

**MINUTES OF THE MEETING OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS
AND
SENATE COMMITTEE ON FINANCE
SUBCOMMITTEES ON K-12/HIGHER EDUCATION/CIP**

**Eighty-Second Session
April 21, 2023**

The joint meeting of the Assembly Committee on Ways and Means and Senate Committee on Finance Subcommittees on K-12/Higher Education/CIP was called to order by Chair Shea Backus at 8:10 a.m. on Friday, April 21, 2023, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [[Exhibit A](#)], the Attendance Roster [[Exhibit B](#)], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblywoman Shea Backus, Chair
Assemblywoman Sandra Jauregui, Vice Chair
Assemblywoman Heidi Kasama
Assemblyman Cameron (C.H.) Miller
Assemblywoman Daniele Monroe-Moreno
Assemblyman P.K. O'Neill
Assemblywoman Sarah Peters
Assemblyman Steve Yeager

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Marilyn Dondero Loop, Chair
Senator Nicole J. Cannizzaro
Senator Dina Neal
Senator Heidi Seevers Gansert
Senator Robin L. Titus

SUBCOMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None

Minutes ID: 803



STAFF MEMBERS PRESENT:

Wayne Thorley, Senate Fiscal Analyst
Brody Leiser, Assembly Chief Principal Deputy Fiscal Analyst
Julie Waller, Principal Program Analyst
Carmen M. Neveau, Committee Secretary
Janet Osalvo, Committee Assistant

OTHERS PRESENT:

Kent A. LeFevre, Administrator, State Public Works Division, Department of Administration
Jack Robb, Director, Department of Administration
Matthew Tuma, Deputy Director, Department of Administration
David Dutra, Deputy Administrator, Buildings and Grounds Section, State Public Works Division, Department of Administration

Chair Backus:

[Roll was taken, and Subcommittee rules and protocol were discussed.] Today, we will start with the budget closing presentation for the State Public Works Division Engineering and Planning budget, 101-1562.

**FINANCE & ADMINISTRATION
DEPARTMENT OF ADMINISTRATION
ADMINISTRATION - SPWD - ENGINEERING & PLANNING (101-1562)
BUDGET PAGE ADMIN-148**

Julie Waller, Principal Program Analyst:

The first budget closing is the Engineering and Planning budget [page 3, [Exhibit C](#)]. This budget funds positions responsible for construction management functions including supervision and inspection of construction maintenance projects for state buildings. The budget is funded through assessments to projects included in the Capital Improvement Program (CIP). There is one Major Closing Issue in this budget related to the staffing levels required to implement the 2023 CIP.

As originally recommended, the Governor's 2023 CIP included 98 projects and a total estimated cost of \$1.226 billion. With that, the Governor recommended continuation of base budget staffing levels of 54 positions to continue work on previously approved CIP projects, the recommended new CIP projects, and agency-funded projects. Staffing levels are determined by the estimated workload. The Division estimated the need for four new project manager positions and one new program officer position, and during the budget hearing, the Division testified that a budget amendment would be forthcoming to add these positions.

On March 3, 2023, the Governor's Office of Finance submitted budget amendment A230121562 to add five new full-time positions that would address the Division's current and anticipated workload and to implement the recommended projects in the 2023 CIP. Inspection fee revenue of \$585,289 in fiscal year (FY) 2024 and \$717,204 in FY 2025 is recommended to fund the five new positions and associated operating costs.

The five new positions include four unclassified Project Manager 2 positions at an annual salary of \$111,313 and one classified program officer 2 position at grade 33, step 10. These positions are budgeted to begin on October 1, 2023. The primary duties [page 5, [Exhibit C](#)] of the program officer 2 position would be to oversee the work of the Division's three existing program officer 1 positions who coordinate program requirements and assist project managers in facilitating additional workload needs. The primary duties of the four project manager 2 positions include professional services such as planning, coordinating, directing, and managing construction project activities; developing design concepts; determining cost estimates and budgets; negotiating review of contracts; and modifying contracts and agreements with architectural engineering plans.

Including the recommendation to add four new unclassified Project Manager positions and one new program officer 2 position; a total of 24 unclassified Program Manager positions and four classified program officer positions would be funded over the 2023-2025 biennium. The Division indicates that if this budget amendment is approved, it would have sufficient staffing levels to address the projected increase in workload required for the Division to implement the 2023 CIP as originally recommended by the Governor.

