

**MINUTES OF THE
JOINT SUBCOMMITTEE ON GENERAL GOVERNMENT
OF THE SENATE COMMITTEE ON FINANCE
AND THE ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Seventy-Seventh Session
April 23, 2013**

The Joint Subcommittee on General Government of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair Joyce Woodhouse at 8:18 a.m. on Tuesday, April 23, 2013, in Room 2134 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Joyce Woodhouse, Chair
Senator Moises (Mo) Denis
Senator Michael Roberson

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblywoman Lucy Flores, Chair
Assemblyman Paul Aizley, Vice Chair
Assemblyman D. Paul Anderson
Assemblyman Andy Eisen
Assemblyman Cresent Hardy
Assemblyman Joseph M. Hogan

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Cindy Jones, Assembly Fiscal Analyst
Eileen G. O'Grady, Chief Deputy Legislative Counsel
Alex Haartz, Principal Deputy Fiscal Analyst
Jennifer Gamroth, Program Analyst
Brody Leiser, Program Analyst
Thomas Hutton-Potts, Committee Secretary

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OTHERS PRESENT:

Kelly Williams, Operations and Finance Manager, Commission on Tourism,
Department of Tourism and Cultural Affairs
Claudia Vecchio, Director, Department of Tourism and Cultural Affairs
Janet M. Geary, Publisher, *Nevada Magazine*, Commission on Tourism,
Department of Tourism and Cultural Affairs
Christina Barr, Executive Director, Nevada Humanities
Peter Barton, Administrator, Division of Museums and History, Department of
Tourism and Cultural Affairs
Joan Lolmaugh, Henderson, Vice Chairman, Board of the Nevada Arts Council,
Nevada Arts Council

Chair Woodhouse:

We will begin the meeting with hearing the budget closing for the Department of
Taxation and budget account (B/A) 101-2361.

FINANCE AND ADMINISTRATION

TAXATION

Department of Taxation — Budget Page TAXATION-9 (Volume I)
Budget Account 101-2361

Jennifer Gamroth (Program Analyst):

The one major closing issue within B/A 101-2361 is located on page 3 of the
Joint Subcommittee on General Government Closing List #3, April 23, 2013
([Exhibit C](#)), which is new positions requested under decision unit E-225.

E-225 Efficient and Responsive State Government — Page TAXATION-12

The Executive Budget recommends a total of six new positions over the
2013-2015 biennium, which will increase the Department's position count from
329 full-time equivalent (FTE) positions to 335 FTE positions. The new positions
include a chief deputy position to identify, modify and promulgate regulations,
provide additional management oversight and serve as the Department's public
information officer.

According to information provided by the Department, there is an inventory of over 200 existing regulations in the *Nevada Administrative Code* (NAC) that need updating and many instances where new regulations are needed to provide a greater degree of clarity for staff and the business community on a variety of State taxation issues. Currently, the Department uses two existing positions, the deputy executive director, compliance and the chief of local government services, to identify and promulgate regulations, which need to be addressed.

In addition to the above role, the new chief deputy position will provide an additional layer of management within the Department's organizational structure. Currently, the Department has three existing unclassified deputy director positions reporting to the director. This does not include the reclassified deputy director position recommended in decision unit E-807. As proposed, the chief deputy position will oversee these three deputy director positions, and according to the Department this will allow them to relocate one deputy director position to southern Nevada to oversee the Las Vegas and Henderson offices. The Department indicates they do not currently have the type of upper management presence needed in southern Nevada. The organizational structure for the Department of Taxation is typical of most State agencies.

E-807 Classified Position Reclassifications — Page TAXATION-15

As follow-up to the Department's budget hearing on March 27, and to address concerns expressed by the Subcommittee, the Department was asked several questions pertaining to the recommended chief deputy position. The Department was asked why an additional layer of upper management was needed and to provide examples of problems or issues that exist within the Department's current organizational structure.

The Department did not provide any examples of issues that exist within the Department's current organizational structure. The Department continued to stress the importance of a constant and ongoing need to review, promulgate, modify and delete regulations based on legislative changes, judicial decisions, policy changes, and compliance with the Streamlined Sales and Use Tax Agreement. The chief deputy's primary duty would be to reduce the backlog of regulations in need of being amended and to promulgate new regulations.

The Department was asked to provide the plan for relocating one of their deputy positions or the chief deputy position to southern Nevada as was mentioned in the narrative included in the Executive Budget. The Department indicates that if the new chief deputy position were funded, it is the intent of the Department to have either a chief deputy, or a deputy director, position in southern Nevada. However, the Department also indicated that currently, all three deputy positions are held by individuals who reside in Carson City and short of terminating someone, that it is not feasible to move an existing deputy to southern Nevada at this time.

The response provided by the Department to Fiscal Analysis Division Staff seems counterintuitive to locate the recommended chief deputy position in southern Nevada, as the Department has stated that the chief deputy position would supervise the four deputy positions, which are all located in Carson City. Also, since the primary function of the chief deputy position is to oversee the regulation process, it would seem reasonable for the position to be located where technical support from other deputies and managers can be easily accessed, which is also in Carson City.

The Department was asked if a paralegal type or professional level staff position would be able to perform the regulation duties identified by the Department. The Department indicated that tax regulations are complex and a high-level position is needed to draft regulations, hold public hearings and to discuss subject content with industry leaders and State officials, such as State Legislators.

The Department was asked if they worked with the Department of Administration's Division of Human Resource Management (DHRM) to determine the appropriate salary range for the requested position and, if not, how the Department determined the appropriate salary for the recommended position. The Department replied that they did not work with the DHRM but that the Department reviewed various agency structures and used the chief deputy positions from the Office of the State Treasurer and the Office of the Secretary of State for salary comparisons.

Fiscal Staff contacted other agencies, including the Department of Business and Industry's Insurance Division, Department of Health and Human Services' (DHHS) Health Division and Division of Welfare and Supportive Services, and the Department of Motor Vehicles (DMV) regarding what type of positions are typically

used to promulgate, create, modify and delete regulations based on legislation, judicial decisions and policy changes.

Within the DHHS, a management analyst IV, a social services program specialist or a business process analyst takes the lead and coordinates with upper management and programmers to manage their regulations.

The Division of Insurance recently reclassified an existing position to a regulatory liaison position for the same specific purposes described by the Department of Taxation. The class specifications for the regulatory liaison position indicate the position is responsible for drafting legal documents, including contracts, opinions, orders, bulletins, regulations, proposed legislation, prosecutorial documents, including subpoenas and technical reports for the commissioner, other staff members, members of the public or other State or federal agencies. This is to ensure the completion of the goals and programs of the Division and to increase the regulation of insurance pursuant to the NAC and Title 57 of the *Nevada Revised Statutes* (NRS). The education and experience required in the Division of Insurance position is a bachelor's degree from an accredited college or university in public administration, business administration, economics, insurance, accounting, statistics or a law degree.

The DMV uses a classification series titled "services manager." The DMV services manager is used in high-level management roles which include developing and implementing regulations, legislation and overseeing compliance.

Fiscal Staff has calculated the salaries and associated costs for a new classified insurance regulation liaison position for cost comparison purposes. For fiscal year (FY) 2013-2014 the total cost would be \$67,513 and for FY 2015-2016 the total cost would be \$83,815, compared to the total costs included in this decision unit for the unclassified chief deputy of \$111,715 in FY 2013-2014 and \$139,773 in FY 2014-2015.

Fiscal Staff does not concede that the Department has made their case in testimony, or through additional written justifications, supporting the recommendation for the unclassified chief deputy position. However, Fiscal Staff does feel the Department needs additional resources to assist with the development and modification of regulations, to reduce their backlog and address

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new issues that require the development of regulations. Fiscal Staff has identified two options for the Subcommittee to consider.

Option No. 1: Does the Subcommittee wish to approve the new unclassified chief deputy position as recommended by the Governor?

Option No. 2: Does the Subcommittee wish to approve a classified position similar to the insurance regulation liaison position that the Division of Insurance utilizes to promulgate, create, modify and delete regulations based on legislation, judicial decisions or policy changes?

If the Subcommittee approves the recommendation for the unclassified chief deputy position, decisions regarding the salary levels for unclassified positions will be made by the full money committees. Fiscal Staff requests authority to make technical adjustments based upon final decisions made by the money committees.

Assemblywoman Flores:

I support the first option. The Department of Taxation is a unique organization that is in constant need of having these regulations expedited. We heard in prior testimony that the Department is over a year behind in updating regulations, which is not good for Nevada. The Department of Taxation has made their case and I am comfortable with Option No. 1.

ASSEMBLYWOMAN FLORES MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE UNCLASSIFIED CHIEF DEPUTY POSITION IN OPTION NO. 1 UNDER DECISION UNIT E-225 IN B/A 101-2361 AND \$111,715 IN FY 2013-2014 AND \$139,773 IN FY 2014-2015 AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

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Ms. Gamroth:

The Executive Budget recommends three new auditor II positions in decision unit E-227 to increase the audit penetration rate to 1 percent. According to the Department, with current staffing levels, they are unable to maintain a 1 percent audit penetration rate. The audit penetration rate is based on the total number of audits conducted annually as a percentage of total taxpayers.

E-227 Efficient and Responsive State Government — Page TAXATION-12

Over the past 4 fiscal years, the Department, with the Legislature's approval, has adjusted the staffing level of auditor II positions responsible for sales and use tax audits from 59 auditor II positions in FY 2007-2008 to 45 in FY 2011-2012. The adjustments to the number of auditor II positions were approved to meet other needs, or were a result of budget reductions.

As a result of the changes within the staffing levels of the audit function, the audit penetration rate of sales and use tax accounts has decreased below the targeted goal of 1 percent to an average of 0.71 percent for fiscal years 2007-2008 through 2011-2012. Based on the justification provided by the Department and the importance of achieving higher rates of audit penetration, a more aggressive audit coverage will achieve rate compliance. The Department indicates the rate of audits resulting in "no change" also dropped during this same time frame. This decision unit appears reasonable.

Does the Subcommittee wish to approve the Governor's recommendation for three new auditor II positions to increase the audit penetration rate to 1 percent?

ASSEMBLYWOMAN FLORES MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THREE NEW AUDITOR II POSITIONS TO INCREASE THE AUDIT PENETRATION RATE TO 1 PERCENT UNDER DECISION UNIT E-227 IN B/A 101-2361 AND FOR \$155,528 IN FY 2013-2014 AND \$189,145 IN FY 2014-2015 AS RECOMMENDED BY

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THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE
TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT
FOR THE VOTE.)

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Ms. Gamroth:

The Executive Budget recommends two new revenue officer II positions in decision unit E-228 to pursue collections of delinquent accounts. The Department indicates that based on the economic downturn there has been an increase in the volume of delinquent accounts and businesses not filing tax returns on time. This resulted in an increased number of tax related hearings requiring additional revenue officers.

E-228 Efficient and Responsive State Government — Page TAXATION-13

With the addition of two new revenue officers, the Department indicates a reduction in caseload numbers per position from 2,022 accounts, as of March 2013, to 1,972 accounts. A lower caseload means that revenue officer staff will be more effective working noncompliant accounts by better managing the workload assigned to them. The Department's justification indicates the average collections per revenue officer were \$1.2 million in FY 2011-2012. The Department indicates average collection amounts and payment compliance will increase by adding two new revenue officer II positions. This decision unit appears reasonable.

