telephone systems remain at agency locations throughout the state. Accordingly, the money committees requested that EITS develop a timeline for evaluating stand-alone telephone systems for consolidation with the state core telephone system, and to report this timeline to the IFC by June 30, 2016.

Finally, as part of the integration of the DPS IT services into EITS budgets, the Legislature approved transferring costs totaling \$1.1 million over the 2015-17 biennium to the Data Communications and Network Engineering budget to transfer in four positions and related operating costs, and increasing reserves by \$61,800 over the biennium. To ensure that costs associated with the DPS-specific IT services would not be inappropriately merged into existing EITS cost pools, the Legislature approved charging DPS approximately \$533,000 over the 2015-17 biennium for specialized IT services provided through the Communications Unit.

### **INFORMATION SECURITY**

The Office of Information Security provides leadership and oversight of a comprehensive state information security program, including information security policies and standards, security assessments, security incident response, continuity of operations plans, physical access control solutions, and security awareness training, with the goal of protecting critical state data, networks, and data processing environments.

The 2015 Legislature approved additional funding of \$117,659 to add one new position that was not recommended in The Executive Budget. The new position will provide dedicated support for the Nevada Card Access System and ensure that the costs of administering the system are not absorbed by other cost pools. The Legislature also approved transferring in one position from the Computer Facility Unit to support statewide desktop security software.

As part of the integration of DPS IT services into EITS budgets, the Legislature approved transferring costs totaling \$145,290 in the 2015-17 biennium to this budget to transfer in one position, related operating costs, and a \$7,035 increase in reserves. The money committees determined that the costs transferred to the Office of Information Security were appropriately merged into existing EITS cost pools and that it was not necessary to charge DPS for specialized IT services provided by the Office.

## **DEPARTMENT OF PUBLIC SAFETY IT CONSOLIDATION**

The 2013 Legislature approved the Governor's recommendation to transfer responsibility for the Department of Public Safety's (DPS) information technology (IT) services to the Department of Administration. Forty-eight IT-related positions were transferred from the DPS to a temporary consolidation budget in EITS, and EITS assumed responsibility for performing IT-related support services for the DPS effective July 1, 2013. To complete the consolidation in the 2015-17 biennium, the 2015 Legislature approved the Governor's recommendation to eliminate the temporary consolidation budget and integrate IT and personnel costs into other EITS budgets and operational units by transferring \$12.1 million over the biennium from the temporary budget to other EITS budgets.

However, in approving elimination of the budget, the money committees expressed concern that EITS had not developed cost pools and service rates to appropriately charge a fully consolidated IT customer such as the DPS for the true costs of providing specialized IT services. Accordingly, the 2015 Legislature approved removing \$1.2 million in costs from standard EITS cost pools and charging the DPS directly for specialized IT services for the 2015-17 biennium, resulting in a corresponding decrease in the total amount EITS would charge state agencies for standard EITS services. The money committees discussed that the agency expressed its intention to conduct a thorough review of its billing model and noted that directly billing the DPS for specialized IT services should be considered a temporary measure for the 2015-17 biennium. In light of these concerns, the money committees requested that the division conduct a review and analysis of its billing model and submit a report to the IFC no later than June 30, 2016.

## **ADMINISTRATIVE SERVICES DIVISION**

The Administrative Services Division (ASD) provides fiscal and administrative support to the divisions of the Department of Administration, as well as fiscal services to the Board of Examiners, the Office of the Governor, Governor's Mansion, Agency for Nuclear Projects, State Energy Office, Civil Air Patrol, Deferred Compensation Committee, Ethics Commission, Judicial Discipline Commission, and the Commission for Women. Beginning in FY 2016, the ASD will provide fiscal and support services to the Office of the Lieutenant Governor. The division is funded entirely through an administrative assessment charged to the other divisions within the Department of Administration and the other agencies utilizing its services.

The 2015 Legislature concurred with the Governor's recommendation of administrative assessment funding totaling \$156,250 over the 2015-17 biennium to fund programming costs of \$148,428 to upgrade the Nevada Project Accounting System (NPAS), and to increase the agency's FY 2017 ending reserve balance by \$7,822. The ASD uses the NPAS to track capital improvement projects.

## **STATE PUBLIC WORKS DIVISION**

The duties of the State Public Works Division (SPWD) of the Department of Administration include implementing the state's Capital Improvement Program (CIP), providing the physical building and grounds maintenance and housekeeping for state-owned buildings; procuring office space leases for state agencies; and managing the Marlette Lake Water System that provides water to Carson City and Virginia City. The Buildings and Grounds (B&G) section of the SPWD also funds security services provided by the Capitol Police Division of the Department of Public Safety.

The 2015 Legislature approved General Fund appropriations of \$690,870 for the 2015-17 biennium for the division, an increase of 27.2 percent compared to the \$543,031 approved for the 2013-15 biennium. The increase in General Fund appropriations was primarily driven by an increase in personnel costs resulting from the continuation of merit step increases, the elimination of furloughs, and the approval to restore two positions to full time in the Facility Condition and Analysis budget.

Total funding from project management and inspection fees collected from the CIP was approved to increase by 19.8 percent from the \$7.5 million approved for the 2013-15 biennium to \$9.0 million during the 2015-17 biennium. To address increased workloads due to the anticipated level of services required to support the 2015 CIP, the Legislature approved the Governor's amended recommendation to fund seven new positions in the Engineering and Planning budget, including four Project Manager positions and three Building Construction Inspectors. New position costs of \$1.2 million over the 2015-17 biennium are funded with project management and inspection fee revenue.

The primary source of funding for the B&G section is rent charged to state agencies for the use of state-owned office, dormitory, and storage space. The 2015 Legislature approved rental revenues collected by B&G of \$29.5 million over the 2015-17 biennium as compared to the \$29.9 million approved for the 2013-15 biennium. The rental rate charged by B&G for state-owned office space was approved to increase by 0.7 percent to \$0.957 per square foot per month for FY 2016 compared to the \$0.950 per square foot per month amount approved for the 2013-15 biennium. In FY 2017, the Legislature approved an additional increase of 4.1 percent over the approved FY 2016 rate to \$0.996 per square foot per month. The rental rate increases are the result from an overall reduction in the occupied square footage of state-owned buildings while maintaining necessary funding for B&G operations in the 2015-17 biennium. Most notably, is the reduction of 37,619 square feet in occupied state-owned space in FY 2017 as a result of the Legislature's approval of the Governor's Business and Industry – Business Center Major Budget Initiative to centralize all Business and Industry (B&I) offices and employees in the Las Vegas area in a single building to create a one-stop shop for businesses, constituents, customers, and centralize management of the department. The approved initiative will move B&I staff out of the Bradley Building (leaving that building vacant) and a portion of the Grant Sawyer Office Building in FY 2017.

In the Buildings and Grounds budget, the 2015 Legislature approved rental fee revenues of \$2.0 million over the 2015-17 biennium to address deferred maintenance and renovation projects in state-owned facilities as recommended by the Governor. The Legislature also approved the addition of one full-time Program Officer position due to a workload increase within the Leasing Services section of the division. The position costs of \$110,573 over the biennium are funded with lease assessment revenues.

### **RISK MANAGEMENT DIVISION**

The Risk Management Division is comprised of two sections: Insurance and Loss Prevention and Workers' Compensation. Primary responsibilities of the Insurance and Loss Prevention section include administration of the large-deductible property insurance program; administration of the self-funded automobile physical liability program; purchase and management of commercial insurance policies; and provision of technical assistance and loss prevention training. Primary responsibilities of the Workers' Compensation section are the negotiation, purchase, and oversight of the workers' compensation insurance policy and program, as well as coordination and oversight of the statewide safety program.

Funding for the division is provided by insurance premiums assessed to state agencies. For the 2015-17 biennium, the 2015 Legislature approved total funding of \$52.7 million, a decrease of 8.0 percent from the legislatively approved operating expenditures of \$57.3 million in the 2013-15 biennium. This decrease is largely due to decreases in the projected reserve funds needed for the 2015-17 biennium. To decrease the projected reserve funds, the Legislature approved a decrease in the workers' compensation assessment rate on gross salaries (up to \$36,000 salary per employee per calendar year) from 2.88 percent in each year of the 2013-15 biennium to 2.37 percent in each year of the 2015-17 biennium.

The Legislature approved implementation of a new Risk Management Information System, which will be funded partially with one-time transfers of \$10,000 each from the Attorney General's Office, the Nevada Department of Transportation, and the State Public Works Division. The 2015 Legislature also approved the transfer of \$50,000 in each year of the 2015-17 biennium from the Governor's Office of Economic Development to purchase an Unmanned Aircraft System insurance policy. Finally, the Legislature approved funding totaling \$225,000 over the 2015-17 biennium for the purchase of a cyber liability insurance policy and to conduct real property and fine art appraisals to determine accurate repair and replacement costs.

### **FLEET SERVICES DIVISION**

The Fleet Services Division is responsible for the administration of the state's vehicle fleet of approximately 900 vehicles, which are dispersed throughout the state, and operates three facilities, one each in Carson City, Reno, and Las Vegas. Funding for the division is primarily generated from vehicle rental fees. The 2015 Legislature approved the Governor's recommendation to fund Fleet Services' operations with higher rates in the 2015-17 biennium than were approved in the 2013-15 biennium. Monthly rental rates increased by \$35 and \$30 for compact vehicles, intermediate vehicles, and premium vehicles in FY 2016 and FY 2017, respectively. Rates did not increase for

specialty vehicles. In addition to the rate increases, the Legislature also approved General Fund appropriations of \$3.1 million and Highway Fund authorizations of \$325,072 over the 2015-17 biennium, primarily to fund the following approved enhancements:

- The purchase of replacement and new vehicle maintenance equipment;
- The replacement of 146 vehicles that will be at least seven years old or have at least 100,000 miles; and
- The purchase of 132 vehicles requested by other state agencies that either require additional vehicles to expand their fleet or that are transitioning their agency-owned vehicles to vehicles rented from the Fleet Services Division.

## **DEPARTMENT OF TAXATION**

The Department of Taxation is responsible for the administration of the majority of the state's non-gaming tax laws as well as the Local Government Budget Act. The 2015 Legislature approved funding totaling \$63.4 million over the 2015-17 biennium, of which General Fund appropriations total \$61.6 million, a 19.1 percent increase from the \$51.7 million in General Fund appropriations approved for the 2013-15 biennium.

The Legislature approved General Fund support in the amount of \$1.1 million over the 2015-17 biennium for five new positions, as recommended by the Governor, and three additional Auditor positions that were not included in the Governor's recommended budget, for a total of eight new positions. The newly approved positions include one Information Technology Professional, one Information Technology Technician, one Economist, four Auditors, and one new unclassified State Demographer. As approved:

- The Information Technology Professional position will serve as the department's Information Security Officer to ensure taxpayer information is collected and stored securely by the department, and to ensure security issues are addressed promptly and that security policies are implemented and followed. The new Information Technology Technician position will provide onsite desktop computer support to 92 department employees located in Southern Nevada.
- The new Economist position will perform statistical and analytical activities, prepare required reports, and respond to requests from other state agencies.
- The four Auditor positions were projected to enable the department to improve the audit penetration rate for the Net Proceed of Minerals by reducing the current audit cycle of each mine from ten years to five years.
- The Legislature approved the Governor's recommendation to eliminate a contract with the University of Nevada, Reno to fund the State Demographer and instead fund a new unclassified State Demographer position within the Department of Taxation. *Nevada Revised Statutes* (NRS) 360.283 requires the Department to employ a demographer to assist in the determination of population and the projection of population pursuant to NRS 360.289. Locating the State Demographer

position within the Department of Taxation allows the department to better manage the resources utilized to produce the demographic information required.

In addition to eight new positions, the Legislature approved the Governor's recommendation of General Fund appropriations totaling \$60,921 over the 2015-17 biennium to reclassify nine Auditor positions to Supervising Auditors to properly classify the positions based on the duties assigned, which include the supervision of at least four lower-level auditors and the review of all audits completed by the lower-level auditors. The reclassification results in an upgrade of the nine positions and should assist the department in retaining qualified incumbents.

Of the total \$61.6 million General Fund appropriations approved by the 2015 Legislature for the Department of Taxation over the 2015-17 biennium, \$5.4 million was approved to fund the administration, collection, and enforcement costs of the new commerce tax approved in Senate Bill 483, and the 3.0 percent excise tax on the total fare charges for transportation network companies and taxicab businesses as approved in Senate Bill 376. The approved funding will provide for 12 new positions in FY 2016, an additional 15 new positions in FY 2017, programming costs for the new taxes, as well as associated operating and travel costs.

**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
2015-17 Legislature**

	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>FINANCE &amp; ADMINISTRATION</b>					
<b>DEPARTMENT OF ADMINISTRATION</b>					
<b>ADMINISTRATION - DIRECTOR'S OFFICE</b>		692,335	692,335	661,375	691,845
BALANCE FORWARD				12,591	32,259
INTERAGENCY TRANSFER		692,335	692,335	648,784	659,586
<b>ADMINISTRATION - SPECIAL APPROPRIATIONS</b>	1,234,691	6,250,000	6,250,000	5,250,000	11,250,000
GENERAL FUND	200,000	6,250,000	6,250,000	5,250,000	7,350,000
BALANCE FORWARD	1,034,691				
HIGHWAY FUND					3,900,000
<b>ADMINISTRATION - ADMINISTRATIVE SERVICES</b>	2,921,962	3,132,661	3,117,433	3,012,280	3,010,663
BALANCE FORWARD	417,368	398,102	398,102	245,690	298,985
INTERAGENCY TRANSFER	2,504,594	2,734,559	2,719,331	2,766,590	2,711,678
<b>ADMINISTRATION - INSURANCE &amp; LOSS PREVENTION</b>	28,801,920	26,741,604	26,371,943	26,674,678	26,309,568
BALANCE FORWARD	6,759,373	7,166,107	6,804,665	6,715,858	6,350,748
INTERAGENCY TRANSFER	21,933,135	19,338,928	19,330,709	19,733,276	19,733,276
OTHER FUND	109,412	236,569	236,569	225,544	225,544
<b>ADMINISTRATION - FLEET SERVICES</b>	5,462,103	6,419,505	6,419,505	6,182,524	6,172,345
BALANCE FORWARD	597,509	766,266	766,266	455,587	445,408
INTERAGENCY TRANSFER	4,860,640	5,647,146	5,647,146	5,720,844	5,720,844
OTHER FUND	3,954	6,093	6,093	6,093	6,093
<b>ADMINISTRATION - FLEET SERVICES CAPITAL PURCHASE</b>	2,516,347	6,116,934	5,947,678	2,456,531	2,506,343
GENERAL FUND	405,080	3,129,818	2,960,562	40,732	90,544
BALANCE FORWARD	127,727	339,467	339,467	447,985	447,985
HIGHWAY FUND	501,210	325,072	325,072		
INTERAGENCY TRANSFER	1,265,600	2,214,022	2,214,022	1,859,259	1,859,259
OTHER FUND	216,730	108,555	108,555	108,555	108,555
REVERSIONS					
<b>ADMINISTRATION - PURCHASING</b>	2,888,498	3,076,018	3,076,018	3,054,865	3,072,914
BALANCE FORWARD	239,066	177,992	177,992	288,757	306,806
INTERAGENCY TRANSFER	2,579,068	2,823,535	2,823,535	2,691,617	2,691,617
OTHER FUND	70,364	74,491	74,491	74,491	74,491
<b>ADMINISTRATION - HEARINGS DIVISION</b>	4,594,165	4,831,347	4,766,883	4,725,397	4,682,249
INTERAGENCY TRANSFER	47,293	38,530	38,530	38,530	38,530
OTHER FUND	4,546,872	4,792,817	4,728,353	4,686,867	4,643,719
REVERSIONS					
<b>ADMINISTRATION - VICTIMS OF CRIME</b>	16,322,524	16,601,398	16,601,398	16,310,073	16,312,657
BALANCE FORWARD	6,781,182	8,417,848	8,417,848	8,126,523	8,129,107
FEDERAL FUND	3,103,000	2,332,000	2,332,000	2,332,000	2,332,000
OTHER FUND	6,438,342	5,851,550	5,851,550	5,851,550	5,851,550

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>ADMINISTRATION - SPWD - ADMINISTRATION</b>	858,577	1,020,579	963,421	1,124,653	1,056,527
BALANCE FORWARD				73,232	
INTERAGENCY TRANSFER	858,577	1,020,579	963,421	1,051,421	1,056,527
<b>ADMINISTRATION - SPWD - ENGINEERING AND PLANNING</b>	3,711,799	4,331,361	4,441,143	4,334,813	4,514,030
BALANCE FORWARD	728,135				
OTHER FUND	2,983,664	4,331,361	4,441,143	4,334,813	4,514,030
<b>ADMINISTRATION - SPWD - FACILITY COND &amp; ANALYSIS</b>	270,927	344,919	340,338	349,761	350,532
GENERAL FUND	270,927	344,919	340,338	349,761	350,532
REVERSIONS					
<b>ADMINISTRATION - SPWD - BUILDINGS &amp; GROUNDS</b>	19,621,890	18,490,386	18,543,764	18,168,582	18,470,621
BALANCE FORWARD	3,716,044	2,874,707	2,874,707	2,571,722	2,771,384
INTERAGENCY TRANSFER	15,860,545	15,548,109	15,601,487	15,529,290	15,631,667
OTHER FUND	45,301	67,570	67,570	67,570	67,570
<b>ADMINISTRATION - SPWD - MARLETTE LAKE</b>	1,392,563	1,506,591	1,506,591	1,447,024	1,447,298
BALANCE FORWARD	338,283	251,772	251,772	185,051	185,325
OTHER FUND	1,054,280	1,254,819	1,254,819	1,261,973	1,261,973
<b>ADMINISTRATION - IT - OFFICE OF CIO</b>	687,411	2,031,001	1,988,893	1,783,513	1,851,846
BALANCE FORWARD	111,195	72,999	64,699	174,184	138,264
INTERAGENCY TRANSFER	576,216	1,958,002	1,924,194	1,609,329	1,713,582
OTHER FUND					
<b>ADMINISTRATION - IT - APPLICATION SUPPORT</b>	5,061,132	10,166,429	10,443,992	9,916,608	10,813,234
BALANCE FORWARD	573,501	747,037	747,037	1,285,049	1,126,046
INTERAGENCY TRANSFER	4,487,631	9,419,392	9,696,955	8,631,559	9,687,188
OTHER FUND					
<b>ADMINISTRATION - IT - COMPUTER FACILITY</b>	15,097,898	16,231,047	15,397,283	16,012,657	15,648,523
BALANCE FORWARD	2,574,077	2,574,821	1,960,821	1,541,865	1,340,677
INTERAGENCY TRANSFER	12,523,821	13,656,226	13,436,462	14,470,792	14,307,846
OTHER FUND					
<b>ADMINISTRATION - IT - DATA COMM &amp; NETWORK ENGIN</b>	4,550,150	6,169,570	5,876,649	5,564,443	5,632,178
BALANCE FORWARD	436,224	508,642	508,642	465,337	324,491
INTERAGENCY TRANSFER	4,113,926	5,660,928	5,368,007	5,099,106	5,307,687
OTHER FUND					
<b>ADMINISTRATION - IT - TELECOMMUNICATIONS</b>	4,066,860	4,079,008	4,163,535	4,030,486	4,149,390
BALANCE FORWARD	653,298	656,905	656,905	398,985	551,642
INTERAGENCY TRANSFER	3,413,562	3,422,103	3,506,630	3,631,501	3,597,748
OTHER FUND					



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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>ADMINISTRATION - IT - NETWORK TRANSPORT SERVICES</b>	2,986,491	3,959,361	4,195,908	9,750,107	5,114,961
GENERAL FUND				2,100,000	
BALANCE FORWARD	180,953	179,610	179,610	384,634	656,428
HIGHWAY FUND				3,900,000	
INTERAGENCY TRANSFER	2,383,912	3,381,339	3,594,868	3,021,817	4,080,483
OTHER FUND	421,626	398,412	421,430	343,656	378,050
<b>ADMINISTRATION - IT - SECURITY</b>	2,517,378	2,256,368	2,007,584	2,279,355	2,089,868
BALANCE FORWARD	68,351	107,307	107,307	280,433	1,779
INTERAGENCY TRANSFER	2,448,471	2,149,061	1,900,277	1,998,922	2,088,089
OTHER FUND	556				
<b>ADMINISTRATION - IT - INFO TECH CONSOLIDATION DPS</b>	5,991,234				
BALANCE FORWARD	99,746				
INTERAGENCY TRANSFER	5,891,488				
<b>ADMINISTRATION - HRM - HUMAN RESOURCE MANAGEMENT</b>	9,084,018	9,834,818	9,872,012	9,966,426	10,376,525
BALANCE FORWARD	1,222,054	693,667	693,667	755,794	1,032,828
INTERAGENCY TRANSFER	7,823,897	9,104,466	9,141,660	9,173,947	9,307,012
OTHER FUND	38,067	36,685	36,685	36,685	36,685
<b>ADMINISTRATION - HRM - UNEMPLOYMENT COMPENSATION</b>	4,302,224	3,515,858	3,543,952	2,578,910	2,537,736
BALANCE FORWARD	3,786,834	2,515,858	2,652,224	1,578,910	1,893,952
INTERAGENCY TRANSFER	515,390	1,000,000	891,728	1,000,000	643,784
<b>ADMINISTRATION - NSLA - NEVADA STATE LIBRARY</b>	4,587,627	4,557,579	4,534,962	4,570,812	4,568,242
GENERAL FUND	2,943,348	2,690,312	2,667,695	2,703,545	2,700,975
BALANCE FORWARD					
FEDERAL FUND	1,640,313	1,865,356	1,865,356	1,865,356	1,865,356
INTERIM FINANCE					
OTHER FUND	3,966	1,911	1,911	1,911	1,911
REVERSIONS					
<b>ADMINISTRATION - NSLA - ARCHIVES AND RECORDS</b>	1,184,792	1,568,166	1,561,354	1,582,777	1,585,708
GENERAL FUND	1,102,803	1,489,169	1,482,357	1,503,644	1,506,575
BALANCE FORWARD					
FEDERAL FUND	21,196	18,051	18,051	18,051	18,051
INTERAGENCY TRANSFER	59,892	59,892	59,892	60,028	60,028
INTERIM FINANCE					
OTHER FUND	901	1,054	1,054	1,054	1,054
<b>ADMINISTRATION - GRANTS OFFICE</b>		378,768	384,442	391,173	401,530
GENERAL FUND		378,768	384,442	391,173	401,530
<b>ADMINISTRATION - NSLA - CLAN</b>	436,490	369,255	368,672	371,905	372,192
BALANCE FORWARD	117,671				
FEDERAL FUND					
INTERAGENCY TRANSFER	52,147	56,040	56,010	56,008	56,018
OTHER FUND	266,672	313,215	312,662	315,897	316,174

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>ADMINISTRATION - NSLA - MAIL SERVICES</b>	7,145,914	7,437,694	7,437,694	7,267,049	7,271,724
BALANCE FORWARD	723,600	524,985	524,985	795,423	800,098
INTERAGENCY TRANSFER	6,422,314	6,912,709	6,912,709	6,471,626	6,471,626
<b>ADMINISTRATION - NSLA - MAIL SERVICES EQUIPMENT</b>	250,954	221,668	221,668	175,068	175,068
BALANCE FORWARD	233,942	206,315	206,315	159,680	159,680
INTERAGENCY TRANSFER	17,012	15,353	15,353	15,388	15,388
<b>ADMINISTRATION - NSLA - IPS EQUIPMENT/SOFTWARE</b>	36,330	36,243	36,243	41,243	41,243
BALANCE FORWARD	8,530	10,000	10,000	15,000	15,000
INTERAGENCY TRANSFER	27,800	26,243	26,243	26,243	26,243
<b>JUDICIAL COLL &amp; COLL OF JUVENILE &amp; FAMILY JUSTICE</b>	130,430	130,430	130,430	130,430	130,430
GENERAL FUND	130,430	130,430	130,430	130,430	130,430
<b>ADMINISTRATION - MERIT AWARD BOARD</b>	1,100	1,100	1,100	1,100	1,100
GENERAL FUND	1,100	1,100	1,100	1,100	1,100
REVERSIONS					
<b>BOE - GENERAL FUND SALARY ADJUSTMENT</b>	16,021,435		9,032,440		27,568,874
GENERAL FUND	16,021,435		9,032,440		27,568,874
BALANCE FORWARD					
REVERSIONS					
<b>BOE - HIGHWAY FUND SALARY ADJUSTMENT</b>	1,866,084		891,725		2,727,913
HIGHWAY FUND	1,866,084		891,725		2,727,913
REVERSIONS					
<b>TOTAL DEPARTMENT OF ADMINISTRATION</b>	176,603,918	172,500,001	181,128,988	170,166,618	202,905,877
GENERAL FUND	21,075,123	14,414,516	23,249,364	12,470,385	40,100,560
BALANCE FORWARD	31,529,354	29,190,407	28,343,031	26,958,290	27,008,892
FEDERAL FUND	4,764,509	4,215,407	4,215,407	4,215,407	4,215,407
HIGHWAY FUND	2,367,294	325,072	1,216,797	3,900,000	6,627,913
INTERAGENCY TRANSFER	100,666,931	106,879,497	106,561,504	105,305,877	107,465,706
INTERIM FINANCE					
OTHER FUND	16,200,707	17,475,102	17,542,885	17,316,659	17,487,399
REVERSIONS					
<b>DEPARTMENT OF TAXATION</b>					
<b>DEPARTMENT OF TAXATION</b>	27,341,334	30,904,611	33,944,914	30,623,013	29,444,629
GENERAL FUND	26,261,393	29,996,965	33,038,993	29,710,149	28,531,109
BALANCE FORWARD	61,287				
INTERAGENCY TRANSFER	231,935	248,843	247,992	255,193	255,512
INTERIM FINANCE	24,779				
OTHER FUND	761,940	658,803	657,929	657,671	658,008

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>TOTAL DEPARTMENT OF TAXATION</b>	27,341,334	30,904,611	33,944,914	30,623,013	29,444,629
GENERAL FUND	26,261,393	29,996,965	33,038,993	29,710,149	28,531,109
BALANCE FORWARD	61,287				
INTERAGENCY TRANSFER	231,935	248,843	247,992	255,193	255,512
INTERIM FINANCE	24,779				
OTHER FUND	761,940	658,803	657,929	657,671	658,008
<b>FINANCE &amp; ADMINISTRATION</b>					
GENERAL FUND	47,336,516	44,411,481	56,288,357	42,180,534	68,631,669
BALANCE FORWARD	31,590,641	29,190,407	28,343,031	26,958,290	27,008,892
FEDERAL FUND	4,764,509	4,215,407	4,215,407	4,215,407	4,215,407
HIGHWAY FUND	2,367,294	325,072	1,216,797	3,900,000	6,627,913
INTERAGENCY TRANSFER	100,898,866	107,128,340	106,809,496	105,561,070	107,721,218
INTERIM FINANCE	24,779				
OTHER FUND	16,962,647	18,133,905	18,200,814	17,974,330	18,145,407
REVERSIONS					
<b>TOTAL FOR FINANCE &amp; ADMINISTRATION</b>	203,945,252	203,404,612	215,073,902	200,789,631	232,350,506
Less: INTER-AGENCY TRANSFER	100,898,866	107,128,340	106,809,496	105,561,070	107,721,218
<b>NET FINANCE &amp; ADMINISTRATION</b>	103,046,386	96,276,272	108,264,406	95,228,561	124,629,288

# EDUCATION





## **EDUCATION**

The Education function includes three sub-functions: The Department of Education (inclusive of K-12 and the State Public Charter School Authority); the Nevada System of Higher Education (NSHE); and other education programs, which includes the Commission on Postsecondary Education. The education function continues to be the largest function in the state budget supported by the General Fund for the 2015-17 biennium. General Fund appropriations for educational programs approved by the 2015 Legislature total approximately \$1.911 billion in FY 2016 and \$1.974 billion in FY 2017, a combined 8.4 percent increase over appropriations approved for the 2013-15 biennium (inclusive of a \$62.0 million supplemental appropriation approved by the 2015 Legislature). The appropriations for educational programs account for 53.2 percent of total General Fund expenditures over the 2015-17 biennium.

Total funding approved by the 2015 Legislature from all sources for education (net of interagency transfers) total \$2.805 billion in FY 2016, a 4.4 percent increase when compared to budgeted work program amounts totaling \$2.686 billion in FY 2015 and \$2.886 billion in FY 2017, a 2.9 percent increase from FY 2016.

### **EDUCATION (K-12)**

The voters at the November 2004 and November 2006 General Elections approved an amendment to Article 11 of the Nevada Constitution to include a provision that the Legislature must finance the operation of the public schools in the state for kindergarten through grade 12 prior to funding any other part of the state budget for the next biennium. Senate Bill 515 of the 2015 Legislative Session was enacted to meet this provision by providing funding for K-12 education, which includes the Distributive School Account (DSA), the School Remediation Trust Fund, the Grant Fund for Incentives for Licensed Educational Personnel, the State Supplemental School Support Account, the Professional Development Programs account, the Other State Education Programs account, and the new Teacher Supply Reimbursement and Nevada Teach Scholarship accounts.

The 2015 Legislature approved an increase of \$251.9 million in State General Fund support for the 2015-17 biennial K-12 budget as compared to the biennial K-12 budget approved by the Legislature for the 2013-15 biennium. This significant investment in the state's public PreK-12 education system provides funding for several new targeted programs, as well as enhances existing programs aimed at addressing underperforming schools, improving student achievement, and implementing accountability measures.

### **DISTRIBUTIVE SCHOOL ACCOUNT**

The funding which supports Nevada's public elementary and secondary schools is a shared responsibility with state, local, and federal sources contributing to the school districts' and charter schools' operating funds. It is important to recognize that the Distributive School Account budget does not include the entire funding for K-12 education, but rather includes only the state's portion of the school district and charter school operating funds that provide the basic support guarantee and other state-supported programs.

The following table summarizes the elements (in millions) that are the basis for the DSA, as recommended by the Governor and as approved by the 2015 Legislature, for the 2015-17 biennium. While the “Total Required State Support” is guaranteed by the state, only the portion of the table below “Total State Share” is included in the DSA budget account.

	The Nevada Plan			Legislatively Approved			
	<u>Governor Recommended</u>			<u>(Millions)</u>			
	FY 16	FY 17	2015-17 Biennium	FY 16	FY 17	2015-17 Biennium	Percent Change
Total Operating Expenditures	\$ 3,332	\$ 3,437	\$ 6,769	\$ 3,353	\$ 3,458	\$ 6,811	0.6%
Less: Projected Local Revenues Outside the DSA	\$ (647)	\$ (670)	\$ (1,317)	\$ (647)	\$ (661)	\$ (1,308)	-0.7%
Less: Non-Basic Support Programs	\$ (139)	\$ (169)	\$ (308)	\$ (139)	\$ (169)	\$ (308)	0.1%
Total Regular Basic Support*	\$ 2,545	\$ 2,598	\$ 5,143	\$ 2,567	\$ 2,628	\$ 5,195	1.0%
Plus: Programs Other Than Basic Support	\$ 313	\$ 349	\$ 662	\$ 295	\$ 331	\$ 626	-5.4%
<u>State Guarantee</u>							
Total Required State Support*	\$ 2,858	\$ 2,947	\$ 5,805	\$ 2,862	\$ 2,959	\$ 5,821	0.3%
Less: Local "Inside" Revenues	\$ (1,441)	\$ (1,525)	\$ (2,966)	\$ (1,445)	\$ (1,520)	\$ (2,965)	0.0%
<u>Distributive School Account</u>							
Total State Share*	\$ 1,417	\$ 1,422	\$ 2,839	\$ 1,417	\$ 1,439	\$ 2,856	0.6%
Less: Miscellaneous DSA Revenues	\$ (316)	\$ (328)	\$ (644)	\$ (318)	\$ (330)	\$ (648)	0.6%
General Fund Support Before Transfer	\$ 1,102	\$ 1,094	\$ 2,195	\$ 1,099	\$ 1,109	\$ 2,208	0.6%
Less: Transfers of Categorical Funding**	\$ (2)	\$ (2)	\$ (4)	\$ (5)	\$ (7)	\$ (12)	
General Fund Support	\$ 1,100	\$ 1,092	\$ 2,191	\$ 1,094	\$ 1,102	\$ 2,196	0.2%
* Totals may not balance due to rounding							
** Categorical funding to be transferred to the Other State Education Programs account (BA 2699) and Remediation Trust Fund (BA 2615)							

The budget approved by the 2015 Legislature for Nevada school districts and charter schools estimates total general operating expenditures at \$3.353 billion for FY 2016 and \$3.458 billion for FY 2017, an increase of 6.4 percent compared to the \$3.169 billion and \$3.234 billion operating expenditures estimated for FY 2014 and FY 2015, respectively.

## **Nevada Plan**

The Legislature determines the level of state aid for school districts and charter schools through a formula called the “Nevada Plan,” which accounts for differences across districts in the costs of providing education and in local wealth. A guaranteed amount of basic support per pupil is calculated for each school district and is established in law each legislative session. The state, through the DSA, and local districts, through the Local School Support Tax (sales tax) and property tax, share the responsibility for providing the money needed to fund the guaranteed basic support per pupil.

- **Nevada Plan “Outside” Revenues**

As indicated above, certain locally-generated revenues are considered before the state’s funding responsibility is determined. These revenues are referred to as being outside of the Nevada Plan (the state’s responsibility) and consist of the following:

- **Property Tax:** State law requires a property tax rate of 75 cents per \$100 of assessed valuation for the support of schools. One-third of the proceeds from the 75-cent property tax rate is inside the Nevada Plan, while the remaining

two-thirds of the proceeds of the 75-cent property tax rate is outside the Nevada Plan. For FY 2014, the two-thirds portion totaled \$403.0 million and is projected to decrease 0.9 percent, to \$399.5 million in FY 2015. The estimated tax collections are projected at \$412.4 million in FY 2016, which represents a 3.2 percent increase over the amount projected for FY 2015, and \$426.8 million in FY 2017, an increase of 3.5 percent over FY 2016.

- Local Government Services Tax: This tax is estimated to generate \$77.9 million in both FY 2016 and FY 2017. These estimates represent no change compared to FY 2014 actual collections of \$77.9 million.
- Other Local Sources: Franchise taxes, federal revenue, interest, tuition and other local revenue and opening balances are estimated to contribute \$156.4 million in FY 2016 and \$156.5 million in FY 2017.

Because these outside local revenues are not guaranteed, state aid is not increased or decreased based on actual realized revenue from local revenue sources outside the Nevada Plan. For the 2015-17 biennium, revenues outside of the Nevada Plan are budgeted to generate 19.2 percent of the revenue necessary to support the budgets of school districts and charter schools, representing no change from the 2013-15 biennium, with the balance being funded through the Nevada Plan (the state's responsibility).

- Nevada Plan "Inside" Revenues

Nevada Plan funding for school districts and charter schools consists of state financial support received through the DSA and locally-collected revenues that are inside the Nevada Plan, namely the Local School Support Tax (LSST) and the remaining one-third of the proceeds from the 75-cent property tax rate.

- LSST: As part of the revenue enhancements approved by the 2009 Legislature, the LSST rate was increased from 2.25 percent to 2.60 percent for the period beginning July 1, 2009, until June 30, 2011. The extension of the 2.60 percent LSST rate was approved by the 2011 and 2013 Legislatures through June 30, 2013, and June 30, 2015, respectively. The 2015 Legislature approved the Governor's recommendation that the 2.60 percent LSST rate continue permanently. For the 2015-17 biennium, the 2.60 LSST is estimated at \$1.239 billion for FY 2016 (5.8 percent increase over the \$1.171 billion projected for FY 2015) and at \$1.307 billion for FY 2017 (5.5 percent increase over projected FY 2016).
- Property Tax: Local funding from the one-third portion of the proceeds from the 75-cent property tax rate is recommended at \$206.2 million for FY 2016 (3.2 percent increase over updated FY 2015 projections of \$199.7 million) and at \$213.4 million for FY 2017 (3.5 percent increase over projected FY 2016).

It is important to note that these two local revenue amounts **are guaranteed** by the state; thus, if budgeted amounts are not actually collected, the state funds the difference, and conversely, if actual revenues exceed projections, the amount of State General Fund support is reduced.



## **State Support**

The 2015 Legislature approved the total required state support of school district and charter school expenditures within the DSA (before the recommended transfers of funding for programs historically funded in the DSA budget to the School Remediation Trust Fund and the Other State Education Programs account totaling \$5.821 billion over the 2015-17 biennium, an increase of 5.6 percent from the total funding of \$5.512 billion approved by the 2013 Legislature for the current biennium.

The state's share of funding in the DSA, as approved by the 2015 Legislature, is largely provided by General Fund appropriations of \$1.094 billion in FY 2016 and \$1.102 billion in FY 2017, totaling \$2.196 billion for the 2015-17 biennium, net of the recommended transfer of General Fund appropriations totaling \$12.3 million over the 2015-17 biennium for programs historically funded in the DSA, to the Other State Education Programs and School Remediation Trust Fund accounts (discussed in more detail on pages 127 and 129). Legislatively approved General Fund appropriations are \$49.5 million less than the \$2.245 billion of General Fund appropriated for the 2013-15 biennium (2.2 percent decrease), primarily due to projected increases in non-General Fund revenues in the DSA budget and projected increases in local revenues considered within the Nevada Plan.

As recommended by the Governor, the 2015 Legislature approved the transfer of the proceeds from the Initiative Petition 1 (IP1) Room Tax revenue to the DSA as a state funding source through June 30, 2017. The projected revenues to be transferred are 154.7 million in FY 2016 and 159.2 million in FY 2017. Other sources of revenue that provide funding for the DSA are reflected on the table on page 120, "Miscellaneous DSA Revenues." These other sources include an annual tax on slot machines, interest earned on investments from the Permanent School Fund, revenue from leases of federal land for mineral exploration and from royalties, Local School Support Tax from sales that cannot be attributed to a specific county, and 75.0 percent of the Medical Marijuana Excise tax.

State funding approved for K-12 education (excluding the Department of Education budgets) represents 37.7 percent of the State's General Fund for the 2015-17 biennium, a slight decrease over the 38.2 percent of General Fund support approved by the 2013 Legislature for K-12 education.

The summary table on the following page displays the legislatively approved budget for the DSA for the 2015-17 biennium, actual revenues and expenditures for FY 2014, and projections for FY 2015.

The summary table on the following page displays the legislatively approved budget for the DSA for the 2015-17 biennium, actual revenues and expenditures for FY 2014, and projections for FY 2015.



## **Enrollment**

Each school district's guaranteed level of funding is determined by multiplying the basic support per pupil by weighted enrollment. Weighted enrollment (utilized to distribute DSA funds to school districts) equals a full count of pupils enrolled in grades 1 through 12, net of transfers, and including children with disabilities enrolled in special education programs within a district or charter school, and six-tenths of the count of pupils enrolled in kindergarten or programs for three and four-year-olds with disabilities. Special-need preschoolers and kindergarten pupils are counted as six-tenths of a pupil, because they typically attend school for half of a day or less. The following chart compares audited weighted enrollment numbers (excluding hold harmless) by fiscal year and the percent of change each year compared to the preceding year:

<b>FY 2008 Actual</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Projected</b>	<b>FY 2016 Leg. App.</b>	<b>FY 2017 Leg App.</b>
420,830	422,112	421,387	422,482	423,849	429,762	435,522	443,124	449,505	455,124
	0.30%	-0.17%	0.26%	0.32%	1.40%	1.34%	1.75%	1.44%	1.25%

Based on updated enrollment projections, the Legislature approved General Fund appropriations of \$19.7 million in FY 2016 and \$51.2 million in FY 2017 to provide for the projected enrollment growth for K-12 pupils (inclusive of special education and net of the approved modification of the student-to-teacher ratios from 16:1 to 17:1 for grades 1 and 2 and from 19:1 to 20:1 for grade 3, for the Class-Size Reduction (CSR) program [discussed further under the Class-Size Reduction program heading]).

To protect school districts and charter schools during times of declining enrollment, *Nevada Revised Statutes* (NRS) 387.1233 contains a "hold harmless" provision. Under this provision, the guaranteed level of funding is based on the higher of the current or the previous year's enrollment, unless the decline in enrollment is 5.0 percent or more from the previous year, in which case the funding is based on the higher of the previous two years' enrollment. For the 2013-15 biennium, the hold harmless provision for eligible school districts and charter schools increased the state responsibility by \$26.7 million, compared to the hold harmless costs of \$24.9 million for the 2011-13 biennium. With the passage and approval of Senate Bill 508, the hold harmless provision will be limited to the higher of the current or previous year's enrollment, effective July 1, 2015.

## **Positions and Salaries**

To determine the number of employees needed to accommodate increased enrollment, actual student-employee ratios were calculated for each major job classification in the FY 2014 base year. Position counts for each year of the 2015-17 biennium were computed by maintaining the same student-employee ratio in each job classification. The approved budget anticipates that an additional 557 licensed, instructional personnel will be needed to maintain the FY 2014 average of 21.6 student-to-teacher ratio throughout the 2015-17 biennium.

Statewide actual average teacher salaries for FY 2014 were \$53,095 (\$74,077 with benefits) and are estimated at \$54,157 for FY 2015 (\$75,423 with benefits). Teacher salaries are budgeted at an average of \$55,240 (\$76,908 with benefits) in FY 2016 and \$56,345 (\$78,308 with benefits) in FY 2017, based on a 2.0 percent increase in average salaries related to merit increases for attaining additional education and for additional

years of service. Average teacher salaries are impacted by the number of teachers who leave service, the number of new teachers hired, the number of teachers who are no longer eligible for merit adjustments, and collective bargaining agreements. Cost of living increases for school district and charter school employees were not included in The Executive Budget nor approved by the Legislature for the 2015-17 biennium.

### **Fringe Benefit Adjustments**

Fringe benefits have been adjusted for the recommended increase in the retirement rate from 25.75 percent to 28.0 percent, with a corresponding reduction in salary costs for approximately one-half of the amount for the employee portion of the increase. This is consistent with the methodology utilized to implement the retirement increase for state employees on the employer-paid plan. In addition, the 2015 Legislature approved the Governor's recommendation to increase funding for group insurance costs for schools to \$6,927 per employee in both FY 2016 and FY 2017, from the FY 2014 actual amount of \$6,813 per employee. The combined General Fund appropriations approved for these fringe benefit rate increases total \$19.5 million in FY 2016 and \$20.0 million in FY 2017.

### **Supplemental Appropriation**

The Legislature approved a supplemental General Fund appropriation of \$62.0 million for the DSA in FY 2015, to address shortfalls primarily due to unanticipated enrollment growth and increased costs related to the provisions of hold harmless for declining enrollment in charter schools and several school districts (NRS 387.1233).

### **Textbook Funding**

The Legislature approved funding for textbooks, instructional supplies, instructional hardware, and instructional software in FY 2016 and FY 2017 totaling \$85.2 million and \$86.1 million, respectively, reflecting the total actual expenditures incurred for these items by school districts and charter schools in FY 2014, increased for projected enrollment growth.

Pursuant to NRS 387.206, the Department of Education, in consultation with the Governor's Office of Finance and the Fiscal Analysis Division of the Legislative Counsel Bureau, shall determine the combined minimum amount of money each school district and charter school is required to spend each year for textbooks, instructional supplies, and instructional software and hardware. Since the 2009-11 biennium, a temporary waiver from the minimum expenditure requirements for textbooks, instructional supplies, and instructional software and hardware has been in effect in order to provide school districts and charter schools flexibility in addressing budget shortfalls resulting from the economic downturn. The Governor did not submit, nor did the Legislature approve, legislation to continue the waiver of the minimum expenditure requirements beyond June 30, 2015.

## **Special Education**

Nevada provides state funding for special education on the basis of special education program units, which are defined by NRS 387.1211 as organized instructional units, in which a licensed, full-time teacher is providing an instructional program that meets minimum standards prescribed by the State Board of Education. To qualify for a full apportionment, a unit must have operated the full school day (330 minutes) for at least nine of the school months within a school year.

For FY 2015, the state funded 3,049 special education units at \$42,475 each, for a total of \$130.3 million. For the 2015-17 biennium, the Legislature concurred with the Governor and approved 3,049 special education units in each fiscal year at \$45,455 per unit in FY 2016 and \$55,141 per unit in FY 2017, for a total of \$138.6 million, and \$168.1 million in FY 2016 and FY 2017, respectively. Included in the per-unit cost for FY 2017 is a \$25.0 million increase of state funding, as recommended by the Governor, to begin transitioning to a weighted student formula for students with disabilities.

For the past several biennia, state funding has been provided for instructional programs incorporating education technology for Gifted and Talented Education (GATE). The 2013 Legislature appropriated \$169,616 and \$174,243 for FY 2014 and FY 2015, respectively, for these programs. The 2015 Legislature approved the Governor's recommendation of General Fund appropriations totaling \$174,243 each year of the 2015-17 biennium to support the existing GATE program, as well as the transfer of this funding to the Other State Education Programs budget to improve tracking and management.

## **Class-Size Reduction Program**

By way of background, the 2013 Legislature continued a provision to allow school districts flexibility from the funded CSR student-to-teacher ratios of 16:1 for grades 1 and 2 and 19:1 for grade 3 through the end of the 2013-15 biennium in recognition of the state's recovery from the recent fiscal crisis. The flexibility waiver allowed school districts to increase class size by up to two students per teacher to achieve ratios of 18:1 in grades 1 and 2 and 21:1 in grade 3. School districts implementing the flexibility waiver were required to use corresponding savings to minimize the impact of budget reductions on class sizes in grades 4 through 12, as long as it would be fiscally neutral to do so. The Governor did not submit nor did the Legislature approve legislation to continue the CSR waiver beyond June 30, 2015.

To help mitigate the loss of the CSR flexibility waiver, the 2015 Legislature approved an increase to the funded CSR student-to-teacher ratios from 16:1 for grades 1 and 2 and 19:1 for grade 3, to 17:1 for grades 1 and 2 and 20:1 for grade 3. The approved one student per class size increase for grades 1 through 3, inclusive of technical adjustments, resulted in net CSR reductions totaling \$43.9 million over the 2015-17 biennium compared to amounts recommended by the Governor. To assist schools in maintaining class sizes in grades 4 through 12, the Legislature approved a \$40 per pupil increase in the basic support per pupil in each year of the biennium, for a total biennial cost of \$36.4 million. The Legislature redirected the remaining CSR savings totaling \$8.3 million over the 2015-17 biennium to the state-funded Career and Technical Education (CTE) program.

For the 2015-17 biennium, the Legislature approved General Fund appropriations totaling \$151.1 million in FY 2016 and \$155.2 million in FY 2017, to continue the CSR program in grades 1 through 3. The CSR funding provides for 1,950 and 1,974 teachers for grades 1 through 3 in FY 2016 and in FY 2017, respectively.

Additionally, in conjunction with the approved expansion of the Full-Day Kindergarten (FDK) program in all schools by FY 2017, the Legislature approved the Governor's recommendation to eliminate \$1.8 million in each fiscal year of the 2015-17 biennium for the at-risk Kindergarten CSR program in the DSA budget.

### **OTHER STATE EDUCATION PROGRAMS**

The Other State Education Programs account provides pass-through funds to school districts for programs including Educational Technology, CTE, Early Childhood Education, Adult High School Diploma, Jobs for America's Graduates, Public Broadcasting, the National Board Certification program for teachers and counselors, the Speech Pathologist increment, and various other smaller programs. As recommended by the Governor, the 2015 Legislature approved General Fund appropriations totaling \$30.9 million in FY 2016 and \$30.5 million in FY 2017 for the continuation of these existing programs.

The Legislature approved the transfer of GATE program funding, as recommended by the Governor, from categorical funding in the DSA to the Other State Education Programs account, with no change in purpose. In addition, the Legislature approved the Governor's proposal to increase state funding for GATE programs by \$5.0 million each fiscal year of the 2015-17 biennium. Funding will be distributed on a per-pupil basis to students who have been identified as gifted and talented through a state-approved assessment and/or process.

The 2015 Legislature further approved General Fund appropriations over the 2015-17 biennium for the following new initiatives included in The Executive Budget:

- Read By Three Program - \$4.9 million in FY 2016 and \$22.3 million in FY 2017 to increase the percent of third-grade students reading at or above grade level in district or charter schools not served through funding for Zoom Schools, the new Victory Schools or the Striving Readers programs. Literacy plans and performance measures will be required of any school that applies for grant funding. The Department of Education anticipates the approved funding will serve 30 schools in FY 2016 and 145 schools in FY 2017.
- Social or Other Licensed Mental Health Worker Grant Program – The Governor recommended \$12.0 million and \$24.3 million in FY 2016 and FY 2017, respectively, for a new grant program to provide contract funding to school districts and charter schools for social workers or other licensed mental health workers in schools with identified needs; however, the Legislature reduced the approved funding to \$5.6 million in FY 2016 and \$11.2 million in FY 2017. The program will operate as a block grant to local school districts based on needs identified through a health screening survey tool. To access funding for the second year of the biennium, the

Department of Education must provide a report to the Interim Finance Committee (IFC) on the program's first year of operation.

- Nevada Ready 21 (NR21) Technology Plan - \$9.2 million in each year of the 2015-17 biennium for grants to schools to provide students with portable devices to connect wirelessly to the Internet, to fund professional development, and to establish an incentive grant program to be distributed by the Commission on Educational Technology to assist schools with broadband and Wide Area Network (WAN) access and/or improvements. The Executive Budget recommended additional General Fund appropriations totaling \$48.4 million over the biennium, but reduced the additional amount to \$18.3 million due to concerns that the program should be implemented more slowly, and be evaluated prior to making such a significant investment of state funding into the program.

The Legislature also approved the consolidation of the existing educational technology grant program (\$3.7 million over the biennium) with the NR21 program. Approved funding will be distributed to middle schools in the 2015-17 biennium with the addition of high schools in the subsequent biennium.

- College and Career Readiness Grant Program - \$3.0 million in FY 2016 and \$5.0 million in FY 2017 to establish a new competitive grant program to support dual enrollment in high school and college courses to assist students in becoming college and career ready.
- Charter School Harbor Master Fund – The Executive Budget recommended \$10.0 million in each year of the 2015-17 biennium as a state match for private philanthropy in establishing a new fund to recruit national charter management organizations to Nevada. However, the Legislature did not concur with the recommended funding level and reduced the amount to \$5.0 million in each year of the 2015-17 biennium.
- Turnaround of Underperforming Schools Grant Program - \$2.5 million in each fiscal year of the 2015-17 biennium to support the turnaround of persistently underachieving schools, a reduction of \$2.5 million in each year from the amounts recommended in The Executive Budget. Funding will be provided as grants and will be used for services such as performance management assessments, staff incentives or other services targeting student achievement.
- Expand Student Participation in Advance Placement - \$1.2 million over the 2015-17 biennium to expand student participation in the Advanced Placement courses and examinations in high schools. This funding was originally recommended by the Governor in the Student and School Support account, but was approved for transfer by the Legislature to the Other State Education Programs account.

Additionally, the Legislature concurred with the Governor and approved additional General Fund appropriations for the following existing programs:

- Career and Technical Education - \$8.0 million over the 2015-17 biennium to expand programs in areas identified by workforce sector councils. State funding for the CTE program totals \$10.4 million in FY 2016 and \$12.5 million in FY 2017, inclusive of the \$8.3 million added to the CTE program from the CSR savings generated by increasing CSR student to teacher ratios by 1.
- Public Broadcasting - \$466,000 over the 2015-17 biennium to expand educational programming throughout the state. Inclusive of the approved increase, state funding for public broadcasting totals \$462,725 in each fiscal year.
- Jobs for America's Graduates - \$4.6 million over the 2015-17 biennium to expand the number of schools served to 37 (29 state-funded) in FY 2016 and to 50 (44 state funded) by the end of FY 2017, resulting in total General Fund appropriations of \$2.5 million in FY 2016 and \$3.6 million in FY 2017 for the program.

### **Early Childhood Education Program**

The 2013 Legislature appropriated \$3.3 million each year of the 2013-15 biennium for the Nevada Department of Education to award competitive grants to school districts and community-based organizations for early childhood education (ECE) programs. The Legislature approved General Fund appropriations of \$3.3 million in each year of the 2015-17 biennium to continue the existing ECE program, as recommended by the Governor.

### **SCHOOL REMEDIATION TRUST FUND**

The 2005 Legislature approved the creation of the Account for Programs for Innovation and the Prevention of Remediation (referred to as the School Remediation Trust Fund) to support improvement plans developed by schools and school districts to improve student achievement.

### **Regional Professional Development Program**

The 2015 Legislature approved General Fund appropriations of \$7.6 million each year of the 2015-17 biennium for the continued support of the Regional Professional Development Programs (RPDPs). Additionally, as recommended by the Governor, the Legislature approved the transfer of funding for the RPDPs from the School Remediation Trust Fund account to the new Professional Development Programs account created to streamline professional development programs.

### **Funding for English Language Learners**

The 2013 Legislature appropriated \$25.0 million in each fiscal year of the 2013-15 biennium for allocation to the Clark County School District, the Washoe County School District, and to the Department of Education for grants to the other 15 school districts and the State Charter School Authority to support English Language Learner (ELL) students in elementary schools. For the Clark and Washoe County School



Districts, selected schools with high ELL populations and low achievement levels, designated as Zoom Schools, were required to offer a comprehensive package of targeted services that included free pre-kindergarten, full-day kindergarten, reading skills centers, and free summer or intersession academies.

The 2015 Legislature approved the Governor's recommendation for additional General Fund appropriations of \$25.0 million in each fiscal year of the 2015-17 biennium to expand the number and type of schools participating in the Zoom School program and to increase ELL grant funding, bringing the total to \$50.0 million in each fiscal year. Beginning in the 2015-17 biennium, the Zoom School program will double from 24 to 48 schools and expand to middle and high schools. Additionally, the Legislature, through passage of Senate Bill 405, expanded the eligible services to be provided at Zoom Schools to include family engagement, professional development, and teacher incentives.

### **New Special Education Contingency Account**

The Governor proposed the establishment of a Special Education Contingency Account to reimburse school districts and charter schools for extraordinary expenses related to the education of students with disabilities and recommended a General Fund appropriation in FY 2017 as start-up funding. The 2015 Legislature concurred with the Governor's proposal and approved the \$5.0 million General Fund appropriation in FY 2017 for this new initiative. The Department of Education anticipates the establishment of regulations in FY 2016 concerning the qualifications and guidelines for the reimbursement of extraordinary expenditures from this account.

### **New Funding For Victory School Grant Program**

The Governor proposed the creation of a new Victory School Grant program to provide additional services to underperforming elementary, middle, and high schools identified as one or two star schools in the highest poverty zip codes of a school district. The new Victory School Grant program will be structured similar to the Zoom School program with respect to targeted services. As recommended by the Governor, the Legislature approved General Fund appropriations of \$24.9 million in FY 2016 and \$25.0 million in FY 2017 to fund at least 33 schools that would be known as Victory Schools. Eligible uses of Victory School funding, as defined in Senate Bill 432, include the following:

- A pre-kindergarten program free of charge, if such a program is not funded by another grant;
- An expansion of full-day kindergarten classes, not otherwise funded through a legislative appropriation;
- Operate reading skills centers;
- A summer academy or other learning opportunities for pupils free of charge at times when school is not in session;
- Professional development for teachers and other educational personnel;
- Incentives to recruit and retain highly effective teachers and other educational personnel;
- Evidence-based social, psychological or health care services to pupils and their families, including wrap-around services;
- Family engagement;

- Programs and services designed to improve school climate and culture;
- Evidence-based programs and services specifically designed to meet the needs of pupils who attend the school, as determined using the assessment of needs conducted by the board of trustees or the governing board of each charter school; or
- Any combination thereof.

### **Full-Day Kindergarten Program**

The 2015 Legislature concurred with the Governor's recommendation to complete the expansion of the state's Full-Day Kindergarten (FDK) program to all school district and charter school kindergartens by FY 2017, at a targeted student-to-teacher ratio of 21:1, resulting in an additional cost of \$8.5 million in FY 2016 and \$28.5 million in FY 2017. The state-funded FDK program continues to be optional. As such, school districts and charter schools may elect to continue operating some half-day kindergarten programs. Because the FDK program expansion was calculated based on a targeted 21:1 student-to-teacher ratio, the Legislature approved the consolidation of the existing Kindergarten CSR funding with the funding for the FDK program.

In total, state funding approved for the FDK program totals \$75.1 million in FY 2016 and \$96.4 million in FY 2017, inclusive of the consolidation of the Kindergarten CSR funding of \$24.5 million and \$25.0 million in FY 2016 and FY 2017, respectively. General Fund appropriations of \$1.0 million in each fiscal year of the 2015-17 biennium were also approved to assist school districts with the purchase of portable classrooms needed to continue the expansion of the FDK program.

Additionally, the funding approved to complete the expansion of the state-funded FDK program supplants the at-risk Kindergarten CSR funding in the DSA budget, which funded 23.5 positions to reduce kindergarten class sizes in at-risk schools.

### **STATE SUPPLEMENTAL SCHOOL SUPPORT ACCOUNT**

The State Supplemental School Support Account was created by IP1, which became law in 2009 pursuant to Article 4 Section 35 of the Nevada Constitution. The IP1 imposes an additional 3.0 percent tax on the gross receipts from the rental of transient lodging in certain counties as specified in the legislation. For the period of July 1, 2009, through June 30, 2011, the proceeds of this tax were to be credited to the State General Fund. Beginning on July 1, 2011, the proceeds were to be credited to the State Supplemental School Support Account to be distributed to school districts and charter schools to improve the achievement of students and to retain qualified teachers and non-administrative employees. The 2011 Legislature initially approved the transfer of IP1 Room Tax revenues to the DSA as a state funding source for the 2011-13 biennium, while the 2013 Legislature approved the Governor's recommendation to continue the transfer of the IP1 (2009) Room Tax revenues to the DSA as a state funding source through June 30, 2015.

The 2015 Legislature approved the Governor's recommendation to continue the transfer of IP1 (2009) Room Tax revenues to the DSA as a state funding source through June 30, 2017. The IP1 (2009) Room Tax revenues and interest are projected at \$154.7 million in FY 2016 and \$159.2 million in FY 2017.

### **PROFESSIONAL DEVELOPMENT PROGRAMS ACCOUNT**

As recommended in The Executive Budget, the 2015 Legislature approved the creation of this new account to streamline the budgeted funding for professional development. In addition, the Governor's budget included a major budget initiative to provide competitive grant funding, based on criteria established by the State Board of Education, to entities including the Regional Professional Development Programs (RPDPs), school districts, higher education, and nonprofit organizations to provide professional development programs to educators. The Legislature concurred with the Governor's proposal and approved General Fund appropriations of \$4.9 million in each fiscal year of the 2015-17 biennium to fund the Great Teaching and Leading Fund.

The Legislature approved the Governor's recommendation to transfer funding for the RPDPs from the School Remediation Trust Fund in the amount of \$7.6 million each fiscal year to this budget. However, the Legislature did not approve the Governor's recommendation to redirect \$6.6 million of the \$7.6 million in FY 2017 from the RPDP budget to the Great Teaching and Leading Fund. Instead, the Legislature approved continuing the \$6.6 million in the RPDP budget.

### **INCENTIVES FOR LICENSED EDUCATIONAL PERSONNEL**

*Nevada Revised Statutes* (NRS) 391.166 creates a Grant Fund for Incentives for Licensed Educational Personnel and requires each school district to establish a program of incentive pay for licensed educational personnel designed to attract and retain those employees. Financial incentives must not exceed \$3,500 per year. The 23<sup>rd</sup> (2007) Special Session, through the passage of Assembly Bill 1, repealed the statutory language of NRS 391.165, which required the purchase of retirement credits for teachers in at-risk schools, psychologists, and teachers in the fields of mathematics, science, special education, and English as a second language. However, Assembly Bill 1 provided an option for those employees participating in the program prior to July 1, 2007, to continue the purchase of retirement credits until they have received an additional one full year of retirement credit, at which time they would be eligible to participate in the new program of teacher incentive pay described above. As recommended by the Governor, the 2015 Legislature did not approve funding for the Incentive Pay program in this budget for the 2015-17 biennium.

The 1/5 Retirement Credit Purchase program, under the grandfathered provisions, was originally thought to conclude in FY 2013 (final year of credits earned in FY 2012, to be funded in FY 2013); however, the enabling legislation refers to participation in the program ceasing once the employee receives one full year of retirement service credit rather than ceasing after a specific timeframe to earn the retirement service credit. Therefore, the 1/5 Retirement Credit Purchase program continues to be funded until such time as all eligible employees participating in the program prior to July 1, 2007, have received an additional one full year of retirement credit.

Based upon updated projections, the 2015 Legislature approved General Fund appropriations totaling \$4.0 million to continue funding the estimated outstanding liability for the 1/5 Retirement Credit Purchase program for the 2015-17 biennium, a \$2.0 million reduction from the total recommended funding included in The Executive Budget. As recommended by the Governor, the Legislature approved the continuation of funding the cost of the 1/5 Retirement Credit Purchase program in the year following the obligation being incurred.

### **Additional Funding for K-12 Education**

The 2015 Legislature passed, and the Governor approved, the following legislative measures, which provide additional funding for K-12 Education:

<u>Bill</u>	<u>Description</u>
S.B. 133	Appropriates \$2.5 million in each fiscal year of the 2015-17 biennium to the newly created Teachers' School Supplies Reimbursement Account in the State General Fund for the purpose of reimbursing teachers for out-of-pocket expenses incurred in connection with purchasing school supplies for the pupils they instruct. For purposes of S.B. 133, "Teacher" is defined as a licensed employee of a school district who devotes the majority of his or her working time providing direct educational services to pupils. The term does not include a substitute teacher. (Effective July 1, 2015)
S.B. 332	Appropriates \$1.0 million in each year of the 2015–17 biennium to the Clark County School District to carry out a program of teacher peer assistance and review. (Effective July 1, 2015)
S.B. 511	Appropriates \$2.5 million in each year of the 2015-17 biennium to the Teach Nevada Scholarship Program Account to provide grants to universities, colleges, and providers of alternative licensure programs to fund scholarships for students entering certain teaching programs. The bill further appropriates \$5.0 million in each year of the 2015-17 biennium to the Account for Programs for Innovation and the Prevention of Remediation, to provide incentive pay for newly hired teachers who are employed to teach in certain at-risk schools. (Effective July 1, 2015)
S.B. 515	Appropriates \$5.0 million in each year of the 2015-17 biennium to the Account for Programs for Innovation and the Prevention of Remediation, to provide additional incentive pay for newly hired teachers who are employed to teach in certain at-risk schools. (Effective July 1, 2015)

### **Other Major Legislation Impacting K-12 Education**

<u>Bill</u>	<u>Description</u>
S.B. 302	Authorizes the parent of a student to enter into an agreement with the State Treasurer to create an education savings account, whereby the student will receive a grant equal to 90.0 percent of the statewide average basic support per pupil, or 100.0 percent for students with disabilities or those whose family income is less than 185.0 percent of the federal poverty level, to be used to pay the cost of enrollment in a private school or to

provide for other educational services. Students that have attended public school consecutively for 100 days are eligible to receive a grant, and a proportionally smaller grant may be provided for part-time private education enrollment.

S.B. 508 Implements a weighted formula for students with disabilities in FY 2017 and requires the Department of Education to develop a plan for implementing a weighted formula for English Language Learners, at-risk students, and gifted and talented students for submission to the Legislative Committee on Education for its review and consideration during the 2015-2016 Interim. The measure requires that the plan be fully implemented by FY 2022. The measure also removes the “count day” provision and instead requires school districts and charter schools to report to the Department of Education “average daily enrollment” on a quarterly basis. Additionally, the legislation eliminates the hold harmless provision for enrollment declines of less than 5.0 percent and requires the hold harmless to be calculated on the higher of the current or the previous years’ enrollment. Lastly, the bill removes, effective July 1, 2017, the requirement that pupils enrolled in kindergarten be counted as six-tenths and instead includes those pupils in the regular reporting of average daily enrollment with the pupils in grades 1 to 12, inclusive.

A.B. 394 Authorizes school districts to consolidate and creates a process to reorganize the Clark County School District (CCSD). The bill: (1) creates an advisory committee to develop a plan and recommendations to reorganize CCSD into local school precincts by the 2018-19 school year; (2) requires the advisory committee to study the distribution of federal, state, and local funds and the impact of school precincts on public school financing; (3) requires the advisory committee to report to the 2017 Legislature with the results of the study and recommendations for legislation; and (4) requires the State Board of Education to approve regulations to implement the plan not later than the 2018-19 school year.

## **DEPARTMENT OF EDUCATION**

The 2015 Legislature approved total funding of \$597.4 million (less interagency transfers and funding for the K-12 pass-through budgets) over the 2015-17 biennium for the Department of Education (Department), a 13.3 percent increase from the \$527.1 million approved for the 2013-15 biennium. The K-12 pass-through budgets include the Distributive School Account, School Remediation Trust Fund, Incentives for Licensed Educational Personnel, State Supplemental School Support Account, Other State Education Programs, Professional Development Programs, Teachers School Supplies Reimbursement, and Teach Nevada Scholarship Program.

The Legislature approved the reorganization of the Department of Education (Department), including the establishment of 3 divisions within the Department (Divisions of Business and Support Services, Student Achievement, and Education Effectiveness and Family Engagement), a total of 22 new positions, and the transfer of 66 positions among 15 of the Department’s budgets.

