SENATE BILL NO. 506–COMMITTEE ON FINANCE

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 23, 2015

Referred to Committee on Finance

SUMMARY—Revises provisions relating to state financial administration. (BDR S-1207)

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

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

AN ACT relating to state financial administration; requiring the transfer of certain money to the State General Fund; revising various provisions relating to the authority for such transfers; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 1-25 of this bill provide for the transfer of money in various accounts and funds for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State. **Sections 26-34** of this bill specifically authorize such transfers in provisions in existing law.

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

Section 1. The State Controller shall transfer the sum of $400,000 from the Account for the Bureau of Consumer Protection in NRS 228.340 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 2. The State Controller shall transfer the sum of $19,680,774 from the account created pursuant to paragraph (a) of subsection 1 of NRS 598.0975 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 3. The State Controller shall transfer the sum of $2,941,926 from money deposited pursuant to NRS 598A.260 into the Attorney General's Special Fund created by NRS 228.096 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 4. The State Controller shall transfer the sum of $410,000 from money deposited in the Secretary of State's Operating General Fund Budget Account pursuant to NRS 90.851 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 5. The State Controller shall transfer the sum of $25,000 from the Notary Public Training Account created by NRS 240.018 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 6. The State Controller shall transfer the sum of $7,000,000 from the Catalyst Account created by NRS 231.1573 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 7. The State Controller shall transfer the sum of $4,000,000 from the Knowledge Account created by NRS 231.1592 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 8. The State Controller shall transfer the sum of $2,000,000 from the Disaster Relief Account created by NRS 353.2735 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 9. The State Controller shall transfer the sum of $1,662,010 from the account created pursuant to subsection 2 of NRS 231.360 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 10. The State Controller shall transfer the sum of $426,231 from the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.031 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 11. The State Controller shall transfer the sum of $3,000,000 from the Grant Fund for Incentives for Licensed Educational Personnel created by NRS 391.166 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 12. The State Controller shall transfer the sum of $400,000 from the Account for Charter Schools created by NRS 386.576 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 13. The State Controller shall transfer the sum of $216,260 from the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling created by NRS 458A.090 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 14. The State Controller shall transfer the sum of $178,284 from the Supplemental Account for Medical Assistance to Indigent Persons created by NRS 428.305 in the Fund for Hospital Care to Indigent Persons created by NRS 428.175 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 15. The State Controller shall transfer the sum of $750,000 from the Division of Public and Behavioral Health of the Department of Health and Human Services - Radiation Control to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 16. The State Controller shall transfer the sum of $500,000 from the Fund for the Care of Sites for the Disposal of Radioactive Waste created by NRS 459.231 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 17. The State Controller shall transfer the sum of $45,000 from the Division of Public and Behavioral Health of the Department of Health and Human Services - Behavioral Health Prevention and Treatment to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 18. The State Controller shall transfer the sum of $3,050,000 from the Division of Public and Behavioral Health of the Department of Health and Human Services - Health Facilities Hospital Licensing to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 19. The State Controller shall transfer the sum of $100,000 from the money collected pursuant to paragraph (d) of subsection 1 of NRS 449.163 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 20. The State Controller shall transfer the sum of $35,000 from the account created pursuant to NRS 450B.1505 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 21. The State Controller shall transfer the sum of $500,000 from the account created pursuant to NRS 453A.730 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 22. The State Controller shall transfer the sum of $253,000 from the Fund for New Construction of Facilities for Prison Industries created by NRS 209.192 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 23. The State Controller shall transfer the sum of $1,500,000 from the Account for the Management of Air Quality created by NRS 445B.590 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 24. The State Controller shall transfer the sum of $8,600,000 from money held in bond reserve funds established pursuant to NRS 319.340 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 25. The State Controller shall transfer the sum of $9,400,000 from the Department of Business and Industry - Nevada Home Retention Program to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

Sec. 26. NRS 90.851 is hereby amended to read as follows:

90.851 1. All money received by the Administrator as the result of an action for the enforcement of the provisions of this chapter must be deposited in the State General Fund for credit to the Secretary of State's Operating General Fund Budget Account.

2. The money deposited in the Account pursuant to this section may be used:

(a) To pay the expenses of the Office of the Secretary of State involved in:

(1) Investigations by the Office involving securities;

(2) Actions to enforce the provisions of this chapter; and

(3) Providing educational programs for the public which are related to the operations of the Office.

(b) For any other purpose ***,*** ~~[related to the Office of the Secretary of State,]~~ with the approval of the Legislature or the Interim Finance Committee when the Legislature is not in session.

3. The money deposited in the Account pursuant to this section, including money deposited in excess of the amount authorized by the Legislature, is restricted to the uses specified, and the unexpended balance of that money may be carried forward at the end of each fiscal year.

