

SECTION V

GOVERNOR'S RECOMMENDATIONS BY FUNCTION

This section includes a schedule by budget account of the Governor's recommended level of spending by funding source. In each budget, the recommendation for FY 2009-10 and FY 2010-11 is compared to the current budget year (FY 2008-09). The percentage change for each year is also displayed.

Each functional area's schedule of recommended spending is preceded by a brief narrative description of the major program changes and issues reflected in the proposed budgets. This narrative is not exhaustive, nor does it address issues in great depth. It is designed to alert the reader to those issues that may arise during the 2009 Legislative Session.

ELECTED OFFICIALS

The Elected Officials function encompasses three sub-functions: the executive elected offices, the judicial agencies, and, the legislative agencies. The executive agencies include the Governor's Office, the Office of the Attorney General, Secretary of State, State Controller and State Treasurer. Judicial agencies include the Supreme Court, Administrative Office of the Courts, District Courts, Commission on Judicial Discipline and the Commission on Judicial Selection. The legislative agency is the Legislative Counsel Bureau, which includes the Interim Finance Committee.

The recommended General Fund appropriations for Elected Officials total approximately \$93.0 million in FY 2009-10, a decrease of 9.2 percent compared to FY 2008-09, and \$93.3 million in FY 2010-11, which represents a 0.4 percent increase over FY 2009-10. Budget recommendations for all funding sources total \$614.6 million in FY 2009-10 and \$637.1 million in FY 2010-11 after interagency transfers are deducted.

OFFICE OF THE GOVERNOR

The Governor is the Chief Executive Officer of the state and is elected to a four-year term. The responsibilities of the Governor include, but are not limited to, serving as the Commander in Chief of all state military forces and as the chairman of the Board of Examiners, the Board of Directors of the Department of Transportation, the Executive Branch Audit Committee, the Board of Prisons Commissioners, and the Board of Pardons Commissioners. The Office of the Governor is supported entirely by a General Fund appropriation. General Fund support is recommended to decrease from \$5.0 million, as approved by the 2007 Legislature for the 2007-09 biennium, to \$4.1 million for the 2009-11 biennium, an 18.2 percent decrease

The Executive Budget recommends the deletion of 5.02 vacant positions for the Office of the Governor, for a total of 17.51 positions. Also recommended is the

elimination of the payment of membership dues to both the National Governor's Association and the Western Governor's Association in the amount of \$239,600 over the 2009-11 biennium.

MANSION MAINTENANCE

The Mansion Maintenance budget was established to account for the funding provided for the staffing, operation and maintenance of the Governor's Mansion in Carson City and is supported entirely by a General Fund appropriation. General Fund support for the mansion is recommended to decrease from \$765,533, as approved by the 2007 Legislature for the 2007-09 biennium, to \$631,095 for the 2009-11 biennium, a decrease of 17.6 percent.

The Executive Budget recommends the continuation of the 3.51 positions approved by the 2007 Legislature. The Governor also recommends CIP 09-M16 in the amount of \$485,839 for various maintenance, safety and security upgrades at the mansion. This project would upgrade the surveillance camera and monitoring system by providing color low light cameras and monitoring equipment. New camera locations providing more effective surveillance would be added. In addition, the deteriorated brick pavers in the entry driveway and sidewalk would be upgraded. The waterproofing membrane on the second floor exterior balcony would be replaced and the existing plywood substrate sheathing would be repaired.

WASHINGTON OFFICE

The establishment of the Washington, D.C. office was authorized by the 1985 Legislature to identify, monitor and provide information on selected federal issues of high priority to Nevada, such as nuclear waste, transportation funding, gaming, and economic development.

The Governor recommends reducing the funding level for the Washington Office by \$20,000, from \$267,079 to \$247,079 in each fiscal year of the 2009-11 biennium. The Governor recommends the funding sources for the office continue as transfers from the Department of Transportation, the Commission on Tourism and the Commission on Economic Development. The reductions the Governor recommends are prorated based on each source's total contribution for funding the office. Due to changes recommended by the Governor in the way the Commission on Tourism budget is funded, the transfer to support the Washington Office is no longer a transfer of room tax revenue, but a transfer of General Funds in the amount of approximately \$101,000 in each fiscal year of the 2009-11 biennium.

HIGH LEVEL NUCLEAR WASTE

The Agency for Nuclear Projects office was established by Executive Order in 1983 following passage of the federal Nuclear Waste Policy Act of 1982. The 1985 Legislature formally established the office as a statutorily authorized agency and

created a seven-member Commission on Nuclear Projects to support the work of the agency and provide guidance to the Governor and Legislature on matters concerning the high-level nuclear waste program. In 1997, the Legislature made the agency an organizational component of the Governor's office. The agency consists of the Division of Technical Programs and the Division of Planning. The Executive Director is appointed by the Governor and serves at the pleasure of the Commission.

