

BDR 18-1089
SB 431

STATE AGENCIES
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 11, 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 _____

State Agency Responses
S.B. 431 / BDR 18 - 1089

School District: Cannabis Compliance Board Approved by: Lisa Figueroa, ASO3 Comment: The Cannabis Compliance Board has reviewed SB 431 (BDR 18-1089), 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

School District: Colorado River Commission of Nevada Approved by: Douglas Beatty, Administrative Services Officer Comment: The agency has reviewed the language 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

School District: 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

School District: Department of Administration Approved by: Matthew Tuma, Deputy Director Comment: The agency has reviewed SB431 and cannot determine the potential fiscal impact. Sections 56-64 and 146 of this bill eliminate EITS as a division in the Department of Administration and transfer powers and duties of the Division to the Governor's Office. it is unclear how this would impact the cost allocation of the Director's Office, other contributing divisions, and the support EITS currently receives from throughout the Department. Section 20 (13) transfers the Nevada Commission for Women to the new Office of Nevada Boards, Commissions and Councils Standards within the Department of Business and Industry. The fiscal impact of this change is unclear and how it will modify the role of the PCN which is split 50-50 between the Director's Office and the Commission for Women.				
Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Department of Agriculture**

Approved by: Marko Markovic, Administrative Services Officer III

Comment: Agency doesn't anticipate any fiscal impact with implementation of this bill.

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

School District: **Department of Corrections**

Approved by: Kristina Shea, Deputy Director

Comment: No fiscal impact.

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

School District: **Department of Education**

Approved by: Beau Bennett, State Education Funding Specialist

Comment: If enacted, the proposed legislation would establish and prescribe the duties and powers of cabinet secretaries to serve as members of the Governor's cabinet. Section 31, Subsection 3(a) moves federal career and technical education (CTE) funds from the Department of Education to the Department of Workforce. 64% of CTE salaries and benefits are paid from federal funds, the remaining is supported with General Fund for maintenance of effort (MOE) purposes. Therefore, this bill may have an impact on the MOE requirement for CTE. Additionally, all expenses related to operating the CTE office are from federal funds. The Department will still need all staff and operational expenses to maintain and support state CTE-funded programs and grants.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	\$0	\$1,733,501	\$1,786,992	\$3,520,493

School District: **Department of Indigent Defense Services**

Approved by: Marcie Ryba, Executive Director

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

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

School District: **Department of Public Safety**

Approved by: Lesa Galloway, Administrative Services Officer III

Comment: BDR 18-1089; SB431 Revises provisions relating to governmental administration.

The agency has reviewed this 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

School District: **Department of Sentencing Policy**

Approved by: Victoria Gonzalez, Executive Director

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

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

School District: **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

School District: **Department of Tourism and Cultural Affairs**

Approved by: Brenda Scolari, Director

Comment: After reviewing the text of the bill, a determination of no fiscal impact on the department was reached.

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

School District: **Department of Transportation**

Approved by: Debbie Binggeli, Customer Service Manager and Legislative Coordinator

Comment: The agency has reviewed the bill and determined there will be no fiscal impact.

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

School District: **Department of Veterans Services**

Approved by: David Johnson, Deputy XO

Comment: Based on the information provided in BDR 18-1089, NDVS cannot determine a fiscal note. Specifically:

Sections 79 and 91 – Department HR Offices take on reviewing/recruiting responsibilities for all non-delegated recruitment, creating/maintaining applicant pools.

Section 86-89 – Meaning taking over the responsibilities to evaluate applications for non-delegated recruitments (same as 79 and 91?)

Section 101 – Annual leave: Additional detail is needed to properly evaluate the impact on proposed changes to annual leave payouts.

Anticipated Fiscal Impact: The agency's existing staff are qualified to assume the duties contemplated by the proposed changes, but to fully implement the changes while continuing to perform the current human resources functions, additional staff are necessary, and the agency anticipates a fiscal impact which cannot be determined based on the information provided at this time.