## **EDUCATIONAL TRUST ACCOUNT**

The 2007 Legislature approved the creation of the Educational Trust Account (NRS 120A.610[8]) to be funded by year-end transfers of expired or abandoned gift certificates from the Abandoned Property Trust Account. Pursuant to statute, funding in the Educational Trust Account can only be expended for educational purposes as authorized by the Legislature. With the passage and approval of Senate Bill 25, the 2015 Legislature authorized the Department of Education to request expenditure of funding in the Education Trust Account upon approval of the IFC.

The 2015 Legislature approved \$204,920 over the 2015-17 biennium for two \$50,000 stipends and travel costs each fiscal year for either two graduate students or two Educators-in-Residence (District Educators), or a combination of both, to work approximately nine months in the Department of Education on projects related to accountability, educator effectiveness, or data-driven instruction.

## **OFFICE OF THE SUPERINTENDENT**

The Office of the Superintendent account provides financial support for the activities of the 11-member State Board of Education created pursuant to NRS 385.021; administrative duties of the State Superintendent of Public Instruction; management of the state Department of Education (Department) and statewide school issues; and technical expertise of professionals in various education subjects.

The 2015 Legislature approved General Fund appropriations totaling \$112,313 in FY 2016 and \$141,726 in FY 2017 to fund a new unclassified Deputy Superintendent position and associated operating costs to oversee the Educator Effectiveness and Parental Involvement Division, and \$54,604 in FY 2016 and \$69,714 in FY 2017 to fund a new Management Analyst position and associated operating costs to provide performance management oversight for the three divisions within the Department, as well as coordinate the Department's legislation and informational analysis.

Additionally, the Legislature approved General Fund appropriations totaling \$28,323 in FY 2016 and \$17,898 in FY 2017 to fund an increase in the operating budget of the Department's Public Information Office. The Legislature did not approve \$3,600 in each fiscal year for promotional items with General Fund appropriations, but rather approved funding these items through the Department's non-executive Gift Fund budget. Finally, the Legislature approved General Fund appropriations of \$3,920 in FY 2016 and \$3,926 in FY 2017 to provide salary and related benefit increases for the Deputy Superintendent of Business and Support Services position and the position of State Superintendent of Public Instruction, as recommended in The Executive Budget.

## **DISTRICT SUPPORT SERVICES**

The District Support Services account funds position and operating expenditures for the Department of Education staff assigned to administer and distribute state and federal funds to the 17 school districts and the State Public Charter School Authority. This account also supports the state and federal grant monitoring function as well as the Department of Education's auditing function.

The Legislature approved a funding source change for three Grants and Projects Analyst positions and one Administrative Services Officer position, which includes a reduction to Cost Allocation Reimbursements totaling \$360,061 in FY 2016 and \$368,148 in FY 2017, and an increase of Indirect Cost expenditures totaling \$115,069 in each year of the 2015-17 biennium. Additionally, the Legislature approved General Fund appropriations totaling \$475,130 in FY 2016 and \$483,217 in FY 2017 to restore funding for the support of existing General Fund positions, which was inadvertently eliminated during the budget building process, and to change the funding source of the Administrative Services Officer position to 75.0 percent General Fund and 25.0 percent Indirect Cost in lieu of funding the position entirely with State General Funds. The Legislature also approved General Fund appropriations totaling \$60,462 in FY 2016 and \$76,430 in FY 2017 to fund one new Grants and Projects Analyst position.

## **STANDARDS AND INSTRUCTIONAL SUPPORT**

The Standards and Instructional Support account, a new budget created through the Department of Education's reorganization, supports the positions that coordinate the monitoring and technical support to school districts' and regional training programs' implementation of standards through the approval of textbooks and other instructional support measures. The operational expenses of the Commission on Educational Technology are also funded in this account.

The Legislature approved General Fund appropriations totaling \$195,000 in FY 2016 and \$180,000 in FY 2017 to fund an increase in operational expenses for the Nevada Commission on Educational Technology to administer the Nevada Ready 21 technology plan as recommended in The Executive Budget.

## **DEPARTMENT SUPPORT SERVICES**

The Department Support Services account provides for the Department of Education's accounts payable and receivable, payroll and personnel, budgeting and purchasing, and information technology support functions. The account is funded by indirect cost assessments charged to other Department budgets. Based on the FY 2014 rates, the restricted indirect cost rate used for budgeting purposes is 17.9 percent and the unrestricted indirect cost rate used is 22.5 percent. The Legislature approved expenditures of \$51,252 in FY 2016 and \$64,840 in FY 2017 to fund a new Management Analyst position to support contract administration and performance-based budgeting duties. The Legislature did not concur with the recommendation to fund a new Accounting Assistant position.

## **ASSESSMENTS AND ACCOUNTABILITY**

The Assessments and Accountability account includes funding for the Nevada Proficiency Examination Program (NPEP) and supports the costs of administering student assessments that are required pursuant to Chapter 389 of the *Nevada Revised Statutes* (NRS), including criterion-referenced tests (CRTs), the Nevada High School Proficiency Examination (HSPE), the Nevada State Writing Assessment, and the National Assessment of Educational Progress (NAEP). This account also includes funding for the Council to Establish Academic Standards.

The 2015 Legislature approved the Governor's recommendation of General Fund appropriations totaling \$2.9 million over the 2015-17 biennium to complete a student achievement assessment. However, the Legislature did not approve a new Management Analyst position, as recommended in The Executive Budget.

## **EDUCATOR LICENSURE**

The Educator Licensure account funds the Office of Educator Licensure as well as the Commission on Professional Standards in Education. The Office of Educator Licensure is responsible for determining teacher eligibility for licensure, approving and issuing licenses for teachers and other educational personnel, and maintaining a competency-testing program for educational personnel. The Commission on Professional Standards in Education, which consists of nine members appointed by the Governor, sets licensure standards for state educational personnel. The Educator Licensure account is funded by the fees collected for teacher licenses, renewals, endorsements, fingerprinting, and testing.

To improve the functioning of Educator Licensing, the Legislature approved reserve expenditures of \$51,522 to replace the existing telephone system. The Legislature also approved \$60,000 in FY 2016 to fund a study of the current licensing requirements for educators in Nevada. Expenditures totaling \$258,632 over the 2015-17 biennium were also included in The Executive Budget for a technology project to update the teacher licensure system. However, while the Legislature concurred with the need to update the educator licensure system, the money committees deferred approval and directed the Department to approach the IFC for approval of a new licensure system once the Department had conducted a licensing requirement study and developed firm cost estimates, and could demonstrate the ability to fund the project while maintaining a sufficient reserve level.

## **EDUCATOR EFFECTIVENESS**

The Educator Effectiveness account supports the certification of administrator and teacher preparation programs, professional development and high-quality learning, development and support of a statewide evaluation system, and the Nevada Educator Performance Framework. Funding for the Support of the Teachers and Leaders Council and the Statewide Coordinating Council for Regional Training Programs is also included in this budget. The Legislature approved General Fund appropriations totaling \$104,029 in FY 2016 and \$120,914 in FY 2017 to fund one new Education Programs Professional position and associated costs, including \$30,000 in each year of the 2015-17 biennium for an external evaluation of the new Great Teaching and Leading



program. Additionally, the Legislature approved General Fund appropriations totaling \$36,840 in FY 2016 and \$46,008 in FY 2017 to fund one new Administrative Assistant position to support the new Great Teaching and Leading program.

#### **PARENTAL INVOLVEMENT AND FAMILY ENGAGEMENT**

In conjunction with the reorganization of the Department of Education, the 2015 Legislature approved General Fund appropriations for the Office of Parental Involvement and Family Engagement, established pursuant to NRS 385.630, and the Advisory Council on Parental Involvement and Family Engagement, pursuant to NRS 385.610. This account funds the cost of professional development, review and monitoring of district reports and plans related to family engagement, as well as methods of effective communication with families.

The Legislature approved General Fund appropriations totaling \$101,747 in FY 2016 and \$105,580 in FY 2017 to continue support of a grant-funded Anti-Bullying program, and subsequently transferred program to the Student and School Support account.

#### **OFFICE OF EARLY LEARNING AND DEVELOPMENT**

The Office of Early Learning and Development manages and administers programs for at-risk children who are ready for kindergarten and programs focused on the quality of and access to preschool.

The Legislature approved federal grant funds totaling \$8.7 million in FY 2016 and \$11.9 million in FY 2017 and General Fund appropriations of \$4.5 million in FY 2016 and \$5.8 million in FY 2017 as matching funds for the new federal Nevada Ready! High Quality Preschool Development grant, including funding for six new positions. The Legislature also approved \$25,000 in FY 2016 for state matching funds to conduct a feasibility study for the Preschool Social Impact Bond Program as recommended by the Governor.

#### **STUDENT AND SCHOOL SUPPORT**

The Student and School Support account provides for the distribution and administration of federal Title I assistance to Nevada schools for economically and educationally disadvantaged students.

The Legislature approved General Fund appropriations totaling \$525,875 in FY 2016 and \$662,750 in FY 2017 to fund an expansion of student participation in high school Advanced Placement courses and examinations, as well as professional development for teachers. The Legislature subsequently approved the transfer of this funding to the Department's Other State Education Programs account.

The Legislature also approved General Fund appropriations totaling \$268,532 in FY 2016 and \$268,813 in FY 2017 to fund the costs of a new Safe and Respectful Learning Office, including one new unclassified Education Programs Director position and one Administrative Assistant position.

The Legislature approved General Fund appropriations of \$176,428 in FY 2016 and \$217,119 in FY 2017 to fund one new Education Programs Professional position to support the new Victory Schools Program and one new Education Programs Professional to support the Turnaround Schools Program. General Fund appropriations of \$50,608 in FY 2016 and \$64,795 in FY 2017 were also approved to fund a new Management Analyst position to support the improvement of underperforming schools. The Legislature further approved General Fund support totaling \$63,000 in each fiscal year to fund external evaluations of the Zoom School program and the new Underperforming Schools Turnaround program, and additional travel and operating costs for Zoom School monitoring.

Finally, the Legislature approved General Fund appropriations of \$168,792 in FY 2016 for a one-time mental health screening device to determine the specific needs for social workers and mental health professionals in schools and \$30,000 in FY 2017 to fund an external evaluation of the new Social Worker/Mental Health Professional program.

### **LITERACY PROGRAMS**

The newly created Literacy Programs account includes federal Striving Readers grant funding for literacy programs and related costs to improve reading proficiency.

The 2015 Legislature approved General Fund appropriations of \$116,416 in FY 2016 and \$248,383 in FY 2017 to fund one new Education Programs Professional position in FY 2016 and one new Education Programs Professional position in FY 2017 to administer the new Read By Three program.

Additionally, the Legislature approved General Fund appropriations totaling \$3.1 million in FY 2016 and \$3.0 million in FY 2017 to complete the basic student achievement assessment system. The Legislature subsequently transferred this funding to the Assessments and Accountability account.

### **DATA SYSTEMS MANAGEMENT**

As part of the reorganization, the 2015 Legislature approved the establishment of a new Data Systems Management account. The Department maintains an automated system of accountability information to provide and report information, make longitudinal comparisons and analyses, and assist in the improvement of student achievement, classroom instruction, and educator performance. This account funds the position, contract, and hardware/software costs associated with student data systems.

The Legislature approved General Fund appropriations of \$1.6 million in FY 2016 and \$1.9 million in FY 2017 for a contract with Infinite Campus Software to support statewide student information data collection and reporting. The Legislature also approved General Fund appropriations of \$250,000 in each year of the 2015-17 biennium to contract for data privacy and testing security.

Additionally, the Legislature approved General Fund appropriations of \$385,000 in FY 2016 and \$285,000 in FY 2017 for an enhancement to the Nevada School Performance Framework contract and approved additional General Fund appropriations of \$82,828 in FY 2016 and \$107,809 in FY 2017 for a new Information Technology Professional position for the Student Accountability Information System.

## **STATE PUBLIC CHARTER SCHOOL AUTHORITY**

The State Public Charter School Authority (SPCSA) is responsible for providing oversight and technical assistance to state sponsored charter schools, as well as fostering a climate in which all charter schools can succeed. As of school year 2014-2015, the SPCSA sponsored 22 charter schools throughout the state. The SPCSA is funded by a 1.5 percent administrative fee on each sponsored school's per-pupil funding from the Distributive School Account; however, NRS 386.570 authorizes the SPCSA to collect up to a 2.0 percent administrative fee. Additionally, the SPCSA, as a Local Education Agency, receives federal funding authorized by the Elementary and Secondary Education Act (ESEA) and the Individuals with Disabilities Education Act (IDEA).

The 2015 Legislature approved a reserve reduction totaling \$417,401 over the 2015-17 biennium to fund new positions, including one unclassified Deputy Director to be located in Las Vegas, one Accountant, and one Accounting Assistant.

Additionally, to restore funding transferred to the State General Fund in FY 2015 to meet existing state obligations, the Legislature approved a one-time General Fund appropriation of \$400,000 in FY 2016 to the revolving loan account for charter schools.

## **NEVADA SYSTEM OF HIGHER EDUCATION**

The Nevada System of Higher Education (NSHE) is governed by an elected, 13-member Board of Regents. The System comprises the Chancellor's Office; University of Nevada, Las Vegas (UNLV); University of Nevada, Reno (UNR); Nevada State College at Henderson (NSC); College of Southern Nevada (CSN); Great Basin College (GBC); Truckee Meadows Community College (TMCC); Western Nevada College (WNC); UNR School of Medicine; UNLV Law School; UNLV Dental School; UNLV School of Medicine; the Desert Research Institute (DRI); and related institutions.

<b>Comparison of Governor's Recommended Budget versus Legislatively Approved Budget: Nevada System of Higher Education: 2015-17 Biennium</b>				
<b>Funding Source (Excludes WICHE)</b>	<b>2015-17 Governor Recommended (Millions)</b>	<b>2015-17 Legislature Approved (Millions)</b>	<b>2013-15 Dollar Change (Millions)</b>	<b>2013-15 Percentage Change</b>
State General Fund <sup>a</sup>	\$1,062.1	\$1,094.7	\$32.6	3.1%
Student Fees/Tuition Revenue <sup>b</sup>	\$564.1	\$595.9	\$31.8	5.6%
Federal/Other Funds	\$10.7	\$10.9	\$0.2	2.3%
<b>TOTAL<sup>c</sup></b>	<b>\$1,636.8</b>	<b>\$1,701.5</b>	<b>\$64.7</b>	<b>4.0%</b>
<sup>a</sup> The 2015-17 Legislature Approved amount includes funds appropriated to the Interim Finance Committee for allocation to the University of Nevada School of Medicine to expand public medical education (\$3.8 million) and UNLV School of Medicine for the development of an allopathic medical school (\$18.4 million). <sup>b</sup> Registration (per credit hour) fees, Non-Resident Tuition, Miscellaneous Student Fees. For the 2015-17 Biennium, undergraduate registration fees increase 4.0% per year at the community colleges and universities and 2.5% in FY 2016 and 3.5% in FY 2017 at Nevada State College as approved by the Board of Regents and recommended by the Governor. <sup>c</sup> The total amounts for the biennium are based on full dollar figures and therefore will not sum to the amounts reflected for the three revenue sources due to rounding.				

In closing the budgets for the NSHE, the 2015 Legislature approved revenues from all sources totaling \$1.702 billion over the 2015-17 biennium. Of the total revenues, \$1.095 billion, or 64.3 percent, are General Fund appropriations, while \$595.9 million in budgeted student registration fees, miscellaneous student fees, and non-resident tuition charges comprise 35.0 percent of the total revenues. As shown in the table above, when compared to the Governor's recommended budget, the legislatively approved budget is \$64.7 million or 4.0 percent higher over the biennium. However, when compared to the \$971.3 million in General Fund operating appropriations approved by the 2013 Legislature for the 2013-15 biennium, General Fund appropriations increased by \$123.4 million or 12.7 percent.

For the 2015-17 biennium, the \$1.095 billion in General Fund appropriations represents 15.0 percent of the \$7.3 billion in total General Fund operating appropriations approved by the 2015 Legislature for all state budgets. The table on the next page shows the distribution of General Fund appropriations by the NSHE state-supported operating budget as approved by the 2015 Legislature.

**2015-17 Biennium General Fund Appropriations Approved for the  
Nevada System of Higher Education by the 2015 Legislature  
(Inclusive of Performance Funding)**

<b>NSHE State Supported Operating Budgets</b>	<b>FY 2015 General Fund Leg. App.</b>	<b>FY 2016 General Fund Leg. App.</b>	<b>% Change Over FY 2015</b>	<b>FY 2017 General Fund Leg. App.</b>	<b>% Change Over FY 2015</b>
UNLV <sup>1</sup>	\$ 130,431,946	\$ 144,752,561	11.0%	\$ 145,613,360	11.6%
UNR	\$ 91,307,153	\$ 104,062,733	14.0%	\$ 104,678,472	14.6%
CSN	\$ 87,518,652	\$ 88,317,073	0.9%	\$ 88,861,090	1.5%
GBC	\$ 12,733,883	\$ 12,127,363	-4.8%	\$ 12,185,842	-4.3%
TMCC	\$ 30,367,228	\$ 30,254,820	-0.4%	\$ 30,441,184	0.2%
WNC	\$ 13,596,404	\$ 12,946,338	-4.8%	\$ 12,764,163	-6.1%
NSC	\$ 12,568,654	\$ 14,416,940	14.7%	\$ 14,505,746	15.4%
<b>Formula Budgets SUBTOTAL</b>	<b>\$ 378,523,920</b>	<b>\$ 406,877,828</b>	<b>7.5%</b>	<b>\$ 409,049,857</b>	<b>8.1%</b>
MEDICAL (UNSOM) <sup>2</sup>	\$ 31,253,285	\$ 34,644,420	10.9%	\$ 36,987,363	18.3%
MEDICAL (UNLV) <sup>2</sup>	\$ -	\$ 7,097,569	n/a	\$ 19,567,702	n/a
LAW	\$ 7,404,114	\$ 9,379,021	26.7%	\$ 9,416,652	27.2%
DENTAL	\$ 7,422,189	\$ 8,164,221	10.0%	\$ 8,300,440	11.8%
DRI <sup>3</sup>	\$ 7,526,457	\$ 7,314,053	-2.8%	\$ 7,295,028	-3.1%
<b>Professional School SUBTOTAL</b>	<b>\$ 53,606,045</b>	<b>\$ 66,599,284</b>	<b>24.2%</b>	<b>\$ 81,567,185</b>	<b>52.2%</b>
Education for Dependent Children	\$ -	\$ -	n/a	\$ 5,288	n/a
Special Projects	\$ 1,974,778	\$ 1,986,746	0.6%	\$ 1,988,649	0.7%
UNR Intercollegiate Athletics	\$ 4,972,752	\$ 5,194,287	4.5%	\$ 5,204,487	4.7%
UNR Statewide Programs	\$ 7,364,608	\$ 8,089,105	9.8%	\$ 8,105,671	10.1%
System Administration	\$ 4,653,275	\$ 4,495,018	-3.4%	\$ 4,499,683	-3.3%
UNLV Intercollegiate Athletics	\$ 7,049,245	\$ 7,323,117	3.9%	\$ 7,323,849	3.9%
Agricultural Experiment Station	\$ 4,872,744	\$ 5,095,459	4.6%	\$ 5,109,742	4.9%
Cooperative Extension Service	\$ 3,490,641	\$ 3,732,621	6.9%	\$ 3,750,941	7.5%
System Computing Center	\$ 16,870,709	\$ 17,521,825	3.9%	\$ 17,741,761	5.2%
State-Funded Perkins Loan	\$ 35,793	\$ 35,793	0.0%	\$ 35,793	0.0%
University Press	\$ 406,989	\$ 422,431	3.8%	\$ 422,711	3.9%
UNLV Statewide Programs	\$ 2,866,667	\$ 3,500,972	22.1%	\$ 3,503,948	22.2%
Business Center North	\$ 1,829,353	\$ 1,933,859	5.7%	\$ 1,951,815	6.7%
Business Center South	\$ 1,642,847	\$ 1,724,737	5.0%	\$ 1,743,335	6.1%
Silver State Opportunity Grant Pgm	\$ -	\$ 2,500,000	n/a	\$ 2,500,000	n/a
Health Laboratory and Research	\$ 1,502,862	\$ 1,576,133	4.9%	\$ 1,585,174	5.5%
<b>Non-Formula Budgets SUBTOTAL</b>	<b>\$ 59,533,263</b>	<b>\$ 65,132,103</b>	<b>9.4%</b>	<b>\$ 65,472,847</b>	<b>10.0%</b>
<b>NSHE TOTAL</b>	<b>\$ 491,663,228</b>	<b>\$ 538,609,215</b>	<b>9.5%</b>	<b>\$ 556,089,889</b>	<b>13.1%</b>

Notes:

<sup>1</sup> UNLV FY 2016 amount includes \$318,456 in unearned performance funding that will be available to be earned back in FY 2017.

<sup>2</sup> The FY 2016 and FY 2017 amounts include the General Funds appropriated to the IFC for allocation to the two medical schools as discussed in the Medical Education Expansion section narrative.

<sup>3</sup> The 2015 Legislature approved the Governor's recommendation for the DRI budget to implement the new funding formula that determines General Fund appropriations utilizing a sliding scale calculation based on the level of grant activity.

## **NSHE FUNDING FORMULA AND PERFORMANCE FUNDING FOR INSTRUCTIONAL BUDGETS**

The 2015 Legislature approved the Governor's recommendation to continue the funding formula policies adopted by the 2013 Legislature. The following summarizes the major components of the NSHE funding formula for the seven instructional budgets as approved by the 2015 Legislature:

1. Weighted Student Credit Hour (WSCH): General Fund appropriations approved by the Legislature for the 2015-17 biennium instructional budgets for UNLV, UNR, CSN, GBC, TMCC, WNC, and NSC are primarily based upon the distribution of completed WSCHs by Nevada resident students. The WSCHs for non-resident students are excluded. As approved by the 2015 Legislature and consistent with the policy adopted by the 2013 Legislature, the value of each WSCH is uniform across all institutions and is calculated by dividing the available General Fund appropriations in each fiscal year, after any "pre-formula allocations" are distributed, by the total number of FY 2014 WSCHs. The WSCH value is an output as the result of this calculation. It is not a predetermined amount, and is not used to determine General Fund appropriation levels in the budget.

For FY 2016 and FY 2017, the calculated General Fund value of a WSCH is \$152.61 and \$153.55, respectively, compared to the legislatively approved WSCH calculated General Fund value of \$141.50 for FY 2015. After calculating the value of the WSCH, the legislatively approved budget reallocates available General Fund appropriations through the formula. Available General Fund appropriations are determined through the traditional base, maintenance, and enhancement methodology, less any pre-formula allocations (i.e., small institution and research operations and maintenance funding).

Weighting of Credit Hours: As recommended by the Governor, the 2015 Legislature maintained the same credit hour weighting taxonomy as approved by the 2013 Legislature. The student credit hours remain weighted by discipline cluster and academic level developed by the National Center for Higher Education Management Systems (NCHEMS), and modified by the 2012 Interim Higher Education Funding Study Committee (Senate Bill 374, 2011 Session).

2. Projection of Weighted Student Credit Hours: The 2015 Legislature approved the Governor's recommendation to exclude FY 2014 WSCHs tied to "F" grades for non-attendance/effort for the 2015-17 biennium. As recommended by the Governor, the Legislature also approved a caseload adjustment resulting from a system-wide 3.5 percent increase in FY 2014 WSCH compared to FY 2012, adjusted for the removal of "F" grades for non-attendance/effort. The funding adjustments to exclude "F" grades and account for the change in the WSCH by institution were combined and approved based on the FY 2015 calculated WSCH value of \$141.50, as reflected in the following table. In total, based upon an increase of 86,001 WSCHs, the Legislature approved additional General Fund appropriations of \$12.2 million in each year of the 2015-17 biennium as recommended by the Governor. Consistent with the legislative policy established during the 2013 Legislature, the 2015 Legislature approved the Governor's recommendation to utilize FY 2014 WSCHs to reallocate General Fund appropriations through the funding formula in FY 2016 and FY 2017. The caseload adjustment funding is subsequently included

in the total available funding used to calculate the approved value of the WSCH for FY 2016 and FY 2017, and as such, is distributed among all institutions as part of the NSHE funding formula.

<b>Legislatively Approved Weighted Student Credit Hour Caseload Adjustment by Institution</b>					
	<b>FY 2012 WSCH Excludes "F" Grades for Non- Attendance/Effort</b>	<b>FY 2014 WSCH Excludes "F" Grades for Non- Attendance/Effort</b>	<b>WSCH Difference</b>	<b>FY 2015 WSCH Calculated Value Leg. App.</b>	<b>FY 2016/2017 Caseload Adjustment Leg. App.</b>
UNLV	872,181	915,704	43,523	\$ 141.50	\$ 6,158,505
UNR	612,130	655,013	42,883	\$ 141.50	\$ 6,067,945
CSN	586,695	578,716	(7,979)	\$ 141.50	\$ (1,129,029)
GBC	59,134	62,209	3,075	\$ 141.50	\$ 435,113
TMCC	201,083	198,251	(2,832)	\$ 141.50	\$ (400,728)
WNC	69,964	72,151	2,187	\$ 141.50	\$ 309,461
NSC	89,326	94,470	5,144	\$ 141.50	\$ 727,876
<b>Total</b>	<b>2,490,513</b>	<b>2,576,514</b>	<b>86,001</b>	<b>\$ 141.50</b>	<b>\$ 12,169,143</b>
Note: M-203 decision unit funding change combines the adjustments to exclude "F" grades for non-attendance/effort and to address the caseload adjustment resulting from an increase/decrease in WSCH for each institution in FY 2014 compared to FY 2012.					

3. Small Institution Funding: As recommended by the Governor, the Legislature approved GBC and WNC to cumulatively receive General Fund appropriations totaling \$2.0 million in each fiscal year of the 2015-17 biennium for small institution funding. This funding was allocated prior to the calculation of the WSCH value as a pre-formula allocation in recognition that all institutions have certain fixed administrative costs regardless of size. However, at the larger institutions, sufficient fee revenues are collected to not require additional General Fund support. The level of recommended funding for GBC and WNC is determined by the actual number of WSCHs subtracted from 100,000, with a maximum amount for each institution of \$1.5 million per year. For the purposes of calculating the small institution funding, each WSCH was valued at \$30.00. As shown in the previous table, GBC and WNC had 62,209 and 72,151 "F" grade adjusted WSCHs in FY 2014, respectively. Funding for each year of the 2015-17 biennium is based upon 37,791 WSCHs for GBC and 27,849 WSCHs for WNC. The small institution funding approved for the 2015-17 biennium is as follows:

<b>Legislatively Approved Small Institution Funding</b>						
	<b>FY 2015 Leg. App.</b>	<b>FY 2016 / FY 2017 M-201 Adj Leg. App.</b>	<b>FY 2016 Leg. App.</b>	<b>FY 2017 Leg. App.</b>	<b>Annual % Change Compared to FY 2015</b>	<b>2015-17 Biennium Total Leg. App.</b>
GBC	\$ 1,176,930	\$ (43,200)	\$ 1,133,730	\$ 1,133,730	-3.7%	\$ 2,267,460
WNC	\$ 767,580	\$ 67,890	\$ 835,470	\$ 835,470	8.8%	\$ 1,670,940
<b>Total</b>	<b>\$ 1,944,510</b>	<b>\$ 24,690</b>	<b>\$ 1,969,200</b>	<b>\$ 1,969,200</b>	<b>1.3%</b>	<b>\$ 3,938,400</b>
Note: M-201 decision unit reflects net change in funding as base funding includes General Fund appropriations for the Small Institution Funding. This table reflects the total amount approved.						

4. Mitigation Funding for GBC and WNC: The Governor recommended the elimination of \$5.3 million in one-time General Fund appropriations for GBC (\$3.0 million) and WNC (\$2.3 million), approved by the 2013 Legislature for the current biennium, to offset the General Fund appropriation reductions that occurred at GBC and WNC as a result of distributing funding based upon the WSCH formula. In approving the budgets, the 2015 Legislature subsequently added General Fund appropriations of \$3.0 million for GBC and \$2.0 million for WNC over the 2015-17 biennium to mitigate the reduction in General Fund appropriations and expenditures that would otherwise be experienced in adjusting to the level of state support provided by the NSHE funding formula. This funding was included in Section 71 of the 2015 Appropriations Act (Senate Bill 514). Without the mitigation funding, GBC would have experienced a reduction in General Fund appropriations of 16.5 percent in FY 2016 and a 16.1 percent decrease in FY 2017 compared to the \$12.7 million approved by the 2013 Legislature for FY 2015. WNC would have experienced a reduction in General Fund appropriations of 12.9 percent in FY 2016 and a 12.4 percent decrease in FY 2017 compared to the \$13.6 million approved by the 2013 Legislature for FY 2015 without the mitigation funding.
5. Research Space Operations and Maintenance Funding: As recommended by the Governor, the 2015 Legislature approved General Fund appropriations of \$9.1 million in research space (i.e., non-instructional space) operations and maintenance (O&M) funding for UNLV (\$5.0 million) and UNR (\$4.1 million) in each year of the 2015-17 biennium. The approved funding level represents a combined annual increase of 6.8 percent or \$583,211 compared to the \$8.5 million approved by the 2013 Legislature for FY 2015. This funding was distributed prior to the calculation of the WSCH value as a pre-formula allocation. The NSHE indicated that the increase in funding for this purpose is based on the square footage and operation costs of building space dedicated for research activities for the 2015-17 biennium. Funding for research O&M is not based upon a uniform cost per square foot (sf) across both institutions. For the 2015-17 biennium, research space O&M was funded at \$15.66 per sf at UNLV, and \$8.94 per sf at UNR. The per sf value of UNLV's research O&M funding is 75.2 percent higher than UNR's due to the 2015 Legislature approving the Governor's recommendation that UNLV retain the \$1.7 million redirection of funds from CSN and NSC for research O&M approved by the 2013 Legislature, as noted in Footnote 1 in the following table. If the \$1.7 million was not included, UNLV's approved research O&M funding would be \$10.26 per sf.

The NSHE indicated that research square footage for UNR increased by 8,933 sf to a total of 458,634 sf of dedicated research space. As reflected in the following table, the funding increase for research O&M for UNR represents a 14.5 percent annual increase. This was a result of both the increase in research space and also an increase in the cost per sf used in the budget. The dedicated research space at UNLV increased by 45,384 sf, to a total of 319,883 sf.



Legislatively Approved University Research Space Operation and Maintenance (O&M) Funding						
	FY 2015 Research O&M Leg. App. <sup>1</sup>	FY 2016 / FY 2017 M-200 Adj Leg. App.	FY 2016 Research O&M Leg. App.	FY 2017 Research O&M Leg. App.	Annual % Change Compared to FY 2015	2015-17 Biennium Research O&M Leg. App.
UNLV	\$ 4,944,173	\$ 64,026	\$ 5,008,199	\$ 5,008,199	1.3%	\$ 10,016,398
UNR	\$ 3,582,891	\$ 519,185	\$ 4,102,076	\$ 4,102,076	14.5%	\$ 8,204,152
<b>Total</b>	<b>\$ 8,527,064</b>	<b>\$ 583,211</b>	<b>\$ 9,110,275</b>	<b>\$ 9,110,275</b>	<b>6.8%</b>	<b>\$ 18,220,550</b>
<sup>1</sup> Of the total amount, the 2013 Legislature approved the redistribution of \$1.7 million "post-formula" to UNLV from CSN (\$1.2 million) and NSC (\$566,616). The 2015 Legislature approved the Governor's recommendation that UNLV retain that level of funding in the base budget, and that new General Fund appropriations <u>not</u> be added to restore formula funding at CSN and NSC. Note: M-200 decision unit reflects net change in funding as base funding includes General Fund appropriations for Research O&M. This table reflects the total amount approved.						

6. **Performance Funding Pool Set-Aside:** Consistent with the policy adopted by the 2013 Legislature and as recommended by the Governor, the 2015 Legislature approved a 10.0 percent (\$40.4 million) and 15.0 percent (\$61.0 million) set-aside of General Fund appropriations for the performance funding pool in FY 2016 and FY 2017, respectively. In order to allow for sufficient advance planning of operational costs and budgeting, the performance funding earned for a fiscal year is based on actual performance from two years preceding the fiscal year in which funds are appropriated. For example, the approved FY 2016 performance funding was based on actual FY 2014 performance. This allowed for the performance funding to be made available for, and transferred to the institutions at the beginning of the fiscal year in which they will be expended. The majority of the performance metrics are based on the number of students graduating/earning certificates.

The following reflects the amount of General Fund appropriations in FY 2016 and FY 2017 that were approved as Performance Funding for the upcoming biennium.

FY 2016 General Fund Appropriation Performance Funding Set-Aside			FY 2017 General Fund Appropriation Performance Funding Set-Aside		
Institution	FY 2016 Total Budgeted General Funds Leg. App.	10% Set-Aside	Institution	FY 2017 Total Budgeted General Funds Leg. App.	15% Set-Aside
UNLV	\$ 144,752,561	\$ 14,475,255	UNLV	\$ 145,613,360	\$ 21,842,004
UNR	\$ 104,062,733	\$ 10,406,273	UNR	\$ 104,678,472	\$ 15,701,771
CSN	\$ 88,317,073	\$ 8,831,707	CSN	\$ 88,861,090	\$ 13,329,164
GBC <sup>1</sup>	\$ 10,627,363	\$ 1,062,736	GBC <sup>1</sup>	\$ 10,685,842	\$ 1,602,876
TMCC	\$ 30,254,820	\$ 3,025,482	TMCC	\$ 30,441,184	\$ 4,566,178
WNC <sup>1</sup>	\$ 11,846,338	\$ 1,184,634	WNC <sup>1</sup>	\$ 11,914,163	\$ 1,787,123
NSC	\$ 14,416,940	\$ 1,441,694	NSC	\$ 14,505,746	\$ 2,175,862
<b>TOTAL</b>	<b>\$ 404,277,828</b>	<b>\$ 40,427,783</b>	<b>TOTAL</b>	<b>\$ 406,699,857</b>	<b>\$ 61,004,978</b>
<sup>1</sup> Reflects amounts approved by the money committees in closing the budgets. The amounts do not include the additional General Fund appropriations approved as mitigation funding in Section 71 of the 2015 Appropriations Act (Senate Bill 514).					

The institutions' performance is based on a year-over-year comparison, and as such, each institution is "competing" against its own prior year performance rather than against each other. Based on information reported by NSHE, all institutions except UNLV achieved their targets for FY 2014, which determined the performance funding in FY 2016. Additionally, both GBC and TMCC achieved actual performance above the targets by an amount sufficient to receive 100 percent of the performance funding to be set aside in FY 2016, and also to earn back the unearned funds of \$15,083 for GBC and \$12,091 for TMCC from FY 2015.

The 2015 Legislature approved including the FY 2016 performance funding in each institution's General Fund operating budget, and thus avoid the need for the institutions to submit work programs for IFC consideration to facilitate a known transfer of performance funding for FY 2016. The FY 2017 funding was approved and appropriated to the Performance Funding budget. Based on the institution's actual performance in FY 2015, funds will then be transferred from the Performance Pool budget to the applicable institution's instructional budget with approval of the IFC. The following table reflects the FY 2014 actual performance achieved as a percentage of each institution's performance target and the amount of funding earned for FY 2016.

FY 2016 General Fund Appropriation Performance Funding Based on Actual FY 2014 Performance					
Institution	FY 2016 Total Budgeted General Funds Leg. App.	10% Set-Aside	Actual FY 2014 Performance % of Target	Earned FY 2016 Performance Funding	Unearned Performance Funding
UNLV	\$ 144,752,561	\$ 14,475,255	97.8%	\$ 14,156,799	\$ 318,456
UNR	\$ 104,062,733	\$ 10,406,273	107.0%	\$ 10,406,273	\$ -
CSN	\$ 88,317,073	\$ 8,831,707	116.9%	\$ 8,831,707	\$ -
GBC <sup>1, 2</sup>	\$ 10,627,363	\$ 1,062,736	112.2%	\$ 1,062,736	\$ -
TMCC <sup>2</sup>	\$ 30,254,820	\$ 3,025,482	107.7%	\$ 3,025,482	\$ -
WNC <sup>1</sup>	\$ 11,846,338	\$ 1,184,634	107.0%	\$ 1,184,634	\$ -
NSC	\$ 14,416,940	\$ 1,441,694	107.6%	\$ 1,441,694	\$ -
<b>TOTAL</b>	<b>\$ 404,277,828</b>	<b>\$ 40,427,783</b>		<b>\$ 40,109,326</b>	<b>\$ 318,456</b>
<sup>1</sup> The FY 2016 Total Budgeted General Funds for GBC and WNC do not account for the mitigation funding of \$1.5 million and \$1.1 million, respectively, approved in Section 71 of the Appropriations Act (Senate Bill 514).					
<sup>2</sup> The FY 2016 Performance Funding amounts for GBC and TMCC do <u>not</u> include the amount of unearned funds of \$15,083 and \$12,091, respectively, that each institution earned back based on FY 2014 performance.					

## **BUDGETING OF STUDENT-DERIVED REVENUES**

The budgeting of student-derived revenues is based upon policy decisions adopted by prior Legislatures rather than being a function of the funding formula or a statutory requirement. In addition, whether student-derived revenues are counted first and/or considered an offset to General Fund appropriations is not dictated by the funding formula. The 2015 Legislature approved, as recommended by the Governor, to continue the policy adopted by the 2013 Legislature that, for purposes of determining the level of General Fund appropriations to be budgeted in NSHE's state-supported operating budgets, projected non-General Fund revenues do not offset the amount of

General Fund appropriations that would otherwise be appropriated. Prior to the policy adopted in 2013, General Fund appropriation “need,” student registration fees, non-resident tuition, and miscellaneous student fees were the first dollars counted and treated as an offset to calculating the General Fund need.

During review of the budgets by the Legislature, the NSHE submitted a request to revise the student driven non-General Fund revenues for each of the seven instruction budgets based on updated enrollment projections. Based on the revised projections, technical adjustments were approved to reflect the changes. Including all seven institutions, the technical adjustment to revise each of the student driven non-General Fund revenues, based on updated projections from NSHE, increased funding by \$14.5 million in FY 2016 and by \$17.3 million in FY 2017. As shown in the following tables, the 2015 Legislature approved student registration fee and non-resident tuition revenues over the 2015-17 biennium of \$457.6 million and \$132.5 million, respectively, for the seven teaching institutions and three professional schools.

Legislatively Approved 2015-17 Biennium Registration Fee Revenues						
Institution	FY 2015 Leg. App.	FY 2015 Leg App Adjusted for IFC/Board of Regents Augmentations	FY 2016 Leg. App.	%Change FY 2016/ FY 2015 Augmented	FY 2017 Leg. App.	%Change FY 2017/ FY 2015 Augmented
UNLV	\$ 69,600,488	\$ 76,639,475	\$ 78,986,926	3.1%	\$ 81,952,037	6.9%
UNR <sup>1</sup>	\$ 51,854,750	\$ 60,299,500	\$ 65,215,407	8.2%	\$ 71,626,177	18.8%
CSN	\$ 37,770,684	\$ 37,770,684	\$ 37,053,837	-1.9%	\$ 38,637,964	2.3%
GBC	\$ 3,273,904	\$ 3,293,796	\$ 3,780,304	14.8%	\$ 3,924,899	19.2%
TMCC <sup>1</sup>	\$ 11,828,349	\$ 11,828,349	\$ 11,096,559	-6.2%	\$ 11,470,916	-3.0%
WNC	\$ 4,429,311	\$ 4,429,311	\$ 4,356,778	-1.6%	\$ 4,531,050	2.3%
NSC	\$ 5,183,791	\$ 6,499,668	\$ 6,078,592	-6.5%	\$ 6,266,644	-3.6%
<b>Subtotal</b>	<b>\$ 183,941,277</b>	<b>\$ 200,760,783</b>	<b>\$ 206,568,403</b>	<b>2.9%</b>	<b>\$ 218,409,687</b>	<b>8.8%</b>
UNSOM	\$ 5,036,120	\$ 5,036,120	\$ 5,038,334	0.0%	\$ 5,184,115	2.9%
UNLV Dental	\$ 6,974,652	\$ 6,974,652	\$ 7,216,979	3.5%	\$ 7,481,352	7.3%
UNLV Law	\$ 4,684,078	\$ 4,684,078	\$ 3,767,458	-19.6%	\$ 3,928,354	-16.1%
<b>Subtotal</b>	<b>\$ 16,694,850</b>	<b>\$ 16,694,850</b>	<b>\$ 16,022,771</b>	<b>-4.0%</b>	<b>\$ 16,593,821</b>	<b>-0.6%</b>
<b>Totals</b>	<b>\$ 200,636,127</b>	<b>\$ 217,455,633</b>	<b>\$ 222,591,174</b>	<b>2.4%</b>	<b>\$ 235,003,508</b>	<b>8.1%</b>
1. UNR FY 2015 amount includes \$421,000 in unexpended Registration Fees collected in FY 2014 and balanced forward into FY 2015. TMCC includes \$232,813 in FY 2014 Registration Fees balanced forward in FY 2015. Both actions are pursuant to Section 25 of SB 521 (Authorization Act) of 2013 Session.						

Legislatively Approved 2015-17 Biennium Non-Resident Tuition Revenues						
Institution	FY 2015 Leg. App.	FY 2015 Leg App Adjusted for IFC/Board of Regents Augmentations	FY 2016 Leg. App.	%Change FY 2016/ FY 2015 Augmented	FY 2017 Leg. App.	%Change FY 2017/ FY 2015 Augmented
UNLV	\$ 27,809,892	\$ 29,596,597	\$ 29,957,557	1.2%	\$ 30,089,244	1.7%
UNR	\$ 16,427,234	\$ 26,611,381	\$ 23,511,661	-11.6%	\$ 24,874,442	-6.5%
CSN	\$ 6,123,272	\$ 7,872,493	\$ 7,299,511	-7.3%	\$ 7,404,986	-5.9%
GBC	\$ 245,688	\$ 245,688	\$ 160,000	-34.9%	\$ 164,000	-33.2%
TMCC	\$ 1,019,693	\$ 1,574,150	\$ 1,530,325	-2.8%	\$ 1,559,661	-0.9%
WNC	\$ 1,738,917	\$ 1,738,917	\$ 332,643	-80.9%	\$ 352,901	-79.7%
NSC	\$ 387,307	\$ 508,424	\$ 463,772	-8.8%	\$ 482,304	-5.1%
<b>Subtotal</b>	<b>\$ 53,752,003</b>	<b>\$ 68,147,650</b>	<b>\$ 63,255,469</b>	<b>-7.2%</b>	<b>\$ 64,927,538</b>	<b>-4.7%</b>
UNSOM	\$ 876,960	\$ 876,960	\$ 576,726	-34.2%	\$ 528,300	-39.8%
UNLV Dental	\$ 751,130	\$ 1,129,920	\$ 1,308,676	15.8%	\$ 1,361,035	20.5%
UNLV Law	\$ 428,404	\$ 428,404	\$ 283,444	-33.8%	\$ 260,279	-39.2%
<b>Subtotal</b>	<b>\$ 2,056,494</b>	<b>\$ 2,435,284</b>	<b>\$ 2,168,846</b>	<b>-10.9%</b>	<b>\$ 2,149,614</b>	<b>-11.7%</b>
<b>Totals</b>	<b>\$ 55,808,497</b>	<b>\$ 70,582,934</b>	<b>\$ 65,424,315</b>	<b>-7.3%</b>	<b>\$ 67,077,152</b>	<b>-5.0%</b>

## **MEDICAL EDUCATION EXPANSION**

1. **UNLV School of Medicine:** The 2015 Legislature approved the Governor's recommended General Fund appropriations of \$1.2 million in FY 2016 and \$7.1 million in FY 2017 to provide start-up costs for the development of an allopathic medical school at UNLV. The Legislature also approved additional General Fund appropriations of \$5.9 million in FY 2016 and \$12.5 million in FY 2017 to support the start-up costs for the new medical school. The additional funding was approved in Section 71 of the 2015 Appropriations Act (Senate Bill 514). While the 2015 Legislature approved the Governor's recommended funding levels to be appropriated to a new state supported operating budget for the UNLV School of Medicine, the additional funding approved in Section 71 of the 2015 Appropriations Act was appropriated to the IFC for allocation to NSHE. Approval by IFC for allocation of the funding is dependent upon recommendation by the Governor upon NSHE's submittal of a detailed expenditure plan for the operation and implementation of the new medical school, including a timeline identifying milestones to be achieved through the expenditure of the funding. In addition, it must be determined by the IFC that the plan and allocation are in the public interest.

Total funding approved for the new UNLV School of Medicine of \$26.7 million over the 2015-17 biennium was based on levels approved and requested by the Board of Regents for implementation of the school and staff/faculty recruitment, including efforts to achieve accreditation from the Liaison Committee on Medical Education (LCME).

The initial entering class for the new UNLV School of Medicine was targeted to include the enrollment of 60 students, with annual class size increases to 65, 80, 100 and 120 students over a four-year period after the inaugural entering class. With the funding approved by the 2015 Legislature, the entering class is anticipated to enroll in the Fall 2017 semester.

With approval by the Legislature to fund the new medical school, future NSHE plans include the construction of a new facility to be built on Clark County land in the Las Vegas Medical District, immediately north of the UNLV Shadow Lane Campus. The building is planned as a 150,000 square foot facility with an estimated project budget of \$80.0 million. The building would include classrooms, study space, gross anatomy teaching facilities, medical simulation facility spaces, faculty offices and other support facilities. The NSHE indicated that the construction project is planned to be funded through donor funding. It is anticipated that construction of the building would be complete, and the facility ready for occupancy in August 2019.

2. University of Nevada School of Medicine: As recommended by the Governor, the 2015 Legislature approved General Fund appropriations of \$2.5 million over the 2015-17 biennium to purchase video equipment and fund public medical education expansion through Project Echo Nevada for telehealth linkage that connects university faculty specialists with primary care providers in rural, underserved areas. Of the \$2.5 million, \$480,000 was approved over the biennium to support 2.66 full-time equivalent (FTE) positions for Project Echo, \$75,000 for Project Echo equipment, and \$500,000 for the purchase of video equipment. The remaining \$1.5 million of approved funding supports 8.95 FTE positions in FY 2017 to assist with the Renown Partnership to expand medical education programs for students and resident physicians. The partnership aims to increase the number of physicians who train and practice in Nevada, and support the University of Nevada School of Medicine (UNSOM) to transition to a full four-year campus as part of the overall medical education expansion efforts of the NSHE. The partnership will develop the clinical and academic infrastructure for academic space at Renown Health to support third and fourth-year medical student education, expand the existing curriculum available to UNSOM students, and expand residency slots in Northern Nevada.

Also, the Legislature approved additional General Fund appropriations of \$1.8 million in FY 2016 and \$2.0 million in FY 2017 to support the expansion of public undergraduate and graduate medical education. In conjunction with the funding noted above, the added funding was intended to support UNSOM's transition to a full four-year campus. The additional funding was approved in Section 71 of the 2015 Appropriations Act (Senate Bill 514). While the 2015 Legislature approved the Governor's recommended funding levels to be appropriated to the existing UNSOM budget, the additional funding approved in Section 71 of the 2015 Appropriations Act was appropriated to the IFC for allocation to NSHE. Approval of IFC for allocation of the funding is dependent upon recommendation of the Governor upon submittal of a detailed expenditure plan for funding. In addition, it must be determined by the IFC that the plan and allocation are in the public interest.

Overall, inclusive of the funds appropriated to the IFC as noted above, the 2015 Legislature approved total funding of \$40.3 million in FY 2016 and \$42.7 million in FY 2017 for the UNSOM, including General Fund appropriations of \$34.6 million in FY 2016 and \$37.0 million in FY 2017.

## **UNLV LAW SCHOOL**

The 2015 Legislature approved additional General Fund appropriations of \$1.5 million in each year of the 2015-17 biennium, as recommended by the Governor, to partially offset a revenue reduction resulting from lower enrollments at the UNLV Boyd School of Law. The NSHE projected an annual revenue reduction at the law school of \$3.0 million beginning in FY 2016. Due to declining law school enrollments nationwide, the Board of Regents and UNLV Boyd School of Law intentionally reduced class sizes to maintain student quality. The NSHE indicated that class sizes at the school have been reduced from 150 to 110 students, and that in addition to the approved new General Fund support, a combination of expenditure reductions and fee increases would assist in addressing the reduced funding. In addition, the school indicated it engaged in private fundraising efforts to secure funds for scholarships and to offset portions of faculty salaries to address the revenue shortfall resulting from enrollment reductions.

Overall, the Legislature approved total funding of \$13.5 million in FY 2016 and \$13.6 million in FY 2017 for the Law School, including General Fund appropriations of \$9.4 million in each year of the 2015-17 biennium.

## **DESERT RESEARCH INSTITUTE (DRI) FUNDING FORMULA**

As recommended by the Governor, the 2015 Legislature approved funding for DRI based on the new formula model for institutional support and research administration functions. The formula model is a sliding scale calculation based on the level of grant activity. State support is calculated at 12.0 percent of the first \$25.0 million of grants and contracts. An additional 7.5 percent is calculated on the next \$5.0 million in grants and contracts (from \$25.0 million to \$30.0 million), 6.0 percent of the next \$5.0 million in grants and contracts (from \$30.0 million to \$35.0 million), and 5.0 percent of any additional grants and contracts above \$35.0 million. The Desert Research Institute's O&M costs continue to be funded using the existing Base, Maintenance, and Enhancement methodology. Based upon the formula, the Legislature approved decreases in General Fund appropriations of \$975,718 and \$1.1 million in FY 2016 and FY 2017, respectively. However, to mitigate the reduction in General Fund appropriations and expenditures resulting from the formula implementation, the Legislature added General Fund appropriations of \$477,312 in each year of the 2015-17 biennium. As a result, the Legislature approved General Fund appropriations of \$7.3 million in each year of the 2015-17 biennium compared to the FY 2015 legislatively approved amount of \$7.5 million. The following table represents the approved General Fund appropriation funding level for each year of the 2015-17 biennium.

Legislatively Approved Funding for the Desert Research Institute					
FY 2016			FY 2017		
Grant & Contract Funds Awarded (Increments)	% Per Step	Gen Fund (Leg App)	Grant & Contract Funds Awarded (Increments)	% Per Step	Gen Fund (Leg App)
\$ 25,000,000	12.0%	\$ 3,000,000	\$ 25,000,000	12.0%	\$ 3,000,000
\$ 5,000,000	7.5%	\$ 375,000	\$ 5,000,000	7.5%	\$ 375,000
\$ 5,000,000	6.0%	\$ 300,000	\$ 5,000,000	6.0%	\$ 300,000
\$ 868,929	5.0%	\$ 43,446	\$ 868,929	5.0%	\$ 43,446
\$ 35,868,929		\$ 3,718,446	\$ 35,868,929		\$ 3,718,446
	O&M	\$ 3,118,295		O&M	\$ 3,099,270
	Mitigation	\$ 477,312		Mitigation	\$ 477,312
<b>Total General Fund</b>		<b>\$ 7,314,053</b>	<b>Total General Fund</b>		<b>\$ 7,295,028</b>

In addition to the General Fund appropriations, the Legislature approved other funding of \$148,486 in each year of the 2015-17 biennium for the DRI budget as recommended by the Governor.

### **NSHE NON-FORMULA BUDGETS**

The 2015 Legislature approved the Governor's recommended 2015-17 biennium funding levels for the NSHE non-formula, state-supported operating budgets, inclusive of establishing the Trust Account for the Education for Dependent Children. The Legislature also added General Fund appropriations of \$500,000 in each year of the 2015-17 biennium to the UNLV Statewide Programs budget to establish the International Center for Excellence in Gaming Regulation. The new Center will promote research, information/knowledge sharing, networking, and academic instruction on gaming regulation to global audiences.

### **SALARY AND BENEFIT ADJUSTMENTS**

Consistent with actions for all other state employees for the 2015-17 biennium, the 2015 Legislature eliminated furlough leave and classified employee longevity pay, approved the continuation of merit pay for classified NSHE employees, and approved a 1 percent and 2 percent salary increase in FY 2016 and FY 2017, respectively, for all NSHE employees. As recommended by the Governor, General Fund appropriations for professional merit were not funded by the Legislature.

### **SILVER STATE OPPORTUNITY GRANT PROGRAM**

The 2015 Legislature approved General Fund appropriations of \$2.5 million in each fiscal year of the 2015-17 biennium to support the new Silver State Opportunity Grant Program. The program provides grants to pay a portion of the cost of education for eligible students enrolled in a state or community college within the NSHE. The new program was established through the passage and approval of Senate Bill 227. Senate Bill 227 requires the Board of Regents to adopt regulations prescribing the procedures and standards for determining eligibility, the methodology for calculating the financial need of a student, and the process by which a student may meet the 15-credit enrollment requirement and any other regulations necessary to carry out the program. Additionally, the bill requires the Board of Regents to calculate the maximum grant a



student is eligible to receive, net of other funding sources, and determine the actual amount of the grant to be awarded.

### **CAPITAL IMPROVEMENTS**

As shown in the following table, the 2015 Legislature approved funding for one capital improvement construction project – Construct New Hotel College Academic Building, University of Nevada, Las Vegas (15-C78). This construction project is a continuation of the planning project approved by the 2013 Legislature (13-P05, Planning through Construction Documents, UNLV Hotel College Academic Building). The \$48.8 million construction project was approved with a funding split of 50 percent state funds and 50 percent university funds. Finally, the Legislature approved removing a General Fund appropriation enhancement of \$500,000 in FY 2017 from UNLV's state-supported operating budget, and included the \$500,000 appropriation as part of the state funding to support the project in the CIP.

The Legislature also approved the Governor's recommendation of deferred maintenance funding totaling \$15.0 million over the 2015-17 biennium for 79 NSHE deferred maintenance projects (15-M42). Ten million dollars (\$10.0 million) was approved from state sources with the remaining \$5.0 million approved from the Special Higher Education Capital Construction (SHECC) fund. Funding from the SHECC is derived from slot machine excise taxes pursuant to NRS 463.385(4).

<b>2015-17 Biennium Legislatively Approved NSHE Capital Improvement Projects</b>					
<b>Project Number</b>	<b>Institution</b>	<b>Project Description</b>	<b>State Funds (Millions)</b>	<b>Other Funds (Millions)</b>	<b>Total (Millions)</b>
<b>Construction Project</b>					
15-C78	UNLV	Hotel College Academic Building - UNLV	\$24.4	\$24.4	\$48.8
<b>Construction Subtotal</b>			<b>\$24.4</b>	<b>\$24.4</b>	<b>\$48.8</b>
<b>Systemwide Deferred Maintenance</b>					
15-M42	NSHE	Deferred Maintenance: HECC/SHECC Projects <sup>1</sup>	\$10.0	\$5.0	\$15.0
<b>Deferred Maintenance Subtotal</b>			<b>\$10.0</b>	<b>\$5.0</b>	<b>\$15.0</b>
<b>NSHE CIP TOTAL</b>			<b>\$34.4</b>	<b>\$29.4</b>	<b>\$63.8</b>

<sup>1</sup> HECC: Capital Construction Fund for Higher Education. SHECC: Special Capital Construction Fund for Higher Education. NRS 463.385

### **OTHER LEGISLATIVE ACTIONS AFFECTING THE NSHE**

Additionally, the 2015 Legislature passed, and the Governor approved, the following bills affecting the NSHE:

#### **Bill**

#### **Impact**

A.B. 76 Requires the Board of Regents to submit, on or before November 30 of each year, a report to the Legislature or the Legislative Committee on Education when the Legislature is not in regular session concerning the participation of students who are veterans in the Nevada System of Higher Education, and efforts and policy changes by the system and its institutions relating to students who are veterans. The bill also encourages the Board of Regents to foster a culture that recognizes and supports veterans, and extends from two years to five years the time period a veteran who has been honorably



discharged is eligible for resident or in-state fee charges. (Effective July 1, 2015; reporting requirements expire by limitation on July 1, 2020)

- A.B. 150 Extended the student eligibility for the Governor Guinn Millennium Scholarship to students who do not meet the minimum high school grade point average requirement, but who receive a test score on a college entrance examination that meets the approved minimum score established by the Board of Regents of the University of Nevada. (Effective July 1, 2015)
- A.B. 399 The legislation requires the Governor's Office of Economic Development, in consultation with the College of Southern Nevada (CSN) and other parties, to develop, create, and oversee the NV Grow Program as a pilot program designed to stimulate Nevada's economy. The program is designed to provide assistance to businesses that are already located and operating in Nevada, and that generate at least \$100,000 but not more than \$700,000 in revenue. Assembly Bill. 399 also appropriates \$150,000 from the State General Fund to the CSN to allow for the purchase of software for a geographic information system, to hire a person to operate the system, and to provide other services as necessary to carry out the pilot program in Clark County. (Effective June 9, 2015, to perform administrative tasks, and July 1, 2015, for all other purposes; expires by limitation on October 1, 2017)
- A.B. 451 Extended the dissolution of the University of Nevada, Las Vegas Campus Improvement Authority created by A.B. 335 of the 2013 Legislative Session from October 1, 2015, to October 1, 2017. The bill also expanded the Authority area boundaries to include all parcels of property that are located not more than 1.5 miles from any property located in the previously established Authority area boundaries. Finally, the legislation extended the date in which the Authority is required to transmit a report of the results of its study, including any recommendations for legislation to the Legislature from September 30, 2014, to September 30, 2016, or from submittal to the 78<sup>th</sup> Session to the 79<sup>th</sup> Session of the Nevada Legislature. (Effective June 5, 2015)
- S.B. 119 Exempted from the state prevailing wage law, projects involving construction, alteration, repair, remodeling, or reconstruction of an improvement or property to which a school district, a charter school, or the Nevada System of Higher Education (NSHE) is a party. This bill also eliminated a provision that previously required NSHE to pay prevailing wages on construction work for which the estimated cost exceeds \$100,000 even if the construction work does not qualify as a public work. (Effective March 6, 2015)
- S.B. 128 Increased the number of credit hours a student otherwise eligible for the Millennium Scholarship must enroll from six to nine per semester, if attending a community college. Additionally, the legislation increased the number of semester credit hours that may be funded, from 12 to 15 per semester, on behalf of a Millennium Scholar enrolled in an eligible institution. (Effective July 1, 2015)

- S.B. 195 Created the Office of the Western Regional Higher Education Compact within the Office of the Governor, and transferred the Nevada Western Interstate Commission for Higher Education and its employees to the new office. (Effective July 1, 2015)
- S.B. 414 Encourages the Board of Regents to enter into a reciprocal agreement with the State of California to authorize waivers of non-resident tuition to certain residents of Nevada and California in the Lake Tahoe Basin. Any such agreement to authorize waivers of non-resident tuition are dependent upon passage and approval of S.B. 605 of the 2015-16 Regular Session of the Legislature of the State of California. (Effective June 5, 2015)

**Nevada Legislative Counsel Bureau**  
**Summary of Appropriations and Authorizations**  
**2015-17 Legislature**

	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>EDUCATION</b>					
<b>DEPARTMENT OF EDUCATION</b>					
<b>NDE - TEACHERS' SCHOOL SUPPLIES REIMBURSEMENT</b>			2,500,000		2,500,000
GENERAL FUND			2,500,000		2,500,000
<b>NDE - DISTRIBUTIVE SCHOOL ACCOUNT</b>	1,450,647,319	1,415,577,446	1,411,810,643	1,419,995,840	1,431,696,325
GENERAL FUND	1,156,416,585	1,099,712,143	1,093,556,243	1,091,677,682	1,101,624,225
FEDERAL FUND	7,874,977	7,300,000	7,000,000	7,300,000	7,000,000
INTERAGENCY TRANSFER	136,653,300	152,603,303	155,230,000	157,394,158	160,269,900
OTHER FUND	149,702,457	155,962,000	156,024,400	163,624,000	162,802,200
<b>NDE - TEACH NEVADA SCHOLARSHIP PROGRAM</b>			2,500,000		2,500,000
GENERAL FUND			2,500,000		2,500,000
<b>NDE - OTHER STATE EDUCATION PROGRAMS</b>	30,849,418	101,042,661	76,786,487	133,422,209	93,494,363
GENERAL FUND	30,466,533	101,042,661	76,786,487	133,422,209	93,494,363
BALANCE FORWARD	382,885				
REVERSIONS					
<b>NDE - PROFESSIONAL DEVELOPMENT PROGRAMS</b>		12,447,381	12,447,381	12,427,426	12,427,426
GENERAL FUND		12,447,381	12,447,381	12,427,426	12,427,426
<b>NDE - SCHOOL REMEDIATION TRUST FUND</b>	114,287,322	168,428,366	160,929,262	195,320,167	187,387,692
GENERAL FUND	102,525,606	167,987,580	160,873,244	195,264,149	187,331,674
BALANCE FORWARD	11,761,716	384,768			
OTHER FUND		56,018	56,018	56,018	56,018
<b>NDE - STATE SUPPLEMENTAL SCHOOL SUPPORT ACCOUNT</b>	136,653,300	151,857,000	154,736,000	156,293,000	159,212,000
OTHER FUND	136,653,300	151,857,000	154,736,000	156,293,000	159,212,000
<b>NDE - INCENTIVES FOR LICENSED EDUCATION PERSONNEL</b>	9,619,234	3,000,000	2,000,000	3,000,000	2,000,000
GENERAL FUND	5,760,000	3,000,000	2,000,000	3,000,000	2,000,000
BALANCE FORWARD	3,859,234				
<b>NDE - OFFICE OF THE SUPERINTENDENT</b>	5,954,785	1,446,522	1,439,359	1,487,187	1,484,498
GENERAL FUND	5,870,136	1,446,522	1,439,359	1,487,187	1,484,498
BALANCE FORWARD	38,707				
INTERAGENCY TRANSFER	19,287				
OTHER FUND	26,655				
REVERSIONS					
<b>NDE - DISTRICT SUPPORT SERVICES</b>	1,889,671	1,320,358	1,313,630	1,356,968	1,359,063
GENERAL FUND		802,332	772,656	830,892	803,028
INTERAGENCY TRANSFER	1,889,671	518,026	540,974	526,076	556,035

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>NDE - STANDARDS AND INSTRUCTIONAL SUPPORT</b>		2,270,025	2,266,811	2,265,606	2,266,846
GENERAL FUND		1,174,149	1,172,047	1,169,103	1,169,822
FEDERAL FUND		1,095,876	1,094,764	1,096,503	1,096,912
INTERAGENCY TRANSFER					112
<b>NDE - DEPARTMENT SUPPORT SERVICES</b>	3,983,060	4,887,592	4,887,592	5,760,070	5,786,634
BALANCE FORWARD	705,838	1,401,653	1,401,653	2,235,313	2,261,971
INTERAGENCY TRANSFER	3,277,222	3,485,939	3,485,939	3,524,757	3,524,663
<b>NDE - ASSESSMENTS AND ACCOUNTABILITY</b>	6,697,029	18,847,103	18,790,003	18,758,618	18,195,966
GENERAL FUND	6,518,000	13,722,586	13,669,014	13,974,190	13,410,571
BALANCE FORWARD	179,029	119,971	119,971	119,971	120,269
FEDERAL FUND		5,004,546	5,001,018	4,664,457	4,665,126
REVERSIONS					
<b>NDE - EDUCATIONAL TRUST ACCOUNT</b>	478,946	589,852	589,852	612,622	602,622
BALANCE FORWARD	369,946	449,852	449,852	472,622	462,622
INTERAGENCY TRANSFER	109,000	140,000	140,000	140,000	140,000
<b>NDE - EDUCATOR LICENSURE</b>	2,557,819	2,797,449	2,797,449	2,759,185	2,809,424
GENERAL FUND	100	100	100	100	100
BALANCE FORWARD	1,086,009	1,004,332	1,004,332	966,068	1,016,307
OTHER FUND	1,471,710	1,793,017	1,793,017	1,793,017	1,793,017
REVERSIONS					
<b>NDE - DATA SYSTEMS MANAGEMENT</b>		4,303,151	3,940,958	4,305,061	3,857,724
GENERAL FUND		3,849,529	3,487,336	4,187,789	3,740,452
FEDERAL FUND		453,622	453,622	117,272	117,272
<b>NDE - EDUCATOR EFFECTIVENESS</b>	170,000	11,414,027	11,413,012	10,818,072	10,818,462
GENERAL FUND	170,000	315,058	314,347	341,702	341,978
FEDERAL FUND		11,098,969	11,098,665	10,476,370	10,476,370
INTERAGENCY TRANSFER					114
<b>NDE - SCHOOL HEALTH EDUCATION - AIDS</b>					
FEDERAL FUND					
<b>NDE - GEAR UP</b>	5,990,995	5,999,927	5,999,095	6,000,695	6,000,941
BALANCE FORWARD					
FEDERAL FUND	2,990,995	2,999,858	2,999,858	3,000,550	3,000,550
INTERAGENCY TRANSFER	3,000,000	3,000,069	2,999,237	3,000,145	3,000,391
<b>NDE - PARENTAL INVOLVEMENT AND FAMILY ENGAGEMENT</b>	423,810	201,286	205,371	207,369	213,662
GENERAL FUND		193,286	197,332	199,369	205,335
BALANCE FORWARD	111,043				293
FEDERAL FUND	130,087				
INTERAGENCY TRANSFER	164,680		39		34
OTHER FUND	18,000	8,000	8,000	8,000	8,000