Sec. 27. NRS 231.250 is hereby amended to read as follows:

231.250 The Fund for the Promotion of Tourism is hereby created as a special revenue Fund. The money in the Fund is hereby appropriated for the support of the Department ~~[.]~~ ***or for any other purpose authorized by the Legislature.***

Sec. 28. NRS 319.340 is hereby amended to read as follows:

319.340 1. The Division may establish one or more bond reserve funds, and shall pay into each such bond reserve fund:

(a) Any money appropriated by the Legislature for the purpose of the fund;

(b) Any proceeds of sale of notes or bonds to the extent provided in connection with the issuance thereof; and

(c) Any other money which may be available to the Division for the purpose of the fund from any other source or sources.

➥ All money held in any bond reserve fund, except as otherwise expressly provided in this chapter, must be used, as required, ~~[solely]~~ for the payment of the principal of bonds secured in whole or in part by the fund or of the sinking fund payments with respect to such bonds, the purchase or redemption of such bonds, the payment of interest on such bonds ***,*** ~~[or]~~ the payment of any redemption premium required to be paid when the bonds are redeemed before maturity ~~[.]~~ ***or any other purpose authorized by the Legislature.***

2. Money in such a fund must not be withdrawn from the fund at any time in an amount that would reduce the amount of the fund below the requirement established for that fund, except to pay when due, with respect to bonds secured in whole or in part by that fund, principal, interest, redemption premiums and sinking fund payments for the payment of which other money of the Division is not available. Any income or interest earned by or incremental to any bond reserve fund resulting from the investment thereof may be transferred by the Division to other funds or accounts of the Division and to the Account for Low-Income Housing created pursuant to NRS 319.500, to the extent that the amount of that bond reserve fund is not reduced below the requirement for the fund.

Sec. 29. NRS 386.577 is hereby amended to read as follows:

386.577 1. ***Money in the Account for Charter Schools may be expended for the purpose set forth in subsection 2 or for any other purpose authorized by the Legislature.***

2. After deducting the costs directly related to administering the Account for Charter Schools, the State Public Charter School Authority may use the money ***available*** in the Account for Charter Schools, including repayments of principal and interest on loans made from the Account, and interest and income earned on money in the Account, ~~[only]~~ to make loans at or below market rate to charter schools for the costs incurred:

(a) In preparing a charter school to commence its first year of operation; and

(b) To improve a charter school that has been in operation.

~~[2.]~~ ***3.*** The total amount of a loan that may be made to a charter school pursuant to subsection ~~[1]~~ ***2*** must not exceed the lesser of an amount equal to $500 per pupil enrolled or to be enrolled at the charter school or $200,000.

Sec. 30. NRS 387.031 is hereby amended to read as follows:

387.031 1. The Account for Programs for Innovation and the Prevention of Remediation is hereby created in the State General Fund, to be administered by the Superintendent of Public Instruction. The Superintendent of Public Instruction may accept gifts and grants of money from any source for deposit in the Account. Any money from gifts and grants may be expended in accordance with the terms and conditions of the gift or grant, or in accordance with subsection 2. The interest and income earned on the sum of:

(a) The money in the Account; and

(b) Unexpended appropriations made to the Account from the State General Fund,

➥ must be credited to the Account. Any money remaining in the Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.

2. The money in the Account may only be used for public schools and public education ~~[,]~~ ***or for any other purpose*** as authorized by the Legislature.

Sec. 31. NRS 449.163 is hereby amended to read as follows:

449.163 1. In addition to the payment of the amount required by NRS 449.0308, if a medical facility or facility for the dependent violates any provision related to its licensure, including any provision of NRS 439B.410 or 449.030 to 449.2428, inclusive, or any condition, standard or regulation adopted by the Board, the Division, in accordance with the regulations adopted pursuant to NRS 449.165, may:

(a) Prohibit the facility from admitting any patient until it determines that the facility has corrected the violation;

(b) Limit the occupancy of the facility to the number of beds occupied when the violation occurred, until it determines that the facility has corrected the violation;

(c) If the license of the facility limits the occupancy of the facility and the facility has exceeded the approved occupancy, require the facility, at its own expense, to move patients to another facility that is licensed;

(d) Impose an administrative penalty of not more than $1,000 per day for each violation, together with interest thereon at a rate not to exceed 10 percent per annum; and

(e) Appoint temporary management to oversee the operation of the facility and to ensure the health and safety of the patients of the facility, until:

(1) It determines that the facility has corrected the violation and has management which is capable of ensuring continued compliance with the applicable statutes, conditions, standards and regulations; or

(2) Improvements are made to correct the violation.

