

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-Eighth Session
April 10, 2015**

The Senate Committee on Finance was called to order by Chair Ben Kieckhefer at 8:02 a.m. on Friday, April 10, 2015, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Ben Kieckhefer, Chair
Senator Michael Roberson, Vice Chair
Senator Pete Goicoechea
Senator Mark A. Lipparelli
Senator David R. Parks
Senator Joyce Woodhouse

COMMITTEE MEMBERS ABSENT:

Senator Debbie Smith (Excused)

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Joi Davis, Senior Program Analyst
Mandi Davis, Program Analyst
Jeff A. Ferguson, Senior Program Analyst
Karen Hoppe, Senior Program Analyst
Kristen Kolbe, Program Analyst
Brody Leiser, Program Analyst
Jennifer Ouellette, Program Analyst
Emily Cervi, Committee Assistant
Lona Domenici, Committee Manager
Trish O'Flinn, Committee Secretary

OTHERS PRESENT:

Erin McMullen, R & R Partners

Chair Kieckhefer:

We will start with budget closings. The first is the Office of Economic Development (GOED), budget account (B/A) 101-1526.

COMMERCE AND INDUSTRY

GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

GOED - Governor's Office of Economic Dev — Budget Page ECONOMIC
DEVELOPMENT-7 (Volume II)
Budget Account 101-1526

Jeff A. Ferguson (Senior Program Analyst):

I will refer to the "Senate Committee on Finance Closing List #5, April 10, 2015" ([Exhibit C](#)) in my presentation. The GOED is tasked with diversifying and strengthening the State's economy by attracting companies, subsidiaries and divisions to locate to the State, assisting in the retention and expansion of existing Nevada companies and helping new companies start up in the State. The GOED works with regional development authorities to identify, pursue and achieve the goals of the GOED State Economic Development Plan, released in February 2012. The GOED plan focuses on the following seven industry sectors: aerospace and defense, energy, healthcare information, technology, hospitality, tourism, and logistics and operations. Through the plan, GOED is tasked with expanding global exports and foreign investment. The Office collaborates with the Department of Employment, Training and Rehabilitation (DETR), the Nevada System of Higher Education (NSHE) and other organizations to identify opportunities to expand Nevada's workforce and provide the qualified people needed by the State's businesses.

There are five major closing issues for this budget. The first is two new nonclassified positions for GOED created in decision units E-129 and E-225. Staff notes that GOED's nonclassified positions are assigned titles by the agency and do not necessarily correlate with job titles in the classified area of State service. During the budget hearing, the Committee questioned GOED about the job titles and duties for these positions.

E-129 Sustainable and Growing Economy — Page ECONOMIC
DEVELOPMENT-10
E-225 Efficient and Responsive State Government — Page ECONOMIC
DEVELOPMENT-11

The Executive Budget recommends General Fund appropriations of \$164,404 for decision unit E-129 over the biennium for a nonclassified position to conduct research and analysis, fulfill auditing functions and prepare various reports for which GOED is responsible. These reports include: two biennial reports on general economic development; five annual reports about specific programs within GOED; two biannual reports related to Interim Finance Committee (IFC) requirements related to the Battle Born venture fund and the unmanned aerial vehicle (UAV) program financial reporting; seven reports each year concerning the UAV program; and quarterly reports for the Tesla project.

The GOED clarified the position would have the title of program analyst with duties and responsibilities comparable to a management analyst (MA) III in classified service. The duties as presented match those of a MA III, and the requested salary of \$61,403 in fiscal year (FY) 2017 is comparable to a midgrade MA III. There are currently five positions in the administrative services unit for which this position is destined, and only the administrative services officer (ASO) receives a higher salary than the proposed position. The GOED has indicated that the tasks assigned to this position would require a higher level of expertise than the administrative assistant, fiscal technician and executive assistant positions currently in the Agency. The tasks the recommended position would perform are currently being performed by various senior staff, taking time away from their economic development activities.

SENATOR LIPPARELLI MOVED TO APPROVE DECISION UNIT E-129 IN
B/A 101-1526 AS RECOMMENDED BY THE GOVERNOR.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Mr. Ferguson:

The second position in decision unit E-225 is to support the fiscal services unit. Since the budget hearing, GOED has clarified this position would be a fiscal technician comparable to an accountant technician II in the classified service. Consequently, the salary should be reduced from \$68,000 to \$48,000 annually, which would provide a salary level at midrange with the pay grade for an accountant technician II. This change would provide General Fund savings of \$41,843 over the biennium.

The GOED has stated the duties of the fiscal technician would include processing fiscal transactions, auditing, conducting basic research and analysis, grant reporting and tracking contracts and budgets. The number of transactions per full-time equivalent (FTE) position has risen from 1,249 in FY 2011 to 1,841 in FY 2015. To complete their work, the GOED has paid \$574 in overtime and \$2,597 in temporary employment services in FY 2015. With the addition of another fiscal technician, the transactions per FTE would decrease to 1,552 in FY 2016 and 1,793 in FY 2017 based on the projected increase in total transactions.

SENATOR GOICOECHEA MOVED TO APPROVE THE RECOMMENDATION IN DECISION UNIT E-225 OF B/A 101-1526 TO PROVIDE A NEW POSITION IN GOED'S ADMINISTRATIVE SERVICES UNIT WITH GENERAL FUND APPROPRIATIONS OF \$121,701 OVER THE BIENNIUM, AND TO MAKE THE TECHNICAL ADJUSTMENT TO REDUCE GENERAL FUND APPROPRIATIONS BY \$41,843 OVER THE BIENNIUM.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Mr. Ferguson:

The second major closing item in this budget is decision unit E-126 which recommends General Fund appropriations of \$370,423 in each year of the biennium to fund GOED's contractual obligation with regard to the Nevada Center of Excellence Program for water resources.

The payments are for the IBM PureSystems project which is a large-scale computer system that will allow the Desert Research Institute (DRI) to collect, store and analyze large amounts of water resources-related data. The GOED and NSHE each provide 37.5 percent of the funding for the contract, and DETR pays the remaining 25 percent. When the contract ends in January 2018, the State will own the system. Although the Nevada Knowledge Account was used to pay part of the contractual costs in FY 2014 and FY 2015, the project was started with General Fund appropriations. The PureSystems project has a broad use that supports economic development initiatives. If decision unit E-126 is not approved, GOED would have to use existing funding to pay the contract costs which will necessitate spending reductions in other GOED operations.

SENATOR GOICOECHEA MOVED TO APPROVE DECISION UNIT E-126 OF B/A 101-1526 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Mr. Ferguson:

The next major closing issue is decision unit E-128, the recommended General Fund appropriation of \$500,000 in each year of the biennium to support the Nevada Train Employees Now (TEN) program, which provides short-term, skills-based intensive job training to assist new and expanding firms to reach productivity quickly.

E-128 Sustainable and Growing Economy — Page ECONOMIC DEVELOPMENT-10

In FY 2014, DETR provided \$700,190 and in FY 2015 they provided \$233,750 for the TEN program from the Career Enhancement Program (CEP) fund. However, unemployment programs supported with CEP funds increased during the Great Recession, depleting the CEP reserves. The Executive Budget replaces the CEP funding with General Fund appropriations at a slightly lower level than it operated with in 2014. The GOED indicated this is the sole funding source for the TEN program; if it is eliminated, the program would be eliminated.

A reduction in funding would result in a reduction of effectiveness, but the demand for the program outweighs resources.

