

SENATE BILL NO. 482—COMMITTEE ON FINANCE
(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 25, 2013

Referred to Committee on Finance

SUMMARY—Revises provisions relating to state financial administration. (BDR 31-1126)

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; authorizing certain transfers of money appropriated to a department in the Executive Department of the State Government; exempting certain revisions of work programs from the requirement that they be approved by the Interim Finance Committee; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 1 of this bill provides that money appropriated to any department in the Executive Department of State Government may, under certain conditions, be transferred among the various budget accounts of that department in the manner and subject to the same monetary thresholds provided by law for the revision of a work program. Pursuant to **section 1**, any such transfer must be approved by: (1) the Governor or the Chief of the Budget Division of the Department of Administration; and (2) if the amount of the transfer exceeds a specified threshold, the Interim Finance Committee.

Under existing law, any revision of a work program by a department, institution or agency in the Executive Department must be approved by the Governor or the Chief. In addition, if the amount of money involved exceeds the threshold referred to above, the revision must be approved by the Interim Finance Committee. (NRS 353.220) **Section 4** of this bill exempts any revision that would otherwise require the approval of the Committee if the revision: (1) is required by the agency's acceptance of a gift or grant for which acceptance has been approved by the Committee or otherwise authorized; or (2) is the result of the agency carrying forward to the current fiscal year, without a change in purpose, the unexpended balance of any money authorized for expenditure in the immediately preceding fiscal year.



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

Section 1. Chapter 353 of NRS is hereby amended by adding thereto a new section to read as follows:

The sums appropriated to any department in the Executive Department of the State Government may be transferred among the various budget accounts of that department in the same manner and subject to the same monetary thresholds as provided for the revision of a work program pursuant to NRS 353.220.

Sec. 2. NRS 353.150 is hereby amended to read as follows:

353.150 NRS 353.150 to 353.246, inclusive, *and section 1 of this act* may be cited as the State Budget Act.

Sec. 3. NRS 353.155 is hereby amended to read as follows:

353.155 As used in NRS 353.150 to 353.246, inclusive, *and section 1 of this act*, "Chief" means the Chief of the Budget Division of the Department of Administration.

Sec. 4. NRS 353.220 is hereby amended to read as follows:

353.220 1. The head of any department, institution or agency of the Executive Department of the State Government, whenever he or she deems it necessary because of changed conditions, may request the revision of the work program of his or her department, institution or agency at any time during the fiscal year, and submit the revised program to the Governor through the Chief with a request for revision of the allotments for the remainder of that fiscal year.

2. Every request for revision must be submitted to the Chief on the form and with supporting information as the Chief prescribes.

3. Before encumbering any appropriated or authorized money, every request for revision must be approved or disapproved in writing by the Governor or the Chief, if the Governor has by written instrument delegated this authority to the Chief.

4. ~~Whenever~~ *Except as otherwise provided in subsection 8, whenever* a request for the revision of a work program of a department, institution or agency in an amount more than \$30,000 would, when considered with all other changes in allotments for that work program made pursuant to NRS 353.215 and subsections 1, 2 and 3 of this section, increase or decrease by 10 percent or \$75,000, whichever is less, the expenditure level approved by the Legislature for any of the allotments within the work program, the request must be approved as provided in subsection 5 before any appropriated or authorized money may be encumbered for the revision.

5. If a request for the revision of a work program requires additional approval as provided in subsection 4 and:



(a) Is necessary because of an emergency as defined in NRS 353.263 or for the protection of life or property, the Governor shall take reasonable and proper action to approve it and shall report the action, and his or her reasons for determining that immediate action was necessary, to the Interim Finance Committee at its first meeting after the action is taken. Action by the Governor pursuant to this paragraph constitutes approval of the revision, and other provisions of this chapter requiring approval before encumbering money for the revision do not apply.

(b) The Governor determines that the revision is necessary and requires expeditious action, he or she may certify that the request requires expeditious action by the Interim Finance Committee. Whenever the Governor so certifies, the Interim Finance Committee has 15 days after the request is submitted to its Secretary within which to consider the revision. Any request for revision which is not considered within the 15-day period shall be deemed approved.