Does the Subcommittee wish to approve the Governor's recommendation for two new revenue officer II positions to pursue collections on delinquent accounts?

ASSEMBLYMAN EISEN MOVED TO RECOMMEND TO THE FULL
COMMITTEES TO APPROVE TWO NEW REVENUE OFFICER II POSITIONS IN
DECISION UNIT E-228 UNDER B/A 101-2361 AND \$95,811 IN
FY 2013-2014 AND \$117,477 IN FY 2014-2015 AS RECOMMENDED BY

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THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE
TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT
FOR THE VOTE.)

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Ms. Gamroth:

Unless the Subcommittee has questions, we will only review those closing items that have technical adjustments, budget amendments or position reclassifications.

The Governor recommends changing the funding for the Tobacco Master Settlement Agreement (MSA) Enforcement Unit in decision unit E-500 from General Fund appropriation to Tobacco MSA income, which provides for a General Fund savings of \$444,036 over the 2013-2015 biennium.

E-500 Revenue Adjustment Tobacco Master Settlement — Page TAXATION-13

Fiscal Staff included a technical adjustment to incorporate 100 percent of the costs associated with the three positions for the Tobacco MSA Enforcement Unit recommended to be funded with Tobacco MSA income instead of General Fund money. This reconciles total revenues to total expenditures for the enforcement unit. The technical adjustment included in the closing sheets increases the transfer from the Tobacco Settlement funds distributed by the State Treasurer's Office from the Office of the Attorney General's MSA Administration nonexecutive budget account by \$1,450 in FY 2013-2014 and \$2,187 in FY 2014-2015 and reduces the General Fund appropriation by equal amounts. This decision unit appears reasonable with the technical adjustments noted.

The Governor recommends redesignating the position of chief of the Department's Local Government Services Division in decision unit E-807 from classified service to an unclassified deputy executive director of the Department of Taxation. Decisions

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involving movement of existing positions from classified service into unclassified service and changes to salary levels for unclassified positions are to be made by the full money committees. Fiscal Staff requests authority to make technical adjustments based upon final decisions made by the money committees.

Budget Amendment No. A13A0088, submitted by the Department of Administration's Budget Division, includes a transfer to the Department of Taxation from the Silver State Health Insurance Exchange (SSHIX) in the amount of \$19,919 for FY 2013-2014. The purpose of the transfer is to reimburse the Department for overtime created for the Department's information technology (IT) staff. The staff was charged with making modifications to the Department's Unified Tax System and to develop a new form required to implement and administer a new tax credit for the insurance premium tax for certain fees imposed on insurers by the SSHIX as authorized in Senate Bill (S.B.) 454.

SENATE BILL 454: Makes various changes relating to the Silver State Health Insurance Exchange. (BDR 57-1167)

Senate Bill 454 authorizes insurers to deduct certain fees from certain premiums and compensation received by the insurers before paying the insurance premium tax on the premiums and compensation. Senate Bill 454 was amended and passed by the Senate Committee on Commerce, Labor and Energy on April 10. Decision unit E-807 appears reasonable if this legislation is passed by the 2013 Legislature.

Does the Subcommittee wish to approve other closing items as recommended by the Governor, with the technical adjustments noted for decision unit E-500 and Budget Amendment No. A13A0088 upon passage of S.B. 454, including authority for Staff to make technical adjustments to make salary changes to the salary levels for unclassified positions or to move positions currently from the classified service to the unclassified service based upon final approval by the money committees?

M-101 Agency Specific Inflation — Page TAXATION-11
E-710 Equipment Replacement — Page TAXATION-15

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEM NOS. 1 THROUGH 5 IN

B/A 101-2361; TO CHANGE THE FUNDING FOR THE TOBACCO MSA ENFORCEMENT UNIT IN DECISION UNIT E-500 FROM GENERAL FUND TO TOBACCO SETTLEMENT INCOME, SAVING \$444,036 IN GENERAL FUND MONIES OVER THE 2013-2015 BIENNIUM; TO REDESIGNATE THE POSITION OF CHIEF OF THE LOCAL GOVERNMENT SERVICES FROM CLASSIFIED SERVICE TO THE UNCLASSIFIED POSITION OF DEPUTY EXECUTIVE DIRECTOR AND GENERAL FUND APPROPRIATION OF \$19,213 IN FY 2013-2014 AND \$19,250 IN FY 2014-2015 IN DECISION UNIT E-807; TO APPROVE BUDGET AMENDMENT NO. A13A0088, TO TRANSFER \$19,919 TO THE DEPARTMENT OF TAXATION FROM THE SSHIX IN FY 2013-2014 CONTINGENT UPON PASSAGE OF S.B. 454 BY THE 2013 LEGISLATURE; TO REPLACE OFFICE EQUIPMENT FUNDING OF \$83,916 IN FY 2013-2014 AND \$291,321 IN FY 2014-2015 IN DECISION UNIT E-710; TO INCLUDE ADMINISTRATIVE FEE CIGARETTE TAX OF \$18,983 IN FY 2013-2014 AND \$40,119 IN FY 2014-2015 TO COVER ANTICIPATED INCREASES IN THE COST OF CIGARETTE STAMPS OVER THE 2013-2015 BIENNIUM AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

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Chair Woodhouse:

We will move on to the Tourism Development Fund, B/A 225-1522.

COMMERCE AND INDUSTRY

TOURISM AND CULTURAL AFFAIRS

Tourism - Tourism Development Fund — Budget Page TOURISM-12 (Volume II)
Budget Account 225-1522

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Brody Leiser (Program Analyst):

The Tourism Development Fund has three major closing issues which begin on page 11 of [Exhibit C](#).

In decision unit E-125, the Governor recommends a reduction in reserve of \$702,939 in each fiscal year of the 2013-2015 biennium to increase travel, marketing and advertising, and Nevada Commission on Tourism (NCOT) grant expenditures.

E-125 Sustainable and Growing Economy — Page TOURISM-14

In the marketing and advertising component, the Governor recommends \$450,000 in each fiscal year of the 2013-2015 biennium to increase marketing and advertising efforts of the NCOT. The Agency testified during the March 7 budget hearing that the funds will be used to support the launch of the statewide brand in the key feeder markets of Phoenix, Los Angeles and San Francisco. Furthermore, the Agency indicates that the funds will be mainly used for television advertising buys, but will also include customized advertising through direct-to-consumer outreach based on online behavior. Actual marketing and advertising expenditures of \$7.8 million were recorded in FY 2011-2012, and authority of \$9.6 million is legislatively approved for FY 2012-2013. With the increase recommended in this decision unit, the marketing and advertising authority would be \$9.1 million in each year of the 2013-2015 biennium.

In the travel component, the Governor recommends increases of \$5,040 in each fiscal year in out-of-state travel and \$12,880 in in-state travel. The Agency indicates that the in-state travel is to support six additional annual trips each for the director to travel to Las Vegas, and for the deputy director of marketing to travel to Carson City. The Executive Budget includes an increase to out-of-state travel to support two trips each year for three staff members for the purpose of strategy sessions with the current vendor providing public relations, advertising and marketing services for the Agency. However, the Agency testified during the March 7 budget hearing that the increase in out-of-state travel was no longer needed for this purpose, and could be removed from this decision unit. As such, Fiscal Staff has removed \$5,040 in each fiscal year, with an equal amount being placed in reserve.

In the grant programs component, the Governor recommends \$235,019 in each fiscal year of the 2013-2015 biennium for the purpose of increasing the Rural Matching Grant program by \$135,019 per year, and the Tourism Development Grant by \$100,000 per year. The Rural Matching Grant program, authorized in NRS 231.260, awards funding to local entities for the purpose of promoting travel and tourism within the geographical region of the receiving entity. Recipients must provide a matching amount at least equal to the grant award, with limited exceptions. For comparison purposes, the Department of Tourism and Cultural Affairs (DTCA) issued \$1.3 million in Rural Matching Grants in FY 2012-2013, and has authority to issue \$1.4 million in FY 2013-2014. With this decision unit, recommended funding for the Rural Matching Grant program would total \$1.4 million in each fiscal year of the 2013-2015 biennium.

The Tourism Development Grant program, authorized in NRS 231.360, awards funding to local entities to support the development of projects relating to tourism. For example, funds may be awarded for improvements to visitor centers within a local jurisdiction. Recipients must provide a matching amount at least equal to the grant award, with limited exceptions. For comparison purposes, the DTCA did not issue any Tourism Development grants in FY 2012-2013. Only \$38,530 in grants have been issued to date in FY 2013-2014, although \$200,000 in grant authority exists. Under NRS 231.360, a separate account is to be maintained for the purpose of issuing awards for the Tourism Development Grant program. As such, funds are transferred from this account, and the grants are actually awarded out of the separate Tourism Development account, B/A 225-1523. Fiscal Staff notes that the decision made by the Subcommittee on the Tourism Development Grant program must accord with decisions made in closing the Tourism Development account.

Tourism - Tourism Development — Budget Page TOURISM-20 (Volume II)
Budget Account 225-1523

Does the Subcommittee wish to approve the Governor's recommendation in decision unit E-125 to increase travel, marketing and advertising, and the Nevada Commission on Tourism Grant program expenditures, with the adjustment made by Fiscal Staff to remove the out-of-state travel increase?

Assemblywoman Flores:

Historically, the Tourism Development Grant program has been used minimally. There was \$38,530 used in the last biennium, even though they had \$100,000 in grant authority for each fiscal year, and there is still approximately \$70,000 left in the account.

Mr. Leiser:

The 2011 Legislature approved authority for these grants of \$100,000 in each fiscal year. No tourism development grants were issued in FY 2011-2012. The Department brought a work program before the Interim Finance Committee (IFC) to increase the authority in FY 2012-2013 to \$200,000. The total amount of authority did not increase over the biennium, but the balance was carried over to 2013. Currently, \$100,000 in room tax has been transferred to B/A 101-1523, \$38,530 of which has been issued in grants. There is \$61,470 in funds in that account but a total authority to issue grants of \$200,000 in FY 2012-2013.

Assemblywoman Flores:

Did I understand you to say that there is a current balance of \$61,470 in the account, which is money that has not been used, and we are going to allocate an additional \$100,000 per year for the 2013-2015 biennium in addition to this balance?

Mr. Leiser:

The Governor's recommendation is to authorize grant expenditures for tourism development grants of \$100,000 per year in the upcoming biennium.

Assemblywoman Flores:

There has not been much use in these two accounts. These are room tax dollars that can be used in other areas, such as the Nevada Arts Council grant programs.

Kelly M. Williams (Operations and Finance Manager, Nevada Commission on Tourism):

Although we have not yet expended the full \$200,000 in FY 2012-2013, those grant funds have all been awarded. We have not yet spent the funds, but they are in the process. We anticipate full expenditure by June 30.

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Assemblywoman Flores:

Was nothing requested in one year so these grant funds were rolled forward?

Ms. Williams:

This is not a new grant program as it has been in place for the past 2 biennia. We had the full amount of \$200,000; however, we did not award all grants last year. We carried the funds forward and will spend the full \$200,000 in FY 2012-2013.

