

**Amendment No. 886**

Assembly Amendment to Assembly Bill No. 346

(BDR 31-928)

**Proposed by:** Assembly Committee on Ways and Means

**Amends:** Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will ADD an appropriation where one does not currently exist in A.B. 346.

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of **green bold underlining** is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.





## ASSEMBLY BILL NO. 346—ASSEMBLYMAN O’NEILL

MARCH 20, 2023

Referred to Committee on Ways and Means

SUMMARY—Revises the State Budget Act. (BDR 31-928)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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

AN ACT relating to state financial administration; defining the term “adjusted base budget” for purposes of the State Budget Act; making an appropriation; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 The State Budget Act sets forth the process for the preparation and submission of the  
2 proposed biennial budget for the Executive Department of the State Government. (NRS  
3 353.150-353.246) Specifically, the Act requires the Chief of the Budget Division of the Office  
4 of Finance to prepare a final version of the proposed budget, which must include the adjusted  
5 base budget for each department, institution and agency of the Executive Department. (NRS  
6 353.230) **Section 2** of this bill defines the term “adjusted base budget” to mean the amount  
7 appropriated or authorized to support ongoing expenditures budgeted to the department,  
8 institution or agency by the Legislature for the second year of the current biennium, as  
9 adjusted for: (1) the removal of any one-time appropriation or authorization that was  
10 appropriated or authorized by the Legislature to the department, institution or agency for the  
11 second year of the biennium; (2) statewide fringe benefits, assessments, rent insurance  
12 premiums and cost allocations; (3) contractual obligations that are approved or expired during  
13 the current biennium; (4) ongoing expenditures approved by the Interim Finance Committee  
14 during the current biennium; (5) any annualization of costs that occurred for part of the second  
15 year of the current biennium; (6) actual caseloads incurred during the first year of the  
16 biennium; (7) rate changes that are projected to affect the budget of the department, institution  
17 or agency during the next biennium; and (8) any other adjustment that is necessary based on  
18 the limit upon total proposed expenditures or as otherwise determined by the Chief.

19 The Act further requires the Chief to provide to the Fiscal Analysis Division of the  
20 Legislative Counsel Bureau each agency’s adjusted base budget by program or budgetary  
21 account for the next 2 fiscal years. (NRS 353.211) **Section 1** of this bill defines the term  
22 “adjusted base budget” to mean the amount appropriated or authorized to support ongoing  
23 expenditures budgeted to the agency by the Legislature for the second year of the current  
24 biennium, as adjusted for: (1) the removal of any one-time appropriation or authorization that  
25 was appropriated or authorized by the Legislature to the agency for the second year of the  
26 current biennium; (2) statewide fringe benefits, assessments, rent insurance premiums and  
27 cost allocations; (3) contractual obligations that are approved or expired during the current  
28 biennium; (4) ongoing expenditures approved by the Interim Finance Committee during the  
29 current biennium; (5) any annualization of costs that occurred for part of the second year of  
30 the current biennium; (6) actual caseloads incurred during the first year of the biennium; (7)  
31 rate changes that are projected to affect the budget of the agency during the next biennium;

and (8) any other adjustment that is necessary based on the limit upon total proposed expenditures or as otherwise determined by the Chief.

Section 2.5 of this bill makes an appropriation to the Legislative Fund to update the budgeting software of the Fiscal Analysis Division of the Legislative Counsel Bureau to accommodate the amendatory provisions of this bill.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** NRS 353.211 is hereby amended to read as follows:

353.211 1. On or before October 15 of each even-numbered year, the Chief shall provide to the Fiscal Analysis Division of the Legislative Counsel Bureau:

(a) Computerized budget files containing the actual data regarding revenues and expenditures for the previous year;

(b) The work programs for the current year; and

(c) Each agency's requested budget for the next 2 fiscal years.

2. On or before December 31 of each even-numbered year, the Chief shall provide to the Fiscal Analysis Division:

(a) Each agency's adjusted base budget by program or budgetary account for the next 2 fiscal years; and

(b) An estimated range of the costs for:

(1) Continuing the operation of State Government; and

(2) Providing elementary, secondary and higher public education,

↪ at the current level of service.

3. The information provided to the Fiscal Analysis Division pursuant to subsections 1 and 2 is open for public inspection.

4. The Governor may authorize or direct an agency to hold public hearings on a budget submitted pursuant to paragraph (c) of subsection 1 at any time after the material is provided pursuant to subsection 1.

*5. As used in this section, "adjusted base budget" means the amount appropriated or authorized to support ongoing expenditures budgeted to the agency by the Legislature for the second year of the current biennium, as adjusted for:*

*(a) The removal of any one-time appropriation or authorization that was appropriated or authorized by the Legislature to the agency for the second year of the biennium;*

*(b) Statewide fringe benefits, assessments, rent insurance premiums and cost allocations;*

*(c) Contractual obligations that are approved or expired during the current biennium;*

*(d) Ongoing expenditures approved by the Interim Finance Committee during the current biennium;*

*(e) Any annualization of costs that occurred for part of the second year of the current biennium;*

*(f) Actual caseloads incurred during the first year of the biennium;*

*(g) Rate changes that are projected to affect the budget of the agency during the next biennium; and*

*(h) Any other adjustment that is necessary:*

*(1) Based on the limit upon total proposed expenditures calculated pursuant to NRS 353.213; or*

*(2) As otherwise determined by the Chief.*

1       **Sec. 2.** NRS 353.230 is hereby amended to read as follows:

2       353.230 1. The Chief shall review the estimates, altering, revising,  
3 increasing or decreasing the items of the estimates as the Chief may deem  
4 necessary in view of the needs of the various departments, institutions and agencies  
5 in the Executive Department of the State Government and the total anticipated  
6 income of the State Government and of the various departments, institutions and  
7 agencies of the Executive Department during the next fiscal year. In performing the  
8 duties required by this subsection, the Chief shall use the projections and estimates  
9 prepared by the Economic Forum pursuant to NRS 353.228.

