

SENATE BILL NO. 138—COMMITTEE ON FINANCE

(ON BEHALF OF COLORADO RIVER COMMISSION)

FEBRUARY 15, 2001

Referred to Committee on Finance

SUMMARY—Exempts Colorado River commission from State Budget Act. (BDR 31-344)

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

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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 Colorado River commission; exempting the commission from the provisions of the State Budget Act; requiring submission of the commission's proposed budget to the chief of the budget division of the department of administration for his information in preparing the proposed executive budget; establishing the format in which the budget of the commission must be submitted to the legislature and the basis for information concerning future state revenue in that budget; 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.** NRS 353.210 is hereby amended to read as follows:
2 353.210 1. Except as otherwise provided in subsection 6, on or
3 before August 15 of each even-numbered year, all departments, institutions
4 and other agencies of the executive department of the state government,
5 and all agencies of the executive department of the state government
6 receiving state money, fees or other money under the authority of the state,
7 including those operating on money designated for specific purposes by the
8 constitution or otherwise, shall prepare, on blanks furnished them by the
9 chief, and submit to the chief estimates of their expenditure requirements,
10 together with all anticipated income from fees and all other sources, for the
11 next 2 fiscal years compared with the corresponding figures of the last
12 completed fiscal year and the estimated figures for the current fiscal year.
13 2. The chief shall direct that one copy of the forms submitted pursuant
14 to subsection 1, accompanied by every supporting schedule and any other
15 related material, be delivered directly to the fiscal analysis division of the
16 legislative counsel bureau on or before August 15 of each even-numbered
17 year.



1 3. The budget division of the department of administration shall give
2 advance notice to the fiscal analysis division of the legislative counsel
3 bureau of any conference between the budget division of the department of
4 administration and personnel of other state agencies regarding budget
5 estimates. A fiscal analyst of the legislative counsel bureau or his
6 designated representative may attend any such conference.

7 4. The estimates of expenditure requirements submitted pursuant to
8 subsection 1 must be classified to set forth the data of funds, organizational
9 units, and the character and objects of expenditures, and must include a
10 mission statement and measurement indicators for each program. The
11 organizational units may be subclassified by functions and activities, or in
12 any other manner at the discretion of the chief.

13 5. If any department, institution or other agency of the executive
14 department of the state government, whether its money is derived from
15 state money or from other money collected under the authority of the state,
16 fails or neglects to submit estimates of its expenditure requirements as
17 provided in this section, the chief may, from any data at hand in his office
18 or which he may examine or obtain elsewhere, make and enter a proposed
19 budget for the department, institution or agency in accordance with the
20 data.

21 6. Agencies, bureaus, commissions and officers of the legislative
22 department ~~the public employees' retirement system~~ and the judicial
23 department of the state government , *the public employees' retirement*
24 *system and the Colorado River commission* shall submit to the chief for
25 his information in preparing the proposed executive budget the budgets
26 which they propose to submit to the legislature.

27 **Sec. 2.** NRS 353.246 is hereby amended to read as follows:

28 353.246 1. Except as otherwise provided in subsection 2 of this
29 section and subsection 6 of NRS 353.210, the provisions of NRS 353.150
30 to 353.245, inclusive, do not apply to :

31 (a) *The* agencies, bureaus, commissions and officers of the legislative
32 department ~~the public employees' retirement system~~ and the judicial
33 department of the state government.

34 (b) *The public employees' retirement system and the officers and*
35 *employees thereof.*

36 (c) *The Colorado River commission and the officers and employees*
37 *thereof.*

38 2. The legislative department ~~the public employees' retirement~~
39 ~~system~~ and the judicial department of the state government , *the public*
40 *employees' retirement system and the Colorado River commission* shall
41 submit their budgets to the legislature in the same format as the proposed
42 executive budget unless otherwise provided by the legislative commission.
43 All projections of revenue and any other information concerning future
44 state revenue contained in those budgets must be based upon the
45 projections and estimates prepared by the economic forum pursuant to
46 NRS 353.228.

