

FISCAL BRIEF

Overview of The Executive Budget



83RD NEVADA LEGISLATURE

2025-27
BIENNIUM



FISCAL ANALYSIS DIVISION
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MEMORANDUM

Date: February 3, 2025
To: Members of the 83rd Legislature
From: Fiscal Analysis Division
Subject: **2025-27 Fiscal Brief: Overview of The Executive Budget**

The Fiscal Brief: Overview of The Executive Budget, prepared by the Fiscal Analysis Division, provides a concise summary of key information extracted from The Executive Budget, and outlines the Governor's budget recommendations for the upcoming biennium.

The report is organized into sections, covering General Fund revenue and expenditure trends, revenue projections of the Economic Forum, and the Governor's recommended appropriations for the upcoming biennium. This includes supplemental appropriations, one-time appropriations, restoration of account balances, and capital improvements.

Additionally, the report includes general highlights of statewide budgetary issues, as well as key recommendations within each functional area of state government through high-level summaries. Emphasis is placed on recommended changes and expansion or reductions of existing programs; therefore, this report should be used in conjunction with The Executive Budget in which more complete information is presented.

If you have questions on this material, feel free to contact us at any time.

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GENERAL FUND TRENDS

Based on the Economic Forum's December 2, 2024, forecast, total General Fund revenues, before tax credits, are projected to increase by 0.3% to \$6.130 billion in FY 2025, increase by 2.4% to \$6.276 billion in FY 2026, and increase by 2.9% to \$6.457 billion in FY 2027. Total General Fund revenues, after tax credits, are projected to remain essentially flat in FY 2025, with a total of \$6.011 billion, increase by 2.0% to \$6.134 billion in FY 2026, and increase by 2.7% to \$6.299 billion in FY 2027.

The projected 2025-27 Biennium total of \$12.433 billion, after the application of all tax credits, is 3.4% higher than the current revised estimate for FY 2025 and the actual collections for FY 2024 of \$12.021 billion for the 2023-25 Biennium, after the application of all tax credits. This results in an estimated \$412.3 million increase in total General Fund revenues between the 2023-25 Biennium and the 2025-27 Biennium.

Tables 1 and 2 on the following pages reflect the forecasts for the 2023-25 Biennium and the 2025-27 Biennium approved by the Economic Forum at its December 2, 2024, meeting.

Governor Recommends versus Economic Forum Forecast – FY 2026 and FY 2027

The Executive Budget contains no recommended revenue enhancements for the State General Fund. Therefore, Table 2, which represents the forecast approved by the Economic Forum for FY 2026 and FY 2027, also represents the Governor Recommends amount for The Executive Budget for the 2025-27 Biennium.

Table 1, General Fund Revenue for the 2023-25 Biennium – Economic Forum Forecast

Based on actual FY 2024 collections and the Economic Forum's December 2, 2024, forecast for FY 2025.

Revenue Source (Millions of Dollars)	2023-25 Biennium			
	2023-25 Biennium Forecast	% of Total After Tax Credits	\$ Difference from 2021-23	% Change from 2021-23
Sales Tax	\$3,730.7	31.0%	\$259.2	7.5%
Gaming Taxes	\$2,042.8	17.0%	\$41.2	2.1%
Modified Business Tax	\$1,750.4	14.6%	\$15.3	0.9%
Insurance Premium Taxes	\$1,332.8	11.1%	\$207.0	18.4%
Live Entertainment Tax	\$477.8	4.0%	\$137.4	40.3%
Commerce Tax	\$697.0	5.8%	\$112.8	19.3%
Cigarette Tax	\$236.8	2.0%	-\$42.5	-15.2%
Real Property Transfer Tax	\$227.5	1.9%	-\$60.8	-21.1%
Business License Fee	\$248.2	2.1%	\$10.4	4.4%
Liquor Taxes	\$96.7	0.8%	\$0.3	0.3%
Transportation Connection Tax	\$88.1	0.7%	\$19.7	28.8%
Other Tobacco Tax	\$64.7	0.5%	-\$6.2	-8.7%
Other Taxes	\$14.3	0.1%	-\$231.7	-94.2%
All Other Revenue Sources	\$1,230.3	10.2%	\$377.8	44.3%
Total General Fund Revenue - Before Tax Credits	\$12,238.2	101.8%	\$839.8	7.4%
Commerce Tax Credits Against the Modified Business Tax	-\$128.1	-1.1%	-\$18.7	17.1%
Total General Fund Revenue - After Commerce Tax Credits	\$12,110.1	100.7%	\$821.1	7.3%
Tax Credit Programs	-\$89.3	-0.7%	-\$2.0	2.3%
Total General Fund Revenue - After Tax Credit Programs	\$12,020.8	100.0%	\$819.0	7.3%

Note: The sum of the individual components of the % of Total column may not equal 100.0% due to rounding.

Table 2, General Fund Revenue for the 2025-27 Biennium – Economic Forum Forecast and Governor Recommends

Based on the Economic Forum's December 2, 2024, forecast for FY 2026 and FY 2027.

Revenue Source (Millions of Dollars)	2025-27 Biennium			
	2025-27 Biennium Forecast	% of Total After Tax Credits	\$ Difference from 2023-25	% Change from 2023-25
Sales Tax	\$3,948.5	31.8%	\$217.8	5.8%
Gaming Taxes	\$2,027.3	16.3%	-\$15.6	-0.8%
Modified Business Tax	\$1,898.3	15.3%	\$148.0	8.5%
Insurance Premium Taxes	\$1,438.7	11.6%	\$105.9	7.9%
Live Entertainment Tax	\$445.2	3.6%	-\$32.6	-6.8%
Commerce Tax	\$760.5	6.1%	\$63.5	9.1%
Cigarette Tax	\$212.1	1.7%	-\$24.7	-10.4%
Real Property Transfer Tax	\$258.2	2.1%	\$30.7	13.5%
Business License Fee	\$256.8	2.1%	\$8.6	3.5%
Liquor Taxes	\$97.2	0.8%	\$0.5	0.6%
Transportation Connection Tax	\$100.1	0.8%	\$11.9	13.5%
Other Tobacco Tax	\$62.6	0.5%	-\$2.2	-3.4%
Other Taxes	\$14.0	0.1%	-\$0.2	-1.6%
All Other Revenue Sources	\$1,213.9	9.8%	-\$16.5	-1.3%
Total General Fund Revenue - Before Tax Credits	\$12,733.2	102.4%	\$495.0	4.0%
Commerce Tax Credits Against the Modified Business Tax	-\$144.6	-1.2%	-\$16.6	12.9%
Total General Fund Revenue - After Commerce Tax Credits	\$12,588.6	101.3%	\$478.5	4.0%
Tax Credit Programs	-\$155.5	-1.3%	-\$66.2	74.1%
Total General Fund Revenue - After Tax Credit Programs	\$12,433.1	100.0%	\$412.3	3.4%

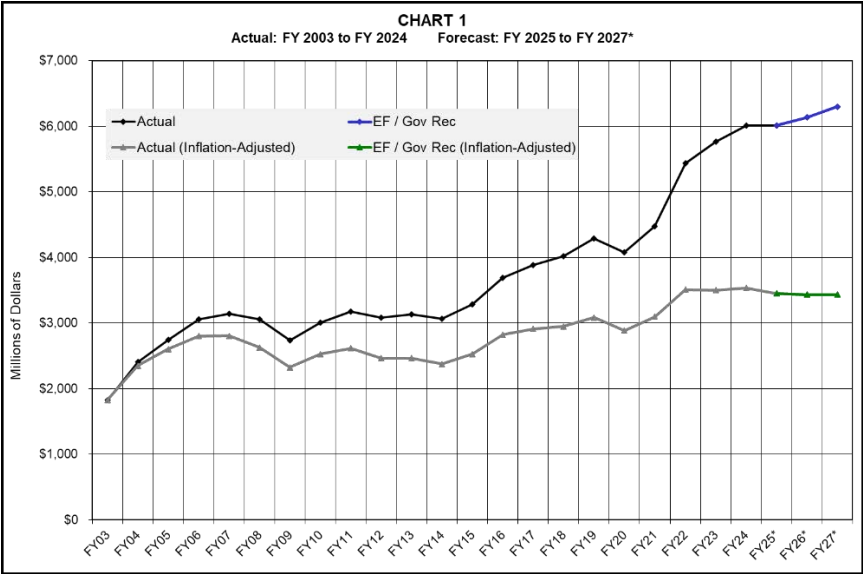
Note: The sum of the individual components of the % of Total column may not equal 100.0% due to rounding.

The estimates for FY 2026 of \$6.134 billion and FY 2027 of \$6.299 billion, after tax credits, based on the projections included in The Executive Budget, are 43.1% and 46.9% above the pre-pandemic peak amount of \$4.288 billion from FY 2019, respectively. However, after adjusting for inflation, those projected amounts on a FY 2003-dollar basis for FY 2026 and FY 2027 are both approximately 11.4% above the actual inflation-adjusted amount observed in FY 2019.

In inflation-adjusted FY 2003 dollars, the Economic Forum and Governor’s recommended estimate for FY 2026 of \$6.134 billion equates to approximately \$1,001 per person, and the FY 2027 estimate of \$6.299 billion equates to approximately \$985 per person. These per-capita amounts are:

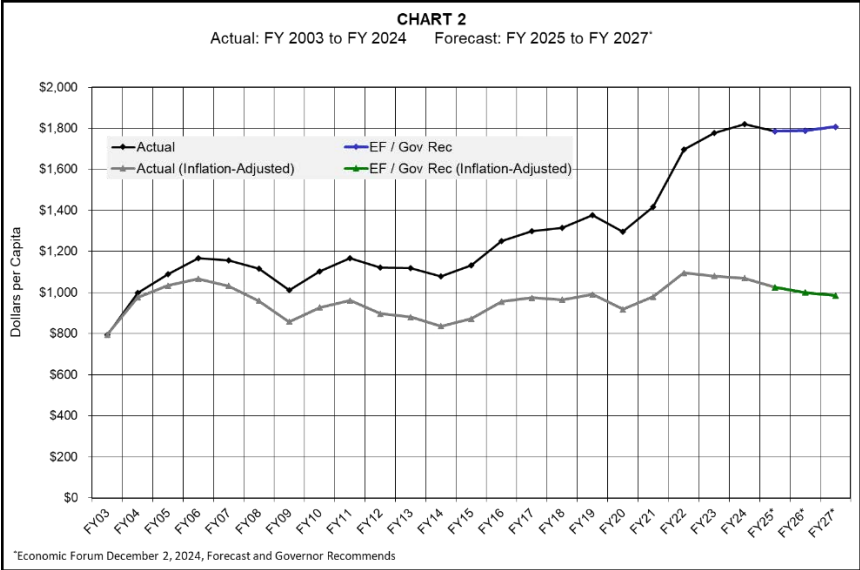
- 1.0% above and 0.5% below the FY 2019 actual amount of \$990 per person, respectively
- 6.2% and 7.7% below the FY 2006 amount of \$1,067 per person
- 25.9% and 24.0% above the FY 2003 amount of \$795 per person

Nevada General Fund Revenues – Actual and Inflation Adjusted (FY 2003 \$’s): Economic Forum and Governor Recommends



* Economic Forum December 2, 2024, Forecast and Governor Recommends

Nevada General Fund Revenues per Capita – Actual and Inflation Adjusted (FY 2003 \$’s): Economic Forum and Governor Recommends

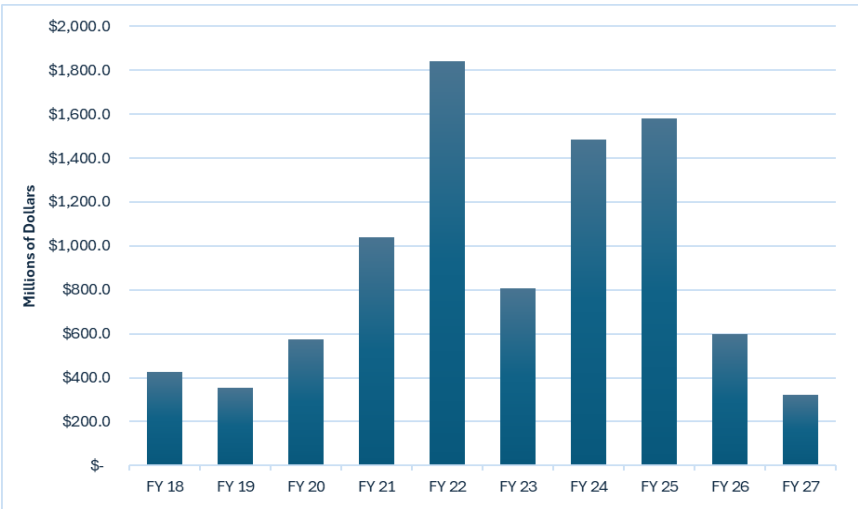


* Economic Forum December 2, 2024, Forecast and Governor Recommends

FUND BALANCE

The State General Fund is the major operating fund of the state. It receives all revenues and accounts for all expenditures not otherwise provided by law to be accounted for in any other fund. The Executive Budget projects a State General Fund balance at the end of FY 2025 of \$1.579 billion. The Governor’s recommended budget projected the balance to decrease to \$599.7 million at the end of FY 2026 and \$321.1 million by the end of FY 2027.

Ending Fund Balance



The Executive Budget for each fiscal year must provide for a General Fund reserve of not less than 5.0% nor more than 10.0% of the total of all recommended appropriations from the General Fund for the operation of all departments, institutions, and agencies of state government and authorized expenditures from the General Fund for the regulation of gaming for that fiscal year, pursuant to NRS 353.213. According to The Executive Budget, the State General Fund balance at the end of FY 2026 is projected to be 9.4% of operating appropriations, which is \$281.3 million higher than required. By the end of FY 2027, the balance is projected to be 5.0% of operating appropriations, or \$1.0 million higher than required.

EXPENDITURE LIMITATION

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 or to reduce any unfunded accrued liability of the State Retirees' Health and Welfare Benefits Fund. The base period is the 1975-77 Biennium (Fiscal Years 1976 and 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.

Historically, the expenditure limitation has been higher than the amount of General Fund appropriations recommended in The Executive Budget; therefore, it has not been a factor in the budgeting process. However, the difference between the expenditure limitation and General Fund appropriations recommended in The Executive Budget began to narrow, resulting in the recommended General Fund appropriations in The Executive Budget submitted to the 2005 Legislature being only slightly under the expenditure limitation. The expenditure limitation is not a factor in the 2025-27 budgeting process.

The current expenditure limitation and the General Fund appropriations recommended by the Governor for each biennium under review by the 2025 Legislature are outlined below.

Expenditure Limitation – Governor Recommends – 2023-25 Biennium and 2025-27 Biennium

	2023-25 Biennium	2025-27 Biennium
Expenditure Limitation (a.)(b.)	\$ 12,524,877,382	\$ 13,651,240,297
General Fund Appropriations		
2023 Legislature Approves (c.)	\$ 11,587,989,450	
2025 Governor Recommends (d.)	\$ 75,362,827	\$ 12,768,697,469
Total	\$ 11,663,352,277	\$ 12,768,697,469
Over/(Under) Expenditure Limitation	\$ (861,525,105)	\$ (882,542,828)

(a) The expenditure limitation for the 2023-25 Biennium is based on the July 1, 2022, population estimate of 3,204,105 certified by the Governor.

(b) The expenditure limitation for the 2025-27 Biennium is based on the State Demographer's preliminary July 1, 2024, statewide population estimate of 3,289,469.

(c) 2023 Nevada Legislative Appropriations Report, as revised, page 95.

(d) The Executive Budget, BUDGET OVERVIEW - 13 & 14, Unrestricted Appropriations/Transfers for FY 2025, FY 2026, and FY 2027.

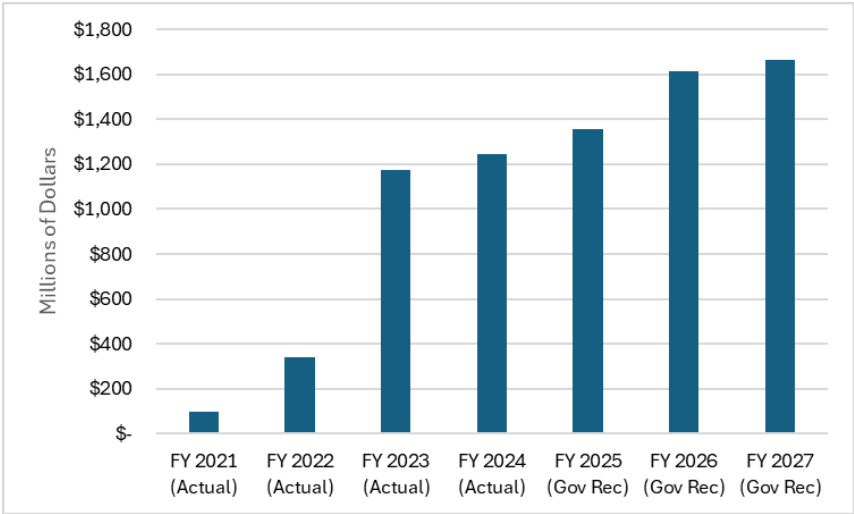
RAINY DAY ACCOUNT

The Account to Stabilize the Operation of the State Government (NRS 353.288), informally known as the Rainy Day Account, is a financial reserve that can be tapped into during revenue shortfalls, unexpected deficits, or as deemed appropriate by the Legislature. The Account is funded by statutorily required transfers from the General Fund based on projected revenues in a given fiscal year and if the unappropriated General Fund balance exceeds certain levels at the end of a given fiscal year. The Legislature can also authorize a one-time direct appropriation from the General Fund to the Rainy Day Account through the passage of a bill. Funding in the Rainy Day Account cannot exceed 26.0% of operating appropriations.

The current balance in the Rainy Day Account is \$1.244 billion, which represents the highest account balance in the history of the Account. For the 2025-27 Biennium, the Governor is not proposing any additional transfers from the General Fund to the Rainy Day Account beyond the two statutorily required transfers each fiscal year based on projected revenue and the unappropriated ending fund balance. At the end of the 2025-27 Biennium, the Governor's budget projects the balance in the Rainy Day Account to be \$1.665 billion.

The following graph shows actual balances in the Rainy Day Account at the end of the fiscal year from FY 2021 to FY 2024, as well as the Governor’s projected account balances for FY 2025 to FY 2027.

Actual and Recommended Balance in the Rainy Day Account – FY 2021 to FY 2027



SOURCE OF FUNDS

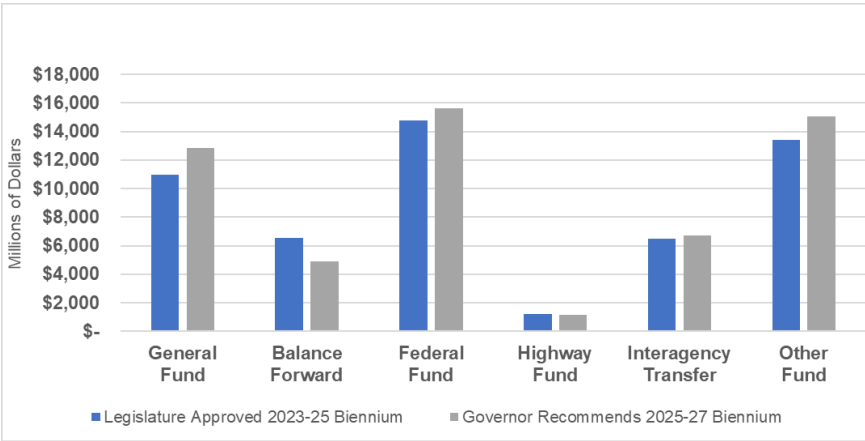
The Governor recommends total funding, net of interagency transfers, of \$49.600 billion to support the state’s operating budget for the 2025-27 Biennium, which represents an increase of \$2.675 billion, or 5.7% when compared to the legislatively approved operating budget for the 2023-25 Biennium.