On April 3, 2023, the Fiscal Analysis Division received a budget amendment to the Governor's recommended 2023 CIP that recommends the addition of three new projects and the withdrawal of four projects, as well as various funding source changes to support the revised 2023 CIP. Fiscal staff asked the Division how this budget amendment would impact the need for five new positions recommended in the budget amendment. The Division advised that the budget amendment would reduce the Division's anticipated reliance on third-party project management and would not impact the Division's staffing needs.

Do the Subcommittees wish to recommend approval of budget amendment A230121562 to add four Project Manager 2 positions and one program officer 2 position and associated operating costs funded by inspection fee revenues of \$585,289 in FY 2024 and \$717,204 in FY 2025?

Chair Backus:

I understand that with anticipated changes, we may see an amendment to reduce the number of construction projects. I understand that the Division responded that this reduction could alleviate the need for contracted third-party project managers. Can someone discuss whether there would be a decrease to the four Project Manager 2 positions, once these changes occur and everything is settled?

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Kent A. LeFevre, Administrator, State Public Works Division, Department of Administration:

The four Project Managers and the one program officer are a reasonable estimate of the needed positions for the 2023-2025 biennium. If you run the number of hours allotted for Project Managers, we could be asking for 20 positions, but given the work we anticipate in the next two years, we will be able to keep four Project Managers and a program officer busy.

Chair Backus:

Are there any other questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR DONDERO LOOP MOVED TO RECOMMEND APPROVAL OF BUDGET AMENDMENT A230121562 TO ADD FOUR PROJECT MANAGER 2 POSITIONS, ONE PROGRAM OFFICER 2 POSITION, AND ASSOCIATED OPERATING COSTS FUNDED BY INSPECTION FEE REVENUES OF \$585,289 IN FY 2024 AND \$717,204 IN FY 2025.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED.

We will now move to Other Closing Items.

Julie Waller:

There is one Other Closing Item in this budget for replacement of computer hardware and software. Fiscal staff recommends that Other Closing Item 1 be closed as recommended by the Governor and requests authority for Fiscal staff to make technical adjustments, as necessary.

Chair Backus:

Are there any questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR DONDERO LOOP MOVED THAT OTHER CLOSING ITEM 1 BE CLOSED AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS, AS NECESSARY.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED.

We will now move to the next budget closing for Buildings and Grounds, 710-1349.

FINANCE & ADMINISTRATION
DEPARTMENT OF ADMINISTRATION
ADMINISTRATION - SPWD - BUILDINGS & GROUNDS (710-1349)
BUDGET PAGE ADMIN-156

Julie Waller, Principal Program Analyst:

The next budget closing for consideration is the State Public Works Division Buildings and Grounds budget [page 7, [Exhibit C](#)]. This budget provides support for physical maintenance and housekeeping for most state-owned buildings and negotiates leases for state agencies. Additionally, this budget provides administrative oversight for the Marlette Lake Water System and also funds the security services provided by the Capitol Police Division, Department of Public Safety. A primary source of funding is the Division's rent charges to state agencies for the use of state-owned building spaces.

There is one Major Closing Issue in this budget and that is the recommendation for \$1.9 million over the 2023-2025 biennium funded with reserved rental revenues to fund building maintenance and renovation projects. This recommendation will support the agency's efforts to replace aging facility components and life safety equipment, to remain in compliance with building codes, and to address building exteriors and energy saving projects in state-owned facilities.

During the February 16, 2023, budget hearing, the Subcommittees questioned whether one of the recommended projects was a duplication, and in response, the agency confirmed that the concrete repair project for \$50,000 in each year was a duplication and should be removed. Fiscal staff recommends a technical adjustment to reduce deferred maintenance costs of \$50,000 in each year of the 2023-2025 biennium with a corresponding increase to reserves to eliminate the duplicate cost for concrete repair. The Governor's Office of Finance and the agency concur with this technical adjustment. With the removal of the duplicate project [page 8] funding is revised to \$915,543 in fiscal year (FY) 2024 and \$918,504 in FY 2025 for 35 projects.

Do the Subcommittees wish to recommend approval of reserved revenues totaling \$915,543 in FY 2024 and \$918,504 in FY 2025, inclusive of the noted technical adjustment, to address deferred maintenance and building renovation needs for the state-owned facilities statewide?

