

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Seventy-Eighth Session
April 17, 2015**

The Committee on Ways and Means was called to order by Chair Paul Anderson at 8:36 a.m. on Friday, April 17, 2015, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/78th2015. In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman Paul Anderson, Chair
Assemblyman John Hambrick, Vice Chair
Assemblyman Derek Armstrong
Assemblywoman Teresa Benitez-Thompson
Assemblywoman Irene Bustamante Adams
Assemblywoman Maggie Carlton
Assemblywoman Jill Dickman
Assemblyman Chris Edwards
Assemblyman Pat Hickey
Assemblywoman Marilyn K. Kirkpatrick
Assemblyman Randy Kirner
Assemblyman James Oscarson
Assemblyman Michael C. Sprinkle
Assemblywoman Heidi Swank
Assemblywoman Robin L. Titus



STAFF MEMBERS PRESENT:

Cindy Jones, Assembly Fiscal Analyst
Stephanie Day, Principal Deputy Fiscal Analyst
Sarah Coffman, Senior Program Analyst
Karen Hoppe, Senior Program Analyst
Jaimarie Dagdagan, Program Analyst
Adam Drost, Program Analyst
Jennifer Ouellette, Program Analyst
Carol Thomsen, Committee Secretary
Cynthia Wyett, Committee Assistant

After call of the roll, Chair Anderson opened public comment, and there was no public comment to come before the Committee. The Chair asked Fiscal Analysis Division staff to commence with budget closing presentations.

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that she would present 17 budget accounts for the Department of Corrections (NDOC) that had not previously been heard by the Subcommittees or the full Committees.

Ms. Coffman noted that the majority of NDOC budget accounts included decision units that required consideration by the Subcommittees. Those decision units included Maintenance (M) 200, which was the caseload and inmate population projections for NDOC; Enhancement (E) 230, which reflected the Governor's recommendation to adjust the NDOC shift relief factor; and E-900, which was a transfer unit associated with decision unit E-230 for the shift relief factor. Decision unit E-900 transferred expenditures for staff physicals to the Director's Office from the budget accounts of the various facilities. The aforementioned decision units would be discussed by the Subcommittees on May 7, 2015, and Ms. Coffman asked that any discussion of those particular decision units be delayed until the information was brought forth to the full Committees on May 14, 2015.

Ms. Coffman said she would, however, seek authority to make technical adjustments in the NDOC accounts being considered by the Committee today to reflect the full Committee's recommendations, once made, so Fiscal Analysis Division staff would have authority to make changes accordingly.

**PUBLIC SAFETY
DEPARTMENT OF CORRECTIONS
NDOC - NEVADA STATE PRISON (101-3718)
BUDGET PAGE CORRECTIONS-58**

Ms. Coffman presented budget account (BA) 3718, Nevada State Prison (NSP), and stated that the Governor recommended closing the budget with the expenditures necessary to maintain the facility in mothball status because the facility was actually closed in 2012.

Ms. Coffman noted that there were no major closing issues in BA 3718. She indicated that Assembly Bill No. 356 of the 77th Session (2013) was approved by the 2013 Legislature to create a steering committee to make recommendations regarding the future of NSP. She said Assembly Bill 377 would transfer the historical structures at Nevada State Prison to the Division of Museums and History, Department of Tourism and Cultural Affairs, and would also transfer the modern structures at NSP to the Prison Industry program at NDOC.

Ms. Coffman stated that Fiscal Analysis Division staff recommended that BA 3718 be closed as recommended by the Governor, with authority for Fiscal Analysis Division staff to make other technical adjustments as necessary.

ASSEMBLYWOMAN DICKMAN MOVED THAT THE COMMITTEE
CLOSE BUDGET ACCOUNT 3718 AS RECOMMENDED BY THE
GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF
TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF CORRECTIONS
NDOC - SOUTHERN NEVADA CORRECTIONAL CENTER (101-3715)
BUDGET PAGE CORRECTIONS-74**

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3715,

Southern Nevada Correctional Center, and stated there were no major closing issues in the budget account. She noted that the Governor's recommendation was to maintain the facility in mothball status over the 2015-2017 biennium. The Department of Corrections (NDOC) did not anticipate using or opening the facility for the next ten years, according to the population projections.

Ms. Coffman stated that Fiscal Analysis Division staff recommended closing BA 3715 as recommended by the Governor.

ASSEMBLYWOMAN KIRKPATRICK MOVED THAT THE
COMMITTEE CLOSE BUDGET ACCOUNT 3715 AS
RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN OSCARSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY

DEPARTMENT OF CORRECTIONS

NDOC - CASA GRANDE TRANSITIONAL HOUSING (101-3760)

BUDGET PAGE CORRECTIONS-90

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3760, Casa Grande Transitional Housing, and stated there were no major closing issues in the budget account. She pointed out that other closing items included the request for replacement equipment, which appeared reasonable to Fiscal Analysis Division staff.

The decision, said Ms. Coffman, was whether the Committee wished to close the budget account as recommended by the Governor, with the technical adjustments noted by Fiscal Analysis Division staff, and authorize staff to make other technical adjustments as necessary, including those associated with departmentwide issues.

ASSEMBLYWOMAN KIRKPATRICK MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3760 AS RECOMMENDED BY THE GOVERNOR, WITH THE TECHNICAL ADJUSTMENTS NOTED BY FISCAL ANALYSIS DIVISION STAFF, AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY, INCLUDING THOSE ASSOCIATED WITH DEPARTMENTWIDE ISSUES.

ASSEMBLYMAN ARMSTRONG SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY

DEPARTMENT OF CORRECTIONS

NDOC - NORTHERN NEVADA RESTITUTION CENTER (101-3724)

BUDGET PAGE CORRECTIONS-96

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3724, Northern Nevada Restitution Center, and pointed out that the Department of Corrections would be closing the facility in August 2015 while simultaneously opening a new transitional housing center that was currently under construction. The budget account for the Northern Nevada Restitution Center would then be assumed by the new transitional housing center; there would be no associated costs with the new facility.

Ms. Coffman noted that under other closing items, the agency was requesting replacement of nine agency-owned washers and dryers with nine leased washers and dryers, which appeared reasonable to Fiscal Analysis Division staff.

The decision, said Ms. Coffman, was whether the Committee wished to close BA 3724 as recommended by the Governor, with the technical adjustments noted by Fiscal Analysis Division staff, and authorize staff to make other technical adjustments as necessary.

ASSEMBLYWOMAN KIRKPATRICK MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3724 AS RECOMMENDED BY THE GOVERNOR, WITH THE TECHNICAL ADJUSTMENTS NOTED BY FISCAL ANALYSIS DIVISION STAFF,

AND AUTHORIZE STAFF TO MAKE ADDITIONAL TECHNICAL
ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN DICKMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF CORRECTIONS
NDOC - STEWART CONSERVATION CAMP (101-3722)
BUDGET PAGE CORRECTIONS-101**

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3722, Stewart Conservation Camp, and stated there were no major closing issues in the budget account. She noted that other closing items included replacement of a washing machine, a dryer, and a kettle, which appeared reasonable to Fiscal Analysis Division staff.

The decision, said Ms. Coffman, was whether the Committee wished to close BA 3722 as recommended by the Governor, with technical adjustments noted by Fiscal Analysis Division staff, and authorize staff to make other technical adjustments as necessary.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE
CLOSE BUDGET ACCOUNT 3722 AS RECOMMENDED BY THE
GOVERNOR, WITH TECHNICAL ADJUSTMENTS NOTED BY
FISCAL ANALYSIS DIVISION STAFF, AND AUTHORIZE STAFF TO
MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF CORRECTIONS
NDOC - PIOCHE CONSERVATION CAMP (101-3723)
BUDGET PAGE CORRECTIONS-105**

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3723, Pioche Conservation Camp, and stated there were no major closing issues in the budget account.

Ms. Coffman noted that other closing items included a request for deferred maintenance for interior and exterior painting of the facility; replacement of exterior doors and windows; refurbishment of bathrooms; and refurbishment of the evaporator and condenser units for the refrigerator and freezer. The requests appeared reasonable to Fiscal Analysis Division staff.

Ms. Coffman indicated that the agency also requested replacement of printers, a tilt skillet, and a meat slicer, which also appeared reasonable to Fiscal Analysis Division staff.

The decision, said Ms. Coffman, was whether the Committee wished to close BA 3723 as recommended by the Governor and authorize Fiscal Analysis Division staff to make technical adjustments on departmentwide issues and other technical adjustments as necessary.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE
CLOSE BUDGET ACCOUNT 3723 AS RECOMMENDED
BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS
DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS
ON DEPARTMENTWIDE ISSUES AND OTHER TECHNICAL
ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN ARMSTRONG SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY

DEPARTMENT OF CORRECTIONS

NDOC - THREE LAKES VALLEY CONSERVATION CAMP (101-3725)

BUDGET PAGE CORRECTIONS-111

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3725, Three Lakes Valley Conservation Camp, and stated there were no major closing issues or other closing items in BA 3725.

The decision, said Ms. Coffman, was whether the Committee wished to close BA 3725 as recommended by the Governor and authorize Fiscal Analysis Division staff to make other technical adjustments as necessary, including those associated with departmentwide issues.