Governor Recommended Funding Sources for the 2025-27 Biennium Compared to the Legislatively Approved Budget for the 2023-25 Biennium

(In Millions of Dollars)	Legislature Approved 2023-25 Biennium		Governor Recommends 2025-27 Biennium		Difference	
	Amount	% of Total	Amount	% of Total	Amount	%
Source						
General Fund ¹	\$10,971.8	20.5%	\$12,826.7	22.8%	\$1,854.9	16.9%
Balance Forward	\$6,524.8	12.2%	\$4,925.4	8.7%	-\$1,599.4	-24.5%
Federal Fund	\$14,779.6	27.7%	\$15,653.4	27.8%	\$873.8	5.9%
Highway Fund ²	\$1,238.1	2.3%	\$1,139.4	2.0%	-\$98.8	-8.0%
Interagency Transfer	\$6,500.7	12.2%	\$6,705.2	11.9%	\$204.5	3.1%
Interim Finance ^{1, 2}	\$0.0	0.0%	\$0.0	0.0%	\$0.0	n/a
Other Fund	\$13,410.2	25.1%	\$15,055.	26.7%	\$1,644.8	12.3%
Total	\$53,425.3	100.0%	\$56,305.1	100.0%	\$2,879.8	5.4%
LESS Interagency Transfer	-\$6,500.7		-\$6,705.2		-\$204.5	
Net	\$46,924.5		\$49,599.8		\$2,675.3	5.7%

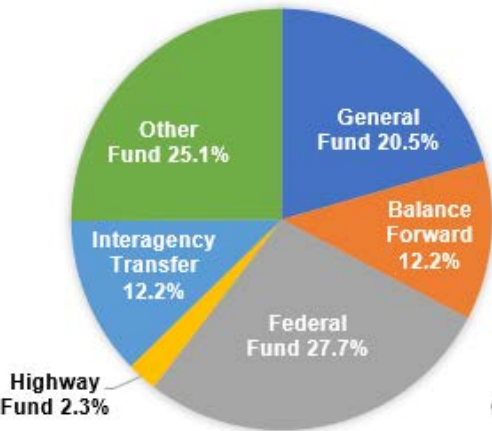
¹ The Governor Recommends General Fund amount for the 2025-27 Biennium includes \$58.2 million, or 81% of the \$71.9 million that was presented as a transfer from the Interim Finance source to support for the state’s Enterprise Resource Planning solution, known as CORE.NV. The Interim Finance source of revenues has correspondingly been reduced to no longer reflect this funding.

² The Governor Recommends Highway Fund amount for the 2025-27 includes \$13.7 million, or 19% of the \$71.9 million that was presented as a transfer from the Interim Finance source to support for the state’s Enterprise Resource Planning solution, known as CORE.NV. The Interim Finance source of revenues has correspondingly been reduced to no longer reflect this funding.

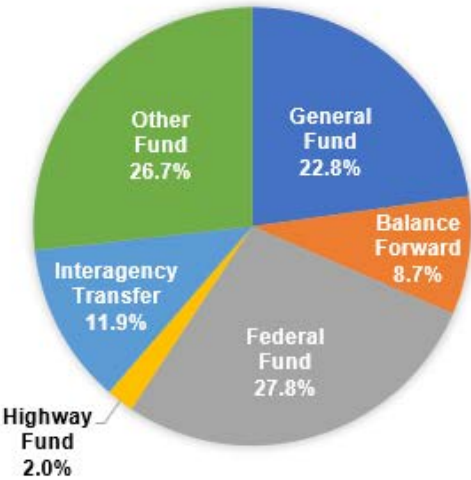


**Governor Recommended Funding Sources for the 2025-27 Biennium
Compared to the Legislatively Approved Budget for the 2023-25 Biennium**

**LEGISLATURE APPROVED
2023-25 BIENNIUM**



**GOVERNOR RECOMMENDS
2025-27 BIENNIUM**



**2025-27 EXECUTIVE BUDGET
SUMMARY**

General Fund Appropriations

The Governor recommends General Fund appropriations of \$12.827 billion to support the state’s operating budget for the 2025-27 Biennium, which represents an increase of \$1.855 billion, or 16.9% when compared to the legislatively approved operating budget for the 2023-25 Biennium. The table below provides a comparison of the operating appropriations approved by the 82nd (2023) Legislature for the 2023-25 Biennium and the Governor’s recommended operating appropriations for the 2025-27 Biennium.

**General Fund Operating Appropriations – Legislature Approved
2023-25 Biennium versus Governor Recommended 2025-27 Biennium**

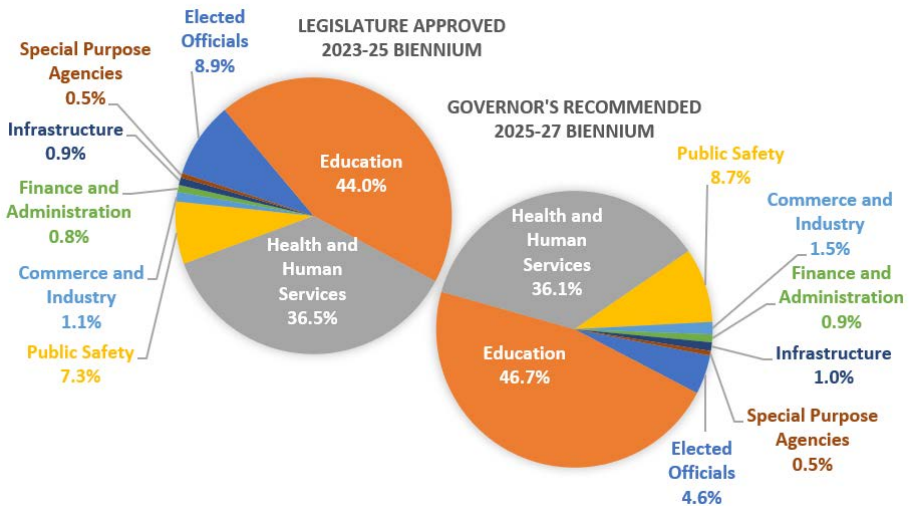
(In Millions of Dollars) Functional Areas	Legislature Approved		Governor Recommends		Difference	% Change
	General Fund	% of General Fund	General Fund	% of General Fund		
Elected Officials ¹	\$973.3	8.9%	\$587.8	4.6%	-\$385.5	-39.6%
Finance and Administration	\$89.3	0.8%	\$117.0	0.9%	\$27.7	31.0%
Education:						
Dept. of Education/K-12 Education	\$3,353.9	30.6%	\$4,042.2	31.5%	\$688.3	20.5%
Nevada System of Higher Education	\$1,470.5	13.4%	\$1,952.0	15.2%	\$481.6	32.8%
Commerce and Industry	\$121.5	1.1%	\$187.2	1.5%	\$65.7	54.0%
Health and Human Services	\$4,008.3	36.5%	\$4,627.4	36.1%	\$619.1	15.4%
Public Safety	\$799.8	7.3%	\$1,115.6	8.7%	\$315.7	39.5%
Infrastructure	\$97.0	0.9%	\$129.9	1.0%	\$32.9	34.0%
Special Purpose Agencies	\$58.2	0.5%	\$67.6	0.5%	\$9.4	16.2%
TOTAL GENERAL FUND APPROPRIATIONS	\$10,971.8	100.0%	\$12,826.7	100.0%	\$1,854.9	16.9%

¹The Governor Recommends General Fund amount in the Elected Officials function for the 2025-27 Biennium includes \$58.2 million or 81% of the \$71.9 million that was identified as a transfer from Interim Finance (i.e., a transfer from the Interim Finance Committee’s Contingency Account) to support the state’s Enterprise Resource Planning solution, known as CORE.NV. The Interim Finance source of revenues has correspondingly been reduced to no longer reflect this funding.

In the Elected Officials functional area, the 82nd (2023) Legislature approved General Fund appropriations of \$485.5 million for the 2023-25 Biennium to be placed in the Board of Examiners - Salary Adjustment Account to support the legislatively approved cost-of-living adjustments (COLAs) for state employees for FY 2024

and FY 2025. The 39.6% reduction reflected above for the Elected Officials functional area reflects the elimination of funds in the Board of Examiners – Salary Adjustment Account in The Executive Budget; however, funding for the COLAs approved by the 82nd (2023) Legislature is now included in the budgets of the various state agencies, contributing to a portion of the growth reflected in the other functional areas.

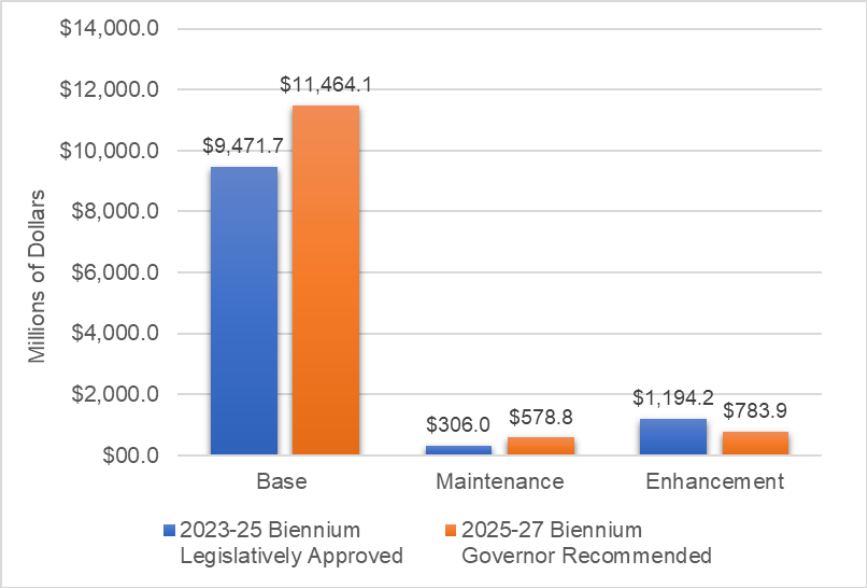
Operating Appropriations by Function: Legislature Approved 2023-25 Biennium Compared with the Governor Recommended 2025-27 Biennium



Structure of The Executive Budget

In accordance with NRS 353.230, the Governor must include the adjusted base budget, costs for continuing each program at the current level of service, and the costs for any new programs or enhancements to programs. These three parts of the budget are often referred to as the adjusted base budget, maintenance decision units, and enhancement decision units.

General Fund Operating Appropriations: Legislature Approved 2023-25 Biennium compared with the Governor Recommended 2025-27 Biennium



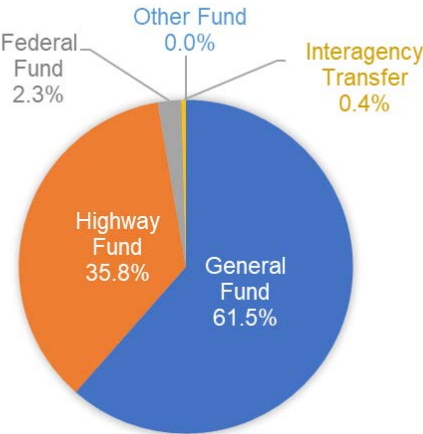
As illustrated in the table above, the adjusted base accounts for \$11.464 billion, or 89.4% of the operating expenditures in The Executive Budget, with maintenance and enhancement decision units comprising the remaining 10.6%.

One-Time Funding, Supplemental Appropriations, and Account Restorations

One-Time Appropriations & Authorizations: The Executive Budget includes 186 one-time recommendations totaling \$330.1 million, funded with General Fund appropriations of \$202.9 million, Highway Fund appropriations of \$118.2 million, federal funds of \$7.6 million, and interagency transfers and other funds of \$1.4 million.

Governor Recommended One-Time Appropriations and Authorizations for the 2025-27 Biennium

(In Thousands of Dollars)		Governor Recommends			
Source	FY 2026	FY 2027	2025-27 Biennium Total	%	
General Fund	\$158,775.8	\$44,128.5	\$202,904.3	61.5%	
Highway Fund	\$67,860.0	\$50,368.1	\$118,228.1	35.8%	
Federal Fund	\$5,401.0	\$2,177.5	\$7,578.4	2.3%	
Interagency Transfer	\$1,335.0	\$0.0	\$1,335.0	0.4%	
Other Fund	\$4.8	\$23.8	\$28.6	0.0%	
Total:	\$233,376.5	\$96,697.9	\$330,074.4	100.0%	



Notable one-time appropriation and authorization recommendations (\$10.0 million or more) include:

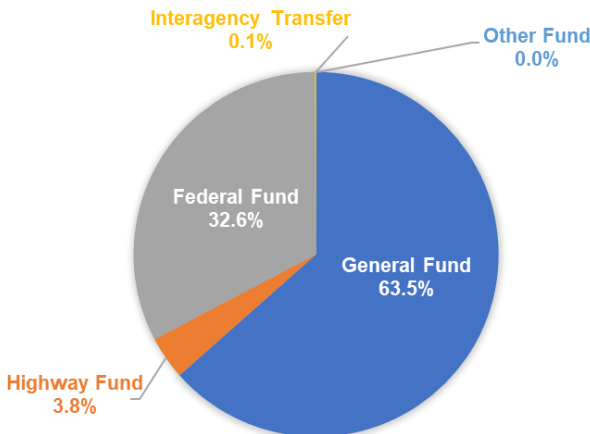
- \$77.5 million in Highway Funds to support the continuation of the Department of Motor Vehicles' Department Transformation Effort project.
- \$32.7 million (\$29.6 million in General Funds; \$3.1 million in federal American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds) to fund development and implementation costs for the Department of Taxation's Project MYNT system modernization.
- \$22.5 million in General Funds to fund software, independent validation/verification services, and contract staff for the Secretary of State's Office to implement the new Voter Registration and Elections Management System.
- \$20.0 million in General Funds to support Nursing Program expansions for institutions of the Nevada System of Higher Education.
- \$18.2 million (\$15.0 million in Highway Funds; \$2.9 million in General Funds; \$265,607 in Other Funds) to continue funding the replacement of the Nevada Shared Radio System.
- \$15.1 million (\$10.7 million General Funds; \$4.3 million federal funds; \$71,257 Highway Funds) to fund various facility maintenance projects throughout the state.
- \$12.1 million in General Funds for the Judicial Department to fund implementation costs of a statewide e-Filing System in the state's trial courts (\$5.1 million), a statewide Case Management System in the state's trial courts (\$4.7 million), and to upgrade the Appellate Court Case Management system (\$2.1 million).
- \$11.7 million in General Funds to purchase new and replacement vehicles through the Fleet Services Division.
- \$11.6 million in Highway Funds for the replacement of vehicles, motorcycles, and associated special equipment for the Nevada Highway Patrol.

- \$11.4 million in General Funds to fund the movement of the Sex Offender Registry under the Nevada Criminal Justice Information System (NCJIS) modernization.
- \$11.0 million in General Funds to support one-time security expenses for the Nevada System of Higher Education.

Supplemental Appropriations/Authorizations: The Executive Budget includes ten supplemental appropriation and authorization recommendations totaling \$68.3 million, funded with General Fund appropriations of \$43.4 million, Highway Fund appropriations of \$2.6 million, federal funds of \$22.3 million, and interagency transfers and other funds of \$70,192.

Governor Recommended Supplemental Appropriations and Authorizations for the 2025-27 Biennium

Governor Recommends		
Source (In Thousands of Dollars)	FY 2025	%
General Fund	\$43,362.8	63.5%
Highway Fund	\$2,616.3	3.8%
Federal Fund	\$22,274.6	32.6%
Interagency Transfer	\$67.7	0.1%
Other Fund	\$2.5	0.0%
Total:	\$68,323.9	100.0%



Notable supplemental appropriation and authorization recommendations (\$15.0 million or more) include:

- \$41.8 million (\$19.5 million in General Funds; \$22.3 million in federal funds) to fund a projected shortfall relating to service provider rate increases for the Department of Health and Human Services, Aging and Disability Services Division’s Rural Regional, Desert Regional, and Sierra Regional Centers.
- \$18.6 million in General Funds to fund a projected shortfall in the State Department of Conservation and Natural Resources, Division of Forestry’s Fire Suppression budget account.

Restoration of Account Balances: The Executive Budget includes General Fund appropriations of \$32.0 million in FY 2025 to restore account balances as summarized below.

Governor Recommended Restoration of Account Balances for the 2025-27 Biennium

(In Thousands of Dollars)		Governor Recommends FY 2025	
Account	Authority	Amount	
Stale Claims Account	NRS 353.097	\$4,616.8	
Emergency Account	NRS 353.263	\$17.0	
Reserve for Statutory Contingency Account	NRS 353.264	\$9,835.5	
Interim Finance Contingency Account	NRS 353.266	\$17,530.7	
Total:		\$32,000.0	

POSITION SUMMARY

The following table displays the total full-time equivalent (FTE) positions by functional area, for FY 2025 and as recommended in The Executive Budget for the 2025-27 Biennium. While the FY 2025 Legislatively Approved column reflects the FTE approved by the 82nd (2023) Legislature for FY 2025, the FY 2025 Work Program column also includes the FTE added/eliminated during the 2023-24 Interim. A comparison can then be made to the total number of FTE recommended by the Governor for the 2025-27 Biennium.

Governor Recommended FTE Count for the 2025-27 Biennium

(In Millions of Dollars)	FY 2025 Legislatively Approved	FY 2025 Work Program	FY 2026 Governor Recommends	FY 2027 Governor Recommends
Government Function ¹				
Elected Officials	1,788.42	1,841.42	1,912.27	1,940.27
Finance & Administration	927.08	933.08	956.08	956.08
Education				
Dept of Education/Public Charter School Auth	251.00	251.00	270.00	275.00
Nevada System of Higher Education	7,544.33	7,505.91	7,596.73	7,640.87
Health and Human Services	7,836.30	7,827.83	8,325.67	8,408.67
Commerce & Industry	1,557.50	1,570.50	1,671.19	1,689.68
Public Safety	5,726.62	5,735.62	5,863.62	5,865.62
Infrastructure	3,040.89	3,053.89	3,128.89	3,131.89
Special Purpose Agencies	687.00	689.00	708.00	712.00
Total for the 2025-27 Biennium ²	29,359.14	29,408.25	30,432.45	30,620.08
¹ The position information in the <u>Fiscal Brief</u> may differ from <u>The Executive Budget</u> due to necessary adjustments by the LCB Fiscal Analysis Division, with the reconciliation on file in the division.				
² Total does not include Boards, Commissions, or the Tahoe Regional Planning Agency.				

For FY 2026, the Governor recommends a total of 30,432.45 FTE, a net increase of 1,024.20 from the FY 2025 Work Program amount. For FY 2027, the Governor recommends a total of 30,620.08 FTE, a net increase of 187.63 FTE from FY 2026.

