

ASSEMBLY BILL NO. 600—COMMITTEE ON WAYS AND MEANS

MARCH 26, 2001

Referred to Committee on Ways and Means

SUMMARY—Provides for preparation of legislative proposal for budget for state government. (BDR 17-1132)

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

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

AN ACT relating to the legislature; requiring the fiscal analysis division of the legislative counsel bureau to prepare a legislative proposal for the budget for the state government; requiring the chief of the budget division of the department of administration to provide certain information to the fiscal analysis division of the legislative counsel bureau; repealing the provision that creates the budget subcommittee of the legislative commission; and providing other matters properly relating thereto.

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

- 1     **Section 1.** Chapter 218 of NRS is hereby amended by adding thereto  
2     the provisions set forth as sections 2 and 3 of this act.  
3     **Sec. 2. 1. *The fiscal analysis division shall prepare the legislative***  
4     ***proposal for the budget for the state government for each biennium for***  
5     ***presentation to the legislature for its consideration not later than the***  
6     ***second day of each regular session of the legislature.***  
7     **2. *The legislative proposal for the budget must include:***  
8     ***(a) A complete financial plan for the next 2 fiscal years;***  
9     ***(b) All proposed expenditures for the administration, operation and***  
10    ***maintenance of the departments, institutions and agencies of the state***  
11    ***government, including, without limitation, those operating on money***  
12    ***designated for specific purposes by the constitution of this state or***  
13    ***otherwise;***  
14    ***(c) All interest and debt redemption charges during the next 2 fiscal***  
15    ***years;***  
16    ***(d) All expenditures for capital projects to be undertaken and executed***  
17    ***during the next 2 fiscal years; and***



1 *(e) The anticipated revenue of the state government and any other*  
2 *additional means of financing the expenditures proposed for the next 2*  
3 *fiscal years.*

4 **Sec. 3.** *The interim finance committee shall:*

5 *1. Advise the fiscal analysis division on matters pertaining to the*  
6 *preparation of the legislative proposal for the budget for the state*  
7 *government pursuant to section 2 of this act;*

8 *2. Review fiscal issues that may require consideration by the*  
9 *legislature at the next regular session of the legislature; and*

10 *3. Carry out the duties set forth in this section before the*  
11 *commencement of the next regular session of the legislature.*

12 **Sec. 4.** NRS 218.610 is hereby amended to read as follows:

13 218.610 As used in NRS 218.610 to 218.735, inclusive, *and sections 2*  
14 *and 3 of this act*, “agency of the state” includes all offices, departments,  
15 boards, commissions and institutions of the state.

16 **Sec. 5.** NRS 218.686 is hereby amended to read as follows:

17 218.686 1. The fiscal analysis division consists of the senate fiscal  
18 analyst, the assembly fiscal analyst and such additional staff as the  
19 performance of their duties may require.

20 2. The fiscal analysis division shall:

21 (a) Thoroughly examine all agencies of the state with special regard to  
22 their activities and the duplication of efforts between them.

23 (b) Recommend to the legislature any suggested changes looking  
24 toward economy and the elimination of inefficiency in government.

25 (c) Ascertain facts and make recommendations to the legislature  
26 concerning the budget of the state and the estimates of the expenditure  
27 requirements of the agencies of the state.

28 (d) *Prepare the legislative proposal for the budget for the state*  
29 *government pursuant to section 2 of this act.*

30 (e) Make projections of future public revenues for the use of the  
31 legislature.

32 ~~(e)~~ (f) Analyze the history and probable future trend of the state’s  
33 financial position ~~in order~~ so that a sound fiscal policy may be developed  
34 and maintained for the State of Nevada.

35 ~~(f)~~ (g) Analyze appropriation bills, revenue bills, and bills having a  
36 fiscal impact upon the operation of the government of the State of Nevada  
37 or its political subdivisions.

38 ~~(g)~~ (h) Advise the legislature and the members and committees  
39 thereof regarding matters of a fiscal nature.

40 ~~(h)~~ (i) Perform such other functions as may be assigned to the fiscal  
41 analysis division by the legislature, the legislative commission or the  
42 director of the legislative counsel bureau.

43 **Sec. 6.** NRS 353.205 is hereby amended to read as follows:

44 353.205 ~~H-~~ The proposed budget for the executive department of  
45 the state government for each fiscal year must be set up in three parts:

46 ~~(a)~~ 1. Part 1 must consist of a budgetary message by the governor  
47 ~~which~~ that outlines the financial policy of the executive department of  
48 the state government for the next 2 fiscal years, describing in connection  
49 therewith the important features of the financial plan. It must also embrace



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1 a general summary of the proposed budget setting forth the aggregate  
2 figures of the proposed budget in such a manner as to show the balanced  
3 relations between the total proposed expenditures and the total anticipated  
4 revenues, together with the other means of financing the proposed budget  
5 for the next 2 fiscal years, contrasted with the corresponding figures for the  
6 last completed fiscal year and fiscal year in progress. The general summary  
7 of the proposed budget must be supported by explanatory schedules or  
8 statements, classifying the expenditures contained therein by organizational  
9 units, objects and funds, and the income by organizational units, sources  
10 and funds.