Funding for the office consists primarily of state General Funds, an annual grant from the federal Department of Energy (DOE), and an annual transfer of Highway Funds in the amount of \$400,000 from Nevada's Department of Transportation. The Executive Budget recommends federal funding from the DOE at approximately \$5 million in each year of the 2009-11 biennium, the same amount received in FY 2008 and anticipated for FY 2009. Federal appropriations language restricts the use of federal funds to scientific oversight directly related to the physical sciences at Yucca Mountain. Federal funds may not be used for impact assessments, transportation research, legal services, environmental oversight, or the agency's general personnel and operating costs. In 2002, the DOE recommended, and the President supported, Yucca Mountain as a suitable site for the storage of high-level nuclear waste. The recommended budget continues the state's efforts to stop the opening of Yucca Mountain and focus on the DOE's efforts to license Yucca Mountain as a high-level nuclear waste repository.

The Governor recommends General Fund support for the agency be reduced from approximately \$3.96 million, as legislatively approved for the 2007-09 biennium, to approximately \$2.84 million for the 2009-11 biennium, a reduction of \$1.2 million. The reduction is the result of the Governor's recommendation to eliminate five of the existing seven positions that currently staff the agency, for a savings of over \$630,000 in each fiscal year of the 2009-11 biennium. The remaining positions include the Executive Director and a support position. The budget, as recommended, includes a supplemental appropriation for FY 2009 in the amount of \$90,002 for a projected salary shortfall due to the payment of terminal leave (annual and sick leave) for employees leaving the agency.

The Governor recommends General Fund support for the Nevada Protection expenditure category remain at \$1 million in each fiscal year of the 2009-11 biennium, the same level legislatively approved for the 2007-09 biennium. The funding in the Nevada Protection expenditure category is used to pay for expert consulting services (primarily contract legal support) used by the agency for efforts related to Yucca Mountain pre-licensing and licensing activities

OFFICE OF HOMELAND SECURITY

The primary function of the Office of Homeland Security is to collaborate, advise, assist and engage with various state, local and tribal entities, their private and non-governmental partners, and the general public to prevent, protect, respond, and recover from major events in order to minimize the impact on lives, property, and the

economy. The office was created by the 2003 Legislature with passage of A.B. 441, which also created Nevada Commission on Homeland Security.

The 2007 Legislature appropriated General Funds to the Interim Finance Committee (IFC) on behalf of the Office of Homeland Security to establish a Nevada Threat Analysis Center (NTAC) (formerly referred to as the State Fusion Center) in Carson City with passage of the General Appropriations Act. The appropriation included the caveat that the Office of Homeland Security present a plan with agreement from local law enforcement, including the Las Vegas Metropolitan Police Department and the Washoe County Sheriff, prior to the allocation of funding by the IFC. The Office of Homeland Security complied with the request, and in light of the agreement, at its January 2008 meeting, the IFC approved an allocation in the amount of \$55,655 in FY 2008 and \$288,781 in FY 2009 to support the NTAC. The allocation was intended to support three positions and associated support costs.

At the November 2008 meeting of the IFC, the Office of Homeland Security and the Department of Public Safety presented a proposal to transfer the responsibility of the NTAC to the Division of Investigations within the Department of Public Safety. The proposal was based on the premise that functions of the NTAC are law enforcement oriented, and therefore more appropriately aligned with the mission of the Division of Investigations Special Investigations Unit (SIU). The IFC agreed in concept with the proposal and transferred federal funds used for the operations of NTAC from the Office of Homeland Security to the Division of Investigations. For the 2009-11 biennium, the Governor recommends to complete the transition by transferring one Intelligence Analyst position approved by the IFC to the Division of Investigations, eliminating one Intelligence Analyst position and retaining the one remaining position approved by the IFC in the Office of Homeland Security's budget.

CONSUMER HEALTH ASSISTANCE

The Office of Consumer Health Assistance was created within the Office of the Governor to assist consumers and injured employees in understanding their rights and responsibilities under healthcare plans and policies of industrial insurance, including responding to and investigating complaints regarding those plans and policies, resolving disputes between patients and hospitals, and providing information to consumers concerning prescription drug programs offered by manufacturers of prescription drugs or by the state of Nevada. The agency is located in Las Vegas and is supported by a combination of funding sources based on workload, which include a General Fund appropriation, Medicaid funding, hospital assessments, and funding from the Workers' Compensation and Safety Fund.

The Governor recommends eliminating the office and its current staffing of ten positions, for a General Fund savings of approximately \$1 million over the 2009-11 biennium. Little information is available regarding the reasons for recommending the elimination of the office. However, The Executive Budget narrative

indicates the recommendation is an effort to eliminate duplication, as other agencies currently perform similar functions.

The Executive Budget recommends a supplemental appropriation in the amount of \$181,169 to address and correct a funding irregularity discovered during a legislative audit released in October 2007. The audit determined that hospital assessments were incorrectly used to pay for General Fund expenditures in fiscal years 2004 and 2005

ENERGY CONSERVATION

The Nevada State Office of Energy (NSOE) is responsible for implementing the Governor's Nevada Energy Protection Plan and for serving as the state's point of contact with the U.S. Department of Energy's (DOE) State Energy Program (SEP). The NSOE administers grants and contracts that promote the economic development of the state, encourage conservation and energy efficiency, encourage the development and utilization of Nevada's renewable energy resources, and promote alternative fuel use in Nevada. The activities of the NSOE include energy emergency support, energy policy formulation and implementation, technical assistance and public information and education. The NSOE was transferred from the Department of Business and Industry to the Office of the Governor in 2001 with passage of A.B. 661 in the 2001 Legislative Session and is under the oversight of the Governor's Energy Advisor, which was transferred to this budget by the 2007 Legislature.