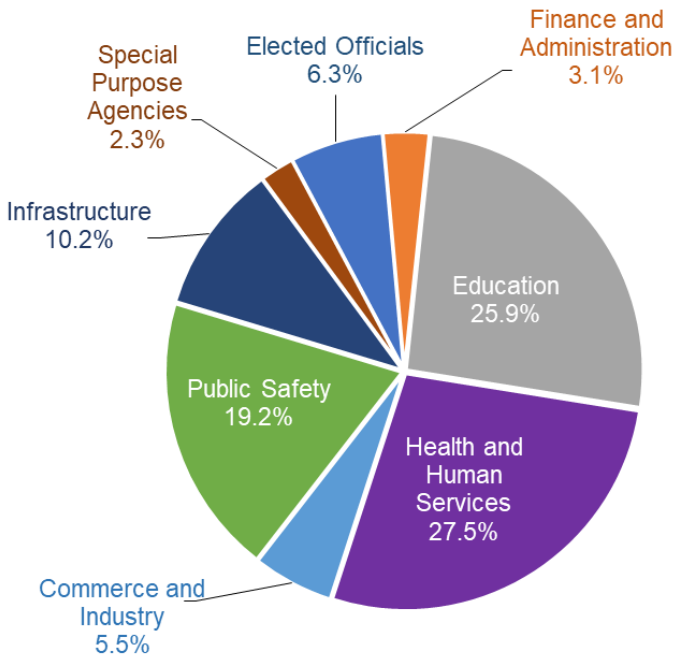
Significant FTE additions recommended over the 2025-27 Biennium include the net increase of 497.84 FTE in FY 2026 and 83.00 FTE in FY 2027 for the Health and Human Services functional area. The net increase of 580.84 FTE for this functional area is primarily related to additional staff to meet increased demand for services provided by

the Department of Health and Human Services' Division of Welfare and Supportive Services, Division of Public and Behavioral Health, Aging and Disability Services Division, and the Division of Child and Family Services.

A net increase of 128.00 FTE in FY 2026 and 2.00 FTE in FY 2027 is also recommended for the Public Safety functional area. The net increase of 130.00 FTE recommended for this functional area is primarily related to establishing Correctional Emergency Response Teams at the Department of Corrections' Southern Desert Correctional Center and to meet caseload and service demand in the Department of Public Safety's Division of Parole and Probation.

A net increase of 90.82 FTE in FY 2026 and 44.14 FTE in FY 2027 is also recommended for the Nevada System of Higher Education.

FTE Distribution by Functional Area for the 2025-27 Biennium

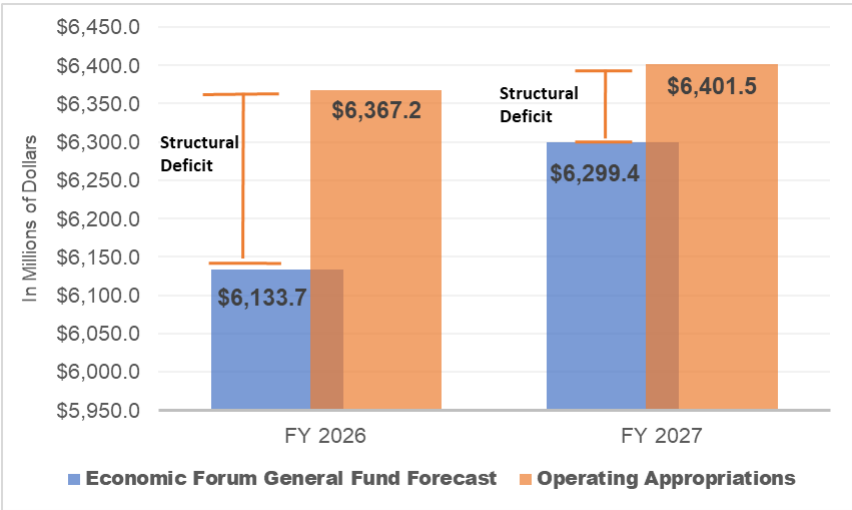


GENERAL HIGHLIGHTS

Ongoing General Fund Revenues Compared to Ongoing Operating Appropriations

As illustrated in the table below, the Governor recommends ongoing operating expenditures that exceed unrestricted General Fund revenues. If not addressed through increases in revenue or decreases in operating appropriations, this misalignment between unrestricted General Fund revenues and ongoing operating expenditures creates what is commonly known as a structural deficit.

General Fund Revenue vs. Governor Recommended Operating Appropriations for FY 2026 and FY 2027



Compensation Recommendations

For the 2025-27 Biennium, the Governor recommends no statewide compensation increases such as cost-of-living adjustments, grade adjustments for specific position classes, or one-time bonuses, for state employees.

Retirement Contributions – Public Employees’ Retirement System (PERS)

The actuarial report for PERS as of June 30, 2024, indicates that contribution rates will increase for the 2025-27 Biennium, pursuant to the statutory provisions provided for in NRS 289.410 and NRS 289.421, as detailed in the table below:

PERS Contributions

<u>Employer-Pay Contribution</u>	<u>Regular Police/Fire</u>	
Existing Contribution Rate for the 2023-25 Biennium	33.50%	50.00%
Increase in Contribution Rates for the 2025-27 Biennium	3.25%	8.75%
Employer-Pay Contribution Rate for the 2025-27 Biennium	36.75%	58.75%
<u>Employee-Employer Pay Contribution</u>		
Existing Employee Contribution Rate for the 2023-25 Biennium	17.50%	25.75%
Existing Employer Contribution Rate for the 2023-25 Biennium	17.50%	25.75%
Existing Employee-Employer Contribution Rate for the 2023-25 Biennium	35.00%	51.50%
Increase in Employee Contribution Rate for the 2025-27 Biennium	1.75%	4.25%
Increase in Employers Contribution Rate for the 2025-27 Biennium	1.75%	4.25%
Employee Contribution Rate for the 2025-27 Biennium	19.25%	30.00%
Employer Contribution Rate for the 2025-27 Biennium	19.25%	30.00%
Combined Increase in Employee-Employer Pay Contribution Rates for the 2025-27 Biennium	3.50%	8.50%
Combined Employee-Employer Pay Contribution Rate for the 2025-27 Biennium	38.50%	60.00%

Fringe Benefit Adjustments

Health Insurance – Public Employees’ Benefits Program (PEBP):

For the 2025-27 Biennium, the Governor recommends continuing PEBP’s existing health insurance plans, which includes the statewide High Deductible Health Plan (HDHP) Preferred Provider Organization (PPO) as the base plan, the Low Deductible Copay PPO plan, a Health Maintenance Organization (HMO) option in Southern Nevada through Health Plan of Nevada, and the “HMO-like” Exclusive Provider Organization (EPO) Plan option for PEBP participants who reside outside of Southern Nevada.

The following table provides the plan deductibles, copays, and out-of-pocket maximums for each PEBP plan for plan year (PY) 2025 and the plan changes recommended by the Governor for the 2025-27 Biennium:

Benefits	High Deductible Health Plan	Low Deductible Copay Plan	EPO / HMO Plans
Annual Deductible (Individual/Family)	PY 2025: \$1,600/\$3,200 PY 2026: \$1,650/\$3,300	\$0/\$0	\$100/\$200
Family Ded Max: Any One Individual	\$2,800	\$0	\$100
Out-of-Pocket (OOP) Max (Individual/Family)	\$4,000/\$8,000	\$4,000/\$8,000	\$5,000/\$10,000
Family OOP Max: Any One Individual	\$6,850	\$4,000	\$5,000
Coinsurance: Plan Pays 80% After Deductible Met until OOP Max Met	20%	20%	20%
Primary Care Visit	20% after Deductible	\$30	\$20
Specialist Visit	20% after Deductible	\$50	\$40
Urgent Care Visit	20% after Deductible	\$80	\$50
ER Visit	20% after Deductible	\$750	\$600
Inpatient Hospital	20% after Deductible	20% after Deductible	\$600
Rx Generic	20% after Deductible	\$10	\$10
Rx Formulary	20% after Deductible	\$40	\$40
Rx Specialty	20% after Deductible	30% after Deductible	20%
HSA Annual Contribution - Funded by the Plan	PY 2025: \$600/participant PY 2026 and PY 2027: \$700/participant, \$200/dependent (max three)	N/A	N/A
HSA or HRA Annual Contribution - Funded by General Fund Appropriations ¹	PY 2025 Only: \$300-\$500 depending on coverage tier	PY 2025 Only: \$300-\$500 depending on coverage tier	PY 2025 Only: \$300-\$500 depending on coverage tier

¹ Through passage of S.B. 511, the 82nd (2023) Legislature approved General Fund appropriations of \$9.8 million in FY 2024 and \$10.0 million in FY 2025 to fund the cost of providing additional HSA/HRA contributions for active state participants in each year of the 2023-25 Biennium. These additional annual contributions are provided based on the coverage tier, with \$300 provided for participant only, \$400 provided for participant + spouse, \$400 provided for participant + child(ren), and \$500 provided for participant + family. These additional contributions are not budgeted in the Governor's Recommended budget for the 2025-27 Biennium.

Plan Design:

The Governor recommends the continuation of the benefits approved by the 82nd (2023) Legislature for the current biennium through the plan design and without providing General Fund appropriations for PEBP. Plan benefits include continuation of the \$25,000 life insurance benefit for active employees and the \$12,500 life insurance benefit for retired employees that the 82nd (2023) Legislature funded with General Fund appropriations of \$4.6 million

over the 2023-25 Biennium. This action restored the life insurance benefit to pre-COVID levels.

Consistent with the intent of the \$19.8 million in one-time General Fund appropriations approved by the 82nd (2023) Legislature over the 2023-25 Biennium to provide additional Health Savings Account (HSA)/Health Reimbursement Arrangement (HRA) annual contributions, the Governor's budget eliminates this funding. However, the Governor's budget increases the annual HSA contribution by \$100 for each participant, to \$700, and provides a \$200 annual contribution for up to three covered dependents for those enrolled in the High Deductible Health Plan. This recommendation restores the HSA contribution to the pre-COVID level.

Elimination of State Positions for Contract Expenditures

Statewide, the Governor recommends the elimination of 55.06 FTE and utilizing the associated funding of \$15.1 million over the 2025-27 Biennium to fund contract services. These recommendations are largely reflected in the Department of Health and Human Services budget accounts and generally replace difficult-to-fill state positions (e.g., Senior Psychiatrists, Licensed Psychologists) with contract funding to provide similar services.

Governor's Priority Bills

The Executive Budget recommends General Fund appropriations of \$204.3 million in FY 2026 and \$136.1 million in FY 2027 for the Governor's priority bills. No additional details on the bills have been included in The Executive Budget.

FUNCTIONAL AREAS

Elected Officials Highlights



The Elected Officials function encompasses elected officials of the Executive Department of state government, including the Governor, Lieutenant Governor, Attorney General, Secretary of State, State Treasurer, and Controller, as well as the Judicial and Legislative departments of state government.

The following table provides the revenue and position detail for each office/branch in this functional area in the 2023-25 Biennium, as well as the revenue and position details recommended in The Executive Budget for the 2025-27 Biennium.

Elected Officials Agencies (\$ in Millions and Positions as Full-Time Equivalent)

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Governor's Office							
Balance Forward	\$ 956.5	\$ 1,604.4	\$ 647.8	\$ 215.9	\$ (1,388.5)	\$ 107.5	\$ (108.3)
Federal Fund	\$ 3.2	\$ 158.9	\$ 155.6	\$ 20.1	\$ (138.8)	\$ 17.8	\$ (2.2)
General Fund	\$ 346.4	\$ 358.1	\$ 11.7	\$ 23.7	\$ (334.4)	\$ 25.0	\$ 1.4
Highway Fund	\$ 20.3	\$ 36.9	\$ 16.6	\$ -	\$ (36.9)	\$ -	\$ -
Interim Finance	\$ 55.6	\$ 12.4	\$ (43.2)	\$ 66.6	\$ 54.2	\$ 5.3	\$ (61.3)
Other Fund	\$ 11.0	\$ 4.4	\$ (6.6)	\$ 8.7	\$ 4.2	\$ 9.3	\$ 0.6
Reversions	\$ (7.2)	\$ -	\$ 7.2	\$ -	\$ -	\$ -	\$ -
Total	\$ 1,385.8	\$ 2,175.1	\$ 789.3	\$ 334.9	\$ (1,840.2)	\$ 164.9	\$ (169.9)
Positions	353.6	353.6	0.0	361.0	7.4	361.0	0.0
Lieutenant Governor's Office							
Balance Forward	\$ 0.0	\$ 0.0	\$ (0.0)	\$ -	\$ (0.0)	\$ -	\$ -
General Fund	\$ 0.8	\$ 0.8	\$ 0.0	\$ 1.1	\$ 0.3	\$ 1.1	\$ (0.0)
Reversions	\$ (0.0)	\$ -	\$ 0.0	\$ -	\$ -	\$ -	\$ -
Total	\$ 0.8	\$ 0.8	\$ 0.0	\$ 1.1	\$ 0.3	\$ 1.1	\$ (0.0)
Positions	9.0	9.0	0.0	6.0	(3.0)	6.0	0.0
Attorney General's Office							
Balance Forward	\$ 27.4	\$ 15.6	\$ (11.8)	\$ 14.9	\$ (0.7)	\$ 12.9	\$ (2.0)
Federal Fund	\$ 9.4	\$ 6.8	\$ (2.6)	\$ 13.0	\$ 6.2	\$ 12.3	\$ (0.7)
General Fund	\$ 8.3	\$ 10.3	\$ 2.0	\$ 13.7	\$ 3.5	\$ 13.1	\$ (0.6)
Interim Finance	\$ 0.1	\$ -	\$ (0.1)	\$ -	\$ -	\$ -	\$ -
Other Fund	\$ 17.7	\$ 17.9	\$ 0.2	\$ 21.0	\$ 3.1	\$ 21.8	\$ 0.8
Reversions	\$ (0.3)	\$ -	\$ 0.3	\$ -	\$ -	\$ -	\$ -
Total	\$ 62.6	\$ 50.5	\$ (12.2)	\$ 62.6	\$ 12.1	\$ 60.1	\$ (2.4)
Positions	387.8	386.8	(1.0)	411.3	24.5	411.3	0.0

Table continued on following page.

2025 –27 Fiscal Brief: Overview of The Executive Budget

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Secretary Of State's Office							
Balance Forward	\$ 48.7	\$ 37.3	\$ (11.4)	\$ 3.0	\$ (34.3)	\$ 3.2	\$ 0.2
Federal Fund	\$ 0.8	\$ 4.0	\$ 3.2	\$ -	\$ (4.0)	\$ -	\$ -
General Fund	\$ 30.3	\$ 26.9	\$ (3.4)	\$ 28.4	\$ 1.5	\$ 30.2	\$ 1.8
Other Fund	\$ 1.9	\$ 0.4	\$ (1.6)	\$ 0.6	\$ 0.2	\$ 0.6	\$ 0.0
Reversions	\$ (12.4)	\$ -	\$ 12.4	\$ -	\$ -	\$ -	\$ -
Total	\$ 69.4	\$ 68.6	\$ (0.8)	\$ 32.0	\$ (36.6)	\$ 34.0	\$ 1.9
Positions	151.0	151.0	0.0	172.0	21.0	182.0	10.0
Treasurer's Office							
Balance Forward	\$ 286.7	\$ 341.1	\$ 54.4	\$ 432.9	\$ 91.8	\$ 545.1	\$ 112.2
General Fund	\$ 1.1	\$ 1.0	\$ (0.1)	\$ 1.5	\$ 0.5	\$ 2.2	\$ 0.7
Other Fund	\$ 276.1	\$ 295.6	\$ 19.5	\$ 308.4	\$ 12.8	\$ 310.4	\$ 2.0
Reversions	\$ (0.7)	\$ -	\$ 0.7	\$ -	\$ -	\$ -	\$ -
Total	\$ 563.2	\$ 637.6	\$ 74.4	\$ 742.8	\$ 105.1	\$ 857.6	\$ 114.9
Positions	57.0	57.0	0.0	63.0	6.0	63.0	0.0
Controller's Office							
Balance Forward	\$ 0.4	\$ 2.6	\$ 2.1	\$ 0.6	\$ (2.0)	\$ 0.7	\$ 0.1
General Fund	\$ 8.4	\$ 6.1	\$ (2.3)	\$ 7.7	\$ 1.6	\$ 8.1	\$ 0.4
Other Fund	\$ 0.1	\$ 0.2	\$ 0.1	\$ 0.1	\$ (0.1)	\$ 0.1	\$ -
Reversions	\$ 0.0	\$ -	\$ (0.0)	\$ -	\$ -	\$ -	\$ -
Total	\$ 8.9	\$ 8.8	\$ (0.0)	\$ 8.4	\$ (0.4)	\$ 8.9	\$ 0.5
Positions	47.0	47.0	0.0	44.0	(3.0)	47.0	3.0
Legislative Department							
General Fund	\$ 70.4	\$ 80.1	\$ 9.7	\$ 102.2	\$ 22.1	\$ 102.5	\$ 0.3
Highway Fund	\$ 0.0	\$ 0.0	\$ -	\$ 0.0	\$ -	\$ 0.0	\$ -
Other Fund	\$ 0.3	\$ 0.3	\$ 0.0	\$ 0.9	\$ 0.6	\$ 1.2	\$ 0.3
Total	\$ 70.7	\$ 80.4	\$ 9.7	\$ 103.1	\$ 22.7	\$ 103.7	\$ 0.6
Positions	504.0	523.0	19.0	538.0	15.0	546.0	8.0
Judicial Department							
Balance Forward	\$ 3.8	\$ 7.6	\$ 3.8	\$ 1.2	\$ (6.4)	\$ 1.4	\$ 0.2
Federal Fund	\$ 0.7	\$ 0.7	\$ (0.1)	\$ 0.5	\$ (0.2)	\$ 0.5	\$ 0.0
General Fund	\$ 62.1	\$ 74.6	\$ 12.5	\$ 79.6	\$ 5.0	\$ 86.5	\$ 6.9
Other Fund	\$ 3.5	\$ 3.8	\$ 0.3	\$ 2.7	\$ (1.1)	\$ 2.6	\$ (0.1)
Total	\$ 70.1	\$ 86.7	\$ 16.5	\$ 83.9	\$ (2.7)	\$ 90.9	\$ 7.0
Positions	300.0	308.0	8.0	311.0	3.0	318.0	7.0
Judicial Discipline Commission							
Balance Forward	\$ (0.1)	\$ -	\$ 0.1	\$ -	\$ -	\$ -	\$ -
General Fund	\$ 1.2	\$ 1.2	\$ (0.0)	\$ 1.6	\$ 0.3	\$ 1.5	\$ (0.0)
Reversions	\$ (0.0)	\$ -	\$ 0.0	\$ -	\$ -	\$ -	\$ -
Total	\$ 1.1	\$ 1.2	\$ 0.1	\$ 1.6	\$ 0.3	\$ 1.5	\$ (0.0)
Positions	6.0	6.0	0.0	6.0	0.0	6.0	0.0
Functional Area Totals							
Balance Forward	\$ 1,323.4	\$ 2,008.5	\$ 685.1	\$ 668.5	\$ (1,340.1)	\$ 670.8	\$ 2.3
Federal Fund	\$ 14.2	\$ 170.3	\$ 156.1	\$ 33.5	\$ (136.8)	\$ 30.6	\$ (2.9)
General Fund	\$ 529.0	\$ 559.0	\$ 30.0	\$ 259.4	\$ (299.6)	\$ 270.2	\$ 10.8
Highway Fund	\$ 20.3	\$ 36.9	\$ 16.6	\$ 0.0	\$ (36.9)	\$ 0.0	\$ -
Interim Finance	\$ 55.7	\$ 12.4	\$ (43.3)	\$ 66.6	\$ 54.2	\$ 5.3	\$ (61.3)
Other Fund	\$ 310.6	\$ 322.5	\$ 12.0	\$ 342.3	\$ 19.8	\$ 346.0	\$ 3.7
Reversions	\$ (20.6)	\$ -	\$ 20.6	\$ -	\$ -	\$ -	\$ -
Total	\$ 2,232.7	\$ 3,109.7	\$ 877.1	\$ 1,370.3	\$ (1,739.4)	\$ 1,322.8	\$ (47.5)
Positions	1,815.4	1,841.4	26.0	1,912.3	70.8	1,940.3	28.0

Note: Amounts do not include interagency transfers.

