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BDR 16-39
SB 140

EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 1, 2021

Agency Submitting: Department of Transportation

Items of Revenue or Expense, or Both	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23	Effect on Future Biennia
Category 10, Honor Camp Payment (Expense)	$1,224,345	$1,224,345	$1,224,345	$2,448,690
Total	$1,224,345	$1,224,345	$1,224,345	$2,448,690

Explanation (Use Additional Sheets of Attachments, if required)

After careful review of S.B. 140, we have determined that it will result in a significant fiscal impact to the department.

The Nevada Department of Transportation (NDOT) utilizes conservation camp labor across the state for maintenance related activities along the highways throughout the state. The Nevada Division of Forestry (NDF) operates nine conservation camps across the state. Each conservation camp typically fields eight 10-man crews.

In fiscal year 2020, the department spent $880,425.13 on conservation camp related work. NDOT utilized 10 NDF work crews (one crew includes 10 inmate workers and 1 NDF supervisor) for approximately 126 working days in FY2020. This totaled 100 inmates and 10 NDF supervisors over the course of the year. The costs of a working day include the labor for 10 inmate workers, 1 NDF supervisor, and various equipment rented by NDF to the department for a daily rate. Excluding the cost of rental equipment, the department anticipated spending approximately $908,000 on labor in FY2020.

S.B. 140 proposes to pay a living wage, equivalent to the state minimum wage, to inmate workers. This would change the cost of inmate labor from $2.23 per day to $84.58 per day ($8.25 per hour for 10 hours with an additional $2.08 for worker’s compensation insurance). Excluding the cost of rental equipment, the department would anticipate spending approximately $2,200,000 on labor per year.

If S.B. 140 is passed, the department anticipates spending approximately $2,200,000 per fiscal year. This will result in an annual increase of $1,224,345 or $2,448,690 increase per biennium.

Name Debbie Binggeli

Title Program Officer III

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Tuesday, March 30, 2021

The agency's response appears reasonable.

Name Jim Rodriguez

Title Executive Branch Budget Officer