The Assembly Committee on Ways and Means approved this decision unit with a \$500,000 appropriation in FY 2016 and placing \$500,000 in the IFC Contingency Account for FY 2017. The GOED was directed to request funding for FY 2017 from the IFC if they are not able to identify other sources to support the TEN program.

Chair Kieckhefer:

Was there an indication that additional funds might be available from external sources?

Mr. Ferguson:

No sources have been identified, but the GOED testified it might be possible to find other funding mechanisms.

Chair Kieckhefer:

This is a valuable program.

SENATOR LIPPARELLI MOVED TO APPROVE DECISION UNIT E-128 OF B/A 101-1526 WITH AN APPROPRIATION OF \$500,000 IN FY 2016 AND PLACING \$500,000 IN THE IFC CONTINGENCY ACCOUNT FOR FY 2017 AND TO DIRECT GOED TO REQUEST FUNDING FOR FY 2017 FROM THE IFC IF THEY ARE NOT ABLE TO IDENTIFY OTHER FUNDING SOURCES.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Mr. Ferguson:

The next major closing item is the recommendation for General Fund appropriations of \$70,000 in each year of the biennium for international travel in decision unit E-127.

The GOED has planned nine trips to promote Nevada as a key economic provider in the international marketplace over the biennium: three to Israel, two to Germany, two to Brazil and two to South Korea. These countries were identified as target destinations based on a number of factors that would benefit Nevada's economy and businesses, including the value of exports to Nevada, growth rates, already established relationships, and environmental and economic similarities with Nevada and Nevada businesses. The GOED testified they had previously funded these sales missions with marketing funds, which has reduced the effectiveness of their marketing program. In response to the Committee's questions about how Nevada's international trade budget compares with other states, the GOED provided information stating that, in FY 2014, Nevada spent \$500,000 for international trade and investment compared to \$7.3 million for Illinois, \$6 million for Utah, \$3.8 million for Washington and \$1.1 million for Indiana.

Senator Parks:

Of the nine trips identified, our information is that six include three staff members and three include two staff members. Are those total staff members or is that in addition to the Director?

Mr. Ferguson:

I believe that is the total number of staff. They would make staffing decisions within the budget constraints.

SENATOR GOICOECHEA MOVED TO APPROVE DECISION UNIT E-127 OF B/A 101-1526 AS RECOMMENDED BY THE GOVERNOR.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Mr. Ferguson:

The final major closing issue is Budget Amendment No. A150011526 which would provide General Fund appropriations of \$600,000 in FY 2016 and \$692,000 in FY 2017 to fund the UAV program. This total amount, \$1,292,000, represents the remaining balance of the General Fund appropriation to the IFC Contingency Account that was approved for the UAV

program during the 2013 Session of the Legislature. The GOED had anticipated spending all \$4 million appropriated during the current biennium, but has been unable to start the testing due to delays in the UAV guidelines and requirements by the federal government. Staff notes that when seeking the initial \$1,460,000 for the UAV program at the December 9, 2013, IFC meeting, GOED testified that it planned to focus on helping the project management office become self-sufficient before the end of FY 2015; after which time it was anticipated State funding would no longer be needed. Staff notes that the closing document reflects the inclusion of this amendment. The Assembly Committee of Ways and Means chose to approve the General Fund appropriation of \$1,292,000 as recommended in Budget Amendment A150011526 by providing \$600,000 directly to the GOED account for FY 2016 and appropriating the remaining \$692,000 to the IFC Contingency Account for FY 2017, directing GOED to approach the IFC in FY 2017 with a plan for utilizing the funding, if needed.

Senator Goicoechea:

I understand the need to conform with the Assembly Committee's actions, but I would have preferred to commit to funding the program completely.

SENATOR GOICOECHEA MOVED TO APPROVE GENERAL FUND APPROPRIATIONS OF \$1,292,000 AS RECOMMENDED IN BUDGET AMENDMENT NO. A150011526 BY PROVIDING \$600,000 DIRECTLY TO THE GOED ACCOUNT FOR FY 2016 AND APPROPRIATING THE REMAINING \$692,000 TO THE IFC CONTINGENCY ACCOUNT FOR FY 2017, DIRECTING GOED TO APPROACH THE IFC IN FY 2017 WITH A PLAN FOR UTILIZING THE FUNDING IF NEEDED.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Mr. Ferguson:

Other closing items in B/A 101-1526 include replacement equipment in decision unit E-710.

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Decision unit E-900 recommends the transfer of one nonclassified position from this budget to the Rural Community Development account. Upon transfer, this position would be funded with federal funds, resulting in General Fund savings of \$122,698 over the 2015 to 2017 biennium.

E-900 Transfer From B/A 1526 To B/A 1528 — Page ECONOMIC
DEVELOPMENT-12

GOED - Rural Community Development — Budget Page ECONOMIC
DEVELOPMENT-19 (Volume II)
Budget Account 101-1528

E-900 Transfer From B/A 1526 To B/A 1528 — Page ECONOMIC
DEVELOPMENT-22

Decision unit E-231 recommends General Fund appropriations totaling \$129,811 over the biennium to purchase supplemental aviation insurance. The Department of Administration's Risk Management Division has provided updated estimates of aviation insurance costs of \$100,000 over the 2015-2017 biennium, providing General Fund savings of \$29,811 over the biennium.

E-231 Efficient and Responsive State Government — Page ECONOMIC
DEVELOPMENT-11

These items appear reasonable to staff.

SENATOR ROBERSON MOVED TO APPROVE THE OTHER CLOSING
ITEMS IN B/A 101-1526 WITH TECHNICAL ADJUSTMENTS TO
DECISION UNIT E-231 AND TO GRANT AUTHORITY TO STAFF TO
MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOCHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item will be the Nevada Film Office (NFO), B/A 101-1527.

GOED - Nevada Film Office — Budget Page ECONOMIC DEVELOPMENT-15
(Volume II)

Budget Account 101-1527

Mr. Ferguson:

Staff is responsible for developing closing recommendations for this budget that has not previously been heard by the Committee. The NFO proactively promotes, pursues and facilitates the production of motion pictures and all other forms of media projects utilizing Nevada locations, vendors, services, crew, personnel and performance talent. The NFO is funded primarily from a transfer of room tax revenue from the Commission on Tourism and fees charged for sales and associated advertising related to the production directory created by the NFO.

Decision unit E-710 recommends transfers from the Commission on Tourism of \$1,350 in FY 2016 and \$184 in FY 2017 for replacement equipment.

E-710 Equipment Replacement — Page ECONOMIC DEVELOPMENT-17

Staff notes that there is a one-time reduction in the transfer of Commission on Tourism funds of approximately \$35,000 each year of the biennium to lower the reserves in this account. This item is informational only and does not require action by the Committee.

SENATOR GOICOECHEA MOVED TO APPROVE B/A 101-1527 AS
RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO
STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next budget account is Rural Community Development, B/A 101-1528.

GOED - Rural Community Development — Budget Page ECONOMIC
DEVELOPMENT-19 (Volume II)
Budget Account 101-1528

Mr. Ferguson:

The Rural Community Development program administers the State's Community Development Block Grant (CDBG) program on behalf of small cities and rural counties in Nevada. The goal of the CDBG program is to develop viable rural communities by assisting to provide suitable living environments, expanded economic opportunities and adequate housing, primarily for low- to moderate-income persons. This budget is mainly funded by the federal block grant received from the U.S. Department of Housing and Urban Development (HUD) and supplemented by State General Fund support.