47 **Sec. 3.** NRS 538.226 is hereby amended to read as follows:

48 538.226 1. The commission shall prepare and approve a water
49 administrative and operating budget. The budget must include all costs and



1 expenses incurred by the commission in performing its functions and duties
2 relating to water, except:

3 (a) The costs and expenses related to any financial obligations or other
4 obligations assumed by the commission pursuant to any agreement
5 described in paragraph (a) or (b) of subsection 6 of NRS 538.161.

6 (b) The costs for any services of an independent contractor related to a
7 specific opportunity to negotiate and enter into an agreement to acquire any
8 interest in supplemental water from one or more particular sources, to the
9 extent all those costs for those opportunities during the period covered by
10 the budget exceed \$200,000. This amount may be decreased or increased
11 as indicated by engineering cost indexes or other cost indexes which are
12 applicable to the services used by the commission.

13 (c) The costs for any services of an independent contractor or costs
14 contributed by the commission for any services of a governmental agency
15 or its independent contractor, other than the commission, for studies or the
16 implementation of projects relating to water quality, evaluation or
17 enhancement of ecological habitat or weather modification, to the extent
18 that all those costs for those studies or projects during the period covered
19 by the budget exceed \$250,000. This amount may be decreased or
20 increased as indicated by engineering cost indexes or other cost indexes
21 which are applicable to the services used by the commission.

22 (d) Costs which are capitalized in accordance with generally accepted
23 accounting principles, except costs for office space and equipment required
24 for the principal place of business of the commission.

25 (e) Costs for the operation of any facility which belongs to the
26 commission, except the principal place of business of the commission.

27 2. The water administrative and operating budget, and any changes to
28 the budget, must be submitted for *the* authorization ~~in the manner~~
29 ~~prescribed by the State Budget Act.~~ *of the legislature.* If the budget is
30 authorized, the budget is payable by, and becomes a liability of, each water
31 purveyor in the amount, if any, to which the budget is allocated to that
32 water purveyor pursuant to subsection 3.

33 3. The commission shall allocate the entire amount of each water
34 administrative and operating budget, minus the portion of that amount
35 which represents the net revenues which the commission estimates it will
36 receive pursuant to its contracts from the sale of water during the period
37 covered by the budget, among those water purveyors which the
38 commission determines will directly and substantially benefit from the
39 commission's activities which are related to water during that period. In
40 determining the allocation, the commission shall consider appropriate
41 factors relevant to those benefits. If a water purveyor ceases to exist during
42 the period covered by the budget, the commission shall amend and
43 reallocate the budget as necessary.

44 4. In each fiscal year covered by the water administrative and
45 operating budget, each water purveyor to which the commission has
46 allocated an amount of the budget pursuant to subsection 3 shall pay to the
47 commission quarterly a portion of the water purveyor's total liability for
48 that fiscal year as billed by the commission. At least 60 days before the
49 first day of the quarter for which the bill is prepared, the commission shall



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1 submit to each water purveyor a bill for its portion of the total amount of
2 the budget due for that quarter. Each water purveyor shall pay its bill
3 within 30 days after the bill is submitted by the commission.

4 5. Except as otherwise provided in this subsection, the commission
5 shall apply, within 120 days after the end of the fiscal year, any
6 unexpended balance in the budget at the close of the fiscal year as a credit
7 to that amount allocated among the water purveyors pursuant to subsection
8 3 for the next fiscal year. The commission shall apply that credit to the next
9 quarterly payments remaining due from each water purveyor, unless the
10 commission determines it is appropriate to refund the unexpended balance.

11 6. If in any fiscal year the money payable by a water purveyor
12 pursuant to subsection 4 is not received by the commission when due, that
13 money also becomes the several liability of all public entities who:

14 (a) Purvey water; and

15 (b) On the date the budget was approved by the commission, were
16 members of the water purveyor liable for that money,
17 in proportion to their liability for the budget of the water purveyor effective
18 on the date the budget was approved by the commission.

19 **Sec. 4.** This act becomes effective on July 1, 2001.