Assemblywoman Flores:

Is the entire \$200,000 going to be awarded by the end of this fiscal year?

Ms. Williams:

The entire \$200,000 has already been awarded. It just has not yet been expended.

Assemblywoman Flores:

What kind of awards were they?

Claudia Vecchio (Director, Nevada Department of Tourism and Cultural Affairs):

I will find out what the exact awards were and forward that information to the Subcommittee. These awards are vitally important to this State's infrastructure. They are for brick and mortar kinds of projects, such as improving visitor centers and other structural necessities within the State. These funds ensure that our facilities are providing an excellent experience for all of our visitors.

Assemblywoman Flores:

I understand that these are important. Why are we not expending these awards more rapidly?

Ms. Vecchio:

The same issue occurs within the marketing grants process. There are deadlines throughout the year that grantees must meet. For this grant, there is a specific deadline for the submission of requests by prospective grantees. These are then placed into an approval process with the NCOT. Following approval, and as the projects are completed, the grantees must remit their receipts relating to the specific project for reimbursement.

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Chair Woodhouse:

What happened this year? The grant fund of \$100,000 from the first year of the 2013-2015 biennium was carried forward into the second year of the biennium as described. Is this normal for all biennia, or is it something different in this specific Session?

Ms. Vecchio:

During the 2011-2013 biennium, it was unusual, as grant funds were not expended during the first year. Moving forward, the \$200,000 in grant funds will be expended as awarded. It takes until the end of each fiscal year for grant funds to be distributed to our grantees. The grant funds will be used on an annual basis, at \$100,000 per annum, for critical programs that ensure the infrastructure of this State is maintained and continues to improve.

Assemblyman Eisen:

We are discussing \$100,000 in B/A 225-1522 and also \$100,000 in B/A 225-1523. What are the differences between these two budget accounts?

Ms. Williams:

Budget account 225-1522 is a transfer account and B/A 225-1523 is an expenditure account.

Chair Woodhouse:

Does the Subcommittee wish to approve the Governor's recommendation in decision unit E-125 to increase travel, marketing and advertising, and the NCOT Grant program expenditures, with the adjustment made by Fiscal Staff to remove the out-of-state travel increase?

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE A REDUCTION IN RESERVE OF \$697,899 IN EACH FISCAL YEAR OF THE 2013-2015 BIENNIUM UNDER B/A 225-1522 IN DECISION UNIT E-125 TO PROMOTE INCREASED VISITOR TRAVEL, MARKETING, ADVERTISING AND NCOT GRANT PROGRAM EXPENDITURES AS RECOMMENDED BY THE GOVERNOR WITH THE ADJUSTMENT MADE BY FISCAL STAFF TO REMOVE \$5,040 I N OUT OF STATE TRAVEL AUTHORITY IN EACH FISCAL YEAR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

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Mr. Leiser:

The Governor recommends funding for a new management analyst I position in decision unit E-250 with a reduction in reserves of \$107,362 in the 2013-2015 biennium. The Agency testified, during the March 7 budget hearing, that the new position is necessary to accommodate an increased workload resulting from the establishment of the consolidated DTCA. Staff notes that funding was eliminated in FY 2011-2012 for an administrative services officer IV in the Cultural Affairs Administration budget as part of the effort to establish the consolidated DTCA. The new position would be responsible for Department-wide contract management and support, including the development, monitoring and review of all contracts for the divisions within the DTCA.

E-250 Efficient and Responsive State Government — Page TOURISM-15

The position would serve as the main fiscal support position for all Nevada Indian Commission fiscal-related duties, provide fiscal support for the NCOT business office including the preparation, monitoring and maintenance of the biennial budget. Additionally, the position would be responsible for developing and maintaining Department-wide policies, procedures and internal controls to ensure they are standardized throughout each division of the Department. Currently, the NCOT operations and finance manager functions as the single employee dedicated to fiscal tasks in this account. In addition to the duties mentioned above, the position would ensure a separation of duties within all financial transactions that currently requires Departmental staff to be pulled from other programs to assist as necessary. Based on the duties described for this position, this recommendation appears reasonable to Fiscal Staff.

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Does the Subcommittee wish to approve the Governor's recommendation for a new management analyst I position in decision unit E-250?

SENATOR DENIS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE A REDUCTION IN RESERVE OF \$46,596 IN FY 2013-2014 AND \$60,766 IN FY 2014-2015 UNDER DECISION UNIT E-250 IN B/A 225-1522 TO ADD A NEW MANAGEMENT ANALYST I POSITION TO THE DTCA; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

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Mr. Leiser:

The third major closing issue on page 12 of [Exhibit C](#) is the room tax revenue projections. The NCOT is primarily funded with three-eighths of 1 percent of statewide room tax revenues.

The table of updated room tax revenue projections is shown on page 13 of [Exhibit C](#). The Governor's recommended budget includes room tax revenues of \$18.15 million in FY 2013-2014 and \$18.66 million in FY 2014-2015, an increase of 4.8 percent and 7.7 percent respectively, over the base year. Based on actual collections in the months since the Governor's recommended budget was submitted, the NCOT provided updated projections on March 4 of \$18.13 million in FY 2013-2014 and \$18.68 million in FY 2014-2015.

The updated projections from the NCOT are based on recent months' activity and vary only slightly from the amounts recommended in the [Executive Budget](#). The NCOT has indicated to Fiscal Staff that updated projections will be completed during the first week of May accounting for actual collections for March and complete data for the first quarter of calendar year 2013.

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Does the Subcommittee wish to authorize Fiscal Staff to revise the room tax revenues, based on the revised projections that will be produced during the first week of May, including any corresponding adjustments to the reserve in this account based on the revisions?

ASSEMBLYWOMAN FLORES MOVED TO RECOMMEND TO THE FULL COMMITTEES TO AUTHORIZE STAFF TO REVISE ROOM TAX REVENUES IN B/A 225-1522 FOR THE 2013-2015 BIENNIUM BASED UPON REVISED PROJECTIONS THAT WILL BE PRODUCED DURING THE FIRST WEEK OF MAY, INCLUDING ANY CORRESPONDING ADJUSTMENTS TO THE RESERVE IN THIS ACCOUNT BASED ON REVISIONS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

* * * * *

Mr. Leiser:

Other Closing Item No. 3, under B/A 225-1522, is for replacement equipment in decision unit E-710 on page 13 of [Exhibit C](#). This decision unit appears in each budget closing to be heard today. Included in decision unit E-710 is the purchase of antivirus software. Enterprise Information Technology Services (EITS) brought a work program before the IFC that included a statewide security software. As a result, there is a statewide budget amendment that includes statewide security software that will provide antivirus coverage throughout various departments and budget accounts throughout the Executive Budget.

E-710 Equipment Replacement — Page TOURISM-17

This recommendation appears to be reasonable. However, Fiscal Staff would request authority to adjust the amount budgeted for antivirus software based on the statewide security software being recommended through the statewide budget amendment.

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The Fiscal Analysis Division received Budget Amendment No. A13A0084 on April 12 increasing transfers to the Nevada Indian Commission for supporting the new program officer II position. This new position will be discussed in detail in the Nevada Indian Commission closing document. The companion Budget Amendment No. A13A0078 is contingent upon approval, or the action taken by, the Subcommittee in the Nevada Indian Commission account.

Does the Subcommittee wish to approve Other Closing Item Nos. 1 through 6 as recommended by the Governor with authorization for Fiscal Staff to make any necessary technical adjustments?

Assemblywoman Flores:

In supporting the arts, the Nevada Arts Council is essentially supporting education in Nevada based upon the correspondence we receive from community members, from what we have seen happening in the community and all of the children who came in during the recent hearings. In order for us to support this growing community and what it means to Nevada, \$125,000 is not enough. I would support increasing that appropriation by \$25,000 every fiscal year, for a total of \$150,000 per fiscal year for a \$50,000 biennial increase.

E-150 Sustainable and Growing Economy — Page TOURISM-14

Senator Denis:

Having chaired this Committee through the last two Sessions, one of the hardest things I have had to do was cutting this budget. These are the funds that the Nevada Arts Council grants to arts projects throughout the State. We have continued to cut and, while the economy has not recovered, I am in agreement that we need to do more where we can, especially when it comes to the arts as it is an inexpensive way to add quality to the lives of our citizens.

E-249 Efficient and Responsive State Government — Page TOURISM-15

E-804 Cost Allocation — Page TOURISM-17

E-900 Transfer from Tourism to Div Human Resource Mgmt — Page TOURISM-18

ASSEMBLYWOMAN FLORES MOVED TO RECOMMEND TO THE FULL
COMMITTEES TO APPROVE DECISION UNITS E-249, E-710, E-804, E-900
AND BUDGET AMENDMENT NO. A13A0084 OF B/A 225-1522 AS

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RECOMMENDED BY THE GOVERNOR; TO INCREASE THE ANNUAL TRANSFER TO THE NEVADA ARTS COUNCIL BY \$25,000 FOR A TOTAL TRANSFER OF \$150,000 IN EACH FISCAL YEAR IN DECISION UNIT E-150; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

* * * * *

Assemblyman Hardy:

While I concur with the comments, where is this money coming from? Are we going to cut other budgets based on the numbers we have today, or are we planning on an Economic Forum that will indicate we have a substantially larger amount of money than what we are discussing here?

Chair Woodhouse:

What we are doing is closing the budgets and these Subcommittee recommendations are going to be sent to the full Committees.

Mr. Leiser:

These funds would come from increasing the transfer of room tax to the Nevada Arts Council for the purpose of grants. The funds would need to come out of the reserves of the Tourism Development account. Based upon the Governor's recommended budget and adjustments made by Fiscal Staff, currently the reserve is budgeted for \$2.8 million in FY 2013-2014 and \$2.6 million in FY 2014-2015.

Based on the motion, this would reduce the reserve by \$25,000 in each fiscal year.

Chair Woodhouse:

We will move ahead to a discussion of the Tourism Development account, B/A 225-1523.

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Mr. Leiser:

The tourism development account includes no major closing issues. Fiscal Staff is responsible for developing recommendations for this account. The Subcommittee has not previously reviewed this budget account, as it was recommended for Fiscal Staff closing.

On page 16 of [Exhibit C](#), based upon the Subcommittee's actions taken in B/A 225-1522, Other Closing Item No. 1, decision unit E-125, needs to be approved in this account.

E-125 Sustainable and Growing Economy — Page TOURISM-20

In Other Closing Item No. 2, Fiscal Staff has made technical adjustments to the Base Budget to remove the budgeting of a reserve in this account. The account has no operating costs; rather, it is used for the purpose of issuing grants to support rural tourism infrastructure development. Fiscal Staff worked with the Agency and the Budget Office and determined that there is no need to maintain a reserve in this account. As such, Fiscal Staff has made a technical adjustment to place the balance forward amount and license plate renewal revenues in the grant expenditure category in this account. This adjustment increases grant expenditures by \$33,695 in FY 2013-2014 and by \$7,254 in FY 2014-2015. Therefore, Fiscal Staff recommends eliminating the reserve in both FY 2013-2014 and FY 2014-2015, and allocating the balance forward in FY 2013-2014 and the license plate renewal revenue in both fiscal years to the grant expenditure category.

Does the Subcommittee wish to approve the Tourism Development budget account as recommended by the Governor, with the technical adjustment made by Fiscal Staff to the Base Budget?