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<b>NDE - OFFICE OF EARLY LEARNING AND DEVELOPMENT</b>	19,830,611	17,476,569	17,376,286	21,909,983	21,910,121
GENERAL FUND		4,731,358	4,631,036	5,929,828	5,929,932
BALANCE FORWARD					
FEDERAL FUND	19,830,611	8,970,663	8,970,702	12,205,607	12,205,641
INTERAGENCY TRANSFER		3,774,548	3,774,548	3,774,548	3,774,548
<b>NDE - STUDENT AND SCHOOL SUPPORT</b>	117,536,954	140,159,537	139,568,477	140,219,222	139,526,603
GENERAL FUND		1,904,801	1,314,987	1,938,811	1,245,744
BALANCE FORWARD	5,608				
FEDERAL FUND	117,531,346	138,231,023	138,229,777	138,256,699	138,257,147
INTERAGENCY TRANSFER		23,713	23,713	23,712	23,712
<b>NDE - LITERACY PROGRAMS</b>	46,786,815	14,534,000	14,529,905	3,814,108	3,810,424
GENERAL FUND		120,511	116,416	252,067	248,383
BALANCE FORWARD					
FEDERAL FUND	45,808,565	14,413,489	14,413,489	3,562,041	3,562,041
OTHER FUND	978,250				
<b>NDE - CAREER AND TECHNICAL EDUCATION</b>	12,601,522	8,814,636	8,814,636	8,832,287	8,832,287
GENERAL FUND	688,233	688,233	688,233	688,233	688,233
BALANCE FORWARD					
FEDERAL FUND	11,913,289	8,126,403	8,126,403	8,144,054	8,144,054
<b>NDE - CONTINUING EDUCATION</b>	6,232,394	6,210,978	6,210,978	6,215,973	6,215,973
GENERAL FUND	661,861	661,861	661,861	661,861	661,861
BALANCE FORWARD					
FEDERAL FUND	5,570,533	5,549,117	5,549,117	5,554,112	5,554,112
REVERSIONS					
<b>NDE - INDIVIDUALS WITH DISABILITIES (IDEA)</b>	77,762,817	72,836,248	72,836,062	72,718,501	72,718,981
GENERAL FUND	100	100	100	100	100
BALANCE FORWARD	132				
FEDERAL FUND	73,181,753	72,836,148	72,835,962	72,718,401	72,718,578
INTERAGENCY TRANSFER	4,580,832				303
REVERSIONS					
<b>TOTAL DEPARTMENT OF EDUCATION</b>	2,050,953,821	2,166,462,114	2,136,689,249	2,228,500,169	2,197,628,037
GENERAL FUND	1,309,077,154	1,413,800,191	1,379,128,179	1,467,452,698	1,431,807,725
BALANCE FORWARD	18,500,147	3,360,576	2,975,808	3,793,974	3,861,462
FEDERAL FUND	284,832,156	276,079,714	275,773,377	267,096,066	266,797,803
INTERAGENCY TRANSFER	149,693,992	163,545,598	166,194,450	168,383,396	171,289,812
OTHER FUND	288,850,372	309,676,035	312,617,435	321,774,035	323,871,235
REVERSIONS					
<b>COMMISSION ON POSTSECONDARY EDUCATION</b>					
<b>COMMISSION ON POSTSECONDARY EDUCATION</b>	422,415	407,385	406,134	412,195	412,576
GENERAL FUND	318,504	304,254	303,003	309,064	309,445
FEDERAL FUND	103,911	103,131	103,131	103,131	103,131
REVERSIONS					

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<b>TOTAL COMMISSION ON POSTSECONDARY EDUCATION</b>	422,415	407,385	406,134	412,195	412,576
GENERAL FUND	318,504	304,254	303,003	309,064	309,445
FEDERAL FUND	103,911	103,131	103,131	103,131	103,131
REVERSIONS					
<b>STATE PUBLIC CHARTER SCHOOL AUTHORITY</b>					
<b>STATE PUBLIC CHARTER SCHOOL AUTHORITY</b>	7,632,466	7,976,256	7,979,472	9,301,799	9,241,650
BALANCE FORWARD	909,818	1,513,044	1,513,044	2,368,750	2,438,181
INTERAGENCY TRANSFER	2,962,705	2,281,598	2,281,598	2,281,598	2,281,598
OTHER FUND	3,759,943	4,181,614	4,184,830	4,651,451	4,521,871
<b>PUBLIC CHARTER SCHOOL LOAN PROGRAM</b>	702,227	958,422	959,922	419,725	422,725
GENERAL FUND		400,000	400,000		
BALANCE FORWARD	605,587	502,227	502,227	358,422	359,922
OTHER FUND	96,640	56,195	57,695	61,303	62,803
<b>TOTAL STATE PUBLIC CHARTER SCHOOL AUTHORITY</b>	8,334,693	8,934,678	8,939,394	9,721,524	9,664,375
GENERAL FUND		400,000	400,000		
BALANCE FORWARD	1,515,405	2,015,271	2,015,271	2,727,172	2,798,103
INTERAGENCY TRANSFER	2,962,705	2,281,598	2,281,598	2,281,598	2,281,598
OTHER FUND	3,856,583	4,237,809	4,242,525	4,712,754	4,584,674
<b>NEVADA SYSTEM OF HIGHER EDUCATION</b>					
<b>NSHE - SYSTEM ADMINISTRATION</b>	4,429,850	4,617,548	4,726,265	4,612,357	4,726,027
GENERAL FUND	4,318,390	4,506,088	4,495,018	4,500,897	4,499,683
INTERAGENCY TRANSFER			119,787		114,884
OTHER FUND	111,460	111,460	111,460	111,460	111,460
<b>NSHE - SPECIAL PROJECTS</b>	3,418,603	1,989,445	1,986,746	1,988,735	1,988,649
GENERAL FUND	1,974,778	1,989,445	1,986,746	1,988,735	1,988,649
BALANCE FORWARD	1,443,825				
REVERSIONS					
<b>NSHE - UNIVERSITY PRESS</b>	406,989	423,876	422,431	422,774	422,711
GENERAL FUND	406,989	423,876	422,431	422,774	422,711
<b>NSHE - SYSTEM COMPUTING CENTER</b>	16,870,709	17,558,385	17,521,825	17,743,953	17,741,761
GENERAL FUND	16,870,709	17,558,385	17,521,825	17,743,953	17,741,761
REVERSIONS					
<b>NSHE - STATE-FUNDED PERKINS LOAN</b>	35,793	35,793	35,793	35,793	35,793
GENERAL FUND	35,793	35,793	35,793	35,793	35,793
<b>NSHE - EDUCATION FOR DEPENDENT CHILDREN</b>	45,390	28,962	28,962	17,150	17,150
GENERAL FUND	20,000			5,288	5,288
BALANCE FORWARD	25,340	28,912	28,912	11,812	11,812
OTHER FUND	50	50	50	50	50

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<b>NSHE - UNIVERSITY OF NEVADA - RENO</b>	176,976,417	177,188,058	193,488,801	177,018,688	186,186,320
GENERAL FUND	91,307,153	93,937,808	104,062,733	88,853,706	88,976,701
INTERAGENCY TRANSFER	1,337,751				
OTHER FUND	84,331,513	83,250,250	89,426,068	88,164,982	97,209,619
<b>NSHE - INTERCOLLEGIATE ATHLETICS - UNR</b>	4,972,752	5,200,306	5,194,287	5,204,327	5,204,487
GENERAL FUND	4,972,752	5,200,306	5,194,287	5,204,327	5,204,487
INTERAGENCY TRANSFER					
<b>NSHE - STATEWIDE PROGRAMS - UNR</b>	7,699,493	8,105,767	8,089,105	8,106,616	8,105,671
GENERAL FUND	7,699,493	8,105,767	8,089,105	8,106,616	8,105,671
REVERSIONS					
<b>NSHE - SCHOOL OF MEDICAL SCIENCES</b>	37,179,365	38,498,940	38,425,545	40,710,906	40,713,215
GENERAL FUND	31,253,285	32,869,159	32,795,764	34,985,486	34,987,795
INTERAGENCY TRANSFER					
OTHER FUND	5,926,080	5,629,781	5,629,781	5,725,420	5,725,420
REVERSIONS					
<b>NSHE - HEALTH LABORATORY AND RESEARCH</b>	1,502,862	1,581,692	1,576,133	1,585,182	1,585,174
GENERAL FUND	1,502,862	1,581,692	1,576,133	1,585,182	1,585,174
INTERAGENCY TRANSFER					
<b>NSHE - AGRICULTURAL EXPERIMENT STATION</b>	6,523,281	6,819,117	6,805,720	6,821,152	6,820,003
GENERAL FUND	4,872,744	5,108,856	5,095,459	5,110,891	5,109,742
FEDERAL FUND	1,650,537	1,710,261	1,710,261	1,710,261	1,710,261
INTERAGENCY TRANSFER					
REVERSIONS					
<b>NSHE - COOPERATIVE EXTENSION SERVICE</b>	5,426,727	5,629,703	5,613,614	5,632,792	5,631,934
GENERAL FUND	3,490,641	3,748,710	3,732,621	3,751,799	3,750,941
FEDERAL FUND	1,364,922	1,289,838	1,289,838	1,289,838	1,289,838
OTHER FUND	571,164	591,155	591,155	591,155	591,155
<b>NSHE - BUSINESS CENTER NORTH</b>	1,829,353	1,940,955	1,933,859	1,951,821	1,951,815
GENERAL FUND	1,829,353	1,940,955	1,933,859	1,951,821	1,951,815
INTERAGENCY TRANSFER					
<b>NSHE - UNIVERSITY OF NEVADA - LAS VEGAS</b>	237,189,365	234,164,367	255,742,388	230,541,806	238,243,437
GENERAL FUND	130,431,946	130,670,627	144,434,105	124,099,409	123,771,356
INTERAGENCY TRANSFER	2,199,225				
OTHER FUND	104,558,194	103,493,740	111,308,283	106,442,397	114,472,081
<b>NSHE - UNLV SCHOOL OF MEDICINE</b>		1,200,000	1,200,000	7,100,000	7,100,000
GENERAL FUND		1,200,000	1,200,000	7,100,000	7,100,000
<b>NSHE - INTERCOLLEGIATE ATHLETICS - UNLV</b>	7,049,245	7,328,356	7,323,117	7,324,002	7,323,849
GENERAL FUND	7,049,245	7,328,356	7,323,117	7,324,002	7,323,849
INTERAGENCY TRANSFER					

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<b>NSHE - STATEWIDE PROGRAMS - UNLV</b>	2,866,667	3,004,580	3,500,972	3,004,186	3,503,948
GENERAL FUND	2,866,667	3,004,580	3,500,972	3,004,186	3,503,948
INTERAGENCY TRANSFER					
<b>NSHE - UNLV LAW SCHOOL</b>	12,569,066	13,492,405	13,461,923	13,639,934	13,637,285
GENERAL FUND	7,404,114	9,409,503	9,379,021	9,419,301	9,416,652
INTERAGENCY TRANSFER					
OTHER FUND	5,164,952	4,082,902	4,082,902	4,220,633	4,220,633
<b>NSHE - DENTAL SCHOOL - UNLV</b>	15,795,291	16,825,655	16,775,376	17,230,175	17,228,327
GENERAL FUND	7,422,189	8,214,500	8,164,221	8,302,288	8,300,440
INTERAGENCY TRANSFER	165,530				
OTHER FUND	8,207,572	8,611,155	8,611,155	8,927,887	8,927,887
<b>NSHE - BUSINESS CENTER SOUTH</b>	1,642,847	1,731,192	1,724,737	1,743,266	1,743,335
GENERAL FUND	1,642,847	1,731,192	1,724,737	1,743,266	1,743,335
INTERAGENCY TRANSFER					
<b>NSHE - DESERT RESEARCH INSTITUTE</b>	7,674,943	7,007,328	7,462,539	6,967,495	7,443,514
GENERAL FUND	7,526,457	6,858,842	7,314,053	6,819,009	7,295,028
INTERAGENCY TRANSFER					
OTHER FUND	148,486	148,486	148,486	148,486	148,486
<b>NSHE - GREAT BASIN COLLEGE</b>	16,389,425	13,675,914	16,117,667	13,308,053	14,723,115
GENERAL FUND	12,718,800	9,591,347	12,127,363	9,071,284	10,582,966
INTERAGENCY TRANSFER					
OTHER FUND	3,670,625	4,084,567	3,990,304	4,236,769	4,140,149
<b>NSHE - WESTERN NEVADA COLLEGE</b>	19,827,722	15,724,572	17,680,341	15,325,509	15,906,929
GENERAL FUND	13,596,404	10,692,695	12,946,338	10,113,491	10,977,039
INTERAGENCY TRANSFER					
OTHER FUND	6,231,318	5,031,877	4,734,003	5,212,018	4,929,890
<b>NSHE - COLLEGE OF SOUTHERN NEVADA</b>	131,976,523	124,387,917	133,348,833	121,977,273	122,252,366
GENERAL FUND	87,518,652	79,733,942	88,317,073	75,423,257	75,531,926
OTHER FUND	44,457,871	44,653,975	45,031,760	46,554,016	46,720,440
<b>NSHE - TRUCKEE MEADOWS COMMUNITY COLLEGE</b>	44,380,513	40,288,957	43,090,694	39,328,100	39,110,318
GENERAL FUND	30,355,137	27,314,492	30,254,820	25,837,780	25,875,006
INTERAGENCY TRANSFER	481,159				
OTHER FUND	13,544,217	12,974,465	12,835,874	13,490,320	13,235,312
<b>NSHE - NEVADA STATE COLLEGE AT HENDERSON</b>	18,531,144	19,011,996	21,107,304	18,515,183	19,226,832
GENERAL FUND	12,568,654	13,015,824	14,416,940	12,312,145	12,329,884
INTERAGENCY TRANSFER	114,338				
OTHER FUND	5,848,152	5,996,172	6,690,364	6,203,038	6,896,948
<b>NSHE - PERFORMANCE FUNDING POOL</b>	27,174	40,550,748	318,456	60,919,600	61,004,979
GENERAL FUND	27,174	40,550,748	318,456	60,919,600	61,004,979



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<b>NSHE - SILVER STATE OPPORTUNITY GRANT PROGRAM</b>			2,500,000		2,500,000
GENERAL FUND			2,500,000		2,500,000
<b>TOTAL NEVADA SYSTEM OF HIGHER EDUCATION</b>	783,237,509	808,012,534	827,203,433	828,776,828	852,078,944
GENERAL FUND	491,683,228	526,323,488	530,862,990	535,736,286	541,622,619
BALANCE FORWARD	1,469,165	28,912	28,912	11,812	11,812
FEDERAL FUND	3,015,459	3,000,099	3,000,099	3,000,099	3,000,099
INTERAGENCY TRANSFER	4,298,003		119,787		114,884
OTHER FUND	282,771,654	278,660,035	293,191,645	290,028,631	307,329,530
REVERSIONS					
<b>EDUCATION</b>					
GENERAL FUND	1,801,078,886	1,940,827,933	1,910,694,172	2,003,498,048	1,973,739,789
BALANCE FORWARD	21,484,717	5,404,759	5,019,991	6,532,958	6,671,377
FEDERAL FUND	287,951,526	279,182,944	278,876,607	270,199,296	269,901,033
INTERAGENCY TRANSFER	156,954,700	165,827,196	168,595,835	170,664,994	173,686,294
OTHER FUND	575,478,609	592,573,879	610,051,605	616,515,420	635,785,439
REVERSIONS					
<b>TOTAL FOR EDUCATION</b>	2,842,948,438	2,983,816,711	2,973,238,210	3,067,410,716	3,059,783,932
Less: INTER-AGENCY TRANSFER	156,954,700	165,827,196	168,595,835	170,664,994	173,686,294
<b>NET EDUCATION</b>	2,685,993,738	2,817,989,515	2,804,642,375	2,896,745,722	2,886,097,638

# COMMERCE AND INDUSTRY





## **COMMERCE AND INDUSTRY**

The Commerce and Industry function of state government includes those agencies responsible for licensing or regulating various businesses and financial activities within the state, as well as agencies responsible for the promotion of commerce and industry in Nevada. These agencies include the Department of Business and Industry, Department of Agriculture, Division of Minerals, Gaming Control Board, Public Utilities Commission, Governor's Office of Economic Development, and the Department of Tourism and Cultural Affairs. For the 2015-17 biennium General Fund appropriations for the Commerce and Industry function total \$118.2 million, which is an increase of 24.3 percent from General Fund support approved for the 2013-15 biennium.

### **DEPARTMENT OF AGRICULTURE**

The Department of Agriculture is responsible for encouraging, advancing, and protecting the livestock and agricultural industries of the state and encouraging sound agricultural resource management. The Department of Agriculture consists of the following divisions: Administration, Food and Nutrition, Plant Industry, Animal Industry, and Consumer Equitability. The Department of Agriculture's revenue authority decreased from \$325.2 million, approved by the 2013 Legislature for the 2013-15 biennium, to \$324.1 million for the 2015-17 biennium. The 2015 Legislature approved total General Fund appropriations of \$6.5 million for the department over the 2015-17 biennium, which represents a 49.8 percent increase from the total legislatively approved General Fund appropriations of \$4.3 million over the 2013-15 biennium. This increase in General Fund appropriations is primarily due to the Legislature's approval of the new Breakfast After the Bell Program, which is discussed in the Food and Nutrition Division section.

The 2015 Legislature approved adding 7 new positions, for a total of 135 positions for the department in the 2015-17 biennium.

#### **ADMINISTRATION DIVISION**

The Administration Division provides oversight to all programs and activities of the department. The 2015 Legislature concurred with the Governor's recommendation to add two positions to the division. A new Public Information Officer position was approved to provide public outreach, perform videography services, and respond to media and public information requests, and a new Administrative Assistant position was approved to provide administrative support to other division staff and prepare personnel documentation.

In order to reestablish metrology laboratory services in Las Vegas, the Legislature approved total funding of \$2.0 million (agency funding of \$617,969) for a capital improvement project (CIP 15-C05) in FY 2016 to renovate the Metro Building in Las Vegas and relocate the Department of Agriculture from its existing building to the Metro Building. The renovation will include the addition of a new metrology laboratory. The Department of Agriculture has not operated its metrology laboratory in Las Vegas since FY 2014. The existing department building does not have temperature controls or a continuous rail system to bring heavy weights into the building, which are features

required by the National Institute of Standards and Technology for the metrology laboratory to be certified. The renovation of the Metro Building will also provide adequate space for departmental staff who work in Las Vegas and the storage of dry food for the department's Commodity Food Program.

### **FOOD AND NUTRITION DIVISION**

The Food and Nutrition Division is comprised of Nutrition Education Programs, the Commodity Food Program, and the state Dairy Commission. The 2015 Legislature approved the Governor's recommendation for General Fund appropriations of \$1.0 million in each year of the 2015-17 biennium for the Nutrition Education Programs budget to provide start-up grants to assist school districts with the implementation of Breakfast After the Bell Programs. These programs will provide all students at eligible schools with the opportunity to participate in the federal School Breakfast Program after the start of the school day.

The Legislature also approved five new positions for the division, including two Quality Assurance Specialists to perform administrative reviews of sponsors of federal nutrition programs and one IT Professional to provide application and database support for the division's computer systems. Also approved was a Social Services Program Specialist and a Driver Warehouse Worker to support the federal Food Distribution Program on Indian Reservations.

### **ANIMAL INDUSTRY DIVISION**

The Animal Industry Division provides diagnostic services to protect domestic and wild animals from communicable, infectious, nutritional, and parasitic diseases, and to protect people from animal diseases that are transmissible to humans. The division is also responsible for protecting livestock owners from the theft or loss of their animals as well as regulating the branding and dealer licensing related to the sale of livestock animals.

The 2015 Legislature approved a new Manufactured Animal Feed Labeling registration fee, which is projected to generate \$450,000 over the 2015-17 biennium. This revenue will provide the necessary funding for the department to meet the requirements of the recently enacted federal Food Safety Modernization Act (FSMA), which includes the inspection and traceability of animal feed products.

The Legislature also authorized the Department of Agriculture to establish a registration program for each brand of animal remedy, veterinary biologic, and pharmaceutical sold in the state. If established, this registration program is projected to generate \$225,000 over the 2015-17 biennium, which would be used to meet the requirements of the FSMA associated with the inspection and tracking of veterinary biologic products in Nevada.

The Legislature did not approve the Governor's recommendation to restore a Veterinary Diagnostician position in Elko that was eliminated in the 2011-13 biennium, as similar diagnostician services are currently provided by private practitioners in the area.

## **GAMING CONTROL BOARD**

The regulation of Nevada's gaming industry is conducted through a tiered system comprised of the Gaming Control Board (GCB), the Nevada Gaming Commission, and the Gaming Policy Committee. The GCB functions as the enforcement, investigative, and regulatory agency. The Gaming Commission has final authority on all gaming matters. The 11-member Gaming Policy Committee serves as an advisory body and meets to examine and make recommendations on gaming policy. The GCB has six divisions, including Administration, Audit, Enforcement, Investigations, Tax and License, and Technology.

The 2015 Legislature authorized General Funds for the Gaming Control Board and the Gaming Commission of \$61.4 million, which is a 18.1 percent increase compared to the \$52.0 million approved for the 2013-15 biennium.

## **NEW POSITIONS**

The 2015 Legislature approved the Governor's recommendation for seven positions, funded with General Funds totaling \$1.3 million over the biennium, to assist with increasing technological needs and to restore two Gaming Technicians that were eliminated during the 2011 Session. New positions added included two Network Specialists and three Enforcement Agents.

## **TRAVEL**

The 2015 Legislature approved General Funds of \$72,695 in FY 2016 and \$92,807 in FY 2017 for additional in-state and out-of-state travel in the GCB budget to conduct more out-of-town audits, in both the Audit Division and the Tax and License Division, and to attend conferences and meetings. The Legislature also approved \$54,768 in FY 2016 and \$56,444 in FY 2017 to allow for an additional Gaming Commission meeting in Carson City to allow staff to travel for an in-state conference, and to allow Commission members to attend three out-of-state conferences.

## **TECHNOLOGY PROJECT**

The 2015 Legislature approved the Governor's recommendation for General Funds totaling \$4.2 million during the 2015-17 biennium for the second phase of the Alpha Migration Project to modernize the GCB's IT system. Phase 1, funded with a \$2.0 million one-shot appropriation by the 2013 Legislature, commenced in FY 2014. Phase 2 continues the development of additional applications to support the functional needs of the agency's six divisions. The entire project is expected to continue through 2019 and have an estimated overall cost of approximately \$11.0 million.

## **PUBLIC UTILITIES COMMISSION**

The Public Utilities Commission (PUC) is comprised of three commissioners whose responsibilities are to balance the interests of customers of public utilities to receive safe and adequate service, with reasonable rates, while providing shareholders of public utilities the opportunity to earn a fair return on their investment. Primary funding

is derived from a mill assessment on gross utility operating revenues, statutorily capped at 3.5 mills (one mill = 1/10 of one cent). An additional assessment of up to 0.75 mills is assessed and transferred to the Attorney General's Office to support the Bureau of Consumer Protection.

The PUC is also responsible for the Railroad Safety and the Gas Pipeline Inspection programs and for collection of the Universal Energy Charge (UEC) that is deposited into the fund for Energy Assistance and Conservation, which was approved by the 2001 Legislature. The UEC is based upon each kilowatt-hour of electricity and therm of gas sold at the retail level. The fund is administered in conjunction with the Division of Welfare and Supportive Services and the Division of Housing to assist low-income consumers with power bill payments and energy conservation, weatherization, and energy efficiency needs.

The 2015 Legislature approved total funding of \$28.8 million for the 2015-17 biennium, an increase of 3.6 percent over the 2013-15 legislatively approved funding of \$27.8 million. The reserve level at the end of the 2015-17 biennium will be within the optimal reserve range at \$2.4 million. The legislatively approved budget is based upon an assessment rate of 2.58 mills for each fiscal year of the 2015-17 biennium. The mill assessment for FY 2014 and FY 2015 was set at 2.59 and 2.55 mills, respectively.

The legislatively approved budget includes Federal Gas Pipeline Safety Grant funding of \$22,225 in FY 2017 and a reduction to reserves of \$264,248 over the 2015-17 biennium to support salary increases for 22 unclassified positions and adjust the title and salary of an unclassified Financial Analyst.

Senate Bill 46, submitted by the Governor, but not approved by the 2015 Legislature, would have exempted the PUC as well as the Colorado River Commission from the majority of the requirements of the State Budget Act; removed all officers and employees from classified and unclassified service; and required the respective commissions to adopt rules and policies regarding employment rights, salary ranges, and benefits of its officers and employees.

## **DEPARTMENT OF BUSINESS AND INDUSTRY**

The Department of Business and Industry (B&I) consists of seven divisions, one board, three commissions, and six other agencies and programs (including the B&I Director's Office). The department is charged with regulating business enterprises, promoting worker safety, educating the public and businesses regarding their legal rights and responsibilities, and promoting the legal operation of businesses in Nevada. The department oversees the activities of the Manufactured Housing Division, Division of Insurance, Real Estate Division, Financial Institutions Division, Mortgage Lending Division, Housing Division, and Division of Industrial Relations. The department also includes the Athletic Commission, the Office of the Labor Commissioner, the Employee Management Relations Board, the Taxicab Authority, the Nevada Transportation Authority, and the Office of the Attorney for Injured Workers. The department also oversees the Industrial Development Revenue Bond program, the New Markets Performance Guarantee program, and the Ombudsman of Consumer Affairs for Minorities, located within the Administration/Director's Office. The department is funded

through a combination of General Fund appropriations, licenses and fee revenue, and federal funds. For the 2015-17 biennium, total legislatively approved funding for the department is \$269.6 million, which is an 8.0 percent decrease over the \$293.2 million approved for the 2013-15 biennium. General Fund support for the department totals \$5.2 million, which represents a decrease of 7.5 percent from the \$5.6 million approved for the 2013-15 biennium.

#### **OFFICE OF BUSINESS AND PLANNING**

The 2015 Legislature approved the Governor's recommendation to transfer four existing positions from the B&I Administration/Director's Office to establish a new Office of Business and Planning (OBP) in FY 2017. The OBP, created by the 1995 Legislature as prescribed in NRS 232.522, has never formally been established, and is anticipated to support the growth, development, and diversification of business and industry throughout the state. Funding for the positions totaling \$385,262 was approved to change from cost allocation revenue to General Fund appropriations in FY 2017.

#### **ADMINISTRATION (DIRECTOR'S OFFICE)**

The Administration/Director's Office is responsible for providing administrative and budgetary oversight to the various entities that constitute the department. The 2015 Legislature approved the centralization of the B&I Las Vegas offices and establish a "one-stop shop" Business Center in FY 2017. The new Business Center would consolidate IT and server functions into one building and provide a centralized location to service the business community in Southern Nevada.

The Legislature concurred with the Governor's recommendation to retain and expand the Consumer Affairs Unit within the B&I Administration/Director's Office, resulting in a transfer of National Mortgage Settlement Funds from the Nevada Attorney General's Office of \$1.2 million over the 2015-17 biennium to support four existing positions and the addition of one Chief Compliance Investigator position, one part-time Administrative Assistant position, and one Compliance Audit Investigator position.

#### **NEVADA HOME RETENTION PROGRAM**

Due to the transfer of \$49.0 million in National Mortgage Settlement funds to the nonprofit organization Home Means Nevada, in FY 2014 the Legislature approved the Governor's recommendation to eliminate the Nevada Home Retention Program budget. The Department of Business and Industry was directed to provide semi-annual reports to the Interim Finance Committee (IFC) regarding the status of the Home Retention Program, the closing out of the program by the end of FY 2017, and the deposit of program assets to the State General Fund.



## **DIVISION OF INSURANCE**

The Division of Insurance is responsible for regulating the insurance industry in Nevada and for protecting the rights of consumers and the public in transactions with the insurance industry. The division regulates and licenses insurance companies, producers/agents, brokers, and other professionals; sets ethical and financial standards for insurance companies; and reviews rates. The division also reviews programs operated by self-insured employers for workers' compensation claims and investigates claims of insurance fraud. The division is funded through assessments, fees, and interagency transfers.

The 2015 Legislature approved the consolidation of the Insurance Examiners, the Insurance Education and Research, and the Insurance Cost Stabilization accounts into the Insurance Regulation budget. Approval of the consolidation of the accounts included modification of the Corporate Assessment from a fixed fee to a sliding-scale fee based on the amount of insurance premiums written in the state. As a result of the revenue increase anticipated by the sliding-scale Corporate Assessment, the money committees approved the removal of the Insurance Recovery Fee, Property and Casualty Assessment, and Fine revenues as part of the consolidation plan. The Legislature also approved the Governor's recommendation to utilize reserves of \$579,543 over the 2015-17 biennium for a new unclassified Insurance Counsel/Hearing Officer, a Program Officer, an Insurance Examiner, and an Information Technology Professional to address a growing workload in the areas of consumer protection, licensing, auditing, and information technology. In addition, the 2015 Legislature approved the Governor's recommendation to discontinue the Insurance Premium Tax Desk Audit Program set to expire at the end of the 2013-15 biennium.

## **DIVISION OF INDUSTRIAL RELATIONS**

The Division of Industrial Relations regulates workers' compensation insurance to ensure injured workers receive the benefits to which they are entitled, enforces federal and state health and safety standards, assists employers with workplace safety programs, and provides safety training and inspections for all active mines in the state. The programs under the division are funded primarily through assessments of workers' compensation insurers, with a smaller portion of the funding received through licenses and fees. The division also receives grants from the United States Department of Labor, the federal Occupational Safety and Health Administration (OSHA), and the federal Mine Safety and Health Administration.

The 2015 Legislature concurred with the Governor's recommendation for allocations from the Fund for Workers' Compensation and Safety totaling \$2.6 million over the 2015-17 biennium to replace aging databases used for workers' compensation claim indexing, licensing, and enforcement activities. The allocations will fund the design, development and implementation costs for the new system, which is anticipated to be fully implemented by the end of the 2015-17 biennium. The 2015 Legislature also approved allocations from the Fund for Workers' Compensation and Safety of \$137,536 over the 2015-17 biennium to fund a new dedicated IT Professional position and associated operating costs.

## **REAL ESTATE DIVISION**

The Real Estate Division (RED) is responsible for regulating real estate brokers and salesmen, property managers, appraisers, qualified intermediaries, and building inspectors. The division also administers continuing education programs for real estate licensees in Nevada, and is responsible for the enforcement of the statutory and regulatory provisions regarding the sale of subdivided lands, timeshares, and campground memberships. The RED is funded through a combination of fees, interagency transfers, and General Fund appropriations.

The 2015 Legislature approved the Governor's amended budget, which retains the Real Estate Administration account being funded with both General Fund appropriations and fees rather than converting to a fee-funded budget, as recommended in The Executive Budget. The Legislature approved General Fund appropriations of \$1.2 million over the 2015-17 biennium to fund the difference between projected fee revenues and expenditures for the Real Estate budget.

New developer and timeshare fees totaling \$965,560 were approved for the division and allowed the RED to retain two Administrative Assistant positions proposed for elimination in The Executive Budget. The Legislature also approved the continued use of \$649,050 in National Mortgage Settlement funds over the biennium to support 5.4 positions proposed for elimination.

The Legislature approved Assembly Bill 478 to implement new and increased developer and timeshare fees. The Legislature also approved Assembly Bill 475, which changes the real estate licensing terms for the real estate brokers and salespersons from two years to one year for initial licensure and from four years to two years for subsequent licensure, including a reduction of licensing fees to align with the new licensing renewal period.

## **COMMON INTEREST COMMUNITIES**

The Real Estate Division includes the Common-Interest Communities program, which assists and educates boards and owners who live within common-interest communities. The program also assists in resolving disputes within homeowner associations by attempting to facilitate resolution through alternative dispute resolution programs. The Common-Interest Communities budget is self-supporting and is funded primarily from fees assessed to homeowner associations.

The Legislature approved an increase to the per unit Homeowner's Association (HOA) fee from \$3 to \$4.25, increasing Reserves by \$628,260 in FY 2017. Testimony during the 2015 Legislative Session indicated the agency plans to use the fee increase to improve services. The Legislature also approved Assembly Bill 474, which increases the per unit fee paid by the HOAs to the Real Estate Administrator from a maximum of \$3 to a maximum of \$5 for actual costs of administering the Office of the Ombudsman within the Common Interest Communities budget.

## **ATHLETIC COMMISSION**

The Athletic Commission (Commission), established in 1941, supervises and regulates all contests and exhibitions of unarmed combat, including boxing, professional wrestling, mixed martial arts, kickboxing, and elimination boxing. Additionally, the Commission licenses and regulates persons who conduct, hold, or give contests or exhibitions for unarmed combat where an admission fee is received. The Medical Advisory Board is responsible for preparing standards for the physical and mental examination of contestants, and upon request of the Commission, advises the Commission regarding the physical and mental fitness of a contestant. Historically, all revenue collected is deposited to the General Fund, with the exception of the sporting events ticket surcharge revenue, which is used to award grants to organizations that promote amateur boxing contests or exhibitions in Nevada.

Through the passage of Assembly Bill 476, the 2015 Legislature concurred with the Governor's recommendation that the Commission become a self-funded agency, beginning with the 2015-17 biennium. Assembly Bill 476, among other things, increased the license fee percentage of the total gross receipts from admission fees collected, which is deposited for credit to the Commission's budget. Legislatively approved funding in support of the Commission totals \$1.8 million in FY 2016 and \$2.6 million in FY 2017, inclusive of an ending operating reserve balance of \$1.6 million in FY 2017, as compared to total funding of \$802,923 and \$781,510 approved by the 2013 Legislature for FY 2014 and FY 2015, respectively.

As recommended by the Governor, the Legislature also approved an increase to the contract rates for the Chief Inspector and Inspectors from \$75 per event and \$25 per weigh-in, respectively, to \$150 per event and \$50 per weigh-in, as these rates had not increased since 1986.

## **TAXICAB AUTHORITY**

The Taxicab Authority (TA) is responsible for regulating the taxicab industry in counties with a population that exceeds 700,000 people (currently only Clark County). The agency's investigative staff conducts both administrative and criminal investigations independently and in conjunction with other law enforcement agencies. The agency is funded primarily through a \$0.20 trip charge assessed on every taxicab ride as well as through various other fee revenues.

The Legislature approved Reserve funds totaling \$1.0 million over the biennium for a technology investment request (TIR) to replace the core legacy systems used by the Taxicab Authority for licensing, inspections, dispatch, and medallion tracking. Reserve funds of \$179,354 over the biennium were approved to add one IT Professional position to assist with the project, implement a computerized real-time data system, and provide IT support dedicated for the TA.

The Legislature approved the establishment of a Long-Haul Enforcement Team to address long-haul issues at the McCarran International Airport by adding four Compliance Enforcement Investigator positions instead of six positions, as

recommended by the Governor. The Long-Haul Enforcement Team was approved using \$610,986 in Reserve funds over the biennium.

The Legislature also approved the Governor's recommendation for one unclassified Administrative Attorney to serve as a full-time TA Hearing Officer, supported by Reserve funds totaling \$160,169 over the biennium.

#### **NEVADA TRANSPORTATION AUTHORITY**

The Nevada Transportation Authority (NTA) has statewide regulatory responsibility for the intra-state transportation of passengers, household goods, tow cars, and taxicabs (except taxicabs in Clark County). For the 2015-17 biennium, the Highway Fund provides 88.5 percent of the funding for the NTA with license and fee revenue making up the rest. The Legislature appropriated Highway Funds of \$5.8 million for the 2015-17 biennium, which is a 20.8 percent increase from the total Highway Fund approved by the 2013 Legislature of \$4.8 million.

The 2015 Legislature passed Assembly Bills 175 and 176, which provide for the establishment and regulation of Transportation Network Companies (TNCs) in Nevada. The NTA is charged with the regulation of these companies, the costs of which will be supported by application fees, and annual regulatory assessments to be paid by the TNCs.

#### **LABOR COMMISSIONER**

The Office of the Labor Commissioner is responsible for the enforcement of all labor laws of the state that are not specifically and exclusively vested in any other office, board or commission. Major program areas include the following: investigating claims for wages, enforcement of public works laws, determination of prevailing wage rates, oversight of child labor laws, licensing of private employment agencies, licensing of producer-promoters, and administration of the registered apprenticeship programs in the state, including the State Apprenticeship Council. The Labor Commissioner has offices in Las Vegas and Carson City, and is funded entirely through General Fund appropriations.

The 2015 Legislature approved General Fund appropriations of \$60,420 over the 2015-17 biennium to replace an aging case management system with a commercial off-the-shelf solution. The 2015 Legislature also approved General Fund appropriations of \$49,263 over the 2015-17 biennium to fund the costs associated with relocating the Carson City office to a larger facility.

#### **NV ATTORNEY FOR INJURED WORKERS**

The Nevada Attorney for Injured Workers (NAIW) represents injured workers in claims for workers' compensation benefits before a state appeals office, the state district courts, or the State Supreme Court. The agency provides representation without charge to the injured worker. The NAIW has offices in Las Vegas and Carson City, and is funded through an allocation from the Fund for Workers' Compensation and Safety.

As recommended by the Governor, the 2015 Legislature approved allocations from the Fund for Workers' Compensation and Safety totaling \$43,934 in FY 2016 and \$59,896 in FY 2017 to fund a new Legal Research Assistant position to provide additional support for the Carson City office. The Legislature also approved an allocation from the Fund for Workers' Compensation and Safety totaling \$54,670 over the 2015-17 biennium to increase contracted security guard services in the Las Vegas office to ensure safety and welfare for the staff and public.

### **MANUFACTURED HOUSING DIVISION**

The Manufactured Housing Division's principal responsibility is to ensure that manufactured homes, mobile homes, travel trailers, commercial coaches, manufactured buildings, and modular components are constructed and installed in a manner that provides reasonable safety and protection to owners and users. The division is a fee-based, self-funded agency.

The 2015 Legislature approved the Governor's recommendation to replace software systems used to support the permit, inspection, and investigative functions of the division for a total cost of \$243,220 over the 2015-17 biennium.

### **MORTGAGE LENDING DIVISION**

The Mortgage Lending Division is responsible for the licensure and regulation of mortgage brokers, mortgage bankers, escrow agencies and agents, and covered service providers. The division is supported by licensing fees and industry assessments.

The Legislature approved the Governor's recommendation to retain four positions previously supported with one-time National Mortgage Settlement funds during the 2013-15 biennium for the Mortgage Fraud Enforcement Unit, resulting in decreased Reserves of \$570,125 over the 2015-17 biennium.

### **GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT**

The Governor's Office of Economic Development (GOED) is tasked with diversifying and strengthening the state's economy by attracting companies, subsidiaries, and divisions to locate into the state; assisting in the retention and expansion of existing Nevada companies; and helping new companies to start up in the state.

The Legislature approved total funding of \$16.9 million over the 2015-17 biennium, including General Funds of \$16.5 million, for the Governor's Office of Economic Development. The Legislature approved General Fund appropriations totaling \$327,948 over the 2015-17 biennium for two new non-classified positions for GOED, including one Program Analyst to conduct research and analysis, fulfill auditing requirements, and issue various reports for which GOED is responsible, and one Fiscal Technician to process fiscal transactions and to perform auditing, grant reporting, and contract tracking, as well as to conduct basic research and analysis.

The Legislature concurred with the Governor's recommendation to provide General Fund appropriations of \$740,846 over the 2015-17 biennium to fully fund GOED's contractual obligation to the Desert Research Institute/International Business Machines/Nevada Center of Excellence program for Water Resources. In FY 2015, these payments were made from the Knowledge Account, and the 2015 Legislature agreed with the Governor to provide a dedicated funding source for these payments with General Fund appropriations. The Legislature also approved General Fund appropriations of \$500,000 in each year of the 2015-17 biennium to support the Nevada Train Employees Now (TEN) program, which provides short-term, skills-based, intensive job training to assist new and expanding businesses to reach productivity quickly. However, instead of providing the FY 2017 appropriation of \$500,000 directly to GOED, the Legislature appropriated the funds to the Interim Finance Committee Contingency Account and directed GOED to research alternate sources of funding for the TEN program for FY 2017, and to approach the IFC for the appropriated funds, only if necessary.

The Legislature approved General Fund appropriations of \$70,000 in each year of the 2015-17 biennium to fund travel for international sales missions to promote Nevada as a key economic provider in the international marketplace. The Legislature also approved a budget amendment, recommended by the Governor, to provide General Fund appropriations of \$600,000 in FY 2016 and \$692,000 in FY 2017 for the agency's Unmanned Aerial Vehicle (UAV) program, representing the remaining balance of the General Fund appropriation to the IFC Contingency Account approved for the UAV program by the 2013 Legislature. However, in approving the Governor's recommendation, the Legislature appropriated \$692,000 for FY 2017 to the IFC Contingency Account and directed GOED to approach the IFC in FY 2017 with a plan for utilizing the funding.

### **NEVADA CATALYST ACCOUNT**

The Nevada Catalyst Account incentivizes the expansion or relocation of businesses that will quickly result in the creation of high-quality, primary jobs in Nevada. The account offers a tool to regional development authorities and local governments to work with viable companies that will enhance the state's economic sectors and offer stable jobs with good pay and benefits.

The 2015 Legislature did not approve the Governor's recommendation to provide a General Fund appropriation of \$10.0 million in FY 2016 for the Catalyst Account. Rather, the Legislature passed Senate Bill 507, which authorizes the Executive Director of GOED and the Board of Economic Development to approve and issue transferrable tax credits to new or expanding businesses in Nevada to promote economic development. In addition, the Legislature approved the Governor's recommendation for a General Fund appropriation of \$7.0 million in FY 2016 to restore funding that was transferred from the Catalyst Account to the General Fund in FY 2015 to meet state obligations.

## **NEVADA KNOWLEDGE ACCOUNT**

The purpose of the Nevada Knowledge Account is to spur research and the commercialization of that research in areas in which the state has targeted for economic growth. The account provides grants of money to the University of Nevada, Reno (UNR); the University of Nevada, Las Vegas (UNLV); and the Desert Research Institute (DRI) in five allowable areas: 1) establishing technology programs throughout the state; 2) recruiting, hiring, and retaining research teams and faculty; 3) research laboratories and related equipment; 4) construction of research facilities; and 5) matching funds for federal and private sector grants and contact opportunities.

The 2015 Legislature approved the Governor's recommendation for General Fund appropriations of \$5.0 million in each year of the 2015-17 biennium for the Knowledge Account. This amount represents the same funding level approved by the 2013 Legislature, and was approved to continue funding existing Knowledge Account projects, as well as one new project for each of the three institutions eligible to receive Knowledge Account funding (UNR, UNLV, DRI). The Legislature also approved the Governor's recommendation for a General Fund appropriation of \$4.0 million in FY 2016 to restore funding in the same amount that was transferred from the Knowledge Account to the General Fund in FY 2015 to meet state obligations to support existing contracts.

## **DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS**

The Department of Tourism and Cultural Affairs consists of the Division of Tourism, Nevada Commission on Tourism, Division of Museums and History, Board of Museums and History, Nevada Arts Council, and the Nevada Indian Commission. The 2015 Legislature approved total funding of \$34.9 million in each year of the 2015-17 biennium for the department, including General Fund appropriations of \$3.5 million in FY 2016 and \$3.6 million in FY 2017.

### **DIVISION OF TOURISM**

The Division of Tourism is responsible for developing and implementing a domestic and international marketing and advertising campaign to promote Nevada as a tourism and business travel destination. The division is funded by a three-eighths share of 1.0 percent of the statewide room tax. Actual room tax collections in FY 2014 were \$19.3 million. The 2015 Legislature approved room tax revenues of \$20.7 million in FY 2016 and \$21.2 million in FY 2017. The legislatively approved room tax revenues represent a 10.9 percent increase in FY 2016 over the room tax revenues approved by the 2013 Legislature of \$18.6 million in FY 2015. The FY 2017 legislatively approved room tax revenues represents a 2.9 percent increase over the legislatively approved amount for FY 2016.

The 2015 Legislature approved \$10.0 million in room tax revenue transfers from the Tourism Development Fund over the 2015-17 biennium as follows:

<b>Legislatively Approved Room Tax Transfers from the Tourism Development Fund</b>			
	<b>FY 2016</b>	<b>FY 2017</b>	<b>Biennium Total</b>
<b><u>Intra-Agency Transfers to:</u></b>			
Lost City Museum	\$ 185,290	\$ 191,312	\$ 376,602
Tourism Development	\$ 100,000	\$ 100,000	\$ 200,000
Nevada Magazine	\$ 50,000	\$ -	\$ 50,000
Nevada Indian Commission	\$ 66,961	\$ 70,497	\$ 137,458
NV Historical Society	\$ 282,852	\$ 295,024	\$ 577,876
NV State Museum, CC	\$ 735,753	\$ 735,785	\$ 1,471,538
Museums and History	\$ 207,926	\$ 208,822	\$ 416,748
NV State Museum, LV	\$ 711,617	\$ 727,459	\$ 1,439,076
NV Arts Council	\$ 947,206	\$ 957,499	\$ 1,904,705
Railroad Museums	\$ 494,031	\$ 500,564	\$ 994,595
<b>Subtotal</b>	<b>\$ 3,781,636</b>	<b>\$ 3,786,962</b>	<b>\$ 7,568,598</b>
<b><u>Inter-Agency Transfers to:</u></b>			
Governor's Washington Office	\$ 106,511	\$ 106,511	\$ 213,022
Nevada Film Office	\$ 599,973	\$ 600,080	\$ 1,200,053
State Parks	\$ 509,131	\$ 509,131	\$ 1,018,262
<b>Subtotal</b>	<b>\$ 1,215,615</b>	<b>\$ 1,215,722</b>	<b>\$ 2,431,337</b>
<b>Total of all Transfers</b>	<b>\$ 4,997,251</b>	<b>\$ 5,002,684</b>	<b>\$ 9,999,935</b>

The 2015 Legislature approved reserve reductions of \$1.3 million over the 2015-17 biennium to fund the following:

- Marketing and advertising (\$355,000 in each year);
- The establishment of a contracted representative in India (\$70,000 in each year);
- A transfer to Nevada Magazine for a direct marketing campaign to generate new subscribers (\$50,000 in FY 2016);
- A transfer to the Nevada Arts Council for arts grant awards and rural outreach (\$175,000 in each year); and
- An IT Technician position (\$92,538 over the biennium).

### **NEVADA MAGAZINE**

Nevada Magazine is the publications section of the Division of Tourism and is responsible for preparing and producing publications to educate the public about Nevada's activities, heritage, culture, historical monuments, natural wonders, and natural resources. Published since 1936, the *Nevada Magazine* complements and enhances the Division of Tourism's goal of attracting visitors. Nevada Magazine is an enterprise fund that receives no General Fund appropriations and is funded through subscriptions, advertising revenue, newsstand sales, and calendar sales.



The 2015 Legislature approved revenues of \$1.2 million in each year of the 2015-17 biennium (excluding reserves balanced forward from the previous fiscal year) compared to actual receipts in FY 2015 of \$989,286 (excluding reserves balanced forward from the previous fiscal year). The revenue increase in each year of the 2015-17 biennium is primarily due to the approval of a transfer of room tax revenues from the Division of Tourism of \$50,000 in FY 2016 to fund direct marketing mail campaigns to increase subscribers of the *Nevada Magazine*, which in turn is projected to generate additional subscription revenues of \$49,000 in FY 2017.

### **NEVADA INDIAN COMMISSION**

The Nevada Indian Commission (NIC) develops and improves cooperation and communication between Nevada tribes and state and local governments, as well as other public agencies, with the goal of improving and enhancing the lives of Nevada's Native American citizens. The NIC is funded with General Fund appropriations and room tax revenue transfers. The 2015 Legislature approved \$412,376 in General Fund appropriations and \$137,458 in room tax revenue transfers over the 2015-17 biennium to support the NIC.

The 2015 Legislature also approved establishing the Stewart Indian School Living Legacy to educate the community about the American Indian people, provide information about the boarding school, and memorialize the American Indian children who attended the school. The 2015 Legislature approved \$122,885 in General Fund appropriations in FY 2017 to add a new Museum Director position and a new Curator position to oversee the planning and operation of the Stewart facility, which includes the renovation of two of the original buildings on the Stewart campus to house a Cultural Center and a Welcome and Information Center.

### **DIVISION OF MUSEUMS AND HISTORY**

The Division of Museums and History (DMH) includes the administration office in Carson City and the following facilities: the Nevada State Museum and the Nevada State Railroad Museum in Carson City; the Nevada Historical Society in Reno; the Nevada State Museum in Las Vegas; the Boulder City Railroad Museum; the East Ely Railroad Depot Museum; and the Lost City Museum in Overton.

In addition to admission fee revenues and transfers from the Museum Dedicated Trust Fund, the 2015 Legislature approved the continued General Fund and room tax revenue transfers as the division's primary funding sources. The 2015 Legislature approved \$5.3 million in General Fund appropriations and \$5.3 million in room tax revenue transfers over the 2015-17 biennium to support the DMH budget accounts.

The 2015 Legislature approved one new Museum Director position at the Nevada Historical Society in order for the Historical Society to maintain its accreditation with the American Alliance of Museums. The 2015 Legislature also approved one new Museum Attendant position at the Nevada State Museum in Las Vegas, which would provide the museum with enough staffing to operate six days per week.

## **NEVADA ARTS COUNCIL**

The Nevada Arts Council (NAC) promotes Nevada's cultural life through grants and technical assistance to individuals as well as organizations. The NAC is primarily funded through federal grants, room tax revenue transfers, and General Fund appropriations. The 2015 Legislature approved total funding of \$2.3 million in each year of the 2015-17 biennium compared to actual funding of \$1.9 million in FY 2014 (excluding reserves balanced forward from the previous fiscal year). The 2015 Legislature also approved federal grant revenues of \$663,500 in each year of the 2015-17 biennium.

In addition to the federal grant revenues, the 2015 Legislature approved a funding split of General Fund appropriations and room tax revenue funding percentages for the NAC that varies slightly from the 50/50 split approved by the 2013 Legislature. The 2015 Legislature approved \$1.2 million in General Fund appropriations and \$1.9 million in room tax revenue transfers over the 2015-17 biennium to support the NAC (37.7 percent / 62.3 percent). The variance is mainly due to the continuation of room tax revenue transfers approved by the 2013 Legislature, totaling \$400,000 over the 2013-15 biennium, and an enhancement in room tax revenue transfers approved by the 2015 Legislature, totaling \$350,000 over the biennium, for increased arts grant awards and for rural outreach activities. The enhancement approved by the 2015 Legislature was \$25,000 more per year than the amount recommended by the Governor for the 2015-17 biennium.

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>COMMERCE &amp; INDUSTRY</b>					
<b>DEPARTMENT OF AGRICULTURE</b>					
<b>AGRI - ADMINISTRATION</b>	2,765,213	3,014,449	3,014,390	2,739,088	2,365,855
GENERAL FUND	40,000	40,000	40,000	40,000	40,000
BALANCE FORWARD	7,141	7,141	7,141	7,141	7,141
INTERAGENCY TRANSFER	2,708,052	2,960,068	2,960,009	2,684,707	2,311,474
OTHER FUND	10,020	7,240	7,240	7,240	7,240
<b>AGRI - AGRICULTURE REGISTRATION/ENFORCEMENT</b>	4,091,062	3,578,338	3,598,082	3,187,930	3,355,594
BALANCE FORWARD	1,588,430	1,050,843	1,050,843	599,611	747,548
FEDERAL FUND	410,103	349,659	349,659	326,412	326,412
INTERAGENCY TRANSFER	95,052	37,247	56,991	37,379	57,106
OTHER FUND	1,997,477	2,140,589	2,140,589	2,224,528	2,224,528
<b>AGRI - PLANT HEALTH &amp; QUARANTINE SERVICES</b>	434,446	455,635	392,964	446,228	393,870
GENERAL FUND	401,730	455,635	392,964	446,228	393,870
INTERAGENCY TRANSFER REVERSIONS	32,716				
<b>AGRI - PEST, PLANT DISEASE NOXIOUS WEED CONTROL</b>	826,713	1,037,379	1,037,914	1,042,347	1,042,835
BALANCE FORWARD	13,683	177,551	177,551	176,798	177,491
FEDERAL FUND	760,686	822,952	823,487	828,677	828,472
OTHER FUND	52,344	36,876	36,876	36,872	36,872
<b>AGRI - MORMON CRICKET &amp; GRASSHOPPERS</b>	427,652				
BALANCE FORWARD	130,286				
FEDERAL FUND	297,366				
<b>AGRI - VETERINARY MEDICAL SERVICES</b>	1,109,590	1,308,096	1,143,866	1,257,204	1,095,726
GENERAL FUND	894,326	1,166,746	980,699	1,115,854	931,760
FEDERAL FUND	86,120	25,871	25,871	25,871	25,871
INTERAGENCY TRANSFER	125,624	112,491	134,308	112,491	135,107
OTHER FUND	3,520	2,988	2,988	2,988	2,988
REVERSIONS					
<b>AGRI - LIVESTOCK INSPECTION</b>	1,571,162	2,240,522	2,240,522	2,385,584	2,429,092
BALANCE FORWARD	450,952	325,059	325,059	877,216	920,724
INTERAGENCY TRANSFER		1,391	1,391	1,391	1,391
OTHER FUND	1,120,210	1,914,072	1,914,072	1,506,977	1,506,977
<b>AGRI - PREDATORY ANIMAL &amp; RODENT CONTROL</b>	1,142,898	833,584	777,423	814,024	781,131
GENERAL FUND	709,775	800,461	744,300	780,901	748,008
BALANCE FORWARD					
INTERAGENCY TRANSFER	414,000	14,000	14,000	14,000	14,000
INTERIM FINANCE					
OTHER FUND	19,123	19,123	19,123	19,123	19,123

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<b>AGRI - CONSUMER EQUITABILITY</b>	3,526,116	3,323,083	3,345,084	3,039,774	2,914,795
BALANCE FORWARD	1,202,347	1,008,291	1,008,291	724,984	578,005
INTERAGENCY TRANSFER	752,430	752,429	752,430	752,430	752,430
OTHER FUND	1,571,339	1,562,363	1,584,363	1,562,360	1,584,360
<b>AGRI - NUTRITION EDUCATION PROGRAMS</b>	130,081,591	129,047,317	128,954,080	129,097,063	128,968,319
GENERAL FUND	106,934	1,107,463	1,107,463	1,107,463	1,107,463
BALANCE FORWARD	119,160	119,160	119,160	119,159	119,059
FEDERAL FUND	129,855,497	127,820,694	127,727,457	127,870,441	127,741,797
<b>AGRI - COMMODITY FOOD PROG</b>	16,219,110	16,674,419	16,674,419	16,140,332	15,949,125
BALANCE FORWARD	1,126,569	1,108,559	1,108,559	990,703	799,496
FEDERAL FUND	1,842,010	2,177,519	2,177,519	1,863,890	1,863,890
OTHER FUND	13,250,531	13,388,341	13,388,341	13,285,739	13,285,739
<b>AGRI - DAIRY COMMISSION</b>	1,852,536	1,776,960	1,776,960	1,823,517	1,874,262
BALANCE FORWARD	466,176	652,540	652,540	699,097	749,842
INTERAGENCY TRANSFER	63,929				
OTHER FUND	1,322,431	1,124,420	1,124,420	1,124,420	1,124,420
<b>TOTAL DEPARTMENT OF AGRICULTURE</b>	164,048,089	163,289,782	162,955,704	161,973,091	161,170,604
GENERAL FUND	2,152,765	3,570,305	3,265,426	3,490,446	3,221,101
BALANCE FORWARD	5,104,744	4,449,144	4,449,144	4,194,709	4,099,306
FEDERAL FUND	133,251,782	131,196,695	131,103,993	130,915,291	130,786,442
INTERAGENCY TRANSFER	4,191,803	3,877,626	3,919,129	3,602,398	3,271,508
INTERIM FINANCE					
OTHER FUND	19,346,995	20,196,012	20,218,012	19,770,247	19,792,247
REVERSIONS					
<b>MINERALS</b>					
<b>MINERALS</b>	3,061,346	2,537,778	2,537,778	2,543,852	2,547,236
BALANCE FORWARD	889,917	612,391	612,391	593,903	597,287
FEDERAL FUND	60,032	50,000	50,000	50,000	50,000
INTERAGENCY TRANSFER	41,270	80,800	80,800	76,100	76,100
OTHER FUND	2,070,127	1,794,587	1,794,587	1,823,849	1,823,849
<b>TOTAL MINERALS</b>	3,061,346	2,537,778	2,537,778	2,543,852	2,547,236
BALANCE FORWARD	889,917	612,391	612,391	593,903	597,287
FEDERAL FUND	60,032	50,000	50,000	50,000	50,000
INTERAGENCY TRANSFER	41,270	80,800	80,800	76,100	76,100
OTHER FUND	2,070,127	1,794,587	1,794,587	1,823,849	1,823,849
<b>GAMING CONTROL BOARD</b>					
<b>GCB - GAMING CONTROL BOARD</b>	43,103,935	45,249,151	45,122,992	45,739,786	45,790,684
GENERAL FUND	25,507,257	30,079,192	29,950,174	30,471,909	30,523,896
BALANCE FORWARD	1,558,326				
INTERAGENCY TRANSFER	14,106,813	13,037,810	13,040,669	13,002,142	13,001,053
OTHER FUND	1,931,539	2,132,149	2,132,149	2,265,735	2,265,735
REVERSIONS					
<b>GCB - GAMING COMMISSION</b>	412,148	462,848	462,531	464,328	464,447
GENERAL FUND	412,148	462,848	462,531	464,328	464,447
REVERSIONS					

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<b>GCB - GAMING CONTROL BOARD INVESTIGATION FUND</b>	18,104,683	16,028,506	16,032,079	15,992,447	15,992,193
BALANCE FORWARD	2,000	2,000	2,000	2,000	2,000
OTHER FUND	18,102,683	16,026,506	16,030,079	15,990,447	15,990,193
REVERSIONS					
<b>TOTAL GAMING CONTROL BOARD</b>	61,620,766	61,740,505	61,617,602	62,196,561	62,247,324
GENERAL FUND	25,919,405	30,542,040	30,412,705	30,936,237	30,988,343
BALANCE FORWARD	1,560,326	2,000	2,000	2,000	2,000
INTERAGENCY TRANSFER	14,106,813	13,037,810	13,040,669	13,002,142	13,001,053
OTHER FUND	20,034,222	18,158,655	18,162,228	18,256,182	18,255,928
REVERSIONS					
<b>PUBLIC UTILITIES COMMISSION</b>					
<b>PUC - PUBLIC UTILITIES COMMISSION</b>	14,612,966	14,689,459	14,659,574	14,082,116	14,124,887
BALANCE FORWARD	3,262,586	3,442,236	3,378,142	2,780,981	2,788,688
FEDERAL FUND	427,205	557,981	555,348	617,716	615,572
INTERAGENCY TRANSFER	144,716	212,557	211,396	212,557	211,605
OTHER FUND	10,778,459	10,476,685	10,514,688	10,470,862	10,509,022
<b>TOTAL PUBLIC UTILITIES COMMISSION</b>	14,612,966	14,689,459	14,659,574	14,082,116	14,124,887
BALANCE FORWARD	3,262,586	3,442,236	3,378,142	2,780,981	2,788,688
FEDERAL FUND	427,205	557,981	555,348	617,716	615,572
INTERAGENCY TRANSFER	144,716	212,557	211,396	212,557	211,605
OTHER FUND	10,778,459	10,476,685	10,514,688	10,470,862	10,509,022
<b>DEPT OF BUSINESS &amp; INDUSTRY</b>					
<b>B&amp;I - OFFICE OF BUSINESS AND PLANNING</b>				382,868	385,262
GENERAL FUND				382,868	385,262
<b>B&amp;I - BUSINESS AND INDUSTRY ADMINISTRATION</b>	4,313,330	4,798,687	4,746,193	4,648,172	4,633,072
GENERAL FUND	168,084	110,775	111,023	108,232	108,927
BALANCE FORWARD					
INTERAGENCY TRANSFER	3,615,987	4,102,748	4,055,699	3,954,776	3,935,120
INTERIM FINANCE					
OTHER FUND	529,259	585,164	579,471	585,164	589,025
REVERSIONS					
<b>B&amp;I - INDUSTRIAL DEVELOPMENT BONDS</b>	619,140	710,845	710,845	820,874	820,874
BALANCE FORWARD	457,040	587,016	587,016	697,045	697,045
OTHER FUND	162,100	123,829	123,829	123,829	123,829
<b>B&amp;I - NEW MARKETS PERFORMANCE GUARANTEE</b>	6,250,000	6,250,000	5,250,000	6,250,000	
BALANCE FORWARD	6,250,000	6,250,000	5,250,000	6,250,000	
OTHER FUND					
<b>B&amp;I - NEVADA HOME RETENTION PROGRAM</b>					
OTHER FUND					

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<b>B&amp;I - EMPLOYEE MANAGEMENT RELATIONS BOARD</b>	480,804	652,671	652,671	793,398	794,295
BALANCE FORWARD	167,094	125,349	125,349	266,076	266,973
OTHER FUND	313,710	527,322	527,322	527,322	527,322
<b>B&amp;I - ATHLETIC COMMISSION</b>	826,090	1,784,484	1,784,484	1,953,043	2,593,559
GENERAL FUND	543,369				
BALANCE FORWARD	160,055	148,219	148,219	316,778	957,294
INTERIM FINANCE					
OTHER FUND	122,666	1,636,265	1,636,265	1,636,265	1,636,265
REVERSIONS					
<b>B&amp;I - LABOR COMMISSIONER</b>	1,410,758	1,675,958	1,669,396	1,759,338	1,761,309
GENERAL FUND	1,408,842	1,675,958	1,669,396	1,759,338	1,761,309
BALANCE FORWARD					
INTERIM FINANCE					
OTHER FUND	1,916				
REVERSIONS					
<b>B&amp;I - NV ATTORNEY FOR INJURED WORKERS</b>	3,350,657	3,538,693	3,525,389	3,592,086	3,596,031
OTHER FUND	3,350,657	3,538,693	3,525,389	3,592,086	3,596,031
REVERSIONS					
<b>B&amp;I - INSURANCE REGULATION</b>	12,778,019	14,765,232	14,829,297	13,098,970	13,220,616
BALANCE FORWARD	3,614,422	3,929,285	3,963,928	2,384,610	2,472,698
FEDERAL FUND	1,605,878	1,257,442	1,257,385	997,095	997,054
INTERAGENCY TRANSFER	948,608	336,074	365,553	338,307	371,906
OTHER FUND	6,609,111	9,242,431	9,242,431	9,378,958	9,378,958
<b>B&amp;I - INSURANCE EXAMINERS</b>	2,238,362				
BALANCE FORWARD	286,368				
OTHER FUND	1,951,994				
<b>B&amp;I - CAPTIVE INSURERS</b>	1,742,789	1,302,401	1,302,401	1,237,410	1,208,268
BALANCE FORWARD	347,570	428,109	428,109	420,118	390,976
INTERAGENCY TRANSFER	219,000	251,839	251,839	251,839	251,839
OTHER FUND	1,176,219	622,453	622,453	565,453	565,453
<b>B&amp;I - INSURANCE RECOVERY</b>	646,705		40,000		40,000
BALANCE FORWARD	40,000		40,000		40,000
OTHER FUND	606,705				
<b>B&amp;I - INSURANCE EDUCATION &amp; RESEARCH</b>	1,603,870				
BALANCE FORWARD	997,165				
INTERAGENCY TRANSFER	606,705				
<b>B&amp;I - NAT. ASSOC. OF INSURANCE COMMISSIONERS</b>	67,308				
BALANCE FORWARD	34,142				
OTHER FUND	33,166				

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<b>B&amp;I - INSURANCE COST STABILIZATION</b>	107,236				
BALANCE FORWARD	21,383				
OTHER FUND	85,853				
<b>B&amp;I - SELF INSURED - WORKERS COMPENSATION</b>	565,727	566,016	564,810	575,565	576,031
OTHER FUND	565,727	566,016	564,810	575,565	576,031
REVERSIONS					
<b>B&amp;I - INDUSTRIAL RELATIONS</b>	6,377,953	9,453,949	9,421,406	8,295,733	8,300,360
OTHER FUND	6,377,953	9,453,949	9,421,406	8,295,733	8,300,360
REVERSIONS					
<b>B&amp;I - OCCUPATIONAL SAFETY &amp; HEALTH ENFORCEMENT</b>	10,476,786	10,398,537	10,368,559	10,817,800	10,828,248
FEDERAL FUND	1,372,583	1,303,405	1,303,405	1,303,405	1,303,405
OTHER FUND	9,104,203	9,095,132	9,065,154	9,514,395	9,524,843
REVERSIONS					
<b>B&amp;I - SAFETY CONSULTATION AND TRAINING</b>	3,088,622	3,107,360	3,098,836	3,184,694	3,187,636
FEDERAL FUND	838,885	830,295	830,295	830,295	830,295
OTHER FUND	2,249,737	2,277,065	2,268,541	2,354,399	2,357,341
REVERSIONS					
<b>B&amp;I - MINE SAFETY &amp; TRAINING</b>	1,437,664	1,421,704	1,418,122	1,458,009	1,459,843
FEDERAL FUND	235,157	235,157	235,157	235,157	235,157
OTHER FUND	1,202,507	1,186,547	1,182,965	1,222,852	1,224,686
REVERSIONS					
<b>B&amp;I - REAL ESTATE ADMINISTRATION</b>	2,659,979	7,067,691	3,303,990	7,966,626	3,603,659
GENERAL FUND	730,528		452,231		737,473
BALANCE FORWARD				872,013	
INTERAGENCY TRANSFER	197,339	436,124	428,101	437,954	432,160
INTERIM FINANCE					
OTHER FUND	1,732,112	6,631,567	2,423,658	6,656,659	2,434,026
REVERSIONS					
<b>B&amp;I - REAL ESTATE EDUCATION AND RESEARCH</b>	1,094,633	1,309,233	1,309,233	1,389,728	1,398,600
BALANCE FORWARD	987,483	518,617	518,617	725,352	734,224
INTERAGENCY TRANSFER	107,000	788,520	788,520	662,280	662,280
OTHER FUND	150	2,096	2,096	2,096	2,096
<b>B&amp;I - REAL ESTATE RECOVERY ACCOUNT</b>	507,000	1,195,600	1,195,600	1,069,360	1,069,360
BALANCE FORWARD	300,000	300,000	300,000	300,000	300,000
OTHER FUND	207,000	895,600	895,600	769,360	769,360
<b>B&amp;I - COMMON INTEREST COMMUNITIES</b>	3,598,225	3,029,695	3,029,695	2,822,899	2,833,133
BALANCE FORWARD	2,150,325	1,411,125	1,411,125	576,069	586,303
INTERAGENCY TRANSFER	100	100	100	100	100
OTHER FUND	1,447,800	1,618,470	1,618,470	2,246,730	2,246,730