ASSEMBLYWOMAN DICKMAN MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3725 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY, INCLUDING THOSE ASSOCIATED WITH DEPARTMENTWIDE ISSUES.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY

DEPARTMENT OF CORRECTIONS

NDOC - WELLS CONSERVATION CAMP (101-3739)

BUDGET PAGE CORRECTIONS-116

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3739, Wells Conservation Camp, and stated there were no major closing issues in the budget account. Other closing items included a request by the agency for deferred maintenance for replacement of boilers; replacement of sidewalks; interior and exterior painting; and funding for a water tank inspection. Additionally, the agency requested replacement of printers, a 60-quart mixer,

a washing machine, and a dryer. Those requests appeared reasonable to Fiscal Analysis Division staff.

The decision, said Ms. Coffman, was whether the Committee wished to close BA 3739 as recommended by the Governor and authorize Fiscal Analysis Division staff to make technical adjustments as needed, including those associated with departmentwide issues.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3739 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED, INCLUDING THOSE ASSOCIATED WITH DEPARTMENTWIDE ISSUES.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY

DEPARTMENT OF CORRECTIONS

NDOC - HUMBOLDT CONSERVATION CAMP (101-3741)

BUDGET PAGE CORRECTIONS-122

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3741, Humboldt Conservation Camp, and stated there were no major closing issues in BA 3741. Other closing items included a request by the agency for deferred maintenance to refurbish the housing units and to fund a water tank inspection. The agency also requested replacement of a tilt skillet; all requests appeared reasonable to Fiscal Analysis Division staff.

The decision, said Ms. Coffman, was whether the Committee wished to close BA 3741 as recommended by the Governor and authorize Fiscal Analysis Division staff to make technical adjustments as necessary, including those associated with departmentwide issues.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3741 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED, INCLUDING THOSE ASSOCIATED WITH DEPARTMENTWIDE ISSUES.

ASSEMBLYMAN ARMSTRONG SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY

DEPARTMENT OF CORRECTIONS

NDOC - ELY CONSERVATION CAMP (101-3747)

BUDGET PAGE CORRECTIONS-128

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3747, Ely Conservation Camp, and stated there were no major closing issues in the budget account. Other closing items included the agency's request for deferred maintenance to replace exhaust fans and boilers; exterior and interior painting; and a water tank inspection. The agency also requested replacement of culinary items and a new conveyor toaster; all requests appeared reasonable to Fiscal Analysis Division staff.

The decision, said Ms. Coffman, was whether the Committee wished to close BA 3747 as recommended by the Governor and authorize Fiscal Analysis Division staff to make other departmentwide technical adjustments as necessary.

Assemblywoman Carlton asked when the departmentwide issues would be discussed by the Subcommittees. Ms. Coffman replied that the issues would be scheduled for review on May 7, 2015, and would be brought back to the full Committee on May 14, 2015.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3747 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER DEPARTMENTWIDE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Oscarson was not present for the vote.)

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF CORRECTIONS
NDOC - JEAN CONSERVATION CAMP (101-3748)
BUDGET PAGE CORRECTIONS-134**

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3748, Jean Conservation Camp, and stated there were no major closing issues in the budget account. Other closing items included a request for deferred maintenance by the agency to replace six water heaters and water softeners, which appeared reasonable to Fiscal Analysis Division staff.

The decision, said Ms. Coffman, was whether the Committee wished to close BA 3748 as recommended by the Governor and authorize Fiscal Analysis Division staff to make other technical adjustments as needed, including those associated with departmentwide issues.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3748 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NEEDED, INCLUDING THOSE ASSOCIATED WITH DEPARTMENTWIDE ISSUES.

ASSEMBLYWOMAN DICKMAN SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Oscarson was not present for the vote.)

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF CORRECTIONS
NDOC - SILVER SPRINGS CONSERVATION CAMP (101-3749)
BUDGET PAGE CORRECTIONS-138**

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3749, Silver Springs Conservation Camp, and stated there were no major closing issues in the budget account.

Ms. Coffman said the Governor recommended that the Silver Springs Conservation Camp be maintained in mothball status over the 2015-2017 biennium. The facility was currently uninhabitable because of severe vandalism, and the state continued to pay only the insurance on the building. Ms. Coffman said the quote from the State Public Works Division, Department of Administration, to demolish the building was \$537,884; however, that funding was not being requested for the upcoming biennium.

Ms. Coffman stated that Fiscal Analysis Division staff recommended that budget account 3749 be closed as recommended by the Governor.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE
CLOSE BUDGET ACCOUNT 3749 AS RECOMMENDED BY THE
GOVERNOR.

ASSEMBLYMAN ARMSTRONG SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Oscarson was not present
for the vote.)

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF CORRECTIONS
NDOC - CARLIN CONSERVATION CAMP (101-3752)
BUDGET PAGE CORRECTIONS-140**

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3752, Carlin Conservation Camp, and stated there were no major closing issues in BA 3752. Other closing items included a request for deferred maintenance by

the agency to replace the transfer switch on a generator and funding for a water tank inspection; the agency also requested replacement of a meat slicer. All requests appeared reasonable to Fiscal Analysis Division staff.

The decision, said Ms. Coffman, was whether the Committee wished to close BA 3752 as recommended by the Governor and authorize Fiscal Analysis Division staff to make other technical adjustments as necessary, including those associated with departmentwide issues.

ASSEMBLYMAN KIRNER MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3752 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY, INCLUDING THOSE ASSOCIATED WITH DEPARTMENTWIDE ISSUES.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Oscarson was not present for the vote.)

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF CORRECTIONS
NDOC - TONOPAH CONSERVATION CAMP (101-3754)
BUDGET PAGE CORRECTIONS-146

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3754, Tonopah Conservation Camp, and stated there were no major closing issues in the budget account. Other closing items included the agency's request for deferred maintenance to replace the condenser unit in the refrigerator and freezer and funding for a water tank inspection. The agency also requested replacement of one meat slicer, one washing machine, two dryers, and one double convection oven. All requests appeared reasonable to Fiscal Analysis Division staff.

The decision, said Ms. Coffman, was whether the Committee wished to close budget account 3754 as recommended by the Governor and authorize

Fiscal Analysis Division staff to make other technical adjustments as necessary, including those associated with departmentwide issues.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3754 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY, INCLUDING THOSE ASSOCIATED WITH DEPARTMENTWIDE ISSUES.

ASSEMBLYWOMAN DICKMAN SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Oscarson was not present for the vote.)

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF CORRECTIONS
NDOC - INMATE WELFARE ACCOUNT (240-3763)
BUDGET PAGE CORRECTIONS-158**

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3763, Inmate Welfare Account, and stated there were no major closing issues in the budget account. Other closing items included a request by the agency for travel expenditures for the education programs professional position to travel to the various conservation camps in Nevada to oversee the deployment of the programs. Ms. Coffman said four school districts had joined the Nevada Correctional Education Consortium during the 2013-2015 biennium to provide educational services to the conservation camps. The request appeared reasonable to Fiscal Analysis Division staff.

The decision, said Ms. Coffman, was whether the Committee wished to close other closing items as recommended by the Governor and authorize Fiscal Analysis Division staff to make other technical adjustments as necessary, including those associated with departmentwide issues.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE OTHER CLOSING ITEMS IN BUDGET ACCOUNT 3763 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY, INCLUDING THOSE ASSOCIATED WITH DEPARTMENTWIDE ISSUES.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Oscarson was not present for the vote.)

BUDGET CLOSED.

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PUBLIC SAFETY

DEPARTMENT OF CORRECTIONS

NDOC - PRISON INDUSTRY (525-3719)

BUDGET PAGE CORRECTIONS-163

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3719, Prison Industry, and stated there were no major closing issues in the budget account. Other closing items included the replacement of four printing presses at the print and bindery shop and a new saddle stitcher/stapler. All requests appeared reasonable to Fiscal Analysis Division staff.

Ms. Coffman pointed out that Assembly Bill (A.B.) 484 would deploy the new eight-year reissuance of license plates by the Department of Motor Vehicles (DMV). Currently, Prison Industry received 50 cents for every license plate issued, and if A.B. 484 was approved, Fiscal Analysis Division staff would request authority to add the additional revenue into the Prison Industry budget account.

The decision, said Ms. Coffman, was whether the Committee wished to close BA 3719 as recommended by the Governor and authorize Fiscal staff to adjust the license plate charge revenue, contingent upon passage of A.B. 484.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3719 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF

TO ADJUST LICENSE PLATE CHARGE REVENUE, CONTINGENT
UPON THE PASSAGE OF ASSEMBLY BILL 484.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Oscarson was not present
for the vote.)

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF CORRECTIONS
NDOC - PRISON RANCH (525-3727)
BUDGET PAGE CORRECTIONS-168**

Sarah Coffman, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3727, Prison Ranch, and stated there were no major closing issues in the budget account. Other closing items included funding for replacement equipment, which appeared reasonable to Fiscal Analysis Division staff.

Ms. Coffman stated that Fiscal Analysis Division staff recommended that the Committee close BA 3727 as recommended by the Governor.

ASSEMBLYWOMAN KIRKPATRICK MOVED THAT THE
COMMITTEE CLOSE BUDGET ACCOUNT 3727 AS
RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Anderson declared the Committee in recess at 8:58 a.m. and reconvened the hearing at 9:13 a.m. The Chair asked Fiscal Analysis Division staff to continue budget closings for the Department of Motor Vehicles.

Adam Drost, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that he would present six budgets for the Department of Motor Vehicles (DMV), which had not been heard by the Committee, and Fiscal Analysis Division staff was responsible for producing closing recommendations.