Chair Backus:

Do we have any questions regarding this budget closing item?

Assemblywoman Monroe-Moreno:

There have been conversations recently about new buildings. There was the initial CIP recommendation that was submitted, but since that time, there have been discussions about purchasing buildings, moving divisions from existing buildings into new buildings, and not building. Do we have everything that we need in this recommendation?

Jack Robb, Director, Department of Administration:

We need everything in the recommended budget, and we will need more. We need to take better care of our buildings, and we are going to look for a better way to charge agencies that are in our buildings. We currently charge 98 cents per square foot, and we are not allowed to have proper reserves. In the Grant Sawyer State Office Building, two of our four elevators do not work—one of our employees was stuck in an elevator in the building I work in for 2 1/2 hours the other night. We need to take better care of our facilities. We need trained people and sufficient funding to take care of the buildings. Over the next two years, we are going to determine the proper way to create maintenance programs to ensure our buildings are taken care of, so a \$10,000 problem does not become a \$250,000 fix.

Assemblywoman Monroe-Moreno:

If changes are made between now and 2024, and we do not have all the buildings we currently have—we sell buildings or we demolish buildings—what happens to funds allocated for those buildings?

Jack Robb:

A move out of the Grant Sawyer State Office Building will take time. We have radio towers and other equipment in that building. If we were to buy a building in July and start moving, the move will take time. I do not see us vacating the Grant Sawyer building during the 2023-2025 biennium, so we will have ongoing costs for that building.

Matthew Tuma, Deputy Director, Department of Administration:

Our budget for Buildings and Grounds is going to be a baseline going forward. With changes being discussed, and taking on new properties, we are going to need to increase staffing levels and increase investment levels in the Buildings and Grounds budget. This will be done through a work program during the interim or modified in the next legislative session, depending on definitive information we have about staffing level increases. We will be needing this baseline of expenditures regardless and will need increases over the coming years.

Assemblywoman Monroe-Moreno:

We are finally going to take care of the buildings we own and make sure the buildings are properly repaired, not just for our employees but for all the constituents who come into our buildings. Is that correct?

Matthew Tuma:

Yes.

Chair Backus:

Are there any other questions on this budget closing item? [There were no questions.] I will accept a motion.

SENATOR DONDERO LOOP MOVED TO RECOMMEND APPROVAL OF RESERVED RENT REVENUE TOTALING \$915,543 IN FY 2024 AND \$918,504 IN FY 2025, INCLUSIVE OF THE NOTED TECHNICAL ADJUSTMENT, TO ADDRESS DEFERRED MAINTENANCE AND BUILDING RENOVATION NEEDS FOR STATE-OWNED FACILITIES STATEWIDE.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

Are there any questions on the motion? [There were none.] I will call for a vote.

THE MOTION CARRIED.

We will continue with Other Closing Items for Buildings and Grounds.

Julie Waller:

There are four Other Closing Items in this budget [page 9, [Exhibit C](#)] that pertain to the recommendation for one new painter position, replacement of computer hardware and software, replacement of industrial and maintenance equipment, and replacement of 24 agency-owned vehicles with long term Fleet Services vehicles.

Other Closing Item 5 is a base budget technical adjustment. This technical adjustment is recommended to align transfers in the Governor's recommended budget between this budget and the transfer revenue amounts in the receiving budget of the Department of Public Safety's Capitol Police budget account 4727. Fiscal staff has entered a technical adjustment to increase the transfer amounts by \$262,955 in FY 2024 and \$401,291 in FY 2025. This adjustment would result in the total recommended transfers from this budget to the Capitol Police budget, inclusive of all recommended maintenance and enhancement decision units, of \$3.1 million in FY 2024 and \$3.3 million in FY 2025. The Governor's Office of Finance and the agency concur with this technical adjustment.

Other Closing Item 6 is the transfer for salary adjustment for sworn officers in decision unit enhancement (E) 680. This relates to the Governor's recommendation to add a two-grade increase for sworn officers and would result in an increase for the DPS officer 1, DPS officer 2, and DPS sergeant positions in the Capitol Police budget. The approval of the increase in transfers to the Capitol Police budget recommended in this decision unit is

contingent upon the approval of the Governor's recommended two-grade pay increase for all sworn officers which will be considered at a later date when the money committees consider statewide compensation issues. Fiscal staff recommends deferral of this item to the statewide closing.