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

School District: **Department of Wildlife**

Approved by: Jordan Goshert, Deputy Director, Administrative Services

Comment: The Department has reviewed BDR 18-1089 (Redo 0) SB431 and has 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

School District: **Division of Minerals**

Approved by: Mike Visher, Administrator

Comment: There is potential for a fiscal impact to the agency related to the change in maximum number of days of annual leave, as proposed in Section 101 of the bill as introduced, however the amount cannot be determined. It is also uncertain whether the creation of a Secretary of Energy, Environment, and Public Works having administrative oversight of the agency, as proposed in Section 4 of the bill as introduced, would have a fiscal impact. The bill doesn't indicate a funding source for that position or supporting positions. If funding was through a cost allocation to the agency there would likely be a fiscal impact, but the amount 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

School District: **Governor's Office of Economic Development**

Approved by: Michele Lynn, GOED Director of Administration

Comment: SB431 (BDR 18-1089, Sections 13 thru 17) will have fiscal impact on the agency due to the transfer of the Office of Science and Technology (OSIT) Broadband to Governor's Office of Economic Development. In order to fulfill this transfer as introduced, the agency will need additional funding to support one full-time equivalent personnel to manage the increased workload for agreements of contracts, grants, reporting and the addition of monitoring and maintaining the potential specialized funding for the Broadband Program and implementations across the state. The agency has included related costs associated with implementing a new position as operating, equipment, and information services. Expenses also include one-time marketing for a website landing page to affiliate Broadband to GOED and branding expenses.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	\$0	\$97,203	\$121,504	\$129,098

School District: **Nevada Commission on Ethics**

Approved by: Ross Armstrong, Executive Director

Comment: Currently the Nevada Commission on Ethics is an independent state agency without a supervisory or administrative chain of command under the Executive Branch. SB431 as introduced places the Nevada Commission on Ethics under the proposed Secretary of Commerce and Administration and potentially under the Department of Business and Industry's proposed Office of Nevada Boards, Commissions, and Councils Standards. This creates new commitments in a private capacity for Commission staff pursuant to NRS 281A.065(4) which would require disclosure and potential abstention. Given the potential for the Governor, Secretary of Commerce and Administration, and potentially the Director of Business and Industry to be granted supervisory and administrative control over the Commission, independent investigative and legal services would need to be contracted in the event any of the individuals with supervisory and administrative control either 1) became Subjects of an Ethics Complaint or 2) requested an Advisory Opinion from the Commission.

The frequency with which individuals in those positions would either become Subjects to a Complaint or request an Advisory Opinion is too difficult to predict and so we are unable to determine to fiscal impact on the Nevada Commission on Ethics at this time.

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

School District: **Nevada Gaming Control Board**

Approved by: Nathan Riggle, Deputy Chief

Comment: The Board projects that the amount of annual leave that an employee in the public service can carry over from year to year, from 30 working days to 60 working days, will increase the amount of terminal annual leave pay that an employee will be eligible for at the termination of employment. Based on a 5-year average, the Board expects that additional funds will be required as noted above to effectuate the requirements of Senate Bill No. 431.

The Nevada Gaming Control Board has reviewed the remaining sections of the bill and determined that there would be no additional fiscal impact to the Board.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	\$0	\$220,260	\$220,260	\$440,520

School District: **Nevada System of Higher Education**

Approved by: Tillery Williams , Director of Community Engagement, Equity, and Inclusion

Comment: The Nevada System of Higher Education has reviewed the proposed legislation and is unable to determine the extent of its fiscal impact at this time. However, NSHE does anticipate additional costs if implemented. This response focuses on Section 101 of the proposed legislation.

Current regulation limits the carryover of annual leave from one fiscal year to the next to 30 working days, and Section 101 increases the carryover of annual leave to 60 days. The increased carryover amount does not have a fiscal impact unless an employee terminates. Upon termination, the amount of annual leave payout has the potential to increase. For example, the annual leave payout for Classified staff for the last fiscal year (7/1/2021-6/30/2022) at UNR was \$530,000. UNR anticipates that this figure could potentially double as a result of the additional 30 days of carryover annual leave, assuming leave use rates would continue at the same level and accumulate at higher levels over time.

