BDR 18-979
AB 365

STATE AGENCIES

FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 12, 2023

Agency Submitting: State Agencies

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Total	0	0	0	0

Explanation (Use Additional Sheets of Attachments, if required)

Name _____

Title _____

FN 12730

State Agency Responses
A.B. 365 / BDR 18 - 979

State Agency: **Cannabis Compliance Board**
Approved by: Andrea Fountain, Budget Analyst 3
Comment: The Cannabis Compliance Board has reviewed AB365 (BDR 18-979), as currently written and has determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Colorado River Commission of Nevada**
Approved by: Douglas Beatty, Administrative Services Officer
Comment: The agency has reviewed the language of the bill and determined that it has no fiscal impact as the agency has no dealings with grant activity.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Commission on Judicial Discipline**
Approved by: Paul C. Deyhle, Executive Director and General Counsel
Comment: The agency has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Agriculture**

Approved by: Marko Markovic, Administrative Services Officer III

Comment: - Program Officer III needed for Plant Industry Division for additional targeted outreach to attempt to get participation in counties that continue to not apply for available grants/funds (BA 4552).

- Program Officer III needed for Food and Nutrition Division for support of required reporting and tracking of County responses (BA 2691).

- Program Officer III needed for Animal Industry Division for additional targeted outreach and support of required reporting and tracking of County responses (BA 4550).

- Admin Assistant III position will be responsible for all related admin activates, template creation, waiver corresponding documents, document filling, document standardization and any other admin related tasks to ensure Department is in compliance with AB 365. Responsible for recording of all County responses for all NDA grants (BA 4554).

- Admin Services Officer I will serve as Grants Management Unit Team lead/supervisor. This position will oversee day to day operation and administration of grant reporting as outlined in AB 365 (BA 4554).

- IT Professional III position will serve as primary agency POC for Sales Force grants management and reporting software solution, ongoing maintenance and upkeep of the system access, role assignments, user setup and training and technical support for grants staff with timely and successful submission of the requested reports per AB 365 (BA4554).

- Management Analyst I will be responsible for assisting with Food and Nutrition Division grants and leading the follow up and reporting for all Counties per AB 365. This position will work closely with AA III to ensure proper recording and tracking of County's feedback (BA 4554).

- Management Analyst II will be responsible for assisting with Plant Industry Division and Animal Industry Division grants and leading the follow up and reporting for all Counties per AB 365. This position will work closely with AA III to ensure proper recording and tracking of County's feedback (BA 4554).

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$1,453,152	$844,469	$1,691,138

State Agency: **Department of Business and Industry**

Approved by: Dale Hansen, ASO IV

Comment: The agency has determined that there is no fiscal impact to the Department of Business and Industry.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Corrections**

Approved by: Kristina Shea, Deputy Director

Comment: The Nevada Department of Corrections (NDOC) has reviewed AB 365 (BDR 18-979), which revises provisions governing federal grants. NDOC grants are specific, for example, substance abuse or re-entry into society, to which grant funding can only be utilized for the program described in the narrative of the grant. Additionally, NDOC is not currently a recipient of a block grant, however, if needed NDOC might have to apply for a grant exception to continue to use grant funding. The fiscal impact cannot be determined at this time.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

State Agency: **Department of Education**

Approved by: Beau Bennett, State Education Funding Specialist

Comment: If enacted, the proposed legislation would require, with certain exemptions, a state agency to ensure that funding from certain grants is distributed or used directly to benefit counties in direct proportion to the percentage of population of the State in each county. The Department as reviewed the bill and determined that there is no fiscal impact as of March 28, 2023.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Employment, Training and Rehabilitation**

Approved by: Stewart Terry, Admin Services Officer II

Comment: DETR has reviewed BDR 18-979 and believes that there will be fiscal impact due to the requirement in section 2 requiring certain types of grants to be distributed or applied proportionally to Nevada counties based on population. This will have an impact specifically to the Dislocated Worker Grant funding. The Dislocated Worker Grant is awarded based on a combination of need and ability of the local workforce boards to apply the funds appropriately and effectively. The most recent program year grant totaled $15,194,569 and DETR believes that the provisions of this bill will result in an inestimable loss due to the requirement to apply these funds based on population density instead of need and the ability of local workforce boards. In order to preserve as many of these funds as possible, DETR believes a new Grants & Projects Analyst 3 would be needed to help manage the Dislocated Worker Grant to maximize the amount of funds that can still be appropriately applied for.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$82,216	$104,126	$208,252

