

SENATE BILL NO. 492—COMMITTEE ON FINANCE

MARCH 26, 2001

Referred to Committee on Finance

SUMMARY—Clarifies provisions governing transfers of money to fund to stabilize the operation of the state government. (BDR 31-1476)

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 state financial administration; clarifying the provisions governing the transfer of money to the fund to stabilize the operation of the state government; 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 353.288 is hereby amended to read as follows:
2 353.288 1. The fund to stabilize the operation of the state
3 government is hereby created as a special revenue fund. Except as
4 otherwise provided in subsections 2 and 3, *each year after the close of the*
5 *fiscal year and before the issuance of the controller's annual report* the
6 state controller shall deposit to the credit of the fund ~~two-fifths of any~~
7 ~~revenue in the state general fund collected by the state for general,~~
8 ~~unrestricted uses, and not for special purposes, in excess of the amount~~
9 ~~necessary to:~~
10 ~~—(a) Pay all appropriations made for the support of the state government~~
11 ~~for the fiscal year in which that revenue will be deposited in the fund; and~~
12 ~~—(b) Attain the reserve required by NRS 353.213.~~ *40 percent of the*
13 *unrestricted balance of the state general fund, as of the close of the fiscal*
14 *year, which remains after subtracting an amount equal to 10 percent of*
15 *all appropriations made from the state general fund during that year for*
16 *the operation of all departments, institutions and agencies of state*
17 *government and for the funding of schools.*
18 2. The balance in the fund must not exceed 10 percent of the total of
19 all appropriations from the state general fund for the operation of all
20 departments, institutions and agencies of the state government *and for the*
21 *funding of schools* and authorized expenditures from the state general fund
22 for the regulation of gaming for the fiscal year in which that revenue will
23 be deposited in the fund.



- 1 3. Except as otherwise provided in this subsection and NRS 353.2735,
2 beginning with the fiscal year that begins on July 1, 1999, the state
3 controller shall, at the end of each quarter of a fiscal year, transfer from the
4 state general fund to the disaster relief fund created pursuant to NRS
5 353.2735 an amount equal to one-half of the interest earned on money in
6 the fund to stabilize the operation of state government during the previous
7 quarter. The state controller shall not transfer more than \$500,000 for any
8 quarter pursuant to this subsection.
- 9 4. Money from the fund to stabilize the operation of the state
10 government may be appropriated only:
- 11 (a) If the total actual revenue of the state falls short by 5 percent or
12 more of the total anticipated revenue for the biennium in which the
13 appropriation is made; or
- 14 (b) If the legislature and the governor declare that a fiscal emergency
15 exists.
- 16 **Sec. 2.** The amendatory provisions of section 1 of this act:
- 17 1. Are intended to clarify the original intent of the legislature when it
18 enacted and subsequently amended NRS 353.288; and
- 19 2. Apply retroactively to the deposit required for fiscal year 1999-2000.
- 20 **Sec. 3.** This act becomes effective upon passage and approval.