¹ The Governor Recommends General Fund appropriations of \$58,220,280 and Highway Fund appropriations of \$13,565,609 over the 2025-27 Biennium in the Governor's Office that is identified as a transfer from Interim Finance (i.e., a transfer from the Interim Finance Committee Contingency Account) to support the state's Enterprise Resource Planning solution, known as the CORE.NV project.

The following provides the major enhancements recommended in The Executive Budget, for each office/branch in the Elected Officials functional area.

Office of the Governor

- General Fund appropriations of \$1.3 million over the 2025-27 Biennium to continue funding for four non-classified positions that were previously funded with American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds.
- Transfer the Office of Federal Assistance from the Office of the Governor to the Governor's Office of Finance.

Office of Science, Innovation and Technology

- Transfer \$8.8 million in General Fund appropriations over the 2025-27 Biennium and the Graduate Medical Education New and Expanded Program Grants program (inclusive of one Management Analyst position) to the Medicaid - Administration budget account.

Governor's Office of Finance

- General Fund appropriations of \$1.6 million in FY 2027 to retain 12 positions and associated operating costs assigned to oversee and monitor American Rescue Plan Act, Coronavirus State Fiscal Recovery Fund expenditures. Nine positions are funded for 10 months of FY 2027 while 3 positions are funded for 12 months.

Office of the Chief Information Officer

- Reserve reductions and cost allocation revenue totaling \$1.7 million over the 2025-27 Biennium for eight new positions and associated operating costs, primarily for the Client Services Unit and the Computer Facility to support increased demand for information technology and cloud-hosted services.
- Reserve reductions totaling \$1.8 million in the Computer Facility budget account to add Enterprise Mobility and Security licensing to the Business Productivity Suite.

Office of the Attorney General

- Attorney General Cost Allocation Plan revenue of \$6.0 million and interagency transfers of \$332,887 over the 2025-27 Biennium to add 25 new positions (25.49 FTE).
- General Fund appropriations of \$825,916 in each fiscal year of the 2025-27 Biennium to fund projected extradition expenditures.

Office of the Secretary of State

- General Fund appropriations of \$4.7 million and fee revenues of \$44,451 over the 2025-27 Biennium for 31 new positions to address increases in workload throughout various divisions of the Office.
- General Fund appropriations of \$1.8 million over the 2025-27 Biennium for various software maintenance contracts.

Office of the State Treasurer

- Total funding of \$506,631 (\$17,926 General Fund) over the 2025-27 Biennium for three new positions for the Office of the State Treasurer: one Administrative Services Officer for the Operations Division, one Management Analyst for the Debt Management Division, and one Administrative Assistant for the Unclaimed Property Division.
- General Fund appropriations of \$1.5 million over the 2025-27 Biennium to provide continued funding for the Nevada Employee Savings Trust Program and its three positions. This program encourages the establishment of individual retirement accounts and was created through the passage and approval of Senate Bill 305 of the 82nd (2023) Legislative Session.

Legislative Department

- The provisions of the State Budget Act (NRS 353.150 – 353.246) generally do not apply to the Legislative Department. As a result, the Legislative Department's budget does not include any enhancements.

The increase in appropriations requested by the Legislative Department for the 2025-27 Biennium over the previous biennium is primarily due to increased operational costs associated

with the opening of new facilities in Southern Nevada. These facilities, which opened in the latter half of Fiscal Year 2025, expanded the total net square footage of all the LCB's buildings by more than fifty percent and added 8 committee rooms, 194 offices, and 1,070 parking spaces. Additional operating costs associated with the new facilities include staffing, utilities, supplies, and equipment.

Judicial Department

- The provisions of the State Budget Act (NRS 353.150 – 353.246) generally do not apply to the Judicial Department. As a result, several enhancements, including salary increases, expanded out-of-state travel, and computer software upgrades, have been incorporated into its base budget rather than being listed separately as enhancements.
- General Fund appropriations of \$749,867 over the 2025-27 Biennium for two new non-classified Supreme Court Marshals and one new non-classified position to support the Specialty Courts Program with ancillary operating costs.
- General Fund appropriations of \$671,560 in FY 2027 to convert seven contract information technology (IT) positions that were previously funded with American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds to non-classified state employees effective January 1, 2027.

Finance and Administration Highlights



The Finance and Administration function includes those Executive Branch agencies that generally coordinate, assist, and provide services and information to other agencies and programs in state government. This function includes the Department of Administration, the Department of Taxation, and the Cannabis Compliance Board.

The following table provides the revenue and position detail for each agency in this functional area in the 2023-25 Biennium, as well as the revenue and position details recommended in The Executive Budget for the 2025-27 Biennium.

Finance and Administration Agencies

(\$ in Millions and Positions as Full-Time Equivalent)

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Department Of Administration							
Balance Forward	\$ 64.6	\$ 57.7	\$ (6.9)	\$ 39.1	\$ (18.6)	\$ 34.6	\$ (4.5)
Federal Fund	\$ 2.2	\$ 2.9	\$ 0.7	\$ 2.1	\$ (0.9)	\$ 2.1	\$ 0.0
General Fund	\$ 6.0	\$ 5.5	\$ (0.4)	\$ 7.7	\$ 2.2	\$ 7.7	\$ 0.0
Highway Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interim Finance	\$ 0.0	\$ -	\$ (0.0)	\$ -	\$ -	\$ -	\$ -
Other Fund	\$ 23.0	\$ 23.5	\$ 0.4	\$ 28.6	\$ 5.1	\$ 27.7	\$ (0.9)
Reversions	\$ (0.7)	\$ -	\$ 0.7	\$ -	\$ -	\$ -	\$ -
Total	\$ 95.2	\$ 89.7	\$ (5.5)	\$ 77.5	\$ (12.2)	\$ 72.1	\$ (5.4)
Positions	423.1	420.1	(3.0)	444.1	24.0	444.1	0.0
Department Of Taxation							
Balance Forward	\$ 3.2	\$ 2.0	\$ (1.2)	\$ -	\$ (2.0)	\$ -	\$ -
General Fund	\$ 39.3	\$ 39.3	\$ (0.0)	\$ 50.2	\$ 11.0	\$ 51.3	\$ 1.1
Other Fund	\$ 1.1	\$ 1.2	\$ 0.1	\$ 1.2	\$ 0.1	\$ 1.3	\$ 0.0
Reversions	\$ (2.0)	\$ -	\$ 2.0	\$ -	\$ -	\$ -	\$ -
Total	\$ 41.6	\$ 42.4	\$ 0.8	\$ 51.5	\$ 9.1	\$ 52.6	\$ 1.1
Positions	412.0	412.0	0.0	413.0	1.0	413.0	0.0
Cannabis Compliance Board							
Balance Forward	\$ 1.7	\$ 2.0	\$ 0.3	\$ 2.3	\$ 0.3	\$ 2.7	\$ 0.4
Other Fund	\$ 48.2	\$ 41.6	\$ (6.6)	\$ 39.5	\$ (2.1)	\$ 38.5	\$ (1.0)
Total	\$ 49.9	\$ 43.6	\$ (6.3)	\$ 41.8	\$ (1.8)	\$ 41.2	\$ (0.5)
Positions	101.0	101.0	0.0	99.0	(2.0)	99.0	0.0
Functional Area Totals							
Balance Forward	\$ 69.5	\$ 61.7	\$ (7.8)	\$ 41.4	\$ (20.3)	\$ 37.3	\$ (4.1)
Federal Fund	\$ 2.2	\$ 2.9	\$ 0.7	\$ 2.1	\$ (0.9)	\$ 2.1	\$ 0.0
General Fund	\$ 45.3	\$ 44.8	\$ (0.5)	\$ 58.0	\$ 13.2	\$ 59.1	\$ 1.1
Highway Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interim Finance	\$ 0.0	\$ -	\$ (0.0)	\$ -	\$ -	\$ -	\$ -
Other Fund	\$ 72.3	\$ 66.2	\$ (6.1)	\$ 69.3	\$ 3.1	\$ 67.5	\$ (1.9)
Reversions	\$ (2.6)	\$ -	\$ 2.6	\$ -	\$ -	\$ -	\$ -
Total	\$ 186.7	\$ 175.6	\$ (11.1)	\$ 170.7	\$ (4.9)	\$ 165.9	\$ (4.8)
Positions	936.08	933.08	-3.00	956.08	23.00	956.08	0.00

Note: Amounts do not include interagency transfers.

The following provides the major enhancements recommended by the Governor for each agency in the Finance and Administration functional area.

Department of Administration

- Total funding of \$3.5 million over the 2025-27 Biennium (administrative charges of \$694,401, allocations from the Workers' Compensation and Safety Fund of \$387,804, and net reserve reductions of \$2.4 million) for 12 new positions and to convert 6 intermittent positions to full-time permanent positions to address an increase in workload.
- Implement a rate holiday for the Purchasing Assessment collected for the Purchasing Division budget account over the 2025-27 Biennium in order to reduce its reserve balance.

Department of Taxation

- Net General Fund appropriations of \$759,346 over the 2025-27 Biennium to support five new positions (three classified and two unclassified) and associated operating costs and eliminate one existing full-time position.

Education Highlights



The Education function consists of two subfunctions: The Department of Education (inclusive of K-12 funding and the State Public Charter School Authority) and the Nevada System of Higher Education.

The following table provides the revenue and position detail for each agency in this functional area in the 2023-25 Biennium, as well as the revenue and position details recommended in The Executive Budget for the 2025-27 Biennium.

Education Agencies

(\$ in Millions and Positions as Full-Time Equivalent)

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Department Of Education							
Balance Forward	\$ 1,116.6	\$ 1,132.2	\$ 15.6	\$ 892.6	\$ (239.6)	\$ 907.1	\$ 14.5
Federal Fund	\$ 1,208.1	\$ 510.9	\$ (697.2)	\$ 403.4	\$ (107.6)	\$ 339.9	\$ (63.5)
General Fund	\$ 1,621.5	\$ 1,930.3	\$ 308.8	\$ 2,060.3	\$ 129.9	\$ 1,981.9	\$ (78.4)
Interim Finance	\$ 250.2	\$ 0.8	\$ (249.4)	\$ -	\$ (0.8)	\$ -	\$ -
Other Fund	\$ 3,985.7	\$ 4,203.1	\$ 217.4	\$ 4,283.3	\$ 80.2	\$ 4,454.1	\$ 170.8
Reversions	\$ (7.8)	\$ -	\$ 7.8	\$ -	\$ -	\$ -	\$ -
Total	\$ 8,174.3	\$ 7,777.3	\$ (397.0)	\$ 7,639.5	\$ (137.8)	\$ 7,683.0	\$ 43.4
Positions	218.0	218.0	0.0	225.0	7.0	226.0	1.0
State Public Charter							
School Authority							
Balance Forward	\$ 12.2	\$ 16.2	\$ 4.0	\$ 17.3	\$ 1.1	\$ 17.5	\$ 0.2
General Fund	\$ 7.0	\$ 7.0	\$ -	\$ -	\$ (7.0)	\$ -	\$ -
Other Fund	\$ 8.1	\$ 6.7	\$ (1.4)	\$ 8.1	\$ 1.4	\$ 8.1	\$ (0.0)
Reversions	\$ (1.8)	\$ -	\$ 1.8	\$ -	\$ -	\$ -	\$ -
Total	\$ 25.5	\$ 29.9	\$ 4.4	\$ 25.4	\$ (4.5)	\$ 25.6	\$ 0.2
Positions	33.0	33.0	0.0	45.0	12.0	49.0	4.0
Nevada System Of Higher Education (NSHE)							
Balance Forward	\$ 25.1	\$ 39.9	\$ 14.9	\$ 0.1	\$ (39.9)	\$ 0.1	\$ 0.0
Federal Fund	\$ 3.1	\$ 3.5	\$ 0.4	\$ 4.1	\$ 0.6	\$ 4.1	\$ -
General Fund	\$ 769.6	\$ 760.1	\$ (9.5)	\$ 979.8	\$ 219.8	\$ 972.2	\$ (7.6)
Interim Finance	\$ 0.5	\$ 8.1	\$ 7.6	\$ -	\$ (8.1)	\$ -	\$ -
Other Fund	\$ 373.0	\$ 392.8	\$ 19.8	\$ 436.4	\$ 43.7	\$ 459.1	\$ 22.6
Reversions	\$ (1.0)	\$ -	\$ 1.0	\$ -	\$ -	\$ -	\$ -
Total	\$ 1,170.2	\$ 1,204.3	\$ 34.1	\$ 1,420.4	\$ 216.1	\$ 1,435.4	\$ 15.0
Positions	7,544.3	7,505.9	(38.4)	7,596.7	90.8	7,640.9	44.1
Functional Area Totals							
Balance Forward	\$ 1,153.9	\$ 1,188.3	\$ 34.5	\$ 910.0	\$ (278.3)	\$ 924.7	\$ 14.7
Federal Fund	\$ 1,211.2	\$ 514.4	\$ (696.8)	\$ 407.4	\$ (107.0)	\$ 343.9	\$ (63.5)
General Fund	\$ 2,398.1	\$ 2,697.4	\$ 299.3	\$ 3,040.1	\$ 342.7	\$ 2,954.1	\$ (86.0)
Interim Finance	\$ 250.7	\$ 8.8	\$ (241.8)	\$ -	\$ (8.8)	\$ -	\$ -
Other Fund	\$ 4,366.8	\$ 4,602.6	\$ 235.8	\$ 4,727.8	\$ 125.2	\$ 4,921.2	\$ 193.4
Reversions	\$ (10.6)	\$ -	\$ 10.6	\$ -	\$ -	\$ -	\$ -
Total	\$ 9,370.0	\$ 9,011.6	\$ (358.4)	\$ 9,085.3	\$ 73.8	\$ 9,144.0	\$ 58.6
Positions	7,795.3	7,756.9	(38.4)	7,866.7	109.8	7,915.9	49.1

Note: Amounts do not include interagency transfers.

The following provides the major enhancements recommended by the Governor for each agency in the Education functional area.

K-12 Formula Funding

The 82nd (2023) Legislature approved total funding of \$11.197 billion over the 2023-25 Biennium for the Pupil-Centered Funding Plan and the Governor recommends increasing funding for the plan to \$11.890 billion over the 2025-27 Biennium, a 6.2% increase. This increase is primarily driven by a \$504.3 million (19.2%) increase in General Fund appropriations and a \$397.2 million (19.0%) increase in Property Tax revenue. These increases are partially offset by a \$275.7 million (84.0%) decrease in balance forward funding from the prior biennium.

Pupil-Centered Funding Plan Revenue

Source	Legislatively Approved 2023-25 Biennium (Thousands)	Governor Recommended 2025-27 Biennium (Thousands)	Change	
			Dollar (Thousands)	Percent
General Fund Appropriations <i>Revenue</i>	\$ 2,625,992	\$ 3,130,252	\$ 504,260	19.2%
Local School Support Tax	\$ 4,801,835	\$ 4,759,431	\$ (42,404)	-0.9%
Property Tax	\$ 2,092,729	\$ 2,489,938	\$ 397,209	19.0%
Room Tax Revenue	\$ 491,579	\$ 506,726	\$ 15,147	3.1%
Balance Forward from Prior Year ¹	\$ 328,418	\$ 52,695	\$ (275,723)	-84.0%
Governmental Services Tax	\$ 264,639	\$ 286,738	\$ 22,099	8.4%
Recreational Marijuana Retail Tax	\$ 151,441	\$ 153,468	\$ 2,027	1.3%
Gold and Silver Tax	\$ 128,810	\$ 191,634	\$ 62,824	48.8%
Net Proceeds of Minerals - State	\$ 95,830	\$ 169,379	\$ 73,549	76.7%
Cannabis Compliance Board Transfer	\$ 81,411	\$ 34,546	\$ (46,865)	-57.6%
Annual Slot Tax	\$ 50,940	\$ 50,033	\$ (907)	-1.8%
Net Proceeds of Minerals - Districts ¹	\$ 38,825	\$ 55,395	\$ 16,570	42.7%
Treasurer's Interest	\$ 33,109	\$ 19,848	\$ (13,261)	-40.1%
Permanent School Fund Transfer	\$ 24,948	\$ 20,084	\$ (4,864)	-19.5%
Federal Mineral Leasing	\$ 15,000	\$ 14,000	\$ (1,000)	-6.7%
Franchise Fees	\$ 7,000	\$ 6,750	\$ (250)	-3.6%
Boat Registration Fees	\$ 1,800	\$ 1,600	\$ (200)	-11.1%
Sale of Forfeited Property Proceeds	\$ 1,480	\$ 1,500	\$ 20	1.4%
State Environmental Commission Fines	\$ 100	\$ 100	\$ -	0.0%
Transfers from Unclaimed Property	\$ 68	\$ 1,000	\$ 932	1370.6%
Agriculture Fines	\$ 22	\$ -	\$ (22)	-100.0%
Gifts/Donations of Unclaimed Property	\$ 2	\$ 2	\$ 0	11.1%
Total	\$ 11,235,978	\$ 11,945,119	\$ 709,141	6.3%
Less Net Proceeds of Minerals - Districts ¹	\$ (38,825)	\$ (55,395)	\$ (16,570)	
Adjusted Total	\$ 11,197,153	\$ 11,889,724	\$ 692,571	6.2%
¹ Pursuant to NRS 387.1212(2)(k) and NRS 362.170(5), Net Proceeds of Minerals attributed to school districts is to be deposited in the State Education Fund. Pursuant to NRS 387.195(2), this revenue is required to be used in the fiscal year following the fiscal year it is distributed to the State Education Fund. Additionally, NRS 387.1214(6)(a) requires this revenue to be deemed the first money distributed to school districts through the Pupil-Centered Funding Plan.				

As provided in the following table, the statewide base per pupil funding amount as approved by the 82nd (2023) Legislature was \$9,414 for FY 2025 and is recommended to decrease to \$9,401 in FY 2026 and \$9,389 in FY 2027.