ASSEMBLYWOMAN FLORES MOVED TO RECOMMEND TO THE FULL COMMITTEES TO AUTHORIZE THE TRANSFER OF \$100,000 IN ROOM TAX REVENUE EACH FISCAL YEAR OVER THE 2013-2015 BIENNIUM TO PROVIDE DEVELOPMENTAL GRANTS UNDER B/A 225-1523 IN DECISION UNIT E-125 AS RECOMMENDED BY THE GOVERNOR; AND TO APPROVE ADJUSTMENTS MADE BY FISCAL STAFF TO THE BASE BUDGET REMOVING RESERVES FROM THIS ACCOUNT FOR FY 2013-2014 OF

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\$33,695 AND \$7,254 IN FY 2014-2015 AND INCREASING DEVELOPMENTAL GRANTS BY EQUAL AMOUNTS IN EACH YEAR UNDER OTHER CLOSING ITEM NO. 2; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

* * * * *

Chair Woodhouse:

We will now move to the *Nevada Magazine* account, B/A 530-1530.

Tourism - Nevada Magazine — Budget Page TOURISM-22 (Volume II)
Budget Account 530-1530

Mr. Leiser:

Budget account 530-1530 contains three major closing issues that begin on page 18 of [Exhibit C](#).

Major Closing Issue No. 1 is decision unit E-126 in which the Governor is recommending publication of the official Sesquicentennial book for Nevada's 150th anniversary celebration. Fiscal Staff received correspondence from *Nevada Magazine* on March 1 indicating that the recommended funding and expenditures in the Executive Budget for this publication are no longer applicable.

E-126 Sustainable and Growing Economy — Page TOURISM-24

A representative from *Nevada Magazine* testified during the March 7 budget hearing that a Sesquicentennial book is still recommended. However, the recommendation is to now produce the publication in-house using 150 historical photos from past calendars. The Agency testified that 10,000 copies of the publication are to be produced. However, based on subsequent information

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provided by the *Nevada Magazine*, estimated expenditures are anticipated to be \$30,318 for production of the 10,000 copies. Additionally, *Nevada Magazine* has provided information that the publication will retail at \$29.95 for nonsubscribers with an estimated 5,000 copies to be sold to nonsubscribers and \$19.95 for subscribers for a total of \$249,500 in projected sales revenue in FY 2013-2014.

Based on the subsequent information provided by the Agency to Fiscal Staff, decision unit E-126 has been adjusted to reflect a net amount of \$249,500 in projected sales revenue, \$30,318 in publication printing and freight expenditures, with \$219,182 placed into reserve.

Does the Subcommittee wish to approve the Governor's recommendation for *Nevada Magazine* to publish a Sesquicentennial book, with adjustments made by Staff to remove the original revenue sharing proposal, and have *Nevada Magazine* produce the publication in-house?

ASSEMBLYMAN AIZLEY MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE PUBLICATION OF THE NEVADA SESQUICENTENNIAL BOOK AT A COST OF \$30,318 UNDER B/A 530-1530 IN DECISION UNIT E-126 AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

* * * * *

Mr. Leiser:

Major Closing Issue No. 2 is the increased subscription base in decision unit E-127. The Governor is recommending additional subscription sales revenues of \$59,850 in each fiscal year as the result of expanded promotional efforts. These efforts include two Groupon and one Living Social subscription drives annually. Additionally, the Magazine has added two new trade advertising

resources, Fox News Radio and "Drive and Fly." Of the total revenue in the Executive Budget, \$21,612 per year would offset the production and postage costs of 3,000 additional print subscribers, and provide funds for the DTCA to contract for the development of iPhone and iPad access to past and present issues of the Magazine. The Agency had originally indicated that they anticipate an additional 3,000 print subscriptions per year as a result of these efforts.

E-127 Sustainable and Growing Economy — Page TOURISM-24

During the March 7 budget hearing, the Agency testified that \$59,850 in subscription revenue included a mixture of online and print subscriptions. In response to an inquiry from Fiscal Staff, the Agency has indicated that this effort is estimated to result in an additional 3,500 subscriptions per year, or 500 more than originally estimated. For comparison purposes, *Nevada Magazine* has indicated that there were 9,049 print subscribers at the end of FY 2011-2012 and that current subscribers total 8,985. The Agency stated that the estimated additional 3,500 subscriptions are to be composed of 2,500 new print subscribers at \$19.95 each per year and 1,000 new online subscribers at \$9.95 each per year. In justifying the increase, the Agency testified during the budget hearing that they estimate an additional 800 new annual subscriptions resulting from Groupon drives, and 500 new annual subscriptions from the Living Social drives. Additionally, the Agency testified that they anticipate an increase in new subscriptions based on the efforts to bring circulation services in-house thus gaining control over email and direct mail subscription drives.

Based on the testimony and the subsequent information provided by the Agency, Fiscal Staff has made adjustments to decision unit E-127 reducing the annual subscription revenue by \$25, and the printing and postage costs by \$3,000 per year, with the net amount of \$2,975 being placed into reserve each year to reflect the change in estimated new print subscriptions from the original amount of 3,000 to the adjusted amount of 2,500.

Does the Subcommittee wish to approve the recommendation for *Nevada Magazine* to expand its promotional efforts to increase the Magazine's subscription base in decision unit E-127, with adjustments made by Fiscal Staff to reduce printing and postage costs to reflect the estimated increase of 2,500 new print subscriptions?

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Senator Denis:

Last biennium, you had a goal to increase subscriptions. Please talk about how that went.

Janet Geary (Publisher, *Nevada Magazine*):

I do not have those numbers with me.

We have just recently been able to change our method of processing subscriptions as we are bringing our subscriptions process in-house. We have used a fulfillment company in the past based upon the lack of funds for the *Nevada Magazine*. We are now going to be using an existing position to perform these processes. This grants us control of our direct mail and email subscription drives which we have not had in the past. This will increase our subscriptions as we have not had the funding to perform direct mailings or electronic subscription drives in the past.

Senator Denis:

Over the past 2 years, has the number of subscriptions gone up or down?

Ms. Geary:

Print subscription numbers have remained the same; however, visits to our Website have increased by several thousand. Our Magazine has been available online in a touring book format for 2 years.

Senator Denis:

Have you conducted a study of those individuals accessing the Magazine online? Do you know who they are? Are you targeting those whom are more likely to purchase a subscription?

Ms. Geary:

Yes. We have captured the demographic data of our subscribers. As expected, these individuals represent senior generations as magazine readers are typically older. We will be focusing on the same demographic of people who read *Nevada Magazine*. This is an over-55 demographic accounting for \$50,000 or more in annual income.

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL
COMMITTEES TO APPROVE EXPANDING *NEVADA MAGAZINE*

PROMOTIONAL EFFORTS, INCREASE ANNUAL PRINT SUBSCRIPTIONS BY 2,500, AND ONLINE SUBSCRIPTIONS BY 1000, AND ADDITIONAL SALES REVENUES OF \$59,825 IN EACH FISCAL YEAR OF THE 2013-2015 BIENNIUM; TO REDUCE PRINTING AND POSTAGE COSTS REFLECTIVE OF THE ESTIMATED INCREASE IN PRINT SUBSCRIPTIONS UNDER B/A 530-1530 IN DECISION UNIT E-127 AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

* * * * *

Mr. Leiser:

In Major Closing Issue No. 3, decision unit E-125, the Governor recommended the publication of an annual Chinese Travel Guide to be distributed by the DTCA China office. *Nevada Magazine* has indicated to Fiscal Staff that there is no intent to move forward with this guide and that this specific decision unit can be removed. As such, Fiscal Staff has eliminated this decision unit. This elimination reduces approximately \$240,000 in advertising sales revenue from this budget over the 2013-2015 biennium.

E-125 Sustainable and Growing Economy — Page TOURISM-24

Does the Subcommittee wish to eliminate the recommendation in decision unit E-125 to produce a Chinese Travel Guide, as the Agency has indicated there is no longer an intent to pursue this publication?

ASSEMBLYMAN EISEN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO ELIMINATE DECISION UNIT E-125 IN B/A 530-1530 FOR THE PRODUCTION OF A CHINESE TRAVEL GUIDE, REDUCING \$240,000 IN ADVERTISING SALES REVENUE FROM THIS BUDGET OVER THE BIENNIUM.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

* * * * *

Mr. Leiser:

On page 21 of [Exhibit C](#), under Other Closing Item No. 6, Fiscal Staff has made a technical adjustment to the Base Budget. During the March 7 budget hearing, the Agency testified that circulation services will be brought in-house. The services are currently performed by an outside vendor including accepting and processing new subscribers, collecting payments, maintaining current subscriber lists and managing customer service inquiries. The Agency testified that these services could be performed by existing staff beginning July 1. Fiscal Staff has worked with *Nevada Magazine* and based on bringing these services in-house, technical adjustments have been made to the Base Budget to remove costs associated with the outside vendor. The adjustments remove the vendor costs of \$20,600 in each fiscal year, and place an equal amount in reserves. Therefore, Fiscal Staff recommends reducing the vendor costs of \$20,600 for Novad, Inc., in each fiscal year of the 2013-2015 biennium, placing an equal amount in reserve, and seeks approval for this adjustment.

Does the Subcommittee wish to approve Other Closing Item Nos. 1 through 6 as recommended by the Governor, with adjustments made by Fiscal Staff for Item Nos. 4 and 6, and to authorize Fiscal Staff to make technical adjustments as necessary?

E-225 Efficient and Responsive State Government — Page TOURISM-25
E-226 Efficient and Responsive State Government — Page TOURISM-25
E-227 Efficient and Responsive State Government — Page TOURISM-26
E-804 Cost Allocation — Page TOURISM-27

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEES TO REDUCE THE VENDOR COSTS OF \$20,600 FOR NOVAD, INC. IN EACH FISCAL YEAR PLACING AN EQUAL AMOUNT IN RESERVE IN CLOSING ITEM NO. 6; TO APPROVE THE REDUCTION IN RESERVES OF \$18,420 IN FY 2013-2014 AND \$4,796 IN FY 2014-2015 IN DECISION UNIT E-710 FOR EQUIPMENT REPLACEMENT AND TO REMOVE A COMPUTER NOT SCHEDULED FOR REPLACEMENT PURSUANT TO THE EITS RECOMMENDED REPLACEMENT SCHEDULE; TO REDUCE RESERVES OF \$2,820 EACH FISCAL YEAR OF THE 2013-2015 BIENNIUM TO ALLOW FOR TRAVEL BY THE MAGAZINE PUBLISHER AND EDITOR TO ATTEND THE ANNUAL INTERNATIONAL REGIONAL MAGAZINE ASSOCIATION CONFERENCES IN DECISION UNIT E-225; TO REDUCE RESERVES BY \$108 IN EACH FISCAL YEAR OF THE 2013-2015 BIENNIUM FOR PRINTING COSTS OF BUSINESS CARDS FOR MAGAZINE STAFF IN DECISION UNIT E-226; TO REDUCE RESERVES BY \$1,320 IN EACH FISCAL YEAR OF THE 2013-2015 BIENNIUM FOR USE OF PHOTOGRAPHERS OUTSIDE OF THE MAGAZINE'S STAFF; AND TO REDUCE RESERVES BY \$683 IN FY 2013-2014 AND \$704 IN FY 2014-2015 FOR CENTRALIZED PERSONNEL SERVICES COST ALLOCATIONS TO THE DHRM AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON WAS ABSENT FOR THE VOTE.)