Next is Other Closing Item 7 which is budget amendment A230694727. Although this budget amendment is not included in this budget, it does impact this budget. On March 9, 2023, the Governor's Finance Office submitted this budget amendment for the DPS Capitol Police budget to request a salary increase for the Chief of Capitol Police as part of the recommended salary increase for all sworn officers. As a result, this would increase the transfer from this budget to the DPS Capitol Police budget by \$5,187 in each year of the 2023-2025 biennium. While a companion budget amendment was not requested to increase the transfers in this budget, a corresponding increase to transfer funds from this budget would be necessary if the budget amendment in the Capitol Police budget is approved. Approval of the increase in transfers to the Capitol Police budget recommended in this budget amendment is contingent upon approval of the Governor's recommended two-grade pay increase for all sworn officers. This recommendation will be considered separately by the money committees when they consider statewide compensation issues. Therefore, Fiscal staff recommends deferral of this item to the statewide closing.

Fiscal staff recommends that Other Closing Items 1 through 4 be closed as recommended by the Governor, Other Closing Item 5 be closed with the noted technical adjustment, and that Other Closing Items 6 and 7 be deferred for consideration at the statewide decision unit closing where statewide grade increases will be considered [page 10, [Exhibit C](#)]. Fiscal staff requests authority to make other technical adjustments, as necessary, including adjustments as a result of decisions to be made during the statewide closing discussion.

Chair Backus:

Are there any questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR DONDERO LOOP MOVED TO RECOMMEND THAT OTHER CLOSING ITEMS 1 THROUGH 4 BE CLOSED AS RECOMMENDED BY THE GOVERNOR, OTHER CLOSING ITEM 5 BE CLOSED WITH THE NOTED TECHNICAL ADJUSTMENT, AND THAT OTHER CLOSING ITEMS 6 AND 7 BE DEFERRED FOR CONSIDERATION DURING THE STATEWIDE DECISION UNITS CLOSING WHERE STATEWIDE GRADE INCREASES WILL BE CONSIDERED. FISCAL STAFF IS AUTHORIZED TO MAKE OTHER TECHNICAL ADJUSTMENTS, AS NECESSARY, INCLUDING ADJUSTMENTS AS A RESULT OF DECISIONS TO BE MADE DURING THE STATEWIDE CLOSING DISCUSSION.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I will call for a vote.

THE MOTION CARRIED. (ASSEMBLYMAN MILLER WAS ABSENT FOR THE VOTE.)

Julie Waller:

The next three budget closings are staff-closed budgets. Fiscal staff is responsible for developing closing recommendations for these budgets, the first of which is State Public Works Division Administration, 101-1540.

**FINANCE & ADMINISTRATION
DEPARTMENT OF ADMINISTRATION
ADMINISTRATION - SPWD - ADMINISTRATION (101-1540)
BUDGET PAGE ADMIN-144**

Julie Waller, Principal Program Analyst:

The first budget closing is the State Public Works Division Administration, budget account 101-1540 [page 13, [Exhibit C](#)]. There are no Major Closing Issues and there are two Other Closing Items. The closing recommendations for this budget and the other staff-closed budgets will be included in summary [page 19] at the end of my presentation. The next budget closing is the Facility Condition and Analysis budget, 101-1560.

**FINANCE & ADMINISTRATION
DEPARTMENT OF ADMINISTRATION
ADMINISTRATION - SPWD - FACILITY COND & ANALYSIS (101-1560)
BUDGET PAGE ADMIN-152**

Julie Waller, Principal Program Analyst:

The next budget closing is the State Public Works Division Facility Condition and Analysis, budget 101-1560 [page 15, [Exhibit C](#)]. This budget is funded through State General Fund appropriations and provides periodic inspections and evaluations of facility maintenance needs for state-owned buildings to identify and quantify potential fiscal obligation and projected inventory of deferred maintenance on these buildings. There are no Major Closing Issues in this budget, and there are two Other Closing Items. One Other Closing Item is funding for building code training and the second Other Closing Item is additional in-state travel for the agency to conduct its facility condition analysis site visits. The closing recommendation for this budget will also be reserved for a motion at the end of this presentation.

I will now present the last budget closing, State Public Works Division Marlette Lake, 712-1366.