PUBLIC SAFETY
DEPARTMENT OF MOTOR VEHICLES
DMV - REAL ID (201-4746)
BUDGET PAGE DMV-27

Mr. Drost presented budget account (BA) 4746, REAL ID, and explained that federal grants were awarded by the U.S. Department of Homeland Security to the DMV to meet the requirements of the federal REAL ID Act of 2005. The REAL ID budget had been established in fiscal year (FY) 2008 to track expenditures related to the grants. Mr. Drost said the REAL ID grant expired on December 31, 2014, and the Governor recommended eliminating BA 4746.

Per Mr. Drost, there were no major closing issues, and other closing items included an update on REAL ID. Fiscal Analysis Division staff noted that DMV began issuing REAL ID-compliant driver's licenses and identification (ID) cards in November 2014; however, Nevada residents continued to have the option of receiving a driver's license or ID card that was not REAL ID-compliant.

Other closing items also included a document manager software transfer. Mr. Drost said the DMV's disaster recovery system software and three years of technical software support were purchased using federal REAL ID grant funds in fiscal year (FY) 2014. The Governor recommended transferring the annual technical support expenditures to various DMV budgets based on the number of software licenses held within each budget account. Mr. Drost stated that the recommendation appeared reasonable.

The decision, said Mr. Drost, was whether the Committee wished to close the other closing items as recommended by the Governor and authorize Fiscal Analysis Division staff to make technical adjustments.

ASSEMBLYWOMAN CARLTON MOVED TO CLOSE OTHER
CLOSING ITEMS IN BUDGET ACCOUNT 4746 AS RECOMMENDED
BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS
DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF MOTOR VEHICLES
DMV - ADMINISTRATIVE SERVICES (201-4745)
BUDGET PAGE DMV-46

Adam Drost, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that budget account (BA) 4745, Administrative Services Division, provided support services to the Department of Motor Vehicles (DMV), including accounting, payroll, budgeting, and contract management. There were no major closing issues in budget account 4745.

Other closing items included merchant fees and credit card processing fees that DMV paid for transactions paid by credit card, debit card, or electronic check. Mr. Drost stated that The Executive Budget included a base-budget adjustment to increase the electronic payable category by \$1,105,808 in fiscal year (FY) 2016 and an additional \$704,922 in FY 2017, for a total increase of \$1,810,730 when compared to FY 2014 actual expenditures.

On April 3, 2015, said Mr. Drost, the agency provided updated projections using more recent data and the average increase in credit card use over the past three fiscal years. Actual expenditures in FY 2014 totaled \$5,003,026, and DMV projected fees of \$5,515,085 in FY 2015. Based on the DMV's updated projection, the total base merchant and processing fees were projected to increase by an additional \$20,580 in FY 2016 and \$23,259 in FY 2017 compared to the amounts reflected in The Executive Budget. Mr. Drost stated that the additional merchant fee expenditures would be funded with State Highway Fund appropriations. With that increase, the revised total amounts recommended by the Governor for the merchant fees processing category were \$6,159,530 in FY 2016 and \$6,868,891 in FY 2017.

Mr. Drost indicated that based on the recent information provided by DMV, 2.8 million transactions were projected to be completed in FY 2015; 3.2 million transactions were projected to be completed in FY 2016; and 3.6 million transactions were projected to be completed in FY 2017. The DMV indicated the increase was attributed to the following:

- An increase in the use of alternative technologies by DMV customers, including kiosks and the MyDMV web portal. During the DMV's budget hearing, the Department indicated those transactions had increased from 1.45 million transactions in FY 2013 to 1.69 million transactions in FY 2014, which represented a 16.8 percent increase.
- An increase in the number of customers at DMV field offices. In the five major metropolitan field offices, DMV indicated the number of customers increased from 1.7 million in FY 2013 to 1.9 million in FY 2014, which represented a 12.5 percent increase. The DMV attributed that increase to the issuance of driver authorization cards; REAL ID issuance; the new eight-year rolling reissuance period for driver's licenses; and the improvement to the economy.

Mr. Drost stated the increased use in alternative technologies and the overall volume of transactions conducted by DMV might lead to the projected 37.3 percent increase in merchant and processing fees in FY 2017 when compared to actual FY 2014 expenditures. However, if those fees flattened in the 2015-2017 biennium, the budget for the Administrative Services Division would include \$2.9 million in State Highway Fund appropriations that could not be used for other purposes.

As an alternative, said Mr. Drost, the Committee might wish to consider providing the DMV with the amount recommended in FY 2016 for each year of the biennium and authorize the agency to transfer appropriations supporting the expenditure authority for the category between the two fiscal years. Funds would be transferred to the second year if the increase in merchant fees did not materialize. If DMV experienced a significant increase in merchant fees in the first year of the biennium, the Department could transfer appropriations from the second year of the biennium and avoid requesting an allocation from the Interim Finance Committee (IFC) Contingency Account.

Mr. Drost said if additional funds were needed in FY 2017, DMV could seek a supplemental appropriation from the State Highway Fund. That alternative would reduce State Highway Fund appropriations by \$709,361 in FY 2017. Mr. Drost said he had discussed that option with DMV, and the Department indicated it appeared reasonable, given the dynamic expenditures associated with the category.

Mr. Drost stated there were two options for consideration by the Committee:

1. Approve the Governor's recommendation for merchant and processing fees and provide Fiscal Analysis Division staff with authority to make

technical adjustments to increase those fees by an additional \$20,580 in FY 2016 and \$23,259 in FY 2017, based on the Department's projections.

2. Approve \$6,159.530 in both FY 2016 and FY 2017 for merchant fees and processing fees, and provide the Department with authority to transfer unspent authority in the expenditure category between each fiscal year in the 2015-2017 biennium. That option would result in a decrease in State Highway Fund appropriations of \$709,361 in FY 2017.

Assemblywoman Carlton referred to a discussion during a subcommittee hearing regarding the DMV Administrative Services Division and the credit card and technology fees. She believed the technology fee was \$1, but there was also a percentage mentioned for other amounts, because legally the state could not make money off the fees, but it could recoup the costs.

Assemblywoman Carlton said merchant fees had been an issue for her for a very long time, because credit card companies were making a great deal of money while it cost her an extra 10 cents a gallon to put the cost of gas on her credit card. At some point, said Assemblywoman Carlton, the state had to figure out what to do about the fees; she noted that the fees took \$6 million out of the State Highway Fund that could be used for jobs.

Mr. Drost explained that the technology fee that was recommended by the Governor would supplement the completion of the system modernization, and there was a \$1 fee on every transaction conducted by DMV. Mr. Drost stated The Executive Budget indicated that would generate \$4 million in FY 2016 and \$5.8 million in FY 2017 [for BA 4716].

Assemblywoman Carlton asked about a previous discussion regarding percentages on the credit cards.

Amy McKinney, Administrator, Administrative Services Division, Department of Motor Vehicles, stated that she could not recall a discussion during a previous subcommittee hearing about a percentage on credit cards. The Division had talked to the Office of the State Treasurer and compiled information regarding what action the Division was permitted to take regarding surcharges to offset merchant fees. Ms. McKinney said she had received the information very recently. She believed there had been discussion about reviewing merchant fees over the interim to determine how to move forward.

Assemblywoman Carlton said she remembered the discussion. She believed that the merchant fee was important, and it would make a difference in the money that had to be set aside for the fees.

Chair Anderson explained that the technology fee was collected by the merchant who processed the credit card usage for the state. It was the same as a person buying an item from a store; the merchant would process the credit card and the store would be charged a fee, either a flat fee or a flat fee plus percentages, and fees varied on every transaction based upon the various credit cards. Chair Anderson said the fee to the state could be as low as 35 cents a transaction plus 1 percentage point that was charged by the merchant who processed the cards, but those fees could be as high as 4 percent, depending upon the card. It was difficult to determine the amount of the fee as the state provided the convenience of using credit cards and encouraged individuals to use online services rather than visit state offices, particularly at DMV. Chair Anderson believed it was a difficult moving target to hit, and therefore, the fees were estimated based on past fees. As more persons were encouraged to use online services, there would certainly be an increase in the merchant fees.

Assemblywoman Dickman said she also remembered the discussion during a Subcommittee hearing referred to by Assemblywoman Carlton, because she made a comment at that time that when she paid her property taxes online, she would be charged a substantial convenience fee to use her credit card.

Chair Anderson said the Committee wanted to encourage individuals to use alternative services provided by DMV and other state agencies, which helped the state be efficient and effective. If the state absorbed the merchant fees, that was an incentive for persons to use those alternative services, but as the costs were absorbed, they were spread to all customers, even those who did not use the alternative services. However, if the costs were passed on to the customers of alternative services, the state would be charging the individuals for using the alternative services that were more convenient.

Jim R. Wells, CPA, Interim Director, Department of Administration and Interim Chief, Budget Division, Department of Administration, explained that the Budget Division and the Office of the Governor had begun discussions regarding the merchant fees charged to the state. The Budget Division had committed to reviewing the situation over the upcoming interim in an attempt to discover a global solution that could be used by all state agencies so that agencies would not go in various directions in accepting credit cards. Mr. Wells said the Budget Division recognized that different types of payments incurred different

costs, and the Division wanted to ensure that the solution would be global rather than for individual agencies.

Chair Anderson said in his business, when customers paid cash rather than using a credit card, they received a discount. He noted that his business did not charge customers a fee for using credit cards, but gave customers an incentive to pay by other means, which eliminated the merchant fees for his business.