* * * * *

Chair Woodhouse:

We will move on to the Indian Commission account, B/A 101-2600.

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Mr. Leiser:

Budget account 101-2600 has one major closing issue.

The Fiscal Analysis Division received Budget Amendment No. A13A0078 on April 12 recommending the addition of a new program officer II position to direct, plan and coordinate new programs within the Nevada Indian Commission (NIC). Currently, the NIC operates with two full-time staff. The Agency has indicated there has not been an increase in staff since the NIC was established in 1965.

A significant portion of the new position's duties would be directly connected to efforts at the Stewart Facility in Carson City. The State acquired the facility in a series of transactions from the federal government, and the executed deed requires that buildings Nos. 1 and 3 of the facility house the memorabilia of the former Indian boarding school for public access. The NIC has the responsibility of carrying out this requirement of the deed. This position would be responsible for coordinating the establishment of the Stewart Indian Cultural Center, including efforts to apply for and secure grant funding to carry out those efforts. The goal of the NIC is to have the facility designated as a National Historic Landmark. The position would also assist in the coordination of future legislative requests from the Nevada tribes and work with outside partners to implement and perform various programs, events and fundraisers. The NIC is currently working with a grants writer to implement a grants and fundraising development plan. The plan will provide a road map for researching, identifying and preparing grant applications to carry out the efforts on behalf of the Stewart Indian School project and is anticipated to be completed by June 30.

Based on the projected completion of the plan, the necessary work that will ensue and the anticipated grants application deadlines of late summer and fall of 2013, the Governor is recommending that the position start date be effective August 1 and be budgeted at a step 1 within the budget amendment. The justification is that it is necessary for the position to start as soon as possible to begin efforts of applying for and securing potential federal and state grant funds for the project. The Agency indicated to Fiscal Staff that the DHRM has reviewed and confirmed that the classification is appropriate, but has not yet signed off on a final approval. Final review and approval by the DHRM would occur following legislative approval of the position. The position costs a total of \$116,507 over the biennium,

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and is funded with \$87,380 from the General Fund and \$29,127 in room tax revenue. This is consistent with the 75 percent to 25 percent split in this account.

Does the Subcommittee wish to approve the recommended new program officer II position in Budget Amendment No. A13A0078, thereby adding \$87,380 in General Fund money and \$29,127 in room tax revenue to this account, and authorize Fiscal Staff to make technical adjustments as necessary?

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE NEW PROGRAM OFFICER II POSITION IN BUDGET AMENDMENT NO. A13A0078 UNDER B/A 101-2600, THEREBY ADDING \$87,380 IN GENERAL FUND MONEY AND \$29,127 IN ROOM TAX REVENUE TO THIS ACCOUNT OVER THE 2013-2015 BIENNIUM AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR ROBERSON SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Leiser:

E-226 Efficient and Responsive State Government — Page TOURISM-31

E-710 Equipment Replacement — Page TOURISM-32

E-804 Cost Allocation — Page TOURISM-33

Does the Subcommittee wish to approve Other Closing Item Nos. 1 through 3 as recommended by the Governor, and to authorize Fiscal Staff to make any technical adjustments necessary?

ASSEMBLYMAN AIZLEY MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE CLOSING ITEM NOS. 1 THROUGH 3 UNDER B/A 101-2600 TO INCREASE FUNDING FOR IN-STATE TRAVEL FOR THE DIRECTOR FUNDED WITH \$5,912 IN FY 2013-2014 AND \$5,147 IN

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FY 2014-2015 TOTALING \$8,294 OF GENERAL FUND APPROPRIATION AND \$2,765 OF ROOM TAX TRANSFERS IN DECISION UNIT E-226 CONSISTENT WITH THE 75 PERCENT TO 25 PERCENT SPLIT WITHIN THIS ACCOUNT; TO REPLACE ONE DESKTOP COMPUTER, TWO PRINTERS AND ANTIVIRUS SOFTWARE FUNDED WITH \$1,240 IN FY 2013-2014 AND \$195 IN FY 2014-2015 PURSUANT TO THE EITS RECOMMENDED REPLACEMENT SCHEDULE IN DECISION UNIT E-710; TO AUTHORIZE CENTRALIZED PERSONNEL SERVICES COST ALLOCATION OF THE DHRM FUNDED WITH \$269 IN GENERAL FUND APPROPRIATION AND \$99 IN ROOM TAX TRANSFERS OVER THE 2013-2015 BIENNIUM IN DECISION UNIT E-804 AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR ROBERSON SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Leiser:

Budget account 101-2894, Nevada Humanities, is on page 25 of [Exhibit C](#). The Subcommittee has not previously reviewed this account as this is a Fiscal Staff recommended closing account. There are no major closing issues.

Tourism - Nevada Humanities — Budget Page TOURISM-35 (Volume II)
Budget Account 101-2894

Does the Subcommittee wish to approve the Nevada Humanities budget account as recommended by the Governor?

Assemblyman Eisen:

This account has been decimated over the past years due to budget cuts. In the past, this account was funded at \$100,000 per year. It is important to continue these educational activities and I move to add an additional \$10,000 per year for

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a total addition of \$20,000 over the 2013-2015 biennium to the Nevada Humanities budget account.

Assemblywoman Flores:

What kind of programming does this specific account provide?

Chair Woodhouse:

This account fosters Nevada heritage, humanities activities, lectures, exhibits, publications, book festivals, historic performances, teacher institutes and documentary films. All Nevada Humanities programs are educational.

Assemblyman Eisen:

These programs are performed throughout the State to foster learning surrounding the humanities and our culture. These are educational programs and training programs for teachers performed in coordination with the National Endowment for the Humanities. This is an effort to restore a small portion of funding that has been cut over the past several Sessions.

Christina Barr (Executive Director, Nevada Humanities):

We work statewide producing festivals in addition to a variety of cultural programming. We also fund, through a grant-making program, different nonprofits, cultural organizations and educational institutions statewide. We contribute part of the funding that comes to us from the State to support grant-making programs as well as the operations of our southern Nevada offices.

Assemblyman Hardy:

While I agree with my colleague from the south about some of these issues, we are not in an economic environment in which we should continue raising funding levels for programs when we do not know where the funds are originating. I will not be supporting the motion to increase funding.

ASSEMBLYMAN EISEN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE AN INCREASE IN FUNDING OF \$10,000 PER FISCAL YEAR IN B/A 101-2894 OVER THE 2013-2015 BIENNIUM IN ADDITION TO THE GOVERNOR'S RECOMMENDATIONS FOR TOTAL FUNDING OF \$50,000 PER FISCAL YEAR TO THE NEVADA HUMANITIES BUDGET ACCOUNT.

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SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN HARDY VOTED NO.
ASSEMBLYMAN ANDERSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED. (SENATOR ROBERSON VOTED NO.)

* * * * *

Chair Woodhouse:

We will move on to the Museums and History account, B/A 101-2941.

Tourism - Museums & History — Budget Page TOURISM-46 (Volume II)
Budget Account 101-2941

Mr. Leiser:

Budget account 101-2941 contains no major closing issues.

Does the Subcommittee wish to approve the Museums and History budget account as recommended by the Governor, including decision units E-710, E-755, E-756 and E-804, with authority for Fiscal Staff to make any necessary technical adjustments?

E-710 Equipment Replacement — Page TOURISM-48

E-755 Budget Restorations — Page TOURISM-49

E-756 Budget Restorations — Page TOURISM-49

E-804 Cost Allocation — Page TOURISM-50

SENATOR DENIS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE \$2,971 IN FY 2013-2014 AND \$2,391 IN FY 2014-2015 IN DECISION UNIT E-710 FOR REPLACEMENT EQUIPMENT AND SOFTWARE; TO AUTHORIZE \$4,140 IN EACH FISCAL YEAR TO INCREASE FUNDING FOR IN-STATE TRAVEL IN DECISION UNIT E-755; TO AUTHORIZE \$163 OVER THE BIENNIUM IN DECISION UNIT E-756 FOR TWO EMAIL ACCOUNTS ASSOCIATED WITH NEW POSITIONS REQUESTS IN THE NEVADA STATE MUSEUM; TO AUTHORIZE \$715 OVER THE 2013-2015 BIENNIUM FOR CENTRALIZED PERSONNEL SERVICES COST

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ALLOCATION TO THE DHRM IN DECISION UNIT E-804 AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ANDERSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Chair Woodhouse:

We will move to the Museums and History, Nevada State Museum account, B/A 101-2940.

Tourism - Museums & Hist - Nevada State Museum CC - Budget Page
TOURISM- 64 (Volume II)
Budget Account 101-2940

Mr. Leiser:

There are two major closing issues in B/A 101-2940. Major Closing Issue No. 1 is museum staff restorations. The summarization of Staff restoration recommendations throughout Nevada's museums is provided on pages 29 and 30 of [Exhibit C](#).

The FTE positions of the Division of Museums and History were reduced from 40 hours per week to 32 hours per week beginning in FY 2009-2010 due to declining General Fund revenues. In total, and over the next five museum budget accounts, the Governor is recommending the restoration of 61 Division staff to 40 hours per week, and increasing at a minimum, one additional day of operation at each of the State's seven museums.

The tables on page 29 of [Exhibit C](#) provide a summary of various decision units and recommended funding throughout the five operating museum budget accounts to support the Governor's recommendation to restore staff.

The Governor recommends the restoration of 18 museum staff from 0.8 FTE to full-time positions at the Nevada State Museum, Carson City.

The retail storekeeper position recommended for restoration to a full-time position, in decision unit E-751, is listed separately because it is funded by the Division of Museums and History Dedicated Trust Fund.

E-751 Budget Restorations — Page TOURISM-69

The 17 other positions, in decision unit E-750, are funded with \$170,067 in General Fund appropriation, \$38,084 in admission charge revenue, \$171,423 in room tax, and \$47,992 in Dedicated Trust Fund monies over the biennium. Decision unit E-751 is funded with \$17,684 in the Dedicated Trust Fund monies over the biennium.

E-750 Budget Restorations — Page TOURISM-68

Decision unit E-754 adjusts longevity pay included in the Base Budget to align the calculation with the restoration of the eligible staff to full-time positions. Subsequently, the same amount is suspended in decision unit E-672. This is provided for informational purposes only and does not require action by the Subcommittee.

E-754 Budget Restorations — Page TOURISM-69

E-672 Suspend Longevity for 2013-2015 Biennium — Page TOURISM-67

The Governor recommends the addition of a 0.51 FTE security officer position, in decision unit E-756, to facilitate the additional service hours resulting from restoring the 18 museum staff to full-time positions in this account. The decision unit is funded with \$16,213 in General Fund appropriation, \$19,070 in admission charge revenue, and \$16,376 in room tax over the biennium.

E-756 Budget Restorations — Page TOURISM-70

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Does the Subcommittee wish to approve the restoration of 18 staff in this account from 0.8 FTE to full-time positions as recommended by the Governor in decision units E-750 and E-751, and to authorize Fiscal Staff to make technical adjustments as necessary?