10       2. The Chief shall meet with a Fiscal Analyst of the Legislative Counsel  
11 Bureau or his or her designated representative and personnel of the various  
12 departments, institutions and agencies of the Executive Department to discuss:

13       (a) The budgetary requests of each department, institution and agency; and

14       (b) The budgetary recommendations of the Budget Division for each  
15 department, institution and agency,

16       ➤ for the next 2 fiscal years. The Chief shall allow the Fiscal Analyst of the  
17 Legislative Counsel Bureau or his or her designated representative full access to all  
18 materials connected with the review.

19       3. The Chief shall then prepare a final version of the proposed budget, in  
20 accordance with NRS 353.150 to 353.246, inclusive, and shall deliver it to the  
21 Governor. The final version of the proposed budget must include the adjusted base  
22 budget for each department, institution and agency of the Executive Department,  
23 the costs for continuing each program at the current level of service and the costs, if  
24 any, for new programs, recommended enhancements of existing programs or  
25 reductions for the departments, institutions and agencies of the Executive  
26 Department for the next 2 fiscal years. All projections of revenue and any other  
27 information concerning future state revenue contained in the proposed budget must  
28 be based upon the projections and estimates prepared by the Economic Forum  
29 pursuant to NRS 353.228.

30       4. The Governor shall, not later than 14 calendar days before the  
31 commencement of the regular legislative session, submit the proposed budget to the  
32 Director of the Legislative Counsel Bureau for transmittal to the Legislature. The  
33 Governor shall simultaneously submit, as a separate document:

34       (a) An analysis of any new programs or enhancements of existing programs  
35 being recommended; and

36       (b) Any increase in or new revenues which are being recommended in the  
37 proposed budget.

38       ➤ The document must specify the total cost by department, institution or agency of  
39 new programs or enhancements, but need not itemize the specific costs. All  
40 projections of revenue and any other information concerning future state revenue  
41 contained in the document must be based upon the projections and estimates  
42 prepared by the Economic Forum pursuant to NRS 353.228.

43       5. On or before the 19th calendar day of the regular legislative session, the  
44 Governor shall submit to the Legislative Counsel recommendations for each  
45 legislative measure which will be necessary to carry out the final version of the  
46 proposed budget or to carry out the Governor's legislative agenda. These  
47 recommendations must contain sufficient detailed information to enable the  
48 Legislative Counsel to prepare the necessary legislative measures.

49       6. During the consideration of the general appropriation bill and any special  
50 appropriation bills and bills authorizing budgeted expenditures by the departments,  
51 institutions and agencies operating on money designated for specific purposes by  
52 the Constitution or otherwise, drafted at the request of the Legislature upon the  
53 recommendations submitted by the Governor with the proposed budget, the

1 Governor or a representative of the Governor have the right to appear before and be  
2 heard by the appropriation committees of the Legislature in connection with the  
3 appropriation bill or bills, and to render any testimony, explanation or assistance  
4 required of him or her.

5 *7. As used in this section, “adjusted base budget” means the amount*  
6 *appropriated or authorized to support ongoing expenditures budgeted to the*  
7 *department, institution or agency by the Legislature for the second year of the*  
8 *current biennium, as adjusted for:*

9 (a) *The removal of any one-time appropriation or authorization that was*  
10 *appropriated or authorized by the Legislature to the department, institution or*  
11 *agency for the second year of the biennium;*

12 (b) *Statewide fringe benefits, assessments, rent insurance premiums and cost*  
13 *allocations;*

14 (c) *Contractual obligations that are approved or expired during the current*  
15 *biennium;*

16 (d) *Ongoing expenditures approved by the Interim Finance Committee*  
17 *during the current biennium;*

18 (e) *Any annualization of costs that occurred for part of the second year of*  
19 *the current biennium;*

20 (f) *Actual caseloads incurred during the first year of the biennium;*

21 (g) *Rate changes that are projected to affect the budget of the department,*  
22 *institution or agency during the next biennium; and*

23 (h) *Any other adjustment that is necessary:*

24 (1) *Based on the limit upon total proposed expenditures calculated*  
25 *pursuant to NRS 353.213; or*

26 (2) *As otherwise determined by the Chief.*

27 *Sec. 2.5. There is hereby appropriated from the State General Fund to*  
28 *the Legislative Fund created by NRS 218A.150 the sum of \$27,000 for the*  
29 *purpose of updating the budgeting software of the Fiscal Analysis Division of*  
30 *the Legislative Counsel Bureau to accommodate the amendatory provisions of*  
31 *this act.*

32 **Sec. 3.** This act becomes effective on July 1, 2023.