Assemblywoman Carlton stated that she had sponsored a bill during the 2013 Legislature that addressed the merchant fees, but that bill ran into innumerable blocks, legally and politically. She had heard the same statement in 2013 that the merchant fee charge would be vetted over the interim, but when she attempted to talk to various persons over the interim, there was a definite lack of interest. Assemblywoman Carlton stated that if the Budget Division intended to review the matter, she wanted to know who to contact to discuss the interim review.

Mr. Wells indicated that the Budget Division would take the lead on the review of merchant fees over the interim, and that Assemblywoman Carlton was more than welcome to contact him over the interim.

Chair Anderson reminded the Committee that Mr. Drost had outlined two options for its consideration. The first option would approve the Governor's recommendation for merchant and processing fees with authority for Fiscal Analysis Division staff to make technical adjustments based on updated projections. The second option was to approve \$6,159,530 in each year of the biennium for merchant fees and processing fees, and provide the Department of Motor Vehicles with authority to transfer unspent authority in the expenditure category between each fiscal year of the biennium. Option 2 would result in a \$709,361 decrease in the State Highway Fund appropriation for FY 2017.

ASSEMBLYWOMAN DICKMAN MOVED THAT THE COMMITTEE APPROVE OPTION 2: APPROVE \$6,159,530 IN FISCAL YEAR 2016 AND FISCAL YEAR 2017 FOR MERCHANT FEES AND PROCESSING FEES, AND PROVIDE THE DEPARTMENT OF MOTOR VEHICLES WITH AUTHORITY TO TRANSFER UNSPENT AUTHORITY IN THE EXPENDITURE CATEGORY BETWEEN EACH FISCAL YEAR IN THE 2015-2017 BIENNIUM, WHICH WOULD RESULT IN A DECREASE IN HIGHWAY FUND APPROPRIATIONS OF \$709,361 IN FISCAL YEAR 2017.

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

Assemblyman Armstrong asked whether DMV would have the ability to take funds from FY 2017 to spend in FY 2016. He asked whether it was only the ability to transfer unspent funds from FY 2016 to FY 2017, if needed.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that the concept was to allow DMV authority to go either way. If additional fees were incurred in FY 2016, DMV could transfer funds from FY 2017 to FY 2016 or vice versa—the funds could be moved from FY 2016 to FY 2017. If the total amount needed to cover the merchant fees over the biennium exceeded the total authority provided, an opportunity would be available during the 2017 Legislature to request a supplemental appropriation from the State Highway Fund to complete the second year of the biennium.

Assemblyman Armstrong said his concern was that if the Legislature allowed the Department to transfer funds from FY 2017 to FY 2016, and there was a shortfall prior to the 2017 Legislature, that DMV would approach the Interim Finance Committee (IFC) to request additional funds. Assemblyman Armstrong said if that was the case, he would prefer that the Committee approve option 1.

Ms. Jones stated that DMV could request additional funding through IFC if that request was prior to the 2017 Legislature, or after the Legislature convened, DMV could request a supplemental appropriation. There were several supplemental appropriation bills being considered by the 2015 Legislature to address shortfalls for FY 2015. She noted that option 2 would result in a decrease in State Highway Fund appropriations of \$709,361 in FY 2017.

Assemblyman Sprinkle commented that every time the Legislature took money from the State Highway Fund, it should be very cognizant of the action, because it appeared to occur on a regular basis. He opined that the State Highway Fund was in place for other reasons.

Chair Anderson clarified that option 2 would actually leave more money in the State Highway Fund for other uses, and DMV would have the option to request additional funding during the 2017 Legislature.

Assemblyman Sprinkle said it appeared to him that option 2 would not put additional money into the State Highway Fund.

Ms. Jones explained that with option 2, less money would be appropriated from the State Highway Fund than it would with option 1. The State Highway Fund was the appropriate funding source for the fees, and it was simply a matter of appropriating more funding based on DMV's new projections under option 1 or

appropriate less funding by selecting option 2, which would appropriate the same amount for both years of the 2015-2017 biennium rather than the increase projected for FY 2017. Ms. Jones said that would leave \$709,361 in the State Highway Fund that could be appropriated for other uses or toward highway projects. If the credit card fees reached the projected amount, DMV could either move money between fiscal years, depending on how the actual expenditures occurred, approach IFC for a State Highway Fund contingency request, or approach the 2017 Legislature for a supplemental appropriation.

Chair Anderson stated that a motion and a second were before the Committee to approve option 2, and he called for a vote.

THE MOTION CARRIED UNANIMOUSLY.

Continuing his presentation, Mr. Drost stated that other closing items in budget account 4745 included a new inventory control system; training for the revenue manager position; standby pay for the facilities supervisor position; updated signage for field offices; replacement equipment; and the upgrade of the Carson City keycard system, which contained a technical adjustment based on an updated proposal that included DMV providing system monitoring and hosting. Mr. Drost said that recommendation, with the technical adjustment, appeared reasonable. Other closing items also included replacement of technology equipment; transfer of one auditor position from the Director's Office; and the transfer of a copier machine to the Director's Office. Mr. Drost said those recommendations appeared reasonable.

The decision, said Mr. Drost, was whether the Committee wished to close other closing items as recommended by the Governor, with the technical adjustments noted for credit card merchant fees and processing fees, the upgrade of the Carson City keycard system, and authorize Fiscal Analysis Division staff to make other technical adjustments for updated revenue projections, departmental transfers, and cost allocations as necessary.

ASSEMBLYMAN EDWARDS MOVED TO CLOSE OTHER CLOSING ITEMS IN BUDGET ACCOUNT 4745 AS RECOMMENDED BY THE GOVERNOR, WITH THE TECHNICAL ADJUSTMENTS NOTED FOR CREDIT CARD MERCHANT FEES AND PROCESSING FEES, AND THE UPGRADE OF THE CARSON CITY KEYCARD SYSTEM, AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS FOR UPDATED REVENUE PROJECTIONS, DEPARTMENTAL TRANSFERS, AND COST ALLOCATIONS AS NECESSARY.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF MOTOR VEHICLES
DMV - CENTRAL SERVICES (201-4741)
BUDGET PAGE DMV-71**

Adam Drost, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4741, Central Services, and stated that Central Services consisted of alternative services and the processing center, which included driver's license and registration renewal by mail and the centralized call center. The budget also included the off-highway vehicle registration program.

Mr. Drost said there were no major closing issues in budget account (BA) 4741. Other closing items included the transfer of \$244,476 from records search charge revenue in fiscal year (FY) 2016 and \$251,167 in FY 2017, and equal reductions of State Highway Funds from the Department of Motor Vehicles (DMV) Records Search budget [BA 4711]. Any revenue remaining after the amount budgeted for the Records Search budget would be transferred equally to the Automation budget [BA 4715] and the Central Services budget [BA 4741], with a corresponding offset of State Highway Fund appropriations in those budgets. Mr. Drost stated that decision unit Enhancement (E) 226 represented the additional revenue beyond the base budget that was projected to be generated. The recommendation appeared reasonable to Fiscal Analysis Division staff.

Also included in other closing items, said Mr. Drost, were the document manager software transfer from the REAL ID budget [BA 4746] to the Central Services budget; replacement equipment; and replacement technology equipment, with a technical adjustment for a third annual maintenance agreement for a scanner that was inadvertently excluded from The Executive Budget. The recommendation, with the noted technical adjustment, appeared reasonable to Fiscal Analysis Division staff.

Mr. Drost noted there was also a base budget technical adjustment because of Interim Finance Committee (IFC) approval of the reclassification of eight administrative assistant positions to DMV services technician positions in January 2015. The position reclassifications were not included in The Executive Budget, and Fiscal Analysis Division staff recommended technical adjustments to accurately fund the salary and benefit expenditures.

The decision, said Mr. Drost, was whether the Committee wished to close other closing items as recommended by the Governor, with the technical adjustments noted for replacement technology equipment and base budget technical adjustments, and authorize Fiscal Analysis Division staff to make other technical adjustments for updated revenue projections, department transfers, and cost allocations as necessary.

ASSEMBLYMAN EDWARDS MOVED TO CLOSE OTHER CLOSING ITEMS IN BUDGET ACCOUNT 4741 AS RECOMMENDED BY THE GOVERNOR, WITH THE TECHNICAL ADJUSTMENTS NOTED FOR REPLACEMENT TECHNOLOGY EQUIPMENT AND BASE BUDGET TECHNICAL ADJUSTMENTS, AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS FOR UPDATED REVENUE PROJECTIONS, DEPARTMENT TRANSFERS, AND COST ALLOCATIONS AS NECESSARY.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF MOTOR VEHICLES
DMV - VERIFICATION OF INSURANCE (201-4731)
BUDGET PAGE DMV-86

Adam Drost, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4731, Verification of Insurance, and stated that the verification of insurance program verified that owners of motor vehicles registered in Nevada maintained liability insurance. The budget derived its revenue from fines charged and collected for reinstatements resulting from insurance suspensions.

Mr. Drost stated there were no major closing issues in budget account 4731. Other closing items included insurance violations revenue transfers to the State Highway Fund. Any revenue beyond the amount budgeted and a balance forward amount of \$500,000 was transferred to the State Highway Fund. The Executive Budget projected State Highway Fund transfers of \$7,184,847 in fiscal year (FY) 2016 and \$6,936,256 in FY 2017. The recommendation appeared reasonable to Fiscal Analysis Division staff. Other closing items also included replacement equipment and replacement technology equipment, which appeared reasonable to Fiscal Analysis Division staff.