**FINANCE & ADMINISTRATION
DEPARTMENT OF ADMINISTRATION
ADMINISTRATION - SPWD - MARLETTE LAKE (712-1366)
BUDGET PAGE ADMIN-163**

Julie Waller, Principal Program Analyst:

The last budget closing for consideration is State Public Works Division Marlette Lake, 712-1366. The Marlette Lake Water System is administered by the State Public Works Division. The major objectives of the system are to preserve the sources of water, to maintain the system in a condition to provide dependable supplies of water, and to sell water under contractual arrangements through raw water sales to its customers: Carson City and Storey County. The water sales rate charged to both Carson City and Storey County is currently set at 75 cents per 1,000 gallons in the current biennium and is recommended to remain consistent for the 2023-2025 biennium.

There are no Major Closing Issues. There is one Other Closing Item and that is a base budget technical adjustment. The Governor recommended raw water sales revenue of \$409,324 in each year of the 2023-2025 biennium in the base budget, which reflects actual revenues collected in fiscal year (FY) 2022 from raw water sales. As the Subcommittees will recall, there is a Capital Improvement Program (CIP) project related to the Marlette Lake Dam; the Marlette Lake Dam Rehabilitation project, CIP project 19-C08, which is anticipated to result in an interruption of water sales. This interruption would have an impact on projected raw water sales for the 2023-2025 biennium.

The agency indicated that there have been delays in CIP project 19-C08. The project was anticipated to begin in the third quarter of FY 2024, but because of delays in receiving Federal Emergency Management Agency approval to begin working on the dam, the Division anticipates the project will not begin until FY 2025. Based on this revised timeline, the agency advises projected raw water sales should be revised down to \$404,812 in FY 2024 and \$187,500 in FY 2025, with the FY 2025 amount representing a worst-case scenario depending on the timeline of CIP project 19-C08 and the interruption of water sales.

Incorporating adjustments to projected raw water sales revenue would result in an estimated ending reserve level of \$20,258, or six days of operating expenditures in FY 2025 in this budget. Additionally, any approved cost of living or other salary adjustments which are not currently reflected in this budget would further deplete the reserves. Depending on the FY 2023 actual revenues and expenditures, the amount of reserve funding available to balance forward in FY 2024 may result in a greater or lesser number of days of reserves being available at the start of FY 2024. However, that information will not be known until after the 2023-2025 biennium budgets have been closed and the Legislature has adjourned.

In response to a question about the projected low ending reserve balance in FY 2025, the agency advises that there are many variables that impact this budget's revenues and

expenditures. Current snow accumulation and natural recharge of the lake would result in higher sales revenue and lower pumping expenditures in the fourth quarter of FY 2023 and into FY 2024. While the agency is unable to quantify the impact of these factors on revenue and expenditures at this time, the agency notes the overall impact on reserve levels would be positive. Concerning possible salary and benefit adjustments to be considered by the Legislature, the agency referenced the money committees' discussion at the March 30, 2023, work session which indicated there was a possibility that salary adjustment funds may be made available for non-State General Fund or non-Highway Fund positions.

Lastly, I would note that this budget does have a \$100 nominal State General Fund appropriation recommended in each year of the existing biennium as well as in the 2023-2025 biennium. The agency indicated that should a budgetary shortfall occur, the agency could request an allocation from the Interim Finance Committee's (IFC) Contingency Account during the 2023-2024 interim or a supplemental appropriation in the 2025 legislative session.

Accordingly, Fiscal Analysis Division staff recommends a technical adjustment to align revenues from raw water sales included in the Governor's budget with updated revenue projections provided by the agency. This will reduce projected revenue from raw water sales from \$409,324 in each year of the 2023-2025 biennium to \$404,812 in FY 2024 and \$187,500 in FY 2025. The Governor's Office of Finance and the agency concur with this technical adjustment.

Fiscal staff recommends that the State Public Works Division Administration budget account 101-1540, the State Public Works Division Facility Condition and Analysis budget 101-1560, and the State Public Works Division Marlette Lake budget 712-1366, be closed as recommended by the Governor, with authority for Fiscal staff to make technical adjustments, including the noted technical adjustment to update projected revenue for water sales [page 19, [Exhibit C](#)].

Chair Backus:

Are there any questions from Subcommittee members?