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<b>B&amp;I - HOUSING DIVISION</b>	11,384,731	12,146,024	12,145,553	12,431,244	12,443,331
BALANCE FORWARD	555,088	571,576	571,576	887,622	899,652
FEDERAL FUND	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
INTERAGENCY TRANSFER	192,320	79,708	79,237	78,621	78,678
OTHER FUND	7,637,323	8,494,740	8,494,740	8,465,001	8,465,001
<b>B&amp;I - LOW INCOME HOUSING TRUST FUND</b>	19,347,515	19,514,194	19,339,194	19,911,823	19,736,800
BALANCE FORWARD	14,658,082	13,257,370	13,257,370	13,239,631	13,239,608
FEDERAL FUND	920,072	596,250	596,250	596,250	596,250
INTERAGENCY TRANSFER		175,000		175,000	
OTHER FUND	3,769,361	5,485,574	5,485,574	5,900,942	5,900,942
<b>B&amp;I - SPECIAL HOUSING ASSISTANCE</b>	2,497,934	2,797,934	2,270,053	2,797,176	599,999
BALANCE FORWARD	129,099	129,099	129,099	128,341	149,999
FEDERAL FUND	2,068,835	2,068,835	1,840,954	2,068,835	
OTHER FUND	300,000	600,000	300,000	600,000	450,000
<b>B&amp;I - WEATHERIZATION</b>	6,797,684	8,150,877	8,150,877	6,395,843	6,396,989
BALANCE FORWARD	1,501,876	1,471,395	1,471,395	1,144,786	1,145,932
FEDERAL FUND	654,604	654,604	654,604	654,604	654,604
INTERAGENCY TRANSFER	1,225,397	2,575,700	2,575,700	1,075,700	1,075,700
OTHER FUND	3,415,807	3,449,178	3,449,178	3,520,753	3,520,753
<b>B&amp;I - MANUFACTURED HOUSING</b>	1,628,059	1,685,126	1,684,617	1,440,956	1,444,477
BALANCE FORWARD	745,542	654,598	654,598	386,026	389,792
FEDERAL FUND	20,196	22,690	22,690	22,690	22,690
INTERAGENCY TRANSFER		121,752	121,243	146,154	145,909
OTHER FUND	862,321	886,086	886,086	886,086	886,086
<b>B&amp;I - MOBILE HOME LOT RENT SUBSIDY</b>	536,669	594,187	594,210	483,819	484,474
BALANCE FORWARD	169,138	215,029	215,029	103,274	103,678
INTERAGENCY TRANSFER	25,546	41,748	41,771	43,135	43,386
OTHER FUND	341,985	337,410	337,410	337,410	337,410
<b>B&amp;I - MOBILE HOME PARKS</b>	359,026	401,411	401,470	311,135	313,367
BALANCE FORWARD	192,014	220,139	220,139	129,420	131,485
INTERAGENCY TRANSFER	14,822	37,908	37,967	38,351	38,518
OTHER FUND	152,190	143,364	143,364	143,364	143,364
<b>B&amp;I - MFG HOUSING EDUCATION/RECOVERY</b>	322,805	314,536	314,519	280,422	280,886
BALANCE FORWARD	236,249	213,524	213,524	178,812	179,153
INTERAGENCY TRANSFER	14,221	25,838	25,821	26,436	26,559
OTHER FUND	72,335	75,174	75,174	75,174	75,174
<b>B&amp;I - FINANCIAL INSTITUTIONS</b>	6,216,098	6,345,308	6,345,308	6,411,142	6,408,263
GENERAL FUND	100	100	100	100	100
BALANCE FORWARD	3,035,655	2,797,373	2,797,373	2,742,783	2,739,904
INTERAGENCY TRANSFER					
OTHER FUND	3,180,343	3,547,835	3,547,835	3,668,259	3,668,259
REVERSIONS					



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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>B&amp;I - FINANCIAL INSTITUTIONS INVESTIGATIONS</b>	974,483	1,090,022	1,090,022	1,204,164	1,204,164
BALANCE FORWARD	939,533	932,238	932,238	1,046,380	1,046,380
OTHER FUND	34,950	157,784	157,784	157,784	157,784
<b>B&amp;I - FINANCIAL INSTITUTIONS AUDIT</b>	267,566	283,690	283,690	293,335	293,619
BALANCE FORWARD	153,806	165,330	165,330	177,835	178,119
OTHER FUND	113,760	118,360	118,360	115,500	115,500
<b>B&amp;I - MORTGAGE LENDING</b>	5,382,169	5,025,243	4,744,783	4,353,582	4,339,939
BALANCE FORWARD	2,790,592	3,021,696	3,021,696	2,549,632	2,445,696
INTERAGENCY TRANSFER					
OTHER FUND	2,591,577	2,003,547	1,723,087	1,803,950	1,894,243
<b>B&amp;I - TAXICAB AUTHORITY</b>	10,936,690	10,831,955	10,831,955	8,519,895	8,733,210
BALANCE FORWARD	4,287,860	4,277,513	4,277,513	1,880,817	2,094,132
OTHER FUND	6,648,830	6,554,442	6,554,442	6,639,078	6,639,078
<b>B&amp;I - TRANSPORTATION AUTHORITY</b>	2,694,361	3,165,979	3,158,696	3,353,686	3,360,001
BALANCE FORWARD	2,187	2,900	2,900	6,431	6,567
HIGHWAY FUND	2,379,382	2,805,362	2,798,079	2,967,460	2,973,639
INTERAGENCY TRANSFER					
INTERIM FINANCE					
OTHER FUND	312,792	357,717	357,717	379,795	379,795
<b>B&amp;I - TRANSPORTATION AUTHORITY ADMIN FINES</b>	586,572	755,170	755,170	922,562	955,429
BALANCE FORWARD	383,088	446,583	446,583	613,975	646,842
OTHER FUND	203,484	308,587	308,587	308,587	308,587
<b>TOTAL DEPT OF BUSINESS &amp; INDUSTRY</b>	136,174,019	146,130,412	140,331,044	141,227,357	129,305,104
GENERAL FUND	2,850,923	1,786,833	2,232,750	2,250,538	2,993,071
BALANCE FORWARD	45,592,856	42,074,083	41,148,726	38,023,826	31,842,452
FEDERAL FUND	10,716,210	9,968,678	9,740,740	9,708,331	7,639,455
HIGHWAY FUND	2,379,382	2,805,362	2,798,079	2,967,460	2,973,639
INTERAGENCY TRANSFER	7,167,045	8,973,059	8,771,551	7,228,653	7,062,155
INTERIM FINANCE					
OTHER FUND	67,467,603	80,522,397	75,639,198	81,048,549	76,794,332
REVERSIONS					
<b>GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT</b>					
<b>GOED - GOVERNOR'S OFFICE OF ECONOMIC DEV</b>	8,985,092	8,422,152	8,968,416	8,465,182	7,937,750
GENERAL FUND	6,906,084	8,237,152	8,783,416	8,280,182	7,752,750
FEDERAL FUND	3,188	100,000	100,000	100,000	100,000
INTERAGENCY TRANSFER	743,110	10,000	10,000	10,000	10,000
INTERIM FINANCE	1,248,000				
OTHER FUND	84,710	75,000	75,000	75,000	75,000
REVERSIONS					
<b>GOED - NEVADA FILM OFFICE</b>	979,827	867,963	866,491	793,161	793,669
BALANCE FORWARD	203,000	203,000	203,000	123,387	123,387
INTERAGENCY TRANSFER	657,304	600,000	599,973	600,000	600,080
OTHER FUND	119,523	64,963	63,518	69,774	70,202

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<b>GOED - RURAL COMMUNITY DEVELOPMENT</b>	2,457,016	2,677,285	2,676,406	2,678,969	2,679,284
GENERAL FUND	163,764	98,402	97,523	100,434	100,749
BALANCE FORWARD	131,223	131,223	131,223	131,223	131,223
FEDERAL FUND	2,130,629	2,447,660	2,447,660	2,447,312	2,447,312
OTHER FUND	31,400				
REVERSIONS					
<b>GOED - PROCUREMENT OUTREACH PROGRAM</b>	581,717	596,199	594,386	596,640	597,144
GENERAL FUND	113,810	128,292	126,479	128,733	129,237
FEDERAL FUND	467,907	467,907	467,907	467,907	467,907
REVERSIONS					
<b>GOED - NEVADA CATALYST FUND</b>	11,569,690	17,050,773	7,050,773	14,174,223	7,069,223
GENERAL FUND	1,500,000	17,000,000	7,000,000		
BALANCE FORWARD	10,040,932	15,923	15,923	14,155,773	7,050,773
OTHER FUND	28,758	34,850	34,850	18,450	18,450
<b>GOED - NEVADA SSBCI PROGRAM</b>	7,313,358	5,693,131	5,693,131	3,391,546	3,391,834
BALANCE FORWARD	1,148,310			2,014,194	2,014,482
FEDERAL FUND	4,555,048	4,693,080	4,693,080		
OTHER FUND	1,610,000	1,000,051	1,000,051	1,377,352	1,377,352
<b>GOED - NEVADA KNOWLEDGE FUND</b>	9,218,972	13,213,212	13,213,212	9,987,638	9,987,638
GENERAL FUND	5,000,000	9,000,000	9,000,000	5,000,000	5,000,000
BALANCE FORWARD	4,194,533	4,194,533	4,194,533	4,968,959	4,968,959
OTHER FUND	24,439	18,679	18,679	18,679	18,679
<b>TOTAL GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT</b>	41,105,672	48,520,715	39,062,815	40,087,359	32,456,542
GENERAL FUND	13,683,658	34,463,846	25,007,418	13,509,349	12,982,736
BALANCE FORWARD	15,717,998	4,544,679	4,544,679	21,393,536	14,288,824
FEDERAL FUND	7,156,772	7,708,647	7,708,647	3,015,219	3,015,219
INTERAGENCY TRANSFER	1,400,414	610,000	609,973	610,000	610,080
INTERIM FINANCE	1,248,000				
OTHER FUND	1,898,830	1,193,543	1,192,098	1,559,255	1,559,683
REVERSIONS					
<b>DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS</b>					
<b>TOURISM - STEWART INDIAN SCHOOL LIVING LEGACY</b>				122,177	122,885
GENERAL FUND				122,177	122,885
<b>TOURISM - TOURISM DEVELOPMENT FUND</b>	23,008,692	24,724,058	24,791,713	24,588,596	24,567,452
BALANCE FORWARD	4,375,041	4,129,828	4,129,828	3,375,845	3,311,214
OTHER FUND	18,633,651	20,594,230	20,661,885	21,212,751	21,256,238
<b>TOURISM - TOURISM DEVELOPMENT</b>	225,550	105,480	105,480	105,480	105,480
BALANCE FORWARD	118,296				
INTERAGENCY TRANSFER	100,000	100,000	100,000	100,000	100,000
OTHER FUND	7,254	5,480	5,480	5,480	5,480

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<b>TOURISM - NEVADA MAGAZINE</b>	1,255,922	1,344,696	1,344,696	1,391,503	1,401,062
BALANCE FORWARD	137,485	94,866	94,866	141,673	152,232
INTERAGENCY TRANSFER		50,000	50,000	50,000	
OTHER FUND	1,118,437	1,199,830	1,199,830	1,199,830	1,248,830
<b>TOURISM - MUSEUMS &amp; HISTORY</b>	360,081	417,187	415,853	417,344	417,644
GENERAL FUND	178,687	208,594	207,927	208,671	208,822
BALANCE FORWARD					
INTERAGENCY TRANSFER	181,394	208,593	207,926	208,673	208,822
REVERSIONS					
<b>TOURISM - MUSEUMS &amp; HIST - LOST CITY MUSEUM</b>	430,687	469,134	467,342	479,134	480,409
GENERAL FUND	172,378	186,105	185,288	190,755	191,309
BALANCE FORWARD					
INTERAGENCY TRANSFER	172,379	186,105	185,290	190,751	191,312
OTHER FUND	85,930	96,924	96,764	97,628	97,788
REVERSIONS					
<b>TOURISM - MUSEUMS &amp; HIST-NEVADA HISTORICAL SOCIETY</b>	593,624	623,401	571,420	645,809	595,765
GENERAL FUND	244,126	283,236	282,852	293,758	295,025
BALANCE FORWARD					
INTERAGENCY TRANSFER	294,682	283,236	282,852	293,763	295,024
INTERIM FINANCE					
OTHER FUND	54,816	56,929	5,716	58,288	5,716
REVERSIONS					
<b>TOURISM - MUSEUMS &amp; HIST - NEVADA STATE MUSEUM, CC</b>	1,618,949	1,701,288	1,695,735	1,693,840	1,698,680
GENERAL FUND	672,899	738,313	735,754	733,464	735,784
BALANCE FORWARD	1,350				
FEDERAL FUND	23,118				
INTERAGENCY TRANSFER	677,022	738,311	735,753	733,478	735,785
INTERIM FINANCE					
OTHER FUND	244,560	224,664	224,228	226,898	227,111
REVERSIONS					
<b>TOURISM - MUSEUMS &amp; HIST - NEVADA STATE MUSEUM, LV</b>	1,462,515	1,557,838	1,553,224	1,582,572	1,587,086
GENERAL FUND	656,549	713,757	711,618	725,357	727,458
BALANCE FORWARD					
INTERAGENCY TRANSFER	665,528	713,759	711,617	725,359	727,459
INTERIM FINANCE					
OTHER FUND	140,438	130,322	129,989	131,856	132,169
<b>TOURISM - MUSEUMS &amp; HIST - STATE RAILROAD MUSEUMS</b>	1,267,290	1,320,385	1,316,246	1,327,183	1,331,071
GENERAL FUND	449,363	495,989	494,032	498,700	500,563
BALANCE FORWARD					
INTERAGENCY TRANSFER	457,252	495,994	494,031	498,705	500,564
OTHER FUND	360,675	328,402	328,183	329,778	329,944
REVERSIONS					

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>TOURISM - NEVADA ARTS COUNCIL</b>	2,087,518	2,249,963	2,268,024	2,262,932	2,284,958
GENERAL FUND	534,381	725,581	572,112	730,237	578,753
BALANCE FORWARD	74,098	17,999	17,999	17,999	17,999
FEDERAL FUND	663,500	663,500	663,500	663,500	663,500
INTERAGENCY TRANSFER	734,382	775,676	947,206	783,989	957,499
OTHER FUND	81,157	67,207	67,207	67,207	67,207
REVERSIONS					
<b>TOURISM - NEVADA HUMANITIES</b>	50,000	50,000	75,000	50,000	75,000
GENERAL FUND	50,000	50,000	75,000	50,000	75,000
<b>TOURISM - INDIAN COMMISSION</b>	256,688	268,757	267,845	281,671	281,989
GENERAL FUND	188,442	201,568	200,884	208,819	211,492
BALANCE FORWARD					
INTERAGENCY TRANSFER	68,246	67,189	66,961	72,852	70,497
REVERSIONS					
<b>TOTAL DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS</b>	32,617,516	34,832,187	34,872,578	34,948,241	34,949,481
GENERAL FUND	3,146,825	3,603,143	3,465,467	3,761,938	3,647,091
BALANCE FORWARD	4,706,270	4,242,693	4,242,693	3,535,517	3,481,445
FEDERAL FUND	686,618	663,500	663,500	663,500	663,500
INTERAGENCY TRANSFER	3,350,885	3,618,863	3,781,636	3,657,570	3,786,962
INTERIM FINANCE					
OTHER FUND	20,726,918	22,703,988	22,719,282	23,329,716	23,370,483
REVERSIONS					
<b>COMMERCE &amp; INDUSTRY</b>					
GENERAL FUND	47,753,576	73,966,167	64,383,766	53,948,508	53,832,342
BALANCE FORWARD	76,834,697	59,367,226	58,377,775	70,524,472	57,100,002
FEDERAL FUND	152,298,619	150,145,501	149,822,228	144,970,057	142,770,188
HIGHWAY FUND	2,379,382	2,805,362	2,798,079	2,967,460	2,973,639
INTERAGENCY TRANSFER	30,402,946	30,410,715	30,415,154	28,389,420	28,019,463
INTERIM FINANCE	1,248,000				
OTHER FUND	142,323,154	155,045,867	150,240,093	156,258,660	152,105,544
REVERSIONS					
<b>TOTAL FOR COMMERCE &amp; INDUSTRY</b>	453,240,374	471,740,838	456,037,095	457,058,577	436,801,178
Less: INTER-AGENCY TRANSFER	30,402,946	30,410,715	30,415,154	28,389,420	28,019,463
<b>NET COMMERCE &amp; INDUSTRY</b>	422,837,428	441,330,123	425,621,941	428,669,157	408,781,715



# HUMAN SERVICES





## **HUMAN SERVICES**

The Human Services function provides services directly to members of the public and includes the Department of Health and Human Services (DHHS) and the Department of Employment, Training and Rehabilitation (DETR). The DHHS consists of the Director's Office, the Aging and Disability Services Division (ADSD), the Division of Health Care Financing and Policy (DHCFP), the Division of Public and Behavioral Health (DPBH), the Division of Welfare and Supportive Services (DWSS), the Division of Child and Family Services (DCFS), and the Office of the Public Defender. DETR consists of the Rehabilitation Division, the Employment Security Division, and the Administrative Services Division. The 2015 Legislature approved \$2.172 billion in General Fund support for the Human Services function for the 2015-17 biennium, an increase of \$119.9 million, or 5.8 percent, compared to the \$2.052 billion in General Fund support approved by the 2013 Legislature for the 2013-15 biennium.

### **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

#### **DIRECTOR'S OFFICE**

The Director's Office is responsible for coordinating all departmental programs, the oversight of the department's budgets, and providing fiscal and technical assistance to the various divisions. The budgets directly administered by the office include Department of Health and Human Services Administration; the Grants Management Unit; the Children's Trust Account; the Revolving Account for the Prevention and Treatment of Problem Gambling; Indigent Hospital Care; Upper Payment Limit (UPL) Holding Account; the Nevada State Public Defender's Office; Consumer Health Assistance, Individuals with Disabilities Education Act (IDEA) Part C, and the Governor's Council on Developmental Disabilities. Total funding for the Director's Office is \$56.5 million for FY 2016 and \$57.0 million for FY 2017, which includes General Fund appropriations of \$3.7 million in FY 2016 and \$3.8 million in FY 2017.

#### **HEALTH AND HUMAN SERVICES ADMINISTRATION**

The Health and Human Services Administration budget was previously supported primarily by federal funds and a General Fund appropriation. However, with the transfer of the Office of Suicide Prevention to the Division of Public and Behavioral Health in FY 2014, the elimination of the Health Information Technology (HIT) grant during the 2013-15 biennium, and the transfer of the Head Start State Collaboration and Early Childhood Comprehensive System to the Department of Education in FY 2015, the budget is supported primarily by a General Fund appropriation and cost allocation assessment revenue. The 2015 Legislature approved a total budget of \$3.5 million, including \$2.8 million over the biennium in General Funds, which is a 38.6 percent decrease from the \$5.7 million total budget approved for the 2013-15 biennium. The decrease is primarily due to the aforementioned expiration and transfer of the federal funds.



The Legislature approved the Governor's recommendation for a new Information Technology Professional position to serve the Director's Office and five satellite offices. In addition to providing all information technology (IT) functions for the Director's Office, the position is anticipated to build, structure, and maintain databases, and improve the overall use and continuity of DHHS databases for the Director's Office.

The Legislature also approved the Governor's recommendation of \$165,976 in General Fund appropriations to change the funding for the Tribal Liaison position from federal funds to 100.0 percent General Funds since the position works on departmental issues and is no longer dedicated to public health preparedness functions, for which it was previously funded. Finally, based on the changed funding and the overall elimination of federal funds in the budget, the Legislature recommended the agency work with the Budget Division during the 2015-16 Interim to explore cost allocation methods to support this budget and, if appropriate, submit those methods with its 2017-19 biennial budget.

#### **UPPER PAYMENT LIMIT (UPL) HOLDING ACCOUNT**

The 2013 Legislature authorized the creation of the UPL Holding account through Section 51 of the Appropriations Act (Assembly Bill 507) to receive funding transferred from other DHHS divisions resulting from savings associated with not providing certain health care and related services. The legislation specified that funding transferred to the UPL Holding account must be utilized to support the state share of an expanded Medicaid supplemental payment program and associated administrative costs, with any remaining funding reverting to the General Fund. The Interim Finance Committee (IFC) approved transfers for FY 2014 on October 22, 2013.

The 2015 Legislature approved (Senate Bill 514, Section 57) continuing the UPL Holding account for the same purposes in the 2015-17 biennium, including transferring savings of \$4.1 million over the 2015-17 biennium from the Division of Public and Behavioral Health (DPBH) budgets to the UPL Holding account. Of the \$4.1 million, the Legislature approved transferring \$2.9 million to the DHCFP to provide the state share of the new Medicaid supplemental payment program, the Private Hospital Collaborative UPL program. The Legislature approved the reversion of the remaining \$1.2 million to the General Fund.

#### **GRANTS MANAGEMENT UNIT**

For the 2015-17 biennium, the Grants Management Unit (GMU) will administer the following grant programs: Federal Title XX Purchase of Social Services; Family Resource Centers (FRC); Differential Response; Community Services Block Grant; Children's Trust Account; the Prevention and Treatment of Problem Gambling program; and Healthy Nevada Fund grants. Total funding for the GMU is \$54.2 million over the 2015-17 biennium, which primarily consists of federal funds (\$34.9 million) and a transfer of tobacco settlement funds (\$17.5 million) to administer and allocate the Healthy Nevada Fund grants.

Pursuant to *Nevada Revised Statutes* (NRS) 439.630, the 2015 Legislature approved the allocation of \$57.8 million in tobacco settlement funds over the 2015-17 biennium for Healthy Nevada Fund grants to state and non-state agencies in accordance with the DHHS Director's spending plan. Of that amount, \$17.5 million is allocated to the GMU for grants to subgrantees to continue support for Family Resource Centers, Differential Response, and Disability Services, and continue program funding for food security, immunization, suicide prevention, and the Nevada 2-1-1 system. The Legislature also approved the Governor's recommendation to utilize \$103,284 in tobacco settlement funds to fund a part-time Social Services Program Specialist position and operating costs to serve as the Nevada 2-1-1 Coordinator.

### **OFFICE OF CONSUMER HEALTH ASSISTANCE**

The Office of Consumer Health Assistance (Office) was created by the 1999 Legislature and is located in Las Vegas. Through the passage of Assembly Bill 519, the 2011 Legislature approved the transfer of the Office from the Governor's Office to the DHHS Director's Office, and merged Consumer Health Assistance with the Office of Minority Affairs. The Office assists consumers in navigating the health care system and understanding patient rights and responsibilities under various health care plans and policies, including industrial insurance. The Office responds to and investigates complaints regarding insurance plans and policies, resolves disputes between patients and hospitals, and provides information to consumers concerning prescription drug programs offered by manufacturers of prescription drugs or by the State of Nevada.

Total legislatively approved funding for the Office is \$2.4 million over the 2015-17 biennium, which includes revenue from hospital assessments, a transfer from the Workers' Compensation and Safety Fund, miscellaneous gifts and grants, a federal grant for the Office of Minority Affairs, and a \$566,366 General Fund appropriation.

The Legislature approved the Governor's recommendation to continue three Ombudsman positions over the 2015-17 biennium and eliminate one Ombudsman position. The positions had previously been supported by federal Health Insurance Exchange grant funds transferred from the Silver State Health Insurance Exchange (SSHIX) and tobacco settlement funds. Pursuant to caseload information and the continued need to assist consumers through the Affordable Care Act (ACA) process, the Legislature approved \$703,697 to continue the three Ombudsman positions over the 2015-17 biennium through a combination of federal grant funds transferred from the Department of Public and Behavioral Health, hospital licensing fees, and tobacco settlement funds. However, the money committees expressed concern regarding the use of temporary funding for permanent positions and directed the Office to report to the IFC by February 1, 2016, on the efforts made to find recommendations for funding sources to support the three Ombudsman positions in future biennia.

## **INDIGENT HOSPITAL CARE**

The Indigent Hospital Care budget, previously the Indigent Supplemental Account, was originally created to provide reimbursement to Nevada counties for unpaid hospital charges for medical treatment of indigent persons and reimbursement to hospitals for care provided to indigent persons injured in motor vehicle accidents in Nevada. The budget, which is primarily funded by a property tax levy of \$0.015 on each \$100 of assessed valuation and assessments levied against hospitals pursuant to NRS 439B.340, is administered by the Board of Trustees of the Fund for Hospital Care to Indigent Persons.

During the 2013 Legislative Session, it was predicted that unpaid hospital charges would decrease as a result of provisions in the Patient Protection and Affordable Care Act (ACA), including the individual insurance mandate and Medicaid expansion, reducing the need for payments to counties and hospitals from this account. The 2013 Legislature approved Senate Bill 452, which authorizes the Board of Trustees to enter into an agreement with the DHCFP to transfer funds from this account to the DHCFP to provide for enhanced reimbursement rates for hospital care for Medicaid recipients or make supplemental payments to hospitals in accordance with the State Plan for Medicaid.

At its August 14, 2013, meeting, the Board of Trustees approved entering into an agreement with the DHCFP to utilize funding from this account to provide the state share of a new Medicaid supplemental payment program, and to provide relief to counties that are unable to meet the obligation to fund their portion of the state share of costs associated with the County Indigent population in the Medicaid budget. The IFC approved transferring funding from this account to the DHCFP for these purposes at its October 22, 2014, meeting.

The 2015 Legislature concurred with the Governor's recommendation to continue the transfer of funding from the Indigent Hospital Care budget to the DHCFP to provide the state share of the new Medicaid supplemental payment program, known as the Indigent Accident Fund Upper Payment Limit program, including transfers of \$13.3 million in FY 2016 and \$13.8 million in FY 2017. In addition, the Legislature approved the Governor's recommendation to provide \$500,000 annually to pay claims to hospitals and counties for unpaid hospital charges and \$60,000 annually for the Nevada Association of Counties (NACO) to administer claims paid through this budget.

## **OFFICE OF THE STATE PUBLIC DEFENDER**

The Office of State Public Defender (PD) represents adult and juvenile indigent, criminal defendants when a court appoints the office as counsel. During the 2013-15 biennium, the PD provided services in 4 counties: Carson, Eureka, Storey, and White Pine. The 13 remaining counties provided their own public defender services through a county public defender or by contracting with a private attorney to provide those services.

Pursuant to NRS 260.010, a board of county commissioners must notify the State Public Defender by March 1 of every odd-numbered year of their intent to create a county public defender's office. Based on this provision, the PD was notified by Eureka and White Pine counties that those counties would be opting out of PD services for the 2015-17 biennium. Accordingly, the 2015 Legislature approved the Governor's amended budget to reallocate revenue and expenditures for the remaining two counties. The amended budget included the closure of the Ely Office and the elimination of four full-time filled positions (two Attorneys, one Investigator and one Legal Secretary). Based on the budget amendment and the realignment of costs between the remaining two counties and the State General Fund, excluding Post-Conviction Relief Costs, the revised funding is 24.0 percent General Fund appropriations and 76.0 percent county assessment revenue. The amended budget reduced the General Fund appropriation to the PD by \$14,585, and reduced county assessments by \$887,642 over the biennium.

#### **AGING AND DISABILITY SERVICES DIVISION**

The Aging and Disability Services Division develops, coordinates, and delivers a comprehensive system of support services, which allow Nevada's residents who are 60 years of age and older and persons with disabilities to lead independent, meaningful and dignified lives. Federal funding sources, such as Medicaid reimbursements and Administration for Community Living grants, are the largest funding sources for the division. The division is also funded with General Fund appropriations and tobacco settlement funds. The 2015 Legislature approved \$563.3 million in total funding for the ADSD for the 2015-17 biennium, inclusive of approved General Fund appropriations of \$288.1 million. In comparison, the total legislatively approved funding for the 2013-15 biennium was \$494.2 million, with \$242.6 million of the total being General Fund appropriations.

In addition to the aforementioned funding for the 2015-17 biennium, the 2015 Legislature, through Senate Bill 514, Section 60, appropriated General Fund appropriations of \$5.0 million in FY 2016 to the IFC for allocation to the ADSD to implement a senior citizen's property tax assistance rebate program during the 2015-17 biennium.

#### **SENIOR RX AND DISABILITY RX**

The Senior Rx and Disability Rx programs assist eligible low-income seniors and the disabled to obtain prescription medications. The program helps pay for Medicare Part D premiums, pays Medicare Part D gap (i.e., the "doughnut hole") costs, and provides assistance for enrollees not eligible for Medicare. The 2015 Legislature approved funding of \$6.7 million in Healthy Nevada Funds for the 2015-17 biennium, a 32.9 percent decrease from the \$9.9 million approved by the 2013 Legislature over the 2013-15 biennium.

The Legislature approved the elimination of the Dental Benefit program that had been approved as a pilot program by the 2013 Legislature for the 2013-15 biennium, and allocated all of the Healthy Nevada Funds received in the Senior Rx and Disability Rx programs to the prescription program.

### **TOBACCO SETTLEMENT PROGRAM**

This budget supports the division's Independent Living Grants (ILG) program, and all funding is provided by tobacco settlement agreement monies. This program funds respite care and relief for caregiving, transportation options, and care in the home to enable older persons to remain at home rather than in institutional placement. The total amount legislatively approved to be subgranted to nonprofit agencies as part of the ILG program is \$6.0 million in each year of the 2015-17 biennium.

### **FEDERAL PROGRAMS AND ADMINISTRATION**

The Federal Programs and Administration budget account is the division's primary administrative account and provides for various grant programs as well as resource development, elder rights, and fiscal services for the division. The Federal Programs and Administration account is primarily funded with federal funds. The 2015 Legislature approved funding totaling \$47.1 million for this budget, including General Fund appropriations of \$8.4 million, in the 2015-17 biennium. In comparison, the 2013 Legislature approved total funding of \$41.7 million, including \$6.7 million in General Fund appropriations, for the 2013-15 biennium.

The Legislature approved additional General Fund appropriations of \$523,998 over the 2015-17 biennium to support four new Administrative Assistant positions, as recommended by the Governor, based upon a projected increase in caseload for the Long-Term Care Ombudsman Program (LTCOP), from an average of 7,170 cases in FY 2015 to a projected average of 12,057 in FY 2017. The approved funding also funds two Social Services Program Specialist positions to be responsible for a new quality assurance component to the LTCOP.

The Legislature also approved General Fund appropriations of \$57,443 and \$261,238 in cost allocation reimbursements to add one new Administrative Assistant position, one new Information Technology Technician position, and three new Information Technology Professional positions. The new positions will support agency staff, maintain the division's hardware components, and reduce the division's reliance on contracted programmers.

### **HOME AND COMMUNITY BASED SERVICES**

The Home and Community Based Services budget funds community-based resources which assist seniors and people with severe disabilities who are ineligible for services through public entitlement programs, or for whom services do not otherwise exist, in living as independently as possible. The Autism Treatment Assistance Program (ATAP), Elder Protective Services, Homemaker, Communications Access, Independent Living, Personal Assistance Services, waiver programs, and Traumatic Brain Injury (TBI) program comprise the Home and Community Based Services. The Home and

Community Based Services budget is funded with General Fund appropriations, tobacco settlement funds, federal funds, and telephone surcharge funding received from the Public Utilities Commission. For the 2015-17 biennium, the Legislature approved funding totaling \$81.3 million, a 46.8 percent increase from the \$55.4 million approved for the 2013-15 biennium. Of the total amount approved for the 2015-17 biennium, \$42.1 million is General Fund appropriations, a 72.1 percent increase from the \$24.4 million in General Fund appropriations approved for the 2013-15 biennium. The increase in funding is largely due to the 2015 Legislature approving caseload increases for the ATAP and the home and community based care programs, as well as the transfer of the Waiver for Independent Nevadans (WIN) program from the Division of Health Care Financing and Policy to the Aging and Disability Services Division to consolidate the state's three waiver programs into one agency.

The 2015 Legislature approved the Governor's recommendation of additional funding of \$12.4 million over the 2015-17 biennium, including \$6.3 million in General Fund appropriations, to increase the ATAP caseload from 572 children to 836 children per month by the end of FY 2017. In approving the ATAP caseload increases, the Legislature expressed concern that the waitlist would still not be reduced. One new Developmental Specialist position was approved to support the increased ATAP caseload. The Legislature also approved General Fund appropriations of \$153,176 over the 2015-17 biennium to fund one new Health Program Manager position to manage and oversee the ATAP program.

In addition, the Legislature allocated General Fund appropriations of \$2.2 million in FY 2017 to the IFC (Senate Bill 514, Section 59) to fund additional services for Autism Spectrum Disorder in the event a sufficient number of providers of ATAP services become available. The \$2.2 million was projected to serve an additional 290 children in FY 2017.

Home and Community Based Care Services provides services to seniors and adults with severe physical disabilities who are at risk of institutionalization through the federally-funded Home and Community Based Waiver and the state-funded Community Options for the Elderly (COPE), Homemaker, and Personal Assistance Services (PAS) programs. Each of these programs provides alternatives to nursing home placement. The 2015 Legislature approved federal funds totaling \$1.5 million and General Fund appropriations totaling \$1.5 million over the 2015-17 biennium to add 237 caseload slots for the Home and Community Based Care programs over the projected caseload approved by the 2013 Legislature for FY 2015. A total of 11 new positions were approved to support the increased caseload, including 8 Social Workers, 1 Social Work Supervisor, 1 Social Services Program Specialist, and 1 Administrative Assistant.

The Legislature approved General Fund appropriations of \$112,854 over the 2015-17 biennium for one new Elder Rights Specialist position to conduct outreach for the Elder Protective Services program in the state's rural counties. The 2015 Legislature also approved telecommunication devices for the deaf (TDD) surcharge funding of \$139,961 over the 2015-17 biennium for 1 new Social Services Program Specialist position to oversee and manage the state's interpreter registry program.

## **EARLY INTERVENTION SERVICES**

Early Intervention Services (EIS) identifies and assists infants and toddlers with, or who are at risk for, developmental delays. The program provides services and support to families with children from birth to age three who have been diagnosed as either at risk for or developmentally delayed in the areas of cognition, communication, physical development, social/emotional development and/or adaptive skills. Specialized therapies, as well as case management, are provided by state EIS clinic staff and contract therapists as well as community-based providers working in the southern and northwestern regions of the state. Monitoring services are provided to children who are at risk of becoming developmentally delayed. These services are provided under Part C of the federal Individuals with Disabilities Education Act (IDEA) grant; however, most revenue for this budget comes from State General Fund appropriations. The 2015 Legislature approved total funding of \$67.8 million over the 2015-17 biennium, of which \$59.5 million, or 87.7 percent, is General Fund appropriations. Other revenue sources for EIS include Medicaid reimbursements and IDEA Part C federal grant funds.

The Legislature approved Medicaid reimbursements totaling \$76,905 and General Fund appropriations totaling \$1.6 million over the 2015-17 biennium to increase the caseload for EIS services from 2,925 children served per month in FY 2014 to 3,403 children served per month by the end of FY 2017. To support the additional intake coordination anticipated from the increase in caseload, the Legislature approved the reclassification of two vacant full-time Developmental Specialist positions to one full-time Administrative Assistant and one part-time Administrative Assistant. Finally, the Legislature approved \$783,038 in General Fund appropriations over the 2015-17 biennium to replace grant funding that previously funded four existing EIS positions.

## **FAMILY PRESERVATION PROGRAM**

The Family Preservation Program (FPP) is a statewide program providing monthly cash assistance to low-income families who provide care in their homes for relatives with profound or severe intellectual disabilities or children under six years of age who have developmental delays. The FPP aims to strengthen and support families so that they may remain intact and limit or avoid the need for institutional care. The 2015 Legislature approved total funding of \$5.8 million over the 2015-17 biennium for the FPP, which includes \$3.4 million in General Fund appropriations and \$2.4 million in tobacco settlement funds.

As recommended by the Governor, the Legislature approved additional General Fund appropriations of \$192,984 over the 2015-17 biennium to increase the number of low-income families provided with monthly assistance payments of \$374 from 621 families in FY 2015 to 662 families by the end of FY 2017.

## **DEVELOPMENTAL SERVICES**

The regional center budgets for Developmental Services consist of the following facilities: Desert Regional Center; Sierra Regional Center; and Rural Regional Center. The three regional centers provide case management and service coordination, residential support, family support/respite, and jobs and day training services to individuals with developmental disabilities and related conditions.

The developmental services caseloads are projected to increase to 7,437 individuals by the end of FY 2017, an increase of 1,059 individuals or 16.6 percent over the 6,378 individuals actually served as of the end of Fiscal Year 2015. In approving the caseload increases for developmental services, the 2015 Legislature expressed concern that the waitlists would still not be eliminated or reduced. The Governor recommended a 5.7 percent rate increase in FY 2017 for contracted providers of direct services in the residential support and jobs and day training programs. However, the Legislature did not concur and reallocated the available funding to support a 2.5 percent increase in provider rates in FY 2016 with an additional 0.9 percent increase in FY 2017, for a total increase of 3.4 percent over the 2015-17 biennium.

For the three regional centers, the 2015 Legislature approved funding totaling \$342.3 million for the 2015-17 biennium, an increase of \$42.3 million (14.1 percent) when compared to total funding of \$300.0 million approved for the 2013-15 biennium. General Fund support for the 2015-17 biennium totals \$174.8 million, which represents an increase of 19.1 percent compared to General Fund appropriations of \$146.9 million approved for the 2013-15 biennium. The Legislature concurred with The Executive Budget's recommendation that the regional centers' budgets be funded with General Fund appropriations, federal Medicaid Funds (waiver reimbursements and administrative costs), federal Title XX funds, and county reimbursement revenue.

### **SIERRA REGIONAL CENTER**

The Sierra Regional Center (SRC) provides services for individuals with developmental disabilities and related conditions living in Northern Nevada, primarily Washoe County.

Based on approved caseload growth for the 2015-17 biennium, the Legislature approved the addition of three new positions (2.51 full-time equivalent [FTE]) at the SRC. The positions include one Developmental Specialist, one Quality Assurance Specialist, and one (0.51 FTE) Licensed Psychologist. The new positions will allow the SRC to maintain a staffing to caseload ratio of 1:45.

### **DESERT REGIONAL CENTER**

The Desert Regional Center (DRC) provides services for individuals with developmental disabilities and related conditions living in Clark and parts of Lincoln and Nye counties.

Based on approved caseload growth for the 2015-17 biennium, the 2015 Legislature approved the addition of 17 new positions at the DRC. The positions, including 11 Developmental Specialists, 3 Quality Assurance Specialists, 1 Psychiatric Nurse,



1 Licensed Psychologist, and 1 Custodial Worker, will be phased in over the biennium. The new positions will allow the DRC to maintain a staffing to caseload ratio of 1:45.

### **RURAL REGIONAL CENTER**

The Rural Regional Center (RRC) provides services for individuals with developmental disabilities and related conditions living in rural Northern Nevada. Intake services are provided from the main office in Carson City. Satellite offices are located in Elko, Fallon, Fernley, Minden, and Winnemucca.

Based on approved caseload growth for the 2015-17 biennium, the Legislature approved the addition of five new positions at the RRC. The positions include two Developmental Specialists, one Quality Assurance Specialist, one Developmental Specialist, and one Administrative Assistant. The new positions will allow the RRC to maintain a staffing to caseload ratio of 1:45.

The 2015 Legislature also approved the restoration of an externship program at the RRC to allow one psychology student from the University of Nevada, Reno to participate in a variety of supervised clinical services provided in a rural setting. General Fund appropriations totaling \$40,000 were approved in each year of the 2015-17 biennium to support the externship program at the RRC.

### **DIVISION OF HEALTH CARE FINANCING AND POLICY**

The mission of the Division of Health Care Financing and Policy is to purchase and provide quality health care service to low-income Nevadans through the Medicaid and Nevada Check Up programs in the most efficient manner; promote equal access to health care at an affordable cost; restrain the growth of health care costs; and maximize the receipt of federal revenue for the provision of health care programs.

The 2015 Legislature approved approximately \$7.237 billion in total funding for the division over the 2015-17 biennium. The funding includes General Fund appropriations totaling \$1.183 billion over the 2013-15 biennium. When compared to the 2013-15 biennium, the 2015 Legislature approved an increase of approximately \$31.8 million in General Fund appropriations to operate the division for the 2015-17 biennium, which represents an increase of 2.8 percent.

### **INTERGOVERNMENTAL TRANSFER PROGRAM**

The Intergovernmental Transfer (IGT) budget collects funds from other governmental entities to be used as state matching funds for certain Medicaid expenditures, including a number of supplemental payment programs as well as services provided by local governmental entities. Funds are collected in the IGT budget and transferred to Medicaid for use as state matching funds for these programs. The IGT payments that are in excess of the required state match are used to offset General Fund appropriations for other Medicaid expenditures, referred to as the state net benefit.

- Disproportionate Share Hospital (DSH) Program – The DSH program provides payments to hospitals that have a disproportionate share of uncompensated care costs due to services provided to indigents and uninsured persons in comparison to other hospitals. Pursuant to Nevada Administrative Code (NAC) 422.105, Clark and Washoe counties are required to make IGT payments to the division in support of the DSH program. Through the enactment of Senate Bill 452, the 2013 Legislature directed revenue from a \$0.01 ad valorem tax on each \$100 of assessed value of taxable property to the Intergovernmental Transfer Account. Pursuant to NAC 422.105, this revenue is used as an offset to county contributions to the DSH program.

The 2015 Legislature approved DSH payments to hospitals of \$78.4 million in FY 2016 and \$78.3 million in FY 2017. The counties are projected to benefit indirectly from these payments by approximately \$23.2 million in FY 2016 and \$23.1 million in FY 2017 when comparing the hospital DSH payments to the amount of the IGT payments. The state net benefit is projected to amount to \$27.6 million and \$28.0 million in FY 2016 and FY 2017, respectively. The legislatively approved FY 2017 DSH payments to hospitals and the state net benefit are higher than the amounts included in The Executive Budget due to a provision in the Medicare Access and CHIP Reauthorization Act of 2015, which delays scheduled DSH state allotment reductions to FY 2018, resulting in a larger amount of federal funding available to support the DSH program in FY 2017.

- Public Hospital Upper Payment Limit (UPL) Program – The UPL program provides for increased Medicaid reimbursements to county-owned hospitals for inpatient and outpatient services. Federal Medicaid law allows states the option of making supplemental payments to qualifying hospitals (county or municipal hospitals) for services provided to fee-for-service recipients up to the amount Medicare would pay for the same services, known as the UPL. The intent is to preserve access to inpatient hospitals for needy individuals by reimbursing qualifying hospitals for uncompensated or under-compensated care. Pursuant to interlocal agreements, counties make IGT payments be used as state matching funds for UPL payments to their hospitals. Excess IGT payments are used to offset General Funds for other Medicaid expenditures.

The Legislature approved continuing the Public Hospital UPL program without change for the 2015-17 biennium, as recommended by the Governor. Participating hospitals are projected to receive payments of \$92.3 million in FY 2016 and \$81.1 million in FY 2017. The net benefit to the counties will be \$46.0 million in FY 2016 and \$40.2 million in FY 2017, while the state net benefit will be \$13.8 million in FY 2016 and \$12.7 million in FY 2017.

- Indigent Accident Fund (IAF) UPL Program – The intent of the program is to preserve access to inpatient hospital services for needy individuals. The state share of supplemental payments are funded through monies collected by the Director's Office, including property tax levies and unmet free care funding collected from hospitals pursuant to NRS 439B.340, and transferred to the DHCFF.

The 2015 Legislature approved the Governor's recommendation to continue the IAF UPL program in the 2015-17 biennium. Participating hospitals are projected to receive supplemental payments of \$31.9 million in FY 2016 and \$32.4 million in FY 2017. This program does not generate a state net benefit.

- Private Hospital Collaborative UPL Program – The intent of the program is to preserve access to inpatient hospital services for needy individuals. The Director's Office transfers funding to the DHCFP from savings realized in other departmental budgets to provide the state share of the supplemental payments.

The 2015 Legislature approved the Governor's recommendation to continue the Private Hospital Collaborative UPL program in the 2015-17 biennium. Participating hospitals are projected to receive payments totaling \$4.6 million in FY 2016 and \$4.4 million in FY 2017. The state net benefit from the Private Hospital Collaborative UPL, which is budgeted in the Director's Office for reversion to the General Fund rather than as an offset to the General Fund in the Medicaid budget, is projected to total \$1.2 million over the 2015-17 biennium.

- University of Nevada School of Medicine (UNSOM) Program – The UNSOM program provides supplemental payments in recognition of the gap between Medicaid reimbursement and the average private insurance reimbursement for the same services (primarily outpatient services), as well as to recognize the higher cost of providing medical services in a teaching environment. The UNSOM provides IGT payments to support the state share of the supplemental payments; this program does not generate a state net benefit. In the 2015-17 biennium, supplemental payments are projected to be \$5.0 million in FY 2016 and \$5.5 million in FY 2017.
- Managed Care Organization (MCO) Enhanced Payment Program – At its April 9, 2015, meeting, the IFC approved a new enhanced MCO payment program as a means of providing increased reimbursement to safety net medical service providers for targeted services, including inpatient and outpatient hospital services and behavioral health services provided to Medicaid recipients enrolled in MCOs, with the state share of enhanced payments provided through an IGT from Clark County. Safety net providers are defined as state and local government providers and include the University Medical Center (UMC) and the Division of Public and Behavioral Health (DPBH) in the 2015-17 biennium.

The 2015 Legislature approved a budget amendment recommended by the Governor to continue the MCO enhanced payment program in the 2015-17 biennium. Enhanced payments to UMC are projected to be \$102.9 million over the 2015-17 biennium, and the net benefit to Clark County is projected to total \$71.0 million over the biennium. Enhanced payments to the DPBH are projected to be \$19.1 million over the 2015-17 biennium. The increase in Medicaid reimbursement provided by the enhanced payment results in corresponding General Fund savings in the DPBH. The state net benefit will be \$4.8 million in FY 2016 and \$4.6 million in FY 2017.

## **HEALTH CARE FINANCING AND POLICY ADMINISTRATION**

The Administration budget provides the administrative staff and the support services for the division, which include administration, accounting, budgeting, personnel, rates, compliance, surveillance, utilization review, provider enrollment, and information technology.

The 2015 Legislature considered the Governor's recommendation to add 41 new positions; however, the Legislature did not concur and approved only 29 of the positions recommended in The Executive Budget, including:

- Eight positions for the Long-Term Support Service Unit, including two Social Service Program Specialists and six Health Care Coordinators to address federally mandated changes to home and community based services;
- Five positions, including three Business Process Analysts and two IT Professionals, for the Information Services Unit to support IT-related projects and information system modifications, including the Medicaid Management Information System (MMIS) replacement project;
- Four positions for the district offices, including two for the Las Vegas office and two for the Reno office to provide additional support for customer service and care coordination. The new positions include two Health Care Coordinators and two Administrative Assistants;
- Three Management Analyst positions for the Program Integrity Unit to establish a Las Vegas office for the Surveillance and Utilization Review section to allow for additional on-site, improper payment reviews of providers in the southern area of the state;
- Two Management Analyst positions for the Rates and Cost Containment Unit to analyze fiscal data and complete federally mandated reports;
- Two Social Services Program Specialist positions for the Hearings section of the Program Integrity Unit to address a growing hearing workload;
- One Management Analyst position for the Budget and Accounting Unit to track and analyze expenditures related to the Affordable Care Act;
- One Social Service Program Specialist for the Clinical Policy Team to develop and manage policy for services for children with Autism Spectrum Disorder;
- One Management Analyst position for the Provider Support section of the Program Integrity Unit to evaluate access to health care issues;
- One Management Analyst position for the Fiscal Integrity Unit to review fiscal agent invoices; and
- One Management Analyst position for the Program Integrity Unit to manage the Medicaid Estate Recovery, Hearings, and Data Compliance sections.

As noted, the Legislature did not approve the remaining 12 new positions recommended by the Governor for the division, including 2 positions for the Las Vegas district office, 2 positions for the Long-Term Support Services Unit, 5 positions for the Surveillance and Utilization Review section of the Program Integrity Unit, 1 position for the Clinical Policy Team, and 2 positions for the Fiscal Integrity Unit. The money committees considered the justification for each position and determined that the 12 new positions were not warranted. The Legislature approved funding totaling

\$3.4 million over the 2015-17 biennium to support the 29 approved positions, including \$1.6 million in General Fund appropriations. This is \$1.5 million less (\$718,535 General Fund appropriation) than recommended in The Executive Budget for the 41 new positions.

The 2015 Legislature concurred with the Governor's recommendation to transfer operation of the Waiver for Persons with Physical Disabilities (WIN) from the DHCFP to the ADSD, effective July 1, 2015. To effect the transfer, 25 positions and associated operating costs transferred to the ADSD. With the transfer of the operation of the WIN waiver, the ADSD will be responsible for operating all 3 federally approved Medicaid waiver programs. As with the other 2 waiver programs, the DHCFP will retain administrative control of the WIN waiver after the transfer.

The Legislature also approved the Governor's recommendation of funding totaling \$33.5 million over the 2015-17 biennium, including \$3.3 million in General Fund appropriations to implement the first portion of the third and final phase of the MMIS replacement project. The third phase of the MMIS replacement project consists of the design, development, implementation, and federal certification of the replacement system, and is expected to take 60 months to complete.

#### **INCREASED QUALITY OF NURSING CARE**

The Increased Quality of Nursing care budget account was created by the 2003 Legislature through the enactment of Assembly Bill 395, which amended NRS Chapter 422, which instituted a methodology that requires the division to establish a provider tax program encompassing all freestanding, long-term care facilities (except those owned by the state) in Nevada. *Nevada Revised Statutes* 422.3755-379 stipulates that funding received via the provider tax, which is used to match federal Title XIX funds, must be applied to increasing reimbursement rates and cannot be used to replace existing state expenditures paid to long-term care facilities. Provider tax revenues are collected in this budget. For the 2015-17 biennium, the Legislature approved tax revenues of \$29.9 million in FY 2016 and \$30.2 million in FY 2017, as recommended by the Governor.

#### **NEVADA CHECK UP**

The Balanced Budget Act of 1997 created the State Children's Health Insurance Program (SCHIP) under Title XXI of the Social Security Act to enable states to initiate and expand health care coverage targeted to low-income and uninsured children. The Nevada Check Up (Check Up) program is approved as a combination program that covers children ages birth through 18 years from families with income up to 205.0 percent of the federal poverty level (FPL). Eligible enrollees pay quarterly premiums ranging from \$0 to \$80 based on their income level and family size. Services are provided under a managed care arrangement with participating Health Maintenance Organizations (HMOs) in Clark and Washoe counties, and on a fee-for-service basis in areas of the state where an HMO network does not exist.

In total, the Legislature approved funding for the Nevada Check Up program of approximately \$69.8 million for the 2015-17 biennium, which is \$13.4 million or 16.1 percent less than the \$83.2 million approved for the 2013-15 biennium. The decrease is due to the Patient Protection and Affordable Care Act, which decreased Check Up caseloads due to children transitioning to other health care programs. The Legislature approved General Fund support totaling approximately \$2.7 million over the 2015-17 biennium, which is a decrease of approximately 86.0 percent when compared to the legislatively approved amount of \$18.9 million for the 2013-15 biennium. The General Fund decrease is primarily due to a provision in the ACA which temporarily increases the Check Up Enhanced federal medical assistance percentage rate by 23.0 percent beginning October 1, 2015.

Check Up Caseload – The division re-projected Check Up caseload in April 2015 based on actual caseload data through March 2015. According to the revised caseload projections, Check Up average monthly caseload was projected to be 16,670 and 16,667 in FY 2016 and FY 2017, respectively, which is approximately 19.0 percent higher than the average monthly caseload projections of 13,974 annually included in The Executive Budget. Check Up caseload was projected to decrease due to provisions of the ACA, which transition Check Up recipients to other health care coverage programs. However, Check Up caseload decreases have not materialized to the degree originally anticipated. The 2015 Legislature approved revised Check Up caseload projections, requiring additional General Fund appropriations of \$397,771 over the 2015-17 biennium across all decision units in the budget.

Additionally, the Legislature approved expanding Check Up eligibility to allow state employees who meet existing income eligibility requirements to enroll their children in the program, effective January 2016, contingent upon the approval of a state plan amendment, requiring additional General Fund appropriations of \$148,655 over the biennium across all decision units in the budget. This eligibility change is anticipated to increase Check Up average monthly caseload by 1,410 after implementation beginning January 1, 2016, and by 2,373 in FY 2017, based on projections produced by the Director's Office. The table below compares the Check Up average monthly caseload projections included in The Executive Budget and the legislatively approved caseload.

<b>FY 2016 and FY 2017 Check Up Average Monthly Caseload</b>					
<b>FY 2016</b>	<b>FY 2016</b>		<b>FY 2017</b>	<b>FY 2017</b>	
<b>Gov. Rec.</b>	<b>Leg. Approved</b>	<b>Difference</b>	<b>Gov. Rec.</b>	<b>Leg. Approved</b>	<b>Difference</b>
13,974	17,375	3,401	13,974	19,040	5,066

The money committees noted that the federally funded portion of the Check Up program is supported by an annual allotment of federal Title XXI funding, and that the state will spend its annual allotments more quickly, considering a pending increase in the enhanced federal medical assistance percentage rate. Accordingly, the money committees requested that the agency report to the IFC on its Title XXI funding.

Mandatory and Discretionary Rate Increases – Consistent with the action taken when closing the Medicaid budget, the 2015 Legislature approved mandatory and discretionary rate increases as recommended by the Governor. The Legislature approved additional funding totaling \$6.5 million (\$289,450 General Fund appropriation) over the 2015-17 biennium for mandatory rate increases for managed care organizations, Rural Health Centers and Federally Qualified Health Centers, prescription drugs, and discretionary rate increases for physicians, physician assistants and nurse practitioners and acute inpatient hospital services. The approved General Funds are \$108,052 more than the amount recommended in The Executive Budget for rate increases.

Services for Autism Spectrum Disorder – The Legislature approved funding of \$1.9 million (\$65,064 General Fund appropriation) to implement coverage for applied behavior analysis services for children with Autism Spectrum Disorder, as recommended by the Governor, to align Check Up and Medicaid benefits.

## **MEDICAID**

Medicaid is the state-administered program for medical assistance authorized through Title XIX of the Social Security Act. The Medicaid program purchases medical services for persons who meet certain eligibility criteria. Medicaid provides medical assistance to low-income adults, parents and children, the elderly, and disabled individuals. Under federal Medicaid law, certain eligible groups and benefits must be covered by states. However, states are given discretion and flexibility to determine the additional categories of benefits and the eligible groups states' Medicaid programs will cover. Nevada has adopted both optional eligibility groups and optional benefit packages to be covered under its Medicaid plan.

The 2015 Legislature approved total funding in the Medicaid program of approximately \$6.424 billion for the 2015-17 biennium, including General Fund appropriations totaling approximately \$1.125 billion for the 2015-17 biennium, which is a decrease of \$15.3 million when compared to the General Fund support recommended by the Governor.

Federal Medical Assistance Percentage (FMAP) – The federal government pays states for a specified percentage of Medicaid program expenditures, known as the FMAP rate. The standard FMAP rate for each state is calculated annually based on per capita personal income data.

Based on information included in *Issue Brief 15-06*, "FY 2017 FMAP Projections," published by the Federal Funds Information for States on March 26, 2015, the FY 2017 blended standard FMAP rate (a blended rate is calculated using the federal fiscal year FMAP rates to align with state fiscal year budgeting) is projected to be 65.25 percent, or 0.05 percent lower than the FMAP rate included in The Executive Budget. Additionally, the ACA Enhanced Check Up blended FMAP rate is projected to be 98.68 percent, or 0.03 percent lower in FY 2017 than was included in the Governor's recommended budget. The Legislature approved the revised FMAP projections for FY 2017, requiring additional General Fund appropriations of \$921,436 in FY 2017 across all decision units in the Medicaid budget.

Medicaid Caseload – As is customary during the Legislative Session, the division re-projected Medicaid caseload and expenditures in March 2015 based on actual caseload data through February 2015. The re-projections, which consider the most recent caseload and cost per eligible (CPE) data, is used as a guide to make adjustments to the Medicaid budget as recommended by the Governor.

The 2015 Legislature approved revised Medicaid caseload based on the March 2015 re-projections and other cost-associated adjustments, resulting in a net General Fund decrease of \$23.5 million from the amount recommended in The Executive Budget. The legislatively approved average monthly Medicaid caseload is 587,907 in FY 2016 and 576,310 in FY 2017 compared with average monthly caseloads of approximately 570,711 and 570,062 in FY 2016 and FY 2017, respectively, as included in the Governor's recommended budget. The legislatively approved caseload figures include adjustments for approved waiver slot increases and reductions associated with implementing an asset verification system for aged, blind and disabled recipients, and do not include Special Low-Income Medicare Beneficiaries (SLMB). While the revised Medicaid caseload projections approved by the Legislature are higher than the caseload projections recommended by the Governor, the costs associated with caseload increases were offset by a decrease in the cost per eligible and several technical adjustments to the budget.

Mandatory Rate and Inflationary Increases – The Legislature approved mandatory rate and inflationary increases for Managed Care Organizations (MCO), Rural Health Centers and Federally Qualified Health Centers, Indian Health Services, hospice services, and prescription drugs, as recommended by the Governor, with adjustments to account for revised clawback payments and MCO maternity payments, which required additional General Fund appropriations of \$1.5 million over the biennium. The following table displays the mandatory rate and inflation increases approved by the Legislature:

<b><u>Recommended Mandatory Provider Rate Increases</u></b>		
<b>Provider Type</b>	<b>FY 2016</b>	<b>FY 2017</b>
Managed Care Organizations	2.00%	2.00%
Rural Health Centers and Federally Qualified Health Centers	2.05%	2.05%
Indian Health Services	6.96%	6.96%
Hospice Services	3.90%	4.00%
Prescription Drugs	2.00%	2.00%

Discretionary Rate Increases – The 2015 Legislature considered the Governor's recommendations for several discretionary rate increases as follows:

The Legislature concurred with the Governor's recommendation to increase reimbursement rates for services provided by physicians, physician assistants, and certified nurse practitioners by 10.0 percent in the aggregate to align reimbursement rates more closely with the 2014 Medicare fee schedule. The money committees discussed that the reimbursement rate increase would not apply equally to all medical services provided by physicians, physician assistants, and certified nurse practitioners. Rather, the reimbursement rate for some services would increase and the reimbursement rate for other services would decrease. To ensure that the reimbursement rates for certain services would not decrease by a large degree, the



Legislature approved further rate adjustments for certain services provided by physicians, physician assistants, and certified nurse practitioners, including:

- A further rate adjustment for radiology services, from 90 and 94 percent of the 2014 Medicare fee schedule, recommended by the Governor, in FY 2016 and FY 2017, respectively, to 100 percent of the 2014 Medicare fee schedule effective in FY 2016, requiring additional General Fund appropriations of \$5.3 million over the biennium; and
- A further rate adjustment for laboratory services, from 50.0 percent of the 2014 Medicare fee schedule, recommended by the Governor, to 95.0 percent of the 2014 Medicare fee schedule, requiring additional General Fund appropriations of \$3.0 million over the biennium.

In total, the Legislature approved General Fund appropriations of \$31.5 million over the 2015-17 biennium for physician, physician assistant, and certified nurse practitioner provider reimbursement rate increases. This is \$8.3 million, or 36.0 percent, more than the \$23.2 million recommended in The Executive Budget for physician, physician assistant, and certified nurse practitioner rate increases. The following table summarizes the percentage of the 2014 Medicare fee schedule that the revised reimbursement rates for physician, physician assistant, and certified nurse practitioner services will be set at, by service type.

<b>Legislatively Approved Physician, Physician Assistant, and Certified Nurse Practitioner Reimbursement Rates, 2015-17</b>		
	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>
<b>Service Type</b>	<b>% of 2014 Medicare Fee Schedule</b>	<b>% of 2014 Medicare Fee Schedule</b>
Surgery	95%	95%
Obstetrics	95%	95%
Radiology	100%	100%
Laboratory	95%	95%
Vaccine	85%	85%
Medicine	85%	85%
Evaluation and Management	90%	95%

- The Legislature concurred with the Governor's recommendation to increase reimbursement rates for acute inpatient hospital services. Rather than approving a 2.5 percent rate increase beginning in FY 2017, as recommended by the Governor, the Legislature approved a 5.0 percent reimbursement rate increase beginning in FY 2016 (Senate Bill 514, Section 61). The rate increase approved by the Legislature requires General Fund appropriations totaling \$18.3 million over the biennium, or 315.0 percent more than the \$4.4 million General Fund appropriation included in The Executive Budget for a rate increase for acute inpatient hospital services.

- The Legislature approved the Governor's recommendation to increase the reimbursement rate for home-based nursing services by 25.0 percent beginning in FY 2017, including General Fund appropriations of \$3.1 million.
- The Legislature concurred with the Governor's recommendation to increase the reimbursement rate for Intellectual Disabilities and Related Conditions Waiver services. Rather than increasing the rate by 5.7 percent in FY 2017, as recommended by the Governor, the Legislature approved increasing the rate by 2.5 percent in FY 2016 and 3.4 percent in FY 2017 from the FY 2015 reimbursement rate, which did not require funding in addition to the amount recommended in The Executive Budget.

Increase Waiver Slots – The 2015 Legislature approved the Governor's recommendation of additional General Fund appropriations of \$1.4 million over the 2015-17 biennium to expand the number of Medicaid waiver slots as follows:

- An additional 93 waiver slots for the Intellectual Disabilities and Related Conditions Waiver (previously known as the MRRC waiver) over the 2015-17 biennium;
- An additional 51 waiver slots over the 2015-17 biennium for the Waiver for Persons with Physical Disabilities; and
- An additional 173 waiver slots over the 2015-17 biennium for the Home and Community Based waiver for the Frail Elderly.

Medicaid waiver programs allow recipients that would otherwise likely be institutionalized to receive long-term care services in home and community settings.

Services for Autism Spectrum Disorder – The 2015 Legislature approved additional funding of \$42.6 million, including \$14.8 million in General Fund appropriations, to implement coverage for applied behavior analysis services to address a recent federal mandate requiring states to provide behavior intervention services to children with Autism Spectrum Disorder as recommended by the Governor. The division expected to begin covering these services in January 2016. For the 2015-17 biennium, the division anticipated that 1,900 children would receive applied behavior analysis services funded by the division.

The money committees noted that there is considerable uncertainty surrounding the number of children who will be eligible for applied behavior analysis services and the number of providers that will be available to provide services. Consequently, the money committees requested that the division report to the IFC on the implementation of applied behavior analysis services.

Cost Saving Measures – The Legislature approved the Governor's recommendation to implement a number of cost saving measures for the Medicaid program, resulting in \$39.6 million in General Fund savings over the 2015-17 biennium as described below.

- Implementing a Health Care Guidance Program to provide care management for certain fee-for-service recipients with chronic conditions;
- Reducing the dental fluoride provider reimbursement rate;
- Reducing the non-emergency transportation broker capitation rate;

- Implementing policy changes to ensure that personal care services and basic skills training are medically necessary;
- Implementing a federally mandated asset verification system for aged, blind and disabled Medicaid recipients;
- Continuing the expansion of the Preferred Drug List until June 30, 2017;
- Increasing third party liability recoveries; and
- Increasing improper payment recoveries.

Considering the magnitude of the recommended cost saving measures, the money committees instructed the agency to report to the IFC on the degree to which budgeted cost savings materialize over the 2015-17 biennium.

Telemedicine, Community Paramedicine and Community Health Worker Services – The money committees expressed a desire to be informed about opportunities for providing Medicaid coverage for telemedicine, community paramedicine, and community health worker services. Therefore, the money committees requested that the division report to the IFC on options for providing Medicaid coverage for these services.

### **DIVISION OF PUBLIC AND BEHAVIORAL HEALTH**

The Division of Public and Behavioral Health (DPBH) is broadly dedicated to improving the health and wellness of Nevadans. The division's 27 budgets fund efforts devoted to public health matters and enforcement of laws and regulations pertaining to public health, prevention of disease, injury, disability, and behavioral health care, including access to mental health and substance abuse and prevention treatment services.

The 2015 Legislature approved \$705.6 million in total funding for the DPBH for the 2015-17 biennium, with approved General Fund support amounting to \$259.6 million. In comparison, the total legislatively approved amount for the 2013-15 biennium was \$665.2 million, with \$255.1 million of the total being General Fund appropriations.

