

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Eighty-first Session
May 26, 2021**

The Senate Committee on Finance was called to order by Chair Chris Brooks at 9:13 a.m. on Wednesday, May 26, 2021, Online and in Room 1214 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Chris Brooks, Chair
Senator Moises Denis, Vice Chair
Senator Julia Ratti
Senator Nicole J. Cannizzaro
Senator Marilyn Dondero Loop
Senator Ben Kieckhefer
Senator Pete Goicoechea
Senator Scott Hammond
Senator Heidi Seevers Gansert

STAFF MEMBERS PRESENT:

Wayne Thorley, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Brody Leiser, Principal Deputy Fiscal Analyst
Cathy Crocket, Senior Program Analyst
Stephanie Day, Senior Program Analyst
Karen Hoppe, Senior Program Analyst
James Malone, Program Analyst
Joko Cailles, Committee Secretary

OTHERS PRESENT:

Allyson Kellogg, Manager, Support Services, Division of Forestry, State
Department of Conservation and Natural Resources
Marcie Ryba, Executive Director, Department of Indigent Defense Services
John Piro, Chief Deputy Public Defender, Clark County Public Defender; Washoe
County Public Defender's Office

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John McCormick, Assistant Court Administrator, Administrative Office of the
Courts, Nevada Supreme Court
Jim Hoffman, Nevada Attorneys for Criminal Justice
Kent Ervin, Legislative Liaison, Nevada Faculty Alliance

CHAIR BROOKS:

We begin with a hearing on Assembly Bill (A.B.) 457.

ASSEMBLY BILL 457 (1st Reprint): Makes an appropriation to the Division of Forestry of the State Department of Conservation and Natural Resources for deferred maintenance projects. (BDR S-1133)

ALLYSON KELLOGG (Manager, Support Services, Division of Forestry, State Department of Conservation and Natural Resources):

Assembly Bill 457, as reprinted, requests an appropriation from the General Fund to the State Department of Conservation and Natural Resources (DCNR), Division of Forestry in the amount of \$637,890 for deferred maintenance projects. This request would fund the 50 highest priority deferred maintenance projects that deal with safety or Americans with Disabilities Act compliance in the Division of Forestry's three regional headquarters facilities, two interagency dispatch centers, one helicopter hanger and maintenance shops. The Division has a backlog of deferred maintenance, beyond this request, of 102 additional projects adding over \$1.9 million.

Due to the age and condition of Division facilities, prioritized projects are often pushed back to address immediate-need emergency repairs. This further delays addressing maintenance needs.

CHAIR BROOKS:

I close the hearing on A.B. 457. We move to A.B. 480.

ASSEMBLY BILL 480 (1st Reprint): Revises provisions governing legal services for indigent defendants. (BDR 1-1076)

MARCIE RYBA (Executive Director, Department of Indigent Defense Services):

The intent of A.B. 480 is to balance the scales of justice for indigent defense. The measure proposes to create independence from the judiciary for indigent defense providers, which is already the practice in Washoe County and Clark County. Assembly Bill 480 also aims to remove economic disincentives to

providing effective indigent defense representation and provide clarity for public defender duties.

The Department of Indigent Defense Services (DIDS) believes the fiscal impact cannot be determined at this time. There will be no fiscal impacts in Washoe County or Clark County as both jurisdictions submitted indigent plans in 2008. Rural counties are in the process of creating their plans, which are due on September 3, 2021. Any fiscal impacts will depend on their plans.

In 2008, the Nevada Supreme Court issued ADKT No. 0411 to provide consistency for and improve indigent defense services throughout the State. Washoe County and Clark County entered plans for the provision of indigent defense services in compliance with that order. Rural counties were given a stay to comply with the plan until such time as provisions were made by the Nevada Supreme Court or Nevada Legislature for the creation of a flexible Statewide approach for indigent defense service delivery that balances the need for State oversight with the need for local autonomy.

Such an approach came about with the creation of the DIDS in 2019. The DIDS, Board of Indigent Defense Services adopted temporary regulations, effective March 2021, outlining the creation of a plan for the provision of indigent defense services in each county similar to what is required under ADKT No. 0411.

The regulations recommend indigent defense independence from the judiciary as proposed in A.B. 480. Independence from the judiciary is recommended by regulation but is not fully required without a change in the law.

SENATOR SEEVERS GANSERT:

How does A.B. 480 affect the \$125 cap for the death penalty and \$100 cap for other cases? Would plans submitted by counties limit fees that could be paid?

MS. RYBA:

The caps are still in there at \$100 for cases other than the death penalty. Death penalty cases would be at \$125.

Assembly Bill 480 removes the economic disincentives to providing effective representation. Felony cases might require more than 7.5 hours of work—the workload covered by a \$750 cap. Assembly Bill 480 would encourage attorneys

to perform the full work needed to represent their clients. The measure removes the judiciary's ability to approve or disapprove fees.

Currently, judges can allow attorneys to exceed the amount if necessary and increase the funds. This limitation is only when the public defender actually has a conflict. This does not necessarily apply to public defenders who are county employees. But if there is a conflict and counsel is appointed, the attorneys are paid on an hourly basis. Assembly Bill 480 encourages the removal of that economic disincentive.

The removal is also encouraged by the *Davis v. Nevada*, Case No. 170C00271B, consent judgement from the First Judicial District Court.

SENATOR SEEVERS GANSERT:

Does A.B. 480 govern plan submission and implementation in each county?

Ms. RYBA:

The counties are in the process of putting their plans together. They will decide whether the DIDS or designees from each county approve bills. The DIDS will work with counties to make these decisions.

If attorneys disagree with our review of bills, they have the ability to go before judges and challenge the DIDS determination under the provisions of A.B. 480.

SENATOR DENIS:

Why does A.B. 480 remove the \$500 for investigator or expert testimony?

Ms. RYBA:

We aim to create independence so attorneys do not necessarily need to go to the judge. We want the same oversight of public defenders as is provided to private counsel or prosecutors.

Prosecutors do not necessarily need to go ask for funding from judges to be able to work their cases. We want the same to be true for public defenders.

We encourage counties to hire investigators for public defense. If public defenders do not have investigators, they could go before the DIDS or a designee to cover expenses for one. They would not be limited by current statutory caps.

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SENATOR GOICOECHEA:

Will existing contracts rural counties have for indigent defense run through September 2021?

MS. RYBA:

Yes. Current contracts would be able to continue under A.B. 480. For example. Eureka County has a public defender contract which would not have to end.

Our intent is to write down how indigent defense is provided to each of the counties. Who goes and talks to the clients to see whether or not a public defender should be appointed. Who screens that process? Does the attorney need to show up at a certain time?

The contracts are still going to be allowed. There are three ways counties can provide indigent defense services. These include: using a State public defender, creating a county public defender or using an independent contractor. All three of these methods are acceptable under A.B. 480. We want to codify plans as in Washoe County and Clark County.

SENATOR GOICOECHEA:

Can you clarify how White Pine County and Elko County handle public defense?

MS. RYBA:

Elko County has an established public defender office. White Pine County has three independent contractors.

White Pine County needs to address how cases are assigned. When attorneys are in three separate offices, who gets which case? We hope A.B. 480 will address this. We want a separate body—which could be the DIDS or an appointed court administrator—to perform this task instead of judges.

SENATOR DONDERO LOOP:

Why do we use so many independent contractors, whether in urban or rural counties?

MS. RYBA:

The DIDS is meant to allow State oversight but allow flexibility for counties to choose how to provide indigent defense. Counties will be able to use independent contractors if it works better for them. Independent contractors are

necessary where there are conflicts on certain cases. There are situations where a public defender's office is not able to take cases for ethical reasons. If a public defender cannot take a case in Washoe County or Clark County, it would be sent to the alternate public defender. If the alternate public defender also had a conflict, an independent attorney would handle the case via a contract.

SENATOR DONDERO LOOP:

Are contracts used because of conflicts of interest instead of lack of capacity?