State Agency: **Department of Indigent Defense Services**
Approved by: Peter P Handy, Deputy Director
Comment: The agency has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Sentencing Policy**
Approved by: Victoria Gonzalez, Executive Director
Comment: The agency has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Taxation**
Approved by: Adriane Roberts-Larson, Deputy Executive Director - Administrative Services
Comment: The Department has reviewed this bill and concluded that it does not have a fiscal impact to the Department.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Tourism and Cultural Affairs**
Approved by: Brenda Scolari, Director
Comment: The agency has reviewed the bill and anticipates no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Transportation**
Approved by: Debbie Binggeli, Customer Service Manager and Legislative Coordinator
Comment: Costs cannot be determined at this time due to significant uncertainty about how the bill would impact the formula and discretionary funds received by the Department. Currently, NDOT receives formula grant funds annually for the purposes of maintaining and improving Nevada’s entire statewide transportation network. The Department invests those funds into transportation assets based on priority and need, which often overlaps with population due to the greater strain it places on the transportation system. However, that is not always the case, and changing that distribution of funding could have substantial long-term costs to the entire transportation system if less populated areas fall into disrepair. Even if formula funds are not impacted by the bill, discretionary funds are typically awarded to specific projects and cannot legally be distributed across the state. Additionally, by law, traffic safety spending must be spent where there are safety issues, irrespective of total population.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

State Agency: **Department of Veterans Services**
Approved by: David Johnson, Deputy XO
Comment: The agency has reviewed the bill and determined that there is no fiscal impact

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Wildlife**
Approved by: Jordan Goshert, Deputy Director, Administrative Services
Comment: The Department has reviewed BDR 18-979 (Redo 0) AB365 and determined that there will not be a fiscal impact to the Department.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Division of Minerals**
Approved by: Mike Visher, Administrator
Comment: There is no anticipated fiscal impact to the agency.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Governor’s Office of Economic Development**
Approved by: Michele Lynn, GOED Director of Administration
Comment: The agency has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Nevada Commission on Ethics**
Approved by: Ross Armstrong, Executive Director
Comment: We have reviewed the bill and determined it will have no fiscal impact on our agency.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Nevada Gaming Control Board**
Approved by: Nathan Riggle, Deputy Chief
Comment: The Nevada Gaming Control Board has reviewed the bill and determined that there would be no fiscal impact to the Board.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Nevada System of Higher Education**
Approved by: Tillery Williams , Director of Community Engagement, Equity, and Inclusion
Comment: The agency has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Office of the Attorney General**
Approved by: Jessica Hoban, Chief Financial Officer
Comment: The agency has reviewed the BDR and determined the need for two Management Analyst 2 positions with associated operating costs will be needed if this Bill is approved.
This need is determined based on impacts provided in Sections 2 and 4. Section 2 adds a requirement for grant allocation based on county population. Section 4 adds additional reporting requirements for allocations designated in Section 2, reporting of funds that have not been allocated within 120 days of project award, and notification of unexpended funds 6 months prior to project end date.
Each of these items adds a significant complexity to requests for applications, recipient awards, reporting, and budget management. Additionally, many new grant awards received are limited in funding obligations until final federal approval after award is received, resulting in significant delay to implement grant programs, which would require additional reporting associated with this Bill.
The agency does not currently have available staffing to manage these additional criteria, resulting in the need for additional staff, if this Bill is approved.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$176,158	$220,620	$441,240