(c) Does not qualify pursuant to paragraph (a) or (b), it must be submitted to the Interim Finance Committee. The Interim Finance Committee has 45 days after the request is submitted to its Secretary within which to consider the revision. Any request which is not considered within the 45-day period shall be deemed approved.

6. The Secretary shall place each request submitted pursuant to paragraph (b) or (c) of subsection 5 on the agenda of the next meeting of the Interim Finance Committee.

7. In acting upon a proposed revision of a work program, the Interim Finance Committee shall consider, among other things:

(a) The need for the proposed revision; and

(b) The intent of the Legislature in approving the budget for the present biennium and originally enacting the statutes which the work program is designed to effectuate.

8. The provisions of subsection 4 do not apply to any revision of a work program which is:

(a) Required by the acceptance of a gift or grant of property or services for which acceptance is authorized or approved pursuant to NRS 353.335; or

(b) The result of carrying forward to the current fiscal year, without a change in purpose, the unexpended balance of any money authorized for expenditure in the immediately preceding fiscal year.

Sec. 5. NRS 353.246 is hereby amended to read as follows:

353.246 1. Except as otherwise provided in subsection 2 of this section and subsection 6 of NRS 353.210, the provisions of NRS 353.150 to 353.245, inclusive, ***and section 1 of this act*** do not apply to agencies, bureaus, commissions and officers of the



1 Legislative Department, the Public Employees' Retirement System
2 and the Judicial Department of the State Government.

3 2. The Legislative Department, the Public Employees'
4 Retirement System and the Judicial Department of the State
5 Government shall submit their budgets to the Legislature in the
6 same format as the proposed executive budget unless otherwise
7 provided by the Legislative Commission. All projections of revenue
8 and any other information concerning future state revenue contained
9 in those budgets must be based upon the projections and estimates
10 prepared by the Economic Forum pursuant to NRS 353.228.

11 **Sec. 6.** NRS 218E.405 is hereby amended to read as follows:

12 218E.405 1. Except as otherwise provided in subsection 2,
13 the Interim Finance Committee may exercise the powers conferred
14 upon it by law only when the Legislature is not in a regular or
15 special session.

16 2. During a regular or special session, the Interim Finance
17 Committee may also perform the duties imposed on it by subsection
18 5 of NRS 284.115, NRS 284.1729, 285.070, subsection 2 of NRS
19 321.335, NRS 322.007, subsection 2 of NRS 323.020, NRS
20 323.050, subsection 1 of NRS 323.100, subsection 3 of
21 NRS 341.126, NRS 341.142, paragraph (f) of subsection 1 of NRS
22 341.145, NRS 353.220, 353.224, 353.2705 to 353.2771, inclusive,
23 353.288, 353.335, 353C.226, paragraph (b) of subsection 4 of NRS
24 407.0762, NRS 428.375, 439.4905, 439.620, 439.630, 445B.830
25 and 538.650 **H and section 1 of this act.** In performing those duties,
26 the Senate Standing Committee on Finance and the Assembly
27 Standing Committee on Ways and Means may meet separately and
28 transmit the results of their respective votes to the Chair of the
29 Interim Finance Committee to determine the action of the Interim
30 Finance Committee as a whole.

31 3. The Chair of the Interim Finance Committee may appoint a
32 subcommittee consisting of six members of the Committee to
33 review and make recommendations to the Committee on matters of
34 the State Public Works Division of the Department of
35 Administration that require prior approval of the Interim Finance
36 Committee pursuant to subsection 3 of NRS 341.126, NRS 341.142
37 and paragraph (f) of subsection 1 of NRS 341.145. If the Chair
38 appoints such a subcommittee:

39 (a) The Chair shall designate one of the members of the
40 subcommittee to serve as the chair of the subcommittee;

41 (b) The subcommittee shall meet throughout the year at the
42 times and places specified by the call of the chair of the
43 subcommittee; and

44 (c) The Director or the Director's designee shall act as the
45 nonvoting recording secretary of the subcommittee.



1 **Sec. 7.** This act becomes effective on July 1, 2013.

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