

Amendment No. 394

Assembly Amendment to Assembly Bill No. 334	(BDR 31-1009)
Proposed by: Assembly Committee on Government Affairs	
Amends: Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	☐	Lost	☐		Adopted	☐	Lost	☐	
Concurred In	☐	Not	☐		Concurred In	☐	Not	☐	
Receded	☐	Not	☐		Receded	☐	Not	☐	

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold underlining* is newly added transitory language.

ASSEMBLY BILL NO. 334—ASSEMBLYWOMAN PIERCE

MARCH 21, 2011

Referred to Committee on Government Affairs

SUMMARY—Exempts from the limitation on the total proposed budgetary expenditures for a biennium any expenditures ~~{for the purpose of satisfying an unfunded federal mandate;}~~ from the State Distributive School Account in the State General Fund. (BDR 31-1009)

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; exempting from the limitation on the proposed expenditures of the Executive Department of the State Government any expenditures ~~{for the purpose of satisfying an unfunded federal mandate;}~~ from the State Distributive School Account in the State General Fund; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the Chief of the Budget Division of the Department of Administration prepares a proposed budget for the Executive Department of the State Government. (NRS 353.185) The proposed total expenditures in this proposed budget, excluding proposed expenditures for construction and expenditures that reduce any unfunded accrued liability of the State Retirees' Health and Welfare Benefits Fund, cannot exceed a certain amount. (NRS 353.213) This bill provides that expenditures ~~{to satisfy any unfunded federal mandate}~~ from the State Distributive School Account in the State General Fund are also excluded from the limitation on proposed total expenditures.

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

Section 1. NRS 353.213 is hereby amended to read as follows:
353.213 1. In preparing the proposed budget for the Executive Department of the State Government for each biennium, the Chief shall not exceed the limit upon total proposed expenditures for purposes other than construction ~~{satisfying an unfunded federal mandate}~~ and reducing any unfunded accrued liability of the State Retirees' Health and Welfare Benefits Fund created by NRS 287.0436 from the State General Fund calculated pursuant to this section. The base for each biennium is the total expenditure, for the purposes limited, from the State General

Fund appropriated and authorized by the Legislature for the biennium beginning on July 1, 1975.

2. The limit for each biennium is calculated as follows:

(a) The amount of expenditure constituting the base is multiplied by the percentage of change in population for the current biennium from the population on July 1, 1974, and this product is added to or subtracted from the amount of expenditure constituting the base.

(b) The amount calculated pursuant to paragraph (a) is multiplied by the percentage of inflation or deflation, and this product is added to or subtracted from the amount calculated pursuant to paragraph (a).

(c) Subject to the limitations of this paragraph:

(1) If the amount resulting from the calculations pursuant to paragraphs (a) and (b) represents a net increase over the base biennium, the Chief may increase the proposed expenditure accordingly.

(2) If the amount represents a net decrease, the Chief shall decrease the proposed expenditure accordingly.

(3) If the amount is the same as in the base biennium, that amount is the limit of permissible proposed expenditure.

3. The proposed budget for each fiscal year of the biennium must provide for a reserve of:

(a) Not less than 5 percent or more than 10 percent of the total of all proposed appropriations from the State General Fund for the operation of all departments, institutions and agencies of the State Government and authorized expenditures from the State General Fund for the regulation of gaming for that fiscal year; and

(b) Commencing with the proposed budget for the period that begins on July 1, 2011, and ends on June 30, 2013, 1 percent of the total anticipated revenue for each of the 2 fiscal years of the biennium for which the budget is proposed, as projected by the Economic Forum for each of those fiscal years pursuant to paragraph (d) of subsection 1 of NRS 353.228 and as adjusted by any changes or adjustments to state revenue that are recommended in the proposed budget for those fiscal years.

4. The revised estimate of population for the State issued by the United States Department of Commerce as of July 1, 1974, must be used, and the Governor shall certify the percentage of increase or decrease in population for each succeeding biennium. The Consumer Price Index published by the United States Department of Labor for July preceding each biennium must be used in determining the percentage of inflation or deflation.

5. The Chief may exceed the limit to the extent necessary to meet situations in which there is a threat to life or property.

6. As used in this section ~~["unfunded"]~~:

(a) "Expenditure" does not include any expenditure from the State Distributive School Account in the State General Fund.

(b) "Unfunded accrued liability" means a liability with an actuarially determined value which exceeds the value of the assets in the fund from which payments are made to discharge the liability.

~~["(b) "Unfunded federal mandate" means any expenditure:~~

~~(1) Made for the purpose of satisfying the requirements of a federal law or regulation enacted on or after July 1, 1974; and~~

~~(2) For which money was not provided by the Federal Government in an amount necessary to cover the cost of satisfying the requirements of the federal law or regulation.]~~

Sec. 2. This act becomes effective on July 1, 2011.