Ms. RYBA:

Contracts are generally based on conflicts. However, some rural counties choose to use independent contractors instead of creating an organized county office of public defenders or using State public defenders. The counties may not feel they have enough work for a full-time unit. Defense attorneys may want the opportunity to do private work. Rural counties use this as a way to incentivize attorneys to practice in rural counties.

Attorneys working under a contract can also assist rural areas with wills, trusts, family law and other areas of legal practice.

SENATOR GOICOECHEA:

Many rural counties do not have a high number of attorneys. Using contracts allow lawyers who are already present to pick up cases while providing other services to their communities.

CHAIR BROOKS:

Ms. Ryba and Jarrod Hickman, Deputy Director, DIDS proposed a conceptual amendment ([Exhibit B](#)) changing the effective date of A.B. 480 from July 1, 2021, to October 1, 2021.

Ms. RYBA:

We ask the effective date be moved to October 1, 2021, because the DIDS is assisting rural counties in establishing plans for how they are going to do these things. The rural counties are reliant on the judge. They do not have that administrator to approve these fees yet. We are hoping to be able to help build that into the plans. The plans are due to the DIDS on September 3, 2021. They will go in front of the Board at the end of September and likely be effective October 1, 2021, which would coincide with the date in A.B. 480 in [Exhibit B](#).

If we continue with the July 1, 2021, date, the counties might not be set up to be able to handle the assignment of cases. It would fall on the DIDS; we are willing to pick up that workload, but we are understaffed. We want to help rural counties get established so they feel more comfortable.

SENATOR GOICOECHEA:

An effective date of July 1, 2021, gives counties too little time to develop their plans. I support the conceptual amendment.

JOHN PIRO (Chief Deputy Public Defender, Clark County Public Defender; Washoe County Public Defender's Office):

I am also testifying on behalf of the Washoe County Public Defender's Office in support of A.B. 480.

The Clark County Public Defender's Office is concerned with section 15, subsection 6. The Assembly addressed our concerns, ensuring employees working for the Clark County Public Defender's Office stay in the merit personnel system. We fought a long time to have pay parity with Clark County prosecutors. There are counties around the Nation where public defenders do not have pay parity with prosecutors, leading to the loss of good talent. A robust system needs good talent on both sides of a case.

When Morgan Harris was Public Defender of Clark County, we would put inexperienced lawyers on cases they were not adept at handling. Lawyers would be hired out of law school and take murder cases.

The Clark County Public Defender's Office defended someone wrongfully convicted of murder. Clark County was sued for \$5 million. The National Legal Aid and Defender Association created a framework for addressing problems.

Pay parity is important, but so too is judicial independence. The attorneys in our office were judicially captured. They were more interested in pleasing judges than making a robust defense of their clients. Assembly Bill 480 will help us address this issue.

JOHN MCCORMICK (Assistant Court Administrator, Administrative Office of the Courts, Nevada Supreme Court):

Several of the recommendations found in this bill started with the Indigent Defense Commission and ADKT No. 0411. I support the bill and its furtherance of indigent defense improvement in the State.

JIM HOFFMAN (Nevada Attorneys for Criminal Justice):

The Nevada Attorneys for Criminal Justice (NACJ) supports A.B. 480. We have been working on indigent defense funding and administrative issues related to that in Nevada for the past several sessions. Assembly Bill 480 is another step in that project.

The NACJ believes this bill will do a better job with providing competent and constitutionally effective counsel to defendants throughout the State.

CHAIR BROOKS:

I will close the hearing on A.B. 480. We will now consider Bill Draft Request (BDR) S-1172 ([Exhibit C](#)) for the Capital Improvement Program (CIP) Bill.

BILL DRAFT REQUEST S-1172: Authorizes and provides funding for certain projects of capital improvement. (Later introduced as [Assembly Bill 492](#).)

BRODY LEISER (Principal Deputy Fiscal Analyst):

The Senate Committee on Finance and Assembly Committee on Ways and Means (Money Committees) approved a total of \$413.1 million for the CIP including \$75 million to launch the State Infrastructure Bank and \$44 million for resource conservation and preservation programs of the State.

The major funding sources supporting the CIP include \$409.5 million of general obligation bonds, \$45.7 million in State agency funds, \$61.9 million in federal funds and \$14.9 million in Highway Fund monies.

[Exhibit C](#) implements the CIP for the 2021-2023 biennium.

There have been several projects that have been approved in the CIP that contain multiple funding sources. Therefore, you will see them in multiple sections of [Exhibit C](#).

Section 1 of [Exhibit C](#) appropriates \$14.9 million in Highway Fund monies to support five Department of Motor Vehicles projects and one public safety project in the 2021 CIP.

Section 2 of [Exhibit C](#) limits the authority for expenditure through June 30, 2025, and establishes a reversion of any remaining funds for the projects identified in section 1. Projects in the CIP generally have a four-year period in which funds are appropriated and/or authorized for. Section 2 of [Exhibit C](#) provides for that time period. Similar language is included in section 5 of [Exhibit C](#) to address the reversion of general obligation bond authority.

Section 3 of [Exhibit C](#) restricts the transfer of funds from the Highway Fund for the projects identified in section 1 of [Exhibit C](#) until contract payments are required.

Section 4 of [Exhibit C](#) authorizes \$280.6 million in general obligation bonds for projects identified under section 4. Section 4 also reallocates \$9.8 million of bonds previously issued under prior CIP legislation. This includes \$505,932 from fiscal year (FY) 2014-2015 and \$9.3 million from FY 2016-2017. This allows for bond proceeds already issued to be spent before the proceeds of new bonds issued pursuant to section 4.

Page 4 of [Exhibit C](#) lists CIP projects authorized to have bond funds support their project expenditures. The projects are grouped by State agency. Department of Administration projects begin on page 4. The DCNR projects begin on page 5. Department of Corrections (DOC) projects begin on page 6. Department of Health and Human Services (DHHS) projects begin on page 7 and carry over to page 8. Office of the Military projects begin on page 8. Bonding authority for Nevada System of Higher Education (NSHE) projects begin on page 9. Department of Public Safety (DPS), Department of Tourism and Cultural Affairs, and Department of Veterans Services projects are on page 10. Department of Wildlife projects begin on page 11.

Section 6 of [Exhibit C](#) specifies the State Board of Finance will issue general obligation bonds for the 2021 CIP when deemed appropriate. Section 6, subsection 2 allows the State Controller to advance General Fund monies if bonds had not yet been sold to finance the projects approved in the 2021 CIP. If General Fund monies are advanced, the amounts must be immediately repaid to the General Fund upon bond issuance. Section 6, subsection 3 requires

written notification from the Director of the Office of Finance, Office of the Governor to the State Controller, State Treasurer, Senate Fiscal Analyst and Assembly Fiscal Analyst if a General Fund advance has been approved. A reconciliation demonstrating the General Fund has been reimbursed would also be required.

Section 7 of [Exhibit C](#) beginning on page 12 authorizes \$107.7 million from funding sources other than the General Fund or Highway Fund for projects identified in section 7. This includes authority for federal funds, State agency funds and university/college funds. Section 7, subsection 2 on page 16 requires the Department of Administration, State Public Works Division (SPWD) to not execute a contract for construction of a project approved in the 2021 CIP that includes authorized non-State receipts until the SPWD determines the non-State funding authorized has been awarded or is available for expenditure.

Section 8 of [Exhibit C](#) requires the SPWD use only qualified personnel to execute the 2021 CIP.

Section 9 of [Exhibit C](#) requires State and local government entities to cooperate with the SPWD in carrying out the provisions of the CIP.

Section 10 of [Exhibit C](#) approves \$4 million in bonds for the Cultural Centers and Historic Preservation Grant program.

Sections 11 and 12 on page 17 of [Exhibit C](#) approve a total of \$12 million for the Lake Tahoe Basin Environmental Improvement program (EIP).

Section 13 of [Exhibit C](#) approves \$8 million in bonds for the Water Infrastructure Grant program.