State Agency: **Office of the Lieutenant Governor**
Approved by: Michael Dayton, Senior Advisor
Comment: The agency has reviewed the BDR as written and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Office of the Military**
Approved by: Chris Snidow, Management Analyst II
Comment: The agency has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Office of the Secretary of State**
Approved by: Debbie Bowman, Deputy Secretary of State for Operations
Comment: The agency has reviewed the bill and anticipates no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Office of the State Controller**
Approved by: James Smack, Chief Deputy Controller
Comment: This bill may have an impact on financial reporting and fiscal operations due to additional reporting requirements for the ACFR and for Single Audit for grants. The impact would be on reporting man hours.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

State Agency: **Office of the State Treasurer**
Approved by: Kirsten Van Ry, Chief of Staff
Comment: The agency has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Peace Officers' Standards and Training Commission**

Approved by: Christopher L. Carter, Deputy Director

Comment: Nevada POST has been very successful at obtaining Federal grant funds to supplement agency funding. Grant funds are typically used to purchase equipment or develop enhancements for training programs for both the Basic Academy and field officers throughout the State on an ongoing basis. This Bill, as written, would require Nevada POST to add staffing in the form of a Grants and Projects Analyst II in order to be able to comply with the requirements of analysis and reporting. Existing POST staff does not possess the necessary expertise and current work demands would not allow existing POST staff to devote sufficient time to complete all required analysis. Historically, Nevada POST has provided Basic Academy training for 50+ agencies from throughout the State, encompassing all Nevada Counties. In addition, POST provides advanced officer and professional development training to over 139 agencies throughout the State, utilizing equipment or programs resulting from grant funding. These grants typically encompass a 12-to-18-month time span. Nevada POST in engaged in providing training throughout the State on an almost daily basis. The requirements of the Bill would result in a need for on-going daily or weekly analysis of which agencies benefitted from the grant funding, how many officers from those agencies participated in training/used equipment from the grant and thereafter constantly updated mathematical calculations of counties and population comparisons.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$63,312	$77,039	$154,078

State Agency: **Public Employees' Benefits Program**

Approved by: Laura Rich, Executive Officer

Comment: The Public Employees Benefits Program has reviewed the bill and has determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Public Employees' Retirement System**

Approved by: Tina Leiss, Executive Officer

Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Public Utilities Commission of Nevada**
Approved by: Breanne Potter, Commission Secretary
Comment: The Public Utilities Commission of Nevada has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Silver State Health Insurance Exchange**
Approved by: Jonathan Lopez, Chief Financial Officer
Comment: The agency has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **State Department of Conservation and Natural Resources**
Approved by: Cathy Erskine, Senior Policy Advisor
Comment: The agency has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **State Public Charter School Authority**
Approved by: Jennifer Bauer, Director of Finance & Operations
Comment: The agency has reviewed this bill and determined the following: A) Fiscal impact to the agency - none; B) Fiscal impact to the sponsored charter schools – none.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Administrative Office of the Courts**
Approved by: Todd Myler, Chief Financial Officer
Comment: The Court has examined this legislation and determined that there will be no material fiscal impact to the Supreme Court or Court of Appeals.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Motor Vehicles, Research and Project Management**

Approved by: Angela Smith-Lamb, DMV Administrator

Comment: AB 365 (BDR 18-979) relates to federal grants, and would: require that state agencies that are the recipients of certain federal grants to ensure that the funding received is distributed or expended to counties in direct proportion to the percent of population of the state in each county; also require state agencies and county recipients to use certain grants only for the program described; require the Governor's Office of Federal Assistance to submit annual reports to the Legislature and require state agencies to give certain notice to the Office. This bill becomes effective on October 1, 2023.

The Department has reviewed this bill and determined there is no fiscal impact as it is currently written. DMV does not receive or administer federal grant funds.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Office of the Governor, Office of Federal Assistance**