### **RADIATION CONTROL**

The Radiation Control Program (RCP) licenses and inspects radioactive material users, registers and inspects radiation producing machines, inspects and issues certificates of authorization to operate mammography equipment, and educates the public on radon hazards. The Governor recommended, and the Legislature approved, transferring Radioactive Material License fees of \$535,813 in FY 2017 to support two contract Oral Health positions in the Chronic Disease budget to serve as the State Dental Health Officer and the State Public Health Dental Hygienist. Senate Bill 208 of the 2001 Legislature statutorily established both positions in the unclassified service although both positions remained unfunded. Senate Bill 501, as passed by the 2015 Legislature and approved by the Governor, authorizes the State Dental Health Officer and State Public Health Dental Hygienist to either be in the unclassified service of the state or serve as contracted positions. In approving the transfer of Radioactive Material License fees to support the positions, the 2015 Legislature recognized that the use of licensing fees was a departure from the practice of regulatory fees being

expended only for the personnel and operating costs of performing the associated regulatory workload. However, the 2015 money committees also understood that the intent, as recommended by the Governor, was to initially fund the positions with the fee transfers and that the agency intended to seek other funding sources, with a closer nexus, for the 2017-19 biennium.

### **CHILD CARE SERVICES**

The Child Care Services program is responsible for licensing, monitoring, and providing technical assistance to child care facilities caring for five or more children that are not licensed by local entities. The program investigates reports of unlicensed child care operations to bring those facilities into compliance with state laws by licensing or reducing the number of children in their care. In response to a letter of intent issued by the 2011 Legislature, as well as direction from the 2013 Legislature, the agency reviewed the cost of performing child care facility licensing duties. As recommended by the Governor, the 2015 Legislature approved the elimination of General Fund appropriations of \$13,564 and an increase to Licensing Fees of \$60,014 over the 2015-17 biennium. In addition, the Legislature approved Investigative Fees of \$141,726 over the 2015-17 biennium to perform periodic background investigations on persons involved in the operations of a child care facility (as required by NRS 432A.170), and authorized the agency to charge each person a reasonable cost for the investigation.

### **IMMUNIZATION PROGRAM**

The Immunization Program works to prevent the occurrence of vaccine-preventable diseases in Nevada by promoting immunizations and providing vaccines to prevent the transmission of diseases. The vaccines are purchased with federal vaccine funds that are made available and held by the Centers for Disease Control and Prevention. Vaccines are provided free of charge to all physicians, hospitals and clinics, both public and private, that agree to meet the requirements of the program, which includes vaccines provided through the federal Vaccines for Children (VFC) program. The Immunization Program is responsible for supplying enrolled providers with vaccines for children who are eligible for the VFC program.

The Governor recommended, and the Legislature approved, reallocating \$85,043 in federal grant funds over the 2015-17 biennium to fund a new Administrative Assistant position and operating costs to support the Vaccines for Children program and act as the Nevada State Immunization Program's liaison. Finally, as requested by the DPBH and the Executive Budget Office, the Legislature approved eliminating the Governor's proposal to transfer General Fund appropriations of \$130,264 over the 2015-17 biennium from the Immunization Program to the Division of Health Care Finance and Policy, and to continue to transfer \$2.1 million in federal Nevada Check Up grant funds from the Division of Health Care Finance and Policy to the Immunization Program over the 2015-17 biennium to continue purchasing vaccines for children enrolled in the Nevada Check Up program.

## **COMMUNICABLE DISEASES**

The major goal of the programs comprising the Communicable Diseases budget is to reduce the incidence and prevalence of HIV/AIDS and other sexually transmitted diseases in Nevada. These program efforts are collectively known as the Ryan White Program, named for the federal grant which provides funding support. The programs include the AIDS Drug Assistance Program (ADAP), the Health Insurance Continuation Program (HICP), the State Pharmacy Assistance Program (SPAP), and the Coordination of Benefits (COB) program. The HICP, SPAP and the COB program work to keep people on health insurance plans and/or cover the gap in drug insurance plans.

The 2015 Legislature approved the Governor's recommendation of a new Program Officer position and associated costs to act as the Health Insurance Specialist for the HIV/AIDS Drug Assistance Program. The new position and associated costs were funded through a reallocation of federal Comprehensive Care grant operating expenses of \$101,035 over the 2015-17 biennium.

## **HEALTH FACILITIES HOSPITAL LICENSING**

The Bureau of Health Care Quality and Compliance (Bureau) licenses and regulates medical and health care facilities; evaluates the quality of health care provided by medical facilities and laboratories and facilities for the dependent; investigates complaints; and when necessary, intervenes administratively to immediately protect patients' health and safety. Additionally, the Bureau issues licenses to certain health professionals, such as medical laboratory personnel (NRS 652), dietitians (NRS 640E), and music therapists (NRS 640D). The Health Facilities section has an agreement with the federal Centers for Medicare and Medicaid Services (CMS) to certify medical facilities to receive reimbursement for serving Medicare and Medicaid covered individuals and laboratories for compliance with the Clinical Laboratory Improvement Amendments (CLIA).

The Governor recommended, and the Legislature approved, \$504,145 over the 2015-17 biennium to fund two additional full-time Health Facility Inspector contract positions and two full-time Administrative Assistant contract positions and associated costs to address industry growth in medical laboratories and health facility licensing. The Legislature also approved an additional 0.40 full-time equivalent state position for music therapist and dietician regulation and licensing, and conversion of the current 0.60 contract position into a state position. Additionally, the Governor recommended, and the Legislature approved, \$250,515 in reserve funding for three new Administrative Assistant contract positions and associated costs over the 2015-17 biennium. Finally, the Legislature approved \$350,614 in new expenditures to fund one contract Health Facilities Inspector and one contract Psychiatrist to provide technical assistance and to assist with inspections of mental health facilities.

In addition, as recommended by the Governor, the 2015 Legislature approved license and fee revenue transfers of \$263,066 in Health Facilities Hospital Licensing fees over the 2015-17 biennium to support a new Primary Care Workforce Development Manager and a new Management Analyst position to support primary care workforce professional development in the Public Health Preparedness program. The money committees

directed the agency to explore an alternative funding source(s) to support the new positions and associated costs.

The Legislature approved new license fee revenue of \$19,140 over the 2015-17 biennium and the amendment of NRS 449.00455, through Senate Bill 500, to require the licensure of all facilities providing treatment for alcohol and drug abuse regardless of certification. To establish fees for the certification of community health worker pools (Senate Bill 498), The Executive Budget recommended, and the Legislature approved, license and fee revenue of \$18,000 and a reduction in reserves of \$33,518 over the 2015-17 biennium. The new revenue was approved to support a part-time Administrative Assistant position and associated costs to provide administrative and licensing support for the new community health worker pools. Finally, the 2015 Legislature approved new license and fee revenue of \$16,680 over the 2015-17 biennium (Senate Bill 489) to provide for the licensure and certification of peer support recovery organizations.

#### **PUBLIC HEALTH PREPAREDNESS PROGRAM**

This budget includes programs that work to prepare for and respond to public health emergencies caused by natural or man-made disasters; increase primary health care provider recruitment and retention in underserved areas; and develop health care planning strategies.

As recommended by the Governor, the Legislature approved license and fee revenues transferred from the Health Facilities Hospital Licensing budget of \$263,066 over the 2015-17 biennium to support a new Primary Care Workforce Development Manager and a new Management Analyst position to support primary care workforce professional development. The money committees directed the agency to explore an alternative funding source(s) to support the new positions and associated costs.

#### **BIostatISTICS AND EPIDEMIOLOGY**

This budget contains the Office of Epidemiology and the Office of Health Statistics and Surveillance. The collective program efforts, known as the Office of Public Health Informatics and Epidemiology (OPHIE), centralizes most data analysis personnel in one budget and allows the division to maintain several public health core data sets. The 2015 Legislature approved new fee revenue of \$78,405 over the 2015-17 biennium for data and statistical information queries as recommended by the Governor. The Executive Budget recommended, and the Legislature approved, federal grant funds of \$58,638 and a transfer from the Communicable Disease budget of \$58,639 over the 2015-17 biennium for a new classified Health Resource Analyst position and related costs for geographic information systems (GIS) support for geospatial analysis of the communicable diseases in Nevada.

## **CHRONIC DISEASE**

The Chronic Disease budget contains various grant programs that work to control, prevent, and track the incidence and prevalence of communicable and chronic disease among Nevadans. As previously noted, to implement and oversee various oral health activities in Nevada, the Governor recommended, and the 2015 Legislature approved, a transfer of \$535,895 in Radioactive Material License fees from the Radiation Control budget in FY 2017 to support two oral health positions, a State Dental Health Officer and a State Public Health Dental Hygienist.

## **MATERNAL CHILD HEALTH SERVICES**

The Maternal Child Health (MCH) program works to improve the health of at-risk families, pregnant and postpartum women, infants, children, adolescents, and children with special health care needs. The 2015 Legislature approved program expenditures of \$571,017 over the 2015-17 biennium to support five new positions to replace five existing contract positions for the federal grant funded Nevada Home Visiting Program. The five new state positions were approved to be supported with reductions to Home Visiting contract expenses, totaling \$513,172 over the 2015-17 biennium, and additional federal Home Visiting Program grant funds of \$57,845 in FY 2017. The Legislature also approved the programmatic transfer of the Newborn Screening Program to the University of Nevada School of Medicine and School of Community Health Sciences, which resulted in the elimination of two positions and the transfer of one part-time position to the Early Intervention Program, as recommended by the Governor.

## **OFFICE OF HEALTH ADMINISTRATION**

The Office of Health Administration provides support services to program areas within the division and for the State Board of Health, including administrative and fiscal oversight, information technology support, human resource management, and public information officer support. Total funding approved by the 2015 Legislature for this budget is \$20.2 million over the 2015-17 biennium, which includes General Fund appropriations of \$7.9 million. In comparison, the 2013 Legislature approved total funding of \$13.6 million for the 2013-15 biennium, which included General Fund appropriations of \$1.9 million. The majority of the increase is attributable to the transfer of positions as addressed below.

The 2013 Legislature approved a reorganization of the Health Division; merging it with the Mental Health functions of the Division of Mental Health and Developmental Services to form a new Division of Public and Behavioral Health. As recommended by the Governor, the 2015 Legislature approved the transfer of 41 administrative positions and associated costs to address additional organizational needs. In addition, the Legislature approved the transfer of the Division Deputy Administrator for Clinical Services from the Office of Health Administration budget to the Behavioral Health Administration budget, as recommended by the Governor. Combined, these transfers resulted in a net increase to General Fund appropriations of \$59,822 over the 2015-17 biennium.

## **MARIJUANA HEALTH REGISTRY**

The Medical Marijuana Patient Registry (MMR) program administers the provisions of the medical marijuana registry (NRS 453A.210), which authorizes patients with chronic or debilitating medical conditions, or their caregivers, to possess or cultivate marijuana for medical use. The DPBH administers the application and eligibility process as well as the annual renewals of eligibility. The MMR is supported with patient application and renewal license fees. The application fee is \$25 and the fee for processing and issuing a registry identification card is \$75. Revenues collected by this program do not revert to the General Fund and are not subject to distribution to the State Distributive School Account (DSA); the MMR program retains its license and fee revenues for use in a subsequent year.

Senate Bill 374 (2013) approved the registration of medical marijuana establishments authorized to cultivate or dispense marijuana or manufacture edible marijuana products or marijuana-infused products for sale to persons authorized to engage in the medical use of marijuana, and the registration of agents who are employed by or volunteer at medical marijuana establishments. The Medical Marijuana Establishments (MME) program regulates the operations of medical marijuana laboratories, cultivators, dispensaries, and production facilities. The program also evaluates new applications for medical marijuana establishments, annually; licenses medical marijuana establishment agents who work in or volunteer for a MME; and inspects facilities for compliance with NRS 453A and NAC 453A. The MME is supported with establishment and agent application licenses and fees. Revenues generated from the fees imposed must be expended first to pay the costs of the DPBH for the MME program. Any revenue remaining must be distributed to the DSA. Senate Bill 374 also imposed an excise tax of 2.0 percent on each wholesale sale and each retail sale of marijuana, edible marijuana products, and marijuana-infused products by a MME. Revenues collected from the excise tax must distribute 75 percent to the DSA and 25 percent to the DPBH.

In FY 2014, the MME received a temporary advance from the General Fund of \$623,324 pursuant to Section 25.5(1) of Senate Bill 374. Due to insufficient funding, the MME program was unable to repay the General Fund advance as required. Instead, the agency repaid the temporary advance with licenses and fees from the MMR program. The MMR program was subsequently reimbursed with MME program funds. Based on the complexity of the MME program and lack of transparency in The Executive Budget, the 2015 Legislature approved the separation of the programs and created a new budget for the Medical Marijuana Establishments program effective with the 2015-17 biennium.

## **BEHAVIORAL HEALTH**

Behavioral Health agencies provide a safety net of services and programs designed to assist individuals with mental illness and/or substance abuse problems. Services include psychiatric assessments, medication clinics, residential supports, mobile outreach, hospitalization, forensic assessment and hospitalization, mental health court, substance abuse treatment and prevention, as well as outpatient clinical services.



The Behavioral Health budgets consist of the following facilities and programs: Southern Nevada Adult Mental Health Services (SNAMHS); Northern Nevada Adult Mental Health Services (NNAMHS); Rural Clinics; Lake's Crossing Center; and Behavioral Health Prevention and Treatment (formerly known as the Substance Abuse Prevention and Treatment Agency). In addition to the budgets for each behavioral health facility, the Behavioral Health Administration budget and the Behavioral Health Information Technology budget provide oversight, fiscal management, personnel, and information technology staff for the behavioral health functions of the Division of Public and Behavioral Health.

In response to the overcrowding of individuals in Southern Nevada emergency rooms by individuals experiencing mental health issues in the summer of 2013, and a class action lawsuit filed by the City of San Francisco in September 2013 accusing the State of Nevada of busing mentally ill patients from Rawson-Neal Psychiatric Hospital to the State of California, Governor Sandoval signed an Executive Order creating the Advisory Council on Behavioral Health and Wellness on December 13, 2013. The council met on 11 dates in calendar year 2014 to examine ways of improving and strengthening the delivery of services to individuals with behavioral health issues. Several of the funding recommendations approved by the 2015 Legislature are a result of recommendations submitted by the council and recommended by the Governor in The Executive Budget.

The 2015 Legislature approved total revenues of \$364.7 million for the 2015-17 biennium behavioral health budgets compared to a 2013-15 biennium legislatively approved budget of \$342.0 million. This represents a 6.6 percent overall increase; however, General Fund appropriations increased by 1.0 percent, from \$240.7 million in the 2013-15 biennium to \$243.3 million in the 2015-17 biennium. The Legislature also approved Section 42 of Senate Bill 514, authorizing the transfer of General Fund appropriations during the interim between the NNAMHS, SNAMHS, and Lake's Crossing budgets upon the recommendation of the Governor and approval of the IFC.

#### **BEHAVIORAL HEALTH ADMINISTRATION/INFORMATION SYSTEM**

The Behavioral Health Administration and Information System budgets are responsible for overseeing the state's mental health and substance abuse policies and regulations, coordinating program development and operations statewide, establishing service and funding priorities, maintaining fiscal responsibility, and managing division-wide information technology projects.

The 2015 Legislature also approved the Governor's recommendation to eliminate the Behavioral Health Information System budget by transferring 19 positions and their associated operating costs, contracts, equipment, and all other operating costs to either the Behavioral Health Administration budget (3 positions) or the Office of Health Administration budget (16 positions). As a result of the merger of public health budgets with mental health budgets by the 2013 Legislature, the agency indicated that certain positions were providing central services to both the public health and the behavioral health services of the division, and that eliminating the Information System budget would improve clarity and accuracy in allocating costs within the division. Several additional transfers between the two administrative budgets and select other budgets

were also approved. The 2015 Legislature also approved the transfer of four federal grant programs and three positions from this budget to the Behavioral Health Prevention and Treatment budget.

Recommended total funding for the Behavioral Health Administration budget is \$7.0 million over the 2015-17 biennium, of which \$5.7 million is General Fund appropriations.

### **BEHAVIORAL HEALTH PREVENTION AND TREATMENT (FORMERLY SUBSTANCE ABUSE PREVENTION AND TREATMENT AGENCY)**

The Substance Abuse Prevention and Treatment Agency (SAPTA) is the designated single state agency for purposes of applying for and expending the federal Substance Abuse Prevention and Treatment Block Grant issued through the federal Substance Abuse and Mental Health Services Administration.

As noted, the Legislature approved a transfer of \$15.0 million over the 2015-17 biennium as a result of transferring several federal grants from the Behavioral Health Administration budget to this budget. The transfer includes four different federal grants as well as three state positions associated with management of these grants, including one Biostatistician, one Quality Assurance Specialist, and one Administrative Assistant. Several of the federal grants transferred require a scope of work that is broader than the purview of substance abuse; therefore, the Governor recommended that this budget be renamed to Behavioral Health Prevention and Treatment.

Finally, the Legislature directed the agency to submit quarterly reports to the IFC regarding the status of the Substance Abuse and Prevention Treatment block grant's required maintenance of effort (MOE) and state-funded matching expenditures, as the agency expressed concerns regarding its ability to meet the MOE for FY 2015 and FY 2016.

### **NNAMHS & SNAMHS Decrease In Projected Medicaid Managed Care Reimbursements**

The 2015 Legislature approved budget amendments submitted by the Governor to reduce funding for the Northern Nevada Adult Mental Health Services and Southern Nevada Adult Mental Health Services budgets by a combined \$22.0 million to reflect decreases in projected Medicaid Managed Care reimbursements (\$21.3 million) as a result of projected caseload decreases over the 2015-17 biennium.

Description	Gov Rec Biennium		Biennium As Amended		2015-17 Biennium Net Difference		
	NNAMHS	SNAMHS	NNAMHS	SNAMHS	NNAMHS	SNAMHS	Net
General Fund	\$52,329,059	\$136,592,984	\$46,781,852	\$141,643,999	(\$5,547,207)	\$5,051,015	(\$496,192)
Self Pay	\$94,068	\$0	\$94,024	\$0	(\$44)	\$0	(\$44)
Medicaid MCO	\$9,320,572	\$31,603,636	\$9,215,000	\$10,400,000	(\$105,572)	(\$21,203,636)	(\$21,309,208)
Medicare	\$1,568,714	\$3,881,529	\$1,556,258	\$3,733,211	(\$12,456)	(\$148,318)	(\$160,774)
Medicaid	\$1,982,600	\$7,585,710	\$1,954,649	\$7,585,414	(\$27,951)	(\$296)	(\$28,247)
Medicaid TCM	\$2,222,374	\$0	\$2,222,228	\$0	(\$146)	\$0	(\$146)
Private Insurance	\$127,663	\$185,738	\$126,103	\$181,186	(\$1,560)	(\$4,552)	(\$6,112)
<b>Total Revenues</b>	<b>\$67,645,050</b>	<b>\$179,849,597</b>	<b>\$61,950,114</b>	<b>\$163,543,810</b>	<b>(\$5,694,936)</b>	<b>(\$16,305,787)</b>	<b>(\$22,000,723)</b>

As understood by the 2015 Legislature, the amended Medicaid Managed Care caseload projections were based upon three primary factors:

1. Nevada's decision to participate in the Medicaid expansion, as part of the Affordable Care Act, increased the number of behavioral health clients eligible for Medicaid from 27.0 percent in December 2013 to 85.0 percent in May 2015.
2. The expansion required that mental health benefits be provided as Medicaid reimbursable services, generating increased reimbursements for services provided.
3. In August 2014, approval by the Centers for Medicare and Medicaid Services of the Medicaid state plan amendment, requested by Nevada, to increase the reimbursement rate paid by the Nevada Medicaid program for inpatient mental health treatment from \$460 a day to \$944 a day, thereby encouraging the establishment of new inpatient bed capacity in the community.

Based upon recommendations put forward by the Division of Public and Behavioral Health, and contained in the Governor's budget amendments, the Legislature approved reduced expenditures to mitigate the impact of the \$21.3 million funding reduction in the SNAMHS and NNAMHS budgets over the biennium. These reductions included:

Description	Gov Rec Biennium		As Amended		Difference		
	NNAMHS	SNAMHS	NNAMHS	SNAMHS	NNAMHS	SNAMHS	Net
Personnel*	\$38,592,062	\$124,539,322	\$38,291,153	\$116,913,715	(\$300,909)	(\$7,625,607)	(\$7,926,516)
Operating Expenses	\$1,972,484	\$9,012,179	\$1,932,616	\$8,780,950	(\$39,868)	(\$231,229)	(\$271,097)
Equipment	\$62,645	\$537,120	\$53,735	\$451,120	(\$8,910)	(\$86,000)	(\$94,910)
Transitional Housing	\$10,262,446	\$14,397,994	\$6,773,334	\$11,148,552	(\$3,489,112)	(\$3,249,442)	(\$6,738,554)
Information Services	\$382,560	\$1,133,687	\$375,799	\$1,026,530	(\$6,761)	(\$107,157)	(\$113,918)
Training	\$35,348	\$142,496	\$35,101	\$128,332	(\$247)	(\$14,164)	(\$14,411)
Medications	\$3,342,715	\$12,690,703	\$1,493,586	\$7,698,515	(\$1,849,129)	(\$4,992,188)	(\$6,841,317)
<b>Total Expenditures</b>	<b>\$54,650,260</b>	<b>\$162,453,501</b>	<b>\$48,955,324</b>	<b>\$146,147,714</b>	<b>(\$5,694,936)</b>	<b>(\$16,305,787)</b>	<b>(\$22,000,723)</b>

\* Note: Personnel costs shown in the table above changed as a result of technical adjustments and a delay in the opening of the Stein Hospital on the SNAMHS campus.

- An \$8.0 million reduction in personnel expenditures related to the reopening of the Stein Hospital on the SNAMHS campus as a forensic facility over the 2015-17 biennium. As a result of the projected decrease in Medicaid Managed Care caseload and reimbursement, the Legislature approved the Governor's revised recommendation to transfer to Stein Hospital existing personnel from the Rawson-Neal Psychiatric Hospital and outpatient clinics across the Las Vegas Valley. The approved transfer of personnel resulted in a decrease in the number of new positions necessary to operate Stein Hospital, from 154.02 to 91.51, while still allowing for the same planned forensic capacity in Southern Nevada.
- A \$6.8 million reduction in medication expenditures (\$1.8 million reduction in the north and \$5.0 million reduction in the south) over the 2015-17 biennium. The funding reductions are correlated to caseload decreases.

- A \$6.7 million reduction in transitional housing expenditures (\$3.5 million reduction in the north and \$3.2 million reduction in the south) over the 2015-17 biennium. The funding reductions are correlated to caseload decreases. Transitional housing expenditures for mental health court participants, offenders recently discharged from prison, and other types of transitional housing for individuals with behavioral health problems were not reduced.

### **NORTHERN NEVADA ADULT MENTAL HEALTH SERVICES**

Northern Nevada Adult Mental Health Services provides numerous outpatient services, including residential support services, group home placements, and medication management. At the Dini-Townsend Hospital, psychiatric and psychological services are provided to the seriously mentally ill population in Northern Nevada. The hospital was funded to operate 30 beds, which includes 10 emergency beds in the Rapid Stabilization Unit. For the 2015-17 biennium, the Legislature approved total funding of \$63.3 million for NNAMHS, of which \$46.7 million is General Fund appropriations.

In addition to the funding reductions related to the Medicaid Managed Care revenue projections, the 2015 Legislature approved:

- \$17,102 (\$7,312 General Fund appropriations) to add a new part-time Psychiatric Caseworker position to meet projected caseload growth needs and reduce staffing ratios for service coordination in the Mental Health Court program beginning in March 2017.
- General Fund appropriations of \$401,500 over the 2015-17 biennium to fund psychiatric training and services provided by the University of Nevada School of Medicine for psychiatric residents outside of regular operating hours at the Dini-Townsend Psychiatric Hospital.
- General Fund appropriations of \$867,935 in FY 2016 to fund deferred maintenance projects on the NNAMHS campus.

### **SOUTHERN NEVADA ADULT MENTAL HEALTH SERVICES**

Southern Nevada Adult Mental Health Services operates six sites in Clark County to provide outpatient services and psychiatric and psychological inpatient services to individuals in need of mental health services. The main SNAMHS campus is located on West Charleston Boulevard in Las Vegas and includes the Rawson-Neal Psychiatric Hospital. Rawson-Neal Psychiatric Hospital operates 170 beds, including a 41 bed reduction as a result of the decrease in Medicaid Managed Care caseload projections. For the 2015-17 biennium, the Legislature approved total funding of \$174.1 million for SNAMHS, of which \$141.2 million is General Fund appropriations.

In addition to the funding reductions related to the Medicaid Managed Care revenue projections, the 2015 Legislature approved:

- \$2.3 million of tobacco settlement funds to continue funding Southern Nevada programs, such as the Home Visiting Program, the Program for Assertive Community Treatment (PACT), the Mobile Outreach Safety Team (MOST), the Community Triage Center, and Mental Health Court, as recommended by the Governor.
- \$1.8 million in General Fund appropriations over the 2015-17 biennium to meet projected transitional housing needs for clients in the Southern Nevada Mental Health Court program. Participants in Mental Health Court are provided housing and supportive services, such as transportation, supervision, medication management, basic skills training, and case management for court compliance activities.
- An additional \$690,048 over the 2015-17 biennium in General Fund appropriations for the University of Nevada School of Medicine, Psychiatric Residency Program.
- \$485,917 in General Fund appropriations over the 2015-17 biennium to support the cost of a Statewide Psychiatric Medical Director. The Statewide Psychiatric Medical Director will provide oversight of all psychiatric services provided by SNAMHS, NNAMHS, Rural Clinics, Lake's Crossing, and the Stein Hospital.

### **RURAL CLINICS**

Rural Clinics provides community-based mental health services to persons of all age groups in 15 rural Nevada counties through 8 full service clinics, 4 partial service clinics, and 3 mobile outreach clinics.

The 2015 Legislature approved General Fund appropriations of \$1.8 million over the 2015-17 biennium to fund additional positions to implement outpatient counseling caseload ratios, weighted based on client acuity. Weighted caseload ratios take into account that individuals with more serious mental illness require more time, and may be equally weighted to two or more individuals with less intense needs. The addition of a system of weighted caseloads represented a change from the existing policy of using unweighted ratios to calculate staffing ratios. The Legislature's approval of the Governor's recommendation funds ten additional contract Case Managers, five additional contract Mental Health Counselors, and two state Clinical Social Worker positions to provide clinical supervision and oversight of the new contract staff. The additional staff are expected to decrease caseloads from a weighted ratio of 1:77 to a weighted ratio of 1:67.

The Legislature approved \$161,189 in General Fund appropriations over the biennium to relocate rural clinics in Battle Mountain, Fallon and Lovelock, and expand rural clinics in Elko, Fernley and Douglas County in order to co-locate behavioral health and public health services, preferably in or near a hospital. The Legislature also approved transferring the Caliente and Pahrump rural clinic treatment centers from the SNAMHS budget to the Rural Clinics budget.

### **FACILITY FOR THE MENTAL OFFENDER – LAKE’S CROSSING CENTER**

The Lake's Crossing Center facility provides statewide forensic mental health services in a maximum security facility to mentally disordered offenders who are referred from the court system in order that their competency can be restored or who require mental health services in a secure setting. The agency also provides evaluation and assistance to some city and county jail facilities in the state.

Currently, the facility has 56 beds in Lake's Crossing proper with an additional 20 to 30 beds (based upon client acuity) available in the annex located at the Dini-Townsend Psychiatric Hospital, resulting in a maximum of 86 beds available.

The Executive Budget recommended a “base budget” increase of \$35,818 over the 2015-17 biennium to fund an 86-bed capacity in each fiscal year. In concurring with this recommendation, the 2015 Legislature approved additional General Fund appropriations totaling \$163,467 in each year of the biennium to reflect the increased food service and pharmaceutical costs of operating 86 beds.

The Legislature did not concur with the Governor's recommendation to decrease General Fund appropriations of \$1.3 million in each fiscal year of the 2015-17 biennium and transfer those operating costs to the counties as reimbursements for certain defendant commitments. The Governor recommended counties reimburse Lake's Crossing at a rate of \$447 per day for eight defendants deemed un-restorable.

The Legislature approved \$20,688 in General Fund appropriations over the 2015-17 biennium to fund eight trips per year for Lake's Crossing staff to assist in the planning and ongoing oversight of the Stein Hospital, as well as six additional defendant transports between Las Vegas and Sparks each year. Additional defendant transports were recommended by the Governor in anticipation of a reduction in the number of flights chartered and paid for by Clark County once Stein Hospital opens.

### **DIVISION OF WELFARE AND SUPPORTIVE SERVICES**

The Division of Welfare and Supportive Services is responsible for administering the delivery of cash grants and food stamps, enforcing child support, administering employment and training programs for welfare recipients, distributing child care funding, and determining eligibility for Nevada's Medicaid program.

The 2015 Legislature approved \$648.2 million in total funding for the division over the 2015-17 biennium, which is an increase of \$35.3 million from the total funding approved for the 2013-15 biennium. The funding approved for the division includes General Fund support in the amount of \$168.9 million over the 2015-17 biennium, which is an increase of approximately \$10.9 million compared to the General Fund support approved for the 2013-15 biennium.

## **WELFARE AND SUPPORTIVE SERVICES ADMINISTRATION**

The Welfare Administration budget supports the administrative staff that provides oversight to the various programs administered by the division. The budget also includes support resources utilized by, and provided to, the division's field staff for the operation of the various programs under the division's jurisdiction.

To support the 89 positions added to the DWSS Field Services budget for projected caseload increases, the 2015 Legislature approved 6 new positions and administrative operating costs for the 89 positions in the Field Services budget totaling \$3.0 million over the 2015-17 biennium, including General Fund appropriations of \$1.2 million. The Executive Budget recommended 7 positions to start in October 2015; however, the Legislature approved 6 positions, with 3 positions to start in October 2015 and 3 positions to start in January 2016. Of the \$3.0 million approved to support the anticipated caseload increase, 32.4 percent (\$983,081) is for information services, primarily for additional Enterprise Information Technology Services (EITS) usage; 24.1 percent (\$722,760) is for the personnel costs associated with the 6 new positions; 21.4 percent (\$642,054) is for transaction costs, primarily for additional electronic benefit transfer transactions; and the remaining 21.9 percent (\$657,187) is for various associated operating, equipment, and travel costs.

The Legislature also approved \$680,000 (\$170,000 General Fund appropriation) in FY 2016 and \$454,000 (\$113,500 General Fund appropriation) in FY 2017 to implement a federally mandated electronic financial Asset Verification System (AVS) for Aged, Blind and Disabled (ABD) Medicaid applicants and recipients. Through the implementation of the AVS system, a 5.0 percent savings on all AVS eligible cases, or \$13.9 million (\$4.8 million General Fund appropriations), was projected in FY 2017 in the Medicaid budget. The anticipated savings would result from disqualifying applicants whose net worth exceeds the Medicaid threshold, by identifying undisclosed assets, thereby reducing the caseload.

In order to aggregate and manage all business related documents digitally stored by DWSS, the Legislature approved \$499,264 (\$280,737 General Fund appropriation) in FY 2017 for a document/content management system. The proposed solution will have the ability to store documents in one place, contain document versioning so that all staff is referencing the latest version of a particular document, and contain electronic routing and deduplication (eliminating duplicate copies) capabilities, thus saving disk space and data backup times.

In addition, the Legislature concurred with the Governor's recommendation for \$110,450 (\$34,880 General Fund appropriation) in FY 2016 and \$136,011 (\$42,927 General Fund appropriation) in FY 2017 for a new unclassified deputy administrator to alleviate the current workload placed on existing management.

## **TEMPORARY ASSISTANCE FOR NEEDY FAMILIES**

The Temporary Assistance for Needy Families (TANF) budget provides funding for cash assistance for eligible recipients, which is time limited; supports the employment and training programs and services administered by the division to help clients prepare for and find work; and provides services for families and individuals to support and maintain self-sufficiency.

Federal funding to support the TANF program is allocated to states in the form of a capped block grant that covers cash assistance, work support and employment programs, and the administrative costs associated with providing these services. The federal government has provided states the flexibility to design their own TANF self-sufficiency programs for welfare recipients in conformance with the capped funding, time limitations on program eligibility, and work requirements. The TANF program requires work in exchange for time-limited assistance. TANF is intended to provide assistance to needy families so dependent children can be cared for in their own home or in the home of a relative by furnishing financial assistance on a temporary basis. The Legislature approved the following decisions regarding funding, caseloads, and cash grants:

- Funding – Nevada was budgeted to continue to receive an annual TANF Block Grant award of approximately \$44.0 million each year. The TANF Block Grant is allocated between the DWSS Administration, Field Services, and TANF budgets. The 2015 Legislature concurred with the Governor and approved federal TANF contingency funds in the amount of \$4.0 million in each year of the 2015-17 biennium.

The Legislature approved total funding (state and federal) to support the TANF budget in the amount of \$47.2 million in FY 2016 (\$24.6 million General Fund) and \$47.8 million in FY 2017 (\$24.6 million General Fund). Based on the legislatively approved revenue and expenditures, the agency projected \$18.1 million in unspent federal TANF grant funds to remain at the end of the 2015-17 biennium.

- Caseloads – The 2013 Legislature approved funding that would support TANF caseloads at 28,051 average monthly recipients in FY 2014 and 26,662 in FY 2015. Actual FY 2014 average monthly TANF recipients totaled 32,240, or an additional 4,189 average monthly recipients. Based on revised caseload projections presented by the division, the 2015 Legislature approved TANF caseloads of 28,570 average monthly recipients in FY 2016 for a decrease of 5,916 average monthly recipients compared to totals included in The Executive Budget, and 28,780 average monthly recipients in FY 2017 for a decrease of 6,015 average monthly recipients compared to the totals included in The Executive Budget. The following table displays the TANF caseloads originally recommended by the Governor, and the caseloads approved by the Legislature for the 2015-17 biennium.



<b>Fiscal Year</b>	<b>Governor Recommended*</b>	<b>Legislatively Approved*</b>	<b>Difference+/-*</b>
2016	34,486	28,570	(5,916)
2017	34,795	28,780	(6,015)

\*Average monthly recipients

The dollar impact of revised caseload projections results in a federal TANF savings of \$7.1 million in each year of the biennium.

- Cash Grants – The Executive Budget recommended, and the 2015 Legislature approved, retaining monthly cash assistance grants at current levels over the 2015-17 biennium. For example, the monthly cash assistance grant for a three-person household is currently \$383 for a TANF recipient without a public housing allowance, \$307 for a TANF recipient with a public housing allowance, and \$535 for non-needy caretakers. The cash assistance grants for recipients in the Kinship Care program are \$400 for a single child age 12 and under and \$462 for a child 13 years of age or older.

#### **ASSISTANCE TO AGED AND BLIND**

The Supplemental Security Income (SSI) program was created by Congress, effective January 1, 1974, and is administered by the Social Security Administration (SSA). States were given the option to make payments in addition to the amount paid by the federal government. Nevada has paid state supplemental payments to the aged and blind since the beginning of the program, but has never supplemented payments to the disabled. The program provides supplemental income to low-income aged and blind individuals, and provides adult group care facilities with supplemental payments that enable individuals to avoid institutionalization. The state supplement for the aged is \$36.40 per month and the supplement for the blind is \$109.30 per month. The DWSS contracts with the SSA for the determination of eligibility and the issuance of the state supplement. The federal and state supplemental payments for the aged and blind are combined into one benefit check and are issued on a monthly basis by the SSA.

The 2015 Legislature approved General Fund support for the aged and blind in the amount of \$19.5 million over the 2015-17 biennium, an increase of \$1.9 million when compared to the 2013-15 biennium, to fund projected yearly caseload increases of 4.6 percent in FY 2016 and 4.5 percent in FY 2017. No state-funded increases were recommended by the Governor or approved by the Legislature. Additionally, the money committees requested the DWSS report to the IFC prior to implementing the annual federal SSI cost-of-living increase.

#### **FIELD SERVICES**

The Division of Welfare and Supportive Services Field Services budget provides for the salaries, operating expenses, and support costs for the staff that determines eligibility for the TANF, Supplemental Nutrition Assistance Program (SNAP), and Medicaid programs, as well as the staff that supports the employment and training education programs administered by the division.

To accommodate anticipated caseload increases, the Governor recommended the addition of 139 new positions for the Field Services budget as well as the opening of two new field offices. This recommendation included 79 new positions and a new small office in FY 2016 and 60 additional new positions and a new small office in FY 2017.

Subsequently, the DWSS testified that the agency was undergoing technological and business process redevelopments, which were expected to increase productivity. The agency indicated that until the improvements were accomplished, it could not update its target caseload-to-staff ratio that was used to identify the number of new positions needed to support the anticipated caseload growth. As a result, the money committees expressed concern about the number of new positions and offices recommended. In addition, at the request of the money committees, DWSS reexamined its existing office space and determined the recommended new positions could be absorbed without the need for additional offices. As a result, the 2015 Legislature approved \$7.9 million for 89 out of 139 new positions recommended in The Executive Budget, and no new offices. Compared to the \$12.1 million recommended in The Executive Budget, expenditures were reduced by \$4.2 million over the 2015-17 biennium. Additionally, the Legislature approved 17 of the new positions, or approximately 20.0 percent, as intermittent positions. The money committees requested DWSS report semiannually over the 2015-17 biennium on DWSS's progress in meeting Supplemental Nutrition Assistance Program timeliness and quality measures and any sanctions that may have resulted from failure to comply with federal application processing standards.

Finally, the Legislature approved the Governor's recommendation to provide \$875,000 in FY 2016 (General Fund appropriations of \$399,206) for ten new lobby management systems for the division's ten remaining offices that do not have the new system.

### **CHILD SUPPORT ENFORCEMENT**

The Child Support Enforcement Program (CSEP) provides five basic services: location of absent parents; establishment of parentage; establishment of child support orders; collection of support payments; and enforcement of private medical insurance. In Nevada, the CSEP is administered by the Division of Welfare and Supportive Services and jointly operated by the division and county district attorneys. The CSEP budget is funded with a portion of the child support collections that the state is allowed to retain, which is used to match federal Title IV-D funds. The state share of collections supports all non-federal expenditures; typically no General Fund support is provided in this budget.

The Legislature approved \$294,118 (\$100,000 General Fund appropriations) for the initial planning and processing for a request for proposal (RFP) to replace the Child Support Enforcement (CSE) system in NOMADS. A \$1.0 million feasibility study, which was approved by the 2013 Legislature, is scheduled to be complete by early calendar year 2016 and will identify CSEP requirements; consider potential alternate solutions; and estimate the costs for a new CSEP system. The DWSS estimates the replacement system will cost between \$120.0 million (\$40.8 million General Fund appropriations) and \$130.0 million (\$44.2 million General Fund appropriations), with a 66.0 percent federal match rate and 34.0 percent state funds match (State Share of Collections and/or

General Fund appropriations). The DWSS testified the costs for the new system and needed timeframe should be known in time for consideration by the 2017 Legislature.

The Legislature approved a combination of federal funds and state share of collection reserves totaling \$400,000 in each year of the biennium for a technology investment request (TIR) to replace the existing Collection and Distribution System (CDS) with a new software solution.

In addition, four new positions totaling \$434,508 in a combination of federal and state share of collections reserves were approved to help ensure the federal performance measurements (locate; paternity establishment; establishing support orders, stipulations and modifications; and support enforcement) are met and maintained. The new positions will also address workload associated with an upward trending caseload.

### **CHILD ASSISTANCE AND DEVELOPMENT**

The Child Assistance and Development budget provides for all childcare related expenditures for TANF recipients, former TANF recipients, non-TANF eligible clients who are at risk of losing employment due to a lack of assistance with child care, and low-income non-TANF eligible clients.

The 2015 Legislature approved the Governor's recommendation to continue General Fund support for the Child Assistance and Development budget at the minimum maintenance of effort (MOE) amount only for TANF funds in this budget, which is \$2.6 million annually, and require certified matching funds to be used in lieu of General Funds as the state's portion for matching federal funds beyond the MOE requirement. The Legislature also concurred with the Governor's recommendation to add an additional \$10.5 million in federal funds in each year of the biennium to support caseload growth, which is anticipated to be more than 21.0 percent greater than the 4,851 average monthly caseload in FY 2014, and will serve an average of 5,879 children per month in FY 2017. In addition, the 2015 Legislature approved \$1.1 million in federal funds in each year of the biennium to serve an additional 240 children on the At-Risk waitlist.

### **ENERGY ASSISTANCE PROGRAM**

The Energy Assistance Program assists eligible Nevada citizens in meeting their home heating and cooling needs. The program provides payments for eligible households, which can be applied to either the heating provider, the cooling provider, or split between the two. Funding for the Energy Assistance Program is provided by the federal Low Income Home Energy Assistance Program (LIHEAP) Block Grant and Universal Energy Charges (UEC) from the Fund for Energy Assistance and Conservation.

To address the high turnover rates among the contract staff used to assist in the processing of Energy Assistance applications, the 2015 Legislature approved the Governor's recommendation for Universal Energy Charge revenues totaling \$302,111 in FY 2016 and \$408,054 in FY 2017 to replace 25 contract staff with 9 full-time and 16 intermittent positions. The conversion of contract positions to state positions was expected to provide a more stable application processing workforce, and facilitate

raising the current application processing level from 61.1 percent of applications processed within 60 days to the target goal of 95.0 percent. The Legislature also approved the Governor's recommendation for \$3.8 million in FY 2016 and \$4.5 million in FY 2017 to fund average monthly caseload increases from 2,250 households in FY 2015 to 2,376 households in FY 2016 and 2,466 in FY 2017, representing increases of 5.6 percent and 9.6 percent, respectively. The agency testified that it currently serves all eligible households, and this recommendation would allow the agency to continue to serve all eligible households while maintaining the current average annual assistance payment of \$732.

### **DIVISION OF CHILD AND FAMILY SERVICES**

The Division of Child and Family Services provides a wide array of services to children and adolescents and is organized into three major program areas: Child Welfare Services, Children's Mental/Behavioral Health Services, and Juvenile Justice Services. The division is responsible for child protective and child welfare service delivery in rural Nevada and oversight of urban county-operated child protective and child welfare services programs; children's mental/behavioral health treatment and residential services in urban Nevada; and statewide juvenile justice services, including state-operated youth training centers and youth parole.

The 2015 Legislature made adjustments to the budgets within the DCFS, which resulted in an increase of \$0.3 million in General Fund support over the 2015-17 biennium to \$253.1 million compared to the Governor's recommendation of \$252.8 million. General Fund support as approved by the Legislature for the 2015-17 biennium reflects a 9.5 percent increase from the \$231.2 million approved by the 2013 Legislature for the 2013-15 biennium.

### **CHILD AND FAMILY SERVICES ADMINISTRATION**

The Child and Family Services Administration budget is the central administrative account of DCFS and contains the unclassified Administrator; the division's four unclassified deputy administrators; and the central fiscal, accounting and personnel staff of the division. The 2015 Legislature approved General Fund appropriations of \$5.5 million and \$5.6 million for FY 2016 and FY 2017, respectively.

As recommended by the Governor, the Legislature approved a new Statistician position to conduct data collection and analysis in order to ensure compliance with federal requirements for continuous quality improvement, and a new Personnel Technician position to provide personnel support services to the division's growing number of employees.

The money committees requested the DCFS to monitor and report on the specialized foster care (SFC) programs that were approved for the Washoe County Child Welfare, Clark County Child Welfare, and Rural Child Welfare budgets. The programs represent full implementation of the SFC pilot that was conducted by these child welfare agencies from FY 2013 through FY 2015. The money committees directed the DCFS to gather data and track whether a cost savings is realized in the SFC programs, as the pilot

indicated; monitor the outcomes of the children in the SFC programs; and report those findings to the Legislature.

### **UNITY/SACWIS**

The UNITY/SACWIS budget represents the division's compliance with a federal mandate to automate foster care and adoption information systems. The Statewide Adoption and Child Welfare Information System (SACWIS), referred to as Unified Nevada Information Technology for Youth (UNITY), became fully operational statewide in September 2003, and was enhanced by a \$3.9 million technology investment request approved by the 2011 Legislature. The 2015 Legislature approved General Fund appropriations of \$3.3 million in each year of the 2015-17 biennium.

The 2015 Legislature approved \$257,847 (\$140,918 General Fund appropriations) to fund the Governor's recommendation to add an IT Professional position and a Business Process Analyst position to implement modifications to the UNITY application to support the full implementation of the specialized foster care program. Additionally, the Legislature approved \$268,476 (\$146,769 General Funds) to support the Governor's recommendation to add an IT Professional position to manage server and network administration and a Management Analyst position to serve as a data manager for all three DCFS programs: child welfare, children's mental health, and juvenile justice.

### **WASHOE COUNTY CHILD WELFARE**

The Washoe County Child Welfare budget represents the state's portion of costs for child welfare services in Washoe County. The 2015 Legislature approved General Fund appropriations of \$16.1 million and \$16.9 million for FY 2016 and FY 2017, respectively. Since FY 2012, this budget has been funded with a block grant mechanism, allowing flexibility for Washoe County to expend the funds as needed with no requirement to revert unspent monies, and without restrictions created by the historic method of line-item expense budgets.

However, the budget also receives a categorical grant to support adoption caseload growth, and any unspent funds must be reverted to the General Fund. The Legislature approved General Funds of \$1.1 million and federal Title IV-E funds of \$1.4 million over the 2015-17 biennium for adoption subsidy caseload growth. Additionally, the Legislature approved clarifying back language in the Appropriations Act (Senate Bill 514, Section 53) allowing the division to approach the IFC to request additional funding for adoption subsidies, and limiting the block grant funding, for the Washoe County Child Welfare budget.

The Legislature also approved a total of \$3.3 million over the 2015-17 biennium to implement the specialized foster care program in Washoe County utilizing the block grant funding mechanism. This approval resulted in an allocation equal to the FY 2017 General Fund portion of \$1.4 million being added to Washoe County's block grant in future years. Approval of full implementation was based on the pilot program's reported positive outcomes realized in FY 2013, FY 2014 and FY 2015.

## **CLARK COUNTY CHILD WELFARE**

The Clark County Child Welfare budget represents the state's portion of costs for child welfare services in Clark County. The 2015 Legislature approved General Fund appropriations of \$48.4 million and \$50.9 million for FY 2016 and FY 2017, respectively. Since FY 2012, this budget has been funded with a block grant mechanism, allowing flexibility for Clark County to expend the funds as needed with no requirement to revert unspent monies, and without restrictions created by the historic method of line-item expense budgets.

However, the budget also receives a categorical grant to support adoption caseload growth, and any unspent funds must be reverted to the General Fund. The Legislature approved General Funds of \$4.3 million and federal Title IV-E funds of \$5.7 million over the 2015-17 biennium for adoption subsidy caseload growth. Additionally, the Legislature approved clarifying back language in the Appropriations Act (Senate Bill 514, Section 53) allowing the division to approach the IFC to request additional funding for adoption subsidies, and limiting the block grant funding, for the Clark County Child Welfare budget.

The Legislature also approved a total of \$6.5 million over the 2015-17 biennium to implement the specialized foster care program in Clark County utilizing the block grant funding mechanism. This approval resulted in an allocation equal to the FY 2017 General Fund portion of \$3.0 million being added to Clark County's block grant in future years. Approval of full implementation was based on the pilot program's reported positive outcomes realized in FY 2013, FY 2014 and FY 2015.

## **RURAL CHILD WELFARE**

The Rural Child Welfare budget contains all positions and associated costs for rural child welfare responsibilities, including foster care placements, subsidized adoptions, and higher-level placements for the rural region. The 2015 Legislature approved General Fund appropriations of \$6.7 million and \$7.1 million for FY 2016 and FY 2017, respectively.

The Legislature approved \$1.0 million in total funding over the 2015-17 biennium in support of the Governor's recommendation to add one Clinical Program Manager, four new Mental Health Counselors, two new Social Workers, and one new Administrative Assistant position to implement the specialized foster care program in the rural region. Additionally, as recommended by the Governor, the Legislature approved \$778,815 in total funding to add three new Social Worker Supervisors, one new Social Worker, two new Family Support Workers, and one new Administrative Assistant to support the child welfare infrastructure in the rural region.

The Legislature also approved General Funds of \$678,154 over the 2015-17 biennium for adoption subsidy and foster care caseload growth.

The Governor submitted a budget amendment on April 13, 2015, that would decrease county assessments for child protective services (CPS) by \$1.5 million over the 2015-17 biennium and increase General Fund appropriations by the same amount. The amendment requested to reduce rural county assessments to the amounts that were

budget for FY 2015. The Legislature did not approve the budget amendment, because it would have resulted in the rural counties funding 77.0 percent of the annual cost of rural CPS services, not 100.0 percent of the costs as required by NRS 432B.326.

### **COMMUNITY JUVENILE JUSTICE PROGRAMS**

This budget allocates federal funds to judicial districts for community-based delinquency prevention programs. General Fund appropriations provide funding to the counties for the non-medical room and board expenses (not covered by Medicaid) for youth involved with the juvenile courts who are receiving rehabilitative services from treatment home providers. The 2015 Legislature approved total General Fund appropriations of \$2.5 million and \$2.4 million for FY 2016 and FY 2017, respectively.

The Legislature approved General Fund appropriations of \$183,451 over the 2015-17 biennium to fund PREA (Prison Rape Elimination Act) compliance costs for the Nevada Youth Training Center and the Caliente Youth Center. The Legislature also approved General Fund appropriations of \$61,203 in FY 2017 to add a Program Officer position to collect statewide juvenile justice data.

### **JUVENILE CORRECTIONAL FACILITY**

The Juvenile Correctional Facility budget funds the operation of the Summit View Youth Correctional Center (SVYCC), a secure male juvenile correctional facility for serious and chronic offenders located near Nellis Air Force Base in North Las Vegas. The 2013 Legislature approved the Governor's recommendation to reopen SVYCC in October 2013 as a vendor-operated facility with funding for 50 beds, after being closed since May 2010 because of budget reductions. The Executive Budget recommended continuing operation of SVYCC by a vendor during the 2015-17 biennium, funded by General Funds of \$11.7 million. However, the DCFS terminated the vendor contract in March 10, 2015, because of youth safety concerns, and the facility was closed.

Subsequently, on March 25, 2015, the Executive Budget Office submitted a budget amendment to reopen SVYCC, funded for 48 beds, on September 1, 2015, as a state-operated facility utilizing 59 new employees. The Legislature approved these positions to reopen SVYCC and added 6 new correctional officer positions for facility security. The addition of correctional officers to a DCFS juvenile justice facility is a new policy by the Legislature, and was made in response to concerns that Group Supervisor positions would not provide adequate security for youth who may require protection from other youth housed in this maximum-security facility. The other two DCFS juvenile justice facilities, Nevada Youth Training Center and Caliente Youth Center, do not utilize correctional officer positions. As a result, total General Fund appropriations of \$14.6 million over the 2015-17 biennium were approved to fund the operation of SVYCC. Included in this total was approval of the Governor's recommendation for \$923,334 over the 2015-17 biennium for various deferred maintenance projects for Summit View, based on a Facility Condition Analysis report performed by the State Public Works Division.

The money committees directed the DCFS to submit semiannual reports to the IFC during the 2015-17 biennium on the reopening and management of SVYCC.

Additionally, the 2015 Legislature approved back language in the Appropriations Act (Senate Bill 514, Section 56) to authorize the agency to transfer General Fund appropriations between the three youth correctional facility budgets upon the recommendation of the Governor and with the approval of the IFC.

### **NEVADA YOUTH TRAINING CENTER**

The Nevada Youth Training Center (NYTC) in Elko is a 24-hour residential treatment facility for male youths between 12 and 18 years of age. The center provides educational and remedial programs, counseling services, rehabilitative training, and recreational activities. The center operates an accredited junior/senior high school. The 2015 Legislature approved total General Fund appropriations of \$7.6 million in each year of the 2015-17 biennium.

The 2015 Legislature approved recommendations included in The Executive Budget by the Governor and the Supreme Court Commission on Statewide Juvenile Justice Reform to support the Nevada Youth Training Center as the juvenile commitment facility for the Northern Nevada region. Recommendations included the addition of a contracted psychologist, family transportation program, reinstatement of sports programs, educational materials, and a new Assistant Superintendent position for the facility.

### **NORTHERN NEVADA CHILD AND ADOLESCENT SERVICES**

Northern Nevada Child and Adolescent Services provide a continuum of mental health services to emotionally disturbed children, adolescents, and their families. Programs for Washoe County, Carson City, and Northern Nevada rural counties include outpatient counseling, day treatment, residential treatment homes, and intensive targeted case management for youth with severe emotional disturbances. The 2015 Legislature approved total funding of \$9.1 million in FY 2016 and \$9.4 million in FY 2017, including General Fund appropriations of \$3.4 million and \$3.6 million for FY 2016 and FY 2017, respectively.

The Legislature approved the Governor's recommendation to use \$226,273 in tobacco settlement funds over the 2015-17 biennium to fund a new Clinical Program Manager position and a new Administrative Assistant position to support the Mobile Crisis Unit in Northern Nevada.

### **SOUTHERN NEVADA CHILD AND ADOLESCENT SERVICES**

Southern Nevada Child and Adolescent Services provide a comprehensive continuum of behavioral health care services for emotionally disturbed children and adolescents from birth through 18 years of age. Programs include outpatient counseling, day treatment, residential treatment homes, and inpatient psychiatric hospital services at Desert Willow Treatment Center. The 2015 Legislature approved total funding of



\$27.5 million in FY 2016 and \$27.6 million in FY 2017, including General Fund appropriations of \$10.3 million and \$10.4 million for FY 2016 and FY 2017, respectively.

Finally, the Legislature approved the Governor's recommendation to use \$139,558 in tobacco settlement funds over the 2015-17 biennium to fund a new Clinical Program Manager position to support the Mobile Crisis Unit in Southern Nevada. The Legislature also approved \$251,840 in General Fund appropriations and federal funds over the 2015-17 biennium to add a Psychiatric Nurse position and an Administrative Assistant position to serve the patients of the outpatient medication clinic.

## **DEPARTMENT OF EMPLOYMENT, TRAINING AND REHABILITATION**

The mission of the DETR is to provide Nevada's businesses with access to a qualified workforce and encourage equal employment opportunities. The department consists of the Employment Security Division, the Rehabilitation Division, the Nevada Equal Rights Commission, centralized administrative and information technology services, and the Research and Analysis Bureau. The department is the lead state agency responsible for the administration of the Workforce Investment Act in Nevada.

Funding for the department consists of federal funds from the U.S. Departments of Labor and Education; the Social Security Administration; unemployment insurance tax ranging from 0.25 percent to 5.4 percent of taxable wages, paid by Nevada employers; an additional surcharge of 0.05 percent of taxable wages earmarked for the Career Enhancement Program; and penalties and interest collected from employers for nonpayment or late payment of unemployment insurance contributions. General Fund appropriations are provided to the Equal Rights Commission to supplement contract payments from the federal Equal Employment Opportunity Commission. General Fund appropriations are also provided to the Bureau of Vocational Rehabilitation and to the Bureau of Services to the Blind and Visually Impaired, primarily to match federal Section 110 grant funding.

For all DETR budgets combined, net of interagency transfers, the Legislature approved total funding of \$288.8 million, which includes General Fund appropriations of \$11.2 million in the 2015-17 biennium. Approved General Fund appropriations for the 2015-17 biennium are \$3.5 million (45.8 percent) greater than the amounts appropriated by the 2013 Legislature for the 2013-15 biennium. The majority of the General Fund increase, or \$2.3 million, is the result of approving the new Nevada P20 Workforce Reporting budget as discussed below.

### **REHABILITATION DIVISION**

The Rehabilitation Division is comprised of three bureaus: Vocational Rehabilitation, Services to the Blind and Visually Impaired, and Disability Adjudication. The Bureau of Vocational Rehabilitation provides rehabilitation services to eligible individuals with disabilities to assist them in preparing for and obtaining employment and self-sufficiency. The Bureau of Services to the Blind and Visually Impaired provides services to persons who are blind, deaf/blind, and/or severely visually impaired to assist them in achieving employment, independent living, and self-sufficiency. The bureau also administers the Blind Business Enterprise of Nevada program statewide. The

Bureau of Disability Adjudication is responsible for providing medical disability decisions to individuals in Nevada who file claims for disability benefits under the federal Social Security Administration's Disability Insurance and Supplemental Security Income Disability programs. The bureau also conducts evidentiary hearings for those disability beneficiaries who are recommended for benefits termination.

#### **BUREAU OF VOCATIONAL REHABILITATION**

The Bureau of Vocational Rehabilitation's activities are 77.8 percent supported by federal Section 110 funds, which require a 21.3 percent match from the state. The 2015 Legislature approved federal Section 110 grant funds totaling \$28.0 million over the 2015-17 biennium, an increase of \$2.5 million over federal Section 110 grant funds approved for the 2013-15 biennium. The primary reason for the increase in federal funding is due to the bureau's increased use of third party cooperative agreements to access available federal funding that would otherwise be given to other states, as the third party provides the matching funds dedicated to supporting the agreement. For the 2015-17 biennium, the Legislature approved \$949,829 in federal Section 110 funds for agreements with Truckee Meadows Community College (TMCC) and Western Nevada College (WNC).

The Legislature also appropriated \$5.3 million in General Funds over the biennium. In addition to General Fund appropriations, the bureau utilizes resources from the Blind Business Enterprise program, the Independent Living program, and third-party cooperative agreements to meet the required state match for federal Section 110 grant funding.

The Legislature approved \$180,060 over the 2015-17 biennium to fund two intermittent Public Service Intern positions to attract rehabilitation counselors to the state, as Nevada does not have a master's program in vocational rehabilitation counseling.

#### **EMPLOYMENT SECURITY DIVISION**

The Employment Security Division (ESD) is responsible for programs that pay Unemployment Insurance (UI) benefits, collect UI premiums, and provide job placement services and labor market information to employers and job seekers. The division also oversees the claimant/employer appeals process and provides training through the Career Enhancement Program, which is funded with a 0.05 percent tax on employers' taxable wages.

The 2015 Legislature approved the Governor's recommendation, as amended, to eliminate 36 full-time positions beginning July 1, 2015, and eliminate an additional 14 positions beginning July 1, 2016, as the result of a decrease in federal UI administrative grant funds. With levels of UI grant funding being countercyclical to the economy, the funding approved by the money committees of \$28.3 million in FY 2016 and \$28.8 million in FY 2017 represents a 19.3 percent and 18.0 percent decrease, respectively, compared to the \$35.1 million level of base year federal UI administrative grant funding. As part of the approved funding reductions and position eliminations, the UI appeals office in Reno was eliminated. However, the Legislature

understood that the agency did not anticipate a negative impact on the timeliness of issuing appeal determinations as the Reno office processed the majority of appeals by phone. If a claimant or employer insists on an in-person appeal hearing, staff will travel to Northern Nevada for in-person hearings during a particular week to limit required travel.

As recommended by the Governor, the Legislature approved \$6.4 million over the biennium to fund 62 part-time intermittent positions to accommodate fluctuating workloads for the Unemployment Insurance and Employment Services programs. The intermittent positions are funded with \$4.0 million of federal funds, \$1.1 million in transfers from the Employment Security Special Fund, \$954,626 in bond program income, and \$641,337 in wage assessment revenues over the biennium. By way of comparison, the 2013 Legislature approved \$16.6 million for 147 positions for the 2013-15 biennium. The reduction in intermittent staffing levels is directly related to the reduction in federal UI administrative grant revenue in this budget.

Additionally, the Legislature approved the Governor's recommended funding of \$861,466 in federal grant authority in FY 2016 to continue the Job-Driven National Emergency Grant program to provide career counseling, training, and reemployment and supportive services, such as providing work experience through a work-based training model.

To support additional client services and training designed to assist Nevada workers with finding employment or enhancing career opportunities, the Legislature approved enhancements of \$1.1 million in CEP revenues over the biennium. Funding will support efforts to implement the Burning Glass data system, the Nevada System of Higher Education Nursing Grant, and the Veterans and Seniors Business Loan grant program, and increased funding beyond the base funding level for the Silver State Works program.

#### **EMPLOYMENT SECURITY SPECIAL FUND**

The Employment Security Special Fund is used to pay costs of administering employment security programs that may not be charged against federal grants. The sources of revenue for this fund include interest and penalties collected from employers for nonpayment or late payment of unemployment taxes. Federal funds for special projects, such as the Unemployment Insurance Modernization Project (UInv), are also included in this budget. The Legislature approved \$8.2 million of federal Reed Act funds in FY 2016 to complete the final implementation and business transformation criteria of the UInv system, which will replace the current 30-year-old UI tax and benefit system used to process wage, contribution and benefit information. The final implementation phase of the UInv project includes the UI Contributions/Tax module, and is scheduled for the July/August 2015 timeframe.

The money committees approved the Governor's recommendation to authorize the acceptance of credit card payments to the ESD from UI claimants for overpayments and employers for tax payments. The agency has not previously accepted credit card payments; however, the UIn system functionality allows for the implementation of the payment method offering an alternative option to satisfy debt, and as such, increases opportunities for the collection of monies owed to the state. Based on the UIn system implementation timeline, the agency indicates that credit card payments could begin to be accepted beginning in January 2016.

The Legislature also approved a reduction to the budget's reserve of \$802,300 for maintenance of agency-owned buildings in Carson City, Elko, Fallon, Las Vegas, and Sparks, including exterior and interior painting, maintenance to parking lots, plumbing repairs, bathroom fixture replacements, installation of security cameras, and other general facility maintenance.

### **EQUAL RIGHTS COMMISSION**

The 2015 Legislature approved total funding of \$3.2 million over the 2015-17 biennium for the Nevada Equal Rights Commission budget, which includes General Fund appropriations of \$2.3 million and federal funding from the Equal Employment Opportunity Commission of \$883,248 over the biennium. The legislatively approved General Fund appropriations represent a 14.5 percent increase compared to the \$2.0 million approved for the 2013-15 biennium by the 2013 Legislature.

As recommended by the Governor, the Legislature approved General Fund appropriations of \$128,945 over the 2015-17 biennium for a new Chief Compliance Investigator position to investigate discrimination within Nevada schools, and provide statewide training with a focus on the prevention of bullying and discrimination based on race, sexual orientation, religion and gender identity. The new position will also partner with the newly established Safe and Respectful Schools Office within the Nevada Department of Education to provide training and outreach.

### **DETR ADMINISTRATIVE SERVICES**

The Department of Employment, Training and Rehabilitation Administration budget provides management and support services to the agencies within the department. The budget is funded by cost allocations to the other DETR budgets. The 2015 Legislature approved the Governor's recommendation to eliminate eight positions, due to a decrease in the level of administrative services necessary to support the Employment Security Division budget as the result of declining federal Unemployment Insurance (UI) grant funding. The reduction in UI grant funding is discussed in more detail under the Employment Security Division section below. The position eliminations reduced cost allocation revenues by \$1.1 million in this budget over the 2015-17 biennium.

## **INFORMATION DEVELOPMENT AND PROCESSING**

Information Development and Processing (IDP) provides data processing and information technology support services to DETR and oversees Nevada's automated workforce and rehabilitation information systems. The IDP is responsible for departmental application software development, maintenance, and implementation. The Legislature approved total biennial funding resources of \$23.6 million for IDP, including \$19.2 million in department cost allocation revenues, \$3.4 million in charges for IT services provided to the Employment Security Division and the Welfare Division, and \$934,639 in revenues budgeted to be balanced forward. The 2015 Legislature approved the Governor's recommendation to eliminate two positions, due to a decrease in the level of IT services necessary to support the Employment Security Division budget as the result of declining federal Unemployment Insurance grant funding. The position eliminations reduce cost allocation revenues by \$310,675 in this budget over the 2015-17 biennium. As recommended by the Governor, the Legislature approved \$320,000 over the biennium to fund information technology service contracts for ongoing technical expertise for the Unemployment Insurance modernization project. Finally, the 2015 Legislature approved \$2.3 million for new and replacement equipment and software over the 2015-17 biennium.

## **NEVADA P20 WORKFORCE REPORTING**

The 2015 Legislature approved General Fund appropriations of \$2.3 million over the 2015-17 biennium to establish the new Nevada P20 Workforce Reporting budget as recommended by the Governor. The new budget will reflect the centralized costs for maintaining the State Longitudinal Data System (SLDS), and fund one new IT Professional position in this budget. As part of the centralization budgeting approach for the SLDS maintenance costs, the Legislature approved funding of \$234,671 over the biennium to reimburse the Nevada System of Higher Education (NSHE) for their share of the expenses derived from the project, including the costs to support an additional full-time NSHE position. In approving the reimbursement, the Legislature reduced the transfer of funds to the NSHE by \$86,649 over the 2015-17 biennium to address an error in the budget, and to align position costs for NSHE with DETR position costs approved in this budget. Finally, the money committees directed the Nevada Department of Education, NSHE, and DETR to enter into interlocal agreements to outline and define their roles and responsibilities regarding the system and exchange of data, review the overall governance and oversight of the SLDS in the 2015-16 Interim, and to submit any suggested or necessary statutory changes regarding the SLDS, including governance changes, to the 2017 Legislature.