There is one major closing issue. Decision unit E-125 recommends General Fund appropriations of \$10,000 in each year of the 2015-2017 biennium to attend conferences sponsored by the Council of State Community Development Agencies, HUD and other community and economic development conferences. The Agency testified, and staff has confirmed, that General Fund support for out-of-state travel was removed from this budget in FY 2012 as a General Fund reduction measure. In lieu of State funding, the Agency utilized available surplus federal funds in a special use training category. However, those funds are now exhausted, necessitating resumption of State funding for out-of-state travel.

E-125 Sustainable and Growing Economy — Page ECONOMIC
DEVELOPMENT-21

SENATOR LIPPARELLI MOVED TO APPROVE DECISION UNIT E-125 IN
B/A 101-1528 AS RECOMMENDED BY THE GOVERNOR.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Mr. Ferguson:

There are two other closing items, including the transfer of the nonclassified program manager position to this budget account from B/A 101-1526 in decision units E-500 and E-900 and decision unit E-710 for replacement equipment. These recommendations appear reasonable.

E-500 Adjustments To Transfers — Page ECONOMIC DEVELOPMENT-21

E-900 Transfer From B/A 1526 To B/A 1528 — Page ECONOMIC DEVELOPMENT-22

E-710 Equipment Replacement — Page ECONOMIC DEVELOPMENT-21

SENATOR PARKS MOVED TO APPROVE DECISION UNITS E-500, E-900 AND E-710 IN B/A 101-1528 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The Committee will now open the work session on Senate Bill (S.B.) 314.

SENATE BILL 314: Revises provisions governing certain health districts.
(BDR 40-957)

Erin McMullen (R & R Partners):

The main intent of the proposed amendment to S.B. 314, ([Exhibit D](#)), is to retain the district health officer as the chief of the Southern Nevada Health District. That individual will be required to appoint a chief medical officer who would be a doctor reporting to the district health officer. Additionally, the amendment removes the requirements for the district health officer to be a doctor and leaves the qualifications, salary and compensation of this individual to a public health advisory board. The district health officer would work with the board to determine the qualifications of the chief medical officer.

Chair Kieckhefer:

Ultimately, the Southern Nevada District Board of Health will have an administrator and a chief medical officer who reports to that administrator.

Ms. McMullen:

Yes.

Chair Kieckhefer:

This is similar to the structure of the State Board of Health.

Senator Parks:

Does the remainder of the bill as submitted remain the same?

Ms. McMullen:

Yes. The amendment is to section 1 of S.B. 314 and adds another section to clarify the qualifications of the district health officer.

SENATOR PARKS MOVED TO AMEND AND DO PASS S.B. 314 AS AMENDED.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Kieckhefer:

We will return to the budget closings with the Procurement Outreach Program, B/A 101-4867.

GOED - Procurement Outreach Program — Budget Page ECONOMIC
DEVELOPMENT-24 (Volume II)
Budget Account 101-4867

Mr. Ferguson:

Staff is responsible for developing closing recommendations for this budget, which has not previously been heard by the Committee. The Procurement Outreach Program, also known as the Procurement Technical Assistance Center (PTAC), assists Nevada businesses in obtaining federal government

contracts by alerting them to procurement opportunities and providing training and technical assistance to be competitive in federal procurement processes. The PTAC maintains a database for clients with specific information about their products and services. The PTAC is funded primarily with federal funds from the U.S. Department of Defense (DOD) and General Funds. The General Funds in this budget are used to meet minimum match requirements, which fluctuate depending on the indirect rate negotiated with the DOD on an annual basis. Governor Brian Sandoval recommends total funding for PTAC in the amount of \$1.2 million over the 2015-2017 biennium, which is 9.9 percent more than legislatively approved funding of \$1.1 million for the 2013-2015 biennium. The Governor recommends General Fund support of \$257,025 over the biennium, an increase of \$31,563, or 14 percent, when compared to the amount of General Fund support Legislatively approved for the 2013-2015 biennium.

There are no major closing issues. The other closing items include replacement equipment in decision unit E-710 and decision unit E-125 in which the Governor recommends federal DOD grant funds totaling \$37,957 in each year of the biennium for travel and training for a program manager and four procurement specialists. Staff notes that the agency was granted approval for the same level of travel and training for FY 2015 at the August 27, 2014, IFC meeting. However, because it was not included in the Base Budget, it is included as an enhancement going forward.

E-710 Equipment Replacement — Page ECONOMIC DEVELOPMENT-26

E-125 Sustainable and Growing Economy — Page ECONOMIC DEVELOPMENT-25

SENATOR GOICOECHEA MOVED TO APPROVE B/A 101-4867 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Mr. Ferguson:

The next budget account is the State Small Business Credit Initiative (SSBCI) program, B/A 101-1521. Staff is responsible for developing closing recommendations for this budget, which has not previously been heard by the Committee.

GOED - Nevada SSBCI Program — Budget Page ECONOMIC DEVELOPMENT-30
(Volume II)
Budget Account 101-1521

The SSBCI provides direct support to states for programs designed to increase access to credit for small businesses and small manufacturers. There are three programs within this budget account: the credit support program, the Battle Born venture fund and microenterprise lending. There are no major closing issues. In decision unit E-125, the Executive Budget recommends reserve reductions of \$116,926 in FY 2016 and \$116,652 in FY 2017 for one nonclassified position to provide administration for the SSBCI program. This position was approved at the August 27, 2014, IFC meeting. However, because the position was not in place during the base year, it was not included in the Base Budget. The establishment of the position as presented to the IFC was revenue neutral, with a corresponding reduction in contract services funding offsetting the cost of the position.

E-125 Sustainable and Growing Economy — Page ECONOMIC
DEVELOPMENT-31

SENATOR LIPPARELLI MOVED TO APPROVE B/A 101-1521 AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next budget is the Nevada Knowledge Fund, B/A 101-1533.

GOED - Nevada Knowledge Fund — Budget Page ECONOMIC
DEVELOPMENT-34 (Volume II)
Budget Account 101-1533

Mr. Ferguson:

The Nevada Knowledge Fund, also known as the Knowledge Account, was created by the 2011 Legislature. The purpose of the Knowledge Account is to spur research and the commercialization of that research in areas which the State has targeted for economic growth. Commercialization in knowledge-based industries creates high-paying jobs that support families and generate tax revenues. The Knowledge Account provides grants of money to the University of Nevada, Reno (UNR), the University of Nevada, Las Vegas (UNLV) and the DRI in five allowable areas:

1. Establishing technology outreach programs throughout the State;
2. Recruiting, hiring and retaining research teams and faculty;
3. Research laboratories and related equipment;
4. Construction of research facilities; and
5. Matching funds for federal and private sector grants and contract opportunities.

There are two major closing issues in this budget. The first is the Executive Budget recommendation of General Fund appropriations of \$5 million each year of the biennium in support of the Knowledge Account. During the budget hearing, the Agency testified the Knowledge Account has provided grants to five programs. In addition, a sixth project is currently being considered for approval and the Agency expects one new project proposal from each of the eligible institutions, UNR, UNLV and DRI.

Chair Kieckhefer:

I understand the Assembly Committee on Ways and Means approved this budget item, but requested a Letter of Intent with a reporting requirement on

the performance matrix for each of the projects funded through the Knowledge Account.