Section 14 of [Exhibit C](#) approves \$20 million for conservation programs authorized by A.B. No. 84 of the 80th Session.

Section 15 on page 18 of [Exhibit C](#) provides additional explanation that it is intended the bonds issued under sections 11 through 14 are exempt from the *Nevada Constitution's* debt limit.

Section 16 of [Exhibit C](#) provides for the issuance of \$75 million in general obligation bonds to launch the State Infrastructure Bank. Section 16 also

authorizes \$485,124 in unobligated reserve interest earnings in the consolidated bond interest and redemption fund to support operating expenditures of the State Infrastructure Bank.

Section 17 on page 19 of [Exhibit C](#) approves ad valorem taxes for the Question 1 program, also known as the Conservation Bond program. Ad valorem taxes would also be established for general obligation debt service.

For the State general obligation debt, 16.18 cents for every \$100 of assessed valuation would be used to support existing general obligation debts of the State for prior bond issuances and for the bonds sold for the CIP.

For the Question 1 program, 0.82 cents for every \$100 of assessed valuations would be used to support the bonds sold for the Question 1 program and bonds that would be sold through provisions from A.B. No. 84 of the 80th Session.

The overall rate of 17 cents per \$100 of assessed valuation remains the same as approved for the 2021-2023 biennium.

Section 18 beginning on page 20 of [Exhibit C](#) requires the State Treasurer estimate sufficient funding and determine whether that amount exists in the consolidated bond interest and redemption fund to pay the principal and interest of past Interim Finance Committee (IFC) issuances, as well as current issuances.

If there is not enough money in the consolidated bond interest and redemption account, the State Treasurer can request the State Controller reserve money in the General Fund to pay those debts.

Section 19 on page 21 of [Exhibit C](#) authorizes the State Board of Finance to pay expenses related to the issuance of general obligation bonds.

Section 20 on page 22 of [Exhibit C](#) authorizes money to pay for bonds in the Consolidated Bond Interest and Redemption budget account (B/A) 395-1082.

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This amounts to \$155.4 million in FY 2201-2022 and \$143.3 million in FY 2022-2023.

Section 21 of [Exhibit C](#) authorizes the SPWD and NSHE, with the approval of the IFC, to transfer money from one project to another within the same State agency.

Sections 22 and 23 begin on page 23 of [Exhibit C](#) and revise the reversion language in previous CIP legislation to allow for the reallocation of bonds issued under prior authorizations approved by past legislatures for use on projects identified in section 4 and section 22 also extends the reversion dates, thereby extending project authorities for two years for the projects listed on page 23.

Sections 25-27 beginning on page 25 of [Exhibit C](#) extend the reversion dates, extending project authority for two years. In total, there were 12 project extensions approved by the Money Committees. The 12 projects are from the 2017 CIP that would have otherwise had their authority expire at the end of this fiscal year.

Section 28 on page 27 of [Exhibit C](#) revises the reversion language from prior CIP legislation to authorize for the reallocation of bonds issued under prior authorization approved during past legislative sessions for use for projects identified in section 4.

Section 29 of [Exhibit C](#) states the effective date of the legislation is upon passage and approval.

CHAIR BROOKS:

Is there anything in [Exhibit C](#) that is not consistent with decisions made our Subcommittees or the full Committee?

MR. LEISER:

No.

SENATOR KIECKHEFER:

Is there anything in [Exhibit C](#) that is inconsistent that deviates from previous CIP legislation, aside from the State Infrastructure Bank?

MR. LEISER:

No. We added clarifying language. If you look in section 4 of [Exhibit C](#), we included a definition of general obligation bond proceeds for the 2021-2023 biennium. We clarify the proceeds of general obligation to mean both the proceeds that are received upon the sale of an issue and any interest accrued on proceeds.

The State will issue its first tranche in the fall of 2021. Not all of those dollars will be spent immediately, and will earn interest. Those interest earnings are allowable to be expended on projects under the federal guidelines and requirements. There was language added to [Exhibit C](#) to clarify this point. You will also see this in sections 10 through 14 and 16.

SENATOR KIECKHEFER:

Can you walk me through the specific authorities in sections 10, 11, 12, 13, and 14 of [Exhibit C](#)?

MR. LEISER:

Section 10 approves bonds for the Cultural Centers and Historic Preservation Grant program.

Sections 11 and 12 authorize bonding for the Lake Tahoe Basin EIP.

Section 12 references Senate Bill (S.B.) 368.

SENATE BILL 368: Requires the issuance of bonds for environmental improvement projects in the Lake Tahoe Basin. (BDR S-366)

The initial authorization of the Lake Tahoe Basin EIP bonds authorized a total of \$100 million in bonds. The initial authorization language requires that the IFC approve or legislation be passed to specify how those bonds would be used. Under section 12, you will see a reference to S.B. 368. Senate Bill 368 specifies how this particular \$4 million would be used under that program.

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Section 13 in [Exhibit C](#) appropriates \$8 million in bonds for the Water Infrastructure grant program.

Section 14 in [Exhibit C](#) would approve \$20 million for the conservation programs authorized under A.B. No. 84 of the 80th Session.

SENATOR KIECKHEFER:

Are all of those components outside the debt restrictions?

MR. LEISER:

Sections 11-14 of [Exhibit C](#), except for the bonds that would be used pursuant to subsections 3, 5 and 6 of section 14, would be excluded from the constitutional debt limit.

The bonds for the Cultural Centers and Historic Preservation Grant program count against the debt limit. The other programs generally do not apply to the constitutional debt limit, with the exceptions in section 14.

The exceptions are also identified under section 15 of [Exhibit C](#). The exceptions under the A.B. No. 84 of the 80th Session program listed in section 14 of [Exhibit C](#) are consistent with the exceptions that were memorialized in A.B. No. 84 of the 80th Session.

SENATOR KIECKHEFER:

I understand there is a total of \$12 million in sections 11 and 12 of [Exhibit C](#) for the Tahoe EIP.

CHAIR BROOKS:

What is the total amount of bonding represented by [Exhibit C](#)?

Mr. LEISER:

The amount is \$409.5 million in general obligation bonds.

CHAIR BROOKS:

What does that represent relative to other sessions? When was the last time the Legislature approved this level of bonding?

MR. LEISER:

In total, for the CIP, compared to prior sessions, legislators during the Eightieth Session approved a total of \$347 million. In the 2017 CIP program, legislators approved \$407.6 million.

The 2015 CIP program was \$215.3 million. The 2013 CIP program was \$102.7 million. The 2011 CIP program was \$53 million. The current CIP would be the largest in quite some time.

The 2017 CIP included general obligation bonds for new issuances of around \$115 million. In the 2017 CIP, there was also a reallocation of approximately \$12 million.

In the 2019 CIP, in total, the general obligation bonds to support the CIP was approximately \$189 million.

CHAIR BROOKS:

What is the total of new general obligation bonds for this Session?

MR. LEISER:

To support the 2021 CIP, the Money Committees approved a total of new general obligation bonds of \$355.6 million.

In addition to that, there is a reallocation of \$9.8 million of bonds from CIP measures. Another \$44 million of general obligation bonds was approved for the DCNR programs.

CHAIR BROOKS:

This amount of new bond issuance speaks to why we need to be thoughtful about what our bond rating and credit rating looks like this Session. Legislators need to be cautious about what bond issuance will do to Nevada's rating.

SENATOR SEEVERS GANSERT:

Much of these appropriations allow us to catch up on delayed needs. There are only a couple of big projects—including the University of Nevada, Las Vegas Engineering School and the National Guard Center. Most of the projects are smaller. It is good to address deferred maintenance needs.

CHAIR BROOKS:

I agree. This is a good way to spend monies and our bond obligations. Maintenance has been deferred for a long time. Some of these decisions, we have seen come before us several times now. I am glad to see we are taking care of that.