11 ~~(b)~~ 2. Part 2 must embrace the detailed budgetary estimates both of  
12 expenditures and revenues as provided in NRS 353.150 to 353.246,  
13 inclusive. The information must be presented in a manner which sets forth  
14 separately the cost of continuing each program at the same level of service  
15 as the current year and the cost, by budgetary issue, of any  
16 recommendations to enhance or reduce that level of service. Revenues  
17 must be summarized by type, and expenditures must be summarized by  
18 category of expense. Part 2 must include a mission statement and  
19 measurement indicators for each program. It must also include statements  
20 of the bonded indebtedness of the state government, showing the  
21 requirements for redemption of debt, the debt authorized and unissued, and  
22 the condition of the sinking funds, and any statements relative to the  
23 financial plan which the governor may deem desirable, or which may be  
24 required by the legislature.

25 ~~(c)~~ 3. Part 3 must include a recommendation to the legislature for the  
26 drafting of a general appropriation bill authorizing, by departments,  
27 institutions and agencies, and by funds, all expenditures of the executive  
28 department of the state government for the next 2 fiscal years, and may  
29 include recommendations to the legislature for the drafting of such other  
30 bills as may be required to provide the income necessary to finance the  
31 proposed budget and to give legal sanction to the financial plan if adopted  
32 by the legislature.

33 ~~{2. Except as otherwise provided in NRS 353.211, as soon as each part~~  
34 ~~of the proposed budget is prepared, a copy of the part must be transmitted~~  
35 ~~to the fiscal analysis division of the legislative counsel bureau for~~  
36 ~~confidential examination and retention.~~

37 ~~—3. Except for the information provided to the fiscal analysis division of~~  
38 ~~the legislative counsel bureau pursuant to NRS 353.211, parts 1 and 2 of~~  
39 ~~the proposed budget are confidential until the governor transmits the~~  
40 ~~proposed budget to the legislature pursuant to NRS 353.230, regardless of~~  
41 ~~whether those parts are in the possession of the executive or legislative~~  
42 ~~department of the state government. Part 3 of the proposed budget is~~  
43 ~~confidential until the bills which result from the proposed budget are~~  
44 ~~introduced in the legislature.}~~

45 **Sec. 7.** NRS 353.211 is hereby amended to read as follows:

46 353.211 1. On or before October 15 of each even-numbered year, the  
47 chief shall provide to the fiscal analysis division of the legislative counsel  
48 bureau:



- 1 (a) Computerized budget files containing the actual data regarding  
2 revenues and expenditures for the previous year;  
3 (b) The work programs for the current year; and  
4 (c) Each agency's requested budget for the next 2 fiscal years.  
5 2. On or before December ~~13~~ **15** of each even-numbered year, the  
6 chief shall provide to the fiscal analysis *division in printed form, in a form*  
7 *available for access by computer and in any other form or on any other*  
8 *medium requested by the fiscal analysis division*:  
9 (a) Each agency's adjusted base budget by budgetary account for the  
10 next 2 fiscal years ~~13~~ and *any readily available, related information*  
11 *requested by the fiscal analysis division; and*  
12 (b) An estimated range of the costs for:  
13 (1) Continuing the operation of state government; and  
14 (2) Providing elementary, secondary and higher public  
15 education,  
16 at the current level of service.  
17 3. *The chief shall:*  
18 (a) *Consult with the fiscal analysis division when preparing the*  
19 *proposed budget of the executive department of the state government to*  
20 *establish identical organizational coding schemes and coding schemes*  
21 *for the computer to be used in the proposed budget of the executive*  
22 *department of the state government and the legislative proposal for the*  
23 *budget prepared pursuant to section 2 of this act.*  
24 (b) *As soon as each part of the proposed budget of the executive*  
25 *department of the state government is prepared and not later than the*  
26 *date the part is sent to the printer, provide that part to the fiscal analysis*  
27 *division.*  
28 4. *The chief shall provide each part of the proposed budget and the*  
29 *final version of the proposed budget pursuant to subsection 3 in printed*  
30 *form, in a form available for access by computer, and in any other form*  
31 *or on any other medium requested by the fiscal analysis division. The*  
32 *final version of the proposed budget must be available in a form that*  
33 *allows automated comparison with the legislative proposal for the budget*  
34 *prepared pursuant to section 2 of this act.*  
35 5. *The fiscal analysis division shall not disclose the contents of part 3*  
36 *of the final version of the proposed budget described in subsection 3 of*  
37 *NRS 353.205 until the bills that result from the final version of the*  
38 *proposed budget are introduced in the legislature.*  
39 6. The information provided to the fiscal analysis division pursuant to  
40 subsections 1 and 2 is open for public inspection.  
41 **Sec. 8.** NRS 218.6824 is hereby repealed.

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TEXT OF REPEALED SECTION

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**218.6824 Legislative commission: Budget subcommittee.**



1. There is hereby created a budget subcommittee of the legislative commission.
2. The chairman of the legislative commission shall appoint to the subcommittee the persons designated by the speaker designate of the assembly to be members of the assembly standing committee on ways and means and the persons designated by the majority leader designate of the senate to be members of the senate standing committee on finance for the next ensuing session of the legislature.
3. The budget subcommittee shall conclude its activities before the next regular legislative session is convened.
4. The budget subcommittee shall consider fiscal issues that may require consideration by the legislature at the next ensuing session.

