

ASSEMBLY BILL NO. 463—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 25, 2013

Referred to Committee on Ways and Means

SUMMARY—Revises provisions relating to stale claims and statutory contingency claims. (BDR 31-1123)

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; revising provisions relating to the payment of stale claims; authorizing a person designated by the Clerk of the State Board of Examiners to carry out certain duties of the Clerk; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that certain stale claims which are presented by a state agency to the State Board of Examiners after the date on which it is provided by law that money appropriated to the state agency for the previous fiscal year reverts to the fund from which it was appropriated must be paid from the Stale Claims Account in the State General Fund. A state agency is authorized to pay certain other claims incurred in the previous fiscal year from the appropriate budget account in a current fiscal year. (NRS 353.097) **Section 1** of this bill clarifies the definition of "stale claim" to specifically refer to money authorized for expenditure, in addition to appropriated money, and makes similar conforming changes. **Section 1** also provides that a state agency may pay a stale claim for payroll expenses from the appropriate budget account in the current fiscal year.

Sections 1 and 2 of this bill authorize a person designated by the Clerk of the State Board of Examiners to perform the duties of the Clerk, which have been delegated to the Clerk by the Board of Examiners, to approve stale claims and claims from the Reserve for Statutory Contingency Account on behalf of the Board.



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

Section 1. NRS 353.097 is hereby amended to read as follows:
353.097 1. As used in this section, "stale claim" means any claim ~~other than a claim for medical expenses submitted by a third-party administrator or a claim which is \$100 or more, and~~ which is presented by a state agency to the State Board of Examiners :

(a) If the claim was eligible to be paid from money that was appropriated, after the date on which it is provided by law that money appropriated to that state agency for the previous fiscal year reverts to the fund from which appropriated ~~it~~ ; or

(b) If the claim was eligible to be paid from money that was authorized, after the last day of the fiscal year in which that state agency was authorized to expend the money.

2. There is hereby created a Stale Claims Account in the State General Fund. Money for the Account must be provided by direct legislative appropriation.

3. Upon the approval of a stale claim ~~as provided in this section,~~ pursuant to subsection 4, the claim must be paid from the Stale Claims Account. Payments of *such* stale claims for a state agency must not exceed ~~the~~ :

(a) If the claim was eligible to be paid from money that was appropriated, the amount of money reverted to the fund from which appropriated by the state agency for the fiscal year in which the obligations represented by the stale claims were incurred ~~it~~ ; or

(b) If the claim was eligible to be paid from money that was authorized, the balance on the last day of the fiscal year of money that the state agency was authorized to expend during the fiscal year.

4. ~~It~~ *Except as otherwise provided in this section, a* stale claim must be approved for payment from the Stale Claims Account by the State Board of Examiners . ~~It, except that the~~ *The* State Board of Examiners may authorize its Clerk ~~it~~ *or a person designated by the Clerk,* under such circumstances as it deems appropriate, to approve stale claims on behalf of the Board. A state agency that is aggrieved by a determination of the Clerk *or the person designated by the Clerk* to deny all or any part of a stale claim may appeal that determination to the State Board of Examiners.

5. A stale claim may be approved and paid at any time, despite the age of the claim, if payable from available federal grants or from a permanent fund in the State Treasury other than the State General Fund.



6. A state agency may pay from the appropriate budget account in the current fiscal year ~~an obligation~~ *a state claim* of the state agency which ~~is~~:

~~(a) Is:~~

~~(1) is:~~

(a) Less than \$100; ~~for~~

~~(2) (b) For medical expenses pursuant to a claim from a third-party administrator; and~~

~~(b) Was incurred in the previous fiscal year but was not submitted for payment until after the date on which it is provided by law that money appropriated to that state agency for the previous fiscal year reverts to the fund from which appropriated.} or~~

(c) *For payroll expenses.*

Sec. 2. NRS 353.264 is hereby amended to read as follows:

353.264 1. The Reserve for Statutory Contingency Account is hereby created in the State General Fund.

2. The State Board of Examiners shall administer the Reserve for Statutory Contingency Account. The money in the Account must be expended only for:

(a) The payment of claims which are obligations of the State pursuant to NRS 41.03435, 41.0347, 621.025, 176.485, 179.310, 212.040, 212.050, 212.070, 281.174, 282.290, 282.315, 288.203, 293.253, 293.405, 353.120, 353.262, 412.154 and 475.235;

(b) The payment of claims which are obligations of the State pursuant to:

(1) Chapter 472 of NRS arising from operations of the Division of Forestry of the State Department of Conservation and Natural Resources directly involving the protection of life and property; and

(2) NRS 7.155, 34.750, 176A.640, 179.225 and 213.153,
 ➤ except that claims may be approved for the respective purposes listed in this paragraph only when the money otherwise appropriated for those purposes has been exhausted;

(c) The payment of claims which are obligations of the State pursuant to NRS 41.0349 and 41.037, but only to the extent that the money in the Fund for Insurance Premiums is insufficient to pay the claims; and

(d) The payment of claims which are obligations of the State pursuant to NRS 535.030 arising from remedial actions taken by the State Engineer when the condition of a dam becomes dangerous to the safety of life or property.

3. The State Board of Examiners may authorize its Clerk ~~H~~ *or a person designated by the Clerk*, under such circumstances as it deems appropriate, to approve, on behalf of the Board, the payment of claims from the Reserve for Statutory Contingency Account. For



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- 1 the purpose of exercising any authority granted to the Clerk of the
2 State Board of Examiners *or to the person designated by the Clerk*
3 pursuant to this subsection, any statutory reference to the State
4 Board of Examiners relating to such a claim shall be deemed to refer
5 to the Clerk of the Board ~~H~~ *or the person designated by the Clerk.*
6 **Sec. 3.** This act becomes effective upon passage and approval.