The decision, said Mr. Drost, was whether the Committee wished to close other closing items as recommended by the Governor and authorize Fiscal Analysis Division staff to make technical adjustments for updated revenue projections, department transfers, and cost allocations as necessary.

ASSEMBLYMAN OSCARSON MOVED TO CLOSE OTHER CLOSING ITEMS IN BUDGET ACCOUNT 4731 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS FOR UPDATED REVENUE PROJECTIONS, DEPARTMENT TRANSFERS, AND COST ALLOCATIONS AS NECESSARY.

ASSEMBLYWOMAN DICKMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF MOTOR VEHICLES
DMV - RECORDS SEARCH (201-4711)
BUDGET PAGE DMV-91**

Adam Drost, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4711, Records Search, and stated the Records Search section was responsible for researching and distributing driver's licenses and vehicle registration information and providing records for insurance, employment, and investigations. Funding was provided through records search charge revenue.

Mr. Drost stated there were no major closing issues in budget account 4711. Other closing items included revenue transfers to the Central Services budget [BA 4741] and Automation budget [BA 4715]. The Governor recommended total records search charge revenue fund transfers of \$488,954 in fiscal year (FY) 2016 and \$502,334 in FY 2017, split equally between the Central Services budget and the Automation budget. Any revenue remaining after the amount budgeted for the Records Search budget was transferred equally to the Automation budget and the Central Services budget, with a corresponding offset of State Highway Fund appropriations in those budgets. Fund transfers were projected to be greater than the amount reflected in the base year, with the additional projected fund transfers contained in decision unit Enhancement (E) 226. Mr. Drost said the recommendation appeared reasonable to Fiscal Analysis Division staff.

Other closing items also included replacement equipment, replacement technology equipment, and replacement of two microfilm scanner machines and associated equipment. Those recommendations appeared reasonable to Fiscal Analysis Division staff.

The decision, said Mr. Drost, was whether the Committee wished to close other closing items as recommended by the Governor and authorize Fiscal Analysis Division staff to make technical adjustments for updated revenue projections, department transfers, and cost allocations as necessary.

ASSEMBLYMAN ARMSTRONG MOVED TO CLOSE OTHER CLOSING ITEMS IN BUDGET ACCOUNT 4711 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS FOR UPDATED REVENUE PROJECTIONS, DEPARTMENT TRANSFERS, AND COST ALLOCATIONS AS NECESSARY.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF MOTOR VEHICLES
DMV - MOTOR CARRIER (201-4717)
BUDGET PAGE DMV-103

Adam Drost, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4717, Motor Carrier, and stated that the Motor Carrier Division was responsible for ensuring compliance with Nevada's fuel tax laws for special fuel, motor fuel suppliers, and motor carriers, and for the collection of special fuel taxes.

Mr. Drost said there were no major closing issues in budget account 4717. Other closing items include redirection of governmental services tax (GST) commissions to the State General Fund. Mr. Drost explained that the 2011 Legislature redirected GST commissions in BA 4717, as well as GST commissions and penalties in the field services budget, to the State General Fund for both years of the 2011-2013 biennium. Mr. Drost explained that under *Nevada Revised Statutes* (NRS), the Department of Motor Vehicles (DMV) could not expend more than 22 percent of State Highway Fund collections on administration. The 2011 Legislature approved a temporary increase in the use of State Highway Fund collections for administration from 22 percent to 33 percent for the 2011-2013 biennium and appropriated State Highway Funds in place of the redirected revenue sources.

Mr. Drost said the 2013 Legislature approved redirecting GST commissions and GST penalty revenue to the State General Fund in fiscal year 2015 only. The 2013 Legislature also approved increasing the administration cap from 22 percent to 32 percent in FY 2015 only, and replaced the GST commissions and GST penalty revenue with State Highway Fund appropriations. That provision would sunset on June 30, 2015.

Mr. Drost reported that the Governor recommended the redirection of GST commission revenue of \$1,032,261 in FY 2016 and \$1,059,056 in FY 2017 from the Motor Carrier Division budget to the State General Fund, offset by an increase in State Highway Fund appropriations in the same amount. The Governor also recommended the redirection of GST commissions and penalty revenue in the field services budget to the State General Fund; increasing the DMV administration cap from 22 percent to 31 percent; and offsetting the redirected revenue with State Highway Fund appropriations.

At this time, said Mr. Drost, Fiscal Analysis Division staff recommended the Committee delay making a decision on whether to redirect GST commissions to the State General Fund until the legislative money committees had reviewed the

policy issues and fiscal effects. Fiscal Analysis Division staff would also request authority to adjust decision unit Enhancement (E) 226 based on the final decision by the legislative money committees and the updated revenue projections provided by DMV.

Other closing items, said Mr. Drost, included the document manager software transfer from the REAL ID budget to the Motor Carrier budget, replacement equipment, and replacement technology equipment. The other closing items appeared reasonable to Fiscal Analysis Division staff.

The decision, said Mr. Drost, was whether the Committee wished to close other closing items in budget account 4717 as recommended by the Governor, and authorize Fiscal Analysis Division staff to make technical adjustments for updated revenue projections, departmental transfers, cost allocations, and future closing decisions made by the legislative finance committees for the redirection of governmental services tax commissions to the State General Fund.

ASSEMBLYMAN KIRNER MOVED TO CLOSE OTHER CLOSING ITEMS IN BUDGET ACCOUNT 4717 AS RECOMMENDED BY THE GOVERNOR, AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS FOR UPDATED REVENUE PROJECTIONS, DEPARTMENTAL TRANSFERS, COST ALLOCATIONS, AND FUTURE CLOSING DECISIONS MADE BY THE LEGISLATIVE FINANCE COMMITTEES FOR THE REDIRECTION OF GOVERNMENTAL SERVICES TAX COMMISSIONS TO THE STATE GENERAL FUND.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY

DEPARTMENT OF PUBLIC SAFETY

DPS - EVIDENCE VAULT (201-4701)

BUDGET PAGE PUBLIC SAFETY-22

Jaimarie Dagdagan, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4701,

Evidence Vault, and stated budget account 4701 was established by the 2011 Legislature to consolidate five security lockers throughout the state into three evidence vaults located in Las Vegas, Elko, and Reno. The budget was supported by a cost allocation assessed to the Department of Public Safety (DPS) divisions using the vaults. She noted that the Investigations Division and the Nevada Highway Patrol were the primary users of the evidence vaults.

Ms. Dagdagan stated there were no major closing issues in BA 4701. Other closing items included the annual maintenance cost for the evidence vault management software and equipment. That recommendation was contingent upon approval of the system upgrade in fiscal year (FY) 2016 in the DPS forfeitures budget, which was scheduled for budget closing on May 4, 2015. Ms. Dagdagan said the agency provided an updated quote, which included an increase in system maintenance costs. Fiscal Analysis Division staff would seek authority to adjust decision unit Enhancement (E) 225 based on closing actions in the DPS Forfeitures budget.

The second closing item, said Ms. Dagdagan, was for additional Division of Enterprise Information Technology Services (EITS), Department of Administration, programmer/developer hours, which appeared reasonable to Fiscal Analysis Division staff. The third closing item was the request for computer replacement with associated software and printers, which also appeared reasonable to staff. The final closing item was for the DPS/EITS consolidation, which Ms. Dagdagan pointed out was included in all DPS budget accounts that used EITS services. Fiscal Analysis Division staff would seek the same technical adjustments for the DPS/EITS consolidation in other DPS accounts.

To provide some background for the Committee, Ms. Dagdagan explained that the 2013 Legislature approved the Governor's recommendation to consolidate DPS information technology (IT) services with EITS and created a temporary consolidated account. For the current biennium, EITS and DPS were directed to determine how DPS IT resources, costs, and services would be integrated into the EITS budgets and cost pools. To facilitate the elimination of that temporary consolidation budget [BA 1405], the establishment of new EITS cost pools was necessary to properly budget services provided by EITS that were specific to DPS and not provided on a statewide basis.

Ms. Dagdagan stated that Fiscal Analysis Division staff was working with EITS, DPS, and the Budget Division of the Department of Administration to determine the EITS services and associated uses provided to DPS. Fiscal Analysis Division staff would seek authority to make technical

adjustments for service usage and the addition of new cost pools to accurately reflect the EITS services provided to DPS.

The decision, said Ms. Dagdagan, was whether the Committee wished to close the budget as recommended by the Governor, with the technical adjustment noted, and authorize Fiscal Analysis Division staff to make other technical adjustments as necessary.

ASSEMBLYMAN KIRNER MOVED TO CLOSE BUDGET ACCOUNT 4701 AS RECOMMENDED BY THE GOVERNOR, WITH THE TECHNICAL ADJUSTMENT NOTED, AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - TRAINING DIVISION (101-3775)
BUDGET PAGE PUBLIC SAFETY-26**

Jaimarie Dagdagan, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3775, Training Division, and stated the Training Division provided basic academy and continuing education training to law enforcement personnel within the Department of Public Safety (DPS). The Training Division received a mix of State General Fund and State Highway Fund appropriations based on providing training to the Department's two largest divisions, the Division of Parole and Probation and the Nevada Highway Patrol. For the 2015-2017 biennium, the Training Division requested a funding split of 29 percent State General Fund and 71 percent State Highway Fund.