The NSOE is currently funded primarily from two revenue sources, the federal SEP grant and a General Fund appropriation. Prior to the 2007-09 biennium, the federal SEP grant and other federal grant funds were the primary revenue sources used to support the operations of the NSOE. Due to the anticipated expiration of several federal grants, the 2007 Legislature approved a significant increase in General Fund support in order to retain existing positions and for operational use in order to maintain NSOE as a viable function.

For the 2009-11 biennium, the Governor recommends General Fund support continue at approximately the same levels legislatively approved for the 2007-09 biennium. Additionally, the budget includes the elimination of an accounting position due to the consolidation of NSOE's accounting function with the Department of Administration. The budget also anticipates a slight reduction in the annual SEP grant, which is a formula grant administered by the DOE. The SEP grant funds administrative costs and sub-grants for a wide range of programs, workshops and training sessions that promote energy efficiency, renewable resources, alternative fuel, building code compliance and energy education projects.

ATTORNEY GENERAL

The Office of the Attorney General (AG) serves as legal advisor to nearly all state agencies, boards, and commissions and assists the county district attorneys of the state. The office consists of four bureaus: Government Affairs, Public Affairs, Criminal

Justice, and Consumer Protection. The Bureau of Government Affairs includes the Gaming Division, Transportation Division, and the Government and Natural Resources Division. The Bureau of Public Affairs includes the Business and Licensing Division, the Public Safety Division, and the Health and Human Services Division. The Bureau of Criminal Justice includes the Special Prosecution Unit, the Medicaid Fraud Control Unit, and the Workers' Compensation and Insurance Fraud Units. The AG's Administration Division includes the Chief of Personnel, Public Information Officer, Chief of Investigations, Chief Financial Officer, and Information Technology Manager.

The Executive Budget recommends total funding for the Office of the Attorney General of \$98.9 million, a 3.7 percent decrease from the amount legislatively approved for the 2007-09 biennium of \$102.6 million. The General Fund portion of the recommended budget for the 2009-11 biennium totals \$27.7 million, a 13.8 percent decrease from the legislatively-approved General Fund amount of \$32.1 million for the 2007-09 biennium.

The Governor recommends transferring the High Tech Crime account, which includes eight full-time positions, to the Administration account to provide better support for the investigative staff. The High Tech Crime account was approved by the 2007 Legislature to assist and train other state and local government agencies with computer-related crimes and investigations. The Administration account also includes the Tobacco unit, which provides staff and operating costs to increase the investigation and prosecution of individuals involved with counterfeit cigarettes, which may bear false manufacturing labels and/or counterfeit cigarette tax stamps. Funding for the Tobacco unit is transferred by the State Treasurer's Office from the Tobacco Master Settlement Agreement funds received by the state. The Executive Budget includes \$1.38 million over the 2009-11 biennium in transfer revenue from the State Treasurer to support the operations of the Tobacco unit within the Attorney General's Office, which is a 10.9 percent increase over the \$1.25 million legislatively approved for the 2007-09 biennium.

The AG Special Fund includes nuclear waste litigation expenses related to the Yucca Mountain waste site. The budget recommends a total of \$186,530 in General Fund support for these expenses in the 2009-11 biennium, a 91.1 percent decrease compared to the \$2,090,081 approved for the 2007-09 biennium.

No new positions are recommended in The Executive Budget for the Office of the Attorney General. The Governor recommends the elimination of two positions from the Insurance Fraud Unit and one position from the Workers' Compensation Fraud Unit as a result of declining insurance fraud assessment revenue. The Governor also recommends the transfer of two positions from the Consumer Advocate budget account to the Bureau of Criminal Affairs in the AG Administration account to address action taken by the 2007 Legislature to increase prosecutorial duties regarding mortgage fraud and elder protection, and due to the restructuring of the AG's office that occurred as a result of an audit by the National Association of Attorneys General. The Executive Budget also recommends the elimination of one position from the Victims of Domestic Violence budget account and recommends new court assessment revenue to support the remaining position in this account, due to the elimination of federal grant revenue.

CONTROLLER'S OFFICE

The State Controller's Office maintains the state's accounting system, pays claims against the state, administers the state's debt collection program and publishes the annual financial statements. The Executive Budget recommends funding the office with General Fund appropriations of \$8,433,724 over the 2009-11 biennium, which represents a 7.8 percent decrease from the \$9,149,949 approved by the 2007 Legislature. The Executive Budget recommends eliminating one Administrative Assistant I position from the Controller's Office budget, which provides General Fund savings of \$36,923 in FY 2009-10 and \$37,443 in FY 2010-11. The Governor also recommends General Funds of \$98,437 over the biennium for replacement computer hardware and software, and \$960 in each year of the biennium for cell phone service for the Controller.