The bill also provides for the periodic payout of annual leave balances, but the bill does not specify an amount (per UNR, AFSCME CBA agreement suggests one week every 6 months). Therefore, NSHE is unable to estimate any fiscal impact related to this provision due to a lack of information in the bill. However, this provision would counterbalance the increased leave balances at termination. Lastly the changes eliminate the restriction of annual leave use in the first 6 months, which causes no fiscal impact but could reduce the amount of annual leave balances at termination by more than seven days per employee.

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

School District: **Office of the Attorney General**

Approved by: Jessica Hoban, Chief Financial Officer

Comment: The agency has reviewed this Bill and cannot determine fiscal impact at this time. In section 20, if the intent is to move Budget Account 1041 to another agency, this would shift fiscal responsibility to another agency. The net change may not have a fiscal impact to the state, while each agency may realize an individual fiscal impact.

While some items may have potential fiscal impact such as, but not limited to, repeal of section 146, it is unknown at this time what the actual impact may be to this agency, if this Bill is approved.

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

School District: **Office of the Governor**

Approved by: Brenda Berry, ASO IV, Governor's Office of Finance

Comment: The Office of the Governor has reviewed the BDR as written and determined there is a fiscal impact. Section 8 requires the Governor to appoint the Chief Information Officer of the State and Sections 56-64 prescribe the position of Chief Information Officer to be within the Office of the Governor. Salary and associated operating costs are not included in the Governor's Recommended budget for this position.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	\$0	\$173,452	\$207,807	\$415,614

School District: **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

School District: **Office of the Military**

Approved by: C Tyler, ASO IV

Comment: Agency has reviewed the bill and determined that 2 additional personnel positions would be needed. One Supervisory Personnel Analyst and one Personnel Analyst 3 for the department. Cost projections for the two positions is attached.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	\$0	\$225,681	\$220,313	\$565,982

School District: **Office of the Secretary of State**

Approved by: Mark Wlaschin, Deputy Secretary for Elections

Comment: The Office of the Secretary of State has reviewed SB 431, which proposes pushing recruitment and selection activities back to the agencies. This would require two additional staff to perform a wide array of functions to ensure no delays would result in the additional tasks being taken on by the agency. Sections 86-98 will require a Personnel Analyst 2 to be hired for the following functions: Recruitment and Selection activities to include Affirmative Action Plans, review positions and recommend appropriate classifications and compensation levels for agency, review and approve accelerated rates of pay, provide recommendations to supervisors and managers, interpret and apply policy, procedure, statutes, and regulations, conduct research, prepare reports and present findings, and investigate employee complaint's and recommend alternative solutions. With the increased activities, the agency would need an additional position at the Personnel Technician 2 level for the following functions as required by sections 86-98: Application of regulation and policy, personnel/payroll processing, personnel/payroll issue research, processing and finalizing timekeeping records for the agency, onboarding activities and training.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	\$0	\$120,474	\$147,776	\$295,552

School District: **Office of the State Controller**

Approved by: James Smack, Chief Deputy Controller

Comment:

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

School District: **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

School District: **Peace Officers' Standards and Training Commission**

Approved by: Christopher L. Carter, Deputy Director

Comment: Due to the expansive nature of the Bill, accurate calculations cannot be determined. The Bill has "potential" impacts in the areas of personnel reclassification and potential costs for State services in regulatory review/consult/assistance such as those currently budgeted for Administrative Services, Attorney General, etc. The agency has reviewed the Bill and determined that there are only potential costs associated with passage as opposed to known or definite costs.

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

School District: **Public Employees' Benefits Program**

Approved by: Laura Rich, Executive Officer

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

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

School District: **Public Employees' Retirement System**

Approved by: Tina Leiss, Executive Officer

Comment: The fiscal impact of this bill on the System, if any, cannot be determined at this time. This bill would change the administrative rule making and structure of the System which could carry significant administrative and legal costs, depending on the manner of implementation.