Ms. Dagdagan stated there were no major closing issues in BA 3775. Other closing items included:

1. Additional programmer and developer hours, which appeared reasonable to Fiscal Analysis Division staff.

2. Replacement of the Division's telephone system at the Carson City training facility to allow access services provided by the Division of Enterprise Information Technology Services (EITS), Department of Administration, and for compatibility with the state system, which appeared reasonable to staff.
3. The cost allocation for services provided by the DPS General Services Division, Director's Office, and the Office of Professional Responsibility, which appeared reasonable to staff.
4. The DPS/EITS consolidation. Fiscal Analysis Division staff would again request authority to make technical adjustments for service usage and the addition of new cost pools to accurately reflect the EITS services provided to DPS.

The decision, said Ms. Dagdagan, was whether the Committee wished to close budget account (BA) 3775 as recommended by the Governor and authorize Fiscal Analysis Division staff to make technical adjustments as necessary.

Assemblywoman Carlton asked for clarification of the other closing item regarding cost allocations. It appeared the Governor recommended increasing the State General Fund and State Highway Fund appropriations for services provided by the DPS General Services Division, the Director's Office, and the Office of Professional Responsibility.

Ms. Dagdagan stated the cost allocations were charged to each budget account. For example, the cost allocation for the General Services Division was based on the number of full-time-equivalent (FTE) positions. Based on the Governor's recommended budget for the General Services Division, the charges were cost-allocated throughout all DPS accounts based on FTE positions. The separate State General Fund and State Highway Fund appropriations were because of the funding split of 29 percent and 71 percent.

Assemblywoman Carlton assumed the FTEs had increased and the responsibility of the Office of Professional Responsibility had increased, and she wondered whether that was driving the increase.

Ms. Dagdagan said the increase was based on different factors. For the Director's Office, the cost allocation was based not only on the number of FTE positions, but also on transaction counts. The charges were for services provided by the General Services Division to the various DPS budget accounts. Ms. Dagdagan stated that the cost allocation for the Office of Professional Responsibility was based on the number of cases processed by that office.

ASSEMBLYMAN EDWARDS MOVED TO CLOSE BUDGET ACCOUNT 3775 AS RECOMMENDED BY THE GOVERNOR, AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY, AND AUTHORIZE STAFF TO MAKE TECHNICAL ADJUSTMENTS FOR SERVICE USAGE AND THE ADDITION OF NEW COST POOLS TO ACCURATELY REFLECT THE DIVISION OF ENTERPRISE INFORMATION TECHNOLOGY SERVICES (EITS) SERVICES PROVIDED TO THE DEPARTMENT OF PUBLIC SAFETY.

ASSEMBLYMAN ARMSTRONG SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - DIGNITARY PROTECTION (101-4738)
BUDGET PAGE PUBLIC SAFETY-37

Jennifer Ouellette, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4738, Dignitary Protection, and stated that the budget account provided security to the Governor and his family 24/7 at the Governor's Mansion. There were no major closing issues in BA 4738. Other closing items, said Ms. Ouellette, included:

1. Replacement of computer equipment. One of the printers budgeted for replacement during the upcoming biennium had already been replaced; therefore, Fiscal Analysis Division staff included a technical adjustment to eliminate the request for that printer in the recommended budget.
2. Adjustments within the Department of Public Safety's internal cost-allocation plan.
3. The DPS information technology (IT) consolidation with the Division of Enterprise Information Technology Services (EITS), Department of Administration. Fiscal Analysis Division staff requested authority to make technical adjustments for service usage and the addition of new cost pools to accurately reflect the EITS services provided to DPS.

The decision, said Ms. Ouellette, was whether the Committee wished to close all other closing items as recommended by the Governor, with the aforementioned technical adjustment to eliminate one printer in decision unit Enhancement (E) 710, and authorize Fiscal Analysis Division staff to make other technical adjustments as necessary.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE ALL OTHER CLOSING ITEMS IN BUDGET ACCOUNT 4738 AS RECOMMENDED BY THE GOVERNOR, WITH THE TECHNICAL ADJUSTMENT TO ELIMINATE THE COST OF ONE PRINTER IN THE FIRST CLOSING ITEM, AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY, INCLUDING AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS FOR SERVICE USAGE AND THE ADDITION OF NEW COST POOLS TO ACCURATELY REFLECT THE DIVISION OF ENTERPRISE INFORMATION TECHNOLOGY SERVICES (EITS) SERVICES PROVIDED TO THE DEPARTMENT OF PUBLIC SAFETY.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - NHP K-9 PROGRAM (101-4705)
BUDGET PAGE PUBLIC SAFETY-59

Jennifer Ouellette, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4705, Nevada Highway Patrol K-9 program, and stated that the Nevada Highway Patrol K-9 program was intended to prevent and intercept drug trafficking on Nevada's highways. There were no major issues in budget account 4705.

Ms. Ouellette said there was one other closing item in decision unit Enhancement (E) 711. The Governor recommended the replacement of specialty K-9 equipment for two replacement vehicles, which were included in Senate Bill 467. That bill contained the request for a one-shot appropriation for Highway Patrol vehicle replacement. The specialized equipment included heat alarms, fans, food and water bowls, weapons storage, and narcotics lockers.

The decision, said Ms. Ouellette, was whether the Committee wished to close BA 4705 as recommended by the Governor and authorize Fiscal Analysis Division staff to make technical adjustments as necessary.

ASSEMBLYWOMAN DICKMAN MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 4705 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY

DEPARTMENT OF PUBLIC SAFETY

DPS - HIGHWAY SAFETY GRANTS ACCOUNT (201-4721)

BUDGET PAGE PUBLIC SAFETY-62

Jennifer Ouellette, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4721 and stated that BA 4721 was funded primarily by the federal Motor Carrier Safety Assistance Program (MCSAP). There were no major issues in the budget account.

Ms. Ouellette indicated there were four other closing items:

1. Computer replacement equipment, primarily laptops that were used in the field by commercial enforcement officers. The MCSAP had approved an every-other-year replacement schedule because of the high level of damage the laptops received from being used in the field.
2. New equipment, which would allow for the purchase of new computer equipment and scales for two Nevada Highway Patrol troopers who would be reassigned from their duties to commercial enforcement duties. Also requested was the purchase of 48 new in-vehicle modems.
3. Adjustments within the Department of Public Safety's (DPS) internal cost-allocation plan.

4. The DPS/Division of Enterprise Information Technology Services (EITS), Department of Administration, consolidation. Fiscal Analysis Division staff would seek authority to make technical adjustments for service usage and the addition of new cost pools to accurately reflect the EITS services provided to DPS.

The decision, said Ms. Ouellette, was whether the Committee wished to close all other closing items as recommended by the Governor, with the technical adjustment identified by staff in the second closing item that reduced air-card charges because of the purchase of in-vehicle modems. Additionally, Fiscal Analysis Division staff would request authority to make other technical adjustments as necessary.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE ALL OTHER CLOSING ITEMS IN BUDGET ACCOUNT 4721 AS RECOMMENDED BY THE GOVERNOR, WITH THE TECHNICAL ADJUSTMENT NOTED BY FISCAL ANALYSIS DIVISION STAFF IN THE SECOND CLOSING ITEM; AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY; AND AUTHORIZE STAFF TO MAKE TECHNICAL ADJUSTMENTS FOR SERVICE USAGE AND THE ADDITION OF NEW COST POOLS TO ACCURATELY REFLECT THE DIVISION OF ENTERPRISE INFORMATION TECHNOLOGY SERVICES (EITS) SERVICES PROVIDED TO THE DEPARTMENT OF PUBLIC SAFETY.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - EMERGENCY MANAGEMENT ASSISTANCE GRANTS (101-3674)
BUDGET PAGE PUBLIC SAFETY-112

Jennifer Ouellette, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3674 and stated the budget served as a pass-through account for all federal grant funds that were received by the state for state emergency-management purposes. The budget also provided operational funding for the Division of Emergency Management, which

was operationally integrated with the Office of Homeland Security, Department of Public Safety.

Ms. Ouellette stated there were no major closing issues or other closing items in BA 3674, and Fiscal Analysis Division staff recommended that the budget be closed as recommended by the Governor, with authorization for Fiscal Analysis Division staff to make technical adjustments as necessary.

Assemblyman Armstrong observed that the federal funding in the budget account significantly changed from \$38,113,316 in fiscal year (FY) 2015 to \$16,463,850 in FY 2016, and he asked for clarification.

Justin Luna, Fiscal and Administration Section Manager, Division of Emergency Management/Office of Homeland Security, Department of Public Safety, stated that in BA 3674, the authority changed primarily because of new grants that were received, and depending upon the date the grants were received, the Division had to increase the authority to meet the grant awards. Mr. Luna said he would review the grant funding and provide additional information to the Committee regarding which grant awards were received and the authority to accept those awards during FY 2015.

Assemblyman Armstrong noted that the amount for FY 2014 was approximately the same as that recommended for FY 2015-2016, and he was curious about the approximately \$22 million in additional grant funding in FY 2015.

Mr. Luna stated he would review the details regarding the grant awards that were received. He noted the difference could have been that the Division received more awards in FY 2015.

Assemblywoman Kirkpatrick believed that the number of grants available today compared to the number in FY 2015 was less because the federal government had stopped awarding some grant funding.