Approved by: Kristen Stout, Director

Comment: The Governor’s Office of Federal Assistance has reviewed the bill, as written, and has determined there is a fiscal impact. Section 2 of the bill requires that state agencies that receives any block grant or other discretionary grant have expanded data to report to this agency. This new reporting requirement for federal block and discretionary grants for all state agencies will contain metrics of a large quantity. Section 2 also requires the OFA Director to submit an annual report to the Legislature, for the prior calendar year data submitted to OFA by the state agencies. Section 6 adds a new reporting requirement in NRS 223.480, for each grant received by a state agency, notification to this agency containing the total amount of the grant and the allocation of the grant by county; adds section 3 to NRS 223.480, state agencies are to notify this agency within 120 days of receiving a grant, award subgrants or execute any necessary contract relating to the grant. Section 6 adds to NRS 223.480 that state agencies are to notify this agency at least six months in advance if a state agency determines that any portion of a grant received by that state agency will be unexpended before the end period for which the grant was made. The compilation, analysis, and creation of an annual report will require additional staff with needed skillsets, training, and technology systems to support their work. The level of detail and reporting required by the bill wouldn’t be successful without the support of additional staff and technology. Current language in NRS 223.480 continues to result in poor compliance by state agencies on the current mandated reporting requirements. The new data reporting requirements for state agencies to submit to OFA is duplicative, as this information can be found in the required federal reports that are submitted by the state agencies.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$82,208	$101,443	$202,886

State Agency: **Department of Administration, Nevada State Library and Archives**
Approved by: Mike Strom, Administrator
Comment: The agency has reviewed the BDR as written and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Office of the Governor, Office of Science, Innovation & Technology**
Approved by: Brian Mitchell, Director
Comment:

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Office of the Governor, Governor's Office of Energy**
Approved by: Denise Frohlich, Deputy Director
Comment: The agency has reviewed the BDR as written and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Health and Human Services, Director's Office**
Approved by: Brooke Barlow, ASO3
Comment: The agency has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Health and Human Services, Aging and Disability Services**
Approved by: Tiffany M. Lewis, ASO IV
Comment: The Aging and Disability Services Division reviewed this bill draft request and determined that there is no fiscal impact to the division.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Health and Human Services, Health Care Financing and Policy**

Approved by: Stacie Weeks, Administrator

Comment: The Division has reviewed this BDR and determined additional staff would be needed to ensure compliance with this BDR. Currently, the Division receives discretionary grants that would require reporting under this bill, if signed into law. The Division estimates that one additional Management Analyst IV would be necessary to monitor the allocation of grants across various counties and to complete the reporting requirements tied to this bill.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$75,703	$96,303	$192,606

State Agency: **Department of Health and Human Services, Public and Behavioral Health**

Approved by: Debi Reynolds, Deputy Adminstrator

Comment: Assembly Bill 365 (Bill Draft Request 18-979) would change the way in which federal grants are allocated by state agencies. The Nevada Division of Public and Behavioral health currently oversees over 136 federal grants. These grants include block grants and discretionary/categorical grants. Currently, the Division utilizes several methods to allocate federal funds. This includes funding formulas, targeted funding based on disease burden or need, or topically directed funds to the entity or entities providing the service type (ex: lab services or medication purchase). These funds also provide support for Division staff who oversee the programs and grants directly as well as various business systems to support this activity. To effectively execute this bill language, the Division would no longer retain any federal funds at the Division but would instead subaward all funds based on the a per diem allocation to the geographical location. This fiscal note reflects removal of all federal funding for centralized services to allow all federal funds to go to county-based services. To maintain state operations, the staff and related expenses would need to be supported with State General Fund. As the Division is constantly writing for new grants or changes in current allocations, this fiscal note includes the costs for two new FTEs: one Management Analyst II and one Management Analyst I. In addition, the Division may need to purchase a grants management system, the cost for which cannot be determined at this time.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$23,379,044	$25,255,823	$50,511,646

State Agency: **Department of Health and Human Services, Welfare and Supportive Services**

Approved by: Joshua Larkin, Budget Analyst

Comment: The agency has reviewed the bill and determined that there is no fiscal impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Health and Human Services, Child and Family Services**
Approved by: Heather Bugg, Administrative Services Officer IV
Comment: The agency has reviewed the bill and has determined that there is no impact.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
No Impact	$0	$0	$0	$0

State Agency: **Department of Public Safety, Nevada Highway Patrol**
Approved by: Kristen Defer, ASO 3
Comment: AB 365 (BDR 18-979) revises provisions governing federal grants requiring a state agency to ensure that funding from certain grants is distributed or used in direct population of the State in each county and that the grant is only used for the program described in the application. As proposed, it is unknown what fiscal impact this bill would have on the Nevada Highway Patrol of the Department of Public Safety, therefore the following is provided conditionally as potential fiscal impact.