SECRETARY OF STATE

The Secretary of State maintains records of all official acts of the Legislative and Executive Branches of government, receives business entity filings and keeps records of all corporations and limited partnerships in Nevada, and is the chief election official of the state. For the 2009-11 biennium, the Governor recommends General Fund appropriations totaling \$20.79 million, which is a 47.41 percent increase over the \$14.10 million approved by the 2007 Legislature for the 2007-09 biennium. However, a significant portion of this increase results from the redirection of Special Services revenues that are replaced with General Fund appropriations, as explained below.

Special Services Revenue Replacement – The Governor proposes to eliminate transfers to the Special Services account, which would consequently remove those revenues as a funding source in the main operating account. Under the plan, 100 percent of the Special Services revenues would be deposited directly to the General Fund. The lost revenues in the main operating account would be replaced with General Fund appropriations.

The proposal reflected in The Executive Budget would increase General Fund appropriations in the Secretary of State's budget by \$4.51 million in FY 2009-10 and \$4.57 million in FY 2010-11. However, the net impact to the General Fund would be less than these amounts. The transfer of Special Services revenues to the General Fund would partially offset the General Fund appropriations to the Secretary of State's main account. Because Special Services revenues have been declining in recent years, the net negative effect on the General Fund would be \$2.23 million in FY 2009-10 and \$2.75 million in FY 2010-11 (based on estimated Special Services revenue receipts of \$2.27 million in FY 2009-10 and \$1.82 million in FY 2010-11).

Continuation of Budget Reductions – During the current biennium, the Secretary of State eliminated funding for a total of 13.55 positions in the main operating account and 9.0 positions in the Investigations account (22.55 positions total). The Governor's

recommended budget continues the reductions, saving General Fund appropriations of \$841,964 in FY 2009-10 and \$848,698 in FY 2010-11.

Supplemental Appropriation – To address a shortfall in Special Services revenue receipts during FY 2008-09, the Governor recommends a supplemental appropriation of \$942,006. The recommended amount includes \$42,006 needed to replace Special Services revenues used to match a federal Help Americans Vote Act (HAVA) allocation of \$798,107.

General Fund in the HAVA Account – The recommended budget introduces General Fund appropriations totaling \$100 in each year of the biennium to provide the HAVA account access to the Interim Finance Committee Contingency Fund for potential grant match.

Combine Investigations and Enforcement with the Main Operating Account – As requested by the Secretary of State, the Governor proposes to eliminate the Investigations and Enforcements account (BA 1053) and to transfer all General Fund appropriations and fee revenues from that account to the main operating account.

STATE TREASURER

The State Treasurer is responsible for the receipt and disbursement of all monies of the state, invests the state's idle cash, and handles the state's bond programs, including the municipal bond bank. The Treasurer is also responsible for administration of the Higher Education Tuition Trust; the Millennium Scholarship program; the College Savings program, and the Unclaimed Property Division, which was transferred to the Treasurer's Office from the Department of Business and Industry by the 2001 Legislature.

The Governor recommends \$2.4 million in state General Fund appropriation for the 2009-11 biennium compared to the \$3.1 million approved by the 2007 Legislature, a reduction of \$714,860, or 23.1 percent, in General Fund support when compared to the level approved for the 2007-09 biennium. The significant decrease primarily results from The Executive Budget's proposed revisions to the current biennium's allocation of costs within the Treasurer's main administrative account.

HIGHER EDUCATION TUITION ADMINISTRATION (PREPAID TUITION)

The Nevada Higher Education Tuition program is a qualified IRS Section 529 plan that provides a method for Nevada's families to prepay tuition in advance of enrollment at an institution of higher education. The program was originally established through S.B. 271 of the 1997 Legislative Session and included a sunset provision at the end of FY 2000-01. Assembly Bill 554 of the 2001 Legislative Session retained the prepaid tuition program, which covers the costs of undergraduate tuition at a university, state college or community college within the Nevada System of Higher Education (NSHE) and up to an equal amount for undergraduate tuition at any public, private or

out-of-state eligible accredited institution in the United States. The Prepaid Tuition Administration account includes revenues and costs associated with administration of the program. Prepaid Tuition Trust Fund receipts and expenditures are not reflected in The Executive Budget.

The Higher Education Tuition Administration account was established and maintained with the assistance of General Fund appropriation loans totaling \$4.4 million (FY 1997-98 through FY 2002-03). The 2003 Legislature approved the Governor's recommendation to begin funding the Prepaid Tuition Administration account entirely with transfers from the Higher Education Tuition Trust Fund, and to initiate the repayment of the General Fund loans. Through FY 2007-08, the Higher Education Tuition Administration budget has repaid or reverted \$3.22 million to the General Fund. The agency anticipates the \$1.18 million loan balance will be repaid by the end of FY 2008-09. In FY 2007-08, 211 new pre-paid tuition accounts were opened. The Treasurer projects 300 new accounts being opened in each year of the 2009-11 biennium.