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>HUMAN SERVICES</b>					
<b>HEALTH AND HUMAN SERVICES - DIRECTOR'S OFFICE</b>					
<b>HHS-DO - ADMINISTRATION</b>	1,535,669	1,688,983	1,685,339	1,765,048	1,768,409
GENERAL FUND	1,177,800	1,381,438	1,377,794	1,385,904	1,389,265
FEDERAL FUND					
INTERAGENCY TRANSFER	357,869	307,545	307,545	379,144	379,144
OTHER FUND					
REVERSIONS					
<b>HHS-DO - UPL HOLDING ACCOUNT</b>	6,517,000	2,229,840	2,065,240	2,158,340	1,993,900
INTERAGENCY TRANSFER	6,517,000	2,229,840	2,065,240	2,158,340	1,993,900
REVERSIONS					
<b>HHS-DO - DEVELOPMENTAL DISABILITIES</b>	659,011	594,800	593,800	602,865	603,082
GENERAL FUND	164,753	147,263	146,263	149,358	149,575
FEDERAL FUND	494,258	447,537	447,537	453,507	453,507
REVERSIONS					
<b>HHS-DO - GRANTS MANAGEMENT UNIT</b>	28,041,749	27,113,513	27,109,454	27,046,199	27,046,322
GENERAL FUND	160,683	203,212	199,153	217,627	217,750
BALANCE FORWARD	5,000				
FEDERAL FUND	18,221,012	17,424,150	17,424,150	17,435,994	17,435,994
INTERAGENCY TRANSFER	577,493	682,371	682,371	684,321	684,321
OTHER FUND	9,077,561	8,803,780	8,803,780	8,708,257	8,708,257
REVERSIONS					
<b>HHS-DO - PROBLEM GAMBLING</b>	2,046,153	1,898,922	1,877,534	1,889,200	1,842,846
BALANCE FORWARD	583,473	503,117	503,117	495,736	474,348
OTHER FUND	1,462,680	1,395,805	1,374,417	1,393,464	1,368,498
<b>HHS-DO - CHILDREN'S TRUST ACCOUNT</b>	988,262	1,164,588	1,164,588	1,240,564	1,240,564
BALANCE FORWARD	453,873	489,381	489,381	570,467	570,467
OTHER FUND	534,389	675,207	675,207	670,097	670,097
<b>HHS-DO - CONSUMER HEALTH ASSISTANCE</b>	1,359,625	1,183,922	1,179,781	1,201,355	1,202,100
GENERAL FUND	304,910	282,151	278,010	287,611	288,356
BALANCE FORWARD					
FEDERAL FUND	115,593	106,283	106,283	109,209	109,209
INTERAGENCY TRANSFER	246,939	268,320	268,320	269,684	269,684
OTHER FUND	692,183	527,168	527,168	534,851	534,851
REVERSIONS					
<b>HHS-DO - INDIGENT HOSPITAL CARE</b>	19,223,037	14,012,641	13,859,472	14,616,657	14,364,409
BALANCE FORWARD					
OTHER FUND	19,223,037	14,012,641	13,859,472	14,616,657	14,364,409
<b>HHS-DO - HEALTHY NEVADA FUND</b>	9,032,561				
OTHER FUND	9,032,561				

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<b>HHS-DO - PUBLIC DEFENDER</b>	2,752,926	3,388,918	2,929,476	3,390,192	2,939,811
GENERAL FUND	1,091,345	1,732,021	1,722,605	1,732,263	1,725,266
BALANCE FORWARD					
FEDERAL FUND	55,855				
OTHER FUND	1,605,726	1,656,897	1,206,871	1,657,929	1,214,545
REVERSIONS					
<b>HHS-DO - IDEA PART C</b>	3,972,105	4,000,090	3,997,130	4,007,279	4,007,701
FEDERAL FUND	3,972,105	4,000,090	3,997,130	4,007,279	4,007,701
<b>TOTAL HEALTH AND HUMAN SERVICES - DIRECTOR'S OFFICE</b>	76,128,098	57,276,217	56,461,814	57,917,699	57,009,144
GENERAL FUND	2,899,491	3,746,085	3,723,825	3,772,763	3,770,212
BALANCE FORWARD	1,042,346	992,498	992,498	1,066,203	1,044,815
FEDERAL FUND	22,858,823	21,978,060	21,975,100	22,005,989	22,006,411
INTERAGENCY TRANSFER	7,699,301	3,488,076	3,323,476	3,491,489	3,327,049
OTHER FUND	41,628,137	27,071,498	26,446,915	27,581,255	26,860,657
REVERSIONS					
<b>AGING AND DISABILITY SERVICES</b>					
<b>HHS-ADSD - SENIOR RX AND DISABILITY RX</b>	5,048,144	3,325,000	3,325,000	3,325,000	3,325,000
OTHER FUND	5,048,144	3,325,000	3,325,000	3,325,000	3,325,000
<b>HHS-ADSD - TOBACCO SETTLEMENT PROGRAM</b>	5,429,581	6,211,654	6,211,654	6,211,654	6,211,654
INTERAGENCY TRANSFER	5,429,581				
OTHER FUND		6,211,654	6,211,654	6,211,654	6,211,654
<b>HHS-ADSD - FEDERAL PROGRAMS AND ADMINISTRATION</b>	24,341,315	23,810,401	23,758,556	23,304,400	23,300,709
GENERAL FUND	3,277,912	4,170,467	4,142,800	4,227,104	4,210,179
BALANCE FORWARD	36,238	36,238	36,238	36,238	36,238
FEDERAL FUND	11,679,831	11,978,840	11,978,840	11,978,841	11,978,841
INTERAGENCY TRANSFER	8,899,400	7,363,215	7,339,037	6,800,576	6,813,810
OTHER FUND	447,934	261,641	261,641	261,641	261,641
REVERSIONS					
<b>HHS-ADSD - HOME AND COMMUNITY BASED SERVICES</b>	31,869,753	39,502,854	39,110,688	44,688,152	42,208,932
GENERAL FUND	13,107,004	21,006,766	20,903,504	23,380,589	21,152,946
BALANCE FORWARD	2,174,197	2,140,835	2,140,835	1,721,969	1,721,969
FEDERAL FUND	402,895	384,735	384,735	384,735	384,735
INTERAGENCY TRANSFER	7,538,286	10,640,043	10,531,352	14,120,384	14,048,715
OTHER FUND	8,647,371	5,330,475	5,150,262	5,080,475	4,900,567
REVERSIONS					
<b>HHS-ADSD - EARLY INTERVENTION SERVICES</b>	37,031,631	33,675,707	33,468,541	34,423,277	34,299,539
GENERAL FUND	32,463,532	29,531,557	29,326,952	30,249,542	30,127,302
FEDERAL FUND	169,616	313,088	313,088	324,670	324,670
INTERAGENCY TRANSFER	4,250,922	3,634,270	3,631,709	3,645,065	3,643,567
OTHER FUND	147,561	196,792	196,792	204,000	204,000
REVERSIONS					

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<b>HHS-ADSD - FAMILY PRESERVATION PROGRAM</b>	2,859,604	2,836,416	2,836,416	2,930,664	2,930,664
GENERAL FUND	1,659,604	1,636,416	1,636,416	1,730,664	1,730,664
OTHER FUND	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
REVERSIONS					
<b>HHS-ADSD - SIERRA REGIONAL CENTER</b>	35,358,403	37,452,473	38,108,807	43,511,649	42,498,294
GENERAL FUND	17,695,240	19,579,501	19,864,790	22,427,925	21,884,197
BALANCE FORWARD	2				
INTERAGENCY TRANSFER	16,687,733	16,878,035	17,249,080	20,088,787	19,619,160
OTHER FUND	975,428	994,937	994,937	994,937	994,937
REVERSIONS					
<b>HHS-ADSD - DESERT REGIONAL CENTER</b>	104,219,632	106,706,400	108,474,917	119,592,576	117,584,179
GENERAL FUND	48,528,955	53,538,833	54,402,525	60,352,066	59,333,462
BALANCE FORWARD	748,095				
INTERAGENCY TRANSFER	51,537,727	50,298,042	51,202,867	56,370,985	55,381,192
OTHER FUND	3,404,855	2,869,525	2,869,525	2,869,525	2,869,525
REVERSIONS					
<b>HHS-ADSD - RURAL REGIONAL CENTER</b>	15,238,714	16,422,504	16,695,951	19,354,004	18,906,418
GENERAL FUND	7,984,160	9,008,357	9,131,201	10,456,517	10,221,338
INTERAGENCY TRANSFER	6,835,718	7,228,386	7,378,989	8,711,726	8,499,319
OTHER FUND	418,836	185,761	185,761	185,761	185,761
REVERSIONS					
<b>TOTAL AGING AND DISABILITY SERVICES</b>	261,396,777	269,943,409	271,990,530	297,341,376	291,265,389
GENERAL FUND	124,716,407	138,471,897	139,408,188	152,824,407	148,660,088
BALANCE FORWARD	2,958,532	2,177,073	2,177,073	1,758,207	1,758,207
FEDERAL FUND	12,252,342	12,676,663	12,676,663	12,688,246	12,688,246
INTERAGENCY TRANSFER	101,179,367	96,041,991	97,333,034	109,737,523	108,005,763
OTHER FUND	20,290,129	20,575,785	20,395,572	20,332,993	20,153,085
REVERSIONS					
<b>HEALTH CARE FINANCING &amp; POLICY</b>					
<b>HHS-HCF&amp;P - INTERGOVERNMENTAL TRANSFER PROGRAM</b>	190,335,847	161,455,888	179,957,020	135,869,369	154,319,612
BALANCE FORWARD	31,001,804	25,378,958	28,363,187	7,252,967	7,252,967
INTERAGENCY TRANSFER	16,164,724	12,857,606	12,741,694	12,764,858	12,652,650
OTHER FUND	143,169,319	123,219,324	138,852,139	115,851,544	134,413,995
<b>HHS-HCF&amp;P - ADMINISTRATION</b>	165,162,306	169,401,281	168,362,769	178,549,113	178,508,059
GENERAL FUND	28,976,303	27,346,696	26,926,317	28,903,277	28,739,039
BALANCE FORWARD	1,314,128	1,424,535	1,424,535	1,509,984	1,509,984
FEDERAL FUND	136,637,196	138,866,236	138,248,103	146,549,307	146,672,491
INTERAGENCY TRANSFER	-3,772,552	349,286	349,286	352,159	352,159
INTERIM FINANCE					
OTHER FUND	2,007,231	1,414,528	1,414,528	1,234,386	1,234,386
<b>HHS-HCF&amp;P - INCREASED QUALITY OF NURSING CARE</b>	32,204,514	30,831,193	30,831,193	31,118,508	31,118,508
BALANCE FORWARD	900,000	900,000	900,000	900,000	900,000
OTHER FUND	31,304,514	29,931,193	29,931,193	30,218,508	30,218,508



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<b>HHS-HCF&amp;P - NEVADA CHECK-UP PROGRAM</b>	42,232,367	26,820,295	33,172,940	26,798,274	36,634,281
GENERAL FUND	9,732,616	1,914,503	2,268,863	334,242	476,192
FEDERAL FUND	30,499,011	24,053,247	29,864,086	25,635,879	35,030,448
INTERAGENCY TRANSFER	-202,702	30,025	29,051	5,633	4,978
OTHER FUND	2,203,442	822,520	1,010,940	822,520	1,122,663
<b>HHS-HCF&amp;P - NEVADA MEDICAID, TITLE XIX</b>	2,972,671,312	3,058,121,408	3,194,536,926	3,160,411,554	3,229,736,606
GENERAL FUND	561,385,596	537,337,946	530,882,511	602,734,423	593,863,690
BALANCE FORWARD	1,380,711				
FEDERAL FUND	2,205,211,996	2,311,061,671	2,430,487,758	2,373,119,461	2,427,680,773
INTERAGENCY TRANSFER	175,063,279	183,604,804	202,105,936	158,327,119	176,658,251
OTHER FUND	29,629,730	26,116,987	31,060,721	26,230,551	31,533,892
<b>TOTAL HEALTH CARE FINANCING &amp; POLICY</b>	3,402,606,346	3,446,630,065	3,606,860,848	3,532,746,818	3,630,317,066
GENERAL FUND	600,094,515	566,599,145	560,077,691	631,971,942	623,078,921
BALANCE FORWARD	34,596,643	27,703,493	30,687,722	9,662,951	9,662,951
FEDERAL FUND	2,372,348,203	2,473,981,154	2,598,599,947	2,545,304,647	2,609,383,712
INTERAGENCY TRANSFER	187,252,749	196,841,721	215,225,967	171,449,769	189,668,038
INTERIM FINANCE					
OTHER FUND	208,314,236	181,504,552	202,269,521	174,357,509	198,523,444
<b>DIVISION OF PUBLIC AND BEHAVIORAL HEALTH</b>					
<b>HHS-DPBH - RADIATION CONTROL</b>	4,650,701	4,741,062	4,537,686	4,732,866	4,536,115
BALANCE FORWARD	1,828,223	1,761,118	1,562,799	1,752,889	1,561,228
FEDERAL FUND	280,000	280,000	280,000	280,000	280,000
INTERAGENCY TRANSFER	139,951	67,518	62,461	67,551	62,461
OTHER FUND	2,402,527	2,632,426	2,632,426	2,632,426	2,632,426
<b>HHS-DPBH - CHILD CARE SERVICES</b>	1,596,943	1,573,988	1,674,858	1,598,650	1,811,167
GENERAL FUND	49,639				
BALANCE FORWARD				24,662	136,309
INTERAGENCY TRANSFER	1,471,402	1,471,402	1,471,402	1,471,402	1,471,402
OTHER FUND	75,902	102,586	203,456	102,586	203,456
REVERSIONS					
<b>HHS-DPBH - LOW-LEVEL RADIOACTIVE WASTE FUND</b>	1,234,992	217,531	217,531	217,531	217,531
BALANCE FORWARD	1,076,728				
OTHER FUND	158,264	217,531	217,531	217,531	217,531
<b>HHS-DPBH - CANCER CONTROL REGISTRY</b>	1,234,554	1,151,774	1,151,774	953,757	950,948
BALANCE FORWARD	464,691	416,802	416,802	218,785	215,976
FEDERAL FUND	689,055				
INTERAGENCY TRANSFER		620,890	620,890	620,890	620,890
OTHER FUND	80,808	114,082	114,082	114,082	114,082
<b>HHS-DPBH - HEALTH STATISTICS AND PLANNING</b>	2,282,469	2,440,673	2,440,673	2,444,722	2,442,415
BALANCE FORWARD	714,430	872,685	872,685	890,791	888,484
INTERAGENCY TRANSFER	434,947	295,728	295,728	295,728	295,728
OTHER FUND	1,133,092	1,272,260	1,272,260	1,258,203	1,258,203

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<b>HHS-DPBH - CONSUMER HEALTH PROTECTION</b>	2,460,591	2,295,087	2,295,087	2,171,682	2,161,470
BALANCE FORWARD	353,245	350,351	350,351	226,946	216,734
FEDERAL FUND	286,615	280,883	280,883	280,883	280,883
OTHER FUND	1,820,731	1,663,853	1,663,853	1,663,853	1,663,853
<b>HHS-DPBH - IMMUNIZATION PROGRAM</b>	8,854,611	4,153,964	5,352,068	3,872,279	5,044,251
GENERAL FUND	1,024,567	489,957	669,114	486,127	576,096
BALANCE FORWARD	781,097				
FEDERAL FUND	5,186,899	3,228,692	3,228,692	3,046,405	3,046,405
INTERAGENCY TRANSFER	1,862,048	435,315	1,454,262	339,747	1,421,750
OTHER FUND					
REVERSIONS					
<b>HHS-DPBH - WIC FOOD SUPPLEMENT</b>	71,636,855	69,511,922	69,511,922	69,511,922	69,511,922
BALANCE FORWARD					
FEDERAL FUND	56,409,964	52,760,102	52,760,102	52,760,102	52,760,102
OTHER FUND	15,226,891	16,751,820	16,751,820	16,751,820	16,751,820
<b>HHS-DPBH - COMMUNICABLE DISEASES</b>	17,956,284	16,152,314	16,152,313	16,152,879	16,152,878
GENERAL FUND	2,087,442	164,469	164,468	165,034	165,033
BALANCE FORWARD	1,610,742	7,146	7,146	7,146	7,146
FEDERAL FUND	11,149,850	10,942,238	10,942,238	10,942,238	10,942,238
OTHER FUND	3,108,250	5,038,461	5,038,461	5,038,461	5,038,461
REVERSIONS					
<b>HHS-DPBH - HEALTH FACILITIES HOSPITAL LICENSING</b>	17,023,574	17,775,586	17,783,586	17,096,340	16,992,286
BALANCE FORWARD	7,307,396	7,270,413	7,270,413	6,795,712	6,681,658
FEDERAL FUND	2,557,488	2,176,912	2,176,912	1,977,797	1,977,797
INTERAGENCY TRANSFER	1,070,938	980,488	980,488	975,058	975,058
OTHER FUND	6,087,752	7,347,773	7,355,773	7,347,773	7,357,773
<b>HHS-DPBH - HEALTH FACILITIES-ADMIN PENALTY</b>	321,166	100,000	50,000	100,000	50,000
BALANCE FORWARD	221,166				
OTHER FUND	100,000	100,000	50,000	100,000	50,000
<b>HHS-DPBH - PUBLIC HEALTH PREPAREDNESS PROGRAM</b>	12,831,140	10,167,662	10,166,005	10,199,696	10,149,854
BALANCE FORWARD	1,516				
FEDERAL FUND	12,802,198	9,998,963	9,999,852	9,998,963	9,951,050
INTERAGENCY TRANSFER	15,927	157,199	154,653	189,233	187,304
OTHER FUND	11,499	11,500	11,500	11,500	11,500
<b>HHS-DPBH - BIOSTATISTICS AND EPIDEMIOLOGY</b>	4,457,457	5,002,837	4,871,958	5,045,917	4,957,818
GENERAL FUND	317,183	441,368	324,698	460,727	361,066
FEDERAL FUND	3,523,878	3,610,668	3,610,990	3,610,668	3,610,726
INTERAGENCY TRANSFER	585,916	901,343	886,812	925,064	936,568
OTHER FUND	30,480	49,458	49,458	49,458	49,458
REVERSIONS					

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<b>HHS-DPBH - CHRONIC DISEASE</b>	8,681,581	7,323,742	7,349,886	7,865,955	7,895,392
FEDERAL FUND	7,117,557	5,748,757	5,748,757	5,748,757	5,748,757
INTERAGENCY TRANSFER	464,024	474,985	501,129	1,017,198	1,046,635
OTHER FUND	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
<b>HHS-DPBH - MATERNAL CHILD HEALTH SERVICES</b>	10,950,413	8,116,332	8,112,826	8,123,516	8,123,271
GENERAL FUND	1,066,952	1,196,527	1,193,271	1,203,661	1,203,716
FEDERAL FUND	5,796,981	6,459,173	6,459,173	6,459,173	6,459,173
INTERAGENCY TRANSFER	560,382	460,382	460,382	460,382	460,382
OTHER FUND	3,526,098	250		300	
REVERSIONS					
<b>HHS-DPBH - OFFICE OF HEALTH ADMINISTRATION</b>	6,076,580	10,085,088	9,975,410	10,340,655	10,257,543
GENERAL FUND	931,233	4,205,581	3,943,712	4,198,397	3,994,400
BALANCE FORWARD	1,705,922	1,544,087	1,544,087	1,739,680	1,740,392
INTERAGENCY TRANSFER	3,439,425	4,335,420	4,487,611	4,402,578	4,522,751
REVERSIONS					
<b>HHS-DPBH - COMMUNITY HEALTH SERVICES</b>	3,684,256	3,797,544	3,764,861	3,796,531	3,773,393
GENERAL FUND	963,682	1,193,004	1,183,449	1,192,157	1,189,726
FEDERAL FUND	780,433	580,991	580,991	580,991	580,991
INTERAGENCY TRANSFER	761,944	809,075	785,947	808,909	788,202
OTHER FUND	1,178,197	1,214,474	1,214,474	1,214,474	1,214,474
REVERSIONS					
<b>HHS-DPBH - EMERGENCY MEDICAL SERVICES</b>	1,009,005	1,011,763	1,008,277	1,017,474	1,017,194
GENERAL FUND	647,085	701,033	697,547	706,720	706,440
BALANCE FORWARD	49,496	49,496	49,496	49,496	49,496
FEDERAL FUND	205,634	129,999	129,999	129,999	129,999
INTERAGENCY TRANSFER	62,275	75,437	75,437	75,461	75,461
OTHER FUND	44,515	55,798	55,798	55,798	55,798
REVERSIONS					
<b>HHS-DPBH - MARIJUANA HEALTH REGISTRY</b>	5,682,309	3,704,887	2,089,894	4,803,900	2,980,802
BALANCE FORWARD	507,936	729,358	729,358	1,318,684	1,228,866
OTHER FUND	5,174,373	2,975,529	1,360,536	3,485,216	1,751,936
<b>DHHS-DPBH - MEDICAL MARIJUANA ESTABLISHMENTS</b>			1,614,993		1,733,280
OTHER FUND			1,614,993		1,733,280
<b>HHS-DPBH - BEHAVIORAL HEALTH ADMINISTRATION</b>	10,512,341	3,558,638	3,536,401	3,584,486	3,512,970
GENERAL FUND	1,970,249	2,792,181	2,895,759	2,762,447	2,849,654
BALANCE FORWARD	3,642				
FEDERAL FUND	7,231,716				
INTERAGENCY TRANSFER	1,306,734	766,457	640,642	822,039	663,316
OTHER FUND					
REVERSIONS					

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<b>HHS-DPBH - BEHAVIORAL HEALTH INFORMATION SYSTEMS</b>	2,776,970				
GENERAL FUND	2,382,743				
BALANCE FORWARD	94,500				
FEDERAL FUND					
INTERAGENCY TRANSFER	299,727				
REVERSIONS					
<b>HHS-DPBH - ALCOHOL TAX PROGRAM</b>	1,459,371	1,407,602	1,407,602	1,058,209	1,058,209
BALANCE FORWARD	341,585	359,371	359,371		
OTHER FUND	1,117,786	1,048,231	1,048,231	1,058,209	1,058,209
<b>HHS-DPBH - BEHAVIORAL HEALTH PREV &amp; TREATMENT</b>	21,404,148	33,537,326	33,524,327	33,006,040	33,007,886
GENERAL FUND	6,247,823	6,517,167	6,507,758	6,519,747	6,521,470
BALANCE FORWARD	111,816	55,061	55,061	55,061	55,061
FEDERAL FUND	14,489,789	26,438,762	26,435,172	25,904,896	25,905,019
INTERAGENCY TRANSFER	300,000	350,000	350,000	350,000	350,000
OTHER FUND	254,720	176,336	176,336	176,336	176,336
REVERSIONS					
<b>HHS-DPBH - RURAL CLINICS</b>	11,953,294	14,197,939	14,144,756	14,459,528	14,429,810
GENERAL FUND	7,470,439	8,643,886	8,606,006	8,947,360	8,950,326
FEDERAL FUND	428,653	547,718	547,686	547,718	547,728
INTERAGENCY TRANSFER	3,824,357	4,714,797	4,699,571	4,672,912	4,640,203
OTHER FUND	229,845	291,538	291,493	291,538	291,553
REVERSIONS					
<b>HHS-DPBH - NO NV ADULT MENTAL HEALTH SVCS</b>	30,628,970	34,117,226	31,663,934	34,990,869	31,616,578
GENERAL FUND	22,581,478	25,639,550	23,339,951	26,689,509	23,364,301
FEDERAL FUND	1,585,983	1,292,415	1,292,415	1,304,887	1,292,431
INTERAGENCY TRANSFER	5,978,317	6,881,393	6,727,700	6,774,204	6,739,181
OTHER FUND	483,192	303,868	303,868	222,269	220,665
REVERSIONS					
<b>HHS-DPBH - SO NV ADULT MENTAL HEALTH SERVICES</b>	87,960,647	93,841,738	85,847,233	97,010,807	88,232,717
GENERAL FUND	65,548,146	66,005,097	69,106,278	70,587,887	72,131,465
BALANCE FORWARD	212,594				
FEDERAL FUND	5,976,090	4,508,617	4,433,855	4,508,616	4,435,098
INTERAGENCY TRANSFER	10,995,272	21,733,041	10,717,011	20,969,321	10,721,268
INTERIM FINANCE	1,896,897				
OTHER FUND	3,331,648	1,594,983	1,590,089	944,983	944,886
REVERSIONS					
<b>HHS-DPBH - FACILITY FOR THE MENTAL OFFENDER</b>	10,715,602	11,245,072	11,369,906	11,175,323	11,344,951
GENERAL FUND	8,909,286	8,073,602	9,503,676	8,009,189	9,484,057
OTHER FUND	1,806,316	3,171,470	1,866,230	3,166,134	1,860,894
REVERSIONS					

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<b>TOTAL DIVISION OF PUBLIC AND BEHAVIORAL HEALTH</b>	360,036,824	361,229,297	351,615,767	365,331,534	353,962,651
GENERAL FUND	122,197,947	126,063,422	128,135,687	131,928,962	131,497,750
BALANCE FORWARD	17,386,725	13,415,888	13,217,569	13,079,852	12,781,350
FEDERAL FUND	136,498,783	128,984,890	128,907,717	128,082,093	127,948,397
INTERAGENCY TRANSFER	33,573,586	45,530,870	35,372,126	45,237,677	35,978,560
INTERIM FINANCE	1,896,897				
OTHER FUND	48,482,886	47,234,227	45,982,668	47,002,950	45,756,594
REVERSIONS					
<b>WELFARE AND SUPPORTIVE SERVICES</b>					
<b>HHS-WELFARE - ADMINISTRATION</b>	77,271,072	46,813,650	46,582,480	44,855,436	44,526,248
GENERAL FUND	11,992,232	12,583,570	12,625,097	12,698,831	12,536,394
BALANCE FORWARD	452,100				
FEDERAL FUND	24,557,438	22,545,482	22,588,887	23,214,684	23,113,050
INTERAGENCY TRANSFER	39,843,324	11,208,888	10,892,282	8,460,666	8,396,656
INTERIM FINANCE					
OTHER FUND	425,978	475,710	476,214	481,255	480,148
REVERSIONS					
<b>HHS-WELFARE - TANF</b>	42,827,698	54,264,606	47,151,283	54,929,026	47,785,139
GENERAL FUND	24,607,702	24,607,702	24,607,702	24,607,702	24,607,702
FEDERAL FUND	18,219,996	29,656,904	22,543,581	30,321,324	23,177,437
<b>HHS-WELFARE - ASSISTANCE TO AGED AND BLIND</b>	8,998,285	9,868,567	9,532,136	10,308,148	9,988,730
GENERAL FUND	8,998,285	9,868,567	9,532,136	10,308,148	9,988,730
<b>HHS-WELFARE - FIELD SERVICES</b>	102,514,283	112,921,244	112,140,244	119,203,782	115,887,912
GENERAL FUND	32,154,246	34,479,276	34,271,984	36,484,816	35,496,923
BALANCE FORWARD					
FEDERAL FUND	39,291,173	37,549,564	37,407,162	39,042,936	38,698,754
INTERAGENCY TRANSFER	31,047,006	40,865,526	40,434,317	43,650,311	41,666,487
INTERIM FINANCE					
OTHER FUND	21,858	26,878	26,781	25,719	25,748
REVERSIONS					
<b>HHS-WELFARE - CHILD SUPPORT ENFORCEMENT PROGRAM</b>	20,304,608	17,987,064	17,981,172	18,095,547	18,248,893
GENERAL FUND				100,000	100,000
BALANCE FORWARD	3,256,733	3,424,654	3,424,654	2,790,931	2,819,823
FEDERAL FUND	10,751,927	9,219,295	9,572,865	9,695,104	10,259,594
OTHER FUND	6,295,948	5,343,115	4,983,653	5,509,512	5,069,476
<b>HHS-WELFARE - CHILD SUPPORT FEDERAL REIMBURSEMENT</b>	41,032,899	25,925,350	25,925,350	27,247,823	27,247,823
BALANCE FORWARD	217,147	217,145	217,145	256,685	256,685
FEDERAL FUND	40,796,573	25,667,593	25,667,593	26,950,527	26,950,527
OTHER FUND	19,179	40,612	40,612	40,611	40,611
<b>HHS-WELFARE - CHILD ASSISTANCE AND DEVELOPMENT</b>	37,441,349	37,995,287	37,993,427	39,043,043	39,042,820
GENERAL FUND	4,583,446	2,580,421	2,580,421	2,580,421	2,580,421
FEDERAL FUND	32,857,903	35,414,866	35,413,006	36,462,622	36,462,399
INTERIM FINANCE					

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<b>HHS-WELFARE - ENERGY ASSISTANCE PROGRAM</b>	20,150,924	23,636,558	23,632,584	24,547,215	24,551,473
FEDERAL FUND	11,104,095	12,301,112	12,300,210	12,723,092	12,723,734
OTHER FUND	9,046,829	11,335,446	11,332,374	11,824,123	11,827,739
<b>TOTAL WELFARE AND SUPPORTIVE SERVICES</b>	350,541,118	329,412,326	320,938,676	338,230,020	327,279,038
GENERAL FUND	82,335,911	84,119,536	83,617,340	86,779,918	85,310,170
BALANCE FORWARD	3,925,980	3,641,799	3,641,799	3,047,616	3,076,508
FEDERAL FUND	177,579,105	172,354,816	165,493,304	178,410,289	171,385,495
INTERAGENCY TRANSFER	70,890,330	52,074,414	51,326,599	52,110,977	50,063,143
INTERIM FINANCE					
OTHER FUND	15,809,792	17,221,761	16,859,634	17,881,220	17,443,722
REVERSIONS					
<b>CHILD AND FAMILY SERVICES</b>					
<b>HHS-DCFS - CHILDREN, YOUTH &amp; FAMILY ADMINISTRATION</b>	17,325,127	19,611,673	19,588,087	19,699,274	19,710,705
GENERAL FUND	5,473,059	5,513,972	5,484,514	5,597,352	5,601,438
BALANCE FORWARD	36,360	36,360	36,360	36,360	36,360
FEDERAL FUND	10,743,403	12,906,265	12,912,127	12,900,077	12,907,412
INTERAGENCY TRANSFER	1,024,805	1,115,076	1,115,086	1,125,485	1,125,495
OTHER FUND	47,500	40,000	40,000	40,000	40,000
REVERSIONS					
<b>HHS-DCFS - VICTIMS OF DOMESTIC VIOLENCE</b>	3,479,385	3,297,177	3,297,177	3,205,742	3,205,742
BALANCE FORWARD	213,647	555,710	555,710	462,740	462,740
OTHER FUND	3,265,738	2,741,467	2,741,467	2,743,002	2,743,002
<b>HHS-DCFS - UNITY/SACWIS</b>	5,761,288	6,094,218	6,032,029	6,238,479	6,050,097
GENERAL FUND	3,017,550	3,287,771	3,254,204	3,369,795	3,266,589
BALANCE FORWARD					
FEDERAL FUND	2,468,416	2,441,601	2,414,182	2,497,753	2,415,487
INTERAGENCY TRANSFER	275,322	364,846	363,643	370,931	368,021
INTERIM FINANCE					
<b>HHS-DCFS - WASHOE COUNTY CHILD WELFARE</b>	32,362,434	31,509,305	30,736,608	33,667,177	32,076,303
GENERAL FUND	15,786,606	16,614,915	16,089,976	18,002,923	16,912,711
FEDERAL FUND	15,609,322	14,238,238	13,990,480	15,008,102	14,507,440
INTERAGENCY TRANSFER	966,506	656,152	656,152	656,152	656,152
<b>HHS-DCFS - CLARK COUNTY CHILD WELFARE</b>	91,998,324	94,928,074	95,145,264	99,083,886	98,965,557
GENERAL FUND	46,832,959	48,288,059	48,382,529	50,920,626	50,872,359
FEDERAL FUND	41,400,899	44,680,936	44,803,656	46,204,181	46,134,119
INTERAGENCY TRANSFER	3,764,466	1,959,079	1,959,079	1,959,079	1,959,079

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<b>HHS-DCFS - RURAL CHILD WELFARE</b>	21,999,852	20,216,476	19,752,355	21,094,406	20,413,040
GENERAL FUND	7,079,415	7,111,275	6,680,123	7,781,449	7,071,517
BALANCE FORWARD	207,444	207,444	207,444	260,992	260,992
FEDERAL FUND	10,396,009	7,385,399	7,356,399	7,481,905	7,509,996
INTERAGENCY TRANSFER	1,938,205	2,154,535	1,907,245	2,212,237	1,969,391
OTHER FUND	2,378,779	3,357,823	3,601,144	3,357,823	3,601,144
REVERSIONS					
<b>HHS-DCFS - CHILD WELFARE TRUST</b>	297,425	311,614	311,614	311,614	311,614
BALANCE FORWARD	43,828	43,828	43,828	43,828	43,828
OTHER FUND	253,597	267,786	267,786	267,786	267,786
<b>HHS-DCFS - TRANSITION FROM FOSTER CARE</b>	2,140,836	1,964,363	1,964,363	1,771,543	1,771,543
BALANCE FORWARD	1,149,745	1,037,349	1,037,349	860,628	860,628
OTHER FUND	991,091	927,014	927,014	910,915	910,915
<b>HHS-DCFS - REVIEW OF DEATH OF CHILDREN</b>	396,413	411,058	411,058	426,982	426,982
BALANCE FORWARD	280,493	291,244	291,244	305,889	305,889
OTHER FUND	115,920	119,814	119,814	121,093	121,093
<b>HHS-DCFS - COMMUNITY JUVENILE JUSTICE PROGRAMS</b>	4,509,816	3,816,193	3,804,355	3,686,949	3,664,735
GENERAL FUND	2,349,807	2,531,633	2,520,114	2,442,371	2,420,044
BALANCE FORWARD	155,212	39,982	39,982		
FEDERAL FUND	1,989,133	1,239,237	1,238,918	1,239,237	1,239,350
OTHER FUND	15,664	5,341	5,341	5,341	5,341
<b>HHS-DCFS - YOUTH ALTERNATIVE PLACEMENT</b>	4,191,465	4,191,465	4,191,465	4,191,465	4,191,465
GENERAL FUND	2,184,481	2,184,481	2,184,481	2,184,481	2,184,481
OTHER FUND	2,006,984	2,006,984	2,006,984	2,006,984	2,006,984
<b>HHS-DCFS - JUVENILE CORRECTIONAL FACILITY</b>	4,829,709	5,841,599	7,186,249	5,817,557	7,477,821
GENERAL FUND	4,629,350	5,633,396	7,186,249	5,609,354	7,391,973
INTERAGENCY TRANSFER					85,848
OTHER FUND	200,359	208,203		208,203	
REVERSIONS					
<b>HHS-DCFS - CALIENTE YOUTH CENTER</b>	8,225,684	8,758,418	8,732,599	8,705,824	8,719,300
GENERAL FUND	7,966,295	8,529,639	8,503,820	8,477,045	8,490,521
INTERAGENCY TRANSFER	259,389	228,779	228,779	228,779	228,779
REVERSIONS					
<b>HHS-DCFS - NEVADA YOUTH TRAINING CENTER</b>	7,246,811	7,962,527	7,940,682	7,965,461	7,976,959
GENERAL FUND	6,823,323	7,665,049	7,643,204	7,638,077	7,649,575
BALANCE FORWARD	7,980				
INTERAGENCY TRANSFER	379,908	291,478	291,478	291,184	291,184
OTHER FUND	35,600	6,000	6,000	36,200	36,200
REVERSIONS					

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>HHS-DCFS - YOUTH PAROLE SERVICES</b>	5,711,725	5,983,753	5,949,715	5,963,613	5,960,066
GENERAL FUND	2,834,408	2,876,964	2,859,813	2,862,944	2,861,220
BALANCE FORWARD	616,719				
OTHER FUND	2,260,598	3,106,789	3,089,902	3,100,669	3,098,846
REVERSIONS					
<b>HHS-DCFS - NORTHERN NV CHILD &amp; ADOLESCENT SERVICES</b>	8,521,852	9,146,851	9,101,094	9,457,400	9,357,531
GENERAL FUND	3,201,867	3,383,422	3,365,948	3,677,573	3,584,157
INTERAGENCY TRANSFER	4,536,101	4,989,767	4,961,484	5,006,165	4,999,712
OTHER FUND	783,884	773,662	773,662	773,662	773,662
REVERSIONS					
<b>HHS-DCFS - SOUTHERN NV CHILD &amp; ADOLESCENT SERVICES</b>	26,166,921	27,532,175	27,454,157	27,541,544	27,580,557
GENERAL FUND	9,905,365	10,279,713	10,255,508	10,289,507	10,370,379
INTERAGENCY TRANSFER	13,951,629	14,906,793	14,852,713	14,897,259	14,855,399
OTHER FUND	2,309,927	2,345,669	2,345,936	2,354,778	2,354,779
REVERSIONS					
<b>TOTAL CHILD AND FAMILY SERVICES</b>	245,165,067	251,576,939	251,598,871	258,828,916	257,860,017
GENERAL FUND	118,084,485	123,900,289	124,410,483	128,853,497	128,676,964
BALANCE FORWARD	2,711,428	2,211,917	2,211,917	1,970,437	1,970,437
FEDERAL FUND	82,607,182	82,891,676	82,715,762	85,331,255	84,713,804
INTERAGENCY TRANSFER	27,096,331	26,666,505	26,335,659	26,747,271	26,539,060
INTERIM FINANCE					
OTHER FUND	14,665,641	15,906,552	15,925,050	15,926,456	15,959,752
REVERSIONS					
<b>EMPLOYMENT, TRAINING AND REHABILITATION</b>					
<b>DETR - ADMINISTRATION</b>	6,151,533	5,783,454	5,665,016	5,651,952	5,654,686
BALANCE FORWARD	450,293	450,293	450,293	450,292	450,292
INTERAGENCY TRANSFER	5,701,240	5,333,161	5,214,723	5,201,660	5,204,394
<b>DETR - INFORMATION DEVELOPMENT AND PROCESSING</b>	12,900,993	11,772,071	11,561,523	12,103,268	12,042,321
BALANCE FORWARD	667,318	467,318	467,318	467,321	467,321
INTERAGENCY TRANSFER	12,233,675	11,304,753	11,094,205	11,635,947	11,575,000
<b>DETR - RESEARCH &amp; ANALYSIS</b>	2,915,662	3,145,867	3,133,378	3,171,862	3,177,868
BALANCE FORWARD	248,521	298,980	298,980	298,982	298,982
FEDERAL FUND	1,342,605	1,277,037	1,267,692	1,298,090	1,300,773
INTERAGENCY TRANSFER	1,324,536	1,569,850	1,566,706	1,574,790	1,578,113
<b>DETR - EQUAL RIGHTS COMMISSION</b>	1,415,237	1,539,552	1,541,972	1,613,216	1,624,148
GENERAL FUND	995,137	1,097,159	1,099,421	1,170,448	1,181,051
FEDERAL FUND	418,900	441,193	441,351	441,568	441,897
OTHER FUND	1,200	1,200	1,200	1,200	1,200
REVERSIONS					
<b>DETR-NEVADA P20 WORKFORCE REPORTING</b>		1,190,164	1,148,565	1,171,427	1,126,355
GENERAL FUND		1,190,164	1,148,565	1,171,427	1,126,355



**Nevada Legislative Counsel Bureau**  
**Summary of Appropriations and Authorizations**  
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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>DETR - REHABILITATION ADMINISTRATION</b>	1,438,916	1,399,645	1,396,719	1,418,921	1,420,589
BALANCE FORWARD	248,546	285,920	285,920	285,918	285,918
INTERAGENCY TRANSFER	1,161,324	1,091,453	1,088,555	1,110,616	1,112,276
OTHER FUND	29,046	22,272	22,244	22,387	22,395
<b>DETR - DISABILITY ADJUDICATION</b>	16,982,500	18,076,059	18,012,708	18,317,374	18,327,098
FEDERAL FUND	16,982,500	18,076,059	18,012,708	18,317,374	18,327,098
<b>DETR - VOCATIONAL REHABILITATION</b>	17,678,453	17,755,195	17,800,256	18,011,747	18,163,684
GENERAL FUND	2,218,196	2,626,572	2,611,757	2,680,269	2,683,546
BALANCE FORWARD	21	6,658	6,658	6,658	6,658
FEDERAL FUND	15,345,886	15,107,311	15,167,206	15,310,191	15,458,857
INTERAGENCY TRANSFER	114,350	14,654	14,635	14,629	14,623
REVERSIONS					
<b>DETR - SERVICES TO THE BLIND &amp; VISUALLY IMPAIRED</b>	4,293,032	4,181,725	4,158,939	4,240,391	4,246,329
GENERAL FUND	616,310	662,157	651,057	672,319	676,030
FEDERAL FUND	3,676,722	3,519,568	3,507,882	3,568,072	3,570,299
REVERSIONS					
<b>DETR - BLIND BUSINESS ENTERPRISE PROGRAM</b>	5,644,287	5,622,218	5,622,218	5,568,126	5,582,373
BALANCE FORWARD	4,158,481	4,257,742	4,257,742	4,203,650	4,217,897
FEDERAL FUND					
OTHER FUND	1,485,806	1,364,476	1,364,476	1,364,476	1,364,476
<b>DETR - EMPLOYMENT SECURITY</b>	107,969,800	88,398,825	88,301,133	86,013,854	86,587,837
BALANCE FORWARD	10,023,081	4,806,801	4,806,801	3,182,321	3,097,202
FEDERAL FUND	81,803,328	69,013,810	68,289,644	68,152,344	68,031,553
INTERAGENCY TRANSFER	2,041,224	1,393,113	1,406,430	1,289,021	1,324,741
OTHER FUND	14,102,167	13,185,101	13,798,258	13,390,168	14,134,341
<b>DETR - EMPLOYMENT SECURITY - SPECIAL FUND</b>	11,622,345	3,063,239	11,063,239	2,648,610	2,638,406
BALANCE FORWARD	3,177,591	1,552,282	1,552,282	1,287,653	1,277,449
FEDERAL FUND	7,044,663	150,000	8,150,000		
INTERAGENCY TRANSFER					
OTHER FUND	1,400,091	1,360,957	1,360,957	1,360,957	1,360,957
<b>TOTAL EMPLOYMENT, TRAINING AND REHABILITATION</b>	189,012,758	161,928,014	169,405,666	159,930,748	160,591,694
GENERAL FUND	3,829,643	5,576,052	5,510,800	5,694,463	5,666,982
BALANCE FORWARD	18,973,852	12,125,994	12,125,994	10,182,795	10,101,719
FEDERAL FUND	126,614,604	107,584,978	114,836,483	107,087,639	107,130,477
INTERAGENCY TRANSFER	22,576,349	20,706,984	20,385,254	20,826,663	20,809,147
OTHER FUND	17,018,310	15,934,006	16,547,135	16,139,188	16,883,369
REVERSIONS					

**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
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	<b>2014-2015 Work Program</b>	<b>2015-2016 GOVERNOR RECOMMENDS</b>	<b>2015-2016 LEGISLATIVELY APPROVED</b>	<b>2016-2017 GOVERNOR RECOMMENDS</b>	<b>2016-2017 LEGISLATIVELY APPROVED</b>
<b>HUMAN SERVICES</b>					
GENERAL FUND	1,054,158,399	1,048,476,426	1,044,884,014	1,141,825,952	1,126,661,087
BALANCE FORWARD	81,595,506	62,268,662	65,054,572	40,768,061	40,395,987
FEDERAL FUND	2,930,759,042	3,000,452,237	3,125,204,976	3,078,910,158	3,135,256,542
INTERAGENCY TRANSFER	450,268,013	441,350,561	449,302,115	429,601,369	434,390,760
INTERIM FINANCE	1,896,897				
OTHER FUND	366,209,131	325,448,381	344,426,495	319,221,571	341,580,623
REVERSIONS					
<b>TOTAL FOR HUMAN SERVICES</b>	<b>4,884,886,988</b>	<b>4,877,996,267</b>	<b>5,028,872,172</b>	<b>5,010,327,111</b>	<b>5,078,284,999</b>
Less: INTER-AGENCY TRANSFER	450,268,013	441,350,561	449,302,115	429,601,369	434,390,760
<b>NET HUMAN SERVICES</b>	<b>4,434,618,975</b>	<b>4,436,645,706</b>	<b>4,579,570,057</b>	<b>4,580,725,742</b>	<b>4,643,894,239</b>



# PUBLIC SAFETY





## **PUBLIC SAFETY**

The Public Safety function includes the Department of Corrections, the Department of Motor Vehicles, the Department of Public Safety, and the Peace Officers' Standards and Training Commission.

The 2015 Legislature approved \$628.8 million in General Fund support for the Public Safety function over the 2015-17 biennium. This represents an 8.6 percent increase compared to General Fund support approved for the 2013-15 biennium. Highway Fund support, as approved by the 2015 Legislature, totaled \$247.5 million for the 2015-17 biennium, a decrease of \$2.9 million, or 1.2 percent, from the Highway Fund support provided for the 2013-15 biennium.

### **PEACE OFFICERS' STANDARDS AND TRAINING COMMISSION**

The Peace Officers' Standards and Training (POST) Commission establishes minimum standards for training and certification of peace officers within the state, ensures that all peace officers meet the standards established, audits other law enforcement academies, certifies and monitors continuing education courses, and conducts basic law enforcement academies. As recommended by the Governor, the Legislature approved administrative court assessments of \$17,030 in FY 2017 for the construction of a training shoot house located at the Stewart facility in Carson City. The Legislature also approved \$24,000 in FY 2016 to purchase 24 computer smart tablets to be used by law enforcement cadets in the classrooms to take instructional notes and complete online quizzes and tests. The 2015 Legislature approved the Governor's recommendation for administrative court assessment revenues totaling \$4.4 million over the 2015-17 biennium, a 5.3 percent increase over the 2013-15 biennium of \$4.1 million. The majority of the increase is attributable to replacement training and computer equipment.

### **DEPARTMENT OF CORRECTIONS**

The 2015 Legislature appropriated \$521.5 million from the General Fund to the Nevada Department of Corrections (NDOC) for the 2015-17 biennium, an increase of approximately \$34.2 million, or 7.0 percent, over the \$487.3 million approved by the 2013 Legislature. This increase primarily results from the addition of 45 new protective service officers throughout the Department of Corrections.

	FY 2014	FY 2015	FY 2016	FY 2017
	Actual	Work Program b. & C.	Legislatively Approved	Legislatively Approved
Total Funding <sup>a.</sup>	\$257,807,040	\$258,455,362	\$265,050,421	\$268,447,151
General Fund Support	\$243,905,327	\$250,580,443	\$259,081,348	\$262,439,212
Average Inmate Population	12,739	12,827	12,890	12,948
Annual Cost per Inmate	\$20,238	\$20,149	\$20,562	\$20,733
Positions (full-time equivalents)	2,744.68	2,746.68	2,807.64	2,807.64
<p>a. Operating budgets only – does not contain proposed revenue authority for the Offenders Store Fund or the Prison Industries Fund.</p> <p>b. The Work Program year contains General Fund revenue adjustments approved by the Interim Finance Committee during the 2013-15 biennium as well as Supplemental Appropriations approved by the 2015 Legislature.</p> <p>c. The inmate population for the FY 2015 Work Program was based on the actual average inmate population reported by the NDOC as of June 30, 2015.</p>				

### **INMATE POPULATION PROJECTIONS**

The NDOC's budget is primarily driven by the projected number of inmates to be housed. The Executive Budget recommended funding for housing an average of 12,816 inmates in FY 2016 and 12,882 in FY 2017. The 2015-17 biennium budget, as approved by the Legislature, provides for housing an average of 12,890 inmates in FY 2016 and 12,948 in FY 2017. From October 2014 to February 2015, there was a slight increase in the inmate population, which was reflected in the legislatively approved inmate population projections compiled by JFA Associates in February 2015. In total, the Legislature approved an increase in inmate-driven operating expenditures of \$356,290 in FY 2016 and \$481,767 in FY 2017, which represent increases of \$129,914 and \$111,712, respectively, over the increases recommended by the Governor.

The department's biennial plan, as provided to the Legislature (Model B2015-49, dated February 26, 2015, based on JFA Associates' February 2015 inmate projection), included information indicating where the inmates are to be housed during the 2015-17 biennium. The following schedule summarizes the plan (based on annual averages), as provided by the department and approved by the Legislature:

**2015-17 Biennium - Nevada Department of Corrections  
Inmate Population Projections**

	EMERGENCY THRESHOLD CAPACITY AS OF 3/1/2015	ACTUAL FY 2014	LEG. APPROVED FY 2015	LEG. APPROVED FY 2016	LEG. APPROVED FY 2017
Southern Nevada Correctional Center (a)	-	-	-	-	-
Warm Springs Correctional Center	566	550	546	550	544
Northern Nevada Correctional Center	1,563	1,403	1,485	1,479	1,491
Nevada State Prison (b)	-	-	-	-	-
Southern Desert Correctional Center	2,232	1,993	2,018	2,060	2,099
Ely State Prison	1,200	1,072	1,087	1,145	1,149
Lovelock Correctional Center	1,631	1,616	1,620	1,616	1,616
High Desert State Prison	3,555	3,411	3,228	3,411	3,404
Florence McClure Women's Correctional Center	915	825	821	857	866
Stewart Conservation Camp (c)	240	345	346	309	311
Pioche Conservation Camp	198	170	149	152	152
Three Lakes Valley Conservation Camp	306	234	241	234	235
Wells Conservation Camp	150	111	116	115	113
Humboldt Conservation Camp	150	120	116	115	115
Ely Conservation Camp	150	121	120	115	115
Jean Conservation Camp	240	160	161	156	157
Silver Springs Conservation Camp (d)	-	-	-	-	-
Carlin Conservation Camp	150	116	127	115	115
Tonopah Conservation Camp	152	144	134	116	117
Northern Nevada Restitution Center	103	86	98	83	86
Casa Grande Transitional Housing	400	262	301	262	263
<b>Total</b>	<b>13,901</b>	<b>12,739</b>	<b>12,714</b>	<b>12,890</b>	<b>12,948</b>
Change			-25	176	58

Assumptions:

- (a) SNCC closed effective June 2008.
- (b) NSP closed effective January 2012.
- (c) SCC operates 71 beds above emergency capacity through the end of the 2015-17 biennium.
- (d) SSCC closed effective July 2008.

## **NEW POSITIONS**

The NDOC commissioned the Association of State Correctional Administrators (ASCA) to conduct a study during the 2013-15 biennium to assess the current staffing levels of the NDOC related to its protective service staff. Based on a review of the NDOC's FY 2013 personnel data, the Governor recommended adding 100 new positions throughout the department to staff its legislatively approved posts. Instead of approving the 100 new positions recommended by the Governor, the Legislature approved General Fund appropriations of \$1.8 million in FY 2016 and \$2.7 million in FY 2017 for 45 new protective service positions to be hired in FY 2016. In addition, the Legislature appropriated General Funds of \$3.1 million in FY 2017 to the Interim Finance Committee Contingency Account to fund up to an additional 55 protective service positions, given the department is able to provide the Interim Finance Committee (IFC) with sufficient justification for the additional positions prior to the commencement of FY 2017.



The Legislature also approved total funding of \$1.8 million in the 2015-17 biennium to support 17.96 new positions, as identified in the table below, which are unrelated to the ASCA's recommendations.

<b>Budget Account</b>	<b>FTE</b>	<b>Positions</b>	<b>Description</b>	<b>Total Position Funding - 2015-17 Biennium</b>
Director's Office	1.00	Caseworker Specialist Supervisor	A new Caseworker Specialist to meet increased workload due to mandates required by the federal Prison Rape Elimination Act (PREA).	\$ 153,257
	1.00	Administrative Assistant	A new Administrative Assistant to meet increased workload due to mandates required by the federal PREA.	\$ 65,181
	1.00	IT Professional	A new IT Professional to conduct in-house upgrades and to build a new offender tracking information system.	\$ 140,478
	1.00	Program Officer	A new Program Officer to respond to public information/records requests and serve as the Records Manager.	\$ 100,986
Prison Medical Care	2.00	Licensed Practical Nurses	Two new Licensed Practical Nurses to oversee the proposed Hospice and Palliative Care Program recommended by the Governor.	\$ 270,552
	1.00	Laboratory Technician	A new Laboratory Technician to assist in blood tests required for incoming and existing inmates at High Desert State Prison.	\$ 73,736
Correctional Programs	1.00	Social Worker	A new Social Worker position at Northern Nevada Correctional Center to provide mental health services for existing inmates that are mentally ill and inmates that will participate in the new Hospice and Palliative Care Program.	\$ 86,916
	2.00	Mental Health Counselor	Two new Mental Health Counselors, one for Lovelock Correctional Center and one for Ely State Prison, to provide evidence-based programming for the general population and psycho-educational programming for maximum custody offenders.	\$ 222,678
	2.00	Program Officer	Two new Program Officers to facilitate re-entry programs and services offered to inmates at Lovelock Correctional Center and High Desert State Prison prior to their release.	\$ 169,417
High Desert State Prison	1.00	Equipment Mechanic	A new Equipment Mechanic to maintain all of the NDOC's department-owned vehicles in Southern Nevada.	\$ 85,560
Southern Desert Correctional Center	1.00	Heat Plant Specialist	A new Heat Plant Specialist to assist in maintaining the institution's steam-heating system.	\$ 97,946
Lovelock Correctional Center	1.00	Administrative Assistant	A new Administrative Assistant in the Law Library to submit inmate case filings to the Attorney General's Office and the federal district court using an electronic filing system.	\$ 93,564
Offenders' Store Fund	1.96	Retail Storekeeper	Upgrade four Retail Storekeeper positions from half-time to full-time to increase the hours of operation for the inmate stores in the Wells, Carlin, Humboldt and Tonopah conservation camps.	\$ 174,990
	1.00	Retail Storekeeper	A new Retail Storekeeper at Ely State Prison to assist inmates with new kiosks for inmates to purchase digital music.	\$ 93,213
<b>TOTAL FTE</b>	<b>17.96</b>		<b>TOTAL FUNDING</b>	<b>\$ 1,828,474</b>

### **SUPPLEMENTAL APPROPRIATIONS**

The Legislature approved supplemental appropriations totaling \$3.6 million for the department, which includes \$2.4 million for personnel expenses and \$1.2 million for shortfalls in revenue transfers for prison medical care.

## **CAPITAL IMPROVEMENTS**

Capital improvements approved by the Legislature for the department total \$28.0 million. A description of the 2015 Capital Improvement Projects (CIP), including the amounts recommended by the Governor and approved by the Legislature, is provided in the following table:

Project Number	Facility	Project Title	Governor Recommended	Legislature Approved
<b>Construction Projects:</b>				
C03	Ely State Prison	Remodel the Administration Building to Provide for the Execution Chamber	\$829,178	\$858,539
<b>Construction Projects Total</b>			<b>\$829,178</b>	<b>\$858,539</b>
<b>Critical Maintenance Projects:</b>				
M01	Ely State Prison	Replace Air Handling Units	\$ 3,290,723	\$ 3,366,821
M02	Southern Desert Correctional Center	Replace Distribution Switchgear and Panelboards	\$ 3,917,178	\$ 4,061,288
M03	Lovelock Correctional Center	Replace Air Handling Units	\$ 2,509,685	\$ 2,578,333
M04	Lovelock Correctional Center	Upgrade Door Control Panels	\$ 3,390,884	\$ 3,515,326
M05	Florence McClure Women's Correctional Center	Replace Rooftop HVAC Units	\$ 1,437,298	\$ 1,489,100
M06	Lovelock Correctional Center	Replace Heat Exchangers	\$ 1,411,456	\$ 1,461,875
M07	Florence McClure Women's Correctional Center	Replace Door Locks	\$ 859,203	\$ 890,194
M08	Southern Desert Correctional Center	Replace Warehouse Freezers and Coolers	\$ 1,533,013	\$ 1,587,483
M09	Stewart Conservation Camp	Replace Boilers and Water Heaters	\$ 935,218	\$ 968,656
M10	Lovelock Correctional Center	Replace Central Warehouse and Culinary Refrigeration Units	\$ 1,337,086	\$ 1,384,816
M12	Northern Nevada Correctional Center	HVAC Systems Renovation	\$ 3,343,020	\$ 3,465,544
M13	Northern Nevada Correctional Center	Replace Central Warehouse Refrigeration Units	\$ 487,648	\$ 504,853
M79*	Southern Desert Correctional Center	Central Plant Renovation	\$ -	\$ 1,245,614
<b>Critical Maintenance Projects Total</b>			<b>\$ 24,452,412</b>	<b>\$ 26,519,903</b>
<b>Planning Projects:</b>				
P01	Northern Nevada Correctional Center	Boiler Plant and Hot Water Distribution Upgrades	\$582,777	\$582,777
<b>Planning Projects Total</b>			<b>\$582,777</b>	<b>\$582,777</b>
<b>NDOC CAPITAL IMPROVEMENT PROJECTS TOTAL</b>			<b>\$ 25,864,367</b>	<b>\$ 27,961,219</b>

\* The 2015 Legislature added project number M79, as a result of savings realized from the elimination of the Governor's recommended Energy Efficiency Program.

## **OTHER FUNDED ENHANCEMENTS**

Other significant enhancements approved by the Legislature for the department include the following:

- General Fund appropriations of \$1.6 million over the 2015-17 biennium for inflationary increases in outside medical expenses, medical supplies, and prosthetics.
- Funding of \$2.4 million (\$2.3 million General Funds) over the 2015-17 biennium for replacement equipment, including vehicles, office equipment, computer hardware, and culinary equipment.
- General Fund appropriations of \$966,678 over the 2015-17 biennium for deferred maintenance projects.

- General Fund appropriations of \$705,024 over the 2015-17 biennium to maintain the mothball status of Nevada State Prison, Southern Nevada Correctional Center, and Silver Springs Conservation Camp.

## **DEPARTMENT OF MOTOR VEHICLES**

The Department of Motor Vehicles (DMV) is a multi-functional agency responsible for ensuring the accurate collection and timely distribution of all Highway Fund revenue, improving traffic safety through licensing and registration, monitoring and intervention programs, assisting the state in meeting federally-mandated air quality standards, ensuring the integrity and privacy of record information, and protecting consumers and businesses against fraud and unfair business practices.

The DMV's revenue authority increased from \$251.2 million, approved by the 2013 Legislature for the 2013-15 biennium, to \$303.2 million for the 2015-17 biennium. The 2015 Legislature approved total Highway Fund appropriations of \$109.9 million for the department over the 2015-17 biennium, which represents a 6.3 percent decrease from the total legislatively approved Highway Fund appropriations of \$117.3 million over the 2013-15 biennium. This decrease in Highway Fund appropriations is related to the redirection of the Governmental Services Tax (GST) Commissions and Penalties revenue in FY 2015, which is discussed in more detail below. General Fund support for the department is minimal, with \$59,797 approved for the 2015-17 biennium.

### **ADMINISTRATION CAP**

Prior to the 2015 Session, *Nevada Revised Statutes* (NRS) 408.235 required the DMV to expend no more than 22.0 percent of the fees collected (excluding gas tax) from the Highway Fund on administration. However, the 2011 Legislature redirected GST Commissions and Penalties revenue in the Field Services and the Motor Carrier budgets to the General Fund for both years of the 2011-13 biennium and replaced the revenue with Highway Fund appropriations. Due to the redirection of these revenue sources, the 2011 Legislature also approved a temporary increase on the use of Highway Fund collections for administration from 22.0 percent to 33.0 percent for the 2011-13 biennium.

For the 2013-15 biennium, the 2013 Legislature approved redirecting GST Commissions and Penalties revenue to the General Fund in FY 2015 only. The 2013 Legislature also approved increasing the administration cap from 22.0 percent to 32.0 percent in FY 2015 only, and replaced the GST Commissions and Penalties revenue with Highway Fund appropriations. This provision sunsets on June 30, 2015.

The 2015 Legislature did not approve the Governor's recommendation to continue the redirection of GST Commissions and Penalties revenue to the General Fund in each year of the 2015-17 biennium and instead approved the DMV retaining this revenue. However, due to increased Highway Fund appropriations needed to fund the department's computer system modernization project (discussed in more detail below), the 2015 Legislature approved Senate Bill 502, which amended NRS 408.235 by temporarily increasing the department's administration cap from 22.0 percent to 27.0 percent during the project's five-year implementation period (FY 2016 through FY 2020).

## **SYSTEM MODERNIZATION**

The Legislature approved total Highway Fund appropriations of \$37.7 million over the 2015-17 biennium to begin the replacement of the department's computer system, which is estimated to cost \$109.4 million over the five-year implementation period. Of the \$37.7 million in total Highway Fund appropriations approved for the system modernization project, the Legislature approved transferring \$11.2 million in FY 2016 and \$14.1 million in FY 2017 to the Interim Finance Committee Contingency Account. These funds may be allocated to the department for vendor costs associated with the customizable off-the-shelf software for the system modernization project, once these costs are determined.

To partially fund the system modernization project, the Legislature also approved Senate Bill 502 that established a new \$1.00 technology fee charged on each transaction performed by the DMV customers for which a fee is charged. This fee is projected to generate revenue of \$9.8 million over the 2015-17 biennium.

The DMV's current computer system, the Combined Automotive Revenue and Registration System (CARRS), was implemented in 1999 and operates on numerous platforms. The department's new integrated computer system will operate on a single platform and provide various benefits, including a faster launch of new products and services, increased transaction efficiencies, reduced backlog of information technology projects, enhanced data security, and disaster recovery capabilities.

## **LICENSE PLATE FACTORY**

The license plate factory is charged with designing, manufacturing, and distributing Nevada's license plates to the DMV Offices, State Assessors Offices, and customers of the department. The 2013 Legislature approved a Highway Fund appropriation of \$3.8 million to construct a new license plate factory on the grounds of the Northern Nevada Correctional Center. The 2013 Legislature required this Highway Fund appropriation to be paid back over five years, with the first payment approved to take place in FY 2015. To support the factory's operation and fund the Highway Fund repayment, the 2013 Legislature also approved a license plate fee of \$3.00 per license plate. During the 2015 Legislative Session, the Governor recommended various changes to the License Plate Factory budget, including terminating the budget's repayment to the Highway Fund for the construction of the license plate factory. In addition, the Governor recommended modifying the budget from a self-funded enterprise fund that retains all unexpended funds from one fiscal year to the next, to a self-funded enterprise fund that reverts reserve balances greater than \$1.0 million to the Highway Fund. The 2015 Legislature did not approve the Governor's recommendations to terminate the Highway Fund repayment for the construction of the license plate factory or to modify the License Plate Factory budget to an enterprise fund that reverts to the Highway Fund.

The Legislature approved increasing the projected license plate fee revenue to cover increased costs at the new license plate factory; however, instead of the \$1.00 increase in the license plate fee recommended by the Governor, the Legislature recommended funding authority equivalent to that of a \$0.50 increase in the license plate fee, from

\$3.00 to \$3.50 per license plate, effective October 1, 2015. The Legislature also approved a new Maintenance Repair Aid position to assist with maintaining the new factory equipment, training factory staff, and supervising the minimum-security inmates utilized by the license plate factory.

The 2015 Legislature also approved Assembly Bill 484, which creates a new eight-year, rolling reissuance of license plates. The rolling reissuance of license plates will require the production and distribution of approximately 700,000 additional license plates per year. To implement this change, the Legislature approved a second production shift for the license plate factory consisting of a Program Officer position, a Driver Warehouse Worker position, a Maintenance Repair Aid position, and 20 minimum-security inmates.

### **DIRECTOR'S OFFICE**

The Director's Office is responsible for the general administration of the DMV and oversees seven divisions, including Administrative Services, Field Services, Central Services, Compliance Enforcement, Motor Carrier, Management Services and Programs, and Motor Vehicles Information Technology (Automation). The Legislature did not approve the Governor's recommendation for three new positions to establish a new Internal Administrative Investigation Unit in the Director's Office to investigate allegations against department employees. However, the Legislature approved Highway Fund appropriations of \$150,251 in each year of the 2015-17 biennium to increase advertising and public awareness of the DMV's services.

### **AUTOMATION**

The Automation budget supports the Motor Vehicle Information Technology (MVIT) Division, which provides data processing, programming, and technical personal computer support for the DMV. The Legislature approved two new Information Technology (IT) Technician positions and the purchase of new server protection software. The two new IT Technician positions will provide desktop support to the DMV staff, while the division's existing IT Technician staff will deploy the new software over the 2015-17 biennium. Due to the limited duration of the software deployment project, the Legislature directed the agency to remove the two new IT Technician positions from its base budget in the 2017-19 biennium.

### **ADMINISTRATIVE SERVICES DIVISION**

The Administrative Services Division provides support services, including fiscal and purchasing services, revenue and bad debt services, and contract management for the department. The Legislature approved expenditure authority of \$6.2 million in each year of the 2015-17 biennium in the Electronic Payments category for merchant and processing fees associated with credit card payments. Due to the variability in these expenditures, the Legislature also approved providing the department with authority to transfer up to \$2.0 million in Highway Fund appropriations in the Electronic Payments category between each fiscal year in the 2015-17 biennium.

## **COMPLIANCE ENFORCEMENT DIVISION**

The Compliance Enforcement Division is the regulatory arm of the DMV and regulates for the Salvage/Wreckers/Body Shops and Emission Control programs. The primary purpose of the Compliance Enforcement Division is to support the activities of division investigators regulating the automobile industry as it relates to the sale or transfer of ownership of vehicles. The Legislature approved Senate Bill 492, which revises the distribution of off-highway vehicle (OHV) registration program revenue and allows the DMV to retain the revenue necessary to administer the program. Senate Bill 492 also requires remaining revenue in excess of \$150,000 to be transferred quarterly to the Nevada Commission on Off-Highway Vehicles. Based on this legislation, the Legislature approved the continued funding of an existing, vacant OHV Compliance Investigator position that will ensure dealer compliance with OHV registration requirements.