SENATOR ROBERSON MOVED TO APPROVE B/A 101-1533 AS RECOMMENDED BY THE GOVERNOR AND TO REQUEST A LETTER OF INTENT AS APPROVED BY THE ASSEMBLY WAYS AND MEANS COMMITTEE.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Mr. Ferguson:

The second major closing issue is decision unit E-125, the General Fund appropriation of \$4 million in FY 2016 to restore funding that is proposed to be transferred from the Knowledge Account to the General Fund in FY 2015 to meet State obligations.

E-125 Sustainable and Growing Economy — Page ECONOMIC
DEVELOPMENT-34

This would be effectuated by section 7 of S.B. 506. Staff notes that the Executive Budget recommends a balance forward of \$4.2 million from FY 2015 to FY 2016; however, if S.B. 506 is approved, this balance forward would be overstated by \$4 million. Accordingly, staff requests authority to make appropriate technical adjustments to this budget if S.B. 506 is approved.

SENATE BILL 506: Revises provisions relating to state financial administration.
(BDR S-1207)

Chair Kieckhefer:

Senate Bill 506 is the Sweeps Bill to shore up the current year ending balance. Decision unit E-125 would replenish funds taken out of this account in the current fiscal year.

SENATOR ROBERSON MOVED TO APPROVE DECISION UNIT E-125 OF B/A 101-1533 CONTINGENT UPON PASSAGE OF S.B. 506 AND TO GRANT AUTHORITY TO STAFF TO MAKE APPROPRIATE TECHNICAL ADJUSTMENTS RELATED TO S.B. 506.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

We will move on to the Department of Health and Human Services (DHHS). The first item is B/A 101-3154.

HUMAN SERVICES

HEALTH AND HUMAN SERVICES

HHS-DO - Developmental Disabilities — Budget Page DHHS-DIRECTOR-21
(Volume II)
Budget Account 101-3154

Joi Davis (Senior Program Analyst):

Staff is responsible for developing recommendations for this budget which the Committee has not previously reviewed. This budget supports the Nevada Governor's Council on Developmental Disabilities in providing grants to the community and to support analysis of disability services. The budget is supported by federal funds and a 25 percent General Fund appropriation to meet matching requirements. There are no major closing issues in this budget account. There are two other closing items: decision unit M-800, cost allocation for administrative and fiscal services provided by the DHHS Director's Office and replacement equipment in decision unit E-710. Both of these items appear reasonable to staff.

M-800 Cost Allocation — Page DHHS-DIRECTOR-23

E-710 Equipment Replacement — Page DHHS-DIRECTOR-23

SENATOR LIPPARELLI MOVED TO APPROVE B/A 101-3154 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3200.

HHS-DO - Problem Gambling — Budget Page DHHS-DIRECTOR-32 (Volume II)
Budget Account 101-3200

Ms. Joi Davis:

Staff is responsible for developing recommendations for this budget, which the Committee has not previously reviewed. This program is funded through a transfer of an amount equal to \$2 for each slot machine subject to the quarterly slot license fee to be utilized to support programs that improve and expand the treatment and prevention of problem gambling in the State. There are no major closing issues. Staff requests authority to make technical adjustments for revenues, balance forwards and reserve levels that may be necessary due to reprojected slot tax revenue as determined by the Economic Forum on or before May 1, 2015, and based on the passage of S.B. 506.

SENATOR LIPPARELLI MOVED TO APPROVE B/A 101-3200 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS BASED ON THE REPROJECTED SLOT TAX REVENUE DETERMINED BY THE ECONOMIC FORUM AND THE PASSAGE OF S.B. 506 AND OTHER TECHNICAL ADJUSTMENTS THAT MAY BE NECESSARY.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3201, Children's Trust Account.

HHS-DO - Children's Trust Account — Budget Page DHHS-DIRECTOR-34
(Volume II)
Budget Account 101-3201

Ms. Joi Davis:

Staff is responsible for developing recommendations for this budget which has not previously been heard by the Committee. This account is funded by a \$3 fee on certified copies of Nevada birth and death certificates and supports programs for the prevention of child abuse and neglect. There are no closing issues.

SENATOR LIPPARELLI MOVED TO APPROVE B/A 101-3201 AS
RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO
STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 262-3261.

HHS-DO - Healthy Nevada Fund — Budget Page DHHS-DIRECTOR-43
(Volume II)
Budget Account 262-3261

Ms. Joi Davis:

Staff is responsible for developing recommendations for this budget which has not previously been heard by the Committee. The Governor recommends this budget be eliminated. Currently, funding for the Healthy Nevada Fund programs are provided through a transfer from the Office of the State Treasurer of tobacco settlement funds received by the State through the Tobacco Master Settlement Agreement. *Nevada Revised Statute* (NRS) 439.620 requires that, after certain administrative costs are deducted, 60 percent of the tobacco settlement funds be allocated to the State Treasurer's Fund for Healthy Nevada and 40 percent be allocated to the Governor Guinn Millennium Scholarship Fund. This budget previously served as a pass-through account to the grants management unit within the DHHS Director's Office. However, the Executive Budget recommends the elimination of this budget so that transfers occur directly to the allocated budgets from the Treasurer's nonexecutive budget. There are no closing issues.

SENATOR PARKS MOVED TO CLOSE B/A 262-3261 AS RECOMMENDED BY THE GOVERNOR.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3276.

HHS-DO - IDEA Part C — Budget Page DHHS-DIRECTOR-49 (Volume II)
Budget Account 101-3276

Ms. Joi Davis:

Staff is responsible for developing recommendations for this budget that has not previously been heard by the Committee. This budget account is supported entirely by federal funds. The Individuals with Disabilities Education Act Part C Office serves as the lead agency for Nevada Early Intervention Services program for children from birth to 2 years of age.

There are no major closing issues. The other closing items include a cost allocation adjustment of \$20,863 in FY 2016 and \$25,529 in FY 2017 for administrative and fiscal services provided by the DHHS Director's Office in decision unit M-800. This appears reasonable to staff.

M-800 Cost Allocation — Page DHHS-DIRECTOR-50

Decision unit E-225 is a recommendation for federal grant funds of \$84,934 in FY 2016 and \$91,580 in FY 2017 to support a new developmental specialist position and associated operating costs in the Carson City office. The developmental specialist would perform chart reviews, assessments and verifications; provide technical assistance and training; and perform more site visits. This recommendation appears reasonable to staff.

E-225 Efficient and Responsive State Government — Page DHHS-DIRECTOR-51

Decision unit E-710 recommends \$3,774 in FY 2016 to replace three desktop computers. This appears reasonable to staff.

E-710 Equipment Replacement — Page DHHS-DIRECTOR-52

SENATOR GOICOECHEA MOVED TO APPROVE B/A 101-3276 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

We will continue with B/A 262-3140.

HHS-ADSD - Tobacco Settlement Program — Budget Page DHHS-ADSD-21
(Volume II)

Budget Account 262-3140

Mandi Davis (Program Analyst):

Staff is responsible for developing recommendations for this budget which has not previously been heard by the Committee. This budget account grants funds from the Fund for a Healthy Nevada to providers of independent living services enabling older Nevadans to remain at home and avoid institutional placement. The services provided include transportation, information assistance and advocacy, adult day care, legal assistance, homemaker services, respite, home repair and caregiver support services. There are no major closing issues. The other closing issue is a Base Budget adjustment to align the budgeted funding with the projected allocations from the Fund for a Healthy Nevada. This recommendation appears reasonable to staff.

