

Assembly Concurrent Resolution No. 2–
Committee of the Whole

FILE NUMBER.....

ASSEMBLY CONCURRENT RESOLUTION—Expressing the reductions in expenditures approved by the Nevada Legislature during the 24th Special Session.

WHEREAS, In the past year, the economy of the United States has experienced a significant downturn and has been destabilized further by a home mortgage crisis and an increase in the price of gasoline that has risen by over 40 percent; and

WHEREAS, The serious downward movement of the national economy has, in turn, had a negative effect on the economy of this State, particularly in that the tax base of the State is reliant predominantly upon revenues collected from the imposition of sales and gaming taxes, both of which are susceptible to decline during times of economic hardship because they are related to discretionary consumer spending; and

WHEREAS, The preceding, and other, factors have led to a significant reduction in the revenue that the State was projected to receive during the 2007-2009 biennium; and

WHEREAS, Notwithstanding the significant reduction in the revenue that the State was projected to receive during the 2007-2009 biennium, the vicissitudes of the national economy have continued to impose greater financial burdens upon the residents, businesses and governmental entities of this State; and

WHEREAS, The Nevada Legislature has thus been required to make difficult but thoughtfully considered fiscal decisions during this period of economic uncertainty; and

WHEREAS, Combined with other fiscal initiatives, the Nevada Legislature has approved specific reductions in expenditures to ensure that the government of this State is able to continue to operate effectively and to serve the residents, businesses and governmental entities of this State; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the Nevada Legislature has determined that the following reductions in expenditures for Fiscal Year 2007-2008 and Fiscal Year 2008-2009 are necessitated by the downturn in the economy to replenish the State General Fund:

1. Additional reductions of \$106,000,000 in the budgets of state agencies;
2. Reversion of \$27,300,000 from the Trust Fund for Public Health created pursuant to NRS 439.605;



3. Redirection of \$4,400,000 in estimated receipts of the Trust Fund for Public Health for Fiscal Year 2008-2009;
4. Contingent reduction of \$47,995,714 in the amount previously appropriated for textbooks, instructional supplies and instructional hardware pursuant to section 15 of chapter 343, Statutes of Nevada 2007, at page 1560;
5. Estimated revenues of \$4,000,000 from the establishment of the tax amnesty program;
6. Elimination of the requirement to transfer \$7,600,000 for Fiscal Year 2008-2009 from the Abandoned Property Trust Account pursuant to subsection 5 of NRS 120A.620 to the Millennium Scholarship Trust Fund created pursuant to NRS 396.926;
7. Reversion of \$4,000,000 from the Disaster Relief Account created in the Fund to Stabilize the Operation of the State Government pursuant to NRS 353.2735;
8. Reversion of \$330,757 of the appropriation to the Interim Finance Committee for Fiscal Year 2007-2008 and Fiscal Year 2008-2009 for allocation to the Division of Child and Family Services of the Department of Health and Human Services pursuant to section 39 of chapter 350, Statutes of Nevada 2007, at page 1704;
9. Reversion of \$600,000 previously allocated to Project ChalleNGe resulting from the placement of participants in out-of-state programs;
10. Redirection of \$4,200,000 of the portion of the tobacco settlement payments for Fiscal Year 2008-2009 not allocated to the Senior Program and the Disability Rx Program that would have been deposited in the Fund for a Healthy Nevada created pursuant to NRS 439.620;
11. Transfer of \$3,000,000 from the amount held in reserve for the Senior Rx Program;
12. Reversion of \$3,500,000 from the revolving account within the State General Fund established pursuant to section 5 of chapter 432, Statutes of Nevada 2005, at page 1933, by the Division of Emergency Management of the Department of Public Safety for grants to persons who own and occupy homes damaged by a disaster;
13. Transfer of \$4,000,000 from the Fund for the Care of Sites for the Disposal of Radioactive Waste created pursuant to NRS 459.231;
14. Transfer of \$4,000,000 from the amount held in reserve for the Central Repository for Nevada Records of Criminal History created pursuant to NRS 179A.075;



15. Transfer of \$200,000 from the Legislative Committee on Health Care;

16. Transfer of \$800,000 from the amount held in reserve for the program to issue revenue bonds for industrial development described in NRS 349.400 to 349.670, inclusive;

17. Transfer of \$3,500,000 from the Fund for Mortgage Lending created pursuant to NRS 645F.270; and

18. Reversion of \$50,000,000 from money appropriated pursuant to chapter 372, Statutes of Nevada 2007, at page 1736, which may be partially offset by authorization of the reallocation of not more than \$20,000,000 in general obligation bond savings to the Department of Transportation for highway construction and maintenance projects; and be it further

RESOLVED, That in effecting the additional reductions to its expenditures, the Department of Corrections shall, in consultation with the Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau, develop and analyze all feasible alternatives to the closure of a prison facility to accomplish the reductions, including, without limitation, a plan outlining the capacity and projected occupancy of each correctional facility and, if any recommendation includes the closure of a facility, a transition plan for the employees of the Department who work at the facility; and be it further

RESOLVED, That the Department of Corrections shall provide to the Interim Finance Committee the alternatives to the closure of a prison facility developed in consultation with the Budget Division and Fiscal Analysis Division and recommendations concerning those alternatives; and be it further

RESOLVED, That the aforementioned reductions in expenditures total \$275,426,471.

