

ASSEMBLY BILL NO. 248—ASSEMBLYMEN SMITH, OCEGUERA,  
CONKLIN, BOBZIEN, KIRKPATRICK; AIZLEY, ATKINSON,  
GOICOECHEA, HOGAN, HORNE AND MASTROLUCA

MARCH 9, 2011

Referred to Committee on Government Affairs

SUMMARY—Revises certain requirements for the proposed budget  
of the Executive Department of the State  
Government. (BDR 31-146)

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

~

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

AN ACT relating to state financial administration; revising certain  
requirements for the proposed budget of the Executive  
Department of the State Government; and providing other  
matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law specifies the contents of the proposed budget of the Executive  
2 Department of the State Government. (NRS 353.205) **Section 1** of this bill requires  
3 each proposed budget to include certain information regarding long-term  
4 performance goals and intermediate objectives of the Executive Department,  
5 clarifies the provisions governing certain contents of the proposed budget and  
6 requires the posting of certain information on various Internet websites maintained  
7 by the State. **Section 2** of this bill clarifies the provisions governing the information  
8 that state agencies are required to submit to the Budget Division of the Department  
9 of Administration to assist the Budget Division in preparing proposed executive  
10 budgets. (NRS 353.210)

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

1 **Section 1.** NRS 353.205 is hereby amended to read as follows:  
2 353.205 1. The proposed budget for the Executive  
3 Department of the State Government for each fiscal year must be set  
4 up in three parts:



(a) Part 1 must consist of a budgetary message by the Governor which ~~outlines the financial policy of the Executive Department of the State Government for the next 2 fiscal years, describing in connection therewith the important features of the financial plan. It must also embrace a~~ includes:

(1) *A general summary of the long-term performance goals of the Executive Department of the State Government for:*

(I) *Core governmental functions, including the education of pupils in kindergarten through grade 12, higher education, human services and public safety and health; and*

(II) *Other governmental services;*

(2) *An explanation of the means by which the proposed budget will provide adequate funding for those governmental functions and services such that ratable progress will be made toward achieving those long-term performance goals;*

(3) *An outline of any other important features of the financial plan of the Executive Department of the State Government for the next 2 fiscal years; and*

(4) *A general summary of the proposed budget setting forth the aggregate figures of the proposed budget in such a manner as to show the balanced relations between the total proposed expenditures and the total anticipated revenues, together with the other means of financing the proposed budget for the next 2 fiscal years, contrasted with the corresponding figures for the last completed fiscal year and fiscal year in progress. The general summary of the proposed budget must be supported by explanatory schedules or statements, classifying the expenditures contained therein by organizational units, objects and funds, and the income by organizational units, sources and funds. The organizational units may be subclassified by functions and by agencies, bureaus or commissions, or in any other manner determined by the Chief.*

(b) Part 2 must embrace the detailed budgetary estimates both of expenditures and revenues as provided in NRS 353.150 to 353.246, inclusive. The information must be presented in a manner which sets forth separately the cost of continuing each program at the same level of service as the current year and the cost, by budgetary issue, of any recommendations to enhance or reduce that level of service. Revenues must be summarized by type, and expenditures must be summarized by *program or budgetary account and by* category of expense. Part 2 must include ~~the~~:

(1) *The identification of each long-term performance goal of the Executive Department of the State Government for:*

(I) *Core governmental functions, including the education of pupils in kindergarten through grade 12, higher education, human services, and public safety and health; and*



(II) Other governmental services,  
↪ and of each intermediate objective for the next 2 fiscal years  
toward achieving those goals.

(2) An explanation of the means by which the proposed  
budget will provide adequate funding for those governmental  
functions and services such that those intermediate objectives will  
be met and progress will be made toward achieving those long-  
term performance goals.

(3) A mission statement and measurement indicators for each  
~~[program. It must also include statements]~~ department, institution  
and other agency of the Executive Department of the State  
Government, which articulate the intermediate objectives and  
long-term performance goals each such department, institution  
and other agency is tasked with achieving and the particular  
measurement indicators tracked for each such department,  
institution and other agency to determine whether the department,  
institution or other agency is successful in achieving its  
intermediate objectives and long-term performance goals,  
provided in sufficient detail to assist the Legislature in performing  
an analysis of the relative costs and benefits of program budgets  
and in determining priorities for expenditures. If available,  
information regarding such measurement indicators must be  
provided for each of the previous 4 fiscal years. If a new  
measurement indicator is being added, a rationale for that  
addition must be provided. If a measurement indicator is being  
modified, information must be provided regarding both the  
modified indicator and the indicator as it existed before  
modification. If a measurement indicator is being deleted, a  
rationale for that deletion and information regarding the deleted  
indicator must be provided.

(4) Statements of the bonded indebtedness of the State  
Government, showing the requirements for redemption of debt,  
the debt authorized and unissued, and the condition of the sinking  
funds. ~~[-, and any]~~

(5) Any statements relative to the financial plan which the  
Governor may deem desirable, or which may be required by the  
Legislature.

(c) Part 3 must include a recommendation to the Legislature for  
the drafting of a general appropriation bill authorizing, by  
departments, institutions and agencies, and by funds, all  
expenditures of the Executive Department of the State Government  
for the next 2 fiscal years, and may include recommendations to the  
Legislature for the drafting of such other bills as may be required to  
provide the income necessary to finance the proposed budget and to



1 give legal sanction to the financial plan if adopted by the  
2 Legislature.

3 2. Except as otherwise provided in NRS 353.211, as soon as  
4 each part of the proposed budget is prepared, a copy of the part must  
5 be transmitted to the Fiscal Analysis Division of the Legislative  
6 Counsel Bureau for confidential examination and retention.