SENATOR ROBERSON MOVED TO APPROVE B/A 262-3140 AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next budgets are in the Department of Tourism and Cultural Affairs, starting with B/A 225-1523.

COMMERCE AND INDUSTRY

TOURISM AND CULTURAL AFFAIRS

Tourism - Tourism Development — Budget Page TOURISM-24 (Volume II)
Budget Account 225-1523

Ms. Mandi Davis:

This budget was not previously heard by the Committee. Fiscal staff is responsible for developing closing recommendations for this budget. This budget provides grant funds to counties, cities, and local and regional organizations on

a competitive basis for rural infrastructure development. This budget is funded with transfers from room tax revenues and revenue generated from the annual renewal of specialty license plates. There are no closing issues.

SENATOR GOICOECHEA MOVED TO APPROVE B/A 252-1523 AS RECOMMENDED BY THE GOVERNOR.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-2894.

Tourism - Nevada Humanities — Budget Page TOURISM-30 (Volume II)
Budget Account 101-2894

Ms. Mandi Davis:

This budget was not previously heard by the Committee. Fiscal staff is responsible for developing closing recommendations for this budget. Funding is passed through to Nevada Humanities Inc., an IRS Code 501(c)(3) nonprofit charitable organization that works in partnership with local communities to develop and fund humanities activities and educational programs. This budget is funded by General Fund appropriations. The Governor recommends an appropriation of \$50,000 each year of the 2015-2017 biennium. There are no closing issues.

Senator Woodhouse:

This budget account has taken significant cuts during the Great Recession and has not had those cuts made whole. I propose adding \$25,000 in each year of the biennium.

Chair Kieckhefer:

This is an account for which funding has decreased substantially since 2011. I agree with the intent to ensure humanities are funded at a more appropriate level.

SENATOR WOODHOUSE MOVED TO AMEND B/A 101-2894 WITH AN ADDITIONAL GENERAL FUND APPROPRIATION OF \$25,000 EACH YEAR OF THE 2015-2017 BIENNIUM.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-1350.

Tourism - Museums & Hist - Lost City Museum — Budget Page TOURISM-49
(Volume II)

Budget Account 101-1350

Ms. Mandi Davis:

This budget was not previously heard by the Committee. Fiscal staff is responsible for developing closing recommendations for this budget. The Overton Lost City Museum was built to preserve prehistoric Anasazi Pueblo sites and artifacts that were being destroyed by Lake Mead's overflow during the construction of Hoover Dam. The museum is funded through General Fund appropriations, room tax revenues, admissions fees and museum dedicated trust fund revenues. There are no major closing issues.

Other closing items include the recommendation for a total of \$1,435 in each year of the biennium for in-state travel in decision unit E-226.

E-226 Efficient and Responsive State Government — Page TOURISM-51

The other two items are replacement equipment in decision unit E-710 and cost allocation adjustments for centralized human resource services provided by the Department of Administration's Division of Human Resource Management (DHRM) in decision unit E-804.

E-710 Equipment Replacement — Page TOURISM-51
E-804 Cost Allocation — Page TOURISM-52

These items appear reasonable to staff.

SENATOR ROBERSON MOVED TO APPROVE B/A 101-1350 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-2940.

Tourism - Museums & Hist - Nevada State Museum, CC — Budget Page
TOURISM-60 (Volume II)
Budget Account 101-2940

Ms. Mandi Davis:

This budget was not previously heard by the Committee. Fiscal staff is responsible for developing closing recommendations for this budget. The State Museum at Carson City preserves collections at several locations, including the Marjorie Russell Clothing and Textile Research Center and the Indian Hills Curatorial Center. The museum is funded through General Fund appropriations, room tax revenues, admissions fees and museum dedicated trust funds. There are no major closing issues.

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There are six other closing items, including decision unit E-230, a recommendation of \$1,755 in each year of the 2015-2017 biennium for in-state-travel.

E-230 Efficient and Responsive State Government — Page TOURISM-62

The five other closing items include exhibit maintenance in decision unit E-231, equipment replacement in decision unit E-710, maintenance of buildings and grounds in decision unit E-730, painting of the water tank located at the Indian Hills Curatorial Center in decision unit E-731 and cost allocations for centralized human resource services provided by DHRM in decision unit E-804. These recommendations appear reasonable to staff.

E-231 Efficient and Responsive State Government — Page TOURISM-62

E-710 Equipment Replacement — Page TOURISM-63

E-730 Maintenance of Buildings and Grounds — Page TOURISM-63

E-731 Maintenance of Buildings and Grounds — Page TOURISM-64

E-804 Cost Allocation — Page TOURISM-64

SENATOR ROBERSON MOVED TO APPROVE B/A 101-2940 AS
RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO
STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-4216.

Tourism - Museums & Hist - State Railroad Museums — Budget Page
TOURISM-72 (Volume II)
Budget Account 101-4216

Ms. Mandi Davis:

This budget was not previously heard by the Committee. Fiscal staff is responsible for developing closing recommendations for this budget. The State Railroad Museums budget supports the operation of three separate railroad museums located in Carson City, East Ely and Boulder City. The museums are funded through General Fund appropriations, room tax revenues, ride and admission fees and museum dedicated trust funds. There are no major closing issues.

Other closing items include temporary staffing at the Boulder City Railroad Museum for janitorial and general labor services in decision unit E-226, in-state travel in decision unit E-230, computer replacement equipment in decision unit E-710 and cost allocations for centralized human resource services provided by DHRM in decision unit E-804. These recommendations appear reasonable to staff.

E-226 Efficient and Responsive State Government — Page TOURISM-74

E-230 Efficient and Responsive State Government — Page TOURISM-74

E-710 Equipment Replacement — Page TOURISM-75

E-804 Cost Allocation — Page TOURISM-75

SENATOR GOICOECHEA MOVED TO APPROVE B/A 101-4216 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next budgets are in the Department of Employment, Training and Rehabilitation (DETR), beginning with B/A 101-3273.

HUMAN SERVICES

EMPLOYMENT, TRAINING AND REHABILITATION

DETR - Research & Analysis — Budget Page DETR-87 (Volume II)
Budget Account 101-3273

Brody Leiser (Program Analyst):

Staff is responsible for developing recommendations for this budget which the Committee has not previously heard. The DETR Research and Analysis Bureau is the primary source of labor market and economic information for DETR, including State and local labor force, employment, occupational, career, general economic and demographic information. The Bureau is responsible for the development, review and dissemination of employment information as well as maintaining and marketing the Nevada Career Information System. The budget is funded by the U.S. Department of Labor's Bureau of Labor Statistics, direct charges and cost allocation to other agencies within DETR. There are no major closing issues.

There are four other closing items. The first is decision unit E-235, the reduction of a full-time statistician position to a part-time position as a result of efficiencies created through changes in procedures. This recommendation would result in a reduction of \$29,472 in FY 2016 and \$30,689 in FY 2017. This recommendation appears reasonable to staff.

E-235 Efficient and Responsive State Government — Page DETR-89

The second item is the transfer of two positions to this budget from the Administrative Services budget, B/A 101-3272 to restructure the functions remaining from the dissolution of the Workforce Solutions Unit in the division and to align the positions in their efforts to support the Governor's Workforce Investment Board and its Sector Councils. This recommendation appears reasonable to staff.