## **MOTOR VEHICLE POLLUTION CONTROL**

Through its Motor Vehicle Pollution Control budget, the Compliance Enforcement Division is responsible for ensuring compliance with NRS and *Nevada Administrative Code* as they relate to vehicle emission standards in counties whose population equals or exceeds 100,000 (Clark and Washoe counties). The Legislature approved reserve reductions of \$65,327 in FY 2016 and \$198,338 in FY 2017 for moving costs and bond service payments associated with the Motor Vehicle Pollution Control budget's share of the legislatively approved capital improvement project that will replace the existing Sahara DMV field office with a new facility. The Legislature approved \$23.0 million in 20-year general obligation bonds to construct the new Sahara DMV field office. Debt service for the bonds will be paid utilizing Highway Funds (87.5 percent) and fee revenue from the Motor Vehicle Pollution Control budget (12.5 percent). The legislatively approved distribution reflects each program's share of the square footage in the new Sahara DMV field office.

## **FIELD SERVICES DIVISION**

The Field Services Division is responsible for the direct customer service operations of the driver's licensing and vehicle registration functions. The Legislature approved 54 new DMV Services Technician positions and 5 new DMV Services Supervisor positions for the 5 major metropolitan field offices, which include the Decatur, Flamingo, Henderson, and Sahara offices located in Southern Nevada and the Reno-Galletti office in Northern Nevada. The Legislature approved these new positions in response to increasing customer volume (1.4 million total customers were served in these 5 offices in the first 9 months of FY 2014 and 1.6 million customers were served in the first 9 months of FY 2015), and increasing average customer wait times (average wait times increased from 54 minutes in the first 9 months of FY 2014 to 105 minutes in the first 9 months of FY 2015). The new positions, with approved start dates of July 1, 2015, will allow the department to fully staff all the windows and customer support positions at the 5 major metropolitan field offices. In addition, the Legislature approved 14 new DMV Services Technician positions and 2 DMV Services Supervisor positions for the 5 major metropolitan DMV field offices to allow the department to cover vacant positions. Based

on the additional staff, the department projects customer wait times will be 69 minutes in FY 2016 and decrease to 50 minutes in FY 2017.

The Legislature also approved Highway Fund appropriations of \$150,000 in FY 2016 and \$100,000 in FY 2017 for software and equipment enhancements for the Dash Pass customer queuing system. However, the Legislature placed this funding in reserve and directed the department to seek authority from the IFC to utilize these funds once the costs of the Dash Pass system upgrade could be fully justified.

### **MANAGEMENT SERVICES DIVISION**

The Management Services Division is responsible for the development of the DMV policies and procedures, regulations, draft legislation, training surveys, forms, and requests for proposal. The Legislature approved a new Management Analyst position for the division's Driver Program Team, which is tasked with issues related to driver's licenses, identification cards, and driver authorization cards. The new position will perform research, monitor legislation and federal mandates, manage projects, and administer federal grants.

### **DEPARTMENT OF PUBLIC SAFETY**

The Department of Public Safety (DPS) consists of the Director's Office; Nevada Highway Patrol; the Divisions of Parole and Probation, Investigations, Emergency Management, and General Services; the Fire Marshal; Capitol Police; the Office of Traffic Safety; the Office of Criminal Justice Assistance; and the Parole Board.

For the 2015-17 biennium, total funding approved for the department is \$432.3 million, which is 5.6 percent more than the amount approved for the 2013-15 biennium. The General Fund support for the department totals \$107.2 million, which is a 16.9 percent increase from the amount approved for the 2013-15 biennium. The Highway Fund support for the department totals \$137.5 million, which is a 3.4 percent increase from the amount approved for the 2013-15 biennium. The majority of the increase is attributed to the continued funding for the Nevada Criminal Justice Information System (NCJIS) Modernization Project, which was started during the 2013-15 biennium.

### **NEVADA HIGHWAY PATROL**

The Nevada Highway Patrol enforces traffic laws of the state, investigates traffic accidents, and enforces and regulates motor carriers transporting cargo and hazardous materials. Total State Highway Funds appropriated for the Highway Patrol is \$65.9 million in FY 2016 and \$68.3 million in FY 2017.

The Legislature approved the continuation of the Nevada Highway Patrol's Mobile Data Computer project through the 2015-17 biennium. Mobile Data Computers allow officers to access data in their patrol vehicles, including computer aided dispatch service and records management, reflecting a total cost of \$2.8 million over the biennium. Project funding is split between transfers from the Nevada Department of Transportation

(NDOT) and DPS forfeitures through FY 2017. The transfer from NDOT consists of 95.0 percent federal transportation funds and 5.0 percent state funds. The Legislature also approved Highway Funds totaling \$1.4 million over the 2015-17 biennium for replacement equipment.

As recommended by the Governor, the Legislature approved a Highway Fund one-shot appropriation of \$8.0 million to replace 156 patrol vehicles statewide and support the addition of a 7-unit motorcycle squad in Southern Nevada pursuant to Senate Bill 467.

### **DIVISION OF PAROLE AND PROBATION**

The Division of Parole and Probation (P&P) monitors and enforces compliance with the conditions of offenders' community supervision, assists offenders in successfully reintegrating into society, and ensures that objective sentencing information and recommendations are submitted to the district courts of Nevada. General Fund appropriations approved for the 2015-17 biennium total \$82.5 million, an increase of 17.2 percent compared to General Fund appropriations approved for the 2013-15 biennium of \$70.4 million. The increased funding primarily addresses increased staffing needs, as discussed below.

Based on caseload projections and staffing ratios, the Legislature approved the Governor's recommendation to add 27 sworn positions and 3 non-sworn positions in various command areas throughout the state. The majority of the positions were approved for General Supervision of offenders and the Intensive Supervision Unit (ISU) in the Southern Command.

Agency testimony during the 2015 Legislative Session indicated a new Low-Risk Supervision (LRS) Unit was established to temporarily address the department's vacancy issues. The LRS Unit supervises low-risk offenders who have continually complied with their probation requirements and require minimum supervision, and replaces the use of administrative banks used in previous biennia.

The Legislature approved to retain, as permanent positions, the 21 temporary P&P Specialist positions recommended for elimination by the Governor, and did not approve the Governor's recommendation to add 12 new P&P Specialist positions, resulting in a net increase of 9 additional permanent P&P Specialist positions over the 2015-17 biennium when compared to The Executive Budget. The 21 temporary positions were approved by the IFC on February 6, 2014, to address the backlog of Pre-Sentence Investigation (PSI) reports that occurred during the 2013-14 Interim and comply with the progressive timeline for completing PSI reports set forth in Assembly Bill 423 (2013). The Legislature determined that retaining the 21 P&P Specialist positions was necessary due to increased caseloads, changes in the sentencing schedule by the Southern Nevada courts, and to reduce overtime.

The Legislature approved Assembly Bill 11, which reduced the time required to complete PSIs from 21 working days before the sentence date to 14 calendar days, due to testimony during the 2015 Legislative Session that indicated the agency could not meet the 21 working day requirement of Assembly Bill 423 (2013).



The Legislature approved the Governor's recommendation to add five P&P Specialist positions for the Fugitive Apprehension Unit, Pre-Release Program, and Post-conviction Investigations, in accordance with caseload projections, and a Polygraph Examiner position to conduct annual polygraph examinations on sex offenders, which had previously been conducted by the Nevada Division of Investigations.

The Legislature concurred with the Governor's recommendation to use General Fund appropriations of \$1.7 million over the biennium to replace the Offender Tracking and Information System (OTIS) case management software used by the P&P for risk and needs assessments of offenders and to develop strategies for case supervision. The OTIS technology investment request (TIR) is a necessary component of the comprehensive NCJIS Modernization Project.

The agency indicated it will maintain the legislatively approved supervision ratios based on the approved staffing and caseload adjustments as follows:

Ratio	Type
64:1	Pre-sentence Investigation / Supplemental PSI / Bootcamp Letters
80:1 <sup>1</sup>	General Supervision
30:1	Intensive Supervision and Residential Confinement
45:1	Sex Offenders
250:1	Central District/Headquarters <sup>2</sup>
75:1	Miscellaneous <sup>3</sup>
<sup>1</sup> General Supervision ratio was increased from 70:1 by the 2011 Legislature	
<sup>2</sup> Central District/Headquarters includes Pre-Release, Fugitive Apprehension and Interstate Compact cases	
<sup>3</sup> Miscellaneous includes Probable Cause Investigations	

## **DIVISION OF INVESTIGATIONS**

The Division of Investigations provides criminal and controlled substance investigative services to the state, county, and local law enforcement agencies on request. The division also provides assistance in internal affairs investigations. The Legislature approved General Funds of \$11.7 million over the 2015-17 biennium, a 2.7 percent increase from the \$11.4 million approved for the 2013-15 biennium. The Legislature also approved \$778,885 in Highway Fund appropriations over the 2015-17 biennium.

The 2015 Legislature approved the Governor's recommendation to eliminate an Administrative Assistant, resulting in a reduction of \$91,972 in General Fund appropriations over the 2015-17 biennium. The agency indicated it has been able to absorb the duties previously performed by this vacant position through increased efficiencies in both its records management system and the distribution of workload to other Administrative Assistants.

## **GENERAL SERVICES DIVISION**

The 2013 Legislature approved the creation of the General Services Division, which includes a Dispatch Bureau and a Records Bureau. The functions of these bureaus were previously performed by the Nevada Highway Patrol and the Records and Technology Division, which was eliminated. The Dispatch Bureau provides centralized dispatch and warrant services to other DPS divisions and state agencies. The Records Bureau administers the NCJIS and is the repository for criminal history record information and crime statistics. The repository includes the Uniform Crime Reporting program, the Point-of-Sale Firearms Program (Brady), the Nevada Domestic Violence Protection Order Registry, the Nevada Sex Offender Registry, and the Civil Name Check Program.

The Dispatch Bureau is supported by cost allocation reimbursements and the Records Bureau is supported by fees for services and court assessments. The 2015 Legislature approved funding for the division totaling \$65.7 million (\$2.4 million General Fund appropriations) over the 2015-17 biennium, a 37.0 percent increase from the 2013-15 legislatively approved funding of \$48.0 million.

The Legislature approved the Governor's recommendation to add 2 Program Officer positions and 1 Administrative Assistant position to the Sex Offender Registry; add 1 Administrative Assistant position to the Civil Name Check program; and add 2 IT Professional positions. The Legislature also approved 20 temporary contract positions, 10 more than recommended by the Governor, to continue work on the court dispositions backlog, funded by federal grant funds and agency reserves. Lastly, the Legislature approved General Fund appropriations of \$2.4 million over the 2015-17 biennium for phase 2 of the 6-year plan to modernize the NCJIS, which serves as Nevada's repository for criminal history information.

## **CAPITOL POLICE**

The Capitol Police provide for the safety of state employees, constitutional officers, state building properties, and the general public on state property twenty-four hours per day, seven days a week. To address retention issues for the Capitol Police, the Legislature approved the Governor's recommendation to eliminate four DPS Officer positions and replace those positions with three armed contract security officers to monitor the Grant Sawyer building in Las Vegas and the Capitol in Carson City after normal working hours. The contract security officers will also monitor the Attorney General's Office in Carson City where peace officer duties are not required.

## **PAROLE BOARD**

The Parole Board (Board), consisting of six members and a chairman, conducts inmate parole hearings and revocation hearings for persons accused of violating parole. To assist the Board in meeting hearing requirements, NRS 213.133 permits the Board to appoint and utilize hearing representatives who hear, consider, and act upon applications subject to final approval of a majority of the Board members.

The Parole Board is supported entirely by the General Fund. The Legislature approved total funding of \$5.4 million over the 2015-17 biennium, including General Fund appropriations of \$169,239 over the biennium to restore one Management Analyst position for the Sex Offender Program and a General Fund appropriation of \$101,395 in FY 2016 to modify the Parole Board modules in the Nevada Offender Tracking Information System.

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>PUBLIC SAFETY</b>					
<b>PEACE OFFICERS STANDARDS &amp; TRAINING</b>					
<b>PEACE OFFICERS STANDARDS &amp; TRAINING COMMISSION</b>	2,240,032	2,390,338	2,390,338	2,408,628	2,414,983
BALANCE FORWARD	202,649	164,519	164,519	217,842	224,197
INTERAGENCY TRANSFER					
OTHER FUND	2,037,383	2,225,819	2,225,819	2,190,786	2,190,786
<b>TOTAL PEACE OFFICERS STANDARDS &amp; TRAINING</b>	2,240,032	2,390,338	2,390,338	2,408,628	2,414,983
BALANCE FORWARD	202,649	164,519	164,519	217,842	224,197
INTERAGENCY TRANSFER					
OTHER FUND	2,037,383	2,225,819	2,225,819	2,190,786	2,190,786
<b>DEPARTMENT OF CORRECTIONS</b>					
<b>NDOC - DIRECTOR'S OFFICE</b>	20,581,632	21,767,829	22,028,875	21,686,118	22,140,460
GENERAL FUND	18,474,416	19,873,858	20,134,904	19,792,489	20,246,831
BALANCE FORWARD	160,362				
FEDERAL FUND	1,324,357	1,310,553	1,310,553	1,310,553	1,310,553
INTERAGENCY TRANSFER	555,704	534,493	534,493	534,151	534,151
INTERIM FINANCE					
OTHER FUND	66,793	48,925	48,925	48,925	48,925
<b>NDOC - PRISON MEDICAL CARE</b>	41,708,337	42,534,179	42,523,927	43,075,508	43,179,474
GENERAL FUND	40,200,286	41,280,047	41,262,937	41,830,457	41,913,110
BALANCE FORWARD					
INTERAGENCY TRANSFER	1,386,556	1,186,280	1,193,138	1,177,199	1,198,512
INTERIM FINANCE					
OTHER FUND	121,495	67,852	67,852	67,852	67,852
<b>NDOC - CORRECTIONAL PROGRAMS</b>	7,762,817	8,103,180	8,076,241	8,352,955	8,363,498
GENERAL FUND	6,358,041	7,667,155	7,639,699	7,907,979	7,918,721
BALANCE FORWARD					
INTERAGENCY TRANSFER	602,776	434,925	435,442	443,876	443,677
INTERIM FINANCE					
OTHER FUND	802,000	1,100	1,100	1,100	1,100
<b>NDOC - ELY STATE PRISON</b>	24,850,351	26,278,431	26,054,378	26,970,651	26,480,527
GENERAL FUND	24,786,383	26,223,194	25,999,994	26,915,370	26,426,107
BALANCE FORWARD					
INTERAGENCY TRANSFER	1,511	1,511	1,511	1,511	1,511
INTERIM FINANCE					
OTHER FUND	62,457	53,726	52,873	53,770	52,909
<b>NDOC - HIGH DESERT STATE PRISON</b>	45,020,342	47,958,973	47,894,002	49,689,629	49,059,547
GENERAL FUND	44,907,873	47,871,515	47,805,054	49,601,887	48,970,765
BALANCE FORWARD					
INTERAGENCY TRANSFER	48,545	8,266	8,266	8,266	8,266
INTERIM FINANCE					
OTHER FUND	63,924	79,192	80,682	79,476	80,516

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>NDOC - NORTHERN NEVADA CORRECTIONAL CENTER</b>	26,139,175	27,061,291	27,061,763	28,026,599	27,776,790
GENERAL FUND	26,088,601	26,870,972	26,867,728	27,835,816	27,582,058
BALANCE FORWARD					
INTERAGENCY TRANSFER	-21,080	108,153	108,153	108,153	108,153
INTERIM FINANCE					
OTHER FUND	71,654	82,166	85,882	82,630	86,579
<b>NDOC - NEVADA STATE PRISON</b>	139,874	96,261	96,261	90,261	96,528
GENERAL FUND	122,160	95,311	95,311	89,311	95,578
INTERAGENCY TRANSFER	16,764				
OTHER FUND	950	950	950	950	950
REVERSIONS					
<b>NDOC - SOUTHERN DESERT CORRECTIONAL CENTER</b>	22,135,938	23,071,345	23,021,872	23,825,926	23,604,224
GENERAL FUND	22,068,425	23,008,137	22,958,254	23,762,549	23,539,664
INTERAGENCY TRANSFER	16,420	13,888	13,888	13,888	13,888
OTHER FUND	51,093	49,320	49,730	49,489	50,672
REVERSIONS					
<b>NDOC - LOVELOCK CORRECTIONAL CENTER</b>	22,056,032	23,668,466	23,565,446	24,401,632	24,037,992
GENERAL FUND	21,913,283	23,549,267	23,447,418	24,282,057	23,919,964
INTERAGENCY TRANSFER	60,728	19,262	19,262	19,262	19,262
OTHER FUND	82,021	99,937	98,766	100,313	98,766
REVERSIONS					
<b>NDOC - SOUTHERN NEVADA CORRECTIONAL CENTER</b>	273,336	252,265	251,978	247,779	252,511
GENERAL FUND	273,336	252,265	251,978	247,779	252,511
INTERAGENCY TRANSFER					
REVERSIONS					
<b>NDOC - WARM SPRINGS CORRECTIONAL CENTER</b>	10,110,269	10,614,690	10,565,143	10,913,425	10,746,874
GENERAL FUND	10,091,860	10,605,435	10,556,181	10,904,105	10,738,010
INTERAGENCY TRANSFER	6,852				
OTHER FUND	11,557	9,255	8,962	9,320	8,864
REVERSIONS					
<b>NDOC - FLORENCE MCCLURE WOMENS CORRECTIONAL CENTER</b>	14,931,182	14,620,424	14,600,772	13,470,261	13,357,260
GENERAL FUND	14,771,310	14,336,463	14,312,443	13,183,570	13,066,474
INTERAGENCY TRANSFER	119	5,454	5,454	5,454	5,454
OTHER FUND	159,753	278,507	282,875	281,237	285,332
REVERSIONS					
<b>NDOC - CASA GRANDE TRANSITIONAL HOUSING</b>	4,691,639	4,285,998	4,303,300	4,329,749	4,361,454
GENERAL FUND	3,155,371	3,489,135	3,417,751	3,529,615	3,472,634
INTERAGENCY TRANSFER	49,025	21,938	21,938	21,925	21,925
OTHER FUND	1,487,243	774,925	863,611	778,209	866,895
REVERSIONS					

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>NDOC - NORTHERN NEVADA RESTITUTION CENTER</b>	1,145,996	1,161,949	1,160,715	1,177,603	1,183,384
GENERAL FUND	675,101	686,520	667,468	696,242	672,309
BALANCE FORWARD					
INTERAGENCY TRANSFER					
INTERIM FINANCE					
OTHER FUND	470,895	475,429	493,247	481,361	511,075
REVERSIONS					
<b>NDOC - STEWART CONSERVATION CAMP</b>	1,715,126	1,760,333	1,748,366	1,748,652	1,743,384
GENERAL FUND	1,606,159	1,667,262	1,657,644	1,655,024	1,652,074
INTERAGENCY TRANSFER					
OTHER FUND	108,967	93,071	90,722	93,628	91,310
REVERSIONS					
<b>NDOC - PIOCHE CONSERVATION CAMP</b>	1,581,700	1,701,667	1,721,021	1,699,243	1,665,336
GENERAL FUND	1,570,103	1,688,994	1,706,316	1,686,667	1,650,631
INTERAGENCY TRANSFER					
OTHER FUND	11,597	12,673	14,705	12,576	14,705
REVERSIONS					
<b>NDOC - THREE LAKES VALLEY CONSERVATION CAMP</b>	2,413,628	2,451,700	2,437,511	2,576,925	2,509,122
GENERAL FUND	2,399,988	2,436,265	2,422,586	2,561,298	2,494,133
INTERAGENCY TRANSFER					
OTHER FUND	13,640	15,435	14,925	15,627	14,989
REVERSIONS					
<b>NDOC - WELLS CONSERVATION CAMP</b>	1,208,291	1,293,288	1,294,599	1,312,041	1,253,962
GENERAL FUND	1,198,601	1,284,281	1,285,267	1,302,953	1,244,793
INTERAGENCY TRANSFER					
OTHER FUND	9,690	9,007	9,332	9,088	9,169
REVERSIONS					
<b>NDOC - HUMBOLDT CONSERVATION CAMP</b>	1,257,739	1,284,309	1,285,661	1,331,947	1,276,252
GENERAL FUND	1,244,982	1,273,919	1,274,897	1,321,464	1,265,488
INTERAGENCY TRANSFER					
OTHER FUND	12,757	10,390	10,764	10,483	10,764
REVERSIONS					
<b>NDOC - ELY CONSERVATION CAMP</b>	1,230,581	1,323,343	1,324,636	1,341,306	1,285,526
GENERAL FUND	1,219,330	1,310,929	1,311,775	1,328,780	1,272,665
INTERAGENCY TRANSFER					
OTHER FUND	11,251	12,414	12,861	12,526	12,861
REVERSIONS					
<b>NDOC - JEAN CONSERVATION CAMP</b>	1,511,856	1,522,699	1,520,898	1,551,938	1,556,546
GENERAL FUND	1,501,730	1,515,433	1,513,537	1,544,625	1,549,138
INTERAGENCY TRANSFER					
OTHER FUND	10,126	7,266	7,361	7,313	7,408
REVERSIONS					

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>NDOC - SILVER SPRINGS CONSERVATION CAMP</b>	3,075	3,873	3,873	3,220	3,873
GENERAL FUND	3,075	3,873	3,873	3,220	3,873
INTERAGENCY TRANSFER					
<b>NDOC - CARLIN CONSERVATION CAMP</b>	1,194,460	1,194,063	1,195,400	1,262,073	1,206,212
GENERAL FUND	1,181,050	1,184,689	1,185,688	1,252,615	1,196,500
BALANCE FORWARD					
INTERAGENCY TRANSFER					
INTERIM FINANCE					
OTHER FUND	13,410	9,374	9,712	9,458	9,712
<b>NDOC - TONOPAH CONSERVATION CAMP</b>	1,203,042	1,313,570	1,313,783	1,361,154	1,306,415
GENERAL FUND	1,180,035	1,302,720	1,302,645	1,350,304	1,295,181
BALANCE FORWARD					
INTERAGENCY TRANSFER	8,845				
INTERIM FINANCE					
OTHER FUND	14,162	10,850	11,138	10,850	11,234
<b>NDOC - OFFENDERS' STORE FUND</b>	18,380,571	19,868,073	19,953,832	21,874,634	22,077,587
BALANCE FORWARD	4,410,510	3,834,275	3,834,275	5,764,247	5,890,723
INTERAGENCY TRANSFER	128,681	128,328	128,328	128,328	128,328
OTHER FUND	13,841,380	15,905,470	15,991,229	15,982,059	16,058,536
<b>NDOC - INMATE WELFARE ACCOUNT</b>	5,169,776	3,577,853	3,581,089	3,617,754	3,644,268
BALANCE FORWARD	393,341	391,453	391,453	40,712	40,195
INTERAGENCY TRANSFER	4,237,234	2,653,915	2,654,905	3,047,532	3,067,583
OTHER FUND	539,201	532,485	534,731	529,510	536,490
<b>NDOC - PRISON INDUSTRY</b>	5,522,499	5,857,643	5,857,643	5,883,327	5,888,251
BALANCE FORWARD	819,069	1,075,651	1,075,651	1,084,762	1,089,686
INTERAGENCY TRANSFER	48,000	48,000	48,000	48,000	48,000
OTHER FUND	4,655,430	4,733,992	4,733,992	4,750,565	4,750,565
<b>NDOC - PRISON RANCH</b>	3,231,496	3,540,434	3,540,434	3,695,444	3,696,759
BALANCE FORWARD	584,561	833,043	833,043	988,053	989,368
FEDERAL FUND	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
OTHER FUND	646,935	707,391	707,391	707,391	707,391
<b>TOTAL DEPARTMENT OF CORRECTIONS</b>	287,170,760	298,168,129	297,983,419	305,517,754	303,754,016
GENERAL FUND	246,991,499	259,477,639	259,081,348	264,586,176	262,439,212
BALANCE FORWARD	6,367,843	6,134,422	6,134,422	7,877,774	8,009,972
FEDERAL FUND	3,324,357	3,310,553	3,310,553	3,310,553	3,310,553
INTERAGENCY TRANSFER	7,146,680	5,164,413	5,172,778	5,557,545	5,598,710
INTERIM FINANCE					
OTHER FUND	23,340,381	24,081,102	24,284,318	24,185,706	24,395,569
REVERSIONS					
<b>DEPARTMENT OF MOTOR VEHICLES</b>					
<b>DMV - SYSTEM MODERNIZATION</b>		27,489,684	13,402,722	22,846,929	8,762,305
HIGHWAY FUND		23,489,684	9,402,722	17,046,929	2,962,305
OTHER FUND		4,000,000	4,000,000	5,800,000	5,800,000

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<b>DMV - DIRECTOR'S OFFICE</b>	4,644,020	4,874,980	4,722,548	5,147,605	4,979,187
HIGHWAY FUND	2,732,211	2,927,594	2,778,355	3,067,289	2,904,564
INTERAGENCY TRANSFER	1,911,809	1,947,386	1,944,193	2,080,316	2,074,623
OTHER FUND					
REVERSIONS					
<b>DMV - REAL ID</b>	252,794				
FEDERAL FUND	252,794				
<b>DMV - HEARINGS</b>	1,223,231	1,231,038	1,227,928	1,228,768	1,229,699
HIGHWAY FUND	1,218,942	1,227,688	1,224,578	1,225,418	1,226,349
OTHER FUND	4,289	3,350	3,350	3,350	3,350
REVERSIONS					
<b>DMV - AUTOMATION</b>	10,699,974	10,239,015	10,195,995	9,597,434	9,595,728
BALANCE FORWARD	460,225				
HIGHWAY FUND	5,426,976	5,372,568	5,534,083	5,184,807	5,387,183
INTERAGENCY TRANSFER	3,722,624	4,054,345	4,053,642	3,753,331	3,753,176
INTERIM FINANCE	140,256				
OTHER FUND	949,893	812,102	608,270	659,296	455,369
REVERSIONS					
<b>DMV - ADMINISTRATIVE SERVICES</b>	12,707,203	14,868,191	14,883,164	15,827,903	15,147,907
GENERAL FUND					
HIGHWAY FUND	4,529,700	5,135,674	5,011,810	5,585,205	4,706,300
INTERAGENCY TRANSFER	300,741	304,140	305,301	324,868	305,808
OTHER FUND	7,876,762	9,428,377	9,566,053	9,917,830	10,135,799
REVERSIONS					
<b>DMV - COMPLIANCE ENFORCEMENT</b>	4,761,978	4,987,293	4,950,229	5,093,936	5,100,357
HIGHWAY FUND	4,541,352	4,742,110	4,705,224	4,845,845	4,851,920
INTERAGENCY TRANSFER	50,969	54,534	54,381	56,315	56,360
OTHER FUND	169,657	190,649	190,624	191,776	192,077
REVERSIONS					
<b>DMV - MOTOR VEHICLE POLLUTION CONTROL</b>	11,234,662	11,034,306	11,013,768	11,876,457	11,798,973
BALANCE FORWARD	2,021,276	1,365,596	1,365,596	2,082,053	2,025,374
OTHER FUND	9,213,386	9,668,710	9,648,172	9,794,404	9,773,599
<b>DMV - CENTRAL SERVICES</b>	11,097,738	10,959,402	10,956,768	11,158,194	11,204,510
GENERAL FUND	19,124	18,647	18,647	18,864	18,864
HIGHWAY FUND	6,037,262	5,801,098	5,943,478	5,947,675	6,182,737
INTERAGENCY TRANSFER	3,391,433	3,917,034	3,918,744	3,963,873	3,962,950
OTHER FUND	1,649,919	1,222,623	1,075,899	1,227,782	1,039,959
REVERSIONS					
<b>DMV - LICENSE PLATE FACTORY</b>	4,137,915	5,347,426	5,324,119	8,452,242	8,207,222
BALANCE FORWARD	711,579	1,180,661	1,180,661	1,000,000	1,441,891
HIGHWAY FUND					
OTHER FUND	3,426,336	4,166,765	4,143,458	7,452,242	6,765,331



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<b>DMV - VERIFICATION OF INSURANCE</b>	11,827,775	9,874,847	11,437,279	9,644,226	11,437,279
BALANCE FORWARD	500,000	500,000	500,000	500,000	500,000
INTERAGENCY TRANSFER					
OTHER FUND	11,327,775	9,374,847	10,937,279	9,144,226	10,937,279
REVERSIONS					
<b>DMV - RECORDS SEARCH</b>	7,194,843	8,067,635	8,067,635	8,067,635	8,067,635
BALANCE FORWARD	50,000	50,000	50,000	50,000	50,000
INTERAGENCY TRANSFER	25,370				
OTHER FUND	7,119,473	8,017,635	8,017,635	8,017,635	8,017,635
REVERSIONS					
<b>DMV - FIELD SERVICES</b>	43,022,287	46,684,167	49,073,189	49,359,860	50,239,951
GENERAL FUND	6,819	11,072	11,072	11,214	11,214
FEDERAL FUND	478,078		201,682		30,000
HIGHWAY FUND	42,464,446	46,630,671	20,253,042	49,317,095	20,096,591
OTHER FUND	72,944	42,424	28,607,393	31,551	30,102,146
REVERSIONS					
<b>DMV - MOTOR CARRIER</b>	4,683,867	4,219,411	4,206,665	4,367,684	4,374,075
FEDERAL FUND					
HIGHWAY FUND	3,054,482	2,906,821	1,810,244	3,018,753	1,913,515
INTERAGENCY TRANSFER	47,975				
OTHER FUND	1,581,410	1,312,590	2,396,421	1,348,931	2,460,560
REVERSIONS					
<b>DMV - MANAGEMENT SERVICES</b>	1,884,042	1,920,225	1,915,980	1,662,396	1,664,644
HIGHWAY FUND	1,647,165	1,486,625	1,482,380	1,547,062	1,549,310
INTERAGENCY TRANSFER	236,877	346,000	346,000	115,334	115,334
OTHER FUND		87,600	87,600		
REVERSIONS					
<b>TOTAL DEPARTMENT OF MOTOR VEHICLES</b>	129,372,329	161,797,620	151,377,989	164,331,269	151,809,472
GENERAL FUND	25,943	29,719	29,719	30,078	30,078
BALANCE FORWARD	3,743,080	3,096,257	3,096,257	3,632,053	4,017,265
FEDERAL FUND	730,872		201,682		30,000
HIGHWAY FUND	71,652,536	99,720,533	58,145,916	96,786,078	51,780,774
INTERAGENCY TRANSFER	9,687,798	10,623,439	10,622,261	10,294,037	10,268,251
INTERIM FINANCE	140,256				
OTHER FUND	43,391,844	48,327,672	79,282,154	53,589,023	85,683,104
REVERSIONS					
<b>DEPARTMENT OF PUBLIC SAFETY</b>					
<b>DPS - DIRECTOR'S OFFICE</b>	3,147,681	3,096,383	3,083,818	3,124,635	3,125,953
INTERAGENCY TRANSFER	3,146,931	3,096,383	3,083,818	3,124,635	3,125,953
OTHER FUND	750				
<b>DPS - OFFICE OF PROF RESPONSIBILITY</b>	592,854	774,637	769,526	762,138	760,387
INTERAGENCY TRANSFER	592,854	774,637	769,526	762,138	760,387
<b>DPS - EVIDENCE VAULT</b>	553,940	634,033	634,614	643,125	647,660
INTERAGENCY TRANSFER	553,940	634,033	634,614	643,125	647,660

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<b>DPS - TRAINING DIVISION</b>	1,055,585	1,085,953	1,077,158	1,087,886	1,082,680
GENERAL FUND	267,778	317,294	314,416	316,223	316,089
BALANCE FORWARD					
HIGHWAY FUND	784,425	764,959	759,042	767,963	762,891
OTHER FUND	3,382	3,700	3,700	3,700	3,700
REVERSIONS					
<b>DPS - FORFEITURES - LAW ENFORCEMENT</b>	1,676,103	2,366,940	2,352,874	3,053,181	3,053,156
BALANCE FORWARD	16,340	661,008	661,008	1,375,381	1,375,356
INTERAGENCY TRANSFER		14,066			
OTHER FUND	1,659,763	1,691,866	1,691,866	1,677,800	1,677,800
<b>DPS - HIGHWAY PATROL</b>	73,893,509	72,159,789	70,946,188	71,189,868	71,181,006
GENERAL FUND	37,834	17,834	17,834	17,834	17,834
BALANCE FORWARD	3,830,004	1,464,211	1,464,211	753,282	753,282
HIGHWAY FUND	65,528,163	67,076,547	65,862,946	68,281,766	68,272,904
INTERAGENCY TRANSFER	2,827,902	1,997,469	1,997,469	533,258	533,258
OTHER FUND	1,669,606	1,603,728	1,603,728	1,603,728	1,603,728
REVERSIONS					
<b>DPS - NHP K-9 PROGRAM</b>	35,140	34,804	34,804	20,612	20,612
INTERAGENCY TRANSFER	35,140	34,804	34,804	20,612	20,612
<b>DPS - HIGHWAY SAFETY GRANTS ACCOUNT</b>	1,926,887	1,719,608	1,701,247	1,665,779	1,639,749
FEDERAL FUND	1,926,887	1,719,608	1,701,247	1,665,779	1,639,749
<b>DPS - DIGNITARY PROTECTION</b>	1,077,905	1,162,446	1,085,551	1,172,914	1,099,127
GENERAL FUND	1,077,905	1,162,446	1,085,551	1,172,914	1,099,127
REVERSIONS					
<b>DPS - PAROLE AND PROBATION</b>	43,398,441	47,790,876	48,113,655	49,219,584	49,749,939
GENERAL FUND	35,529,128	40,633,062	40,485,727	41,991,704	42,061,064
INTERAGENCY TRANSFER	139,482				
OTHER FUND	7,729,831	7,157,814	7,627,928	7,227,880	7,688,875
REVERSIONS					
<b>DPS - DIVISION OF INVESTIGATIONS</b>	6,651,605	6,868,187	6,812,680	6,908,261	6,878,192
GENERAL FUND	5,655,063	5,867,579	5,819,252	5,906,225	5,882,293
FEDERAL FUND	34,999	18,500	18,500	18,500	18,500
HIGHWAY FUND	348,139	395,280	388,219	396,724	390,666
INTERAGENCY TRANSFER	482,358	551,649	551,530	551,633	551,554
OTHER FUND	131,046	35,179	35,179	35,179	35,179
REVERSIONS					
<b>DPS - EMERGENCY MANAGEMENT DIVISION</b>	5,892,463	4,999,944	4,849,489	4,357,925	4,339,818
GENERAL FUND	346,606	465,431	372,611	414,443	387,284
BALANCE FORWARD	5,010				
INTERAGENCY TRANSFER	5,488,547	4,533,461	4,475,826	3,942,430	3,951,482
INTERIM FINANCE					
OTHER FUND	52,300	1,052	1,052	1,052	1,052
REVERSIONS					

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<b>DPS - EMERGENCY MANAGEMENT ASSISTANCE GRANTS</b>	38,804,725	17,013,850	17,013,850	16,181,385	16,181,385
BALANCE FORWARD	141,424				
FEDERAL FUND	38,113,316	16,463,850	16,463,850	15,631,385	15,631,385
INTERAGENCY TRANSFER	50,000	50,000	50,000	50,000	50,000
OTHER FUND	499,985	500,000	500,000	500,000	500,000
<b>DPS - STATE EMERGENCY RESPONSE COMMISSION</b>	2,791,954	2,395,820	2,394,400	2,392,332	2,392,729
BALANCE FORWARD	1,404,629	1,172,134	1,172,134	1,127,948	1,127,948
FEDERAL FUND	316,060	137,131	137,131	137,131	137,131
HIGHWAY FUND	225,291	265,459	264,039	276,157	276,554
OTHER FUND	845,974	821,096	821,096	851,096	851,096
REVERSIONS					
<b>DPS - FIRE MARSHAL</b>	2,701,234	2,705,743	2,681,621	2,761,441	2,749,655
GENERAL FUND	523,466	516,897	512,518	556,161	554,019
BALANCE FORWARD	19,780				
FEDERAL FUND	153,753	20,000	20,000	20,000	20,000
INTERAGENCY TRANSFER	335,753	328,141	326,065	336,374	335,361
OTHER FUND	1,668,482	1,840,705	1,823,038	1,848,906	1,840,275
REVERSIONS					
<b>DPS - CIG FIRE SAFE STD &amp; FIREFIGHTER SUPPORT</b>	173,183	236,073	236,073	191,002	191,465
BALANCE FORWARD	156,882	140,363	140,363	167,292	167,755
OTHER FUND	16,301	95,710	95,710	23,710	23,710
<b>DPS - CRIMINAL HISTORY REPOSITORY</b>	24,432,954	23,215,983	23,280,963	25,119,621	24,098,441
GENERAL FUND	100	1,121,682	1,186,856	1,121,987	1,187,191
BALANCE FORWARD	8,918,070	6,261,681	6,261,681	7,825,022	6,738,553
INTERAGENCY TRANSFER	2,103,165	791,573	791,573	798,697	798,697
OTHER FUND	13,411,619	15,041,047	15,040,853	15,373,915	15,374,000
REVERSIONS					
<b>DPS - GENERAL SERVICES</b>	6,362,627	8,832,274	9,205,079	8,798,206	9,078,360
INTERAGENCY TRANSFER	6,349,627	8,812,622	9,185,427	8,778,554	9,058,708
OTHER FUND	13,000	19,652	19,652	19,652	19,652
<b>DPS - CHILD VOLUNTEER BACKGROUND CHECKS TRUST ACCT</b>	15,087	15,087	15,087	15,087	15,087
GENERAL FUND	15,087	15,087	15,087	15,087	15,087
<b>DPS - CAPITOL POLICE</b>	2,589,662	2,772,858	2,668,526	2,729,982	2,716,308
BALANCE FORWARD					
INTERAGENCY TRANSFER	2,589,662	2,772,858	2,668,526	2,729,982	2,716,308
<b>DPS - HIGHWAY SAFETY PLAN &amp; ADMIN</b>	6,276,773	3,416,259	3,403,883	3,409,041	3,405,404
FEDERAL FUND	63,224	65,586	59,899	69,155	63,123
HIGHWAY FUND	182,898	285,031	273,310	280,878	274,494
INTERAGENCY TRANSFER	6,030,651	3,065,642	3,070,674	3,059,008	3,067,787
REVERSIONS					

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<b>DPS - TRAFFIC SAFETY</b>	11,122,528	4,946,426	4,651,420	4,936,574	4,641,362
FEDERAL FUND	9,408,771	4,070,157	4,070,157	4,060,099	4,060,099
INTERAGENCY TRANSFER	1,693,757	876,269	581,263	876,475	581,263
OTHER FUND	20,000				
<b>DPS - MOTORCYCLE SAFETY PROGRAM</b>	784,804	724,405	724,405	705,386	710,218
BALANCE FORWARD	290,214	289,265	289,265	270,246	275,078
INTERAGENCY TRANSFER	46,350				
OTHER FUND	448,240	435,140	435,140	435,140	435,140
<b>DPS - JUSTICE GRANT</b>	523,721	588,575	582,969	585,700	579,576
GENERAL FUND	60,674	66,842	61,978	65,823	60,803
INTERAGENCY TRANSFER	463,047	521,733	520,991	519,877	518,773
<b>DPS - JUSTICE ASSISTANCE ACT</b>	2,506,554	1,217,133	1,217,133	1,217,133	1,217,133
BALANCE FORWARD	28,113	28,113	28,113	28,113	28,113
FEDERAL FUND	1,757,525	671,504	671,504	671,504	671,504
OTHER FUND	720,916	517,516	517,516	517,516	517,516
<b>DPS - JUSTICE ASSIST GRANT TRUST</b>	3,730,026	2,461,820	2,461,820	2,461,820	2,461,820
BALANCE FORWARD	1,494,087				
FEDERAL FUND	2,215,059	2,455,128	2,455,128	2,455,128	2,455,128
OTHER FUND	20,880	6,692	6,692	6,692	6,692
<b>DPS - FUND FOR REENTRY PROGRAMS</b>	6,953	5,000	5,000	5,000	5,000
BALANCE FORWARD	1,453				
OTHER FUND	5,500	5,000	5,000	5,000	5,000
<b>DPS - PAROLE BOARD</b>	2,463,680	2,787,022	2,767,985	2,677,216	2,675,984
GENERAL FUND	2,463,680	2,787,022	2,767,985	2,677,216	2,675,984
BALANCE FORWARD					
INTERIM FINANCE					
REVERSIONS					
<b>DPS - HOMELAND SECURITY</b>	428,274	432,948	428,053	434,927	432,104
GENERAL FUND	176,785	177,336	175,223	177,233	175,978
BALANCE FORWARD					
INTERAGENCY TRANSFER	251,489	255,612	252,830	257,694	256,126
INTERIM FINANCE					
REVERSIONS					
<b>TOTAL DEPARTMENT OF PUBLIC SAFETY</b>	245,616,852	216,460,876	215,199,871	217,827,761	217,130,310
GENERAL FUND	46,154,106	53,148,512	52,815,038	54,432,850	54,432,753
BALANCE FORWARD	16,306,006	10,016,775	10,016,775	11,547,284	10,466,085
FEDERAL FUND	53,989,594	25,621,464	25,597,416	24,728,681	24,696,619
HIGHWAY FUND	67,068,916	68,787,276	67,547,556	70,003,488	69,977,509
INTERAGENCY TRANSFER	33,180,655	29,110,952	28,994,936	26,984,492	26,973,929
INTERIM FINANCE					
OTHER FUND	28,917,575	29,775,897	30,228,150	30,130,966	30,583,415
REVERSIONS					

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<b>PUBLIC SAFETY</b>					
GENERAL FUND	293,171,548	312,655,870	311,926,105	319,049,104	316,902,043
BALANCE FORWARD	26,619,578	19,411,973	19,411,973	23,274,953	22,717,519
FEDERAL FUND	58,044,823	28,932,017	29,109,651	28,039,234	28,037,172
HIGHWAY FUND	138,721,452	168,507,809	125,693,472	166,789,566	121,758,283
INTERAGENCY TRANSFER	50,015,133	44,898,804	44,789,975	42,836,074	42,840,890
INTERIM FINANCE	140,256				
OTHER FUND	97,687,183	104,410,490	136,020,441	110,096,481	142,852,874
REVERSIONS					
<b>TOTAL FOR PUBLIC SAFETY</b>	664,399,973	678,816,963	666,951,617	690,085,412	675,108,781
Less: INTER-AGENCY TRANSFER	50,015,133	44,898,804	44,789,975	42,836,074	42,840,890
<b>NET PUBLIC SAFETY</b>	614,384,840	633,918,159	622,161,642	647,249,338	632,267,891

# INFRASTRUCTURE





## **INFRASTRUCTURE**

The Infrastructure function of state government includes those agencies responsible for capital assets of the state as well as its natural resources. This function includes the Department of Conservation and Natural Resources, the Department of Wildlife, the Department of Transportation, the Tahoe Regional Planning Agency, and the Colorado River Commission. In the 2015-17 biennium, General Fund appropriations for the Infrastructure function total \$62.1 million, which represents an increase of 39.7 percent compared to amounts approved for the 2013-15 biennium.

### **COLORADO RIVER COMMISSION**

The Colorado River Commission (CRC) was created in 1935 and is responsible for acquiring, managing, and protecting Nevada's allocation of hydropower and water resources from the Colorado River (allocated to Nevada by the federal government) for the residents of Nevada. The CRC is governed by seven commissioners – four appointed by the Governor (including the chairman) and three members of the Board of Directors of the Southern Nevada Water Authority (SNWA). The CRC is supported by an administrative charge on the sale of electric power to the CRC's hydropower customers and an administrative charge to the SNWA for water related activity and cost recovery for other power-related activity from non-hydropower customers. Additional revenues are received through the sale of raw water to a number of small water users along the Colorado River and from interest income derived from the investment of funds by the state.

The 2015 Legislature approved the addition of an unclassified Natural Resource Specialist for the Energy Services Group and two unclassified Natural Resource Specialists related to the Hoover Power Allocation Act of 2011, as well as the reclassification of an unclassified Power Division Chief to an unclassified Energy Services Manager. The 2015 Legislature also approved the addition of a dedicated Deputy Attorney General position funded by the CRC in the Office of the Attorney General's budget. The 2015 Legislature did not approve the addition of an unclassified Deputy Director and an unclassified Natural Resource Specialist for the Executive Group or \$50,000 to produce a water conference as recommended by the Governor.

The Research and Development Fund is utilized as a pass-through account for the costs related to the Lower Colorado River Multi-Species Conservation Program (LCRMSCP) to comply with the Endangered Species Act, which is a 50-year program implemented on April 4, 2005, to address the biological needs of mammals, birds, fish, amphibians and reptiles, as well as invertebrates and plants. Nevada has entered into a regional partnership with Arizona, California, and the U.S. Department of the Interior, as well as various non-federal stakeholders and water and hydroelectric power agencies along the lower Colorado River. The partnership is governed by an interstate cost-sharing agreement in which funding commitments for the costs associated with the non-federal portion of the project are covered. Funding for this budget is provided primarily through administrative charges in accordance with the multi-species funding contracts between the CRC and its water and power customers. The 2015 Legislature



approved funding of \$1.1 million each fiscal year of the 2015-17 biennium for the CRC's contribution to support the LCRMSCP.

The Power Delivery System budget accounts for all of the costs associated with the CRC's high-voltage power delivery system for the SNWA water delivery system, which provides for a power transmission system from the Lake Mead substation at Hoover Dam to the SNWA water treatment facility. The 2015 Legislature approved funding of approximately \$33.0 million for each fiscal year of the 2015-17 biennium for the CRC Power Delivery System.

The Power Marketing Fund is used to record purchases and sales of power, debt service related to the Hoover Upgrading Bonds, and operational costs of the Basic Substation project. This fund accounts for all power related activities except those dedicated to the SNWA system and its customers. The 2015 Legislature approved \$62.6 million over the 2015-17 biennium for the CRC Power Marketing Fund compared to funding of 65.3 million approved by the 2013 Legislature for the 2013-15 biennium.

### **TAHOE REGIONAL PLANNING AGENCY**

The Tahoe Regional Planning Agency (TRPA) was jointly created by the states of Nevada and California and the United States Congress through the approval of the Tahoe Regional Planning Compact by all three entities. The TRPA provides a leadership and advocacy role in the regional cooperative efforts to preserve, restore, and enhance Lake Tahoe's unique, natural, and human environments. The TRPA exercises environmental controls over water, land, air, wildlife, and development of the Lake Tahoe region. Pursuant to Article VIII of the Tahoe Regional Planning Compact (*Nevada Revised Statute* [NRS] 277.200), requests for state funds by the TRPA must be apportioned two-thirds from California and one-third from Nevada.

For the 2015-17 biennium, the 2015 Legislature approved General Fund appropriations of \$3.3 million in support of the TRPA, an increase of 50.1 percent when compared to the \$2.2 million of General Fund appropriations approved by the 2013 Legislature for the 2013-15 biennium. Of the total General Fund appropriation, the Legislature approved \$375,000 in each year of the 2015-17 biennium for the Lake Tahoe Aquatic Invasive Species (AIS) Boat Inspection program. The total cost of the Lake Tahoe Boat Inspection Program is approximately \$1.5 million per year, of which \$750,000 is funded with boat inspection fees, split equally between Nevada and California. In prior biennia, federal funding supported the \$750,000 balance to operate the Lake Tahoe AIS Boat Inspection program; however, federal funding is no longer available.

In addition, the 2015 Legislature approved \$345,000 in FY 2016 and \$25,000 in FY 2017 for Nevada's share of costs associated with TRPA's requirement to monitor and report on environmental thresholds in the Lake Tahoe Basin. The TRPA requested the same amounts from California for this purpose. In accordance with the Regional Plan update, adopted on December 12, 2012, a Threshold Evaluation Report is required every four years to provide a progress report on achieving and maintaining over 150 indicators of environmental conditions for the Lake Tahoe region. In total, the Legislature approved state support (General Fund appropriations and transfers from the

DMV Pollution Control account) for the TRPA of \$4.2 million over the 2015-17 biennium, which equals 30.9 percent relative to California's apportionment of \$9.4 million.

## **DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES**

The Department of Conservation and Natural Resources (DCNR) is responsible for ensuring Nevada's natural resources are used, maintained, and preserved in a manner that will best serve the citizens of the state. The department includes the Divisions of Forestry, State Parks, Environmental Protection, State Lands, and Water Resources. The department also includes the Nevada Tahoe Regional Planning Agency (NTRPA), the State Environmental Commission, the Nevada Natural Heritage Program, the Conservation District Program, and the Office of Historic Preservation. For the 2015-17 biennium, total funding approved for the DCNR (not including interagency transfers) is \$219.4 million, which is 13.2 percent more than the \$193.8 million approved for the 2013-15 biennium. The General Fund portion of the department's budget totals \$57.3 million over the 2015-17 biennium, representing an increase of 38.9 percent from the \$41.2 million approved for the 2013-15 biennium.

## **DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES BOND PROGRAM**

The Department of Conservation and Natural Resources administers four resource protection programs that are dependent upon the sale of general obligation bonds. Through the passage of Assembly Bill 491, the 2015 Legislature approved the Governor's recommendation of \$6.5 million in the 2015-17 biennium for the issuance of general obligation bonds for the four DCNR resource protection programs as follows:

1. \$1.0 million was approved for the Commission for Cultural Centers and Historic Preservation, managed by the Office of Historic Preservation, to promote and preserve the state's cultural resources.
2. \$3.0 million was approved for the Conservation and Recreation Bond Program (Question 1). The 17th Special Session of the 2001 Legislature approved Assembly Bill 9. In the November 5, 2002, General Election, voters approved up to \$200 million in general obligation bonds for the purpose of protecting, preserving, and obtaining the benefits of property and natural resources in the state. All bond sales were originally required to be sold by June 30, 2014; however, Senate Bill 489, approved by the 2013 Legislature, extended the time period for issuance of the Question 1 bonds until June 30, 2019. Of the \$3.0 million approved by the Legislature, \$1.0 million is designated for grants managed by the Division of State Lands for the construction of recreational trails and the acquisition of conservation easements; \$1.0 million is designated for the Division of State Parks to support capital improvements and renovations of facilities in state parks; and \$1.0 million is designated for the Department of Wildlife for wildlife habitat and facility improvements.
3. \$1.5 million was approved for the Lake Tahoe Environmental Improvement Program (EIP) managed by State Lands, which funds activities related to the Environmental Improvement Program in the Lake Tahoe Basin, including the continued implementation of forest restoration projects; improvement of recreational facilities;

protection of sensitive species; control of invasive species; and water quality, erosion control, and stream restoration projects.

4. \$1.0 million was approved for the Water Infrastructure Grant Program managed by the Division of Environmental Protection to provide grants to water purveyors to assist with the costs of capital improvements and to fund the cost of improvements to conserve water.

### **OFFICE OF HISTORIC PRESERVATION**

The mandate of the Office of Historic Preservation (Office) is to encourage the preservation, documentation, and use of cultural resources through state and federal programs. Programs include preservation of buildings and archeological sites, grant distribution and management, the national and state registers of historical places, and historical markers. The Office also includes the Comstock Historic District Commission, which issues construction permits, educates the public, and promotes special programs in preservation of the Comstock Historic District.

For the 2015-17 biennium, the Legislature approved total funding of \$2.8 million for the Office and the Comstock Historic District (\$1.2 million General Fund appropriation), representing a 8.7 percent increase in total available funding when compared to the \$2.6 million approved for the 2013-15 biennium. The Legislature approved General Fund appropriations totaling \$52,764 over the 2015-17 biennium for various deferred maintenance projects for the Comstock History Center Office in Virginia City.

### **ADMINISTRATION**

The Director's Office of the DCNR provides administrative, technical, budgetary, and supervisory support to agencies within the department. The Director's Office is funded with General Fund appropriations along with cost allocation revenues and transfers from other agencies. The 2015 Legislature approved the Governor's recommendation of General Fund appropriations totaling \$3.9 million (inclusive of the General Fund appropriations totaling \$3.2 million for the Sagebrush Ecosystem program) over the 2015-17 biennium compared to the \$883,124 of General Fund appropriations approved by the 2013 Legislature for the 2013-15 biennium.

The 2015 Legislature approved the transfer of a Special Advisor position from the Division of State Lands to the Director's Office to be reclassified as a second unclassified Deputy Director position, and to change the funding source for the position, which resulted in an increase of General Fund appropriations totaling \$70,766 and an increase in the Director's Office cost allocation reimbursements totaling \$198,013 over the 2015-17 biennium. In addition, the Legislature approved the restoration of an unclassified Executive Assistant position resulting in a total additional cost of \$77,422 in FY 2016 and \$76,897 in FY 2017. The unclassified Executive Assistant position was eliminated during the recent economic downturn when the department was required to implement mandatory budget reductions.

## **SAGEBRUSH ECOSYSTEM PROGRAM**

For the 2015-17 biennium, the Legislature approved the Governor's recommendation to increase funding for the Sagebrush Ecosystem program and to fully fund the program from the General Fund. In total, General Fund appropriations of \$4.1 million were approved to support the program over the 2015-17 biennium. The non-General Fund sources, which previously provided partial program support, were not sustainable beyond the 2013-15 biennium. The General Fund appropriations continue funding the costs of the six Sagebrush Ecosystem program positions (the Program Manager/Management Analyst in the Administration budget, a Forester position in the Forestry budget, an Environmental Scientist position in the State Lands budget, and three Conservation Specialist positions in the Conservation Districts budget) whose primary duties relate to the Sagebrush Ecosystem program, as well as to fund the Sagebrush Ecosystem Council and associated travel and operating costs to coordinate and maximize Nevada's efforts to address the potential listing of the Greater Sage-Grouse on the federal endangered species list.

Of the \$4.1 million General Fund appropriation, \$2.9 million was approved to establish a Conservation Credit System (CCS) to mitigate the impact of the sagebrush ecosystem and to fund contract services to assist the state with National Environmental Protection Act compliance and permitting issues, as well as contract services for an audit of the CCS. The Legislature further approved the transfer of the Sagebrush Ecosystem Program Manager position of the Sagebrush Ecosystem Technical Team from the State Lands budget to the Administration budget. Lastly, the 2015 Legislature approved the reclassification of 76 Conservation Crew Supervisor positions in the Forestry Conservation Camps budget effective FY 2017. The reclassification of the 76 Conservation Crew Supervisor positions results in a salary increase of approximately 10.0 percent, funded with General Fund appropriations of \$424,083, to assist the division in the retention of existing staff and recruitment of qualified applicants. The Conservation Crew Supervisors supervise inmate crews used to complete project work, including sagebrush habitat restoration projects and fight wildland fires.

## **CONSERVATION DISTRICTS PROGRAM**

The Conservation Districts Program works with Nevada's 28 locally-elected conservation districts in a statewide conservation program. The mission of the program is to train and assist the districts, which work to conserve, improve and sustain the state's renewable natural resources by providing outreach and technical assistance to landowners in partnership with other local, state and federal agencies. The program also provides annual grants to each of the 28 eligible conservation districts and provides support for the State Conservation Commission.

The 2015 Legislature approved General Fund appropriations of \$1.1 million for the 2015-17 biennium compared with the \$599,529 approved for the 2013-15 biennium. The increase is primarily a result of the change in the funding source from other non-General Fund sources to 100.0 percent General Fund support totaling \$310,444 for the 2015-17 biennium for the three Conservation Staff Specialist positions assigned to the Sagebrush Ecosystem program.

As part of the overall General Fund appropriations, the Legislature approved an increase of \$14,000 in each year of the 2015-17 biennium to increase grant awards from \$3,500 to \$4,000 annually to each of the 28 conservation districts. The Legislature also increased General Fund appropriations from \$40,000 to \$75,000 in FY 2017 for the Competitive Grant program approved by the 2013 Legislature, to aid the conservation districts in funding projects for the benefit of the sage grouse habitat.

### **DIVISION OF STATE PARKS**

The Division of State Parks plans, develops, and maintains a system of 23 parks and recreation areas for the use and enjoyment of residents and visitors. The division also preserves areas of scenic, historic, and scientific significance in Nevada. The primary sources of funding for state parks are General Fund appropriations, visitor-user fees, and motor boat fuel taxes. For the 2015-17 biennium, the 2015 Legislature approved General Funds of \$10.1 million, an increase of 38.0 percent when compared to the \$7.3 million approved for the 2013-15 biennium.

The Legislature approved the Governor's recommendation for General Fund appropriations of \$153,449 over the 2015-17 biennium to fund the reclassification of 12 Maintenance Repair Specialist positions and 2 Facility Supervisor positions, resulting in approximately a 10.0 percent increase in salary. The reclassification of the maintenance positions to a higher pay level should assist the division in hiring qualified applicants and addressing retention issues.

The Legislature also approved the Governor's recommendation for General Fund appropriations of \$85,000 for each fiscal year of the 2015-17 biennium to provide matching funds for grants awarded from the Nevada Department of Transportation to the Tahoe Transportation District to continue the seasonal shuttle service to Sand Harbor, Lake Tahoe Nevada State Park, from Incline Village.

To address various deferred maintenance projects with an emphasis on life and safety issues for parks statewide, the Legislature approved the Governor's recommendation for General Fund appropriations totaling \$352,030 over the 2015-17 biennium.

### **DIVISION OF WATER RESOURCES**

The Division of Water Resources conserves, protects, manages, and enhances the water resources of Nevada through appropriation and reallocation of public waters. The division quantifies existing water rights, monitors water usage, distributes water in accordance with court decrees, reviews water availability for new development, reviews the construction and operation of dams, and licenses and regulates well drillers.

For the 2015-17 biennium, the Legislature approved total funding of \$15.3 million, a decrease of 6.0 percent when compared to the \$16.3 million approved by the Legislature for the 2013-15 biennium. Of the total funding, the Legislature approved General Fund appropriations totaling \$4.6 million, a decrease of 23.1 percent when compared to the \$6.0 million approved by the Legislature for the 2013-15 biennium. The decrease of General Fund appropriations from the 2013-15 biennium, compared to

the 2015-17 biennium, is due to the approval by the 2013 Legislature to redirect fee revenues to this budget.

### **DIVISION OF FORESTRY**

The Division of Forestry is responsible for supervising, managing, and coordinating all forestry, watershed, and fire prevention and control work on state and privately-owned lands in Nevada. Additionally, the division provides assistance to county and local fire districts and adopts and enforces fire prevention regulations. Other division programs include cooperative forest management, rural fire protection, resource rehabilitation, and control of insects and diseases in trees. The Legislature approved total funding of \$18.8 million for the Forestry budget for the 2015-17 biennium, an increase of 40.5 percent when compared to the \$13.4 million approved by the Legislature for the 2013-15 biennium. Of the total funding, General Fund appropriations totaled \$12.9 million, an increase of 72.6 percent when compared to the \$7.5 million approved by the Legislature for the 2013-15 biennium.

The Legislature approved three new positions funded with General Fund appropriations of \$484,924 over the 2015-17 biennium. The three new positions, including a Deputy Administrator, a Business Process Manager, and an Equipment.

The Legislature concurred with the Governor's recommendation to replace federal funds totaling \$530,309 representing funding received from the U.S. Forest Service for the salaries and associated operating costs of seasonal firefighters and three Forester positions due to the unavailability of federal funds beyond FY 2016. In addition, General Fund appropriations of \$176,065 were approved to replace funding transferred from the division's Intergovernmental Agreement All-Risk Fire Management Program for administrative support. The final three counties (Eureka, Elko and Clark counties) participating in the NRS 473 fire protection district under the Intergovernmental Agreement All-Risk Fire Management Program during the 2013-15 biennium were phased out effective June 30, 2015.

The Legislature also approved General Fund appropriations of \$113,274 in FY 2016 and \$116,976 in FY 2017 for six seasonal firefighting positions.

### **FOREST FIRE SUPPRESSION**

The Forest Fire Emergency Response program covers expenses necessary for fire protection and forest and watershed management required as a result of fire or other emergencies. In addition, Emergency Response personnel respond to medical emergencies and vehicle accidents in certain rural areas. The program is funded by a combination of General Fund appropriations and reimbursements for firefighting assistance provided on lands outside of the state's jurisdiction. If this budget is depleted, funding is available from the State Board of Examiners' Reserve for the Statutory Contingency Account (NRS 353.264) with additional amounts available from the Interim Finance Committee's Contingency Account (NRS 353.266).

The Legislature approved General Fund appropriations of \$4.0 million and Fire Assistance Grant funds totaling \$2.3 million in FY 2016 to fund prior year fire billings from federal agencies.

### **FORESTRY CONSERVATION CAMPS**

The Forestry Conservation Camp program coordinates and supervises labor-intensive work projects performed by inmates from the Nevada Department of Corrections (NDOC). The inmates reside in the NDOC conservation camps and work on projects that generate revenue for the state, provide free or reduced-cost labor for state and local agencies, and provide fire suppression resources to the Division of Forestry. The program is primarily funded by General Fund appropriations along with federal fire reimbursement funds and project reimbursement revenue.

For the 2015-17 biennium, the Legislature approved total funding of \$19.2 million for the Conservation Camps account, representing an increase of 12.8 percent when compared to the \$17.0 million approved for the 2013-15 biennium. Total General Fund appropriations approved for the Conservation Camps account totals \$11.8 million over the 2015-17 biennium, a 14.6 percent increase from the \$10.3 million approved for the 2013-15 biennium. The Legislature also approved the transfer of two Conservation Crew Supervisor positions to the Forestry account for the Helitak Air Operations Program, with no change in funding source.

The Legislature approved Senate Bill 428, which appropriates General Funds of \$1.8 million to replace nine crew carriers to transport inmate crews used for project work and to fight wildland fires.

### **FORESTRY INTER-GOVERNMENTAL AGREEMENTS**

The All-Risk Fire Management Program provides for public safety and protection of natural resources and property under the terms of cooperative agreements between the Nevada Division of Forestry and various federal, state, and local political subdivisions. Through agreements with local governments, various Nevada counties provide funding for personnel, equipment, and operating expenses to ensure wildfire protection and prevention within the county. The Legislature approved the Governor's recommendation to eliminate the division's remaining wildfire protection agreements with Eureka, Elko and Clark counties. The phase-out of the final 3 counties participating in the Division's Intergovernmental All-Risk Fire Management Program resulted in the elimination of 19 positions, all funded with county assessments. The All-Risk Fire Management Program is replaced with the Wildland Fire Protection program, which was approved by the 2013 Legislature.

### **WILDLAND FIRE PROTECTION PROGRAM**

The Wildland Fire Protection Program (WFPP) was established during the 2013-15 biennium as a voluntary, cooperative arrangement between the Nevada Division of Forestry and local governments. The program was developed to provide a statewide, comprehensive WFPP that will provide aerial and ground fire suppression capabilities, fire prevention planning services, and natural resource health and

restoration expertise. The WFPP is funded through fees paid by participating local jurisdictions.

The Legislature approved General Fund appropriations of \$165,105 in FY 2016 and \$193,870 in FY 2017 to fund one new Pilot position and two new contract seasonal truck drivers for the division's aviation program. The new Pilot position expands the division's aviation capability to provide greater wildland fire protection. With the division's existing staff assigned to air operations, and the newly approved Pilot position, the division will have sufficient staff to fly two helicopters, seven days a week, during fire season. In addition, the 2015 Legislature approved the consolidation of all Air Operations Program costs funded with General Fund appropriations included in the Forestry account where the division's Air Operations Program budget is managed.

### **DIVISION OF STATE LANDS**

The Division of State Lands acquires, holds, and disposes of land and interests in land (except for the Nevada System of Higher Education, the Legislature, and the Department of Transportation); maintains state land records; provides land-use planning services; develops policies and plans for the use of lands under federal management; and coordinates various state programs at Lake Tahoe. Programs at Lake Tahoe are managed by the Nevada Tahoe Resource Team and include the Environmental Improvement Program and the Tahoe Mitigation Program. The division is also responsible for the implementation of the Conservation and Resource Protection Grant program (also known as the Question 1 program).

As recommended by the Governor, the 2015 Legislature approved a change in the funding source for the agency's Nevada Tahoe Resource Team Program Manager from bond interest revenues to 100.0 percent General Fund appropriations totaling \$95,201 beginning in FY 2017. The funding source change is due to the reduced availability of bond interest revenues from the Fund to Protect Lake Tahoe/Tahoe Environmental Improvement Program that currently supports the position.

### **DIVISION OF ENVIRONMENTAL PROTECTION**

The Nevada Division of Environmental Protection (NDEP) implements programs authorized and required by state and federal laws, and enforces regulations adopted by the State Environmental Commission. The division is composed of an Administrative Services Office and nine bureaus: Air Pollution Control, Air Quality Planning, Corrective Actions, Federal Facilities, Mining Regulation and Reclamation, Safe Drinking Water, Waste Management, Water Pollution Control, and Water Quality Planning. The division is supported by federal grants, fees, and interagency transfers.

On February 10, 2015, Nevada received \$950 million as part of an approximate \$1.128 billion settlement to be used for investigation and cleanup of hazardous substances released from the former Kerr-McGee Tronox facility near Henderson, Nevada. The funding must be deposited into the Nevada Environmental Response Trust (NERT), which exists for the sole purpose of administering assets received during the bankruptcy and maximizing use of these assets to address releases of hazardous substances from the former Kerr-McGee Tronox plant site.



The Settlement Agreement named the NDEP, on behalf of Nevada and the U.S. Environmental Protection Agency (EPA), on behalf of the United States, as beneficiaries of NERT. The Settlement Agreement also designated the NDEP as the lead agency to direct and approve environmental work conducted by NERT, including approval of the budget for all expenditures prior to NERT incurring costs. The U.S. EPA, as the non-lead agency, reviews the budget and provides consultation to the NDEP on the budget prior to the NDEP approving the budget.