Calculation of the Statewide Base Per Pupil Amount in The Executive Budget

	FY 2026	FY 2027
Beginning Statewide Base Per Pupil Amount	\$ 9,414	\$ 9,401
x Inflationary Increase	0.00%	0.00%
Initial Statewide Base Per Pupil Amount	\$ 9,414	\$ 9,401
+ Residual Funding Available	\$ -	\$ -
Adjusted Statewide Base Per Pupil Amount	\$ 9,414	\$ 9,401
Proportional Reduction to Balance to Revenue	0.13%	0.13%
Final Statewide Base Per Pupil Amount	\$ 9,401	\$ 9,389

The weights applied for English Learner, At-Risk, and Gifted and Talented pupils as a ratio based on the statewide base per pupil amount would be maintained in the 2025-27 Biennium, as reflected in the following table:

Weighted Funding Approved by the 2023 Legislature for FY 2025 and as Recommended by the Governor for the 2025-27 Biennium

		English Learner	At-Risk	Gifted and Talented
FY 2025	Total Funding (Millions)	\$ 223.2	\$ 208.6	\$ 8.4
	Projected Number of Pupils *	52,678	63,325	7,434
	Average Amount Per Pupil	\$ 4,236	\$ 3,294	\$ 1,129
	Weight (Statewide Per Pupil of \$9,414)	0.45	0.35	0.12
FY 2026	Total Funding (Millions)	\$ 232.2	\$ 164.7	\$ 9.8
	Projected Number of Pupils *	54,923	50,074	8,722
	Average Amount Per Pupil	\$ 4,228	\$ 3,289	\$ 1,128
	Weight (Statewide Per Pupil of \$9,401)	0.45	0.35	0.12
FY 2027	Total Funding (Millions)	\$ 231.9	\$ 164.5	\$ 9.8
	Projected Number of Pupils *	54,923	50,074	8,722
	Average Amount Per Pupil	\$ 4,223	\$ 3,285	\$ 1,126
	Weight (Statewide Per Pupil of \$9,389)	0.45	0.35	0.12

* Projections exclude special education pupils and are unduplicated counts (i.e., reflect a pupil only receiving the highest weight a pupil is eligible to receive if a pupil is eligible for multiple weights).

- The following summarizes new funding allocations recommended by the Governor within the Pupil-Centered Funding Plan:
 - o Addition of a new funding category for salary increases totaling \$287.9 million over the 2025-27 Biennium, with funding to be provided to school districts (\$249.8 million) as initially allocated through Senate Bill 231 of the 82nd (2023) Legislative Session, along with additional funding to be allocated to charter schools (\$38.0 million).

- o Although transportation tier funding is currently only provided to school districts pursuant to NRS 387.1214, charter schools would be included in this funding tier and provided with funding totaling \$17.0 million over the 2025-27 Biennium.

The following table provides the various areas of support under the Pupil-Centered Funding Plan, with the funding amounts legislatively approved for the 2023-25 Biennium and the funding amounts recommended by the Governor for the 2025-27 Biennium.

Pupil-Centered Funding Plan: Funding for the Various Areas of Support

	Legislatively Approved 2023-25 Biennium (Millions)	Governor Recommended 2025-27 Biennium (Millions)	Change	
			Dollar	Percent
Adjusted Base Per Pupil Funding	\$ 8,980.6	\$ 9,193.4	\$ 212.8	2.4%
Transportation Funding	\$ 386.3	\$ 398.6	\$ 12.3	3.2%
Food Services Funding	\$ 3.2	\$ 2.1	\$ (1.2)	-36.5%
Salary Increase Funding	\$ -	\$ 287.9	\$ 287.9	N/A
Local Special Education Funding	\$ 967.7	\$ 1,194.8	\$ 227.1	23.5%
English Learner Funding	\$ 435.7	\$ 464.2	\$ 28.5	6.5%
At-Risk Pupil Funding	\$ 407.3	\$ 329.2	\$ (78.1)	-19.2%
Gifted and Talented Pupil Funding	\$ 16.4	\$ 19.7	\$ 3.3	20.0%
Total	\$ 11,197.2	\$ 11,889.7	\$ 692.6	6.2%

- General Fund appropriations of \$29.5 million over the 2025-27 Biennium are also recommended for enhancements for other K-12 programs:
 - o \$323,628 for the continuation of the Nevada Teacher Advancement Scholarship program
 - o \$13.6 million for the continuation of the Incentivizing Pathways to Teaching program
 - o \$568,880 for expansion of Career and Technical Education
 - o \$628,586 for expansion of Jobs for Nevada Graduates
 - o \$14.4 million for State Special Education Funding, including funding for a 2.0% Roll-Up (Merit) adjustment and adjustments to funding for school districts that exceed the 13.0% funding cap

Department of Education

- General Fund appropriations of \$70.0 million in each year of the 2025-27 Biennium to fund universal pre-K initiatives and pre-K seats in community-based programs.
- General Fund appropriations totaling \$4.4 million over the 2025-27 Biennium to provide 700 schools access to the Nevada Digital Learning Collaborative platform and its educational content, tools, and resources.
- Funding of \$2.9 million over the 2025-27 Biennium (\$1.9 million General Fund) for ten new full-time classified positions, one full-time unclassified position, and seven contract positions and associated operating costs, and the elimination of three existing full-time positions.

State Public Charter School Authority

- Reserve reductions totaling \$3.5 million over the 2025-27 Biennium for 12 new positions in FY 2026 and 4 new positions in FY 2027 to address a projected increase in charter holders, campuses, enrolled pupils, and grant programs administered.

Nevada System of Higher Education

- Total funding of \$2.853 billion for the 2025-27 Biennium, a 28.0% increase when compared to the total funding of \$2.229 billion approved by the 82nd (2023) Legislature for the 2023-25 Biennium. This includes \$1.949 billion in General Fund appropriations to support NSHE's operating budgets, or an increase of 32.8% mainly driven by COLA increases, compared to the \$1.468 billion appropriated by the 82nd (2023) Legislature.

NSHE General Fund Operating Appropriations: Legislatively Approved FY 2025 Compared to Governor Recommended FY 2026 and FY 2027

(In millions of dollars)					
NSHE Budget Account	FY 2025 Leg Approved Gen. Fund ²	FY 2026 NSHE Governor Rec. Gen. Fund	% Change from FY 2025 Leg Approved	FY 2027 NSHE Governor Rec. Gen. Fund	% Change from FY 2025 Leg Approved
University of Nevada, Las Vegas ¹	\$212. 06	\$292. 21	37.8%	\$288.09	35.9%
University of Nevada, Reno ¹	\$142. 78	\$192. 37	34.7%	\$191.21	33.9%
College of Southern Nevada ¹	\$97. 47	\$133. 79	37.3%	\$133.14	36.6%
Great Basin College ¹	\$14. 72	\$18. 78	27.6%	\$19.00	29.1%
Truckee Meadows Comm. College ¹	\$35. 19	\$51. 64	46.7%	\$51.42	46.1%
Western Nevada College ¹	\$15. 67	\$22. 15	41.3%	\$22.37	42.8%
Nevada State University ¹	\$30. 68	\$39. 02	27.2%	\$38.96	27.0%
Instruction (Formula) SUBTOTAL	\$548. 57	\$749. 94	36.7%	\$744.19	35.7%

UNR School of Medicine	\$38.71	\$44.05	13.8%	\$43.92	13.5%
UNLV School of Medicine	\$42.70	\$55.97	31.1%	\$55.53	30.0%
UNLV Law School	\$10.97	\$13.81	25.9%	\$13.41	22.3%
UNLV Dental School	\$10.59	\$14.77	39.5%	\$14.32	35.2%
DRI	\$8.84	\$11.09	25.5%	\$11.06	25.1%
Professional School SUBTOTAL	\$111.81	\$139.69	24.9%	\$138.23	23.6%
Non Formula Accounts SUBTOTAL	\$76.88	\$88.75	15.4%	\$88.26	14.8%
TOTAL APPROPRIATIONS²	\$737.25	\$978.39	32.7%	\$970.68	31.7%

NOTES:

1. The legislatively approved General Fund appropriation in FY 2025 for each of the instructional formula budgets is inclusive of performance funding.

2. The FY 2025 legislatively approved General Fund appropriations are exclusive of funding allocated to the Board of Examiners for salary adjustment funds, two-grade salary increase for University Police Officers, retention incentives, and longevity authorized in A.B. 522 (2023). Since the appropriation was not allocated directly to NSHE (except for the \$3.5 million retention incentives for NSHE professional employees), the salary adjustment funds are not reflected in this table.

➤ Higher Education Funding Formula Recommendations:

- o General Fund appropriations of \$22.8 million in each year of the 2025-27 Biennium based on a systemwide increase of 131,333 Weighted Student Credit Hours (WSCHs) or 4.3%, based on a WSCH value of \$173.29, consistent with the existing budget policy to fund caseload.
- o General Fund appropriations of \$4.7 million in each year of the 2025-27 Biennium as a new budget policy consideration to increase the WSCH value from \$173.29 to \$208.99 used for the caseload adjustment to account for the General Fund appropriated to the Board of Examiners in the 2023-25 Biennium for the cost-of-living and compensation adjustments for NSHE.

- o General Fund appropriations of \$649,110 for Great Basin College (GBC) in each year of the 2025-27 Biennium as the result of the Small Institution Factor calculation. As a result of WSCH growth exceeding the 100,000 WSCH threshold at Western Nevada College (WNC), the Small Institution Factor at WNC would be eliminated.
- o General Fund appropriations of \$11.2 million in continued operations and maintenance (O&M) funding for dedicated research space at the University of Nevada, Reno (UNR) and the University of Nevada, Las Vegas (UNLV) in each year of the 2025-27 Biennium.
- o General Fund appropriations of \$2.1 million in each year of the 2025-27 Biennium for support of O&M costs for an additional 212,050 square feet of dedicated research space identified by UNR.
- o General Fund appropriations of \$14.3 million over the 2025-27 Biennium to phase in the implementation of funding formula recommendations approved by the Ad Hoc Committee on Higher Education Funding resulting from the interim study funded through Assembly Bill 493 (2023). This includes \$1.4 million over the 2025-27 Biennium for WNC and GBC to modify the Small Institution Factor calculation, and \$12.9 million over the 2025-27 Biennium to increase appropriations for Nevada State University and the four community colleges to implement a new methodology to distribute General Funds among the instructional institutions, while holding UNR and UNLV harmless from budgetary reductions that would otherwise occur with the new distribution methodology. The new methodology would eliminate the existing budget policy for the 20.0% Performance Funding Pool set aside.

➤ Systemwide Enhancement:

- o Additional General Fund appropriations of \$28.7 million in each year of the 2025-27 Biennium to change the legislatively approved budget policy relating to the proportion of General Fund support from approximately 65.9% to 80.0% statewide for ongoing salary-related costs in the 2025-27 Biennium that are inclusive of the COLA increases approved by the 82nd (2023) Legislature.

Commerce and Industry Highlights



The Commerce and Industry function includes state agencies responsible for licensing or regulating various business and financial activities with the state as well as state agencies responsible for the promotion of commerce and industry in Nevada. These agencies include the Department of Business and Industry, the Department of Agriculture, the Division of Minerals, the Nevada Gaming Control Board, the Public Utilities Commission of Nevada, the Governor's Office of Economic Development, the Department of Tourism and Cultural Affairs, and the Department of Native American Affairs.

The following table provides the revenue and position detail for each agency in this functional area in the 2023-25 Biennium, as well as the revenue and position details recommended in The Executive Budget for the 2025-27 Biennium.

Commerce & Industry Agencies

(\$ in Millions and Positions as Full-Time Equivalent)

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
State Department of Agriculture							
Balance Forward	\$ 12.4	\$ 14.7	\$ 2.3	\$ 15.9	\$ 1.2	\$ 14.1	\$ (1.8)
Federal Fund	\$ 227.7	\$ 257.8	\$ 30.1	\$ 210.8	\$ (47.1)	\$ 210.7	\$ (0.1)
General Fund	\$ 4.1	\$ 4.2	\$ 0.1	\$ 5.0	\$ 0.8	\$ 5.1	\$ 0.1
Interim Finance	\$ 0.1	\$ -	\$ (0.1)	\$ -	\$ -	\$ -	\$ -
Other Fund	\$ 34.0	\$ 33.5	\$ (0.5)	\$ 36.2	\$ 2.8	\$ 37.3	\$ 1.1
Reversions	\$ (0.2)	\$ -	\$ 0.2	\$ -	\$ -	\$ -	\$ -
Total	\$ 278.0	\$ 310.2	\$ 32.2	\$ 267.9	\$ (42.3)	\$ 267.2	\$ (0.7)
Positions	164.5	165.5	1.0	182.5	17.0	182.5	0.0
Commission On Mineral Resources							
Balance Forward	\$ 3.3	\$ 3.1	\$ (0.2)	\$ 3.1	\$ (0.1)	\$ 2.7	\$ (0.4)
Federal Fund	\$ 0.5	\$ 0.4	\$ (0.2)	\$ 0.9	\$ 0.5	\$ 0.9	\$ -
Other Fund	\$ 3.2	\$ 2.9	\$ (0.2)	\$ 3.0	\$ 0.1	\$ 3.0	\$ 0.0
Total	\$ 7.0	\$ 6.5	\$ (0.6)	\$ 7.0	\$ 0.5	\$ 6.6	\$ (0.4)
Positions	12.0	12.0	0.0	13.0	1.0	13.0	0.0
Gaming Control Board							
Balance Forward	\$ 9.8	\$ 7.0	\$ (2.7)	\$ 0.0	\$ (7.0)	\$ 0.0	\$ -
General Fund	\$ 34.6	\$ 35.0	\$ 0.4	\$ 45.6	\$ 10.6	\$ 45.0	\$ (0.5)
Interim Finance	\$ -	\$ 5.5	\$ 5.5	\$ -	\$ (5.5)	\$ -	\$ -
Other Fund	\$ 14.5	\$ 14.8	\$ 0.3	\$ 19.4	\$ 4.7	\$ 19.7	\$ 0.2
Reversions	\$ (0.5)	\$ -	\$ 0.5	\$ -	\$ -	\$ -	\$ -
Total	\$ 58.3	\$ 62.3	\$ 4.0	\$ 65.0	\$ 2.7	\$ 64.7	\$ (0.3)
Positions	399.0	401.0	2.0	418.0	17.0	418.0	0.0

Table continued on following page.

2025 –27 Fiscal Brief: Overview of The Executive Budget

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Public Utilities Commission							
Balance Forward	\$ 6.1	\$ 4.1	\$ (2.0)	\$ 2.9	\$ (1.2)	\$ 4.1	\$ 1.1
Federal Fund	\$ 0.6	\$ 0.7	\$ 0.1	\$ 0.7	\$ (0.0)	\$ 0.7	\$ 0.0
Other Fund	\$ 12.5	\$ 12.6	\$ 0.1	\$ 19.9	\$ 7.3	\$ 18.5	\$ (1.4)
Total	\$ 19.2	\$ 17.4	\$ (1.8)	\$ 23.5	\$ 6.1	\$ 23.3	\$ (0.3)
Positions	104.0	104.0	0.0	104.0	0.0	104.0	0.0
Department of Business and Industry							
Balance Forward	\$ 158.7	\$ 206.1	\$ 47.4	\$ 164.1	\$ (42.0)	\$ 142.3	\$ (21.8)
Federal Fund	\$ 16.9	\$ 12.5	\$ (4.4)	\$ 23.6	\$ 11.1	\$ 19.2	\$ (4.4)
General Fund	\$ 50.6	\$ 6.8	\$ (43.7)	\$ 9.4	\$ 2.6	\$ 9.0	\$ (0.5)
Highway Fund	\$ 3.8	\$ 4.3	\$ 0.5	\$ 6.4	\$ 2.1	\$ 6.3	\$ (0.1)
Interim Finance	\$ 0.2	\$ 0.2	\$ 0.1	\$ -	\$ (0.2)	\$ -	\$ -
Other Fund	\$ 91.3	\$ 104.0	\$ 12.7	\$ 117.5	\$ 13.5	\$ 118.2	\$ 0.8
Reversions	\$ (3.0)	\$ -	\$ 3.0	\$ -	\$ -	\$ -	\$ -
Total	\$ 318.5	\$ 333.9	\$ 15.5	\$ 321.0	\$ (13.0)	\$ 295.0	\$ (26.0)
Positions	693.6	708.6	15.0	774.0	65.4	790.0	16.0
Governor's Office of Economic Development							
Balance Forward	\$ 41.4	\$ 38.9	\$ (2.5)	\$ 37.9	\$ (1.0)	\$ 36.9	\$ (1.1)
Federal Fund	\$ 8.7	\$ 41.8	\$ 33.1	\$ 40.7	\$ (1.1)	\$ 24.2	\$ (16.5)
General Fund	\$ 15.8	\$ 16.0	\$ 0.2	\$ 30.9	\$ 14.9	\$ 31.1	\$ 0.2
Other Fund	\$ 3.9	\$ 1.2	\$ (2.7)	\$ 1.5	\$ 0.3	\$ 1.2	\$ (0.3)
Reversions	\$ (0.4)	\$ 0.0	\$ 0.4	\$ -	\$ (0.0)	\$ -	\$ -
Total	\$ 69.3	\$ 97.9	\$ 28.6	\$ 111.1	\$ 13.2	\$ 93.3	\$ (17.7)
Positions	45.0	45.0	0.0	44.0	(1.0)	44.0	0.0
Department of Tourism and Cultural Affairs							
Balance Forward	\$ 24.6	\$ 27.3	\$ 2.8	\$ 18.9	\$ (8.4)	\$ 13.3	\$ (5.6)
Federal Fund	\$ 1.9	\$ 7.2	\$ 5.3	\$ 1.0	\$ (6.2)	\$ 1.0	\$ -
General Fund	\$ 3.5	\$ 3.7	\$ 0.2	\$ 3.1	\$ (0.6)	\$ 3.0	\$ (0.0)
Other Fund	\$ 35.2	\$ 34.3	\$ (0.9)	\$ 38.2	\$ 4.0	\$ 39.8	\$ 1.5
Reversions	\$ (0.1)	\$ -	\$ 0.1	\$ -	\$ -	\$ -	\$ -
Total	\$ 65.1	\$ 72.5	\$ 7.4	\$ 61.3	\$ (11.2)	\$ 57.2	\$ (4.1)
Positions	124.4	124.4	0.0	125.7	1.3	128.2	2.5
Department Of Native American Affairs							
Balance Forward	\$ (5.1)	\$ 5.1	\$ 10.3	\$ -	\$ (5.1)	\$ -	\$ -
General Fund	\$ 0.7	\$ 0.8	\$ 0.2	\$ 1.6	\$ 0.8	\$ 1.6	\$ 0.0
Reversions	\$ (0.2)	\$ -	\$ 0.2	\$ -	\$ -	\$ -	\$ -
Total	\$ (4.7)	\$ 6.0	\$ 10.7	\$ 1.6	\$ (4.4)	\$ 1.6	\$ 0.0
Positions	10.0	10.0	0.0	10.0	0.0	10.0	0.0
Functional Area Totals							
Balance Forward	\$ 251.1	\$ 306.5	\$ 55.4	\$ 242.9	\$ (63.6)	\$ 213.4	\$ (29.5)
Federal Fund	\$ 256.5	\$ 320.5	\$ 64.0	\$ 277.7	\$ (42.8)	\$ 256.7	\$ (21.0)
General Fund	\$ 109.3	\$ 66.5	\$ (42.8)	\$ 95.5	\$ 29.0	\$ 94.8	\$ (0.7)
Highway Fund	\$ 3.8	\$ 4.3	\$ 0.5	\$ 6.4	\$ 2.1	\$ 6.3	\$ (0.1)
Interim Finance	\$ 0.2	\$ 5.7	\$ 5.5	\$ -	\$ (5.7)	\$ -	\$ -
Other Fund	\$ 194.4	\$ 203.2	\$ 8.8	\$ 235.8	\$ 32.6	\$ 237.7	\$ 1.9
Reversions	\$ (4.5)	\$ 0.0	\$ 4.5	\$ -	\$ (0.0)	\$ -	\$ -
Total	\$ 810.8	\$ 906.6	\$ 95.9	\$ 858.2	\$ (48.4)	\$ 808.9	\$ (49.4)
Positions	1,552.5	1,570.5	18.0	1,671.2	100.7	1,689.7	18.5

Note: Amounts do not include interagency transfers.