E-505 Adjustments To Transfers — Page DETR-90

E-905 Transfers From Administration BA3272 — Page DETR-91

DETR - Administration — Budget Page DETR-75 (Volume II)
Budget Account 101-3272

E-905 Transfer To Research & Analysis BA3273 — Page DETR-79

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Decision unit E-710 is a request of \$22,512 in FY 2016 and \$8,870 in FY 2017 for replacement hardware and software. This recommendation appears reasonable to staff.

E-710 Equipment Replacement — Page DETR-90

The final closing item is adjustments to reduce cost allocation expenditures by \$35,144 in FY 2016 and \$29,266 in FY 2017 in decision units M-800 and E-800. Staff seeks authority to make technical adjustments to departmental cost allocations that may be necessary based upon closing actions in other departmental budgets.

M-800 Cost Allocation — Page DETR-89

E-800 Cost Allocation — Page DETR-91

SENATOR GOICOECHEA MOVED TO APPROVE B/A 101-3273 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3269.

DETR - Disability Adjudication — Budget Page DETR-13 (Volume II)
Budget Account 101-3269

Jennifer Ouellette (Program Analyst):

Staff is responsible for developing closing recommendations for this budget which has not previously been heard by the Committee. The Bureau of Disability Adjudication (BDA) provides medical disability decisions to Nevadans who file claims for disability benefits under the federal Social Security Administration's Disability Insurance and Supplemental Security Income programs. The BDA also

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conducts evidentiary hearings for those disability beneficiaries who are recommended for benefits termination. The Social Security Administration funds 100 percent of this budget. There are no major closing issues.

There are two other closing items. The first is decision unit E-225 which recommends \$12,474 each year of the 2015-2017 biennium to provide training opportunities for eight staff. This recommendation appears reasonable to staff.

E-225 Efficient and Responsive State Government — Page DETR-15

The second item is changes to cost allocation in decision units M-800 and E-800. This recommendation appears reasonable to staff.

M-800 Cost Allocation — Page DETR-14

E-800 Cost Allocation — Page DETR-15

SENATOR PARKS MOVED TO APPROVE B/A 101-3269 AS
RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO
STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3254.

DETR - Services To the Blind & Visually Impaired — Budget Page DETR-25
(Volume II)

Budget Account 101-3254

Ms. Ouellette:

The Committee has not previously reviewed this budget. Staff is responsible for developing closing recommendations. The Bureau of Services to Persons Who are Blind or Visually Impaired provides a range of services to persons who are

blind, deaf and blind, or severely visually impaired to assist them in achieving employment, independent living and self-sufficiency. The budget is primarily funded by federal funds with State General Fund appropriations providing a State match ranging from 10 percent to 21.3 percent depending on the program. There are no major closing issues.

There are three other closing items. The first is training and technical assistance in decision unit E-236. The Governor recommends \$16,854 over the 2015-2017 biennium for a contract with San Diego State University Research Foundation's Interwork Institute. Twenty percent of the funding for the contract is split between this budget and 80 percent from the Vocational Rehabilitation budget.

E-236 Efficient and Responsive State Government — Page DETR-27

DETR - Vocational Rehabilitation — Budget Page DETR-17 (Volume II)
Budget Account 101-3265

E-226 Efficient and Responsive State Government — Page DETR-20

The other two closing items include replacement equipment in decision unit E-710 and cost allocation changes in decision units M-800 and E-800. These recommendations appear reasonable to staff.

E-710 Equipment Replacement — Page DETR-28
M-800 Cost Allocation — Page DETR-27
E-800 Cost Allocation — Page DETR-28

SENATOR GOICOECHEA MOVED TO APPROVE B/A 101-3254 AS
RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO
STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer

The next item is B/A 101-3253.

DETR - Blind Business Enterprise Program — Budget Page DETR-31 (Volume II)
Budget Account 101-3253

Ms. Ouellette:

Staff is responsible for developing closing recommendations for this budget, which has not been previously reviewed by the Committee. Pursuant to NRS 426.640, the Business Enterprises of Nevada (BEN) program provides blind individuals seeking self-sufficiency the opportunity to operate snack bars and vending operations in federal, State and municipal buildings statewide. The program is funded primarily from fees charged to blind vendor operators. There are no major closing issues.

There are four other closing items. The first item, decision unit E-227, provides funding for business management training and food service certifications for eight new BEN operators and five current BEN operators per year. The Governor recommends \$43,886 in BEN reserves over the 2015-2017 biennium.

E-227 Efficient and Responsive State Government — Page DETR-33

The second item is training for program staff in decision unit E-228 including small business management, business writing, food service professional and various Microsoft Office software applications.

E-228 Efficient and Responsive State Government — Page DETR-34

Decision unit E-710 recommends \$240,700 for replacement equipment over the 2015-2017 biennium. After staff's review of the vendor quotations for equipment replacement, the Agency agreed several amounts had been overstated. Accordingly, technical adjustments to reduce equipment replacement by \$20,453 over the biennium have been made.

E-710 Equipment Replacement — Page DETR-34

The final item is cost allocation adjustments in decision units M-800 and E-800. These other closing items appear reasonable to staff.

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M-800 Cost Allocation — Page DETR-33
E-800 Cost Allocation — Page DETR-35

SENATOR WOODHOUSE MOVED TO APPROVE B/A 101-3253 AS RECOMMENDED BY THE GOVERNOR WITH THE TECHNICAL ADJUSTMENT TO DECISION UNIT E-710 NOTED BY STAFF AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3255.

DIVISION OF PUBLIC AND BEHAVIORAL HEALTH

HHS-DPBH - Alcohol Tax Program — Budget Page DHHS - PUBLIC HEALTH-169
(Volume II)

Budget Account 101-3255

Ms. Ouellette:

Staff is responsible for developing closing recommendations for this budget, which has not been previously reviewed by the Committee. The primary function of the Alcohol Tax Program is to increase services for the prevention of alcohol abuse and alcoholism and for the detoxification and rehabilitation of substance abusers. Funding for this budget is provided by a portion of the tax on liquor containing more than 22 percent alcohol by volume. There are no closing issues in this budget. Liquor tax revenues projected over the 2015-2017 biennium appear reasonable and are based on the average alcohol tax revenue over the past 3 years. It should be noted that this account has historically retained a large balance forward every year; the Division is expanding services to drug abuse prevention treatment which will allow the Agency to spend the majority of its annual revenues.

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SENATOR PARKS MOVED TO APPROVE B/A 101-3255 AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 251-3152.

HHS-DPBH - Low-Level Radioactive Waste Fund — Budget Page DHHS - PUBLIC
HEALTH-33 (Volume II)
Budget Account 251-3152

Kristen Kolbe (Program Analyst):

Staff is responsible for developing closing recommendations for this budget, which has been previously reviewed by the Committee. In 1961, the Legislature established this budget to account for the fees collected for the disposal of both low-level radioactive waste and hazardous waste materials at the Beatty low-level radioactive waste disposal facility. The Radiation Control Program monitors radioactive materials through health and safety inspections and provides maintenance on wells and trench capping. This account has one other closing item. As part of the recommended solution to the FY 2015 General Fund shortfall, the Governor recommends a transfer of \$500,000 to the General Fund.

Chair Kieckhefer:

Is that transfer part of the Sweeps Bill, S.B. 506?

Ms. Kolbe:

Yes.

