
ASSEMBLY BILL NO. 599—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 26, 2007

Referred to Committee on Ways and Means

SUMMARY—Increases the administrative cap on certain allocations distributed from the Fund for a Healthy Nevada. (BDR 40-1409)

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 public health; increasing the administrative cap on certain allocations distributed from the Fund for a Healthy Nevada in support of the administration of certain grants and administrative support provided to the Task Force for the Fund for a Healthy Nevada by the Department of Health and Human Services; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law provides that 50 percent of all money received by this State
2 pursuant to any settlement agreement between the State and a manufacturer of
3 tobacco products and 50 percent of all money recovered by the State from a
4 judgment in a civil action against a manufacturer of tobacco products must be
5 deposited into the Fund for a Healthy Nevada. Existing law also provides that not
6 more than 2.025 percent of the money in the Fund may be allocated each year to
7 pay the administrative costs incurred by the Department of Health and Human
8 Services, including the Aging Services Division, in carrying out its duties relating
9 to the Fund, including the administration of grants, and in support of the Task Force
10 for the Fund for a Healthy Nevada. (NRS 439.620) This bill raises the
11 administrative cap for these purposes to not more than 3.375 percent of the money
12 in the Fund for a Healthy Nevada.



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

- 1 **Section 1.** NRS 439.620 is hereby amended to read as follows:
2 439.620 1. The Fund for a Healthy Nevada is hereby created
3 in the State Treasury. The State Treasurer shall deposit in the Fund:
4 (a) Fifty percent of all money received by this State pursuant to
5 any settlement entered into by the State of Nevada and a
6 manufacturer of tobacco products; and
7 (b) Fifty percent of all money recovered by this State from a
8 judgment in a civil action against a manufacturer of tobacco
9 products.
10 2. The State Treasurer shall administer the Fund. As
11 administrator of the Fund, the State Treasurer:
12 (a) Shall maintain the financial records of the Fund;
13 (b) Shall invest the money in the Fund as the money in other
14 state funds is invested;
15 (c) Shall manage any account associated with the Fund;
16 (d) Shall maintain any instruments that evidence investments
17 made with the money in the Fund;
18 (e) May contract with vendors for any good or service that is
19 necessary to carry out the provisions of this section; and
20 (f) May perform any other duties necessary to administer the
21 Fund.
22 3. The interest and income earned on the money in the Fund
23 must, after deducting any applicable charges, be credited to the
24 Fund. All claims against the Fund must be paid as other claims
25 against the State are paid.
26 4. Upon receiving a request from the State Treasurer or the
27 Department for an allocation for administrative expenses from the
28 Fund pursuant to this section, the Task Force for the Fund for a
29 Healthy Nevada shall consider the request within 45 days after
30 receipt of the request. If the Task Force approves the amount
31 requested for allocation, the Task Force shall notify the State
32 Treasurer of the allocation. If the Task Force does not approve the
33 requested allocation within 45 days after receipt of the request, the
34 State Treasurer or the Department, as applicable, may submit its
35 request for allocation to the Interim Finance Committee. Except as
36 otherwise limited by this subsection, the Interim Finance Committee
37 may allocate all or part of the money so requested. The annual
38 allocation for administrative expenses from the Fund, whether
39 allocated by the Task Force or the Interim Finance Committee must
40 not exceed:



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(a) Not more than 2 percent of the money in the Fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the State Treasurer to administer the Fund;

(b) Not more than ~~2.025~~ 3.375 percent of the money in the Fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the Department, including, without limitation, the Aging Services Division of the Department, to carry out its duties set forth in NRS 439.625 and 439.630;

(c) Not more than 1.5 percent of the money in the Fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the Department to administer the provisions of NRS 439.635 to 439.690, inclusive; and

(d) Not more than 0.125 percent of the money in the Fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the Department to administer the provisions of NRS 439.705 to 439.795, inclusive.

➤ For the purposes of this subsection, the amount of money available for allocation to pay for the administrative costs must be calculated at the beginning of each fiscal year based on the total amount of money anticipated by the State Treasurer to be deposited in the Fund during that fiscal year.

5. The money in the Fund remains in the Fund and does not revert to the State General Fund at the end of any fiscal year.

6. All money that is deposited or paid into the Fund is hereby appropriated to the Department and, except as otherwise provided in paragraphs (c) to (f), inclusive, and (j) of subsection 1 of NRS 439.630, may only be expended pursuant to an allocation made by the Task Force for the Fund for a Healthy Nevada. Money expended from the Fund for a Healthy Nevada must not be used to supplant existing methods of funding that are available to public agencies.

Sec. 2. This act becomes effective upon passage and approval.