As recommended by the Governor, the 2015 Legislature approved the creation of a new Bureau of Industrial Site Cleanup within the NDEP to address, among other things, the cleanup of perchlorate and other hazardous substances released from the former Kerr-McGee Tronox site in Southern Nevada. In addition, the Legislature approved a new Industrial Site Cleanup account. Funding in the new Industrial Site Cleanup account will provide for enhanced fiscal, regulatory, and technical oversight of NERT activities related to the investigation and cleanup of contaminant sources and core groundwater contamination areas. The NDEP will also perform field investigations, technology evaluation, cost estimations, engineering analysis, and phased implementation of a set of cleanup options along an approximate 3.5-mile-stretch of the Las Vegas Wash.

The new Bureau of Industrial Site Cleanup budget includes 9 positions in FY 2016 (of which 3 positions are new and 6 are existing positions to be transferred from the Bureau of Waste Management and Corrective Action account) and 3 additional new positions in FY 2017, for a total of 12 positions, to perform the expanded scope of work. Funding in the new Industrial Site Cleanup budget over the 2015-17 biennium comes from Settlement Income from NERT totaling \$7.9 million and the transfer of \$4.4 million from the non-executive Hazardous Waste Management account, which provides funding for oversight and cleanup of contaminated sites, including reimbursements that are received for work completed for the Basic Magnesium Incorporated industrial complex.

## **DEPARTMENT OF WILDLIFE**

The Nevada Department of Wildlife is responsible for protecting, preserving, and managing and restoring wildlife and habitat for aesthetic, scientific, recreational, and economic benefit to residents and visitors. In addition to the Director's Office, the department is composed of seven divisions: Operations, Conservation Education, Law Enforcement, Game Management, Fisheries Management, Diversity, and Habitat. Each division is responsible for program development and administration in the respective program areas statewide. The department is funded from federal grants, licenses and fees, General Fund appropriations, and gifts and donations. General Fund appropriations for the 2015-17 biennium total \$1.4 million, which represents an increase of \$452,998, or 45.8 percent, from the amount approved for the 2013-15 biennium.

The Legislature approved General Fund appropriations totaling \$445,500 over the 2015-17 biennium to address urban wildlife management issues focused on three areas: 1) education and outreach; 2) staff time spent on urban wildlife issues; and 3) equipment and supplies. General Funds were recommended for urban wildlife activities since the use of federal funds is not allowed for these purposes and the use of

Sportsmen Revenue, which has recently been used to fund these activities, would reduce the amount of federal funds the department could receive for other purposes due to the 3:1 matching ratio between federal funds and Sportsmen Revenue.

### **DIRECTOR'S OFFICE**

The Director's Office oversees seven division administrators; provides policy development and implementation; ensures compliance with law; fulfills public record requests; acts as legislative liaison; provides fiscal, business management and human resource support; provides support to the Wildlife Commission and county advisory boards; and provides scientific input on intergovernmental levels.

The 2015 Legislature approved the addition of two Management Analyst positions for the Fiscal Services Section to address budget account monitoring, contract management, accounts payable, accounts receivable, cost accounting, and subgrants. The new positions are funded with cost allocation transfers from the department's other budgets totaling \$179,334 over the 2015-17 biennium.

### **OPERATIONS**

The Operations Division is responsible for the business process and support functions of the NDOW and management of the customer service programs. These programs include licensing; boat titling and registration; application hunts, special licenses and permits; land acquisition services; and engineering and support for statewide building maintenance, computer and network services, and aviation operations.

The Legislature approved Sportsmen Revenue totaling \$522,664 in FY 2016 and \$438,489 in FY 2017 for rent and one-time costs to move the department's headquarters staff from their current locations in the Valley Road facility, and in leased space in Reno, to a common location in South Reno. The Legislature also approved Sportsmen Revenue totaling \$70,841 for advanced planning for construction of a new operations, maintenance, and equipment storage facility at Mason Valley Wildlife Management Refuge. The Legislature also approved Application Fee Revenue of \$105,040 in FY 2016 to develop mobile-friendly versions of the Application Hunt and Nevada Wildlife Data System websites. Lastly, the Legislature approved the transfer of the Air Operations Unit from the Operations account to the Game Management account.

### **CONSERVATION EDUCATION**

Conservation Education promotes citizen interest, understanding, and involvement in the management of the state's wildlife resources by educating the public about the value of wildlife in Nevada and promoting ethical use of the state's wildlife resources through hunter and angler education programs, wildlife education, and marketing programs. The division informs the public through television, radio, Internet and print media, and provides access to the NDOW's programs through the Volunteer Program.

The Legislature approved General Fund appropriations of \$192,178 over the biennium for two seasonal Conservation Aid positions and two new proactive advertising and public relations campaigns, one for bears and one for coyotes. The Legislature also approved Sportsmen Revenue totaling \$43,000 in each year of the 2015-17 biennium to implement a videography program for public education and outreach and public service announcements related to general department-wide activities.

### **LAW ENFORCEMENT**

The Law Enforcement Division enforces wildlife and boating safety laws, and serves the sporting public while providing a public safety presence. The account is funded primarily with restricted and unrestricted state license and fee revenues transferred from the Wildlife Fund, and federal funds.

The Legislature approved General Fund appropriations of \$111,391 over the 2015-17 biennium for urban wildlife management activities, including funding for existing personnel costs related to wildlife animal control activities.

### **GAME MANAGEMENT**

The Game Management Division is responsible for management, protection, research and monitoring of wildlife classified as game mammals, upland and migratory game birds, and furbearing mammals. The division has four program areas: avian and terrestrial game species management; game wildlife/depredation control and compensation; predator management; and wildlife health and disease monitoring.

The Legislature approved General Fund appropriations of \$140,011 over the 2015-17 biennium to improve urban wildlife management in the Game Management budget, including funding for a new seasonal position to assist in bear-related wildlife management activities. The Legislature also approved to utilize federal Wildlife Restoration funds of \$36,750 and Sportsmen Revenue of \$12,250 in FY 2016 for contract services to develop a unified scientific database to consolidate and house the department's various types of scientific-based data.

### **NEVADA DEPARTMENT OF TRANSPORTATION**

The Nevada Department of Transportation (NDOT) is funded through a combination of federal funds, dedicated state highway user revenues, and bond issues. For the 2015-17 biennium, the Legislature approved funding for NDOT totaling \$1.546 billion, which is a 30.7 percent increase when compared to funding approved by the 2013 Legislature of \$1.183 billion for the 2013-15 biennium. The Legislature approved Highway Fund authorizations of \$322.1 million in FY 2016 and \$322.3 million in FY 2017, as well as federal funds of \$320.0 million in each year of the 2015-17 biennium.

The 2015 Legislature approved funding for highway construction totaling \$1.078 billion over the 2015-17 biennium with a combination of federal funds, Highway Funds, and bond proceeds. The Legislature concurred with the Governor's recommendation to issue bonds of \$100.0 million in FY 2016 and \$150.0 million in FY 2017 to begin

Project NEON construction in Las Vegas, a project intended to alleviate traffic congestion in the Spaghetti Bowl area.

In response to negotiations with the federal Environmental Protection Agency, the 2015 Legislature approved Highway Funds of \$13.1 million over the 2015-17 biennium for 42 new positions and various equipment to establish a new Environmental Division for NDOT. The new division will prevent and limit pollutants from entering bodies of water in the state, as required by the federal Clean Water Act. The Legislature also approved Highway Fund authorizations of \$6.5 million over the 2015-17 biennium to upgrade the department's fueling system, which is comprised of 53 fueling sites throughout the state and used by 86 state and local governmental agencies.

Over the 2015-17 biennium, the Legislature approved Highway Fund authorizations of \$13.9 million to fund the maintenance, new construction, and alterations to department-owned facilities, \$10.8 million for routine replacement of existing equipment, and \$6.3 million over the 2015-17 biennium for new equipment, including computers, office furniture, fleet additions, and shop tools. The Legislature did not approve the Governor's recommendation to provide Highway Fund authorizations of \$9.0 million over the 2015-17 biennium to replace two rest stops near Beowawe on Interstate 80, and to construct a new full-service welcome station at Trinity on Interstate 80 and U.S. Highway 95.

**Nevada Legislative Counsel Bureau**  
**Summary of Appropriations and Authorizations**  
**2015-17 Legislature**

	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>INFRASTRUCTURE</b>					
<b>COLORADO RIVER COMMISSION</b>					
<b>CRC - COLORADO RIVER COMMISSION</b>	8,747,039	9,730,025	9,692,323	9,971,348	9,759,073
BALANCE FORWARD	3,069,858	2,622,162	2,622,162	2,396,922	2,396,922
INTERAGENCY TRANSFER	2,718,065	2,962,543	2,955,484	2,960,591	2,962,761
OTHER FUND	2,959,116	4,145,320	4,114,677	4,613,835	4,399,390
<b>CRC - RESEARCH AND DEVELOPMENT</b>	9,761,646	9,998,397	9,998,397	9,645,703	9,645,703
BALANCE FORWARD	8,245,483	9,261,646	9,261,646	8,888,592	8,888,592
OTHER FUND	1,516,163	736,751	736,751	757,111	757,111
<b>CRC - POWER DELIVERY SYSTEM</b>	104,964,450	33,436,088	33,429,212	33,138,635	33,141,056
BALANCE FORWARD	722,663	640,853	640,853	409,682	409,864
OTHER FUND	104,241,787	32,795,235	32,788,359	32,728,953	32,731,192
<b>CRC - POWER MARKETING FUND</b>	33,171,952	31,154,210	31,154,212	31,407,126	31,407,132
BALANCE FORWARD	851,011	1,162,025	1,162,025	1,425,909	1,425,912
OTHER FUND	32,320,941	29,992,185	29,992,187	29,981,217	29,981,220
<b>TOTAL COLORADO RIVER COMMISSION</b>	156,645,087	84,318,720	84,274,144	84,162,812	83,952,964
BALANCE FORWARD	12,889,015	13,686,686	13,686,686	13,121,105	13,121,290
INTERAGENCY TRANSFER	2,718,065	2,962,543	2,955,484	2,960,591	2,962,761
OTHER FUND	141,038,007	67,669,491	67,631,974	68,081,116	67,868,913
<b>CONSERVATION &amp; NATURAL RESOURCES</b>					
<b>DCNR - ADMINISTRATION</b>	1,120,073	2,941,706	2,795,451	2,866,955	2,738,397
GENERAL FUND	448,090	2,259,376	1,940,297	2,235,542	1,957,765
BALANCE FORWARD	20,374				
INTERAGENCY TRANSFER	519,978	682,040	854,864	631,123	780,342
OTHER FUND	131,631	290	290	290	290
REVERSIONS					
<b>DCNR - STATE ENVIRONMENTAL COMMISSION</b>	113,886	176,409	176,866	176,409	176,866
INTERAGENCY TRANSFER	12,332	10,421	10,600	10,421	10,600
OTHER FUND	101,554	165,988	166,266	165,988	166,266
<b>DCNR - FORESTRY</b>	14,781,191	8,023,128	8,603,526	9,524,957	10,180,237
GENERAL FUND	3,727,520	5,248,380	5,577,079	6,951,885	7,360,871
BALANCE FORWARD	606,167	403,037	403,037	403,037	403,037
FEDERAL FUND	8,792,883	1,315,632	1,323,298	1,084,932	1,090,279
INTERAGENCY TRANSFER	1,126,757	482,346	727,890	506,390	746,530
OTHER FUND	527,864	573,733	572,222	578,713	579,520
REVERSIONS					
<b>DCNR - FOREST FIRE SUPPRESSION</b>	7,713,987	18,237,183	14,313,952	8,319,155	8,066,777
GENERAL FUND	2,499,636	7,923,398	6,465,394	2,502,771	2,500,000
BALANCE FORWARD	1,672,494	1,922,494	1,672,494	1,922,494	1,673,925
FEDERAL FUND	636,125	5,208,012	2,993,012	708,012	708,012
INTERAGENCY TRANSFER		33,254	33,254	33,254	33,254
OTHER FUND	2,905,732	3,150,025	3,149,798	3,152,624	3,151,586

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<b>DCNR - FORESTRY CONSERVATION CAMPS</b>	10,305,207	8,777,502	8,750,562	10,453,044	10,462,349
GENERAL FUND	5,071,469	5,072,610	5,045,670	6,701,620	6,710,925
BALANCE FORWARD	1,760,000				
OTHER FUND	3,473,738	3,704,892	3,704,892	3,751,424	3,751,424
REVERSIONS					
<b>DCNR - FORESTRY INTER-GOVERNMENTAL AGREEMENTS</b>	2,942,434				
GENERAL FUND	255,815				
BALANCE FORWARD	690,914				
OTHER FUND	1,995,705				
<b>DCNR - FORESTRY - WILDLAND FIRE PROTECTION PRGM</b>	3,242,536	4,047,112	3,677,491	4,533,373	4,193,542
GENERAL FUND	264,474	419,621	50,000	445,305	50,000
BALANCE FORWARD	703,062	1,352,491	1,352,491	1,813,068	1,868,542
OTHER FUND	2,275,000	2,275,000	2,275,000	2,275,000	2,275,000
REVERSIONS					
<b>DCNR - FORESTRY NURSERIES</b>	1,338,069	1,169,180	1,169,526	1,187,404	1,190,675
BALANCE FORWARD	335,034	302,237	302,237	313,253	314,154
INTERAGENCY TRANSFER	84,887	91,473	91,917	92,469	92,914
OTHER FUND	918,148	775,470	775,372	781,682	783,607
<b>DCNR - STATE PARKS</b>	12,336,481	13,316,471	13,357,475	13,796,421	13,790,454
GENERAL FUND	3,552,837	4,752,927	4,776,623	5,285,254	5,345,845
BALANCE FORWARD	1,843,805				
FEDERAL FUND	538,730	324,152	323,822	275,560	275,622
INTERAGENCY TRANSFER	1,066,402	1,134,087	1,140,321	1,141,553	1,064,169
OTHER FUND	5,334,707	7,105,305	7,116,709	7,094,054	7,104,818
REVERSIONS					
<b>DCNR - WATER RESOURCES</b>	8,078,370	7,773,150	7,752,928	7,550,522	7,546,347
GENERAL FUND	1,902,301	1,902,301	1,902,301	2,700,000	2,700,000
BALANCE FORWARD	1,903,820	1,955,271	1,910,827	970,104	905,837
FEDERAL FUND	305,154	136,616	192,677	135,161	192,677
INTERAGENCY TRANSFER	254,128	3,734,962	3,703,123	3,701,257	3,703,833
OTHER FUND	3,712,967	44,000	44,000	44,000	44,000
<b>DCNR - STATE LANDS</b>	1,991,294	1,959,940	1,890,736	2,037,114	1,963,561
GENERAL FUND	1,148,927	1,200,589	1,224,415	1,337,708	1,380,838
BALANCE FORWARD	31,920	13,337	30,710	13,337	30,710
INTERAGENCY TRANSFER	488,733	416,259	395,177	329,580	304,787
OTHER FUND	321,714	329,755	240,434	356,489	247,226
REVERSIONS					
<b>DCNR - NEVADA TAHOE REGIONAL PLANNING AGENCY</b>	1,318	1,319	1,319	1,319	1,319
GENERAL FUND	1,318	1,319	1,319	1,319	1,319
REVERSIONS					

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<b>DCNR - CONSERVATION DISTRICTS PROGRAM</b>	536,550	542,238	536,740	590,736	586,621
GENERAL FUND	301,804	542,238	536,740	590,736	586,621
BALANCE FORWARD	22,434				
FEDERAL FUND	60,000				
INTERAGENCY TRANSFER	152,312				
REVERSIONS					
<b>DCNR - NEVADA NATURAL HERITAGE</b>	991,127	960,414	794,040	807,454	800,304
BALANCE FORWARD	113,054	152,171		157,179	
FEDERAL FUND	168,836	15,000	13,811	16,578	17,767
INTERAGENCY TRANSFER	675,118	760,339	777,229	620,793	779,537
OTHER FUND	34,119	32,904	3,000	12,904	3,000
<b>DCNR - DEP ADMINISTRATION</b>	7,172,658	8,215,465	8,278,155	7,818,473	7,756,828
BALANCE FORWARD	864,707	1,016,912	1,016,912	1,083,901	897,356
FEDERAL FUND	2,114,186	2,540,678	2,540,678	2,000,000	2,000,000
INTERAGENCY TRANSFER	4,193,765	4,657,875	4,720,565	4,734,572	4,859,472
<b>DCNR - DEP AIR QUALITY</b>	8,964,659	8,618,785	8,618,785	8,215,203	8,234,478
BALANCE FORWARD	771,152	1,328,827	1,328,827	892,266	911,541
FEDERAL FUND	880,742	851,847	851,847	851,847	851,847
INTERAGENCY TRANSFER	2,740,974	2,499,513	2,499,513	2,509,942	2,509,942
OTHER FUND	4,571,791	3,938,598	3,938,598	3,961,148	3,961,148
<b>DCNR - DEP WATER POLLUTION CONTROL</b>	7,354,229	7,456,986	7,456,969	7,276,518	7,285,927
BALANCE FORWARD	3,233,472	3,284,623	3,284,623	3,298,149	3,307,558
FEDERAL FUND	328,109	265,173	265,151	265,176	265,164
INTERAGENCY TRANSFER	971,171	948,401	948,406	756,204	756,216
OTHER FUND	2,821,477	2,958,789	2,958,789	2,956,989	2,956,989
<b>DCNR - DEP WASTE MGMT AND CORRECTIVE ACTION</b>	18,910,791	16,260,578	13,892,750	16,189,961	13,829,580
BALANCE FORWARD	719,826	1,128,441	1,128,441	854,787	858,554
FEDERAL FUND	4,729,097	4,812,606	4,812,606	4,794,351	4,794,351
OTHER FUND	13,461,868	10,319,531	7,951,703	10,540,823	8,176,675
<b>DCNR - DEP MINING REGULATION/RECLAMATION</b>	7,183,364	8,051,633	7,307,429	8,818,451	7,378,263
BALANCE FORWARD	4,659,321	4,715,719	4,715,719	5,465,038	4,727,553
OTHER FUND	2,524,043	3,335,914	2,591,710	3,353,413	2,650,710
<b>DCNR - DEP STATE REVOLVING FUND - ADMIN</b>	3,388,290	3,709,989	3,708,153	3,951,022	3,951,077
BALANCE FORWARD	762,544	903,023	903,023	1,028,707	1,028,707
FEDERAL FUND	2,485,448	2,681,281	2,680,595	2,796,630	2,796,643
OTHER FUND	140,298	125,685	124,535	125,685	125,727
<b>DCNR - DEP WATER QUALITY PLANNING</b>	5,638,943	3,509,834	3,521,775	3,547,564	3,565,485
BALANCE FORWARD	27,392	168,772	27,392	171,807	27,392
FEDERAL FUND	4,650,915	2,660,984	2,795,545	2,690,853	2,834,429
INTERAGENCY TRANSFER	960,636	680,078	698,838	684,904	703,664

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<b>DCNR - DEP SAFE DRINKING WATER REGULATORY PROGRAM</b>	5,102,742	4,941,276	4,941,276	4,891,115	4,883,388
BALANCE FORWARD	1,591,680	1,661,435	1,661,435	1,592,626	1,584,899
FEDERAL FUND	834,000	799,999	799,999	799,999	799,999
INTERAGENCY TRANSFER	1,649,007	1,478,963	1,478,963	1,498,239	1,498,239
OTHER FUND	1,028,055	1,000,879	1,000,879	1,000,251	1,000,251
<b>DCNR - DEP WATER PLANNING CAP IMPROVEMENT</b>	169,451	125,102	125,102	129,011	129,227
BALANCE FORWARD	59,644	67,365	67,365	18,288	18,504
OTHER FUND	109,807	57,737	57,737	110,723	110,723
<b>DCNR - DEP INDUSTRIAL SITE CLEANUP</b>			3,420,801		8,832,551
OTHER FUND			3,420,801		8,832,551
<b>DCNR - STATE HISTORIC PRESERVATION OFFICE</b>	1,486,885	1,192,881	1,195,739	1,181,847	1,203,806
GENERAL FUND	295,481	368,489	374,915	364,662	369,972
BALANCE FORWARD	15,000				
FEDERAL FUND	953,991	720,354	716,582	728,253	729,664
INTERAGENCY TRANSFER	181,513	60,000	60,000	44,995	60,000
OTHER FUND	40,900	44,038	44,242	43,937	44,170
<b>DCNR - HISTORIC PRES - COMSTOCK HISTORIC DISTRICT</b>	166,918	195,807	194,946	217,784	217,958
GENERAL FUND	166,918	195,807	194,946	217,784	217,958
REVERSIONS					
<b>TOTAL CONSERVATION &amp; NATURAL RESOURCES</b>	131,031,453	130,204,088	126,482,492	124,081,812	128,966,017
GENERAL FUND	19,636,590	29,887,055	28,089,699	29,334,586	29,182,114
BALANCE FORWARD	22,407,816	20,376,155	19,805,533	19,998,041	18,558,269
FEDERAL FUND	27,478,216	22,332,334	20,309,623	17,147,352	17,356,454
INTERAGENCY TRANSFER	15,077,713	17,670,011	18,140,660	17,295,696	17,903,499
OTHER FUND	46,431,118	39,938,533	40,136,977	40,306,137	45,965,681
REVERSIONS					
<b>DEPARTMENT OF WILDLIFE</b>					
<b>WILDLIFE - DIRECTOR'S OFFICE</b>	3,505,529	4,088,582	4,083,382	4,141,812	4,139,627
FEDERAL FUND	55,840	97,148	97,148	97,126	97,126
INTERAGENCY TRANSFER	3,449,689	3,991,434	3,986,234	4,044,686	4,042,501
<b>WILDLIFE - OPERATIONS</b>	6,862,954	8,339,309	8,435,578	7,859,354	8,062,045
FEDERAL FUND	1,493,393	1,240,180	1,206,706	1,156,081	1,156,081
INTERAGENCY TRANSFER	5,345,241	7,074,770	7,204,513	6,678,901	6,881,592
OTHER FUND	24,320	24,359	24,359	24,372	24,372
<b>WILDLIFE - CONSERVATION EDUCATION</b>	2,543,074	2,500,986	2,440,623	2,457,859	2,408,196
GENERAL FUND		96,089	96,089	96,089	96,089
FEDERAL FUND	1,295,812	1,089,555	1,089,555	1,072,309	1,072,309
INTERAGENCY TRANSFER	1,218,856	1,295,901	1,254,979	1,270,729	1,239,798
OTHER FUND	28,406	19,441		18,732	



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<b>WILDLIFE - LAW ENFORCEMENT</b>	7,178,735	7,146,081	7,130,228	7,276,013	7,302,983
GENERAL FUND		63,221	58,721	55,565	55,565
FEDERAL FUND	850,214	890,430	912,492	912,434	934,496
INTERAGENCY TRANSFER	6,057,740	6,012,371	5,883,094	6,127,213	6,036,259
OTHER FUND	270,781	180,059	275,921	180,801	276,663
<b>WILDLIFE - GAME MANAGEMENT</b>	5,053,013	6,334,237	6,325,246	6,242,554	6,246,127
GENERAL FUND		71,404	71,404	68,607	68,607
FEDERAL FUND	2,960,964	4,237,522	4,229,865	4,143,064	4,132,459
INTERAGENCY TRANSFER	2,092,049	2,025,311	2,023,977	2,030,883	2,045,061
<b>WILDLIFE - FISHERIES MANAGEMENT</b>	7,747,404	7,082,704	7,072,026	7,020,980	7,028,858
GENERAL FUND	149,892	150,918	150,918	151,001	151,001
FEDERAL FUND	5,382,259	5,176,326	5,176,326	5,220,488	5,220,488
INTERAGENCY TRANSFER	2,215,253	1,755,460	1,744,782	1,649,491	1,657,369
OTHER FUND					
<b>WILDLIFE - DIVERSITY</b>	2,386,761	2,104,426	2,099,662	2,073,312	2,075,168
GENERAL FUND	344,873	347,163	347,163	346,971	346,971
FEDERAL FUND	1,731,954	1,457,869	1,457,871	1,438,732	1,438,736
INTERAGENCY TRANSFER	309,934	299,394	294,628	287,609	289,461
<b>WILDLIFE - HABITAT</b>	6,355,728	5,923,563	5,914,367	6,071,401	6,076,025
FEDERAL FUND	3,854,838	3,551,485	3,551,485	3,657,632	3,657,632
INTERAGENCY TRANSFER	2,475,890	2,222,078	2,212,882	2,263,769	2,268,393
OTHER FUND	25,000	150,000	150,000	150,000	150,000
<b>TOTAL DEPARTMENT OF WILDLIFE</b>	41,633,198	43,519,888	43,501,112	43,143,285	43,339,029
GENERAL FUND	494,765	728,795	724,295	718,233	718,233
FEDERAL FUND	17,625,274	17,740,515	17,721,448	17,697,866	17,709,327
INTERAGENCY TRANSFER	23,164,652	24,676,719	24,605,089	24,353,281	24,460,434
OTHER FUND	348,507	373,859	450,280	373,905	451,035
<b>DEPARTMENT OF TRANSPORTATION</b>					
<b>NDOT - BOND CONSTRUCTION</b>	94,090,812	100,000,000	100,000,000	150,000,000	150,000,000
BALANCE FORWARD	94,090,812				
OTHER FUND		100,000,000	100,000,000	150,000,000	150,000,000
<b>NDOT - TRANSPORTATION ADMINISTRATION</b>	616,298,182	648,678,159	647,704,786	650,735,563	647,976,854
BALANCE FORWARD	625,867				
FEDERAL FUND	326,007,645	320,000,000	320,000,000	320,000,000	320,000,000
HIGHWAY FUND	283,544,258	323,047,739	322,074,771	325,053,834	322,295,530
INTERAGENCY TRANSFER	5,199,817	4,855,025	4,854,620	4,906,334	4,905,929
OTHER FUND	920,595	775,395	775,395	775,395	775,395
REVERSIONS					

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<b>TOTAL DEPARTMENT OF TRANSPORTATION</b>	710,388,994	748,678,159	747,704,786	800,735,563	797,976,854
BALANCE FORWARD	94,716,679				
FEDERAL FUND	326,007,645	320,000,000	320,000,000	320,000,000	320,000,000
HIGHWAY FUND	283,544,258	323,047,739	322,074,771	325,053,834	322,295,530
INTERAGENCY TRANSFER	5,199,817	4,855,025	4,854,620	4,906,334	4,905,929
OTHER FUND	920,595	100,775,395	100,775,395	150,775,395	150,775,395
REVERSIONS					
<b>TAHOE REGIONAL PLANNING AGENCY</b>					
<b>TAHOE REGIONAL PLANNING AGENCY</b>	15,728,859	17,168,859	17,168,859	16,528,859	16,528,859
GENERAL FUND	1,107,532	1,831,166	1,831,166	1,511,166	1,511,166
INTERAGENCY TRANSFER	419,021	419,021	419,021	419,021	419,021
OTHER FUND	14,202,306	14,918,672	14,918,672	14,598,672	14,598,672
<b>TOTAL TAHOE REGIONAL PLANNING AGENCY</b>	15,728,859	17,168,859	17,168,859	16,528,859	16,528,859
GENERAL FUND	1,107,532	1,831,166	1,831,166	1,511,166	1,511,166
INTERAGENCY TRANSFER	419,021	419,021	419,021	419,021	419,021
OTHER FUND	14,202,306	14,918,672	14,918,672	14,598,672	14,598,672
<b>INFRASTRUCTURE</b>					
GENERAL FUND	21,238,887	32,447,016	30,645,160	31,563,985	31,411,513
BALANCE FORWARD	130,013,510	34,062,841	33,492,219	33,119,146	31,679,559
FEDERAL FUND	371,111,135	360,072,849	358,031,071	354,845,218	355,065,781
HIGHWAY FUND	283,544,258	323,047,739	322,074,771	325,053,834	322,295,530
INTERAGENCY TRANSFER	46,579,268	50,583,319	50,974,874	49,934,923	50,651,644
OTHER FUND	202,940,533	223,675,950	223,913,298	274,135,225	279,659,696
REVERSIONS					
<b>TOTAL FOR INFRASTRUCTURE</b>	1,055,427,591	1,023,889,714	1,019,131,393	1,068,652,331	1,070,763,723
Less: INTER-AGENCY TRANSFER	46,579,268	50,583,319	50,974,874	49,934,923	50,651,644
<b>NET INFRASTRUCTURE</b>	1,008,848,323	973,306,395	968,156,519	1,018,717,408	1,020,112,079



# **SPECIAL PURPOSE AGENCIES**





## **SPECIAL PURPOSE AGENCIES**

Special Purpose Agencies have a specialized function or a different statutory relationship to the Executive Branch of government than most state agencies. This group includes the Public Employees' Retirement System, which serves both state and local governments; the Public Employees' Benefits Program; the Office of the Military; the Department of Veterans Services; and the Silver State Health Insurance Exchange. This function is supported in large part through interagency transfers. For the 2015-17 biennium, General Fund support for Special Purpose Agencies totaled \$11.2 million, which represents an increase of 7.0 percent from the \$10.5 million approved for the 2013-15 biennium.

### **PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

The Public Employees' Retirement System (PERS) provides retirement, disability, and death benefits to long-term employees. PERS includes employees of Nevada counties, cities, school districts, state government, and miscellaneous public employers. The retirement system's budget is not subject to the Budget Act or to review by the Budget Division, but is included in The Executive Budget for review by the Legislature. The requested level of funding is provided through an administrative assessment charged to each member and benefit recipient. A budget of \$10.9 million in FY 2016 and \$11.1 million in FY 2017 was approved by the 2015 Legislature to support its operations.

The 2015 Legislature approved a new General Counsel position to serve as a member of the executive staff. The General Counsel will address day-to-day legal matters, manage litigation, and tax compliance issues. The Legislature authorized \$1.4 million each year for replacement equipment, including a software upgrade totaling \$1.3 million each year to comply with pension changes made during the 2009 Legislative Session.

The employer and employee are each responsible for one-half of any increase or decrease in the retirement contribution rate. The actuary for the Public Employees' Retirement System determined that retirement contribution rates for regular members in the Employer-Paid Plan should increase 2.25 percent. Therefore, for regular members in the Employer-Paid Plan, since the contribution rate is increasing by 2.25 percent, the state will incur an additional fringe benefit cost of 1.125 percent of payroll and the employees will incur an additional 1.125 percent decrease in compensation to their pay for their additional cost. By comparison, for regular members in the Employee/Employer Plan, the state will be responsible for an additional cost of 1.25 percent of payroll, with the employees taking a reduction in gross salary of 1.25 percent.

For police/fire members, the actuary recommended no change in contribution rates.

## **PUBLIC EMPLOYEES' BENEFITS PROGRAM**

The Public Employees' Benefits Program (PEBP) provides various insurance coverages for state employees, state retirees who are ineligible for Medicare, and their dependents, if the participant chooses to cover their dependents. Retirees who are eligible for Medicare receive a contribution they may use toward a health insurance plan of their choosing via the PEBP-sponsored Individual Medicare Market Exchange (OneExchange). In addition, any non-state public agency can join the program to provide coverage for their employees, retirees, and dependents. The insurance coverages provided include health (medical, dental, and prescription), life, accidental death and dismemberment, and long-term disability. Other voluntary optional insurance coverages are available for those participants who elect to purchase additional coverage.

The largest portion of the program is health insurance, which currently provides medical, dental, and prescription coverage. The majority of this health coverage is self-insured via a High Deductible Health Plan (HDHP) with healthcare services provided through a Preferred Provider Organization (PPO) network. Participants can elect a Health Maintenance Organization (HMO) plan rather than the self-insured PPO plan. Accidental death and dismemberment, long-term disability, and life insurance benefits are fully insured by outside carriers.

Pursuant to *Nevada Revised Statutes* (NRS) 287.041, the program operates under the direction and oversight of the Public Employees' Benefits Program Board (Board), a ten-member board appointed by the Governor. An Executive Officer is responsible for the operation and management of the agency (NRS 287.0424).

Funding for this account is provided by employer contributions for active employees and retired participants, premiums paid by plan participants, rebates from the prescription drug administrator, rebates from Medicare, miscellaneous revenue (e.g., application fees from entities wishing to participate), and Treasurer's interest. While there is no direct General Fund appropriation to this account, a significant portion of the state contributions for state employees and retirees is funded through accounts supported by the General Fund.

The plan maintains actuarially determined reserves to cover Health Reimbursement Arrangement (HRA) account future expenditures, Incurred But Not Reported (IBNR) claims and Catastrophic claims. The HRA reserve serves as a holding account for unexpended prior year contributions and provides cash flow in the current year. The IBNR reserve provides cash to cover all claims incurred but not paid in a given fiscal year. The Catastrophic Reserve pays extraordinarily large claims to decrease volatility and avoid disruptions to the rates in the following plan year. Positive claims experience may result in excess cash, which is placed into the Excess Reserve (Reserve) category.

For the 2015-17 biennium, the 2015 Legislature made no substantive changes to the health benefits plan design recommended by PEBP and the Governor, inclusive of the subsequent recommendation to terminate the wellness program benefit. Participants will continue to choose between the HDHP PPO plan and the HMO plan.

Maintaining the FY 2015 plan design in the 2015-17 biennium was funded utilizing excess reserves totaling \$25.1 million in FY 2016 and \$25.5 million in FY 2017. The main components of the funded plan design are:

### **2015-17 Biennium Plan Design Elements**

- a) **Subsidies:** The monthly health insurance premium subsidy for state active employees on the HDHP PPO continued at 93.0 percent and the HMO subsidy remained at 78.0 percent. For state non-Medicare retirees, the base subsidy percentage (15 years of service credit) continued at 64.0 percent for the primary insured on the HDHP PPO and 49.0 percent on the HMO. Dependent subsidies are set at 20.0 percent less than that for the primary insured (i.e., 73.0 percent for active dependents and 44.0 percent for retiree dependents), assuming those participants choose the HDHP PPO. For participants who elect to join the HMO instead of the PPO, the subsidy is set at 15.0 percent less than the subsidy for the PPO to reflect the differences in deductibles, out-of-pocket expenses, and coinsurance percentages and thresholds;

<b>Monthly Insurance Premium Subsidies for Plan Year (PY) 2016 and Plan Year 2017 as Approved by the 2015 Legislature for the 2015-17 Biennium</b>						
<b>PARTICIPANT TYPE</b>	<b>PY 2015 PPO Subsidy %</b>	<b>PY 2015 HMO Subsidy %</b>	<b>PY 2016 PPO Subsidy %</b>	<b>PY 2016 HMO Subsidy %</b>	<b>PY 2017 PPO Subsidy %</b>	<b>PY 2017 HMO Subsidy %</b>
State Active (Primary)	93%	78%	93%	78%	93%	78%
State Active (Dependent)	73%	58%	73%	58%	73%	58%
State Non-Medicare Retiree (Primary) (15 Years of Service)	64%	49%	64%	49%	64%	49%
State Non-Medicare Retiree (Dependent)	44%	29%	44%	29%	44%	29%

- b) **Deductibles:** For the PPO, the deductible continued at \$1,500/individual and \$3,000/family;
- c) **Coinsurance:** The coinsurance rate remained at 80.0 percent once the deductible was satisfied;
- d) **Out-of-Pocket Maximum:** For the PPO, the out-of-pocket maximums, after which the plan would pay 100.0 percent of the cost, continued at \$3,900/individual and \$7,800/family. Under the HMO plan, the out-of-pocket maximums continued at \$6,000/individual and \$12,000/family;
- e) **Health Savings Account (HSA) Contribution:** An additional one-time HSA contribution of \$400 per primary insured HDHP participant and an additional one-time HSA contribution of \$100 per dependent per primary insured participant. These are in addition to the \$700 (primary)/\$200 (dependent) "base" contribution to each active and retiree HSA or HRA;
- f) **Health Reimbursement Arrangement (HRA) Contribution:** An additional one-time HRA contribution of \$1.00 per month per Year of Service (YOS) for Medicare retirees in FY 2017;
- g) **Dental Benefit:** The maximum annual dental benefit remained at \$1,500 per covered individual after a \$100/\$300 deductible. Preventive care is funded at 100.0 percent;



- h) Vision Benefit: One annual vision exam continued to be funded up to \$120 per year;
- i) Life Insurance: Life insurance continued at \$25,000 for active employees and \$12,500 for retired employees; and
- j) Preventive care/screenings/immunizations: Continued to be covered at 100.0 percent.

### **Elimination of Wellness Program Expenditures**

On April 16, 2015, the PEBP Board met and voted to terminate its contract with U.S. Preventive Medicine (USPM) and eliminate the 2015-17 biennium budgeted expenditures supporting the wellness program effective July 1, 2015. The Board took this action after the Senate Committee on Finance and the Assembly Committee on Ways and Means, meeting jointly as the Interim Finance Committee (IFC) on April 9, 2015, deferred approving PEBP's FY 2015 work program revision request to augment expenditure authority sufficient to pay contract administrative costs, inclusive of the wellness program vendor (USPM). In closing PEBP's budgets for the 2015-17 biennium, the 2015 Legislature reviewed the actions taken by the Board relative to the wellness program.

### **Reallocation of Wellness Program Savings**

In eliminating the wellness program, approximately \$8.1 million in annual funding in FY 2016 and \$8.2 million in FY 2017 (of which approximately 75.0 percent represented the \$50 per month [maximum] premium incentive), became available to the Board for reallocation. Budgetarily, the \$50 monthly incentive was funded through excess reserves and represented a reduction in premium income from participating individuals. However, for purposes of setting the 2015-17 biennium rates, all wellness program costs were included in the Active Employee Group Insurance (AEGIS) and Retired Employee Group Insurance (REGI) rates.

As originally submitted, and subsequently amended by budget amendment, the excess reserves budgeted to fund the wellness program were reallocated to reduce the FY 2016 and FY 2017 AEGIS and REGI monthly state and participant contributions.

In eliminating the wellness program, the Board sought to address an ongoing concern expressed by members of the money committees that while all participants had "overpaid" monthly premiums that resulted in ongoing excess reserves, not all PEBP participants received a benefit from the wellness program. As proposed by the Board and recommended by the Governor through the budget amendment, elimination of the program generated a financial benefit in the form of lower monthly premiums to be paid by all 25,000 active employees and 3,900 non-Medicare retirees. As shown in the table, the FY 2016 monthly premium savings amounted to \$1.87 for active employees on the PPO plan and \$5.52 on the HMO plan. State non-Medicare retirees received premium reductions of \$9.61 and \$12.81 for the PPO and HMO plans, respectively. However, as also shown in the table, the majority of the FY 2016 benefit accrued to the state's contribution since the state subsidy varies from 93.0 percent to 78.0 percent for state actives and 64.0 percent to 49.0 percent for state non-Medicare retirees.

<b>Distribution of Wellness Program Savings on AEGIS Monthly Rate: Active State Employees - FY 2016</b>						
<b>PPO Plan</b>				<b>HMO Plan</b>		
Total Monthly Savings	State Contribution Savings	Participant Premium Savings		Total Monthly Savings	State Contribution Savings	Participant Premium Savings
\$ (26.68)	\$ (24.81)	\$ (1.87)		\$ (25.12)	\$ (19.60)	\$ (5.52)
<b>Distribution of Wellness Program Savings on REGI Monthly Rate: Retired (Non-Medicare) State Employees - FY 2016</b>						
<b>PPO Plan</b>				<b>HMO Plan</b>		
Total Monthly Savings	State Contribution Savings	Participant Premium Savings		Total Monthly Savings	State Contribution Savings	Participant Premium Savings
\$ (26.68)	\$ (17.07)	\$ (9.61)		\$ (25.12)	\$ (12.31)	\$ (12.81)

Finally, the 2015 Legislature concurred with PEBP and the Governor in requiring Medicare-eligible retirees to continue to obtain health insurance coverage through the individual Medicare market exchange. Being in the individual Medicare insurance market allows those retirees to choose a plan from choices offered by several different companies. Medicare-eligible state retirees who retired on or after January 1, 1994, will continue to receive a scaled contribution based on years of service credit. Medicare-eligible retirees who retired before January 1, 1994, are entitled to the base contribution, as specified in Senate Bill 513.

For the 2015-17 biennium, the Legislature approved operating expenditures, excluding reserves, in the amount of \$362.2 million for FY 2016 and \$384.4 million for FY 2017, for a total of \$746.6 million. This is a 3.5 percent increase over the \$721.6 million in legislatively approved operating expenditures for the 2013-15 biennium. However, when compared to PEBP's 2013-15 actual operating expenditures of \$659.1 million, the legislatively approved 2015-17 biennium operating expenses for PEBP are \$87.5 million and 13.3 percent greater.

#### **RETIRED EMPLOYEE GROUP INSURANCE**

The REGI program was designed to defray a portion of health insurance premiums for employees who retire from state service and continue to participate in the state's group insurance plan. Funding for the program comes from payroll assessments to state agencies to cover the costs of the subsidy. The funding for FY 2016 is intended to cover approximately 56.0 percent of the total premium for non-Medicare retiree coverage tiers, on a composite basis. For FY 2017, the premium coverage is also approximately 56.0 percent. The per member per month (PMPM) monthly subsidy (contribution) is a composite amount based upon the total number of non-Medicare retired employees and dependents enrolled by "tier" (participant only, participant + spouse, participant + family) and plan (PPO or HMO).

*Nevada Revised Statutes* 287.046 provides that non-Medicare eligible retirees who retired prior to January 1, 1994, are entitled to 100.0 percent of the state, base subsidy amount to be applied against the total premium for insurance coverage. Retirees who retired on or after January 1, 1994, are entitled to 25.0 percent of the base subsidy amount for five years of service and 7.5 percent for each additional year of service, up to 20 years of service, which entitles them to 137.5 percent of the base state subsidy amount. The table below displays the base subsidies (i.e. 15 years of service) approved for the 2013-15 biennium, and, as recommended by the Governor (and as later amended) and approved by the 2015 Legislature for the 2015-17 biennium.

Base Per Member Per Month (PMPM) State Contribution for State Non-Medicare Retirees (at 15 Years of Service) for the 2015-17 Biennium							
FY 2014 PMPM Contribution	FY 2015 PMPM Contribution	FY 2016 PMPM Contribution (Gov. Rec. as submitted)	FY 2017 PMPM Contribution (Gov. Rec. as submitted)	FY 2016 PMPM Contribution (Gov. Rec. as amended)	FY 2017 PMPM Contribution (Gov. Rec. as amended)	LEG. APPROVED FY 2016 PMPM Contribution	LEG. APPROVED FY 2017 PMPM Contribution
\$ 452.26	\$ 462.20	\$ 426.14	\$ 424.94	\$ 425.57	\$ 451.15	\$ 425.57	\$ 451.15
% Change	2.2%	-7.8%	-0.3%	-7.9%	6.0%	-7.9%	6.0%

The 2015-17 base subsidies for non-Medicare retirees were approved pursuant to Senate Bill 513. In addition, the base Health Reimbursement Arrangement (HRA) contribution of \$11 per month per year of service for Medicare retirees was included in Senate Bill 513. As discussed in the previous section, the Legislature approved the Governor's recommendation to provide an additional one-time contribution of \$1.00 per month per year of service credit, to \$12.00, for Medicare retirees in FY 2017. The additional \$1.00 per month per year of service was funded with excess reserves.

Finally, to achieve the legislatively approved budget for the 2015-17 biennium, the assessment on gross salaries to fund the REGI account would be as follows: 2.13 percent for FY 2016 and 2.36 percent for FY 2017. Pursuant to NRS 287.046, the assessment is set by the Department of Administration.

### **ACTIVE EMPLOYEE GROUP INSURANCE**

The AEGIS budget was established by the 2007 Legislature as a mechanism to centrally collect contributions made by each state entity for the benefit of their active employees. The contributions defray a portion of the individual insurance premiums for active employees in state government who participate in PEBP. Assessments on filled positions are charged to all state agencies, boards and commissions, the Legislative and Judicial Branches, the Public Employees' Retirement System, and the Nevada System of Higher Education.

As with the REGI subsidy, the AEGIS monthly contribution is a composite amount based upon the total number of active employees and dependents enrolled by "tier" (participant only, participant + spouse, participant + family) and plan (PPO or HMO). The FY 2016 funding will provide approximately 80.0 percent of the cost of the insurance for the active employees and their dependents, on a composite basis. For FY 2017, the composite subsidy is budgeted to be approximately 79.0 percent.

The composite subsidy calculation accounts for the active participants in the both the High Deductible Health Plan and the Health Maintenance Organization.

The table below displays the base subsidies approved for the 2013-15 biennium, and, as recommended by the Governor (and as later amended) and approved by the 2015 Legislature for the 2015-17 biennium.

Per Member Per Month (PMPM) State Contribution for Active Employees for the 2015-17 Biennium							
FY 2014 PMPM Contribution	FY 2015 PMPM Contribution	FY 2016 PMPM Contribution (Gov. Rec. as submitted)	FY 2017 PMPM Contribution (Gov. Rec. as submitted)	FY 2016 PMPM Contribution (Gov. Rec. as amended)	FY 2017 PMPM Contribution (Gov. Rec. as amended)	LEG. APPROVED FY 2016 PMPM Contribution	LEG. APPROVED FY 2017 PMPM Contribution
\$ 688.37	\$ 695.35	\$ 719.66	\$ 694.20	\$ 701.73	\$ 699.25	\$ 701.73	\$ 699.25
% Change	1.0%	3.5%	-3.5%	0.9%	-0.4%	0.9%	-0.4%

### **PEBP Specific Legislation**

In addition to Senate Bill 513, which established the AEGIS and REGI state contribution amounts for the 2015-17 biennium, the 2015 Legislature passed and the Governor approved the following legislation:

- **Senate Bill 471**: Amended NRS 287.046 to provide an exception to the requirement that eligibility for the monthly HRA contribution and basic group life insurance benefit otherwise provided by PEBP to Medicare-eligible retirees required enrolling in an individual Medicare medical plan sponsored by PEBP through the state's Individual Medicare Market Exchange. The exception only applies to retirees, who are veterans, and eligible for and/or enrolled in TRICARE.
- **Senate Bill 472**: Amended NRS 287.045 to revise the effective date of coverage for eligible participants to be either (a) the first day of full-time employment, if that date is the first day of the month; or (b) the first day of the month immediately following the first day of full-time employment of the eligible participant. The intent of Senate Bill 472 was to ensure compliance with two aspects of healthcare reform under the federal Affordable Care Act (ACA):
  - a. Compliance with the requirement that the waiting period for health insurance coverage would not exceed 90 days; and
  - b. Ensure that highly compensated employees are not treated more favorably than lower compensated employees. Historically, NSHE professional staff has been eligible for coverage either on the first day of employment, if employment begins on the first of the month or on the first day of the following month.
- **Senate Bill 505**: Authorized a two-month, AEGIS assessment holiday by requiring that a participating state agency only pay the AEGIS assessment for the first ten months of Fiscal Year 2015. The assessment holiday applied to each department, commission, board, bureau or other agency of the Executive, Legislative, and Judicial Branches of state government, including, without limitation, the Public Employees' Retirement System and the Nevada System of Higher

Education. Senate Bill 505, introduced on behalf of the Department of Administration, was part of the Department of Administration's strategy to improve the projected FY 2015 General Fund ending fund balance. The premium holiday was projected to save \$17.8 million in General Funds and \$5.0 million in Highway Funds.

## **OFFICE OF THE MILITARY**

The Office of the Military (Office) is responsible for the supervision of the military affairs of the state, which includes both state and federal roles. The primary state mission of the Office is to enlist, organize, arm, equip, and train the state's militia and National Guard units, and to protect the lives and property of the public in times of emergency, disorder, and disaster. The primary federal mission is to provide combat-ready reserve forces for the United States Armed Forces to respond to a federal mobilization as directed by the President or Congress. The Adjutant General provides command and control of the Army National Guard and the Air National Guard. Funding for the Office is provided primarily through federal funding sources and State General Fund appropriations.

For the 2015-17 biennium, the Legislature approved General Fund appropriations for the Office totaling \$7.6 million, an increase of \$825,900 when compared to the \$6.8 million approved for the 2013-15 biennium. Approximately \$645,074 of the increase in General Fund support is to fund additional military leave authorized pursuant to NRS 281.145, as amended by Assembly Bill 364 (2013) and as amended by Assembly Bill 388 (2015), which is not eligible for federal reimbursement. Additionally, the Legislature authorized the Office to receive federal funds totaling \$43.7 million over the 2015-17 biennium.

The Legislature approved General Fund appropriations in the amount of \$189,633 over the 2015-17 biennium for one new Accounting Assistant position and one new Accountant Technician position, as recommended by the Governor. The new positions will be assigned to the Fiscal Unit of the Office to address workload increases associated with expansion of facilities, increased budget, and increases in personnel. In addition, the Legislature approved the Governor's recommendation of \$232,490 over the 2015-17 biennium, which includes General Fund appropriations totaling \$22,357, to fund two Grounds Maintenance Worker positions to be located at the Nevada Air National Guard Facility and at the Stead Training Center and one Maintenance Repair Worker position to be located at the Army Aviation Support Facility at the Harry Reid Training Center located in Stead. These positions will maintain facility grounds and provide facility maintenance.

The Legislature approved the Governor's recommendation of \$1.0 million over the 2015-17 biennium (General Fund appropriations of \$468,550) for minor maintenance and refurbishment projects at various military facilities. The minor maintenance projects include improvements to security controls at several facilities; the maintenance of asphalt pavement in parking lots and roads and the maintenance of heating and air conditioning systems for various facilities; the replacement of windows, water heaters, carpet, exterior doors, and flooring at several sites; road repairs at the Henderson facility; improvements to the drainage system at the Las Vegas Readiness

Center; and the installation of speed bumps at the main gate at the North Las Vegas facility. The approved funding is in addition to the Office's annual maintenance budget, which is used for maintaining facilities located throughout the state under the jurisdiction of the Office.

As part of the Capital Improvement Program (CIP) for the 2015-17 biennium, the Legislature approved nine projects for the Office of the Military totaling approximately \$13.7 million, funded with a combination of General Fund appropriations (\$2.0 million) and federal funds (\$11.3 million). The projects include parking lot lighting at the Floyd Edsall Training Center; security fencing at the Stead Training Center; construction of a maintenance shop at the Washoe County Armory; renovation of the central chilled and hot water plant at the Clark County Armory; installation of destratification fans at various locations statewide; replacement of the domestic hot water heaters at the Nevada National Guard Army Aviation Support Facility in Stead; replacement of the domestic water heaters, storage tanks and faucets at the Stead Regional Training Institute; development of schematic designs for a National Guard/Reserve Readiness Center in North Las Vegas; roofing projects at the Elko Readiness Center and the Henderson Armory; and paving projects at the Stead Training Center, the Fallon Readiness Center, and the Washoe Readiness Center.

In addition to the CIP, the Legislature approved the Governor's recommendation of federal funds totaling \$19.2 million over the 2015-17 biennium for various construction, renovation, and maintenance projects that will be funded from federal grant awards from prior federal fiscal years and new federal grant awards anticipated for the 2015-17 biennium. The federal grants awarded for this purpose are available to the agency for a five-year period.

#### **CARLIN ARMORY/READINESS CENTER**

The 2015 Legislature approved the Governor's recommendation of \$81,239 (General Fund appropriations of \$65,186) over the 2015-17 biennium to fund the personnel and associated costs of one new Maintenance Repair Worker position to provide support to the Nevada National Guard facilities in Carlin, Winnemucca, Elko, and Ely.

The Legislature also approved the Governor's recommendation of \$313,000 over the 2015-17 biennium, which includes General Fund appropriations of \$251,500, for minor maintenance, safety and security projects at the Carlin Facility. The projects include slurry sealing and the striping of roadways, roof repairs, fire alarm upgrade, and the installation of an electronic security system.

Finally, as recommended by the Governor, the Legislature approved the transfer of the revenues and expenditures in the Carlin Armory budget to the primary Military budget to consolidate the revenues and expenditures for all military facilities into a single budget, with no change in funding.

### **MILITARY PATRIOT RELIEF FUND**

The Legislature approved the Governor's recommendation of General Fund appropriations totaling \$104,675 in FY 2016 and \$139,994 in FY 2017 to continue funding the reimbursement of textbooks and financial hardship entitlements for servicemen.

In addition, the Legislature approved the Governor's recommendation to eliminate the Group Life Insurance Premium reimbursement program resulting in a General Fund savings of \$15,932 in each year of the 2015-17 biennium. Group Life Insurance Premiums paid by servicemen are reimbursed by the federal government when a member is deployed. Assembly Bill 472 (2015) would have eliminated the reimbursement to a member of the Nevada National Guard for premiums paid on a group life insurance policy; however, the Governor vetoed the bill.

### **DEPARTMENT OF VETERANS SERVICES**

The Department of Veterans Services (Department) consists of the Department of Veterans Services and the Veterans Home accounts. The Department of Veterans Services is responsible for assisting veterans and their families in obtaining services, compensation, and government benefits, as well as supervising the operation and maintenance of the State Veterans' Memorial Cemeteries located in Boulder City and Fernley. The Department also oversees the operation of the 180-bed Nevada State Veterans Home in Boulder City. The nine-member Veterans Services Commission advises the Director and the Deputy Directors of the Department and makes recommendations to the Department, the Governor, and the Legislature regarding aid and benefits to veterans.

For the Department of Veterans Services budget in the 2015-17 biennium, the Legislature approved total funding of \$7.5 million, or a 18.2 percent increase from the \$6.4 million approved for the 2013-15 biennium. Total General Fund support approved for the 2015-17 biennium of \$3.6 million represents a 1.0 percent increase over the \$3.5 million approved for the 2013-15 biennium.

The Legislature approved \$827,315 to fund eight new positions to assist the Department in supporting an expanding veteran population, a growing array of services, and the forthcoming new Northern Nevada Veterans Home. The eight new positions include one Deputy Director, one Public Information Officer, two Administrative Assistants, one Maintenance Repair Worker, two Ground Maintenance Workers, and one IT Manager. These new positions are funded with 52.0 percent General Funds and 48.0 percent federal funds, with General Fund appropriations totaling \$430,204 over the 2015-17 biennium. The Legislature also approved the Governor's recommendation to transfer \$587,621 over the biennium from the Southern Nevada Veterans Home budget to establish a cost allocation for seven positions in the Department of Veterans Services budget that provide support for the Veterans Home.

## **VETERANS HOME**

The Nevada State Veterans Home is a 180-bed, 24-hour skilled nursing facility located in Boulder City. The home admitted its first residents in August 2002 and provides a wide range of residential and support services to veterans, their spouses, and Gold Star residents (parents of a child who died while in military service). Total funding approved by the Legislature for the 2015-17 biennium is \$51.5 million, or an increase of 34.7 percent over the \$38.2 million approved for the 2013-15 biennium. The 2015 Legislature approved a combination of federal funds and fee revenue totaling \$1.3 million for maintenance of buildings and grounds, and \$896,148 for new and replacement equipment.

## **SILVER STATE HEALTH INSURANCE EXCHANGE**

The Silver State Health Insurance Exchange (Exchange) (NRS 695I) was established pursuant to Senate Bill 440 (2011) to create and administer a state-based health insurance exchange, facilitate the purchase and sale of Qualified Health Plans (QHPs), and provide for the establishment of a program to help certain small employers in Nevada facilitate the enrollment of employees in QHPs pursuant to the federal Patient Protection and Affordable Care Act and the federal Health Care and Education Reconciliation Act of 2010. However, the 2015 Legislature approved and the Governor signed Assembly Bill 86, which among other provisions, removes the requirement that the Exchange be “state-based.”

The Exchange, which became operational to consumers in October 2013, is governed by the Silver State Health Insurance Exchange Board (Board), consisting of seven voting members and three ex officio non-voting members.

While initially funded with federal establishment grants for the planning and implementation stage, as of January 2015, the Exchange is funded solely from QHP member fees, which is a per member per month assessment paid by insurance carriers. For the 2015-17 biennium, excluding reserves, the Legislature approved expenditures of \$12.4 million for the Exchange, funded with QHP member fees projected at \$12.7 million. The 2015-17 biennium will be the first full biennium in which the Exchange operates as a self-sustaining agency.

The Legislature approved revenue projections different from those shown in The Executive Budget to account for the Board’s decision to modify the determination of the PMPM fee from a flat fee to a fee calculated as a percentage of pre-subsidized insurance premiums.

Finally, the Legislature approved utilizing reserves of \$109,200 in each year of the biennium to fund three contract staff to assist in certifying qualified health plans in accordance with the Affordable Care Act requirements.



**Nevada Legislative Counsel Bureau  
Summary of Appropriations and Authorizations  
2015-17 Legislature**

	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>SPECIAL PURPOSE AGENCIES</b>					
<b>PUBLIC EMPLOYEES' RETIREMENT SYSTEM</b>					
<b>PERS - PUBLIC EMPLOYEES' RETIREMENT SYSTEM</b>	9,900,994	10,949,444	10,854,205	11,183,323	11,071,725
BALANCE FORWARD	200,000	200,000	200,000	200,000	200,000
OTHER FUND	9,700,994	10,749,444	10,654,205	10,983,323	10,871,725
<b>TOTAL PUBLIC EMPLOYEES' RETIREMENT SYSTEM</b>	9,900,994	10,949,444	10,854,205	11,183,323	11,071,725
BALANCE FORWARD	200,000	200,000	200,000	200,000	200,000
OTHER FUND	9,700,994	10,749,444	10,654,205	10,983,323	10,871,725
<b>PUBLIC EMPLOYEES' BENEFITS PROGRAM</b>					
<b>PEBP - PUBLIC EMPLOYEES' BENEFITS PROGRAM</b>	531,496,438	489,439,310	493,245,086	461,132,853	477,285,470
BALANCE FORWARD	168,828,144	163,205,462	163,205,462	135,413,104	131,016,160
INTERAGENCY TRANSFER	249,700,164	234,086,545	235,787,418	236,420,293	250,782,833
OTHER FUND	112,968,130	92,147,303	94,252,206	89,299,456	95,486,477
<b>PEBP - RETIRED EMPLOYEE GROUP INSURANCE</b>	39,367,280	35,067,190	34,732,498	36,173,086	36,766,196
BALANCE FORWARD	295,833				
INTERAGENCY TRANSFER	39,068,235	35,059,974	34,725,282	36,165,870	36,758,980
OTHER FUND	3,212	7,216	7,216	7,216	7,216
<b>PEBP - ACTIVE EMPLOYEES GROUP INSURANCE</b>	209,832,884	207,473,907	205,548,272	200,097,888	213,855,456
BALANCE FORWARD	17,823,669				
INTERAGENCY TRANSFER	191,997,351	207,473,907	205,548,272	200,097,888	213,855,456
OTHER FUND	11,864				
<b>TOTAL PUBLIC EMPLOYEES' BENEFITS PROGRAM</b>	780,696,602	731,980,407	733,525,856	697,403,827	727,907,122
BALANCE FORWARD	186,947,646	163,205,462	163,205,462	135,413,104	131,016,160
INTERAGENCY TRANSFER	480,765,750	476,620,426	476,060,972	472,684,051	501,397,269
OTHER FUND	112,983,206	92,154,519	94,259,422	89,306,672	95,493,693
<b>DEFERRED COMPENSATION</b>					
<b>DEFERRED COMPENSATION COMMITTEE</b>	502,666	384,396	475,712	361,732	427,587
BALANCE FORWARD	125,812	125,402	125,402	92,593	112,214
OTHER FUND	376,854	258,994	350,310	269,139	315,373
<b>TOTAL DEFERRED COMPENSATION</b>	502,666	384,396	475,712	361,732	427,587
BALANCE FORWARD	125,812	125,402	125,402	92,593	112,214
OTHER FUND	376,854	258,994	350,310	269,139	315,373
<b>OFFICE OF MILITARY</b>					
<b>MILITARY</b>	26,452,247	26,365,239	26,466,242	23,699,193	24,558,039
GENERAL FUND	2,545,529	3,941,731	3,598,159	4,019,534	3,694,250
BALANCE FORWARD					
FEDERAL FUND	23,906,718	22,423,508	22,868,083	19,679,659	20,863,789
INTERAGENCY TRANSFER					
INTERIM FINANCE					
OTHER FUND					
REVERSIONS					

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>MILITARY CARLIN ARMORY</b>	1,009,337				
GENERAL FUND	808,314				
BALANCE FORWARD					
FEDERAL FUND	201,023				
REVERSIONS					
<b>MILITARY EMERG OPERATIONS CENTER</b>	565,356	545,099	545,099	593,148	565,971
BALANCE FORWARD	219,381	218,342	218,342	266,391	239,214
INTERAGENCY TRANSFER	345,975	326,757	326,757	326,757	326,757
<b>MILITARY ADJUTANT GENERAL'S SPECIAL FACILITY ACCT</b>	26,207	44,438	44,438	63,458	63,458
BALANCE FORWARD	25,362	24,959	24,959	43,979	43,979
OTHER FUND	845	19,479	19,479	19,479	19,479
<b>MILITARY NATIONAL GUARD BENEFITS</b>	59,100	57,824	57,824	57,824	57,824
GENERAL FUND	59,100	57,824	57,824	57,824	57,824
REVERSIONS					
<b>MILITARY PATRIOT RELIEF FUND</b>	149,762	124,062	124,062	124,062	124,062
GENERAL FUND	100	88,743	88,743	124,062	124,062
BALANCE FORWARD	149,423	35,309	35,309		
OTHER FUND	239	10	10		
REVERSIONS					
<b>TOTAL OFFICE OF MILITARY</b>	28,262,009	27,136,662	27,237,665	24,537,685	25,369,354
GENERAL FUND	3,413,043	4,088,298	3,744,726	4,201,420	3,876,136
BALANCE FORWARD	394,166	278,610	278,610	310,370	283,193
FEDERAL FUND	24,107,741	22,423,508	22,868,083	19,679,659	20,863,789
INTERAGENCY TRANSFER	345,975	326,757	326,757	326,757	326,757
INTERIM FINANCE					
OTHER FUND	1,084	19,489	19,489	19,479	19,479
REVERSIONS					
<b>VETERANS SERVICES</b>					
<b>NDVS - OFFICE OF VETERANS SERVICES</b>	3,247,279	4,025,614	3,658,207	4,824,881	3,857,120
GENERAL FUND	1,818,448	1,533,269	1,732,865	1,813,851	1,831,555
FEDERAL FUND	1,428,162	2,214,799	1,647,796	2,700,952	1,715,487
INTERAGENCY TRANSFER	669	277,544	277,544	310,077	310,077
OTHER FUND		2	2	1	1
REVERSIONS					
<b>NDVS - VETERANS HOME ACCOUNT</b>	22,674,575	26,062,702	26,073,672	25,468,032	25,377,267
BALANCE FORWARD	5,610,934	6,117,658	6,117,658	7,034,774	6,961,509
FEDERAL FUND	6,550,359	8,827,676	8,832,951	8,600,007	8,591,842
INTERAGENCY TRANSFER	5,176,874	5,360,354	5,363,010	4,646,002	4,641,591
OTHER FUND	5,336,408	5,757,014	5,760,053	5,187,249	5,182,325

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	2014-2015 Work Program	2015-2016 GOVERNOR RECOMMENDS	2015-2016 LEGISLATIVELY APPROVED	2016-2017 GOVERNOR RECOMMENDS	2016-2017 LEGISLATIVELY APPROVED
<b>TOTAL VETERANS SERVICES</b>	25,921,854	30,088,316	29,731,879	30,292,913	29,234,387
GENERAL FUND	1,818,448	1,533,269	1,732,865	1,813,851	1,831,555
BALANCE FORWARD	5,610,934	6,117,658	6,117,658	7,034,774	6,961,509
FEDERAL FUND	7,978,521	11,042,475	10,480,747	11,300,959	10,307,329
INTERAGENCY TRANSFER	5,177,543	5,637,898	5,640,554	4,956,079	4,951,668
OTHER FUND	5,336,408	5,757,016	5,760,055	5,187,250	5,182,326
REVERSIONS					
<b>SILVER STATE HEALTH INSURANCE EXCHANGE</b>					
<b>SILVER STATE HEALTH INSURANCE EXCHANGE ADMIN</b>	50,391,219	7,517,597	7,417,529	7,898,955	7,787,033
BALANCE FORWARD	524,848	1,313,247	1,313,247	1,332,805	1,237,387
FEDERAL FUND	46,503,800				
INTERAGENCY TRANSFER	85,308				
OTHER FUND	3,277,263	6,204,350	6,104,282	6,566,150	6,549,646
<b>TOTAL SILVER STATE HEALTH INSURANCE EXCHANGE</b>	50,391,219	7,517,597	7,417,529	7,898,955	7,787,033
BALANCE FORWARD	524,848	1,313,247	1,313,247	1,332,805	1,237,387
FEDERAL FUND	46,503,800				
INTERAGENCY TRANSFER	85,308				
OTHER FUND	3,277,263	6,204,350	6,104,282	6,566,150	6,549,646
<b>SPECIAL PURPOSE AGENCIES</b>					
GENERAL FUND	5,231,491	5,621,567	5,477,591	6,015,271	5,707,691
BALANCE FORWARD	193,803,406	171,240,379	171,240,379	144,383,646	139,810,463
FEDERAL FUND	78,590,062	33,465,983	33,348,830	30,980,618	31,171,118
INTERAGENCY TRANSFER	486,374,576	482,585,081	482,028,283	477,966,887	506,675,694
INTERIM FINANCE					
OTHER FUND	131,675,809	115,143,812	117,147,763	112,332,013	118,432,242
REVERSIONS					
<b>TOTAL FOR SPECIAL PURPOSE AGENCIES</b>	895,675,344	808,056,822	809,242,846	771,678,435	801,797,208
Less: INTER-AGENCY TRANSFER	486,374,576	482,585,081	482,028,283	477,966,887	506,675,694
<b>NET SPECIAL PURPOSE AGENCIES</b>	409,300,768	325,471,741	327,214,563	293,711,548	295,121,514