SENATOR GOICOECHEA MOVED TO APPROVE B/A 251-3152 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE ANY TECHNICAL ADJUSTMENTS, INCLUDING ADJUSTMENTS TO AGENCY REVENUES, BALANCE FORWARD AND RESERVE LEVELS, AND TO RESERVE LEVELS BASED ON DECISIONS REGARDING THE FY 2015 TRANSFERS TO THE GENERAL FUND AS NECESSARY.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3153.

HHS-DPBH - Cancer Control Registry — Budget Page DHHS - PUBLIC
HEALTH-35 (Volume II)
Budget Account 101-3153

Ms. Kolbe:

Fiscal staff is responsible for developing closing recommendations for this budget, which has not been previously reviewed by the Committee. The Nevada Central Cancer Registry collects, registers and maintains records of reportable cases of cancer occurring in the State. There are three other closing items in this budget.

The first other closing item is the elimination of three vacant positions in decision unit E-225. These positions have been vacant in excess of 2 years. Savings of \$329,923 over the 2015-2017 biennium would be used to contract with three certified tumor registrar contractor positions on an as-needed basis. The Agency states it is unable to employ and retain qualified professionals since the private sector pays more for these specialized positions.

E-225 Efficient and Responsive State Government — Page DHHS - DPBH-37

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Decision unit E-710 is a recommendation for replacement equipment, and decision units M-803 and E-803 are cost allocation adjustments. These appear reasonable to staff.

E-710 Equipment Replacement — Page DHHS - DPBH-38
M-803 Cost Allocation — Page DHHS - DPBH-37
E-803 Cost Allocation — Page DHHS - DPBH-38

SENATOR WOODHOUSE MOVED TO APPROVE B/A 101-3153 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3190.

HHS-DPBH - Health Statistics and Planning — Budget Page DHHS - PUBLIC
HEALTH-40 (Volume II)
Budget Account 101-3190

Ms. Kolbe:

Fiscal staff is responsible for developing closing recommendations for this budget, which has not been previously reviewed by the Committee. The State Registrar of Vital Records serves as the official, permanent custodian of original documents, which encompasses filing, maintaining and protecting birth and death certificates and related vital records, and providing legal corrections to vital records. There are three other items in this budget account. Decision units M-803 and E-803 are cost allocation adjustments and decision unit E-710 is replacement equipment. These items appear reasonable to staff.

M-803 Cost Allocation — Page DHHS - DPBH-42
E-803 Cost Allocation — Page DHHS - DPBH-43

E-710 Equipment Replacement — Page DHHS - DPBH-43

The third item is a technical adjustment. This budget transfers Vital Records fees to the Biostatistics and Epidemiology budget, B/A 101-3219, to support a health resource analyst position, which provides data analysis, interpretation and statistics for the Vital Records program. The Executive Budget inadvertently excluded transfer funds of \$20,379 to the Biostatistics and Epidemiology budget. Fiscal staff made technical adjustments to revenues and expenditures as noted on page 55 of [Exhibit C](#).

HHS-DPBH - Biostatistics and Epidemiology — Budget Page DHHS - PUBLIC
HEALTH-91 (Volume II)
Budget Account 101-3219

SENATOR GOICOECHEA MOVED TO APPROVE B/A 101-3190 AS RECOMMENDED BY THE GOVERNOR WITH THE TECHNICAL ADJUSTMENTS AS NOTED BY FISCAL STAFF AND TO GRANT STAFF THE AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NEEDED.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3194.

HHS-DPBH - Consumer Health Protection — Budget Page DHHS - PUBLIC
HEALTH-45 (Volume II)
Budget Account 101-3194

Ms. Kolbe:

Fiscal staff is responsible for developing closing recommendations for this budget, which has not been previously reviewed by the Committee. The Consumer Health Protection staff issues permits and inspects food

establishments and various other facilities and businesses to ensure safe, sanitary standards to protect public health. Clark and Washoe Counties and Carson City have their own health districts and are not served by this program. This account has three other closing items.

The first item is the elimination of two vacant environmental health specialist positions in the base decision unit. In 2014, the Carson City Health and Human Services (CCHHS) began providing environmental health services for Douglas County, which no longer required the services from the Department of Public and Behavioral Health (DPBH). When the IFC authorized CCHHS to provide environmental health services to Douglas County, the Committee also approved the elimination of two DPBH positions to recognize the reduced State workload. This recommendation appears reasonable and is consistent with the action taken by the IFC on June 27, 2013.

The second item is cost allocation adjustments in decision units M-803 and E-803. The third item is replacement equipment in decision unit E-710. These items appear reasonable to staff.

M-803 Cost Allocation — Page DHHS - DPBH-47

E-803 Cost Allocation — Page DHHS - DPBH-49

E-710 Equipment Replacement — Page DHHS - DPBH-48

SENATOR WOODHOUSE MOVED TO APPROVE B/A 101-3194 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3214. I will relinquish the gavel to Senator Goicoechea.

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HHS-DPBH - WIC Food Supplement — Budget Page DHHS - PUBLIC HEALTH-58
(Volume II)
Budget Account 101-3214

Ms. Kolbe:

Fiscal staff is responsible for developing closing recommendations for this budget, which has not been previously reviewed by the Committee. The Special Supplemental Nutrition Program for Women, Infants and Children (WIC) is a short-term intervention program designed to influence lifetime nutrition and health behaviors in a targeted, high-risk population. The WIC program provides nutrition education, supplemental foods and referrals to other community-based health and social service providers. This budget has two other closing items: cost allocation adjustments in decision unit M-803 and replacement equipment in decision unit E-710. These recommendations appear reasonable to staff.

M-803 Cost Allocation — Page DHHS - DPBH-60
E-710 Equipment Replacement — Page DHHS - DPBH-60

SENATOR WOODHOUSE MOVED TO APPROVE B/A 101-3214 AS
RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO
STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Senator Goicoechea:

The next item is B/A 101-3217.

HHS-DPBH - Health Facilities-Admin Penalty — Budget Page DHHS - PUBLIC
HEALTH-80 (Volume II)
Budget Account 101-3217

Ms. Kolbe:

Fiscal staff is responsible for developing closing recommendations for this budget, which has not been previously reviewed by the Committee. This account includes administrative sanctions revenues from health facilities found to be in violation of statutes and regulations. In the 5 fiscal-year period prior to FY 2010, this budget collected an average of \$22,681. Due to a violation by a medical facility in Las Vegas, this budget collected extraordinary administrative sanction fines, forfeitures and penalties of \$129,307 and \$201,544 in FY 2009 and FY 2010 respectively. Since that period, collections have declined. In FY 2014, the budget collected \$34,323 and has collected \$8,838 so far in FY 2015. After consulting with the Agency, fiscal staff reduced administrative sanction revenues and expenditures based on historic trends as reflected on page 61 of [Exhibit C](#).

SENATOR WOODHOUSE MOVED TO APPROVE B/A 101-3217 AS RECOMMENDED BY THE GOVERNOR WITH THE TECHNICAL ADJUSTMENT NOTED BY STAFF AND TO GRANT AUTHORITY TO STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Senator Goicoechea:

I will return the gavel to Chair Kieckhefer.

Chair Kieckhefer:

The next item is B/A 101-3224.

