

CHAPTER.....

AN ACT relating to state financial administration; revising certain provisions relating to the Fund to Stabilize the Operation of the State Government; repealing certain statutory provisions relating to excess revenue collected by the State during a fiscal year; making appropriations; and providing other matters properly relating thereto.

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

Section 1. NRS 353.2735 is hereby amended to read as follows:

353.2735 1. The Disaster Relief Account is hereby created as a special account in the Fund to Stabilize the Operation of the State Government. The Interim Finance Committee shall administer the Account.

2. The Division may accept grants, gifts or donations for deposit in the Account. Except as otherwise provided in subsection 3, money received from:

(a) A direct legislative appropriation to the Account;

(b) A transfer ~~to~~ *from the State General Fund in an amount equal to* not more than 10 percent of the aggregate balance in the Fund to Stabilize the Operation of the State Government, *excluding the aggregate balance in the Disaster Relief Account and the Emergency Assistance Subaccount*, made pursuant to NRS 353.288; and

(c) A grant, gift or donation to the Account,
➔ must be deposited in the Account. Except as otherwise provided in NRS 414.135, the interest and income earned on the money in the Account must, after deducting any applicable charges, be credited to the Account.

3. If, at the end of each quarter of a fiscal year, the balance in the Account exceeds 0.75 percent of the total amount of all appropriations from the State General Fund for the operation of all departments, institutions and agencies of State Government and authorized expenditures from the State General Fund for the regulation of gaming for that fiscal year, the State Controller shall not, until the balance in the Account is 0.75 percent or less of that amount, transfer any money in the Fund to Stabilize the Operation of the State Government from the State General Fund to the Account pursuant to the provisions of NRS 353.288.

4. Money in the Account may be distributed through grants and loans to state agencies and local governments as provided in NRS 353.2705 to 353.2771, inclusive. Except as otherwise provided in

NRS 353.276, such grants will be disbursed on the basis of reimbursement of costs authorized pursuant to NRS 353.274 and 353.2745.

5. If the Governor declares a disaster, the State Board of Examiners shall estimate:

(a) The money in the Account that is available for grants and loans for the disaster pursuant to the provisions of NRS 353.2705 to 353.2771, inclusive; and

(b) The anticipated amount of those grants and loans for the disaster.

↳ Except as otherwise provided in this subsection, if the anticipated amount determined pursuant to paragraph (b) exceeds the available money in the Account for such grants and loans, all grants and loans from the Account for the disaster must be reduced in the same proportion that the anticipated amount of the grants and loans exceeds the money in the Account that is available for grants and loans for the disaster. If the reduction of a grant or loan from the Account would result in a reduction in the amount of money that may be received by a state agency or local government from the Federal Government, the reduction in the grant or loan must not be made.

Sec. 2. NRS 353.288 is hereby amended to read as follows:

353.288 1. The Fund to Stabilize the Operation of the State Government is hereby created as a special revenue fund. Except as otherwise provided in subsections 2 and 3, each year after the close of the fiscal year and before the issuance of the State Controller's annual report, the State Controller shall deposit to the credit of the Fund 40 percent of the unrestricted balance of the State General Fund, as of the close of the fiscal year, which remains after subtracting an amount equal to ~~15~~ 10 percent of all appropriations made from the State General Fund during that year for the operation of all departments, institutions and agencies of State Government and for the funding of schools.

2. The balance in the Fund , *excluding the aggregate balance in the Disaster Relief Account and the Emergency Assistance Subaccount*, must not exceed 15 percent of the total of all appropriations from the State General Fund for the operation of all departments, institutions and agencies of the State Government and for the funding of schools and authorized expenditures from the State General Fund for the regulation of gaming for the fiscal year in which that revenue will be deposited in the Fund.

3. Except as otherwise provided in this subsection and NRS 353.2735, beginning with the fiscal year that begins on July 1, 2003, the State Controller shall, at the end of each quarter of a fiscal year, transfer from the State General Fund to the Disaster Relief Account created pursuant to NRS 353.2735 an amount equal to not more than

10 percent of the aggregate balance in the Fund to Stabilize the Operation of the State Government during the previous quarter ~~H~~, *excluding the aggregate balance in the Disaster Relief Account and the Emergency Assistance Subaccount created pursuant to NRS 414.135*. The State Controller shall not transfer more than \$500,000 for any quarter pursuant to this subsection.

4. Money from the Fund to Stabilize the Operation of the State Government may be appropriated only:

(a) If the total actual revenue of the State falls short by 5 percent or more of the total anticipated revenue for the biennium in which the appropriation is made; or

(b) If the Legislature and the Governor declare that a fiscal emergency exists.

Sec. 3. 1. Section 20 of Chapter 538, Statutes of Nevada 1997, at page 2544, is hereby repealed.

2. Sections 188 and 188.3 of Chapter 5, Statutes of Nevada 2003, 20th Special Session, at pages 236 and 237, respectively, are hereby repealed.

Sec. 4. There is hereby appropriated for Fiscal Year 2005-2006 from the State General Fund to the Fund to Stabilize the Operation of the State Government created by NRS 353.288 the sum of \$37,000,000.

Sec. 5. There is hereby appropriated for Fiscal Year 2006-2007 from the State General Fund to the Fund to Stabilize the Operation of the State Government created by NRS 353.288 the sum of \$34,000,000.

Sec. 6. 1. This section and subsection 1 of section 3 of this act become effective upon passage and approval.

2. Subsection 2 of section 3 of this act becomes effective upon passage and approval and applies retroactively to January 1, 2005.

3. Sections 1, 2 and 4 of this act become effective on July 1, 2005.

4. Section 5 of this act becomes effective on July 1, 2006.