KAREN HOPPE (Senior Program Analyst):

A one-page document on collective bargaining units for BDR S-1173 is ([Exhibit D](#)). Bill Draft Request S-1173 for the State Employee Authorizations Act, also known as the Pay Bill, is ([Exhibit E](#)).

BILL DRAFT REQUEST S-1173: Provides for compensation of state employees.
(Later introduced as [Assembly Bill 493](#).)

Section 1 of [Exhibit E](#) sets forth the maximum annual salary amounts for employees in the unclassified service of the State as approved by the Money Committees. These amounts include the 3 percent cost-of-living adjustment (COLA) approved for FY 2019-2020 but do not include any COLA that may be approved for the 2021-2023 biennium.

Section 2 beginning on page 34 of [Exhibit E](#) and contains standard language to allow the Department of Administration, Division of Human Resource Management (DHRM) to review the duties and responsibilities of a position that may have been omitted from [Exhibit E](#) to establish the salary of said position. Section 2 of [Exhibit E](#) also allows for corrections to the bill for any errors determined by Fiscal staff with approval from the IFC. Section 2 includes standard provisions regarding persons filling or vacating unclassified positions.

The next sections of [Exhibit E](#) address COLAs for State employees organized into separate sections due to funding source and position type differences.

In total, [Exhibit E](#) includes \$17.1 million in General Fund appropriations and \$3.1 million in Highway Fund appropriations to fund COLAs.

Section 3 of [Exhibit E](#) provides the unclassified positions listed in section 1 will receive a 1 percent COLA in FY 2022-2023.

Section 4 of BDR S-1173 appropriates \$520,936 in General Fund monies and \$42,369 in Highway Fund monies COLA increases in section 1.

Section 5 beginning on page 36 of [Exhibit E](#) addresses COLAs for the classified and nonclassified positions in the Executive Branch and Judicial Branch funded with General Fund appropriations. There is \$11.8 million appropriated for this purpose.

[Exhibit D](#) pertains to collective bargaining sections in [Exhibit E](#). [Exhibit D](#) shows the various collective bargaining units.

The 2021 Pay Bill is the first to include provisions related to collective bargaining for State employees. This was authorized by S.B. No. 135 of the 80th Session and codified in *Nevada Revised Statutes* (NRS) 288. Senate Bill No. 135 of the 80th Session granted certain classified State employees in the Executive Branch, including NSHE, the right to organize and choose representatives for the purpose of engaging in collective bargaining. This right was not granted to employees in the Legislative Branch or Judicial Branch.

Senate Bill No. 135 of the 80th Session required the Government Employee-Management Relations Board to establish bargaining units for 11 occupational groups designated as units A-K in [Exhibit D](#). The measure also determined the classifications of employees in each bargaining unit.

At this time, 7 out of 11 authorized bargaining units in [Exhibit D](#) have an exclusive bargaining representative. Of the seven units with representation, six units have negotiated a collective bargaining agreement that was approved by the State Board of Examiners on or before May 25, 2021. Appropriations from the General Fund for COLAs approved for these six units is included in section 5 of [Exhibit E](#).

Section 5, subsection 2 of [Exhibit E](#) on page 37 pertains to personnel not represented by collective bargaining agreements approved by the Board of Examiners on or before May 25, 2021. They would receive a COLA of 1 percent in FY 2022-2023.

Section 5, subsection 3 states that personnel represented by Unit A as discussed in [Exhibit D](#) receive a COLA of 3 percent in FY 2022-2023.

Section 5, subsection 4 states that personnel represented by Unit E receive a COLA of 3 percent in FY 2022-2023.

Section 5, subsection 5 states that personnel represented by Unit F receive a COLA of 3 percent in FY 2022-2023.

Section 5, subsection 6 states that personnel represented by Unit I receive a COLA of 3 percent in FY 2022-2023.

Section 5, subsection 7, for personnel represented by Unit H, indicates a COLA of 2 percent in FY 2022-2023 in addition to the salary increases provided to nonrepresented personnel. Additionally, this group would receive a one-time bonus in July 2022 of \$500 for personnel with 5-15 years of service and a one-time bonus of \$1,000 for personnel with more than 15 years of service.

Section 5, subsection 8, for personnel represented by Unit K, indicates a COLA of 3 percent in FY 2022-2023.

Section 6 of BDR S-1173 beginning on page 8 of [Exhibit E](#) addresses COLAs for the classified and nonclassified positions in the Executive Branch and Judicial Branch which are funded through Highway Fund monies. There is \$3.1 million appropriated for this purpose.

Two of the bargaining units with approved agreements have personnel who are supported with monies from the Highway Fund.

Section 6, subsection 2 on page 39 of [Exhibit E](#) states that for personnel not represented by a collective bargaining agreement approved by the Board of Examiners on or before May 25, 2021 receive a COLA of 1 percent in FY 2022-2023.

In section 6, subsection 3 for personnel represented by Unit A, there is a COLA of 3 percent in FY 2022-2023.

In section 6, subsection 4 for personnel represented by Unit H, there is a COLA of 2 percent in addition to the increase in salary provided to unrepresented personnel. This group would receive the one-time bonuses of \$500 for personnel with 5 to 15 years of service and \$1,000 for personnel with over 15 years of service.

There is an error in this section that will be corrected before BDR S-1173 is introduced. The error is on page 37 of [Exhibit E](#). Subsection 7, line 2 should

read: "an increase in salary of 2 percent in addition to any increase in salary approved for nonrepresented personnel."

Section 7 beginning on page 40 of [Exhibit E](#) authorizes COLAs of 1 percent in FY 2022-2023 for the classified and professional positions in NSHE. A total of \$4.4 million would be appropriated for this purpose. The appropriation for NSHE COLAs is based on the proportion of appropriations from the General Fund to total revenue within each State-supported budget of NSHE.

Section 8 beginning on page 41 of [Exhibit E](#) authorizes COLAs of 1 percent in FY 2022-2023 for personnel of the Legislative Counsel Bureau. A total of \$318,591 from the General Fund would be appropriated for this purpose.

Section 9 contains standard language related to plans for on-call pay for the DHHS and the DOC for unclassified physician positions.

Section 10 on page 42 of [Exhibit E](#) contains standard language relating to plans for credential pay for the Nevada Gaming Control Board (NGCB).

Section 11 of [Exhibit E](#) contains standard reversion language applicable to the previous sections.

Section 12 of [Exhibit E](#) contains standard language governing the distribution of monies by the Board of Examiners to budget accounts.

Section 13 beginning on page 43 of [Exhibit E](#) authorizes the Board of Examiners to reimburse from the \$18,659 General Fund appropriation in this section for any deficiencies created between funding appropriated to Tahoe Regional Planning Agency and the 1 percent COLA approved for its employees for FY 2022-2023, conditioned upon California providing the required 2-for-1 match.

Section 14 lists the positions exempt from the provisions in the NRS requiring the salaries of persons employed by the State not to exceed 95 percent of the salary of the Governor.

Section 15 on page 44 of [Exhibit E](#) is generic language to provide for the alignment of State agency or position name changes enacted by the Legislature with the State agency or position names in the Pay Bill.

Senate Committee on Finance
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Section 16 of [Exhibit E](#) amends statute to add authorization for the new Department of Employment, Training and Rehabilitation unclassified position of deputy staff attorney, which was approved by the Money Committees.

Section 17 provides that [Exhibit E](#) would become effective July 1, 2021.

SENATOR KIECKHEFER:

This is the first time we are working through the collective bargaining provisions authorized during the Eightieth Session.

In section 5 of [BDR S-1173](#), are the increases effective in FY 2021-2022 or FY 2022-2023?

Ms. HOPPE:

The increases would be effective in FY 2022-2023.

SENATOR KIECKHEFER:

Is that consistent with the 1 percent COLA the Governor has submitted as a budget amendment?

Ms. HOPPE:

Yes.

SENATOR KIECKHEFER:

In section 5, subsection 7, you made a verbal correction to the line pertaining to a 2 percent COLA increase being provided in addition to the Statewide rate. Why is the correction being made?

Ms. HOPPE:

A similar provision is included in section 6. The intent of the language is to provide flexibility to the Money Committees should any additional bill be approved or submitted to increase the Statewide COLAs to any different amount.

We did not want to be tied to the amount of Statewide COLAs included in [BDR S-1173](#).

SENATOR KIECKHEFER:

Is that because the collective bargaining agreement ties it to a 2 percent increase above what everyone else gets?

MS. HOPPE:

Unit H would receive a COLA 2 percent higher than the Statewide rate. If the Statewide rate was made to be 2 percent, Unit H employees would receive a 4 percent COLA.

SENATOR KIECKHEFER:

I understand 16,472 positions in the Executive Branch would see a 1 percent COLA in FY 2022-2023. Approximately 7,000 positions would be captured by various bargaining agreements as discussed in [Exhibit D](#).

MS. HOPPE:

Fiscal staff's calculations would be that 25 percent of the authorized Executive Branch positions are covered by an approved collective bargaining agreement. The remaining 75 percent would receive a 1 percent COLA.

SENATOR KIECKHEFER:

If we were to apply the 1 percent COLA adjustment to all 23,000 positions compared to what is in [Exhibit E](#), what would the cost difference be?

MS. HOPPE:

It would cost \$10 million to \$11 million for a Statewide 1 percent COLA, as opposed to \$17.1 million. About \$6.4 million of the total represents the extra 2 percent that would be granted under collective bargaining out of the total \$17.1 million.

SENATOR KIECKHEFER:

What is the total dollar value of all salary increases contained in [Exhibit E](#)?

MS. HOPPE:

The total is \$17.1 million in General Fund appropriations and \$3.1 million in Highway Fund appropriations.

Of the \$17.1 million from the General Fund, \$6.4 million represents the extra 2 percent COLA for collective bargaining. Of the \$3.1 million in Highway Fund

appropriations, approximately \$727,000 represents the extra 2 percent in COLAs for collective bargaining.

SENATOR KIECKHEFER:

If the Legislature wanted to give parity to those nonrepresented employees, could it do so for the FY 2022-2023 without impacting the collective bargaining provisions in [Exhibit E](#)?

Ms. HOPPE:

Yes. Any legislative decisions such as the one Senator Kieckhefer outlined would only affect nonrepresented personnel.

SENATOR KIECKHEFER:

Would we have to address the change you verbalized for subsection 7?

Ms. HOPPE:

Yes. Unit H in [Exhibit D](#) would receive a COLA 2 percent higher than the Statewide rate.

SENATOR DENIS:

What do the dates on page 35, section 3 of [Exhibit E](#), pertain to?

Ms. HOPPE:

Section 3 on page 35 of [Exhibit E](#) refers to the maximum salaries in section 1, which are the unclassified positions of the State. Those are to be increased by 1 percent in FY 2022-2023. This is consistent with the Statewide 1 percent for other classified personnel described in sections 5 and 6.

SENATOR SEEVERS GANSERT:

If State workers outside collective bargaining agreements receive a 3 percent COLA, do other workers receive a 5 percent COLA?

Ms. HOPPE:

Workers in collective bargaining agreements would remain with a 3 percent COLA except for one unit in which the COLA is 2 percent higher than the Statewide rate. That unit would see a 5 percent COLA under a Statewide 3 percent rate.

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SENATOR SEEVERS GANSERT:

What is that one unit? How many employees are in that unit?

Ms. HOPPE:

This is Unit H in [Exhibit D](#). Unit H represents Category II peace officers. According to the Department of Administration, there are 134 employees in Unit H.

SENATOR SEEVERS GANSERT:

Would approximately \$10 million be required for every 1 percent COLA increase?

JAMES MALONE (Program Analyst):

That is a close approximation.

SENATOR RATTI:

What is the dollar amount to achieve parity?

Ms. HOPPE:

To provide COLAs of 3 percent to all State employees, the General Fund appropriation would be approximately \$32 million as opposed to the \$17.1 million recommended in [Exhibit E](#).

SENATOR RATTI:

Would the difference between \$32 million and \$17.1 million be needed to attain parity?

Ms. HOPPE:

The difference is roughly \$15 million, which would be needed to achieve 3 percent Statewide.

SENATOR SEEVERS GANSERT:

I want to verify the \$10 million per-percentage point approximation.

CHAIR BROOKS:

We will now discuss BDR S-1171 ([Exhibit F](#)) for the Authorizations Act.

BILL DRAFT REQUEST S-1171: Authorizes expenditures by agencies of the State Government. (Later introduced as [Senate Bill 459](#).)

STEPHANIE DAY (Senior Program Analyst):

[Exhibit F](#) provides funding and authorizes the expenditures of funding other than General Fund appropriations and Highway Fund appropriations. [Exhibit F](#) implements the decisions made by the Money Committees.

The funding sources include federal funds and self-funded budgets receiving monies through fees or other means. Other outside revenue sources include licensing fees, gifts, grants, interagency transfers and other funds which total \$28.1 billion over the 2021-2023 biennium. This amount includes \$2.8 billion in federal funding inclusive of anticipated American Rescue Plan Act of 2021 funds in the Covid-19 relief program budget and \$1.4 billion in federal funding provided for pre-K through Grade 12 education in response to the pandemic.

Additionally, due to the specific statutory language for these State agencies, [Exhibit F](#) includes authority for the NGCB and the Nevada Gaming Commission to expend \$63.9 million from the General Fund over the 2021-2023 biennium.

Similarly, [Exhibit F](#) includes authority for the Department of Transportation to expend \$900.6 million from the Highway Fund over the 2021-2023 biennium.

Section 1 begins on page 1 of [Exhibit F](#), with the amounts per budget account beginning in section 2.

On page 2 of [Exhibit F](#) is the Covid-19 relief programs budget. In FY 2021-2022, the amount is \$2.8 billion. In the second year, it is \$2.7 billion. The second year represents a balance forward of funds. The funds are in reserve in that account during the first year, therefore, they balance forward to the second. The amounts are not duplicative.

The amounts per budget account are delineated through page 23 of [Exhibit F](#).

Section 2 begins on page 23 of [Exhibit F](#). Section 2 is related to the Tobacco Settlement Fund. It does include tobacco enforcement operations for the Office of the Attorney General Special Litigation B/A 101-1031.

ATTORNEY GENERAL'S OFFICE

AG - Special Litigation Fund — Budget Page ELECTED-107 (Volume I)
Budget Account 101-1031

Sections 3 and 4 begin on page 25 of [Exhibit F](#). They authorize the specific amounts of General Fund appropriations for the NGCB and Nevada Gaming Commission.

Section 5 begins on page 26 of [Exhibit F](#). It authorizes the amounts to be augmented in compliance with the Appropriations Act, including work programs and the provisions related to the IFC process for work programs.

Section 6 on page 26 of [Exhibit F](#) authorizes the reduction of the amounts if the authority is in excess of amounts to be received.

Section 7 on page 27 of [Exhibit F](#) states that, except as otherwise provided in other sections, if additional funds are received in budgets funded through General Fund or Highway Fund appropriations, such appropriations must be decreased accordingly. Several other sections of [Exhibit F](#) are affected by section 7.

Section 8 begins on page 27 of [Exhibit F](#) and is related to the fees and tuition collected by NSHE. These are exempt from section 7 of [Exhibit F](#).

Section 9 begins on page 29 of [Exhibit F](#). It is related to funds collected from Carson City and Storey County for the State Public Defender.

Section 10 on page 30 of [Exhibit F](#) states the tax on motor vehicle fuel computed to be used on watercraft shall be allocated equally to the Department of Wildlife and the DCNR, Division of State Parks.

Section 11 on page 30 of [Exhibit F](#) pertains to the Division of Forestry costs to repair firefighting and emergency response vehicles. These vehicles would be exempt from the provisions of section 7.

Section 12 on page 30 of [Exhibit F](#) states it is the Legislature's intent that funds in the State Fire Marshal B/A 101-3816 from the Contingency Account for Hazardous Materials are spent on eligible training programs and related operating expenditures before General Fund monies are.

PUBLIC SAFETY

PUBLIC SAFETY

DPS - Fire Marshal — Budget Page PUBLIC SAFETY-117 (Volume III)
Budget Account 101-3816

Beginning on page 31 of [Exhibit F](#), sections 13, 14 and 15 are expenditures detailed in the sections that are also exempt from section 7. Sections 13 and 14 are related to the Division of Forestry.

Section 15 of [Exhibit F](#) is related to B/A 101-2681. It pertains to the Health Profession Education program slots.

EDUCATION

HIGHER EDUCATION

NSHE - W.I.C.H.E. Loans & Stipends — Budget Page NSHE-14 (Volume I)
Budget Account 101-2681

Section 16 of [Exhibit F](#) states the funds in the Emergency Operations Center budget account balance forward. They do not revert to the General Fund at the end of a fiscal year.

Section 17 of [Exhibit F](#) contains conforming language, consistent with language in the Appropriations Act, requiring the DHHS Division of Child and Family Services to revert specialized foster care funding in certain circumstances.

Section 18 of [Exhibit F](#) contains an exemption from section 7 for NSHE.

Section 19 of [Exhibit F](#) states IFC approval is not required on work programs related to bond repayment costs, including in B/A 745-1086 and B/A 395-1087. Approval from the IFC would be required in those budgets for nonbond repayment expenditures.

Treasurer - Municipal Bond Bank Revenue — Budget Page ELECTED-196
(Volume I)
Budget Account 745-1086

Treasurer - Municipal Bond Bank Debt Service — Budget Page ELECTED-198
(Volume I)
Budget Account 395-1087

Section 20 of [Exhibit F](#) states that when the Department of Administration, Fleet Services Division vehicles purchased with General Fund appropriations are sold, the proceeds are deposited into the General Fund.

Section 21 of [Exhibit F](#) states the Public Employees' Benefits Program (PEBP) shall not spend or obligate reserves in excess of the amounts authorized by the Money Committees when closing the budgets for the purposes of changing health benefits without IFC approval.

Section 22 of [Exhibit F](#) states that, except for remaining grant obligations, the balance in the Catalyst Account cannot be committed for expenditure after June 30, 2023.

Section 23 of [Exhibit F](#) states it is the Legislature's intent that funds in B/A 101-3243 and B/A 101-3178 shall be expended in order to continue the current service delivery model for prescription drugs, in which prescription drugs are generally not carved out of managed care.

HEALTH AND HUMAN SERVICES

HEALTH CARE FINANCING AND POLICY

HHS-HCF&P - Nevada Medicaid Title XIX — Budget Page DHHS-DHCFP-36
(Volume II)
Budget Account 101-3243

HHS-HCF&P - Nevada Check Up Program — Budget Page DHHS-DHCFP-31
(Volume II)
Budget Account 101-3178

Section 24 of [Exhibit F](#) states additional funds received in B/A 101-3243 or B/A 101-3178 are exempt from section 7.

Beginning on page 34, section 25 through 29 of [Exhibit F](#) transfer funds from B/A 101-3243 to B/A 101-3158 to fund administrative costs if and only if other legislation is passed by the Legislature and approved by the Governor.

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HHS-HCF&P - HCF&P Administration — Budget Page DHHS-DHCFP-14
(Volume II)
Budget Account 101-3158

Section 30 of Exhibit F states transfers from the DHHS, Aging and Disability Services Division (ADSD) to the Board of Applied Behavioral Analysis if and only if S.B. 217 is passed by the Legislature and approved by the Governor.

SENATE BILL 217 (2nd Reprint): Revises provisions related to applied behavior analysis. (BDR 54-533)

Section 31 of [Exhibit F](#) allows for the balance forward of funds allocated from the IFC Contingency Account to the Division of Forestry in FY 2021-2022.

On page 37, section 32 of [Exhibit F](#) states that, with respect to an officer or State agency, if names have been changed or responsibilities have transferred pursuant to other legislation passed by the Legislature and approved by the Governor, any reference in [Exhibit F](#) shall be deemed to refer to the language in the associated acts.

Section 33 of [Exhibit F](#) lists effective dates of the measure.

SENATOR KIECKHEFER:

Regarding the PEBP item in section 21 of [Exhibit F](#), is that new language or is it consistent with language in past biennia regarding our ability to use reserves to change benefit levels?

MR. HAARTZ:

That was language added during the Eightieth Session by the Money Committees.

SENATOR KIECKHEFER:

Does section 23 on page 33 of [Exhibit F](#) require Medicaid managed care to continue funding pharmacy benefits through the provider per month amount? Are pharmacy benefits not carved out for managed care?

MS. DAY:

Yes.

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SENATOR KIECKHEFER:

Do parts of [Exhibit F](#) reference specific bills in the current Session?

Ms. DAY:

Yes. I will give two examples.

Section 25 of [Exhibit F](#) is related to [A.B. 191](#).

[ASSEMBLY BILL 191](#): Requires the State Plan for Medicaid to include coverage for the services of a community health worker under certain circumstances. (BDR 38-449)

Section 26 of [Exhibit F](#) pertains to [A.B. 256](#).

[ASSEMBLY BILL 256 \(1st Reprint\)](#): Provides for Medicaid coverage of doula services. (BDR 38-849)

SENATOR KIECKHEFER:

Is there a total dollar figure associated with [Exhibit F](#)?

Ms. DAY:

Yes. The total authorization is \$28.1 billion. Of this amount, there is \$900 million in Highway Fund monies and an additional \$63.9 million in General Fund monies, for a total of \$29.1 billion in this BDR.

SENATOR DENIS MOVED TO INTRODUCE [BDR S-1171](#) AS DISCUSSED IN [EXHIBIT E](#).

SENATOR DONDERO LOOP SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR BROOKS:

We will discuss BDR S-1170 ([Exhibit G](#)), the State Appropriations Act.

BILL DRAFT REQUEST S-1170: Makes various changes regarding state financial administration and makes appropriations for the support of the civil government of the state. (Later introduced as [Assembly Bill 494](#).)

CATHY CROCKET (Senior Program Analyst):

[Exhibit G](#) implements decisions made by the Money Committees for General Fund and Highway Fund appropriations. Back language is implemented for the Money Committees' appropriations decisions.

Total General Fund appropriations for State agency budgets in sections 1-32 of [Exhibit G](#) total \$5,999,000,000 over the 2021-2023 biennium. There was a total of \$5.7 billion over the 2019-2021 biennium.

Section 33 of [Exhibit G](#) includes Highway Fund appropriations totaling \$305.4 million over the 2021-2023 biennium, which is a 15.6 percent increase from the 2019-2021 biennium amount.

Some budgets with appropriations are excluded from [Exhibit G](#) as they have been included in bills the Money Committees already heard. Six education-related budgets are included in the Education Funding Bill. Appropriations for the NGCB and Nevada Gaming Commission, as well as the Department of Transportation, are included in the Authorizations Act. Appropriations to the Board of Examiners for General Fund and Highway Fund salary adjustments are included in the Pay Bill.

There are some General Fund appropriations in the back language which total \$9.7 million for FY 2020-2021, \$8.9 million in FY 2021-2022 and \$8.2 million in FY 2022-2023.

In total, the General Fund appropriations of [Exhibit G](#) total \$6 billion over the 2021-2023 biennium.

Section 34 of [Exhibit G](#) is standard carryover language that subjects appropriations to the Appropriations Act. Section 34 provides IFC jurisdiction over work program revisions outside the Legislative Branch, Judicial Branch and Tahoe Regional Planning Agency as they are exempt from the Appropriations Act.

Section 35 of [Exhibit G](#) provides authority for amounts appropriated to certain budget accounts to be transferred between fiscal years with approval of the IFC. Budget account 201-4716 is based on closing decisions of the Money Committees.

MOTOR VEHICLES

DMV - System Technology Application Redesign — Budget Page DMV-15
(Volume III)
Budget Account 201-4716

Section 36 of [Exhibit G](#) is carryover language providing amounts appropriated for deferred maintenance or extraordinary maintenance projects that may be transferred within the same budget from one year to the next.

Sections 37-49 of [Exhibit G](#) provide authority to transfer appropriations for specific purposes between fiscal years.

Section 37 of [Exhibit G](#) is carryover language which provides authority to transfer \$1 million per year in B/A 101-1003 for broadband projects.

GOVERNOR'S OFFICE

Office of Science, Innovation and Technology — Budget Page ELECTED-45
(Volume I)
Budget Account 101-1003

Section 38 of [Exhibit G](#) is carryover language that provides authority to transfer \$25,000 for civil air patrol activities within B/A 101-1301.

Section 39 of [Exhibit G](#) is new language that provides authority to transfer \$8.5 million within B/A 101-1301 for graduate medical/educational programs.

Governor's OFC of Finance - Special Appropriations — Budget Page
ELECTED-79 (Volume I)
Budget Account 101-1301

Section 40 of [Exhibit G](#) is new language providing authority to transfer approximately \$600,000 per year for enhancements related to the Secretary of State's commercial recording system.

Section 41 of [Exhibit G](#) contains new language providing funding for the interface for the Nevada Criminal Justice Information System upgrade and an upgrade to the Multi-County Integrated Justice Information System to allow for the transfer of certain electronic data. Section 41 of [Exhibit G](#) contains provisions regarding when monies must be transferred between budget accounts and when expended funds revert to the General Fund.

Section 42 of [Exhibit G](#) contains language providing authority to transfer \$40,000 for the auditing of hospitals and other licensed facilities by the Department of Education.

Section 45 of [Exhibit G](#) contains language providing for the transfer of funding related to administration and monitoring of programs within B/A 101-2612.

EDUCATION

NDE - Educator Effectiveness — Budget Page K-12 EDUCATION-98 (Volume I)
Budget Account 101-2612

Section 44 of [Exhibit G](#) contains new language providing authority to transfer funding within B/A 101-3162 for community-based living arrangement services.

HHS-DPBH - No NV Adult Mental Health Svcs — Budget Page DHHS-DPBH-172
(Volume II)
Budget Account 101-3162

Section 45 of [Exhibit G](#) contains carryover language that provides authority to transfer funding for the Nevada National Guard Youth Challenge program.

Section 46 of [Exhibit G](#) contains carryover language that provides authority to transfer funding within the DCNR budget for conservation credit system activities.

Section 47 of [Exhibit G](#) contains new language that provides authority to transfer funding within the DCNR to support Nevada's climate initiatives.

Section 48 of [Exhibit G](#) contains new language providing authority to transfer within the DPS Division of Parole and Probation for the purposes of upgrading its information system.

Section 49 of [Exhibit G](#) provides authority to transfer Highway Fund monies for credit card transaction fees within the Department of Motor Vehicles.

Section 50 of [Exhibit G](#) is carryover language. Section 50 relates to B/A 101-4156 and indicates that funding previously appropriated does not revert to the General Fund.

INFRASTRUCTURE

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

DCNR - Account to Restore the Sagebrush Ecosystem — Budget Page DCNR-24
(Volume III)

Budget Account 101-4156

Section 51 of [Exhibit G](#) is carryover language relating to B/A 101-1529. It indicates B/A 101-1529 carries forward and reverts to the General Fund at the end of FY 2022-2023.

GOED - Nevada Catalyst Account — Budget Page GOED-26 (Volume II)
Budget Account 101-1529

Section 52 of [Exhibit G](#) contains carryover language providing that B/A 101-1533 and B/A 101-1532 do not revert to the General Fund.

COMMERCE AND INDUSTRY

ECONOMIC DEVELOPMENT

GOED - Nevada Knowledge Account — Budget Page GOED-32 (Volume II)
Budget Account 101-1533

Nevada Main Street Program — Budget Page GOED-6 (Volume II)
Budget Account 101-1532

Section 53 of [Exhibit G](#) provides that funding within B/A 101-1531 carries forward in FY 2021-2023 to FY 2022-2023. The monies revert at the end of FY 2022-2023. In accordance with current law, this section is effective only if [S.B. 24](#) does not pass.

GOED - Workforce Innovations for a New Nevada Acct — Budget Page
GOED-30 (Volume II)
Budget Account 101-1531

[SENATE BILL 24 \(2nd Reprint\)](#): Revises provisions relating to workforce development. (BDR 18-289)

Section 54 of [Exhibit G](#) states appropriations in B/A 101-1531 carry forward and do not revert. Section 54 would be effective only if [S.B. 24](#) passes.

Section 55 of [Exhibit G](#) contains carryover language that provides appropriations in the NSHE budget for education for dependent children does not revert to the General Fund.

Sections 56-61 of [Exhibit G](#) provide for transfers of appropriations within budgets.

Section 56 of [Exhibit G](#) provides global language that allows salaries and payroll costs to be transferred within budgets of the same department.

Section 57 of [Exhibit G](#) is carryover language that allows for transfers between budgets within the Legislative Fund.

Section 58 is carryover language that allows funding to be transferred within the DHHS, Division of Welfare and Supportive Services (DWSS) budgets.

Section 59 of [Exhibit G](#) is carryover language that allows for the transfer of funds within B/A 101-3243 and B/A 101-3178.

Section 60 of [Exhibit G](#) is carryover language that allows for the transfer of funding within certain DCFS juvenile justice budget accounts.

Section 61 of [Exhibit G](#) is carryover language that allows for the transfer of appropriations within B/A 101-3281 and B/A 101-3646.

HHS-DCFS - Northern NV Child & Adolescent Services — Budget Page
DHHS-DCFS-81 (Volume II)
Budget Account 101-3281

HHS-DCFS - Southern NV Child & Adolescent Services — Budget Page
DHHS-DCFS-87 (Volume II)
Budget Account 101-3646

Section 62-64 of [Exhibit G](#) provide direction to the Executive Branch in implementing certain decisions from the Money Committees.

Section 62 of [Exhibit G](#) expresses the intent of the Legislature that the DHHS, Division of Health Care Financing and Policy (DHCFP) continue with its current prescription drug delivery model.

Section 63 of [Exhibit G](#) states that appropriations to the PEBP shall be spent for the purposes of funding a one-month State participant premium holiday.

Section 64 of [Exhibit G](#) provides direction to the DCFS that requires the identification and reversion of General Fund monies associated with duplicated services following the implementation of a specialized foster care Medicaid State Plan option.

Section 65 of [Exhibit G](#) authorizes General Fund transfers within the DHHS to the upper payment limit holding account.

Sections 66-68 of [Exhibit G](#) relate to transfers of appropriations between budgets.

Section 66 of [Exhibit G](#) is carryover language relating to certain transfers between their regional centers and the ADSD.

Section 67 pertains to transfers within the DOC, with certain exclusions noted of [Exhibit G](#).

Section 68 of [Exhibit G](#) is carryover language that allows transfers within NSHE budgets.

Sections 69 and 70 of [Exhibit G](#) establish limits of appropriations for the DHHS, Division of Child and Family Services (DCFS) for block grants and respite services. These sections also outline appropriation limits for the DWSS, B/A 101-3243 and B/A 101-3178 with certain exceptions noted of [Exhibit G](#).

Sections 71-73 of [Exhibit G](#) relate to NSHE.

Section 71 of [Exhibit G](#) contains carryover language requiring NSHE to set aside amounts, if requested by the Governor.

Section 72 of [Exhibit G](#) contains carryover language providing for appropriations to be carried forward within NSHE if they are used to match documented research grants.

Section 73 of [Exhibit G](#) is carryover language that provides for appropriation transfers for the purposes of implementing the performance funding pool.

Sections 74-76 of [Exhibit G](#) relate to General Fund advances for State agencies. The sections contain carryover language authorizing advances to the DCNR for forest fire billings, to the Office of the Military for emergency activations and for the Department of Veterans' Services for Northern Nevada Veterans' Home in certain circumstances.

Sections 77-86 of [Exhibit G](#) relate to new appropriations.

Section 77 of [Exhibit G](#) would appropriate \$6.7 million in FY 2021-2022 and \$6.9 million in FY 2022-2023 to B/A 201-4716 to support the DMV's plan to redesign its computer system. This section would be effective if neither [A.B. 488](#) nor [A.B. 491](#) passed to provide sufficient funding in the circumstance that the DMV is not authorized to collect its technology fee.

MOTOR VEHICLES

DMV - System Technology Application Redesign — Budget Page DMV-15
(Volume III)
Budget Account 201-4716

[ASSEMBLY BILL 488](#): Revises provisions governing the Department of Motor Vehicles. (BDR 43-1096)

ASSEMBLY BILL 491: Revises provisions relating to the imposition of a technology fee on certain transactions by the Department of Motor Vehicles. (BDR 43-1174)

Section 78 of [Exhibit G](#) would appropriate \$1.1 million in FY 2021-2022 and \$1.5 million in FY 2022-2023 to the IFC for allocation to the DOC for the Ely Conservation Camp.

Section 79 of [Exhibit G](#) would appropriate funding for the IFC to allocate to the DOC for the Ely State Prison in certain circumstances.

Section 80 of [Exhibit G](#) would provide \$1.2 million per year to the IFC for allocation to the DIDS for the *Davis v. Nevada* consent judgement.

Section 81 of [Exhibit G](#) would provide money for allocation by the IFC in FY 2022-2023 for the support of B/A 101-3161.

HHS-DPBH - So NV Adult Mental Health Services — Budget Page
DHHS-DPBH-182 (Volume II)
Budget Account 101-3161

Section 82 of [Exhibit G](#) would provide funding to the IFC for allocation to B/A 101-3162.

Section 83 of [Exhibit G](#) would provide \$1.9 million to the IFC for allocation to the Department of Employment, Training and Rehabilitation.

Section 84 of [Exhibit G](#) would appropriate \$176,710 to the Public Employee Retirement System for Legislators' Retirement System costs.

Section 85 of [Exhibit G](#) would provide a \$9.7 million General Fund appropriation for costs of the 81st Session.

Section 86 of [Exhibit G](#) would authorize the transfer of approximately \$97.5 million from the Account to Stabilize the Operation of the State Government to the General Fund for unrestricted use.

Sections 87-92 of [Exhibit G](#) provide for transfers between B/A 101-3243 and B/A 101-3158 for various purposes to implement certain pieces of legislation.

Section 93-103 of [Exhibit G](#) are general sections that appear in the Authorizations Act every session.

Section 93 of [Exhibit G](#) would require State agencies to revert unspent funding to the General Fund unless certain exceptions are noted.

Section 94 of [Exhibit G](#) would indicate the last day of the fiscal year that accounting transactions can be processed.

Section 95 would direct the State Controller to establish funding as laid out in [Exhibit G](#).

Section 96 of [Exhibit G](#) would direct the Office of the State Controller to pay certain salaries in biweekly installments.

Section 97 of [Exhibit G](#) would indicate that when the General Fund balance drops below \$120 million, the Governor may direct State agencies to set aside reserves of up to 15 percent of total funding upon approval of the IFC or the Legislature.

Section 98 of [Exhibit G](#) would authorize the State Controller to make payments under the Cash Management Improvement Act if necessary.

Section 99 of [Exhibit G](#) relates to changes in names and responsibilities in other bills.

Section 100 of [Exhibit G](#) would amend language in A.B. No. 3 of the 31st Special Session related to budget reductions approved for the DHCFF that were restored by the Money Committees.

Section 101 of [Exhibit G](#) would allow for a 2019 appropriation to the Division of Parole and Probation to be carried forward until the end of FY 2021-2022.

Section 102 of [Exhibit G](#) would provide for funding approved for the Division of Forestry in 2019 to be carried forward until FY 2021-2022.

Section 103 establishes the effective dates for provisions of [Exhibit G](#).

CHAIR BROOKS:

We will move to a work session on A.B. 480.

MR. THORLEY:

Marcie Ryba, Deputy Director, DIDS, presented A.B. 480 and testified the fiscal impact of the measure could not be determined until the plans required submitted by the rural counties for indigent defense are submitted. The due date for these plans is September 3, 2021.

Assembly Bill 480 is a budget implementation bill. The Money Committees approved General Fund appropriations of \$75,000 in each year of the 2021-2023 biennium to support a court monitor as required by the *Davis v. Nevada* consent judgement. The Money Committees also appropriated \$25,000 in each year of the 2021-2023 biennium for training and resources required by the consent judgement.

The Money Committees approved approximately \$1.2 million in General Fund appropriations for each year of the 2021-2023 biennium to the IFC to fund the estimated report costs of the ten rural counties covered by the consent judgement. Actual costs will not be known until the rural counties submit their plans.

Ms. Ryba submitted a conceptual amendment, [Exhibit B](#), changing the effective date of the bill from July 1, 2021, to October 1, 2021.

John Piro, on behalf of the Clark County Public Defender's Office and the Washoe County Public Defender's Office, testified in support of A.B. 480. Also in support were John McCormick, Assistant Court Administrator, Administrative Office of the Courts and Jim Hoffman, Nevada Attorneys for Criminal Justice.

There was no testimony in neutral or opposition positions.

SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED
A.B. 480.

SENATOR DONDERO LOOP SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

KENT ERVIN (Legislative Liaison, Nevada Faculty Alliance):

We appreciate the COLA provisions in the Pay Bill BDR. The 1 percent COLA in FY 2022-2023 does not come close to offsetting inflation. The last State COLA was July 2019. From July 2019 to April 2021, the Consumer Price Index has increased by 4.6 percent.

State employees are currently taking a 4.6 percent pay cut in furloughs. Over the past 10 years, COLAs have trailed inflation by 12 percent to 22 percent, for a 10 percent net loss in purchasing power.

It is concerning to the Nevada Faculty Alliance that the 3 percent COLAs in FY 2022-2023 are reserved for the bargaining units with approved collective bargaining units. We are happy for public employee associations that were able to come to agreements with the Executive Branch. We are concerned, as a policy matter, about the ramifications of differential pay based on bargaining unit status. This could apply to employees in identical grades and steps having different pay.

It is particularly unfair for employees who are excluded in the State bargaining unit by NRS 288, including all unclassified employees, NSHE faculty, LCB staff, managerial and confidential classified employees, given that S.B. 373 has not yet passed. These workers are excluded from bargaining in NRS 288 and would not have the opportunity to have a bargaining agreement with the Executive Branch.

SENATE BILL 373: Provides for collective bargaining by certain state employees.
(BDR 23-675)

I hope legislators will find a way to fix this and attain parity for State employees. This would cost roughly \$15 million from the General Fund.

Please restore PEBP benefits for FY 2022-2023. State employees are dedicated and deserve your consideration.

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CHAIR BROOKS:
I adjourn this meeting at 6:26 p.m.

RESPECTFULLY SUBMITTED:

Joko Cailles,
Committee Secretary

APPROVED BY:

Senator Chris Brooks, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description
	A	1		Agenda
A.B. 480	B	1	Marcie Ryba / Department of Indigent Defense Services	Conceptual Amendment
	C	1	Brody Leiser / Legislative Counsel Bureau	BDR S-1172, CIP Bill
	D	1	Karen Hoppe / Legislative Counsel Bureau	Pay Bill Exhibit
	E	1	Karen Hoppe / Legislative Counsel Bureau	BDR S-1173
	F	1	Stephanie Day / Legislative Counsel Bureau	BDR S-1171
	G	1	Cathy Crocket / Legislative Counsel Bureau	BDR S-1170