The following provides the major enhancements recommended by the Governor for each agency in the Commerce and Industry functional area.

Department of Agriculture

- Net funding of \$465,585 (\$155 General Fund) over the 2025-27 Biennium, for a net increase of five positions, to support ongoing program operations, information technology, and administrative functions.
- Transfer food inspection activities, including 12 existing positions and total funding of \$4.4 million (fee revenue, county reimbursements and federal funds) over the 2025-27 Biennium from the Department of Health and Human Services, Division of Public and Behavioral Health, Environmental Health Services budget account, to the Division of Animal Industry, Dairy Fund budget account, contingent upon the passage and approval of enabling legislation.

Gaming Control Board

- \$4.3 million (\$2.1 million General Fund) over the 2025-27 Biennium for 17 new positions, including 8 unclassified positions in the Investigations Division to support corporate securities investigations, 6 unclassified positions in the Tax and License Division to regulate compliance of restricted gaming licensees, and 3 classified positions to support administrative functions of the Board and Gaming Commission.
- General Funds of \$1.1 million over the 2025-27 Biennium for the Enforcement Division, which would fund additional operational expenditures totaling \$569,198 and change the funding source for two existing Enforcement Agent positions from federal forfeiture funds to the General Fund.

Department of Business and Industry

- Total funding of \$712,209 (\$344,713 General Fund) over the 2025-27 Biennium to create a new budget account for the Office of Nevada Boards, Commissions and Councils Standards that was established pursuant to Senate Bill 431 of the 82nd (2023) Legislative Session, which is inclusive of funding for one new Management Analyst position.

- In addition to the new Management Analyst position noted above, total funding of \$15.5 million (\$770,116 General Fund) over the 2025-27 Biennium for 82 new positions (primarily to support ongoing agency operations and address increases in workload.
- Allocation from the Workers' Compensation and Safety Fund of \$1.7 million in FY 2026 to design and implement a new database system for licensing, permitting, inspections, notifications, compliance, and payment processing for the Occupational Safety and Health Administration's Mechanical Compliance Section.
- Reserve reductions of \$1.4 million over the 2025-27 Biennium to fund the implementation of a new licensing, examination, and enforcement system to support the Financial Institutions Division's operations.

Governor's Office of Economic Development

- General Fund appropriations of \$29.3 million over the 2025-27 Biennium to support development and commercialization of research and technology through the Knowledge Account.
- General Fund appropriations of \$5.0 million in each year of the 2025-27 Biennium to address targeted industries' workforce needs with educational partners through the Workforce Innovations for a New Nevada (WINN) Program.
- Change the funding source of the Nevada Film Office budget account from room tax transferred from the Department of Tourism and Cultural Affairs with General Fund appropriations totaling \$1.6 million over the 2025-27 Biennium.

Department of Tourism and Cultural Affairs

- General Fund reductions of \$4.4 million over the 2025-27 Biennium, and corresponding increases in room tax revenues, to increase the percentage of room tax revenue supporting the Division of Museums budget accounts from 55.0% to 81.0% and decreasing General Fund support from 45.0% to 19.0%.

- Eliminate room tax revenue transfers of \$3.2 million (\$1.6 million to Nevada Film Office, \$806,846 to State Parks, and \$775,202 to the Stewart Indian School Living Legacy) over the 2025-27 Biennium and replacing these transfers with a commensurate level of General Fund appropriations.
- Room tax revenue of \$1.0 million over the 2025-27 Biennium to increase funding to promote tourism in rural communities through the Destination Development Design grant program.
- Total of \$750,000 in room tax revenue in FY 2026 to support activities and events for participation in the America250 Commemoration of the United States Semiquincentennial.

Department of Native American Affairs

- Total General Fund appropriations of \$226,800 over the 2025-27 Biennium for administrative support and information technology costs associated with the department operating as a stand-alone agency effective July 1, 2024.
- General Fund appropriations of \$758,524 over the 2025-27 Biennium to replace room tax revenue transferred from the Commission on Tourism for continued support of the Stewart Indian School Living Legacy budget account.

Health and Human Services Highlights



The Health and Human Services function provides services directly to members of the public and includes the Department of Health and Human Services and the Department of Employment, Training and Rehabilitation.

The following table provides the revenue and position detail for each agency in this functional area in the 2023-25 Biennium, as well as the revenue and position details recommended in The Executive Budget for the 2025-27 Biennium.

Health and Human Services Agencies **(\$ in Millions and Positions as Full-Time Equivalent)**

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Human Services							
Director's Office							
Balance Forward	\$ 73.7	\$ 115.9	\$ 42.2	\$ 115.7	\$ (0.2)	\$ 83.0	\$ (32.7)
Federal Fund	\$ 23.8	\$ 23.9	\$ 0.1	\$ 24.7	\$ 0.8	\$ 24.6	\$ (0.1)
General Fund	\$ 3.4	\$ 3.5	\$ 0.1	\$ 5.1	\$ 1.7	\$ 5.4	\$ 0.3
Other Fund	\$ 91.2	\$ 76.6	\$ (14.7)	\$ 83.9	\$ 7.3	\$ 78.6	\$ (5.3)
Reversions	\$ (0.4)	\$ -	\$ 0.4	\$ -	\$ -	\$ -	\$ -
Total	\$ 191.8	\$ 219.9	\$ 28.1	\$ 229.4	\$ 9.5	\$ 191.6	\$ (37.8)
Positions	77.0	77.0	0.0	86.0	9.0	86.0	0.0
Aging and Disability Services							
Balance Forward	\$ (7.2)	\$ 23.8	\$ 31.1	\$ 7.1	\$ (16.8)	\$ 8.2	\$ 1.1
Federal Fund	\$ 23.6	\$ 22.7	\$ (0.9)	\$ 13.3	\$ (9.4)	\$ 12.1	\$ (1.2)
General Fund	\$ 254.4	\$ 260.4	\$ 6.0	\$ 362.3	\$ 101.9	\$ 386.6	\$ 24.2
Interim Finance	\$ -	\$ 6.0	\$ 6.0	\$ -	\$ (6.0)	\$ -	\$ -
Other Fund	\$ 15.8	\$ 15.8	\$ (0.0)	\$ 18.6	\$ 2.8	\$ 18.9	\$ 0.3
Reversions	\$ (8.6)	\$ -	\$ 8.6	\$ -	\$ -	\$ -	\$ -
Total	\$ 278.0	\$ 328.7	\$ 50.7	\$ 401.3	\$ 72.6	\$ 425.7	\$ 24.4
Positions	1,355.3	1,391.3	35.9	1,582.0	190.7	1,663.0	81.0
Health Care Financing & Policy							
Balance Forward	\$ 66.4	\$ 72.3	\$ 5.9	\$ 110.9	\$ 38.6	\$ 111.5	\$ 0.5
Federal Fund	\$ 4,439.1	\$ 5,086.0	\$ 647.0	\$ 5,379.7	\$ 293.6	\$ 5,470.8	\$ 91.1
General Fund	\$ 994.9	\$ 1,541.1	\$ 546.2	\$ 1,331.2	\$ (209.9)	\$ 1,390.1	\$ 59.0
Other Fund	\$ 1,038.2	\$ 1,038.8	\$ 0.6	\$ 1,183.1	\$ 144.2	\$ 1,201.7	\$ 18.7
Reversions	\$ (9.7)	\$ -	\$ 9.7	\$ -	\$ -	\$ -	\$ -
Total	\$ 6,528.9	\$ 7,738.2	\$ 1,209.4	\$ 8,004.8	\$ 266.6	\$ 8,174.1	\$ 169.3
Positions	336.5	351.5	15.0	415.0	63.5	415.0	0.0
Public and Behavioral Health							
Balance Forward	\$ 43.1	\$ 76.9	\$ 33.8	\$ 56.9	\$ (20.0)	\$ 50.2	\$ (6.7)
Federal Fund	\$ 228.1	\$ 204.9	\$ (23.2)	\$ 229.5	\$ 24.5	\$ 226.3	\$ (3.2)
General Fund	\$ 169.4	\$ 190.0	\$ 20.6	\$ 220.1	\$ 30.1	\$ 224.9	\$ 4.8
Other Fund	\$ 76.3	\$ 78.7	\$ 2.4	\$ 74.0	\$ (4.7)	\$ 74.1	\$ 0.1
Reversions	\$ (5.4)	\$ -	\$ 5.4	\$ -	\$ -	\$ -	\$ -
Total	\$ 511.5	\$ 550.6	\$ 39.1	\$ 580.5	\$ 29.9	\$ 575.5	\$ (4.9)
Positions	1,766.0	1,767.0	1.0	1,792.4	25.4	1,793.4	1.0

Table continued on following page.

2025 –27 Fiscal Brief: Overview of The Executive Budget

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Welfare and Support Services							
Balance Forward	\$ 16.7	\$ 18.3	\$ 1.5	\$ 0.8	\$ (17.5)	\$ 0.8	\$ 0.1
Federal Fund	\$ 377.9	\$ 381.2	\$ 3.4	\$ 341.1	\$ (40.1)	\$ 337.0	\$ (4.1)
General Fund	\$ 112.3	\$ 115.2	\$ 2.9	\$ 128.4	\$ 13.1	\$ 130.8	\$ 2.5
Other Fund	\$ 16.0	\$ 18.8	\$ 2.8	\$ 9.3	\$ (9.5)	\$ 8.9	\$ (0.5)
Reversions	\$ (0.0)	\$ -	\$ 0.0	\$ -	\$ -	\$ -	\$ -
Total	\$ 522.9	\$ 533.5	\$ 10.6	\$ 479.6	\$ (54.0)	\$ 477.6	\$ (2.0)
Positions	2,246.3	2,246.3	0.0	2,310.5	64.2	2,310.5	0.0
Child and Family Services							
Balance Forward	\$ 1.0	\$ 15.8	\$ 14.8	\$ 1.7	\$ (14.1)	\$ 1.7	\$ 0.0
Federal Fund	\$ 126.4	\$ 125.3	\$ (1.2)	\$ 135.9	\$ 10.7	\$ 137.2	\$ 1.3
General Fund	\$ 172.9	\$ 185.5	\$ 12.6	\$ 207.3	\$ 21.9	\$ 212.9	\$ 5.6
Interim Finance	\$ -	\$ 0.1	\$ 0.1	\$ -	\$ (0.1)	\$ -	\$ -
Other Fund	\$ 24.7	\$ 23.3	\$ (1.4)	\$ 25.4	\$ 2.1	\$ 25.5	\$ 0.1
Reversions	\$ (8.7)	\$ -	\$ 8.7	\$ -	\$ -	\$ -	\$ -
Total	\$ 316.2	\$ 349.9	\$ 33.6	\$ 370.3	\$ 20.4	\$ 377.3	\$ 7.0
Positions	1,159.7	1,140.8	(18.9)	1,200.2	59.5	1,201.2	1.0
Department Of Employment, Training & Rehabilitation							
Balance Forward	\$ 66.8	\$ 83.9	\$ 17.1	\$ 93.2	\$ 9.3	\$ 86.3	\$ (6.9)
Federal Fund	\$ 137.8	\$ 147.8	\$ 10.1	\$ 159.9	\$ 12.1	\$ 159.1	\$ (0.8)
General Fund	\$ 7.2	\$ 7.3	\$ 0.1	\$ 11.1	\$ 3.8	\$ 11.1	\$ 0.1
Interim Finance	\$ 0.5	\$ -	\$ (0.5)	\$ -	\$ -	\$ -	\$ -
Other Fund	\$ 43.4	\$ 33.8	\$ (9.6)	\$ 37.3	\$ 3.5	\$ 38.3	\$ 1.0
Reversions	\$ (0.4)	\$ -	\$ 0.4	\$ -	\$ -	\$ -	\$ -
Total	\$ 255.2	\$ 272.8	\$ 17.6	\$ 301.4	\$ 28.6	\$ 294.9	\$ (6.6)
Positions	854.0	854.0	0.0	939.5	85.5	939.5	0.0
Functional Area Totals							
Balance Forward	\$ 260.5	\$ 407.0	\$ 146.4	\$ 386.1	\$ (20.8)	\$ 341.6	\$ (44.5)
Federal Fund	\$ 5,356.6	\$ 5,991.9	\$ 635.3	\$ 6,284.0	\$ 292.2	\$ 6,367.1	\$ 83.1
General Fund	\$ 1,714.5	\$ 2,302.9	\$ 588.4	\$ 2,265.5	\$ (37.4)	\$ 2,361.9	\$ 96.4
Highway Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interim Finance	\$ 0.5	\$ 6.1	\$ 5.6	\$ -	\$ (6.1)	\$ -	\$ -
Other Fund	\$ 1,305.6	\$ 1,285.9	\$ (19.7)	\$ 1,431.6	\$ 145.7	\$ 1,446.0	\$ 14.4
Reversions	\$ (33.2)	\$ -	\$ 33.2	\$ -	\$ -	\$ -	\$ -
Total	\$ 8,604.6	\$ 9,993.7	\$ 1,389.1	\$ 10,367.3	\$ 373.6	\$ 10,516.7	\$ 149.4
Positions	7,794.8	7,827.8	33.0	8,325.7	497.8	8,408.7	83.0

Note: Amounts do not include interagency transfers.

The following provides the major enhancements recommended by the Governor for each agency in the Health and Human Services functional area.

Department of Health and Human Services

The Department of Health and Human Services consists of the Director's Office, the Aging and Disability Services Division, the Division of Health Care Financing and Policy, the Division of Public and Behavioral Health, the Division of Welfare and Supportive Services, and the Division of Child and Family Services.

Director's Office

- Reorganization of the Department of Health and Human Services, the Silver State Health Insurance Exchange (Exchange), and the Public Employees' Benefits Program (PEBP) by creating the Department of Human Services and the Nevada Health Authority. The proposal includes transferring the Exchange, PEBP, the Division of Health Care Financing and Policy, portions of the Department of Health and Human Services Director's Office, and two Division of Public and Behavioral Health budget accounts into the Nevada Health Authority. The remaining components of the Department of Health and Human Services would comprise the Department of Human Services.
- Opioid Settlement Funds of \$41.6 million to fund statewide projects for public and private entities to address the impact of opioid and other substance use disorders.
- Total funding of \$1.8 million to add nine new positions.

Aging and Disability Services Division

- \$224.6 million (\$124.6 million General Fund) for service and staffing costs, including 254 new positions, to support projected caseload growth for Aging and Disability Services Division programs.
- \$87.2 million (\$42.0 million General Fund) for service costs to maintain existing provider rates for developmental services and home- and community-based services.
- General Fund reductions of \$23.7 million to replace the current cost per eligible capitated rate payment model with a fee-for-service model for Early Intervention Services.
- \$1.6 million (\$1.1 million General Fund) for 17 new Developmental Specialist positions at the 3 Regional Centers, beginning in FY 2027, to complete standardized assessments to identify service needs to meet new federal minimum benchmarks for developmental services.

- \$772,781 (\$484,958 General Fund) for five new Developmental Support Technician positions to support the Desert Regional Center Intermediate Care Facility.
- \$1.3 million (\$140 General Fund) for two new unclassified Medical Epidemiologist positions to focus on aging issues and study the newborn population to help guide data-driven decision making.

Division of Health Care Financing and Policy

- \$487.0 million reduction (\$77.0 million General Fund increase) over the 2025-27 Biennium to support projected caseload changes, federally mandated provider rate adjustments, and inflation adjustments. Medicaid average monthly caseload is projected to decrease from the legislatively approved 845,877 for FY 2025 to 794,536 in FY 2027 and Check Up average monthly caseload is projected to increase from the legislatively approved 24,445 for FY 2025 to 35,299 in FY 2027.
- General Fund appropriations totaling \$52.2 million and net reductions of \$51.5 million in federal and other funding sources over the 2025-27 Biennium to adjust funding sources to align funding sources supporting the Medicaid and Check Up programs with decreases in the Federal Medical Assistance Percentage rates.
- \$99.4 million (\$2.2 million General Fund) over the 2025-27 Biennium to increase waiver slots for the division's three approved Home and Community-Based Services Medicaid waiver programs.
- \$37.4 million in federal, private hospital provider tax, and county revenue over the 2025-27 Biennium to support service expansions for mobile crisis, assertive community treatment, first episode psychosis, and the juvenile justice population.
- \$114.4 million in federal, private hospital provider tax, and county revenue over the 2025-27 Biennium to support rate increases for community paramedicine, partial hospitalization, day treatment, inpatient psychiatric and detox services, and a quality incentive payment for skilled nursing facilities.

- \$19.4 million (\$4.2 million General Fund) over the 2025-27 Biennium to support expanded adult dental services and rate adjustments for Applied Behavior Analysis services.
- Creation of a single preferred drug list for fee for service and managed care organization Medicaid service delivery models, which includes a projected additional \$37.5 million in prescription drug rebate revenue, of which the state would retain \$12.4 million, over the 2025-27 Biennium.
- \$49.6 million, including \$20.0 million transferred from the prescription drug rebate budget account, to support workforce initiatives, including graduate medical education, intended to increase the number of Medicaid providers in the state.
- Net \$7.2 million (\$2.9 million General Fund) over the 2025-27 Biennium to fund the addition of 23 positions and the continuation of 10 positions funded with expiring federal grants and American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds to support the ongoing administration of the Medicaid program along with additional administrative support for recommended enhancements.
- \$66.9 million (\$654,215 General Fund) over the 2025-27 Biennium for 14 positions and contract costs to modernize and automate Medicaid enrollment through the Silver State Health Insurance Exchange's online platform, Nevada Health Link.

Division of Public and Behavioral Health

- Contingent upon the passage and approval of enabling legislation, the transfer of revenues and expenditures from the Environmental Health Services budget account, including 12 associated positions, to the State Department of Agriculture Dairy Fund budget account.
- General Funds of \$17.6 million to provide staffing and operational services for the renovated forensic building (Building 3A) on the Southern Nevada Adult Mental Health Services (SNAMHS) campus, including 53 new positions to provide 21 additional forensic beds.

- General Funds of \$1.0 million in FY 2027 to continue using skilled nursing facilities for long-term forensic and civil patients which was previously funded with federal American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds.
- Opioid Settlement funds from the Fund for a Resilient Nevada budget account of \$1.0 million to provide a subaward to the City of North Las Vegas Fire Department for a crisis response team model that would provide mental health and opioid support through crisis response calls and community education outreach.
- Funding of \$4.4 million over the 2025-27 Biennium to add 17 new positions for the Behavioral Health Prevention and Treatment program. Additionally, total funding of \$702,543 to support 1 new Medical Epidemiologist, 1 new Health Program Specialist for the Health Investigations and Epidemiology budget account.
- \$1.8 million to continue funding eight positions in the Office of Health Administration that were previously funded with American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds.
- \$1.7 million (\$1.5 million General Fund) to fund projected caseload increases and ten positions at the Southern Nevada Adult Mental Health Services and the Northern Nevada Adult Mental Health Services facilities.
- Total reduction in funding of \$1.7 million (\$1.5 million General Fund) over the 2025-27 Biennium to eliminate ten positions due to difficulty recruiting and other factors.

Division of Welfare and Supportive Services

- The Division of Welfare and Supportive Services be renamed as the Division of Social Services.
- \$10.2 million (\$3.0 million General Fund) for 73 new positions to support projected caseload changes and anticipated workload.