Mr. Luna indicated he had been with the Division a short time and was not aware of the grant funding in FY 2015; however, he would provide the information to the Committee at a later date.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3674 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN DICKMAN SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Swank was not present for the vote.)

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - HOMELAND SECURITY (101-3675)
BUDGET PAGE PUBLIC SAFETY-115**

Jennifer Ouellette, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3675 and stated that the Office of Homeland Security acted as the cabinet-level office for the prevention and detection of any potential terrorist activities. She noted that there were no major closing issues in BA 3675.

Ms. Ouellette stated there were two other closing items:

1. Adjustments within the Department of Public Safety's (DPS) internal cost-allocation plan.
2. The DPS/Division of Enterprise Information Technology Services (EITS), Department of Administration, consolidation. Fiscal Analysis Division staff would seek authority to make technical adjustments for service usage and the addition of new cost pools to accurately reflect the EITS services provided to DPS.

The decision, said Ms. Ouellette, was whether the Committee wished to close BA 3675 as recommended by the Governor and authorize Fiscal Analysis Division staff to make technical adjustments as necessary.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3675 AS RECOMMENDED BY THE GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY, INCLUDING ADJUSTMENTS FOR SERVICE USAGE AND THE ADDITION OF NEW COST POOLS TO ACCURATELY REFLECT THE DIVISION OF ENTERPRISE INFORMATION TECHNOLOGY

SERVICES (EITS) SERVICES PROVIDED TO THE DEPARTMENT OF
PUBLIC SAFETY.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was
not present for the vote.)

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - GENERAL SERVICES (101-4702)
BUDGET PAGE PUBLIC SAFETY-137

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4702 and stated that the General Services budget provided centralized support services to other divisions and agencies within the Department of Public Safety (DPS). The budget funded the communications bureau, which was staffed by nonsworn positions that provided 24/7 radio dispatch services and communications support via three regional centers. Ms. Hoppe noted that the budget account also housed a statewide warrants unit that provided warrant data-entry services into state and national criminal justice databases.

There were no major closing issues in BA 4702. However, said Ms. Hoppe, there were seven other closing items:

1. A recommendation for maintenance costs related to the departmentwide switches.
2. A request for programmer and database administration hours, which would be provided by the Division of Enterprise Information Technology Services (EITS). Department of Administration.
3. The transfer of dispatch operational expenditures that were inadvertently omitted when all dispatch and costs were transferred from the Nevada Highway Patrol in the 2013-2015 biennium.
4. Equipment replacement for computers, monitors, and one laser printer.

5. Replacement of dispatcher telephone headsets for the 63 dispatchers who were funded in BA 4702.
6. Cost-allocation expenditures for the Department of Transportation (NDOT) 800 MHz statewide radio system. The agency indicated that the costs represented the allocation of 40 logical identifier (LID) numbers used for communication over a radio frequency in dispatch.
7. The DPS/EITS consolidation. Fiscal Analysis Division staff would seek authority to make technical adjustments for service usage and the addition of new cost pools to accurately reflect EITS services provided to DPS.

Ms. Hoppe stated that Fiscal Analysis Division staff recommended that other closing items in BA 4702 be closed as recommended by the Governor, with authority for Fiscal Analysis Division staff to make technical adjustments as needed.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE OTHER CLOSING ITEMS IN BUDGET ACCOUNT 4702 AS RECOMMENDED BY THE GOVERNOR, WITH AUTHORITY FOR FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED, AND AUTHORIZE STAFF TO MAKE TECHNICAL ADJUSTMENTS FOR SERVICE USAGE AND THE ADDITION OF NEW COST POOLS TO ACCURATELY REFLECT THE DIVISION OF ENTERPRISE INFORMATION TECHNOLOGY SERVICES (EITS) SERVICES PROVIDED TO THE DEPARTMENT OF PUBLIC SAFETY.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - CHILD VOLUNTEER BACKGROUND CHECKS TRUST ACCT (101-4710)
BUDGET PAGE PUBLIC SAFETY-144

Karen Hoppe, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4710 and stated that the budget account funded the cost to investigate the background of volunteers who worked with children less than 16 years of age. There were no major closing issues in the budget account, and Fiscal Analysis Division staff recommended that the budget be closed as recommended by the Governor.

ASSEMBLYWOMAN DICKMAN MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 4710 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - STATE EMERGENCY RESPONSE COMMISSION (201-4729)
BUDGET PAGE PUBLIC SAFETY-152

Jennifer Ouellette, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4729 and stated that the State Emergency Response Commission was responsible for protecting Nevadans from the negative effects of hazardous materials.

Ms. Ouellette stated there were no major issues in BA 4729, but there were four other closing items requested:

1. Division of Enterprise Information Technology Services (EITS), Department of Administration, programming and database administration to support the Fire Marshal's hazardous material licensing system. That expense was shared equally between BA 4729 and the budget account for the State Fire Marshal Division [BA 3816].

2. Computer equipment replacement.
3. Adjustments within the DPS internal cost-allocation plan.
4. The DPS/EITS consolidation. Fiscal Analysis Division staff would request authority to make technical adjustments for service usage and the addition of new cost pools to accurately reflect the EITS services provided to DPS.

Ms. Ouellette stated that Fiscal Analysis Division staff recommended that BA 4729 be closed as recommended by the Governor, with authority for staff to make technical adjustments as necessary.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 4729 AS RECOMMENDED BY THE GOVERNOR, AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY, AND AUTHORIZE STAFF TO MAKE TECHNICAL ADJUSTMENTS FOR SERVICE USAGE AND THE ADDITION OF NEW COST POOLS TO ACCURATELY REFLECT THE DIVISION OF ENTERPRISE INFORMATION TECHNOLOGY SERVICES (EITS) SERVICES PROVIDED TO THE DEPARTMENT OF PUBLIC SAFETY.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - FIRE MARSHAL (101-3816)
BUDGET PAGE PUBLIC SAFETY-158

Jennifer Ouellette, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3816 and stated there were no major closing issues in BA 3816. There were five other closing items:

1. Division of Enterprise Information Technology Services (EITS), Department of Administration, programming and database administration to support the Fire Marshal's hazardous material licensing system, which was responsible for permitting and regulating hazardous materials. The expense was shared equally between BA 3816 and the State Emergency Response Commission [BA 4729].
2. Computer equipment replacement.
3. Replacement of three agency vehicles that had exceeded the mileage threshold and were originally purchased in 2004 and 2008.
4. Adjustments within the DPS internal cost-allocation plan.
5. The DPS/EITS consolidation. Fiscal Analysis Division staff would request authority to make technical adjustments for service usage and the addition of new cost pools to accurately reflect the EITS services provided to DPS.

Ms. Ouellette stated that Fiscal Analysis Division staff recommended that BA 3816 be closed as recommended by the Governor, including authority for staff to make technical adjustments as necessary.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 3816 AS RECOMMENDED BY THE GOVERNOR, AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY, AND AUTHORIZE STAFF TO MAKE TECHNICAL ADJUSTMENTS FOR SERVICE USAGE AND THE ADDITION OF NEW COST POOLS TO ACCURATELY REFLECT THE DIVISION OF ENTERPRISE INFORMATION TECHNOLOGY SERVICES (EITS) SERVICES PROVIDED TO THE DEPARTMENT OF PUBLIC SAFETY.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Benitez-Thompson was not present for the vote.)

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - CIG FIRE SAFE STD & FIREFIGHTER SUPPORT (101-3819)
BUDGET PAGE PUBLIC SAFETY-166**

Jennifer Ouellette, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 3819 and stated BA 3819 was a special revenue fund to support fire safety and fire prevention programs overseen by the State Fire Marshal.

Ms. Ouellette said there were no major issues in the budget account and one other closing item. The Governor recommended the purchase of a new and larger fire prevention trailer that would be designed not only to haul equipment, but also to serve as a fire prevention education delivery platform. Ms. Ouellette stated that would allow the agency to hold smaller portable classes across the state and to host large events, such as the "National Night Out," which could deliver educational messages to thousands of residents.

Ms. Ouellette noted there was one technical adjustment in decision unit Enhancement (E) 720 to reduce the costs of decaling the trailer by \$900, which appeared reasonable.

Ms. Ouellette stated that Fiscal Analysis Division staff recommended that BA 3819 be closed as recommended by the Governor, with the technical adjustment noted by staff and authority for Fiscal Analysis Division staff to make other technical adjustments as necessary.

ASSEMBLYMAN OSCARSON MOVED THAT THE COMMITTEE
CLOSE BUDGET ACCOUNT 3819 AS RECOMMENDED BY THE
GOVERNOR WITH THE TECHNICAL ADJUSTMENT NOTED BY
FISCAL ANALYSIS DIVISION STAFF, AND AUTHORIZE STAFF TO
MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - TRAFFIC SAFETY (101-4687)
BUDGET PAGE PUBLIC SAFETY-191**

Jennifer Ouellette, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4687, Traffic Safety, and stated the budget account served as a pass-through account for federal grant funds received by the Office of Traffic Safety. Funds were used to support the six primary strategic highway safety plans.

There were no major issues in BA 4687, said Ms. Ouellette, but there was one other closing item. Fiscal Analysis Division staff, the Office of Traffic Safety, the Department of Transportation (NDOT), and the Budget Division, Department of Administration, agreed to a transfer reduction of \$295,006 in fiscal year (FY) 2016 and \$295,212 in FY 2017 between NDOT and the Office of Traffic Safety.