MILLENNIUM SCHOLARSHIP ADMINISTRATION

The Millennium Scholarship program was recommended by Governor Guinn and approved by the 1999 Legislature to increase the number of Nevada students who attend and graduate from Nevada institutions of higher education. In general, to be eligible for a Millennium Scholarship, a student must graduate from a high school in Nevada with at least a 3.25 grade-point average (raised from a 3.1 GPA beginning with the graduating class of 2007), pass all areas of the Nevada High School Proficiency Examination, and have been a resident of Nevada for at least two years of high school. Alternative eligibility paths have been established for students with a documented physical or mental disability or whose K-12 education was subject to an individualized education plan, and for those students who meet high school graduation eligibility without having graduated from a Nevada public or private high school. The scholarship can be applied to 12 credit hours per semester, with a total maximum award of \$10,000 per student. Students are required to maintain a 2.60 GPA each semester of the freshman year and then a 2.75 GPA for each subsequent semester in order to retain eligibility. Academic eligibility can be lost and restored once (two strikes and you are out). Program costs are paid from the Millennium Scholarship Trust Fund, which receives 40 percent of all money collected by the state of Nevada pursuant to the Tobacco Master Settlement agreement, as well as \$7.6 million annually from the Abandoned Property Trust Account. Trust Fund revenues are not reflected in The Executive Budget.

For the 2009-11 biennium, the Governor recommends eliminating the Millennium Scholarship Trust Fund as the revenue source to fund the scholarship program's administrative costs and, instead, recommends utilizing funds from the Nevada College Savings Trust Fund's endowment account. The Governor's recommendation to switch funding sources will save the Millennium Scholarship Trust Fund \$799,989 over the 2009-11 biennium.

UNCLAIMED PROPERTY

The Unclaimed Property Division was established to ensure that all businesses and government entities report and remit unclaimed or abandoned property to the agency in a timely manner and to reunite the lawful owners or heirs with their property by promoting educational and public awareness programs. Unclaimed property consists of money and other personal assets that are considered lost or abandoned when an owner cannot be located after a specific period of time. At the end of each fiscal year, after \$7.6 million is transferred to the Millennium Scholarship Trust Fund, the balance of the money in the Abandoned Property Trust Account is required to be transferred to the state General Fund. The \$7.6 million transfer was suspended for FY 2008-09 as a budget reduction measure. However, the Governor recommends its reinstatement for the 2009-11 biennium.

ETHICS COMMISSION

The Ethics Commission is responsible for receiving and investigating inquiries and complaints involving the ethical conduct of public officials and employees, providing ethical guidance through published opinions, and maintaining records of financial disclosure of candidates for public offices and officeholders.

Since the 2003 Legislative Session, the Commission's operating costs have been allocated between state and local governments based upon usage of the agency and the population of the local government. During the 2007-09 biennium, the Commission's budget was funded 60 percent by local governments and 40 percent by the state. The Executive Budget recommends that state responsibility be reduced to 35 percent of the Ethics Commission's budget, with the remaining 65 percent financed by local governments based on actual activity in fiscal years 2006-07 and 2007-08. The Governor recommends that General Fund support during the 2009-11 biennium decrease by 14.8 percent compared to levels approved during the current biennium, while local government support is recommended to increase by 2.5 percent.

LEGISLATIVE COUNSEL BUREAU

The Legislative Counsel Bureau is the administrative support agency for the Nevada Legislature. The bureau includes the Administration Division, Legal Division, Research Division, Audit Division and Fiscal Analysis Division. The 2003 Legislature, through passage of S.B. 504, approved the transfer of the State Printing Office from the Department of Administration to the Legislative Counsel Bureau.

General Fund appropriations of \$27.5 million in FY 2009-10 and \$26.7 million in FY 2009-11 are included in The Executive Budget to support the operations of the Legislative Counsel Bureau during the 2009-11 biennium. This represents a reduction of approximately \$14.1 million, or 20.7 percent, when compared to the General Fund appropriations legislatively approved for the 2007-09 biennium.

JUDICIAL BRANCH

The budgets of the Judicial Branch are included in The Executive Budget, but are not subject to review by the Governor, pursuant to NRS 353.246. Therefore, the Judicial Branch budgets presented in The Executive Budget represent the Judicial Branch's request without any adjustments by the Executive Budget Office.

The budgets of the Judicial Branch include funding for the Supreme Court, the Administrative Office of the Courts (AOC), the Judicial Programs and Services Division, and the Uniform System of Judicial Records (USJR). The budgets also include funding for the salaries, travel expenses and pension costs of district court judges; the continuing education requirements of judges, justices of the peace, municipal court judges and Supreme Court personnel; and the salaries and travel expenses of retired judges and justices who are recalled to active service by the Chief Justice to expedite judicial business. Also included in the judiciary budgets is funding for Specialty Courts throughout the state, the Supreme Court Law Library, the Commission on Judicial Selection, and the Commission on Judicial Discipline.

The Judicial Branch budgets are supported primarily through General Fund appropriations and court administrative assessments. Court administrative assessments are the fees charged to defendants in criminal and traffic cases. Other sources of funding include preemptory challenge fees (i.e., fees paid by attorneys or litigants to exclude particular judges in civil cases), filing fees, federal grants, and user fees.

For the 2009-11 biennium, the Judicial Branch sub-function of The Executive Budget includes funding of \$114.2 million, which is an 18.2 percent increase over the funding approved by the 2007 Legislature of \$96.6 million. Of this amount, state General Funds in the amount of \$56.5 million are requested, which represents a 13.0 percent increase over the \$50.0 million in state General Funds approved by the 2007 Legislature.