SENATOR DENIS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE RESTORATION OF 18 MUSEUM STAFF FROM 0.8 FTE TO FULL-TIME POSITIONS UNDER B/A 101-2940 IN DECISION UNIT E-750 FUNDED BY \$170,067 IN GENERAL FUND APPROPRIATION, \$38,084 IN ADMISSION CHARGE REVENUE, \$171,423 IN ROOM TAX AND \$47,992 IN DEDICATED TRUST FUND MONIES; TO FUND DECISION UNIT E-751 BY \$17,684 IN DEDICATED TRUST FUND MONIES OVER THE 2013-2015 BIENNIUM AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN FLORES SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ANDERSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Leiser:

Does the Subcommittee wish to approve the part-time security officer as recommended by the Governor in decision unit E-756, and to authorize Fiscal Staff to make technical adjustments as necessary?

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE ADDITION OF A 0.51 FTE SECURITY OFFICER POSITION UNDER B/A 101-2940 IN DECISION UNIT E-756 TO FACILITATE ADDITIONAL SERVICE HOURS RESULTING FROM RESTORING 18 MUSEUM STAFF TO FTE POSITIONS FUNDED WITH \$16,213 IN GENERAL FUND APPROPRIATION, \$19,070 IN ADMISSION CHARGE REVENUE AND \$16,376 IN ROOM TAX OVER THE 2013-2015 BIENNIUM

AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR ROBERSON SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Leiser:

The Governor recommends changing the funding source in decision unit E-225 for one exhibit preparator and two curator positions in this account that were previously funded in part, or in whole, by the Dedicated Trust Fund. The recommendation would remove the Dedicated Trust Fund revenue source and fund the three positions with an equal amount of General Fund monies and room tax revenues, which is consistent with the funding of similar positions in this account. This decision unit reduces Dedicated Trust Fund revenues of \$279,257, and increases General Fund appropriation by \$139,629 and room tax revenues by \$139,628 over the 2013-2015 biennium.

E-225 Efficient and Responsive State Government — Page TOURISM-66

Fiscal Staff notes that a similar request was approved at the April 24, 2012, meeting of the IFC to temporarily change the funding source for these three positions in FY 2012-2013. The 2011 Legislature approved the three positions with support of General Fund appropriation, room tax revenues and Dedicated Trust Fund monies.

The Agency presented a work program to the IFC to change the positions' funding source for two reasons.

First, there was a projected shortfall in Dedicated Trust Fund revenues, resulting in inadequate funding to support the positions in FY 2012-2013. Additionally, it was the intent of the Agency to fund these positions consistent with similar positions in the museum, and consistent with the funding of similar positions in the other

museums across the State. The IFC approval was made with the stipulation that the funding for these three positions be reviewed by the 2013 Legislature. Fiscal Staff notes that, other than the three positions identified in this decision unit in the Carson City museum, all curator and preparator positions throughout each of the State's museums are funded with General Fund monies and room tax revenues. Additionally, Fiscal Staff notes that, other than the three positions identified in this decision unit, the only positions supported with Dedicated Trust Fund revenues have a direct role in museum stores and membership sales, which directly benefits the Dedicated Trust Fund. As such, this recommendation would align the funding for these three positions to be consistent with the position funding support in each of the other four State museum operating accounts.

Does the Subcommittee wish to approve the Governor's recommendation in decision unit E-225 to fund an exhibit preparator and two curator positions with General Fund appropriation and room tax revenues, thus eliminating the Dedicated Trust Fund support for the three positions, and authorize Fiscal Staff to make any necessary technical adjustments?

SENATOR DENIS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-225 UNDER B/A 101-2940 TO FUND AN EXHIBIT PREPARATOR AND TWO CURATOR POSITIONS WITH INCREASES OF \$139,629 IN GENERAL FUND MONEY AND \$139,628 IN ROOM TAX REVENUE THUS ELIMINATING THE DEDICATED TRUST FUND EXPENSE OF \$279,257 IN SUPPORTING THESE THREE POSITIONS OVER THE 2013-2015 BIENNIUM AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN FLORES WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Leiser:

In other closing items under B/A 101-2940 on page 32 of [Exhibit C](#), Fiscal Staff has made a technical adjustment to decision unit E-755 in which the Governor recommends funding in each fiscal year of \$9,995 to support in-state travel, operating expenses and maintenance of buildings and grounds. Maintenance funds of \$8,014 in each fiscal year are being recommended for proper inspections of the sprinkler fire systems in the Carson City State Museum; however, in response to an inquiry from Fiscal Staff, the Agency has confirmed that the fire system inspections are only necessary once every 5 years. Fiscal Staff has made a technical adjustment to remove these costs from FY 2014-2015, resulting in total savings of \$8,014. With this technical adjustment made by Fiscal Staff, this recommendation appears to be reasonable.

E-755 Budget Restorations — Page TOURISM-69

Does the Subcommittee wish to approve Other Closing Item Nos. 1 through 4 as recommended by the Governor, including Fiscal Staff's technical adjustment noted in Other Closing Item No. 3, and authorizing Fiscal Staff to make any additional technical adjustments as needed?

E-710 Equipment Replacement — Page TOURISM-67

E-720 New Equipment — Page TOURISM-68

E-804 Cost Allocation — Page TOURISM-70

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEM NOS. 1 THROUGH 4 UNDER B/A 101-2940; TO REPLACE EQUIPMENT WITH \$38,749 IN FY 2013-2014 AND \$32,721 IN FY 2014-2015 PER THE EITS RECOMMENDED REPLACEMENT SCHEDULE IN DECISION UNIT E-710; TO PLACE A FREESTANDING INTERACTIVE KIOSK IN THE STATE MUSEUM IN CARSON CITY FOR \$5,830 IN FY 2013-2014 FUNDED WITH 50 PERCENT GENERAL FUND APPROPRIATION AND 50 PERCENT ROOM TAX TRANSFERS IN DECISION UNIT E-720; TO AUTHORIZE \$9,995 IN FY 2013-2014 AND \$1,981 IN FY 2014-2015 TO SUPPORT IN-STATE TRAVEL OPERATING EXPENSES AND MAINTENANCE OF BUILDINGS AND GROUNDS IN DECISION UNIT E-755; TO AUTHORIZE \$1,359 IN FY 2013-2014 AND \$1,401 IN FY 2014-2015 FOR CENTRALIZED

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PERSONNEL SERVICES COST ALLOCATION TO THE DHRM IN DECISION UNIT E-804 AS RECOMMENDED BY THE GOVERNOR, INCLUDING FISCAL STAFF'S TECHNICAL ADJUSTMENT IN OTHER CLOSING ITEM NO. 3; AND TO AUTHORIZE FISCAL STAFF TO MAKE ADDITIONAL TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN FLORES WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Chair Woodhouse:

We will move on to B/A 101-1350 for Museums and History, Lost City Museum.

Tourism - Museums & Hist - Lost City Museum — Budget Page TOURISM-51
(Volume II)

Budget Account 101-1350

Mr. Leiser:

The only major closing issue in B/A 101-1350 consists of decision unit E-750 on pages 33 and 34 of [Exhibit C](#), which restores six FTE positions in this account.

E-750 Budget Restorations — Page TOURISM-55

The Lost City Museum is currently open 4 days a week, Thursday through Sunday. The Division has indicated that this enhancement would increase service hours and allow the Lost City Museum to operate 7 days a week.

The total funding over the 2013-2015 biennium in decision unit E-750 is \$114,005, which includes \$47,157 of General Fund monies, \$47,158 in room tax transfers and admission charge revenues of \$19,690.

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Does the Subcommittee wish to approve the restoration of six staff in this account from 0.8 FTEs to full-time positions as recommended by the Governor in decision unit E-750, and authorize Fiscal Staff to make technical adjustments as necessary?

SENATOR DENIS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE RESTORATION OF SIX STAFF FROM 0.8 FTES TO FULL-TIME POSITIONS IN DECISION UNIT E-750 UNDER B/A 101-1350 FUNDED BY \$47,157 IN GENERAL FUND ALLOCATION, \$47,158 IN ROOM TAX TRANSFERS AND \$19,690 IN ADMISSION CHARGES OVER THE 2013-2015 BIENNIUM AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN FLORES WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Leiser:

Does the Subcommittee wish to approve Other Closing Item Nos. 1 through 4 as recommended by the Governor including decision units E-710, E-720, E-755 and E-804, and to authorize Fiscal Staff to make technical adjustments as needed?

E-710 Equipment Replacement — Page TOURISM-54
E-720 New Equipment — Page TOURISM-54
E-755 Budget Restorations — Page TOURISM-55
E-804 Cost Allocation — Page TOURISM-56

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE CLOSING ITEM NOS. 1 THROUGH 4 UNDER B/A 101-1350; TO REPLACE EQUIPMENT IN DECISION UNIT E-710 FOR \$15,064 IN FY 2013-2014 AND \$2,732 IN FY 2014-2015 FOR FOUR DESKTOP COMPUTERS, ONE PRINTER, ONE LAPTOP COMPUTER,

ONE SERVER, ANTIVIRUS SOFTWARE AND ADOBE ACROBAT SOFTWARE; TO PURCHASE NEW EQUIPMENT IN DECISION UNIT E-720, OF \$5,830 IN FY 2013-2014 FOR PLACEMENT OF A FREESTANDING INTERACTIVE COMPUTER KIOSK AT THE LOST CITY MUSEUM FUNDED WITH 50 PERCENT GENERAL FUND APPROPRIATION AND 50 PERCENT FROM ROOM TAX TRANSFERS; TO FUND \$10,272 EACH FISCAL YEAR OVER THE 2013-2015 BIENNIUM IN DECISION UNIT E-755 TO SUPPORT IN-STATE TRAVEL AND MAINTENANCE OF BUILDINGS AND GROUNDS FUNDED WITH 50 PERCENT GENERAL FUND MONIES AND 50 PERCENT ROOM TAX TRANSFERS; TO AUTHORIZE THE DHRM COST ALLOCATION UNDER DECISION UNIT E-804 OF \$515 IN FY 2013-2014 AND \$531 IN FY 2014-2015 FOR CENTRALIZED PERSONNEL SERVICES OF THE DHRM INCLUDING \$465 OF BOTH GENERAL FUND MONIES AND ROOM TAX TRANSFERS AND \$116 FROM DEDICATED TRUST FUND OVER THE 2013-2015 BIENNIUM AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR ROBERSON SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN FLORES WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Chair Woodhouse:

We will now move on to the Nevada Historical Society, B/A 101-2870.

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(Volume II)

Budget Account 101-2870

Mr. Leiser:

Budget account 101-2870 has one major closing issue which is a request for restoration of museum staff to FTE positions in decision unit E-750 as shown on pages 36 and 37 of [Exhibit C](#). The table at the top of page 37 indicates the

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recommended funding in this account to restore six positions to FTE. This includes \$71,248 from the General Fund, \$71,248 in room tax transfers and \$1,772 in admission charges. The Division indicated that this recommendation would increase service hours and allow the Division to operate 1 additional day per week, modifying days of operation to Tuesday through Saturday.

E-750 Budget Restorations — Page TOURISM-61

Does the Subcommittee wish to approve the restoration of six staff in this account from 0.8 FTEs to full-time positions as recommended by the Governor in decision unit E-750, and to authorize Fiscal Staff to make technical adjustments as necessary?