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

School District: **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

School District: **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

School District: **State Department of Conservation and Natural Resources**

Approved by: Kelly Williams, Administrative Services Officer IV

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

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

School District: **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

School District: **Department of Business and Industry, Office of Labor Commissioner**

Approved by: Brett Harris, Labor Commissioner

Comment: The 18-1089 (SB 431) will have a fiscal impact on the Office of the Labor Commissioner. Section 131-136 of this bill transfers the State Apprenticeship Council to the Department of Workforce and designates the Department of Workforce as the State Apprenticeship Agency for the purposes of federal law. This transfer would remove the State Apprenticeship Council budgeted revenues and expenditures in the Office of the Labor Commissioner.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: **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

School District: **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 no fiscal impact.

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

School District: **Department of Health and Human Services**

Approved by: Kimberly Fahey, MA 3

Comment: The agency has reviewed the bill and at this time is unable to determine impact to the department.

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

School District: **Department of Administration, Human Resource Management**

Approved by: Mande Bowsmith, Administrator

Comment: The Division has reviewed S.B. 431 and determined that there will be a fiscal impact to the Division of Human Resource Management (DHRM). Section 67 of the bill requires the Administrator of DHRM to develop and implement an audit function to review each appointing authority's processes and compliance with applicable policies, procedures and provisions of law relating to human resources. To accomplish this function, State Human Resource Analysts will perform specialized and complex HR functions such as classification, compensation, consultation and accountability, employee relations, labor relations, recruitment, and veterans' services within DHRM.

A new class series has been drafted to elevate DHRM professional staff to reflect this, and the result of the classification change increases the grade level of DHRM State HR staff, generally by 1 grade. These positions are distinguished from other Human Resource Analyst positions by having the statewide audit responsibility versus agency specific responsibility.

A new class series will also be developed to reclassify the Central Payroll and Central Records positions to reflect the professional nature of services provided by those offices. A professional level classification series is currently being drafted to illustrate the professional level duties and activities provided by these DHRM offices.

Elevating the human resource staff at DHRM will demonstrate to State of Nevada agencies and employees that DHRM staff are subject matter experts in the field of human resource management and are qualified to perform professional level activities.

Section 101 of this bill increases the number of days of accrued annual leave an employee may carry over from year to year from 30 to 60 working days. This section also removes the waiting period of 6 months for a new employee to use accrued annual leave. Approximately 56 hours of programming and testing of the payroll system will be required to accommodate these changes.

Impact	FY 2022-23	FY 2023-24	FY 2024-25	Future Biennia
Has Impact	\$0	\$1,096,002	\$1,128,120	\$2,256,240

School District: **Department of Administration, Enterprise IT Services**

Approved by: Timothy Galluzi, CIO and EITS Administrator

Comment: The agency has reviewed SB431 and cannot determine the potential fiscal impact. Sections 56-64 and 146 of this bill eliminate EITS as a division in the Department of Administration and transfer powers and duties of the Division to the Governor's Office. it is unclear how this would impact the cost allocation paid to the Director's Office and several divisions throughout the Department for support services.

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

School District: **Department of Administration, Administrative Services Division**

Approved by: Daniel Marlow, Administrator

Comment: The agency has reviewed SB431 and cannot determine the potential fiscal impact. Sections 56-64 and 146 of this bill eliminate EITS as a division in the Department of Administration and transfer powers and duties of the Division to the Governor's Office. Section 9-12 transfers the Office of Science, Innovation, and Technology to the Department of Workforce. Section 20 subsections 1 and 13 transfer the Commission on Ethics and the Nevada Commission for Women to the new Office of Nevada Boards, Commissions and Councils Standards within the Department of Business and Industry. The fiscal impact of this change is unclear and how this would impact the cost allocation of the Administrative Services Division and the support these customer agencies currently receive from the division.

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