Fiscal Analysis Division staff recommended that BA 4687 be closed as recommended by the Governor, including the technical adjustment noted by Fiscal Analysis Division staff and authority for staff to make other technical adjustments as necessary.

ASSEMBLYMAN KIRNER MOVE TO CLOSE BUDGET ACCOUNT
4687 AS RECOMMENDED BY THE GOVERNOR, INCLUDING THE
TECHNICAL ADJUSTMENT NOTED BY FISCAL ANALYSIS
DIVISION STAFF, AND AUTHORIZE STAFF TO MAKE ADDITIONAL
TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - MOTORCYCLE SAFETY PROGRAM (101-4691)
BUDGET PAGE PUBLIC SAFETY-193

Jennifer Ouellette, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4691, Motorcycle Safety Program, and stated the program provided education and training courses to motorcycle riders throughout the state. The program was primarily funded by a \$6 fee on all Nevada motorcycle registrations.

There were no major closing issues in BA 4691, said Ms. Ouellette, but there were three other closing items:

1. Replacement of 30 training motorcycles and one Ford Super Duty F-450 truck. The training motorcycles had a ten-year useful life, and the recommended truck replacement would be used to haul a 16,000-pound portable trailer filled with 13 motorcycles to provide classroom training to rural areas throughout the state. It should be noted that the 2013 Legislature approved the replacement; however, the agency was able to retrofit the existing truck, thereby extending its useful life. Fiscal Analysis Division staff had made technical adjustments to reduce the costs of the motorcycles and the truck.
2. Adjustments within the Department of Public Safety's (DPS) internal cost-allocation plan.
3. The DPS/Division of Enterprise Information Technology Services (EITS), Department of Administration, consolidation. Fiscal Analysis Division staff would request authority to make technical adjustments for service usage and the addition of new cost pools to accurately reflect EITS services provided to DPS.

Ms. Ouellette stated that Fiscal Analysis Division staff recommended that BA 4691 be closed as recommended by the Governor, with the technical adjustments noted by staff in other closing item 1 that reduced the cost of the motorcycles and the truck. Additionally, staff requested authority to make other technical adjustments as necessary.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE
CLOSE BUDGET ACCOUNT 4691 AS RECOMMENDED BY THE
GOVERNOR, INCLUDING TECHNICAL ADJUSTMENTS NOTED BY
FISCAL ANALYSIS DIVISION STAFF IN CLOSING ITEM NUMBER 1,

AUTHORIZE STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY, AND AUTHORIZE STAFF TO MAKE TECHNICAL ADJUSTMENTS FOR SERVICE USE AND THE ADDITION OF NEW COST POOLS TO ACCURATELY REFLECT THE DIVISION OF ENTERPRISE INFORMATION TECHNOLOGY SERVICES (EITS) SERVICES PROVIDED TO THE DEPARTMENT OF PUBLIC SAFETY.

ASSEMBLYMAN OSCARSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - JUSTICE GRANT (101-4736)
BUDGET PAGE PUBLIC SAFETY-203**

Jaimarie Dagdagan, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4691 and stated that the Office of Criminal Justice Assistance, Department of Public Safety (DPS), was responsible for obtaining, administering, and subgranting federal grant funds from the U.S. Department of Justice to state and local government agencies. The Office had been designated by the Governor as the state coordinator for the 1033 Department of Defense excess property program and the point-of-contact for the 1122 General Services Administration (GSA) purchasing program.

Ms. Dagdagan said the budget was funded through transfers from the U.S. Department of Justice grants and State General Fund appropriations, which served as a partial match requirement.

There were no major closing issues in BA 4736. However, said Ms. Dagdagan, there were five other closing items:

1. Replace computers with associated software, which appeared reasonable to Fiscal Analysis Division staff.
2. Replace chairs and chair mats in each year of the biennium, which appeared reasonable to Fiscal Analysis Division staff.

3. Replace the agency's telephone system to allow access to the Division of Enterprise Information Technology Services (EITS), Department of Administration, and provide compatibility with the state system. Per discussion with the agency, the recommendation of \$3,000 for a software license/maintenance contract in fiscal year (FY) 2017 was no longer needed. With that adjustment noted, the recommendation appeared reasonable.
4. A cost allocation for services provided by the DPS General Services and Director's Office, which appeared reasonable.
5. The DPS/EITS consolidation. Fiscal Analysis Division staff requested authority to make technical adjustments for service usage and the addition of new cost pools to accurately reflect the EITS services provided to DPS.

Ms. Dagdagan stated that Fiscal Analysis Division staff recommended that BA 4736 be closed as recommended by the Governor, with the technical adjustment noted in closing item 3 and authority for staff to make other technical adjustments as necessary.

ASSEMBLYMAN KIRNER MOVED THAT THE COMMITTEE CLOSE BUDGET ACCOUNT 4736 AS RECOMMENDED BY THE GOVERNOR, INCLUDING THE TECHNICAL ADJUSTMENT NOTED IN CLOSING ITEM NUMBER 3; AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY; AND AUTHORIZE STAFF TO MAKE TECHNICAL ADJUSTMENTS FOR SERVICE USAGE AND THE ADDITION OF NEW COST POOLS, TO ACCURATELY REFLECT THE DIVISION OF ENTERPRISE INFORMATION TECHNOLOGY SERVICES (EITS) SERVICES PROVIDED TO THE DEPARTMENT OF PUBLIC SAFETY.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - JUSTICE ASSISTANCE ACT (101-4708)
BUDGET PAGE PUBLIC SAFETY-209**

Jaimarie Dagdagan, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented budget account (BA) 4708 and stated that BA 4708 served as a pass-through account for federal grants received from the U.S. Department of Justice. Grant funds were distributed to state and local government agencies that contributed to the effort to reduce or prevent crime, violence, and drug abuse and improve the criminal justice system.

There were no major closing issues in BA 4708, said Ms. Dagdagan, and one other closing item. The Governor recommended transferring National Instant Criminal Background Check System grant funds of \$577,912 over the biennium to the Criminal History Repository budget [BA 4709] to support ten temporary contract staff to continue the work on the court disposition backlog. Ms. Dagdagan stated the recommendation was contingent upon approval of the temporary contract services in the Criminal History Repository budget, which was scheduled for budget closing on May 7, 2015.

Ms. Dagdagan said Fiscal Analysis Division staff recommended that BA 4708 be closed as recommended by the Governor, with authority for Fiscal Analysis Division staff to make technical adjustments as needed.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE
CLOSE BUDGET ACCOUNT 4708 AS RECOMMENDED BY THE
GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF
TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - JUSTICE ASSIST GRANT TRUST (101-4734)
BUDGET PAGE PUBLIC SAFETY-212**

Jaimarie Dagdagan, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that budget account (BA) 4734 was a pass-through account for the Edward Byrne Memorial Justice Assistance Grant, which was received from the U.S. Department of Justice.

There were no major closing issues in BA 4734, said Ms. Dagdagan, and no other closing items. However, Fiscal Analysis Division staff noted the transfer from BA 4734 did not align with revenues in the Justice Grant budget [BA 4736]. She stated that there was a technical adjustment to decrease the transfer to the Justice Grant budget by \$426 in fiscal year (FY) 2016 and by \$3,086 in FY 2017 to align expenditures with revenue in the DPS Justice Grant budget, resulting in an increase in aid to Nevada governmental units of \$3,512 over the biennium.

Ms. Dagdagan indicated that Fiscal Analysis Division staff recommended BA 4734 be closed as recommended by the Governor, with authority for staff to make technical adjustments as needed.

ASSEMBLYWOMAN DICKMAN MOVED THAT THE COMMITTEE
CLOSE BUDGET ACCOUNT 4734 AS RECOMMENDED BY THE
GOVERNOR AND AUTHORIZE FISCAL ANALYSIS DIVISION STAFF
TO MAKE TECHNICAL ADJUSTMENTS AS NEEDED.

ASSEMBLYMAN EDWARDS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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**PUBLIC SAFETY
DEPARTMENT OF PUBLIC SAFETY
DPS - FUND FOR REENTRY PROGRAMS (101-4737)
BUDGET PAGE PUBLIC SAFETY-214**

Jaimarie Dagdagan, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that budget account (BA) 4737 was supported by donations and interest earnings to pay for service programs for the reentry of persons into the community upon their release from incarceration and necessary administrative costs. There were no major closing issues or other closing items in the budget.

Ms. Dagdagan stated that Fiscal Analysis Division staff recommended that BA 4737 be closed as recommended by the Governor.

Assemblywoman Dickman asked about the amount of \$5 in other funding for fiscal year (FY) 2014, and Ms. Dagdagan explained that \$5 was the actual amount of interest received in FY 2014.

ASSEMBLYMAN EDWARDS MOVED THAT THE COMMITTEE
CLOSE BUDGET ACCOUNT 4737 AS RECOMMENDED BY THE
GOVERNOR.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.
THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Anderson opened public comment and there was no public comment to come before the Committee.

Assembly Committee on Ways and Means

April 17, 2015

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With no further business to come before the Committee, the Chair adjourned the hearing at 10:20 a.m.

RESPECTFULLY SUBMITTED:

Carol Thomsen
Committee Secretary

APPROVED BY:

Assemblyman Paul Anderson, Chair

DATE: _____

EXHIBITS

Committee Name: Assembly Committee on Ways and Means

Date: April 17, 2015

Time of Meeting: 8:36 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster