

Amendment No. 993

Senate Amendment to Assembly Bill No. 527	(BDR 31-1199)
Proposed by: Senator Dondero Loop	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

EGO



Date: 6/5/2023

A.B. No. 527—Revises provisions relating to state financial administration.
(BDR 31-1199)



ASSEMBLY BILL NO. 527—COMMITTEE ON WAYS AND MEANS

MAY 31, 2023

Referred to Committee on Ways and Means

SUMMARY—Revises provisions relating to state financial administration. (BDR 31-1199)

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

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

AN ACT relating to state financial administration; revising requirements relating to the preparation of the state budget; ~~revising provisions relating to revisions of work programs in the state budget;~~ and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Chief of the Budget Division of the Office of Finance in the Office of the Governor to prepare a proposed budget for the Executive Department of the State Government. (NRS 353.185) Existing law requires the Judicial and Legislative Departments of the State Government, the Public Employees' Retirement System and the Tahoe Regional Planning Agency to submit to the Chief of the Budget Division for his or her information a copy of the budgets that they propose to submit to the Legislature. (NRS 353.210) Under existing law, the proposed budget for each fiscal year of a biennium is required to include a reserve of not less than 5 percent or more than 10 percent of the total of all proposed appropriations from the State General Fund for the operation of the State Government and authorized expenditures from the State General Fund for the regulation of gaming for that fiscal year. (NRS 353.213) ~~Section 1 of this~~ **This** bill requires the Chief of the Budget Division to include the total amount of appropriations included in the budgets submitted by the Judicial and Legislative Departments of the State Government, the Public Employees' Retirement System and the Tahoe Regional Planning Agency in the calculation of the reserve in the proposed budget.

~~Under the State Budget Act, the head of a department, institution or other agency of the Executive Department of the State Government, with certain exceptions, is authorized, as a result of changed conditions, to request a revision to a work program within its budget. Such a revision is required to be approved or disapproved by the Governor or the Chief of the Budget Division. In addition, the department, institution or agency is required to obtain the approval of the Interim Finance Committee, or the Governor in certain emergency or expeditious circumstances, before revising a work program in an amount more than \$30,000 if the revision will increase or decrease by 10 percent or \$75,000, whichever is less, the expenditure level approved by the Legislature for any of the allotments within the work program. (NRS 353.220) Section 2 of this bill eliminates the initial monetary threshold of \$30,000 for the additional required approval of a work program and increases the dollar amount of the other threshold in existing law to \$100,000. Thus, under section 2, an agency must obtain additional approval of its work program from the Interim Finance Committee, or the Governor in certain emergency or expeditious circumstances, if the revision will increase or decrease by 10~~

percent or \$100,000, whichever is less, the expenditure level approved by the Legislature for any of the allotments within the work program.

~~Under existing law, if the Governor approves a work program that meets the monetary threshold level in the case of an emergency or for the protection of life or property, the Governor is required to report his or her approval of the work program to the Interim Finance Committee at its next meeting. (NRS 353.220) Section 2 eliminates this reporting requirement and instead requires the Governor to notify the Chair of the Interim Finance Committee before approving the work program.~~

~~Under existing law, the Interim Finance Committee is required to consider a request for the revision of a work program within 45 days after its submission or the request is deemed approved. (NRS 353.220) Section 2 eliminates that requirement and instead requires, with an exception, the placement of the request on the agenda of the next meeting of the Interim Finance Committee.]~~

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

Section 1. NRS 353.210 is hereby amended to read as follows:

353.210 1. Except as otherwise provided in subsections 6 and 7, on or before September 1 of each even-numbered year, all departments, institutions and other agencies of the Executive Department of the State Government, and all agencies of the Executive Department of the State Government receiving state money, fees or other money under the authority of the State, including those operating on money designated for specific purposes by the Nevada Constitution or otherwise, shall prepare, on blanks furnished them by the Chief, and submit to the Chief:

(a) The number of full-time equivalent positions within the department, institution or agency.

(b) The number of full-time equivalent positions within the department, institution or agency that have been vacant for at least 12 months, the number of months each such position has been vacant and the reasons for each such vacancy.

(c) Any existing contracts for services the department, institution or agency has with temporary employment services or other persons, the proposed expenditures for such contracts in the next 2 fiscal years and the reasons for the use of such services. If such contracts include any privatization contracts, a copy of each of those privatization contracts together with:

(1) A statement specifying the duration of the privatization contracts;

(2) The number of privatization contracts proposed for the next 2 fiscal years and the estimated expenditures for the privatization contracts; and

(3) An analysis of each of the privatization contracts, which includes, without limitation:

(I) For the preceding, current and next fiscal years, the annual amount required to perform each of the privatization contracts; and

(II) For the preceding and current fiscal years, the number of persons the department, institution or agency employed pursuant to the privatization contracts, reflected as the equivalent full-time position if the persons were regularly employed by the department, institution or agency, including the equivalent hourly wage and the cost of benefits for each job classification.

(d) If the department, institution or agency has any existing performance contracts that it has entered into pursuant to chapter 333A of NRS, any request to reinvest any savings realized under such a contract for the next 2 fiscal years.

1 (e) Estimates of expenditure requirements of the department, institution or
2 agency, together with all anticipated income from fees and all other sources, for the
3 next 2 fiscal years compared with the corresponding figures of the last completed
4 fiscal year and the estimated figures for the current fiscal year.

5 2. The Chief shall direct that one copy of the forms submitted pursuant to
6 subsection 1, accompanied by every supporting schedule and any other related
7 material, be delivered directly to the Fiscal Analysis Division of the Legislative
8 Counsel Bureau on or before September 1 of each even-numbered year.

9 3. The Budget Division of the Office of Finance shall give advance notice to
10 the Fiscal Analysis Division of the Legislative Counsel Bureau of any conference
11 between the Budget Division of the Office of Finance and personnel of other state
12 agencies regarding budget estimates. A Fiscal Analyst of the Legislative Counsel
13 Bureau or his or her designated representative may attend any such conference.

14 4. The estimates of expenditure requirements submitted pursuant to
15 subsection 1 must be classified to set forth the data of funds, organizational units,
16 and the character and objects of expenditures by program or budgetary account and
17 by category of expense, and must include a mission statement and measurement
18 indicators in adequate detail to comply with the requirements of subparagraph (3)
19 of paragraph (b) of subsection 1 of NRS 353.205. The organizational units may be
20 subclassified by functions and by agencies, bureaus or commissions, or in any other
21 manner at the discretion of the Chief.

22 5. If any department, institution or other agency of the Executive Department
23 of the State Government, whether its money is derived from state money or from
24 other money collected under the authority of the State, fails or neglects to submit
25 estimates of its expenditure requirements as provided in this section, the Chief may,
26 from any data at hand in the Chief's office or which the Chief may examine or
27 obtain elsewhere, make and enter a proposed budget for the department, institution
28 or agency in accordance with the data.

29 6. Agencies, bureaus, commissions and officers of the Legislative
30 Department, the Public Employees' Retirement System and the Judicial Department
31 of the State Government shall submit to the Chief for his or her information in
32 preparing the proposed executive budget the budgets which they propose to submit
33 to the Legislature. *The Chief shall include the total amount of appropriations
34 included in the budgets submitted pursuant to this subsection in the calculation
35 of the reserve required pursuant to subsection 3 of NRS 353.213.*

36 7. On or before September 1 of each even-numbered year, the Tahoe Regional
37 Planning Agency shall submit the budget which the Agency proposes to submit to
38 the Legislature to:

39 (a) The Chief for his or her information in preparing the proposed executive
40 budget. *The Chief shall include the total amount of appropriations included in
41 the budget submitted pursuant to this subsection in the calculation of the reserve
42 required pursuant to subsection 3 of NRS 353.213.*

43 (b) The Fiscal Analysis Division of the Legislative Counsel Bureau.

44 8. The information provided by a department, institution or agency pursuant
45 to paragraph (c) of subsection 1 is a public record and must be open to public
46 inspection.

47 9. As used in this section, "privatization contract" means a contract executed
48 by or on behalf of a department, institution or agency which authorizes a private
49 entity to provide public services which are:

50 (a) Substantially similar to the services performed by the public employees of
51 the department, institution or agency; and

52 (b) In lieu of the services otherwise authorized or required to be provided by
53 the department, institution or agency.

1 **Sec. 2.** ~~[NRS 353.220 is hereby amended to read as follows:~~

2 ~~353.220 1. The head of any department, institution or agency of the~~
3 ~~Executive Department of the State Government, whenever he or she deems it~~
4 ~~necessary because of changed conditions, may request the revision of the work~~
5 ~~program of his or her department, institution or agency at any time during the fiscal~~
6 ~~year, and submit the revised program to the Governor through the Chief with a~~
7 ~~request for revision of the allotments for the remainder of that fiscal year.~~

8 ~~2. Every request for revision must be submitted to the Chief on the form and~~
9 ~~with supporting information as the Chief prescribes.~~

10 ~~3. Before encumbering any appropriated or authorized money, every request~~
11 ~~for revision must be approved or disapproved in writing by the Governor or the~~
12 ~~Chief, if the Governor has by written instrument delegated this authority to the~~
13 ~~Chief.~~

14 ~~4. Except as otherwise provided in subsection 8, whenever a request for the~~
15 ~~revision of a work program of a department, institution or agency [in an amount~~
16 ~~more than \$30,000] would, when considered with all other changes in allotments~~
17 ~~for that work program made pursuant to subsections 1, 2 and 3 and NRS 353.215,~~
18 ~~increase or decrease by 10 percent or [\$75,000.] \$100,000, whichever is less, the~~
19 ~~expenditure level approved by the Legislature for any of the allotments within the~~
20 ~~work program, the request must be approved as provided in subsection 5 before any~~
21 ~~appropriated or authorized money may be encumbered for the revision.~~

22 ~~5. If a request for the revision of a work program requires additional approval~~
23 ~~as provided in subsection 4 and:~~

24 ~~(a) Is necessary because of an emergency as defined in NRS 353.263 or for the~~
25 ~~protection of life or property, the Governor shall take reasonable and proper action~~
26 ~~to approve it [and shall report the action, and] after notifying the Chair of Interim~~
27 ~~Finance Committee of his or her reasons for determining that immediate action~~
28 ~~[was] is necessary. [, to the Interim Finance Committee at its first meeting after the~~
29 ~~action is taken.] Action by the Governor pursuant to this paragraph constitutes~~
30 ~~approval of the revision, and other provisions of this chapter requiring approval~~
31 ~~before encumbering money for the revision do not apply.~~

32 ~~(b) The Governor determines that the revision is necessary and requires~~
33 ~~expeditious action, he or she may certify that the request requires expeditious action~~
34 ~~by the Interim Finance Committee. Whenever the Governor so certifies, the Interim~~
35 ~~Finance Committee has 15 days after the request is submitted to its Secretary within~~
36 ~~which to consider the revision. Any request for revision which is not considered~~
37 ~~within the 15-day period shall be deemed approved.~~

38 ~~(c) Does not qualify pursuant to paragraph (a) or (b), it must be submitted to~~
39 ~~the Interim Finance Committee. [The Interim Finance Committee has 45 days after~~
40 ~~the request is submitted to its Secretary within which to consider the revision. Any~~
41 ~~request which is not considered within the 45-day period shall be deemed~~
42 ~~approved.]~~

43 ~~6. [The] Except as otherwise provided in this subsection, the Secretary shall~~
44 ~~place each request submitted pursuant to paragraph (b) or (c) of subsection 5 on the~~
45 ~~agenda of the [next] first meeting of the Interim Finance Committee [,] after the~~
46 ~~submission of the request. If a request is submitted pursuant to paragraph (c) of~~
47 ~~subsection 5 within 30 days before the first meeting of the Interim Finance~~
48 ~~Committee after the submission of the request, the Secretary shall place the~~
49 ~~request on the agenda of the second meeting of the Interim Finance Committee~~
50 ~~after the submission of the request.~~

51 ~~7. In acting upon a proposed revision of a work program, the Interim Finance~~
52 ~~Committee shall consider, among other things:~~

53 ~~(a) The need for the proposed revision; and~~

~~1 (b) The intent of the Legislature in approving the budget for the present
2 biennium and originally enacting the statutes which the work program is designed
3 to effectuate.~~

~~4 8. The provisions of subsection 4 do not apply to any request for the revision
5 of a work program which is required.~~

~~6 (a) As a result of the acceptance of a gift or grant of property or services
7 pursuant to subsection 5 of NRS 253.235; or~~

~~8 (b) To carry forward to a fiscal year, without a change in purpose, the
9 unexpended balance of any money authorized for expenditure in the immediately
10 preceding fiscal year.] (Deleted by amendment.)~~

11 **Sec. 3.** This act becomes effective on July 1, 2023.