

**ADOPTED REGULATION OF THE COMMITTEE
ON LOCAL GOVERNMENT FINANCE**

LCB File No. R033-03

Effective December 16, 2003

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§1-2, NRS 354.107.

Section 1. Chapter 354 of NAC is hereby amended by adding thereto a new section to read as follows:

Expenses charged to an enterprise or internal service fund in excess of the original budget appropriation therefor are allowable in accordance with NRS 354.612 and are not a violation of NRS 354.626 if:

- 1. The expenses do not cause a deficit in the equity balance of the fund; and*
- 2. The budget is adjusted in a manner provided by law.*

Sec. 2. NAC 354.400 is hereby amended to read as follows:

354.400 The purpose of NAC 354.400 to 354.490, inclusive, *and section 1 of this regulation* is to define available resources and to specify filing requirements for budget augmentation for governmental funds.

**NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R033-03**

The Committee on Local Government Finance adopted permanent regulations on September 26, 2003, pertaining to Chapter 354 of the Nevada Administrative Code, LCB File No. R033-03, Expenses in excess of Original Appropriation.

Notice date: 8/26/2003
Hearing date: 9/26/2003

Date of adoption by agency: 9/26/2003
Filing date: 12/16/2003

INFORMATIONAL STATEMENT

- 1. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.**

The Department of Taxation, as staff to the Nevada Tax Commission, solicited comment from the public by sending notices of workshops and hearings by electronic or regular mail as follows:

<u>Date of Notice</u>	<u>Workshop/Hearing</u>	<u>Date</u>	<u># Notified</u>	<u>#Representing Bus.</u>
8/26/03	Workshop	9/26/03	466	145
8/26/03	Hearing	9/26/03	466	145

The mailing list included the interested parties list maintained by the Department, as well as officials of local jurisdictions subject to these regulations.

No oral or written comments were received addressing new proposed language on expenses in excess of original appropriations. A copy of the audio taped comments or the record of proceedings may be obtained by calling the Nevada Department of Taxation at (775) 687-4841 or by writing to the Department of Taxation, 1550 East College Parkway, Carson City, Nevada 89706, or by e-mailing the Department at mmjacobs@tax.state.nv.us.

- 2. The number persons who:**

(a) Attended each hearing: Workshop: Eleven members of the committee attended; 18 interested parties attended. **Hearing on adoption:** Eleven members of the committee attended; 18 interested parties attended.

(b) Testified at each hearing: Workshop: Six testified at the workshop held September 26, 2003; **Hearing:** one testified at the hearing held September 26, 2003.

(c) Submitted to the agency written comments: No written comments were received.

3. **A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.**

The regulations present no reasonably foreseeable or anticipated adverse economic effects to businesses or to the general public, and none could be quantified. Nevertheless, of the 466 notices sent, approximately 145 went to individuals or associations representing business.

No oral or written comments were received.

A copy of the written comments may be obtained by calling the Nevada Department of Taxation at (775) 687-4841 or by writing to the Committee on Local Government Finance, c/o Department of Taxation, 1550 East College Parkway, Carson City, Nevada 89706, or by e-mailing the Department at mmjacobs@tax.state.nv.us

4. **If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**

The regulation as reviewed by the LCB was adopted by the Committee on Local Government Finance on September 26, 2003 with no change.

5. **The estimated economic effect of the adopted regulation on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include:**

(a) Both adverse and beneficial effects; and

The proposed regulations present no reasonably foreseeable or anticipated adverse economic effects to businesses or to the general public. It is anticipated the regulations promote a reasonable and satisfactory process for identifying and auditing expenses in excess of original appropriations charged to an enterprise or internal service fund.

(b) Both immediate and long-term effects.

The proposed regulations present no reasonably foreseeable or anticipated immediate or long-term economic effects to businesses or to the general public.

6. **The estimated cost to the agency for enforcement of the adopted regulation.**

The Department anticipates little, if any, additional cost to administer the regulations.

7. **A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the**

duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

There are no other state or government agency regulations that the proposed amendments duplicate.

- 8. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.**

There are no federal regulations regarding the Local Government Budget Act with which these regulations comply.

- 9. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

These regulations do not provide or involve a new fee; therefore there is no total annual amount the Department or the Committee expect to collect or use.