Senator Dondero Loop:

I notice for the Marlette Lake budget account that the current set rate for water is 75 cents per 1,000 gallons. Has any consideration been given to raising that rate to help with the revenue shortfall?

David Dutra, Deputy Administrator, Buildings and Grounds Section, State Public Works Division, Department of Administration:

We have a contract in place which depicts the rate set per 1,000 gallons. That contract is going to be extended for the next year and during that time we will be negotiating a new

contract with our customers, including a new rate methodology to reestablish rates on an ongoing basis.

Senator Dondero Loop:

With that being said, could raw water sales that are falling in FY 2025 possibly not fall as much?

David Dutra:

No. We can anticipate when the drawdown of the lake impacts our pumping operations. This can drop our sales from 26 to 46 percent on an annualized basis. We will be able to continue to provide water to our customers from the east slope catchments and the water system that we continue to operate.

Chair Backus:

I appreciate that in one year, we will be able to relook at that price per 1,000 gallons; however, having only six days of reserves makes Subcommittee members uncomfortable. I remember that in FY 2019, we added \$200,000 of State General Funds to your budget based on Coronavirus-related financial issues. Is it possible, after rate negotiations, for you to report what the rate increase will be with a letter of intent about projected revenues to ensure we have adequate reserves in place for this budget? Will the contract be executed at the end of FY 2024?

David Dutra:

We would anticipate contract negotiations during FY 2024 with acceptance of that contract by the city council in FY 2025, and the rates would become effective in FY 2026. Those rates would be based on projected operating expenses, historical operating expenses, and a percentage of the rate that will be applied to reestablish the reserve account. The balance, or the amount of that reserve account, has yet to be determined, but it will be negotiated.

Matthew Tuma, Deputy Director, Department of Administration:

To reiterate, the reduction in revenues is a temporary reduction; not a long-term sustained operating loss. It is a temporary reduction during construction for CIP project 19-C08. The additional \$200,000 appropriation from a few years ago was made when we had long-term issues that we needed to work out to provide a sustainable level for what our partners were paying per gallon as well as meeting minimum thresholds of what they were purchasing on an annual basis. We no longer have a sustainability issue in the long term. This is just the temporary disruption during the construction period.

For the temporary disruption, we need to ensure we have enough reserves, or adequate avenues to request additional revenue, should we have a shortfall so we can get past that temporary hurdle during construction and then return to long-term sustainability postconstruction.

Chair Backus:

I see that we do have the proposed staff closing recommendation to put \$100 into each fiscal year so the avenue to come to IFC will be there if a shortfall does occur. I would still ask for a letter of intent at the end of the next fiscal year. The letter of intent would detail the plan to look at what would be sustainable going forward with respect to revenues that would be required to cover expenditures. We understand that in FY 2025 there will be CIP project 19-C08 that has to be done, but the letter of intent should also give us an update on that project status because I know the project keeps getting moved out each fiscal year.

Are there any other questions from Subcommittee members? [There were none.] I will accept a motion.

SENATOR DONDERO LOOP MOVED TO RECOMMEND CLOSING BUDGET ACCOUNTS 1540, 1560, AND 1366 AS RECOMMENDED BY THE GOVERNOR, AND FOR AUTHORITY FOR FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY, AND FOR A LETTER OF INTENT TO BE PROVIDED AT THE END OF FISCAL YEAR 2024 THAT SETS FORTH WHETHER REVENUES ARE ADEQUATE TO COVER EXPENDITURES IN THIS BUDGET, AND FOR THAT LETTER OF INTENT TO INCLUDE AN UPDATE ON THE MAINTENANCE AND IMPROVEMENT PROJECT AT MARLETTE LAKE.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

THE MOTION CARRIED.

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That concludes our budget closings for this morning. I will open the meeting for public comment. Is there anyone who wishes to provide public comment? [There was none.]

The meeting was adjourned [at 8:49 a.m.].

RESPECTFULLY SUBMITTED:

Carmen M. Neveau
Committee Secretary

APPROVED BY:

Assemblywoman Shea Backus, Chair

DATE: _____

Senator Marilyn Dondero Loop, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a closing document titled "K-12/Higher Education/CIP Joint Subcommittee Closing List #3," dated April 21, 2023, presented by Julie Waller, Principal Program Analyst, Fiscal Analysis Division.