- Opioid Settlement funds of \$20.0 million to establish two new programs that would provide emergency and support services to families impacted by opioid or other substance use and support to non-parent caretakers of children who have been removed from their parents due to substance use with the goal of avoiding foster placement.

Division of Child and Family Services

- In addition to the new positions recommended for the Intake Assessment Center and for the Extended Young Adult Support Services Program, \$3.3 million (\$348,197 General Fund) to support 19 new positions and associated costs to address workload increases throughout the division.
- \$2.4 million (\$1.4 million General Fund) to continue funding ten positions that were previously funded by American Rescue Plan Act Coronavirus State Fiscal Recovery Funds in the 2023-25 Biennium.
- \$21.0 million in federal Title IV-E funds for the continuation of the division's Unified Nevada Information Technology for Youth system upgrades.
- \$12.1 million (\$5.8 million General Fund) to add 68 new positions and associated costs to develop a new Intake Assessment Center at the Summit View Youth Center to house 24 youth who would receive clinical screening, assessments, and stabilization services.
- \$388,612 (\$341,978 General Fund) over the 2025-27 Biennium to eliminate the state deduction for Cost of Care. Currently, as required by NRS 432.037, the state collects Social Security and other court-ordered benefits on behalf of a child in foster care and deducts the expenses for public services received. This request is contingent upon the passage and approval of enabling legislation.
- \$12.3 million (\$3.0 million General Fund) to fund the Extended Young Adult Support Services Program in the Clark County, Washoe County, and Rural Child Welfare budget accounts, including seven new positions, which would allow young adults, ages 18 to 21, to remain in foster care and continue to have

access to the same activities and opportunities as foster youth.

Department of Employment, Training and Rehabilitation

- \$9.4 million (\$922,007 General Fund) for 48 new positions, primarily to support ongoing agency operations and to address an increase in workload and net funding reductions of \$1.6 million to convert 45 intermittent positions to permanent status.

Public Safety Highlights



The Public Safety function consists of agencies that generally promote safety, provide law enforcement, and protect the public and community throughout the state. The Department of Motor Vehicles, Department of Public Safety (including the Nevada Highway Patrol and the Division of Parole and Probation), Peace Officers Standards and Training Commission, and the Department of Corrections comprise the Public Safety function.

The following table provides the revenue and position detail for each agency in this functional area in the 2023-25 Biennium, as well as the revenue and position details recommended in The Executive Budget for the 2025-27 Biennium.

Public Safety Agencies (\$ in Millions and Positions as Full-Time Equivalent)

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Commission On Peace Officer Standards & Training							
Balance Forward	\$ 0.2	\$ 0.1	\$ (0.2)	\$ -	\$ (0.1)	\$ -	\$ -
General Fund	\$ 2.2	\$ 2.3	\$ 0.1	\$ 2.9	\$ 0.6	\$ 3.1	\$ 0.1
Other Fund	\$ 0.1	\$ 0.0	\$ (0.0)	\$ 0.0	\$ -	\$ 0.0	\$ -
Reversions	\$ (0.1)	\$ -	\$ 0.1	\$ -	\$ -	\$ -	\$ -
Total	\$ 2.5	\$ 2.4	\$ (0.0)	\$ 3.0	\$ 0.6	\$ 3.1	\$ 0.1
Positions	16.0	16.0	0.0	16.0	0.0	16.0	0.0
Department Of Corrections							
Balance Forward	\$ 25.6	\$ 18.2	\$ (7.5)	\$ 11.4	\$ (6.8)	\$ 12.1	\$ 0.7
Federal Fund	\$ 6.0	\$ -	\$ (6.0)	\$ -	\$ -	\$ -	\$ -
General Fund	\$ 321.0	\$ 330.0	\$ 9.0	\$ 432.7	\$ 102.6	\$ 442.0	\$ 9.3
Interim Finance	\$ 3.1	\$ -	\$ (3.1)	\$ -	\$ -	\$ -	\$ -
Other Fund	\$ 28.2	\$ 28.6	\$ 0.4	\$ 28.1	\$ (0.4)	\$ 28.6	\$ 0.5
Reversions	\$ (12.9)	\$ -	\$ 12.9	\$ -	\$ -	\$ -	\$ -
Total	\$ 371.0	\$ 376.8	\$ 5.8	\$ 472.2	\$ 95.4	\$ 482.7	\$ 10.5
Positions	2,777.6	2,761.6	(16.0)	2,832.6	71.0	2,832.6	0.0
Department Of Motor Vehicles							
Balance Forward	\$ 6.2	\$ 7.4	\$ 1.2	\$ 2.0	\$ (5.4)	\$ 2.3	\$ 0.3
General Fund	\$ 1.2	\$ 0.0	\$ (1.2)	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Highway Fund	\$ 83.1	\$ 79.1	\$ (4.0)	\$ 84.0	\$ 4.9	\$ 82.8	\$ (1.2)
Interim Finance	\$ 0.5	\$ 0.2	\$ (0.2)	\$ -	\$ (0.2)	\$ -	\$ -
Other Fund	\$ 107.6	\$ 108.6	\$ 1.0	\$ 117.9	\$ 9.3	\$ 121.8	\$ 3.9
Reversions	\$ (18.9)	\$ -	\$ 18.9	\$ -	\$ -	\$ -	\$ -
Total	\$ 179.8	\$ 195.4	\$ 15.6	\$ 204.0	\$ 8.6	\$ 207.0	\$ 3.0
Positions	1,291.0	1,292.0	1.0	1,289.0	(3.0)	1,289.0	0.0

Table continued on following page.

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	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Department Of Public Safety							
Balance Forward	\$ 41.1	\$ 29.0	\$ (12.0)	\$ 7.4	\$ (21.6)	\$ 7.2	\$ (0.2)
Federal Fund	\$ 17.5	\$ 15.1	\$ (2.4)	\$ 18.9	\$ 3.8	\$ 19.0	\$ 0.1
General Fund	\$ 70.9	\$ 73.7	\$ 2.8	\$ 116.5	\$ 42.8	\$ 118.3	\$ 1.9
Highway Fund	\$ 79.6	\$ 82.2	\$ 2.6	\$ 109.1	\$ 26.8	\$ 111.7	\$ 2.6
Interim Finance	\$ 0.2	-	\$ (0.2)	\$ -	\$ -	\$ -	\$ -
Other Fund	\$ 34.6	\$ 32.7	\$ (1.9)	\$ 38.0	\$ 5.4	\$ 38.7	\$ 0.7
Reversions	\$ (5.8)	\$ (2.7)	\$ 3.1	\$ -	\$ 2.7	\$ -	\$ -
Total	\$ 238.0	\$ 230.0	\$ (8.0)	\$ 289.8	\$ 59.8	\$ 294.8	\$ 5.0
Positions	1,662.0	1,666.0	4.0	1,726.0	60.0	1,728.0	2.0
Functional Area Totals							
Balance Forward	\$ 73.1	\$ 54.6	\$ (18.5)	\$ 20.8	\$ (33.8)	\$ 21.5	\$ 0.7
Federal Fund	\$ 23.5	\$ 15.1	\$ (8.4)	\$ 18.9	\$ 3.8	\$ 19.0	\$ 0.1
General Fund	\$ 395.4	\$ 406.1	\$ 10.7	\$ 552.1	\$ 146.0	\$ 563.4	\$ 11.3
Highway Fund	\$ 162.7	\$ 161.3	\$ (1.4)	\$ 193.1	\$ 31.7	\$ 194.5	\$ 1.4
Interim Finance	\$ 3.7	\$ 0.2	\$ (3.5)	\$ -	\$ (0.2)	\$ -	\$ -
Other Fund	\$ 170.5	\$ 169.9	\$ (0.6)	\$ 184.1	\$ 14.2	\$ 189.3	\$ 5.1
Reversions	\$ (37.7)	\$ (2.7)	\$ 35.0	\$ -	\$ 2.7	\$ -	\$ -
Total	\$ 791.2	\$ 804.7	\$ 13.4	\$ 969.0	\$ 164.3	\$ 987.7	\$ 18.7
Positions	5,746.6	5,735.6	(11.0)	5,863.6	128.0	5,865.6	2.0

Note: Amounts do not include interagency transfers.

The following provides the major enhancements recommended by the Governor for each agency in the Public Safety functional area.

Department of Corrections

- The average annual offender population is projected to increase by 769 offenders, or 7.5%, from the FY 2024 actual average of 10,201, to the FY 2027 projection of 10,970 as shown in the following table:

2025-27 Executive Budget - Offender Population Overview

	Actual FY 2024	Legislatively Approved FY 2025	FY 2025 Actual Through November 2024	Governor Recommended FY 2026	Governor Recommended FY 2027
Average Annual Population¹	10,201	10,480	10,491	10,739	10,970
¹ Governor's Recommended Populations - <u>2025-27 Executive Budget</u> . The recommended population figures are reflective of the supporting documentation provided with the M200 decision units.					

- An increase of \$15.0 million in Offender Driven costs over the 2025-27 Biennium compared to the legislatively approved budget for the 2023-25 Biennium. The primary drivers of this increase are higher costs of medical services and food, as detailed in the following table:

2025-27 Executive Budget Offender Driven Biennial Cost Overview as Compared to the Legislatively Approved 2023-25 Budget

Offender Driven Cost Category (In Thousands of Dollars)	Governor Recommends 2025-27 Biennium	Legislatively Approved 2023-25 Biennium	Difference	%
Medical	\$59,589.2	\$46,783.2	\$12,806.	27.4%
Offender Food	\$36,213.3	\$33,760.7	\$2,452.6	7.3%
Offender Supplies	\$4,695.	\$4,874.8	-\$179.8	(3.7%)
Operating Supplies	\$2,238.7	\$2,484.3	-\$245.7	(9.9%)
Offender Clothing	\$1,005.4	\$919.	\$86.5	9.4%
Offender Wages	\$874.8	\$714.9	\$160.	22.4%
Offender Replacement Mattresses	\$327.3	\$359.9	-\$32.6	(9.1%)
Other Offender Driven	\$53.7	\$53.7	\$.	0.0%
Total	\$104,997.5	\$89,950.5	\$15,046.9	16.7%

- In addition to maintaining facility closures as approved by the 82nd (2023) Legislature, the Governor recommends closing the Wells Conservation Camp during the 2025-27 Biennium.
- General Fund appropriations of \$4.6 million over the 2025-27 Biennium to replace medical copayment revenues transferred from the Inmate Welfare Account to the Prison Medical Care budget account.
- To sustain the retained earnings in the Prison Industries and Prison Ranch budgets, the Governor recommends transfers from the Offender Store Fund totaling \$600,000 in FY 2026 and expenditure reductions, including the elimination of four vacant positions (\$824,535 savings) in the Prison Industries budget account and reductions in supplies expenditures (\$475,000 savings) in the Prison Ranch budget account over the 2025-27 Biennium.
- \$9.7 million (\$9.5 million General Fund) over the 2025-27 Biennium to add 56 new positions, which includes:
 - o General Fund appropriations totaling \$8.4 million to add 49 new positions to establish two Correctional Emergency Response Team shifts at Southern Desert Correctional Center.
 - o General Fund appropriations totaling \$1.1 million to add a total of six new positions (two each at Northern Nevada Correctional Center, Southern Desert Correctional Center, and Ely State Prison) for grievance process caseloads.

- o Transfers of Opioid Settlement funds from the Fund for a Resilient Nevada of \$180,250 to support one new Substance Abuse Counselor position in the Correctional Programs budget account.
- Transfers of 151 positions between NDOC budget accounts, the majority of which have no budgetary impact, as detailed below:
 - o Transfer 64 Correctional Officer positions from Ely State Prison to High Desert State Prison.
 - o Transfer 25 positions from facilities that are currently closed or recommended to be closed to the Director's Office.
 - o Transfer 26 positions between facilities, inclusive of 7 positions from Three Lakes Valley Conservation Camp, with the remaining 19 positions being transferred from closed facilities.
 - o Transfer 36 positions from the Inmate Welfare Account and Offender Store Fund budget account, where the positions are funded with retained earnings, to the Director's Office and Correctional Programs budget accounts, where the positions are recommended to be funded with General Fund appropriations. The recommended funding change results in an increase in General Fund appropriations of \$7.3 million over the 2025-27 Biennium.

Department of Motor Vehicles

- Reductions in Highway Fund appropriations of \$76,689 and \$1.2 million in other fee revenue over the 2025-27 Biennium due to the elimination of nine positions and the reclassification of four positions as part of a departmentwide reorganization.
- Highway fund appropriations of \$1.0 million, and other fee revenue of \$630,438 over the 2025-27 Biennium for four new classified positions, two unclassified positions, and associated operating expenditures.
- Highway Fund appropriations of \$20.7 million over the 2025-27 Biennium to continue the replacement of the DMV's computer system (i.e., the Department Transformation Effort project).

- Highway Fund appropriations of \$2.6 million over the 2025-27 Biennium to migrate existing applications on end-of-life servers to a cloud service.
- Increase in Pollution Control Fee revenue of \$3.3 million over the 2025-27 Biennium to allow the department to recover costs associated with administration of the emission control program, contingent upon the passage and approval of enabling legislation.

Department of Public Safety

- General Fund appropriations of \$8.1 million over the 2025-27 Biennium to fund ongoing license costs to support the Nevada Criminal Justice Information System, which were previously supported by American Rescue Plan Act, Coronavirus State Fiscal Recovery Funds.
- Total funding of \$8.3 million (\$359,712 General Fund, \$718,857 Highway Fund) over the 2025-27 Biennium for 47 new positions throughout the department, inclusive of 11 new positions for the Investigation Division, and a net increase of 15 caseload-driven positions for the Division of Parole and Probation.

Infrastructure Highlights



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 State Department of Conservation and Natural Resources, the Department of Wildlife, the Department of Transportation, the Tahoe Regional Planning Agency, and the Colorado River Commission.

The following table provides the revenue and position details for each agency in this functional area in the 2023-25 Biennium, as well as the revenue and position details recommended in The Executive Budget for the 2025-27 Biennium.

Infrastructure Agencies

(\$ in Millions and Positions as Full-Time Equivalent)

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Colorado River Commission							
Balance Forward	\$ 18.0	\$ 19.0	\$ 1.0	\$ 17.9	\$ (1.1)	\$ 24.1	\$ 6.2
Other Fund	\$ 48.2	\$ 61.5	\$ 13.3	\$ 88.7	\$ 27.2	\$ 73.9	\$ (14.8)
Total	\$ 66.2	\$ 80.5	\$ 14.3	\$ 106.6	\$ 26.1	\$ 98.0	\$ (8.6)
Positions	42.0	42.0	0.0	45.0	3.0	45.0	0.0
State Department Of Conservation And Natural Resources							
Balance Forward	\$ 74.9	\$ 97.5	\$ 22.7	\$ 25.5	\$ (72.1)	\$ 25.6	\$ 0.1
Federal Fund	\$ 23.4	\$ 60.6	\$ 37.3	\$ 42.9	\$ (17.7)	\$ 42.6	\$ (0.4)
General Fund	\$ 43.7	\$ 53.2	\$ 9.5	\$ 60.0	\$ 6.8	\$ 61.2	\$ 1.3
Interim Finance	\$ 6.7	\$ 0.2	\$ (6.6)	\$ -	\$ (0.2)	\$ -	\$ -
Other Fund	\$ 74.4	\$ 61.4	\$ (13.1)	\$ 60.6	\$ (0.8)	\$ 61.5	\$ 0.9
Reversions	\$ (3.7)	\$ -	\$ 3.7	\$ -	\$ -	\$ -	\$ -
Total	\$ 219.4	\$ 272.9	\$ 53.5	\$ 188.9	\$ (83.9)	\$ 190.9	\$ 2.0
Positions	787.8	789.8	2.0	819.8	30.0	822.8	3.0
State Department Of Wildlife							
Federal Fund	\$ 31.1	\$ 35.4	\$ 4.3	\$ 36.6	\$ 1.2	\$ 36.3	\$ (0.3)
General Fund	\$ 1.1	\$ 1.2	\$ 0.1	\$ 1.6	\$ 0.4	\$ 1.6	\$ (0.0)
Interim Finance	\$ -	\$ 0.2	\$ 0.2	\$ -	\$ (0.2)	\$ -	\$ -
Other Fund	\$ 0.4	\$ 0.6	\$ 0.2	\$ 0.7	\$ 0.1	\$ 0.7	\$ 0.0
Total	\$ 32.5	\$ 37.3	\$ 4.7	\$ 38.8	\$ 1.6	\$ 38.6	\$ (0.3)
Positions	277.6	277.6	0.0	278.6	1.0	278.6	0.0
Department Of Transportation							
Balance Forward	\$ 30.6	\$ 58.0	\$ 27.3	\$ 5.0	\$ (53.0)	\$ 5.0	\$ -
Federal Fund	\$ 638.2	\$ 468.0	\$ (170.2)	\$ 608.0	\$ 140.0	\$ 608.0	\$ -
General Fund	\$ 5.0	\$ -	\$ (5.0)	\$ -	\$ -	\$ -	\$ -
Highway Fund	\$ 688.4	\$ 443.7	\$ (244.6)	\$ 357.4	\$ (86.4)	\$ 368.2	\$ 10.8
Other Fund	\$ 153.0	\$ 203.8	\$ 50.8	\$ 164.8	\$ (39.0)	\$ 164.9	\$ 0.1
Reversions	\$ (119.9)	\$ -	\$ 119.9	\$ -	\$ -	\$ -	\$ -
Total	\$ 1,395.3	\$ 1,173.6	\$ (221.7)	\$ 1,135.2	\$ (38.4)	\$ 1,146.1	\$ 10.9
Positions	1,944.5	1,944.5	0.0	1,985.5	41.0	1,985.5	0.0

Table continued on following page.

2025 –27 Fiscal Brief: Overview of The Executive Budget

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Tahoe Regional Planning Agency							
General Fund	\$ 3.0	\$ 3.3	\$ 0.3	\$ 2.8	\$ (0.5)	\$ 2.8	\$ -
Other Fund	\$ 17.3	\$ 17.3	\$ -	\$ 18.2	\$ 0.9	\$ 18.2	\$ -
Total	\$ 20.2	\$ 20.6	\$ 0.3	\$ 21.0	\$ 0.4	\$ 21.0	\$ -
Positions	NA	NA	NA	NA	NA	NA	NA
Functional Area Totals							
Balance Forward	\$ 123.5	\$ 174.5	\$ 51.0	\$ 48.4	\$ (126.1)	\$ 54.7	\$ 6.3
Federal Fund	\$ 692.6	\$ 564.0	\$ (128.6)	\$ 687.5	\$ 123.5	\$ 686.9	\$ (0.6)
General Fund	\$ 52.8	\$ 57.7	\$ 4.8	\$ 64.3	\$ 6.7	\$ 65.6	\$ 1.3
Highway Fund	\$ 688.4	\$ 443.7	\$ (244.6)	\$ 357.4	\$ (86.4)	\$ 368.2	\$ 10.8
Interim Finance	\$ 6.7	\$ 0.4	\$ (6.4)	\$ -	\$ (0.4)	\$ -	\$ -
Other Fund	\$ 293.3	\$ 344.5	\$ 51.3	\$ 332.9	\$ (11.6)	\$ 319.3	\$ (13.7)
Reversions	\$ (123.6)	\$ -	\$ 123.6	\$ -	\$ -	\$ -	\$ -
Total	\$ 1,733.6	\$ 1,584.8	\$ (148.9)	\$ 1,490.5	\$ (94.3)	\$ 1,494.5	\$ 4.1
Positions	3,051.9	3,053.9	2.0	3,128.9	75.0	3,131.9	3.0

Note: Amounts do not include interagency transfers.