Section 2. 1. states "a state agency that receives any block grant or other discretionary grant shall ensure that funding from such grant is distributed or used directly to benefit the counties in this State in direct proportion to the percentage of population of the State in each county". The agency receives direct federal grant funding for the Motor Carrier Safety Assistance Program (MCSAP), and is sub granted federal grant funding through other agencies to include the Office of Traffic Safety (OTS) and the Office of Criminal Justice Assistance (OCJA). Some of this funding is discretionary, and the federal criteria is not usually based on population which is difficult to quantify and apply to these types of grants. This legislation may conflict with federal grant application qualifying criteria and have the unintended impact of reducing and/or restricting public safety grant funding available to the agency to continue operations. Examples would include problem focused grant opportunities through the United State Department of Transportation (USDOT) for commercial enforcement, and grants to support highway safety through OTS from the National Highway Traffic Safety Administration (NHTSA) which fund programs such as Joining Forces and overtime focused on identifying drivers that are under the influence of alcohol or drugs.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	$0	$0	$0	$0

State Agency: **Department of Public Safety, Office of Traffic Safety**

Approved by: Michelle Farmer, Fiscal Officer (ASO1)

Comment: BDR 18-979/AB365, AN ACT relating to governmental administration; requiring, with certain exceptions, a state agency to ensure that funding from certain grants is distributed or used directly to benefit counties in direct proportion to the percentage of population of the State in each county; requiring the Director of the Office of Federal Assistance to submit an annual report to the Legislature; requiring a state agency and any recipient county to use certain grants only for the program that was described in a grant application; requiring a state agency to provide certain notification to the Office; and providing other matters properly relating thereto. The agency has reviewed the bill and determined that there is a significant fiscal impact. Regarding Section 2.1. "Except as otherwise provided in this section, a state agency that receives any block grant or other discretionary grant shall ensure that funding from such grant is distributed or used directly to benefit the counties in this State in direct proportion to the percentage of population in each county." State law may not supersede federal requirements for the use of grant funds. Our grant funds come with a very specific set of award criteria per federal regulation and that is not based on population. This proposed law could render our office unable to apply for National Highway Traffic Safety Administration (NHTSA) federal grant funds and disburse them according to the federal guidelines. The impact, if inacted, would be the total amount of our NHTSA grant funding. Year 2 funding is based on the 2% annual increase in NHTSA funds.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	$6,412,819	$6,541,075	$13,082,151

State Agency: **Department of Public Safety, Criminal Justice Assistance**

Approved by: Curtis Palmer, ASO IV

Comment: BDR 18-897/AB365, an ACT relating to governmental administration; requiring, with certain exceptions, a state agency to ensure that funding from certain grants is distributed or used directly to benefit counties in direct proportion to the percentage of population of the State in each county; requiring a state agency to provide certain notification to the Office;

As proposed, the Office Criminal Justice Assistance of the Department of Public Safety has reviewed and determined that there is a significant fiscal impact. Regarding section 2.1 "Except as otherwise provided in this section, a state agency that receives any block grant or other discretionary grant shall ensure that funding from such grant is distributed or used directly to benefit the counties in this State in direct proportion to the percentage of population of the State in each county."

Currently, federal grant funds received are distributed to state and local government agencies and non-profits to improve the functioning of the criminal justice system and reduce violent crime, gang violence, drug trafficking, and recidivism while maintaining the integrity of federal funds.

If enacted, the proposed bill could render this agency unable to apply for Department of Justice, Office of Justice Programs, Bureau of Justice Assistance formula and discretionary grants that define the program purposes, targeted areas of funding and formulas that dictate grant fund allotment to state. Year one alone could result in a loss of grant funds to Nevada of at least $16,191,323. Additionally, the agency would need to add an MA 2 to complete the additional workload and reporting requirements.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	$0	($16,268,370)	($16,288,104)	($32,393,562)