7 3. Except for the information provided to the Fiscal Analysis  
8 Division of the Legislative Counsel Bureau pursuant to NRS  
9 353.211, parts 1 and 2 of the proposed budget are confidential until  
10 the Governor transmits the proposed budget to the Legislature  
11 pursuant to NRS 353.230, regardless of whether those parts are in  
12 the possession of the Executive or Legislative Department of the  
13 State Government. Part 3 of the proposed budget is confidential  
14 until the bills which result from the proposed budget are introduced  
15 in the Legislature. *As soon as practicable after the Governor  
16 transmits the proposed budget to the Legislature pursuant to NRS  
17 353.230, the information required to be included in the proposed  
18 budget pursuant to subparagraphs (1), (2) and (3) of paragraph  
19 (b) of subsection 1 must be posted on the Internet websites  
20 maintained by the Governor, the Department of Administration  
21 and the Budget Division of the Department of Administration.*

22 **Sec. 2.** NRS 353.210 is hereby amended to read as follows:

23 353.210 1. Except as otherwise provided in subsection 6, on  
24 or before September 1 of each even-numbered year, all departments,  
25 institutions and other agencies of the Executive Department of the  
26 State Government, and all agencies of the Executive Department of  
27 the State Government receiving state money, fees or other money  
28 under the authority of the State, including those operating on money  
29 designated for specific purposes by the Nevada Constitution or  
30 otherwise, shall prepare, on blanks furnished them by the Chief, and  
31 submit to the Chief:

32 (a) The number of *full-time equivalent* positions within the  
33 department, institution or agency ;

34 (b) *The number of full-time equivalent positions within the*  
35 *department, institution or agency* that have been vacant for at least  
36 12 months, the number of months each such position has been  
37 vacant and the reasons for each such vacancy;

38 ~~(b)~~ (c) Any existing contracts the department, institution or  
39 agency has with consultants or temporary employment services, the  
40 proposed expenditures for such contracts in the next 2 fiscal years  
41 and the reasons for the use of such consultants or services; and

42 ~~(c)~~ (d) Estimates of their expenditure requirements, together  
43 with all anticipated income from fees and all other sources, for the  
44 next 2 fiscal years compared with the corresponding figures of the



1 last completed fiscal year and the estimated figures for the current  
2 fiscal year.

3 2. The Chief shall direct that one copy of the forms submitted  
4 pursuant to subsection 1, accompanied by every supporting schedule  
5 and any other related material, be delivered directly to the Fiscal  
6 Analysis Division of the Legislative Counsel Bureau on or before  
7 September 1 of each even-numbered year.

8 3. The Budget Division of the Department of Administration  
9 shall give advance notice to the Fiscal Analysis Division of the  
10 Legislative Counsel Bureau of any conference between the Budget  
11 Division of the Department of Administration and personnel of  
12 other state agencies regarding budget estimates. A Fiscal Analyst of  
13 the Legislative Counsel Bureau or his or her designated  
14 representative may attend any such conference.

15 4. The estimates of expenditure requirements submitted  
16 pursuant to subsection 1 must be classified to set forth the data of  
17 funds, organizational units, and the character and objects of  
18 expenditures ~~[.]~~ *by program or budgetary account and by category*  
19 *of expense*, and must include a mission statement and measurement  
20 indicators ~~[for each program.]~~ *in adequate detail to comply with the*  
21 *requirements of subparagraph (3) of paragraph (b) of subsection 1*  
22 *of NRS 353.205.* The organizational units may be subclassified by  
23 functions and ~~[activities.]~~ *by agencies, bureaus or commissions*, or  
24 in any other manner at the discretion of the Chief.

25 5. If any department, institution or other agency of the  
26 Executive Department of the State Government, whether its money  
27 is derived from state money or from other money collected under  
28 the authority of the State, fails or neglects to submit estimates of its  
29 expenditure requirements as provided in this section, the Chief may,  
30 from any data at hand in the Chief's office or which the Chief may  
31 examine or obtain elsewhere, make and enter a proposed budget for  
32 the department, institution or agency in accordance with the data.

33 6. Agencies, bureaus, commissions and officers of the  
34 Legislative Department, the Public Employees' Retirement System  
35 and the Judicial Department of the State Government shall submit to  
36 the Chief for his or her information in preparing the proposed  
37 executive budget the budgets which they propose to submit to the  
38 Legislature.

39 **Sec. 3.** NRS 353.211 is hereby amended to read as follows:

40 353.211 1. On or before October 15 of each even-numbered  
41 year, the Chief shall provide to the Fiscal Analysis Division of the  
42 Legislative Counsel Bureau:

43 (a) Computerized budget files containing the actual data  
44 regarding revenues and expenditures for the previous year;

45 (b) The work programs for the current year; and



\* A B 2 4 8 R 1 \*

- 1 (c) Each agency's requested budget for the next 2 fiscal years.  
2 2. On or before December 31 of each even-numbered year, the  
3 Chief shall provide to the Fiscal Analysis Division:  
4 (a) Each agency's adjusted base budget by *program or*  
5 budgetary account for the next 2 fiscal years; and  
6 (b) An estimated range of the costs for:  
7 (1) Continuing the operation of State Government; and  
8 (2) Providing elementary, secondary and higher public  
9 education,  
10 ➤ at the current level of service.  
11 3. The information provided to the Fiscal Analysis Division  
12 pursuant to subsections 1 and 2 is open for public inspection.  
13 *4. The Governor may authorize or direct an agency to hold*  
14 *public hearings on a budget submitted pursuant to paragraph (c)*  
15 *of subsection 1 at any time after the material is provided pursuant*  
16 *to subsection 1.*