The Judicial Branch is requesting nine new positions for the 2009-11 biennium. Funding of \$1.5 million is requested over the biennium to fund the new positions. Of this amount, \$150,574 (10 percent) is requested in General Funds and \$1,352,102 (90 percent) will be provided from reductions to reserves. The new positions requested include: four positions for the AOC, including a Computer Network Specialist, a Personnel Analyst I, a Judicial Branch Auditor, and an Audio Visual Technician; one Administrative Assistant for the Judicial Programs and Services Division; two Court System Analysts for the USJR; one Program Specialist for Judicial Education; and one Legal Research Assistant for Judicial Discipline.

For Specialty Courts, the Judicial Branch is requesting authority to collect \$4.3 million in FY 2009-10 and \$4.6 million in FY 2010-11 in administrative assessments to support the programs, which is a 7 percent increase in FY 2009-10 and an additional increase of 7.0 percent in FY 2010-11. The 2003 Legislature added a \$7 administrative assessment to a misdemeanor conviction in justice and municipal court for the

continued operation of Specialty Courts statewide. The 2007 Legislature authorized the Specialty Courts to also receive 12 percent of the Judicial Branch's portion of general administrative assessments. The Judicial Branch is requesting general administrative assessments in the amount of \$2.0 million in FY 2009-10 and \$2.1 million in FY 2010-11 for the Specialty Courts program.

The Judicial Branch is requesting to transfer funds totaling \$992,323 from the Judicial Education program reserves to other Judicial Branch accounts. These transfers include: \$354,335 to the Judicial Programs and Services Division to offset personnel costs paid with General Funds; \$532,500 to the USJR to fund requested technology enhancements related to court integration; and \$105,488 to the Supreme Court to reduce General Funds requested for staff training.

To effectuate these fund transfers in the 2009-11 biennium and to provide the Judicial Branch with more flexibility in the future, the Judicial Branch is proposing a change to NRS 176.059 that would modify the allocation of administrative assessment revenue amongst Judicial Branch budget accounts. For the 51 percent share of total administrative assessment revenue allocated to the Judicial Branch, the proposal would eliminate the requirement to allocate 9 percent of assessment revenue to both the USJR and Judicial Education programs. The 18 percent reduced from these two programs would instead be added to the allocation for the AOC, thereby increasing the AOC's allocation of assessment revenue from 18.5 to 36.5 percent. The proposed modification would allow the AOC to allocate 36.5 percent of administrative assessment revenues as it deems necessary between the AOC, USJR, and Judicial Education programs.

The Judicial Branch is requesting funding of approximately \$2.5 million for information services related projects during the 2009-11 biennium. General Funds are requested in the amount of \$538,888 (21.5 percent) and authority to utilize administrative assessments and fees is requested in the amount of \$1,967,867 (78.5 percent). If approved, the funding would support the following projects: replace an e-mail server, a telephone switch, and computer hardware and software; continue implementation of server and network redundancy plans for disaster recovery; purchase drive arrays for data storage; continue the implementation of a web-based case management system; provide public access to non-sensitive case information and electronic payment of traffic fines; and continue the enhancement of the Nevada Court System and Multi-County Integrated Justice Information System for court integration.

**Nevada Legislative Counsel Bureau
Source of Funds Summary
2009-11 Fiscal Report**

	2007-2008 Actual	2008-2009 Work Program	2009-2010 Governor Recommends	% Change	2010-2011 Governor Recommends	% Change
ELECTED OFFICIALS						
ELECTED OFFICIALS						
OFFICE OF THE GOVERNOR	2,330,970	2,657,570	2,057,836	-22.57	2,063,685	.28
GENERAL FUND	2,500,842	2,540,415	2,057,836	-19.00	2,063,685	.28
BALANCE FORWARD	10,358	22,047				
INTER-AGENCY TRANSFER		95,108				
REVERSIONS	-180,230					
GOVERNOR'S MANSION MAINTENANCE	287,674	425,305	284,686	-33.06	346,409	21.68
GENERAL FUND	349,077	416,456	284,686	-31.64	346,409	21.68
INTER-AGENCY TRANSFER	2,901	8,849				
REVERSIONS	-64,304					
GOVERNOR'S WASHINGTON OFFICE	267,079	267,079	247,079	-7.49	247,079	.00
INTER-AGENCY TRANSFER	267,079	267,079	247,079	-7.49	247,079	
HIGH LEVEL NUCLEAR WASTE	6,958,868	5,954,018	6,930,097	16.39	6,930,813	.01
GENERAL FUND	2,486,782	1,473,667	1,422,003	-3.51	1,422,719	.05
BALANCE FORWARD	-933,026	1,292,366				
INTER-AGENCY TRANSFER	5,418,661	2,987,985	5,354,500	79.20	5,354,500	
OTHER FUND	170,239	200,000	153,594	-23.20	153,594	
REVERSIONS	-183,788					
GOVERNOR'S OFFICE OF HOMELAND SECURITY	510,475	3,740,698	485,499	-87.02	487,053	.32
GENERAL FUND	757,966	758,022	485,499	-35.95	487,053	.32
BALANCE FORWARD	-16,117	16,117				
INTER-AGENCY TRANSFER	40,000	2,322,779				
INTERIM FINANCE	55,655	288,780				
OTHER FUND		355,000				
REVERSIONS	-327,029					
GOVERNOR'S OFFICE OF CONSUMER HEALTH ASSISTANCE	797,680	1,071,562	72,145	-93.27		
GENERAL FUND	407,537	538,859				
BALANCE FORWARD	-24,931	88,858	72,145	-18.81		
INTER-AGENCY TRANSFER	53,942	73,289				
OTHER FUND	463,576	370,556				
REVERSIONS	-102,444					
GOVERNOR'S OFFICE ENERGY CONSERVATION	563,970	1,120,840	1,157,654	3.28	695,723	-39.90
GENERAL FUND	348,561	414,925	375,022	-9.62	383,865	2.36
BALANCE FORWARD		36,015				
FEDERAL FUND	347,342	529,619	775,000	46.33	279,000	-64.00
INTER-AGENCY TRANSFER		26,132				
OTHER FUND	25,000	114,149	7,632	-93.31	32,858	330.53
REVERSIONS	-156,933					
LIEUTENANT GOVERNOR	596,733	712,355	571,260	-19.81	597,298	4.56
GENERAL FUND	629,516	669,298	571,260	-14.65	597,298	4.56
INTER-AGENCY TRANSFER		43,057				
REVERSIONS	-32,783					

**Nevada Legislative Counsel Bureau
Source of Funds Summary
2009-11 Fiscal Report**

	2007-2008 Actual	2008-2009 Work Program	2009-2010 Governor Recommend	% Change	2010-2011 Governor Recommend	% Change
AG - ADMINISTRATIVE FUND	23,796,255	25,871,075	24,973,575	-3.47	25,036,043	.25
GENERAL FUND	10,998,638	13,164,060	11,632,842	-11.63	11,638,152	.05
BALANCE FORWARD	567,597	101,719			2,102	
INTER-AGENCY TRANSFER	12,396,128	11,350,051	12,089,231	6.51	12,138,454	.41
OTHER FUND	1,066,696	1,255,245	1,251,502	-.30	1,257,335	.47
REVERSIONS	-1,232,804					
AG - HIGH TECH CRIME	578,216	893,352				
GENERAL FUND	384,942	476,052				
INTER-AGENCY TRANSFER	428,104	399,433				
OTHER FUND	16,593	17,867				
REVERSIONS	-251,423					
AG - SPECIAL FUND	316,551	2,265,630	398,379	-82.42	398,629	.06
GENERAL FUND	217,418	2,030,712	217,480	-89.29	217,491	.01
INTER-AGENCY TRANSFER	99,133	234,918	180,899	-22.99	181,138	.13
AG - MEDICAID FRAUD	1,829,229	3,556,006	3,400,283	-4.38	3,476,884	2.25
GENERAL FUND	100	100	100		100	
BALANCE FORWARD	-590,750	1,746,114	1,497,681	-14.23	1,588,171	6.04
FEDERAL FUND	1,414,435	1,463,434	1,542,179	5.38	1,528,290	-.90
OTHER FUND	1,005,542	346,358	360,323	4.03	360,323	
REVERSIONS	-98					
AG - WORKERS' COMP FRAUD	3,629,321	4,660,523	4,058,744	-12.91	4,112,434	1.32
BALANCE FORWARD	-39,549	416,958	354,306	-15.03	384,203	8.44
INTER-AGENCY TRANSFER	982,817	982,693	985,266	.26	985,266	
OTHER FUND	3,056,556	3,260,872	2,719,172	-16.61	2,742,965	.88
REVERSIONS	-370,503					
AG - CONSUMER ADVOCATE	4,114,135	6,049,500	5,542,790	-8.38	5,668,880	2.27
GENERAL FUND	1,514,928	1,528,250	1,205,135	-21.14	1,194,854	-.85
BALANCE FORWARD	-77,852	1,575,530	1,506,292	-4.39	1,558,504	3.47
INTER-AGENCY TRANSFER		80,435				
OTHER FUND	2,785,941	2,865,285	2,831,363	-1.18	2,915,522	2.97
REVERSIONS	-108,882					
AG - CRIME PREVENTION	270,692	292,056	268,041	-8.22	269,343	.49
GENERAL FUND	220,444	227,604	221,919	-2.50	223,221	.59
INTER-AGENCY TRANSFER	4,561	14,342				
OTHER FUND	51,224	50,110	46,122	-7.96	46,122	
REVERSIONS	-5,537					
AG - ATTORNEY GENERAL TORT CLAIM FUND	3,308,054	10,042,734	7,667,155	-23.65	8,417,778	9.79
BALANCE FORWARD	-793,949	5,887,145	2,716,201	-53.86	3,462,401	27.47
INTER-AGENCY TRANSFER	4,093,361	4,149,144	4,942,312	19.12	4,946,735	.09
OTHER FUND	8,642	6,445	8,642	34.09	8,642	
AG - EXTRADITION COORDINATOR	749,054	785,708	651,216	-17.12	649,490	-.27
GENERAL FUND	670,906	678,283	572,670	-15.57	570,944	-.30
INTER-AGENCY TRANSFER		8,925				
OTHER FUND	78,546	98,500	78,546	-20.26	78,546	
REVERSIONS	-398					