HHS-DPBH - Community Health Services — Budget Page DHHS - PUBLIC
HEALTH-130 (Volume II)
Budget Account 101-3224

Ms. Kolbe:

Fiscal staff is responsible for developing closing recommendations for this budget, which has not previously been reviewed by the Committee. The

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Community Health Nursing program provides public health nursing in 14 of Nevada's rural counties and operates community health nursing clinics in 11 of those counties. The Community Health Nursing program provides public health preparedness coverage and epidemiology assistance in 12 rural counties, excepting Lyon and Douglas Counties, which utilize the CCHHS. This account has cost allocation adjustments in decision units M-803 and E-803 and replacement equipment in decision unit E-710. These appear reasonable to staff.

M-803 Cost Allocation — Page DHHS - DPBH-133

E-803 Cost Allocation — Page DHHS - DPBH-135

E-710 Equipment Replacement — Page DHHS - DPBH-134

SENATOR GOICOECHEA MOVED TO APPROVE B/A 101-3224 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3235.

HHS-DPBH - Emergency Medical Services — Budget Page DHHS - PUBLIC
HEALTH-138 (Volume II)
Budget Account 101-3235

Ms. Kolbe:

Fiscal staff is responsible for developing closing recommendations for this budget, which has not previously been reviewed by the Committee. The Emergency Medical Services (EMS) program establishes and enforces standards for the provision of prehospital emergency medical care, the operation of ambulance services, certification of EMS personnel, licensure of ambulance attendants and the delivery of trauma care.

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There are three other closing items in this budget account. The first is cost allocations in decision units M-803 and E-803 and the second is replacement equipment in decision unit E-710. These appear reasonable to staff.

M-803 Cost Allocation — Page DHHS - DPBH-140
E-803 Cost Allocation — Page DHHS - DPBH-141
E-710 Equipment Replacement — Page DHHS - DPBH-141

The final closing item is the replacement of an agency-owned vehicle in decision unit E-711.

E-711 Equipment Replacement — Page DHHS - DPBH-141

The Executive Budget recommends General Fund appropriations of \$6,935 over the 2015-2017 biennium to replace an agency-owned vehicle with a fleet services vehicle for the Elko office. According to the Agency, the fleet services vehicle would be capable of towing program trailers used during emergencies, training and drills. The replacement of an agency-owned vehicle with a fleet services vehicle would eliminate the need to rely on vehicles borrowed from the U.S. Forest Service or the local fire district. This appears reasonable to staff.

SENATOR PARKS MOVED TO APPROVE B/A 101-3235 AS
RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO
STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3181.

HHS-DCFS - Victims of Domestic Violence — Budget Page DHHS-DCFS-34
(Volume II)
Budget Account 101-3181

Karen Hoppe (Senior Program Analyst):

Staff is responsible for developing recommendations for this budget, which has not been previously reviewed by the Committee. The Victims of Domestic Violence program provides grants to nonprofit agencies for statewide services to victims of domestic violence and sexual assault. Funding is provided through fees collected on the sale of marriage licenses and for marriages solemnized by the Commissioner of Civil Marriages. There are no major closing issues.

SENATOR LIPPARELLI MOVED TO APPROVE B/A 101-3181 AS RECOMMENDED BY THE GOVERNOR.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 645-3242.

HHS-DCFS - Child Welfare Trust — Budget Page DHHS-DCFS-59 (Volume II)
Budget Account 645-3242

Ms. Hoppe:

Staff is responsible for developing recommendations for this budget, which has not been previously reviewed by the Committee. The Child Welfare Trust serves as a collection account for children's benefits including Social Security, Supplemental Security Income, Veteran's Administration and court-ordered benefits. Funds are transferred from this account to the Rural Child Welfare account to assist in the cost of care for children in the Division's custody. There are no major closing issues.

SENATOR GOICOECHEA MOVED TO APPROVE B/A 645-3242 AS RECOMMENDED BY THE GOVERNOR.

SENATOR WOODHOUSE SECONDED THE MOTION.

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THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3250.

HHS-DCFS - Transition From Foster Care — Budget Page DHHS-DCFS-61
(Volume II)

Budget Account 101-3250

Ms. Hoppe:

Staff is responsible for developing recommendations for this budget, which has not previously been reviewed by the Committee. This budget account administers funds for assisting youth transitioning out of foster care at 18 years of age. The account is funded by county recorder fees. The funds may be used to provide assistance to youth with job training, housing assistance and medical insurance. There are no closing issues.

SENATOR WOODHOUSE MOVED TO APPROVE B/A 101-3250 AS
RECOMMENDED BY THE GOVERNOR.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3251.

HHS-DCFS - Review of Death of Children — Budget Page DHHS-DCFS-63
(Volume II)

Budget Account 101-3251

Ms. Hoppe:

Staff is responsible for developing recommendations for this budget, which has not previously been reviewed by the Committee. This budget account is funded by a fee from a certified copy of a certificate of death and supports multidisciplinary teams that review selected cases of death of children. There are no closing issues.

SENATOR WOODHOUSE MOVED TO APPROVE B/A 101-3251 AS RECOMMENDED BY THE GOVERNOR.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3147.

HHS-DCFS - Youth Alternative Placement — Budget Page DHHS-DCFS-69
(Volume II)
Budget Account 101-3147

Ms. Hoppe:

Staff is responsible for developing closing recommendations for this budget, which has not previously been reviewed by the Committee. This budget serves as a pass through account to provide payments to the China Spring Youth Camp and Aurora Pines Girls Facility in Douglas County, and the Spring Mountain Youth Camp in Clark County. There are no major closing issues.

SENATOR GOICOECHEA MOVED TO APPROVE B/A 101-3147 AS RECOMMENDED BY THE GOVERNOR.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

The next item is B/A 101-3179.

HHS-DCFS - Caliente Youth Center — Budget Page DHHS-DCFS-75 (Volume II)
Budget Account 101-3179

Ms. Hoppe:

Staff is responsible for developing recommendations for this budget, which has not previously been reviewed by the Committee. The Caliente Youth Center (CYC) is a staff-secure 140-bed juvenile residential correctional facility that serves male and female clients between the ages of 12 and 18, located 150 miles north of Las Vegas. There are two other closing items. The first is a recommendation for agency-specific inflation in decision unit M-101. The Governor recommends General Fund appropriations of \$19,472 over the 2015-2017 biennium for inflationary increases in medical services and food. Increases are based on Consumer Price Index (CPI) estimates for these specific items. The second item, decision unit M-425, is a recommendation for General Fund appropriations of \$215,500 over the biennium for various deferred maintenance projects on the CYC campus. These recommendations appear reasonable to staff.

M-101 Agency Specific Inflation — Page DHHS-DCFS-76

M-425 Deferred Facilities Maintenance — Page DHHS-DCFS-77

Chair Kieckhefer:

Is the CPI how we usually calculate increases in these accounts?

Ms. Hoppe:

Yes.

SENATOR GOICOECHEA MOVED TO APPROVE B/A 101-3170 AS RECOMMENDED BY THE GOVERNOR AND TO GRANT AUTHORITY TO STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

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SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

This hearing is open for public comment. Seeing none, the meeting is adjourned at 9:31 a.m.

RESPECTFULLY SUBMITTED:

Trish O'Flinn,
Committee Secretary

APPROVED BY:

Senator Ben Kieckhefer, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit		Witness or Agency	Description
	A	2		Agenda
	B	3		Attendance Roster
	C	73	Jeff A. Ferguson, et. al., Fiscal Analysis Division	Senate Committee on Finance Closing List #5, April 10, 2015
S.B. 314	D	2	Erin McMullen, R & R Partners	Proposed Amendment to <u>SB</u> <u>314</u>