SENATOR DENIS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE RESTORATION OF SIX STAFF FROM 0.8 FTES TO FULL-TIME POSITIONS UNDER B/A 101-2870 IN DECISION UNIT E-750 INCLUDING \$71,248 IN GENERAL FUND APPROPRIATION, \$71,248 IN ROOM TAX TRANSFERS AND \$1,772 IN ADMISSION CHARGES OVER THE 2013-2015 BIENNIUM AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN EISEN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Leiser:

Staff has not made any technical adjustments to the other closing issues under B/A 101-2870.

Does the Subcommittee wish to approve Other Closing Item Nos. 1 through 3 as recommended by the Governor including decision units E-710, E-755 and E-804, and to authorize Fiscal Staff to make any technical adjustments as necessary?

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E-710 Equipment Replacement — Page TOURISM-61
E-755 Budget Restorations — Page TOURISM-62
E-804 Cost Allocation — Page TOURISM-62

SENATOR DENIS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE FUNDING OF \$20,688 IN FY 2013-2014 AND \$12,382 IN FY 2014-2015 UNDER B/A 101-2870 IN DECISION UNIT E-710 FOR REPLACEMENT OF EIGHT DESKTOP COMPUTERS, ONE PRINTER, ONE LAPTOP COMPUTER, ONE SERVER, ONE SWITCH, ADOBE PHOTOSHOP UPGRADES AND ANTIVIRUS SOFTWARE; TO AUTHORIZE FUNDING IN EACH FISCAL YEAR OF THE 2013-2015 BIENNIUM OF \$4,903 TO SUPPORT IN-STATE TRAVEL AND OPERATING FUNDED BY 50 PERCENT GENERAL FUND APPROPRIATION AND 50 PERCENT ROOM TAX TRANSFERS FROM THE NCOT IN DECISION UNIT E-755; TO AUTHORIZE \$511 IN FY 2013-2014 AND \$527 IN FY 2014-2015 FOR CENTRALIZED PERSONNEL SERVICE COST ALLOCATION OF THE DRHM WITH THE RECOMMENDED FUNDING FOR DECISION UNIT E-804 INCLUDING \$430 IN GENERAL FUND APPROPRIATION, \$429 OF ROOM TAX TRANSFERS AND \$179 IN DEDICATED TRUST FUND MONIES IN DECISION UNIT E-804 OVER THE 2013-2015 BIENNIUM AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Chair Woodhouse:

We will move to the Nevada State Museum, Las Vegas account, B/A 101-2943.

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Budget Account 101-2943

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Mr. Leiser:

In decision unit E-750, the Governor is recommending the restoration of 17 museum staff from 0.8 FTE to full-time positions.

E-750 Budget Restorations — Page TOURISM-77

This staff restoration is recommended to be funded by General Fund appropriations, room tax transfers and museum admissions. As the Subcommittee will recall, the State of Nevada and the Las Vegas Valley Water District currently are entered into a joint operating agreement (JOA) allowing for a resource sharing plan at the Las Vegas Springs Preserve. In addition to in-kind services, the agreement provides the museum with 10 percent of the revenue from the sale of a \$9.95 joint adult ticket admission allowing access to the Las Vegas Springs Preserve and to the museum. A guaranteed annual amount of \$53,172 in admission charges is provided to the museum. If 10 percent of total joint ticket admissions exceeds the \$53,172, the Division is entitled to the excess amount. Based on the joint adult ticket amount of \$9.95, excess revenue above the guaranteed amount would be realized if annual adult tickets of \$53,441, or greater., were sold.

Based on the existing JOA, and the anticipated JOA for the upcoming biennium, Fiscal Staff has made an adjustment to decision unit E-750 to remove \$6,480 of admission charge revenue in each fiscal year, and increased both the General Fund monies and room tax transfers by \$3,240 each year. This revenue sharing agreement is discussed in further detail on page 41 of [Exhibit C](#).

The table on page 39 of [Exhibit C](#) summarizes the recommended required funding to restore the 17 positions that are 0.8 FTE to full-time positions in this account, including the revenue adjustment made by Fiscal Staff.

The Division has indicated that this recommendation would increase service hours and allow the museum to open one additional day per week, modifying days of operation to Thursday through Monday.

Does the Subcommittee wish to approve the restoration of 17 staff in this account from 0.8 FTEs to full-time positions with adjustments made by Fiscal Staff to replace the recommended admission charge revenues with equal amounts of

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General Fund monies and room tax revenues and authorize Fiscal Staff to make technical adjustments as necessary?

Senator Denis:

There have been many discussions in past Sessions about this museum and the hopes that the attendance numbers will increase commensurately with the additional days the facility is open. How is this budget change going to assist in increasing attendance figures with respect to people coming to experience the museum?

Peter D. Barton (Administrator, Division of Museums and History, Nevada Department of Tourism and Cultural Affairs):

The facility attendance report indicates that this facility was open for 7 months in fiscal year 2012-2013. The first full calendar year the museum was open indicates attendance fell just short of 50,000 total visitors. The attendance numbers trended upwards each month of 2012. With the additional day of the museum being open, the attendance numbers will only escalate.

SENATOR DENIS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE RESTORATION OF 17 STAFF FROM 0.8 FTES TO FULL-TIME POSITIONS UNDER B/A 101-2943 IN DECISION UNIT E-750 FUNDED BY \$176,308 IN GENERAL FUND APPROPRIATIONS AND \$179,350 IN ROOM TAX TRANSFERS AND OVER THE 2013-2015 BIENNIUM, INCLUDING STAFF ADJUSTMENTS MADE TO REPLACE RECOMMENDED ADMISSION CHARGE REVENUES WITH EQUAL AMOUNTS OF GENERAL FUND AND ROOM TAX REVENUES AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ANDERSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Leiser:

Fiscal Staff has made two adjustments under Other Closing Item Nos. 2 and 5 located on pages 40 and 41 of [Exhibit C](#).

In Other Closing Item No. 2, decision unit E-730, Fiscal Staff has made a technical adjustment to remove annual costs for elevator contract services as these costs were duplicated within the Base Budget. The adjustment removes \$1,170 in each fiscal year of FY 2013-2014 from the maintenance of buildings and grounds expenditures category and is directly related to the adjustment in Other Closing Item No. 5. With this technical adjustment, the recommendation appears to be reasonable.

E-730 Maintenance of Buildings and Grounds — Page TOURISM-76

Fiscal Staff has made a technical adjustment in the Base Budget to remove the duplication of costs for elevator contract services. The adjustment removed \$2,340 in each fiscal year of FY 2013-2014 within the Base Budget from the maintenance of buildings and grounds expenditures category. The \$2,340 removed in this adjustment was annualized in decision unit E-730, and as such, Fiscal Staff made a similar adjustment under Other Closing Item No. 2. Fiscal Staff recommends reducing the cost for equipment in the maintenance of buildings and grounds category by \$2,340 in each year of fiscal year 2013-2014 and seeks approval for this adjustment.

Does the Subcommittee wish to approve Other Closing Item Nos. 1 through 5 as recommended by the Governor including decision units E-710, E-755, E-804 and E-730 with adjustments made by Fiscal Staff for Other Closing Item Nos. 2 and 5, and to authorize Fiscal Staff to make any additional technical adjustments as necessary?

E-710 Budget Restorations — Page TOURISM-76

E-755 Budget Restorations — Page TOURISM-77

E-804 Cost Allocation — Page TOURISM-78

E-730 Maintenance of Buildings and Grounds — Page TOURISM-76

ASSEMBLYMAN HOGAN MOVED TO RECOMMEND TO THE FULL
COMMITTEES TO APPROVE FISCAL STAFF ADJUSTMENTS MADE TO

OTHER CLOSING ITEM NOS. 2 AND 5 UNDER B/A 101-2943; TO AUTHORIZE \$24,980 IN FY 2014-2015 AND \$18,023 IN FY 2014-2015 FOR REPLACEMENT OF EQUIPMENT PURSUANT TO THE EITS RECOMMENDED REPLACEMENT SCHEDULE IN DECISION UNIT E-710; TO AUTHORIZE \$27,577 IN EACH FISCAL YEAR OF THE 2013-2015 BIENNIUM TO ANNUALIZE BUILDING COST MAINTENANCE IN DECISION UNIT E-730; TO INCREASE IN-STATE TRAVEL BY \$1,061 IN EACH FISCAL YEAR OF THE 2013-2015 BIENNIUM FUNDED BY 50 PERCENT GENERAL FUND APPROPRIATION AND 50 PERCENT ROOM TAX TRANSFERS FROM NCOT IN DECISION UNIT E-755; TO AUTHORIZE \$1,331 IN FY 2013-2014 AND \$1,373 IN FY 2014-2015 IN DECISION UNIT E-804 FOR COST ALLOCATIONS FOR CENTRALIZED PERSONNEL SERVICES FROM THE DHRM; TO ALLOW FOR THE ADJUSTMENT MADE IN OTHER CLOSING ITEM NO. 5 FOR ELEVATOR CONTRACT SERVICES DUE TO A DUPLICATE ENTRY OF THE EXPENSE IN THE BASE BUDGET AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR ROBERSON SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ANDERSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Chair Woodhouse:

We will now move on to the State Railroad Museums, B/A 101-4216.

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Budget Account 101-4216

Mr. Leiser:

Within B/A 101-4216, there is one major closing item regarding restoring museum staff to full time positions which appears on page 43 of [Exhibit C](#).

In decision unit E-750, the Governor recommends the restoration of 14 positions that are 0.8 FTE to full-time positions. The total cost of this staffing restoration is \$136,632 in FY 2013-2014 and \$138,428 in FY 2014-2015, which includes an expense reduction in the Boulder City Railroad Museum operating category of \$16,663 in FY 2013-2014 and \$16,890 in FY 2014-2015.

E-750 Budget Restorations — Page TOURISM-83

The Governor recommends the addition of a 0.51 FTE museum attendant position for the East Ely Railroad Depot, in decision unit E-756, to facilitate the additional service hours that would result from restoring museum staff to full-time in this account. When the Division staff was reduced to 32 hours per week, and days of operations reduced to 4 days per week beginning in FY 2010-2011, one FTE maintenance repair worker position was eliminated from the East Ely Railroad Depot. The Division indicates that decision unit E-750 would allow the museum to increase days of service from 4 days to 5 days; however, the museum currently operates with one State-funded museum director position, allowing for no coverage when that employee is out on leave. The Agency indicates that the recommendation in decision unit E-756 would provide increased public service, protection of the State's assets and improved safety for staff, volunteers and the public.

E-756 Budget Restorations — Page TOURISM-85

The table at the bottom of page 43 of [Exhibit C](#) indicates the recommended funding for restoring the 14 full-time positions and adding a new part-time position at the East Ely Railroad Depot includes \$147,343 in General Fund appropriation, \$150,394 in room tax transfers and \$23,066 in museum admission charges.

The Division has indicated that the recommendation to restore staff to full-time positions will increase service hours and allow the museum to operate 1 additional day per week, modifying the days of operation to Thursday through Monday at the Nevada State Museum, Carson City.