The following provides the major enhancements recommended by the Governor for each agency in the Infrastructure functional area.

State Department of Conservation and Natural Resources (DCNR)

- The addition of 31 positions in the Director’s Office, the Office of State Historic Preservation, and the Divisions of State Parks and Environmental Protection for a total cost of \$5.6 million (\$1.6 million General Fund) over the 2025-27 Biennium.
- The addition of 3 new full-time positions and the transfer of 23 existing positions from various DCNR divisions to the Director’s Office to centralize information technology (IT) staff, increasing overall funding for the Director’s Office Cost Allocation by \$7.0 million over the 2025-27 Biennium.

Department of Wildlife

- General Fund appropriations of \$1.0 million over the 2025-27 Biennium to replace a portion of Sportsmen Revenue to fund certain law enforcement activities, contingent upon the passage and approval of enabling legislation.
- Sportsmen Revenue of \$2.6 million over the 2025-27 Biennium to fund a new permit data program and a new database to centralize wildlife data.

- One new Construction Project Coordinator position to oversee department facility maintenance and construction projects in the eastern region of the state for a total cost of \$172,423 over the 2025-27 Biennium.

Department of Transportation

- Highway construction projects totaling \$323.2 million over the 2025-27 Biennium, funded with the proceeds from the issuance of bonds.
- Over the 2025-27 Biennium, Highway Fund authorizations of:
 - o \$49.5 million for new and replacement equipment
 - o \$27.0 million to fund the planning, inspection, maintenance, and new construction of department-owned facilities
 - o \$7.6 million for the addition of 39 positions throughout the department
 - o \$18.5 million in FY 2027 to design improvements at the three rest facilities
 - o \$14.5 million to continue upgrades for the statewide fueling system
 - o \$21.6 million to upgrade technology solutions and software products

Special Purpose Agencies Highlights



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; the Silver State Health Insurance Exchange; the Commission on Ethics, the Department of Sentencing Policy; and the Department of Indigent Defense Services.

The following table provides the revenue and position detail for each agency in this functional area in the 2023-25 Biennium, as well as the revenue and position details recommended in The Executive Budget for the 2025-27 Biennium.

Special Purpose Agencies (\$ in Millions and Positions as Full-Time Equivalent)

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Public Employees’ Retirement System							
Balance Forward	\$ 0.2	\$ 0.2	\$ -	\$ 0.2	\$ -	\$ 0.2	\$ -
Other Fund	\$ 25.3	\$ 22.2	\$ (3.1)	\$ 31.8	\$ 9.6	\$ 21.8	\$ (10.0)
Total	\$ 25.5	\$ 22.4	\$ (3.1)	\$ 32.0	\$ 9.6	\$ 22.0	\$ (10.0)
Positions	84.0	84.0	0.0	88.0	4.0	88.0	0.0
Military							
Balance Forward	\$ 1.7	\$ 2.0	\$ 0.2	\$ 0.7	\$ (1.2)	\$ 0.5	\$ (0.2)
Federal Fund	\$ 53.7	\$ 101.7	\$ 48.0	\$ 75.1	\$ (26.6)	\$ 76.1	\$ 1.0
General Fund	\$ 7.0	\$ 7.6	\$ 0.6	\$ 10.3	\$ 2.7	\$ 10.5	\$ 0.3
Interim Finance	\$ 0.4	\$ 0.3	\$ (0.1)	\$ -	\$ (0.3)	\$ -	\$ -
Other Fund	\$ 0.9	\$ 1.8	\$ 0.9	\$ 1.5	\$ (0.3)	\$ 1.6	\$ 0.0
Reversions	\$ (0.5)	\$ -	\$ 0.5	\$ -	\$ -	\$ -	\$ -
Total	\$ 63.1	\$ 113.4	\$ 50.3	\$ 87.7	\$ (25.8)	\$ 88.7	\$ 1.1
Positions	252.5	252.5	0.0	261.5	9.0	265.5	4.0
Department Of Veterans Services							
Balance Forward	\$ 10.0	\$ 20.2	\$ 10.2	\$ 31.7	\$ 11.5	\$ 37.7	\$ 6.0
Federal Fund	\$ 36.2	\$ 41.6	\$ 5.4	\$ 41.3	\$ (0.3)	\$ 42.9	\$ 1.6
General Fund	\$ 4.2	\$ 4.4	\$ 0.1	\$ 5.2	\$ 0.9	\$ 5.1	\$ (0.1)
Interim Finance	\$ -	\$ 0.5	\$ 0.5	\$ -	\$ (0.5)	\$ -	\$ -
Other Fund	\$ 5.6	\$ 3.8	\$ (1.8)	\$ 4.8	\$ 0.9	\$ 4.8	\$ 0.0
Reversions	\$ (0.5)	\$ -	\$ 0.5	\$ -	\$ -	\$ -	\$ -
Total	\$ 55.6	\$ 70.6	\$ 15.0	\$ 83.1	\$ 12.5	\$ 90.5	\$ 7.5
Positions	250.5	250.5	0.0	253.5	3.0	253.5	0.0

Table continued on following page.

2025 –27 Fiscal Brief: Overview of The Executive Budget

	2023-25 Biennium			2025-27 Biennium			
	FY 2024 Actual	FY 2025 Work Program	Change from Prior FY	FY 2026 Gov Rec	Change from Prior FY	FY 2027 Gov Rec	Change from Prior FY
Silver State Health Insurance Exchange							
Balance Forward	\$ 11.5	\$ 14.1	\$ 2.5	\$ 14.0	\$ (0.1)	\$ 14.2	\$ 0.2
Federal Fund	\$ 0.2	\$ -	\$ (0.2)	\$ -	\$ -	\$ -	\$ -
Other Fund	\$ 16.8	\$ 15.8	\$ (1.1)	\$ 17.0	\$ 1.2	\$ 17.5	\$ 0.5
Total	\$ 28.5	\$ 29.8	\$ 1.3	\$ 31.0	\$ 1.1	\$ 31.6	\$ 0.7
Positions	27.0	27.0	0.0	29.0	2.0	29.0	0.0
Commission On Ethics							
Balance Forward	\$ 0.2	\$ 0.3	\$ 0.1	\$ 0.3	\$ (0.0)	\$ 0.2	\$ (0.1)
General Fund	\$ 0.3	\$ 0.3	\$ 0.0	\$ 0.4	\$ 0.1	\$ 0.4	\$ (0.0)
Other Fund	\$ 0.8	\$ 0.7	\$ (0.0)	\$ 1.1	\$ 0.4	\$ 1.0	\$ (0.2)
Reversions	\$ (0.0)	\$ -	\$ 0.0	\$ -	\$ -	\$ -	\$ -
Total	\$ 1.3	\$ 1.3	\$ 0.1	\$ 1.9	\$ 0.5	\$ 1.6	\$ (0.3)
Positions	7.0	7.0	0.0	7.0	0.0	7.0	0.0
Public Employees' Benefits Program							
Balance Forward	\$ 130.4	\$ 106.0	\$ (24.4)	\$ 100.4	\$ (5.6)	\$ 143.2	\$ 42.8
Federal Fund	\$ 0.4	\$ 0.3	\$ (0.2)	\$ 0.3	\$ -	\$ 0.3	\$ -
General Fund	\$ 11.8	\$ 10.0	\$ (1.8)	\$ -	\$ (10.0)	\$ -	\$ -
Other Fund	\$ 34.6	\$ 24.9	\$ (9.7)	\$ 45.8	\$ 21.0	\$ 53.6	\$ 7.7
Reversions	\$ (0.1)	\$ -	\$ 0.1	\$ -	\$ -	\$ -	\$ -
Total	\$ 177.1	\$ 141.1	\$ (36.0)	\$ 146.5	\$ 5.3	\$ 197.0	\$ 50.5
Positions	34.0	34.0	0.0	34.0	0.0	34.0	0.0
Department Of Indigent Defense Services							
Balance Forward	\$ 0.0	\$ 0.5	\$ 0.5	\$ -	\$ (0.5)	\$ -	\$ -
Federal Fund	\$ 0.2	\$ -	\$ (0.2)	\$ -	\$ -	\$ -	\$ -
General Fund	\$ 8.0	\$ 8.0	\$ 0.0	\$ 15.2	\$ 7.2	\$ 15.2	\$ (0.0)
Interim Finance	\$ 3.6	\$ 0.8	\$ (2.8)	\$ -	\$ (0.8)	\$ -	\$ -
Other Fund	\$ 0.9	\$ 2.0	\$ 1.1	\$ 1.0	\$ (0.9)	\$ 1.0	\$ -
Reversions	\$ (0.1)	\$ -	\$ 0.1	\$ -	\$ -	\$ -	\$ -
Total	\$ 12.5	\$ 11.3	\$ (1.3)	\$ 16.3	\$ 5.0	\$ 16.3	\$ (0.0)
Positions	28.0	28.0	0.0	29.0	1.0	29.0	0.0
Department Of Sentencing Policy							
Balance Forward	\$ (0.0)	\$ 3.0	\$ 3.0	\$ -	\$ (3.0)	\$ -	\$ -
General Fund	\$ 3.7	\$ 0.8	\$ (3.0)	\$ 1.0	\$ 0.2	\$ 1.0	\$ 0.0
Total	\$ 3.7	\$ 3.8	\$ 0.0	\$ 1.0	\$ (2.8)	\$ 1.0	\$ 0.0
Positions	6.0	6.0	0.0	6.0	0.0	6.0	0.0
Functional Area Totals							
Balance Forward	\$ 154.1	\$ 146.3	\$ (7.8)	\$ 147.3	\$ 1.1	\$ 196.0	\$ 48.6
Federal Fund	\$ 90.7	\$ 143.6	\$ 53.0	\$ 116.7	\$ (26.9)	\$ 119.3	\$ 2.6
General Fund	\$ 35.1	\$ 31.1	\$ (4.0)	\$ 32.1	\$ 1.1	\$ 32.3	\$ 0.1
Interim Finance	\$ 4.0	\$ 1.6	\$ (2.4)	\$ -	\$ (1.6)	\$ -	\$ -
Other Fund	\$ 84.8	\$ 71.1	\$ (13.6)	\$ 103.1	\$ 31.9	\$ 101.2	\$ (1.8)
Reversions	\$ (1.2)	\$ -	\$ 1.2	\$ -	\$ -	\$ -	\$ -
Total	\$ 367.4	\$ 393.7	\$ 26.3	\$ 399.3	\$ 5.6	\$ 448.8	\$ 49.5
Positions	689.0	689.0	-	708.0	19.0	712.0	4.0

Note: Amounts do not include interagency transfers.

The following provides the major enhancements recommended by the Governor for each agency in the Special Purpose Agencies functional area.

Public Employees' Retirement System

- Administration fees totaling \$481,887 over the 2025-27 Biennium for four new classified positions.
- Administration fees of \$11.1 million over the 2025-27 Biennium to continue funding the replacement of its pension administrative system and other various equipment.

Office of the Military

- Transfer the Division of Emergency Management to the Office of the Governor.
- \$3.6 million (\$1.3 million General Fund) over the 2025-27 Biennium to support 16 new positions (2 unclassified and 14 classified positions) and associated costs for the Office of the Military and 6 new classified positions for the Division of Emergency Management, excluding the new Loan Officer position described below.
- General Fund appropriations of \$204,099 over the 2025-27 Biennium to fund a new Loan Officer position in the Division of Emergency Management to establish and manage the Safeguarding Tomorrow through Ongoing Risk Mitigation Act program. The program would utilize a capitalization grant from the Federal Emergency Management Agency (FEMA) to establish a revolving loan fund, which would provide low interest loans to local governments for hazard mitigation.

Department of Veterans Services

- Continue General Fund appropriations of \$875,000 in each fiscal year of the 2025-27 Biennium, the same funding level approved by the 82nd (2023) Legislature, to continue the department's financial assistance to the Adopt a Vet Dental Program, a non-profit organization serving low-income veterans without dental insurance.

- New transfers of \$700,000 in Opioid Settlement funds in each fiscal year of the 2025-27 Biennium from the Fund for a Resilient Nevada. The funding would be used to provide services to veterans who do not meet the disability rating required to receive opioid/substance abuse treatment through Tricare, the federal military health care program, but need such treatment.
- Three new full-time positions and associated costs funded with \$386,001 in General Fund appropriations and \$157,841 in resident insurance collections over the 2025-27 Biennium. The recommended positions are an unclassified Program Development Coordinator to develop donor relations and funding opportunities, a Management Analyst to improve the department's fiscal management, and a Personnel Analyst to manage human resources at the Southern Nevada State Veterans Home and the Southern Nevada Veterans Memorial Cemetery.

Silver State Health Insurance Exchange

- Reserve reductions of \$379,965 over the 2025-27 Biennium to fund one new Management Analyst position and one new Health Program Specialist position, with associated costs, to support the activities of the Exchange.

Department of Indigent Defense Services

- To continue addressing compliance with the Davis v. Nevada (Davis) consent judgment that addresses the state's provision of indigent defense services in ten rural counties, the Governor recommends General Fund appropriations to fund certain costs associated with Davis compliance that are funded, in part or in whole, in the current biennium through one-time allocations from the Interim Finance Committee's Contingency Account. These include:
 - o \$12.7 million over the 2025-27 Biennium for costs associated with reimbursing counties for indigent defense costs in excess of their calculated maximum contribution.

- o General Fund appropriations of \$2.4 million over the 2025-27 Biennium for costs associated with other various Davis-related activities, such as independent court observers; indigent defense provider training and recruitment; and assistance to counties for the collection of indigent defense data for the Department.
- New Public Defender Office for Humboldt County. Costs associated with the new office would be fully funded through fees paid by Humboldt County. Fee revenue from Humboldt County is projected to total \$1.1 million over the 2025-27 Biennium, and in addition to funding costs of the new office, are also recommended to offset and reduce the General Fund support in this budget by \$855,373 over the 2025-27 Biennium.

CIP & GENERAL OBLIGATION BOND PROGRAMS OVERVIEW

Capital Improvement Program

The Governor’s 2025 Capital Improvement Program (CIP) recommends total funding of \$1.128 billion for 71 projects, which compares to programs of \$1.189 billion approved by the 2023 Legislature, \$413.1 million approved by the 2021 Legislature, and \$347.0 million approved by the 2019 Legislature.

Governor Recommended 2025 CIP Funding Sources

Governor Recommended 2025 CIP Funding Sources (In Millions of Dollars)	Amount
General Obligation Bonds	\$718.5
General Fund Appropriations	\$196.8
General Obligation Bonds Supported by Highway Funds	\$6.7
Highway Fund Appropriations	\$10.0
Federal Funds	\$161.7
Reallocation of Unexpended Proceeds from Previously Issued Bonds	\$25.6
Reallocation of Unexpended General Fund from Prior CIPs	\$1.4
Special Higher Education Capital Construction Fund Annual Slot Tax	\$3.0
Agency Funds	\$4.4
Total	\$1,128.1

➤ **Major Construction Project Recommendations:**

- o \$381.8 million to construct a 300-bed psychiatric forensic facility on the existing Department of Human Services West Charleston Boulevard campus in Las Vegas.
- o \$223.2 million to construct a 128-bed State Veterans Home in North Las Vegas.

The table that follows displays the funding recommended in the 2025 CIP for each department/state agency compared to the amounts approved by the 82nd (2023) Legislature:

Governor Recommended 2025 CIP Funding By Department Compared to the Legislatively Approved 2023 CIP Amounts

Department / Agency (In Millions of Dollars)	2025 CIP Governor Recommended	No. of Projects	% of Total 2025 CIP Recommended	2023 CIP Leg Approved	No. of Projects	% of Total 2023 CIP Leg. Approved
Department of Health and Human Services	\$450.8	6	40.0%	\$60.5	3	5.1%
Department of Veterans Services	\$230.3	5	20.4%	\$122.7	7	10.3%
Department of Administration ²	\$200.6	20	17.8%	\$623.9	37	52.5%
Department of Corrections	\$155.7	9	13.8%	\$93.3	20	7.9%
Office of the Military	\$17.3	6	1.5%	\$40.6	8	3.4%
Department of Native American Affairs ¹	\$17.2	2	1.5%	\$0	-	0.0%
Nevada System of Higher Education	\$15.0	1	1.3%	\$70.4	3	5.9%
Department of Tourism and Cultural Affairs ¹	\$10.8	6	1.0%	\$40.1	10	3.4%
Department of Motor Vehicles	\$9.7	5	0.9%	\$109.5	3	9.2%
Department of Wildlife	\$7.9	5	0.7%	\$3.0	1	0.3%
Office of the Chief Information Officer ²	\$7.4	2	0.7%	\$0	-	0.0%
State Department of Agriculture	\$2.3	2	0.2%	\$0	-	0.0%
State Dept of Conservation and Natural Resources	\$2.0	1	0.2%	\$7.4	5	0.6%
Department of Public Safety	\$1.2	1	0.1%	\$17.6	1	1.5%
Total	\$1,128.1	71	100.0%	\$1,189.0	98	100.0%

¹ The legislatively approved 2023 CIP, included \$2.0 million in General Fund appropriations for Project 23-P09, under the Department of Tourism and Cultural Affairs, to complete the design through construction documents for the rehabilitation of the Old Gym at the Stewart Indian School. Through the passage and approval of Assembly Bill 516 of the 82nd (2023) Legislature, the Department of Native American Affairs was established effective July 1, 2024.

²Through the passage and approval of Senate Bill 431 of the 82nd (2023) Legislature, the Office of the Chief Information Officer (OCIO) was established in the Office of the Governor effective July 1, 2023. Prior to being renamed the OCIO and moving to the Office of the Governor, the Division of Enterprise Information Technology Services was under the Department of Administration.

Based upon the Governor’s recommended 2025 CIP and general obligation bond issuances for various programs, and the 2025-2027 State Treasurer’s Debt Capacity Report, the property tax rate for debt service is predicated upon the issuance of general obligation bonds in the 2025-27 Biennium as reflected in the table below:

General Obligation Bonding Affordability 2025-27 Biennium

Purpose (In Millions of Dollars)	Authority	Debt Affordability ^a	Governor Recommended	Unallocated Debt Affordability ^b
Capital Improvement Program Bonds ¹	2025 CIP Bill	\$994.8	\$718.5	\$276.3
Water Systems Bonds	NRS 349.980 - 349.987	\$33.9	\$33.9	\$0
Tahoe Environmental Improvement Bonds	A.B. 18 (2009) ²	\$23.0	\$23.0	\$0
Historic Preservation Bonds	NRS 383.530 ³	\$6.0	\$6.0	\$0
Open Space Bonds	A.B. 84 (2019)	\$63.4	\$63.4	\$0
State Infrastructure Bank	NRS 226.050	\$150.0	\$150.0	\$0
Total		\$1,271.1	\$994.8	\$276.3

^a Source: *General Obligation Debt Capacity and Affordability Report 2025-27 Biennium*, page 11.

^b Bonding affordability not recommended by the Governor, which may be considered by the 2025 Legislature to support additional programs and capital projects.

¹ Amount does not include \$6.7 million in general obligation bonds supported by Highway Fund appropriations or \$269.7 million in remaining authority still to be issued for support of the 2023 CIP.

² S.B. 197 (2017) extended the deadline through June 30, 2030, for which remaining bonds could be issued under this program.

³ Current statutory limit is \$3.0 million per year.

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