2. If a violation by a medical facility or facility for the dependent relates to the health or safety of a patient, an administrative penalty imposed pursuant to paragraph (d) of subsection 1 must be in a total amount of not less than $1,000 and not more than $10,000 for each patient who was harmed or at risk of harm as a result of the violation.

3. If the facility fails to pay any administrative penalty imposed pursuant to paragraph (d) of subsection 1, the Division may:

(a) Suspend the license of the facility until the administrative penalty is paid; and

(b) Collect court costs, reasonable attorney's fees and other costs incurred to collect the administrative penalty.

4. The Division may require any facility that violates any provision of NRS 439B.410 or 449.030 to 449.2428, inclusive, or any condition, standard or regulation adopted by the Board to make any improvements necessary to correct the violation.

5. Any money collected as administrative penalties pursuant to paragraph (d) of subsection 1 must be accounted for separately and used to administer and carry out the provisions of NRS 449.001 to 449.430, inclusive, and 449.435 to 449.965, inclusive, ~~[and]~~ to protect the health, safety, well-being and property of the patients and residents of facilities in accordance with applicable state and federal standards ~~[.]~~ ***or for any other purpose authorized by the Legislature.***

Sec. 32. NRS 450B.1505 is hereby amended to read as follows:

450B.1505 1. Any money the Division receives from a fee set by the State Board of Health pursuant to NRS 439.150 for the issuance or renewal of a license pursuant to NRS 450B.160, an administrative penalty imposed pursuant to NRS 450B.900 or an appropriation made by the Legislature for the purposes of training related to emergency medical services:

(a) Must be deposited in the State Treasury and accounted for separately in the State General Fund;

(b) May be used only ~~[to]~~ ***:***

(1) To carry out a training program for emergency medical services personnel who work for a volunteer ambulance service or firefighting agency, including, without limitation, equipment for use in the training; ~~[and]~~ ***or***

(2) For any other purpose authorized by the Legislature; and

(c) Does not revert to the State General Fund at the end of any fiscal year.

2. Any interest or income earned on the money in the account must be credited to the account. Any claims against the account must be paid in the manner that other claims against the State are paid.

3. The Administrator of the Division shall administer the account.

Sec. 33. NRS 453A.730 is hereby amended to read as follows:

453A.730 1. Any money the Administrator of the Division receives pursuant to NRS 453A.720 or that is appropriated to carry out the provisions of this chapter:

(a) Must be deposited in the State Treasury and accounted for separately in the State General Fund;

(b) May only be used ***:*** ~~[to carry out:]~~

(1) ~~[The]~~ ***To carry out the*** provisions of this chapter, including the dissemination of information concerning the provisions of this chapter and such other information as determined appropriate by the Administrator; ~~[and]~~

(2) ~~[Alcohol]~~ ***To carry out alcohol*** and drug abuse programs pursuant to NRS 458.094; ~~[and]~~ ***or***

(3) For any other purpose authorized by the Legislature; and

(c) Does not revert to the State General Fund at the end of any fiscal year.

2. The Administrator of the Division shall administer the account. Any interest or income earned on the money in the account must be credited to the account. Any claims against the account must be paid as other claims against the State are paid.

Sec. 34. NRS 598.0975 is hereby amended to read as follows:

598.0975 1. Except as otherwise provided in subsection 3 and in subsection 1 of NRS 598.0999, all fees, civil penalties and any other money collected pursuant to the provisions of NRS 598.0903 to 598.0999, inclusive:

(a) In an action brought by the Attorney General, must be deposited in the State General Fund and may only be used to offset the costs of administering and enforcing the provisions of NRS 598.0903 to 598.0999, inclusive [~~.~~] ***, or for any other purpose authorized by the Legislature.***

(b) In an action brought by the district attorney of a county, must be deposited with the county treasurer of that county and accounted for separately in the county general fund.

2. Money in the account created pursuant to paragraph (b) of subsection 1 must be used by the district attorney of the county for:

(a) The investigation and prosecution of deceptive trade practices against elderly persons or persons with disabilities; and

(b) Programs for the education of consumers which are directed toward elderly persons or persons with disabilities, law enforcement officers, members of the judicial system, persons who provide social services and the general public.

3. The provisions of this section do not apply to:

(a) Criminal fines imposed pursuant to NRS 598.0903 to 598.0999, inclusive; or

(b) Restitution ordered pursuant to NRS 598.0903 to 598.0999, inclusive, in an action brought by the Attorney General. Money collected for restitution ordered in such an action must be deposited by the Attorney General and credited to the appropriate account of the Attorney General for distribution to the person for whom the restitution was ordered.

Sec. 35. This act becomes effective on upon passage and approval.