The East Ely Railroad Depot currently operates, and is open, 4 days a week, Wednesday through Saturday. The Division has indicated that the recommendations to restore staff to full-time and add a part-time museum

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attendant would increase service hours and allow the museum to operate one additional day per week, modifying days of operation to Wednesday through Sunday.

The Nevada State Railroad Museum in Boulder City currently operates, and is open, 6 days a week, Tuesday through Sunday. The train rides exhibit only operates on Saturdays and Sundays. The Division has indicated that there will be no increase in the days of operation resulting from the recommendation to restore staff to full-time.

Does the Subcommittee wish to approve the restoration of 14 staff from 0.8 FTE to full-time positions as recommended by the Governor in decision unit E-750 and to authorize Fiscal Staff to make technical adjustments as necessary?

ASSEMBLYMAN EISEN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE RESTORATION OF 14 STAFF FROM 0.8 FTES TO FULL-TIME POSITIONS UNDER B/A 101-4216 IN DECISION UNIT E-750, AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ANDERSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Leiser:

Does the Subcommittee wish to approve the part-time museum attendant as recommended by the Governor in decision unit E-756 and authorize Fiscal Staff to make technical adjustments as necessary?

ASSEMBLYWOMAN FLORES MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE PART-TIME MUSEUM ATTENDANT UNDER B/A 101-4216 IN DECISION UNIT E-756 AS RECOMMENDED BY

THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE
TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ANDERSON WAS
ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Leiser:

Staff met with the Division of Museums and History and Budget Division staff in preparation of closing this budget. A request has been made for Fiscal Staff to make adjustments to the Executive Budget due to the decision units that have impacts on personnel costs for the Boulder City Railroad Museum. Specifically, three positions at the Boulder City Museum are funded in part with train-ride revenue. There is no direct correlation to train-ride revenue as the result of certain decision units which increase or reduce personnel costs. For example, decision unit E-750 restores staff to full time, but there is no increase to days of operation at Boulder City, or to estimated train-ride revenue. As such, the impacts from these decision units require that a portion of the adjustment to personnel costs be absorbed by either the Boulder City operating or the Boulder City locomotive maintenance expenditure categories, which are also supported with train-ride revenue. The Executive Budget includes the offsetting adjustment in the Boulder City operating expenditure category. Since normal operating costs are necessary and cannot be deferred, the Budget Division and Agency have requested that these offsetting adjustments be made, instead, to the locomotive maintenance expenditure category, as costs in this category could be deferred, if necessary. The net impact to the Boulder City operating expenditure category is an increase of \$12,124 in FY 2013-2014 and \$14,527 in FY 2014-2015, with an equal amount of reductions to the Boulder City locomotive maintenance category. Based on discussions with the Budget Division and the Agency, this adjustment appears to be reasonable. Fiscal Staff would request approval of the technical adjustment to move the expense reduction from the Boulder City operating expenditure category to the Boulder City locomotive maintenance expenditure category.

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Does the Subcommittee wish to approve Other Closing Item Nos. 1 through 3 as recommended by the Governor including decision units E-710, E-755 and E-804 and authorize Fiscal Staff to make technical adjustments, including the adjustments noted in Other Closing Item No. 4?

E-710 Equipment Replacement — Page TOURISM-83
E-755 Budget Restorations — Page TOURISM-84
E-804 Cost Allocation — Page TOURISM-85

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEM NOS. 1 THROUGH 4 INCLUDING THE REPLACEMENT OF EQUIPMENT IN DECISION UNIT E-710 FOR \$17,738 IN FY 2013-2014 AND \$10,166 IN FY 2014-2015; TO AUTHORIZE \$26,418 IN FY 2013-2014 AND \$27,170 IN FY 2014-2015 TO SUPPORT IN-STATE TRAVEL, OPERATING EXPENSES AND LOCOMOTIVE MAINTENANCE AND FUEL IN DECISION UNIT E-755; TO AUTHORIZE \$969 IN FY 2013-2014 AND \$999 IN FY 2014-2015 FOR THE CENTRALIZED PERSONNEL SERVICES COST ALLOCATION OF THE DHRM IN DECISION UNIT E-804; TO AUTHORIZE AN INCREASE OF \$12,124 IN FY 2013-2014 AND \$14,527 IN FY 2014-2015 TO THE BOULDER CITY OPERATING CATEGORY, WITH AN EQUAL AMOUNT OF REDUCTIONS TO THE BOULDER CITY LOCOMOTIVE MAINTENANCE CATEGORY IN OTHER CLOSING ITEM NO. 4 AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR ROBERSON SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ANDERSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Chair Woodhouse:

We will move on to the Nevada Arts Council budget, B/A 101-2979.

Tourism - Nevada Arts Council — Budget Page TOURISM-93 (Volume II)
Budget Account 101-2979

Mr. Leiser:

The major closing issue in B/A 101-2979 is an increase in the grant awards that are issued by the Nevada Arts Council and to fund the increase with room tax revenue under decision unit E-150.

E-150 Sustainable and Growing Economy — Page TOURISM-95

In decision unit E-150, the Governor recommends the transfer of \$125,000 in room tax revenues to this account in each fiscal year of the 2013-2015 biennium. The funding is recommended for the purpose of funding annual grant awards issued by the Nevada Arts Council: grants to individuals would be \$31,250 per year, grants to nonprofit organizations would be \$62,500 per year and grants to governmental agencies would be \$31,250 per year.

Excluding grant awards issued from the dedicated license plate initiative expenditure category, total funding for grant awards issued by Nevada Arts Council is recommended to be \$751,577 in FY 2013-2014 and \$726,902 in FY 2014-2015, compared to the \$653,013 issued in FY 2011-2012. This represents increases of 15.1 percent in FY 2013-2014 and 11.3 percent in FY 2014-2015 as compared to FY 2011-2012. The Agency has indicated that the funding is intended to increase public access to arts and cultural activities throughout Nevada.

The table on page 48 of [Exhibit C](#) reflects the Governor's recommended funding for grants awarded by the Nevada Arts Council excluding those grants that are issued through the license plate initiative, as they are a dedicated expenditure category.

Over the biennium, the Governor recommends issuing approximately \$1.5 million in grants from the Nevada Arts Council. Based on actions taken in the Tourism Development Fund, B/A 101-1522, and as discussed earlier, the appropriate adjustment for consideration in this account would be to make a decision on approving \$150,000 in each fiscal year, as compared to the \$125,000 that is included in the Governor's recommended budget. In accordance with the decision that the Subcommittee made under B/A 101-1522, Fiscal Staff

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would recommend that the Subcommittee also approve decision unit E-150 with the understanding that the dollar amount would be increased to \$150,000 in each fiscal year.

Does the Subcommittee wish to approve an increase in grant awards issued by the Nevada Arts Council by \$150,000 in each fiscal year, and to fund the increase with room tax revenues?

ASSEMBLYWOMAN FLORES MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE INCREASING THE GRANT AWARDS ISSUED BY THE NEVADA ARTS COUNCIL TO \$150,000 UNDER B/A 101-2979 IN DECISION UNIT E-150 AND FUND THE INCREASE WITH ROOM TAX REVENUES IN EACH FISCAL YEAR OF THE 2013-2015 BIENNIUM.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ANDERSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Leiser:

Fiscal Staff has not made any adjustments to the remaining closing items under B/A 101-2979. Fiscal Staff recommends approving Other Closing Item Nos. 1 through 3 as described on pages 48 and 49 of [Exhibit C](#), as recommended by the Governor, and Fiscal Staff requests authority to make technical adjustments, as necessary.

E-226 Efficient and Responsive State Government — Page TOURISM-95

E-710 Equipment Replacement — Page TOURISM-97

E-804 Cost Allocation — Page TOURISM-97

ASSEMBLYMAN AIZLEY MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEM NOS. 1 THROUGH 3 UNDER B/A 101-2979, INCLUDING THE ESTABLISHMENT OF A NEW EXPENDITURE CATEGORY IN DECISION UNIT E-226 FOR THE PURPOSE OF

TRACKING AND AWARDING GRANTS ISSUED BY THE NEVADA ARTS COUNCIL WITH THE EXCEPTION OF THE LICENSE PLATE INITIATIVE GRANT AWARDS; TO AUTHORIZE FUNDING OF \$11,006 OVER THE 2013-2015 BIENNIUM FOR THE REPLACEMENT OF EQUIPMENT IN DECISION UNIT E-710 PURSUANT TO THE EITS RECOMMENDED REPLACEMENT SCHEDULE; TO AUTHORIZE \$881 IN FY 2014-2015 AND \$908 IN FY 2014-2015 IN DECISION UNIT E-804 FOR CENTRALIZED PERSONNEL SERVICES COST ALLOCATION OF THE DHRM AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ANDERSON WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Joan Lolmaugh (Vice Chairman, The Nevada Arts Council):

I have submitted my written testimony ([Exhibit D](#)) in support of the restoration of funding for the Nevada Arts Council.

We normally have a number of arts leaders for this public comment period, requesting the restoration of funding for the Nevada Arts Council. I am here to speak on their behalf as they, as well as 130 of their colleagues, are currently in Reno attending the Arts at the Heart conference. The purpose of today's conference is to connect people from around the State to discuss new and sustainable ideas for using arts and culture to increase the quality of life for all Nevadans, while simultaneously and substantially contributing to Nevada's economic growth.

In attendance are representatives from the arts economic development and tourism sectors from Las Vegas, Reno, Carson City, Ely, Henderson, Hawthorne, Lovelock, Winnemucca and other communities.

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Our discussion this morning and this afternoon are focused, amongst other topics, on building healthy neighborhoods, the backbone of healthy communities. Experienced leaders from this State's major arts organizations are sitting next to some of Nevada's best young creative entrepreneurs who are helping to develop these vibrant neighborhoods in areas such as along 4th street, in midtown Reno, in downtown Las Vegas and in our rural communities.

Those at the conference are also talking about collaborative approaches to expand education in the arts for all Nevadans. Leading these critical and creative discussions is the Nevada Arts Council. Nevada's State Arts Agency is one that reaches out and responds to the changing needs of the State while exuding professionalism, integrity and enthusiasm. What more can you expect from a State Agency?

A few moments ago, I mentioned the restoration of funding for the Nevada Arts Council. The Agency has seen its State funding cut by 53 percent over the past two Sessions. The message I carry, from those at the conference, is the request that you help to significantly restore the budget of the Nevada Arts Council. Think of the funding as not just supporting arts organizations, arts educators and artists, but as contributing to the economic recovery, improvement of our quality of life and promoting the future of Nevada.

Thank you again for your support not only of the Nevada Arts Council, but of Nevada's museums, tourism and the humanities.

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Chair Woodhouse:

This meeting stands adjourned at 10:12 a.m.

RESPECTFULLY SUBMITTED:

Thomas Hutton-Potts,
Committee Secretary

APPROVED BY:

Senator Joyce Woodhouse, Chair

DATE: _____

Assemblywoman Lucy Flores, Chair

DATE: _____

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<u>EXHIBITS</u>				
Bill	Exhibit		Witness / Agency	Description
	A	1		Agenda
	B	3		Attendance Roster
	C	49	Jennifer Gamroth Brody Leiser	Joint Subcommittee on General Government Closing List #3 April 23, 2013
	D	3	Joan Lolmaugh	Written Testimony