**Nevada Legislative Counsel Bureau
Source of Funds Summary
2009-11 Fiscal Report**

	2007-2008 Actual	2008-2009 Work Program	2009-2010 Governor Recommends	% Change	2010-2011 Governor Recommends	% Change
AG - COUNCIL FOR PROSECUTING ATTORNEYS	221,066	299,303	260,904	-12.83	252,637	-3.17
GENERAL FUND	100	100	100		100	
BALANCE FORWARD	-5,976	29,914	51,802	73.17	44,176	-14.72
INTER-AGENCY TRANSFER	9,367	26,954				
OTHER FUND	217,678	242,335	209,002	-13.75	208,361	-.31
REVERSIONS	-103					
AG - VICTIMS OF DOMESTIC VIOLENCE	258,220	256,414	172,994	-32.53	166,983	-3.47
BALANCE FORWARD	27,253	786	6,453	720.99		
INTER-AGENCY TRANSFER	140,520	162,610				
OTHER FUND	90,447	93,018	166,541	79.04	166,983	.27
AG - VIOLENCE AGAINST WOMEN GRANTS	1,335,597	1,634,634	1,507,199	-7.80	1,507,382	.01
FEDERAL FUND	1,335,597	1,616,806	1,507,199	-6.78	1,507,382	.01
INTER-AGENCY TRANSFER		17,828				
CONTROLLER'S OFFICE	4,262,354	4,766,789	4,169,648	-12.53	4,264,076	2.26
GENERAL FUND	4,635,179	4,514,770	4,169,648	-7.64	4,264,076	2.26
BALANCE FORWARD	44,759	35,038				
INTER-AGENCY TRANSFER		215,789				
OTHER FUND	3,000	1,192				
REVERSIONS	-420,584					
SECRETARY OF STATE	10,045,768	10,700,339	10,732,965	.30	10,941,213	1.94
GENERAL FUND	4,691,108	4,827,583	10,291,585	113.18	10,498,960	2.01
BALANCE FORWARD	-151,580		112,103		112,103	
INTER-AGENCY TRANSFER		275,703				
OTHER FUND	5,513,564	5,597,053	329,277	-94.12	330,150	.27
REVERSIONS	-7,324					
SOS - HAVA ELECTION REFORM	2,105,728	7,684,265	5,845,803	-23.93	3,559,195	-39.12
GENERAL FUND			100		100	
BALANCE FORWARD	1,459,246	6,641,890	5,660,703	-14.77	3,425,095	-39.49
FEDERAL FUND	159,953	808,187	100,000	-87.63	100,000	
OTHER FUND	486,529	234,188	85,000	-63.70	34,000	-60.00
SOS - INVESTIGATIONS AND ENFORCEMENTS	2,244,271	2,948,779				
GENERAL FUND	2,221,520	2,363,684				
BALANCE FORWARD	72,466	348,669				
OTHER FUND	325,135	236,426				
REVERSIONS	-374,850					
STATE TREASURER	2,311,572	2,674,850	2,451,922	-8.33	2,570,919	4.85
GENERAL FUND	1,570,713	1,526,987	1,199,495	-21.45	1,183,345	-1.35
BALANCE FORWARD	-20,729					
INTER-AGENCY TRANSFER	170,642	271,340	581,737	114.39	580,203	-.26
OTHER FUND	934,672	876,523	670,690	-23.48	807,371	20.38
REVERSIONS	-343,726					

**Nevada Legislative Counsel Bureau
Source of Funds Summary
2009-11 Fiscal Report**

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TREASURER HIGHER EDUCATION TUITION ADMINISTRATION	2,531,233	1,610,351	436,831	-72.87	452,724	3.64
INTER-AGENCY TRANSFER	2,188,014	1,160,576				
OTHER FUND	343,219	449,775	436,831	-2.88	452,724	3.64
MILLENNIUM SCHOLARSHIP ADMINISTRATION	382,992	460,153	399,963	-13.08	400,026	.02
OTHER FUND	382,992	460,153	399,963	-13.08	400,026	.02
UNCLAIMED PROPERTY	1,098,418	1,284,033	1,325,809	3.25	1,352,955	2.05
OTHER FUND	1,098,418	1,284,033	1,325,809	3.25	1,352,955	2.05
NEVADA COLLEGE SAVINGS TRUST	2,438,371	5,654,518	418,855	-92.59	419,329	.11
BALANCE FORWARD	-269,902	4,189,933				
INTER-AGENCY TRANSFER			30,989		31,069	.26
OTHER FUND	2,708,273	1,464,585	387,866	-73.52	388,260	.10
BOND INTEREST & REDEMPTION	182,670,296	370,373,560	440,031,353	18.81	462,938,007	5.21
BALANCE FORWARD	-37,247,801	164,737,265	202,297,866	22.80	214,634,760	6.10
INTER-AGENCY TRANSFER	6,067,284	5,735,092	5,679,732	-.97	5,654,237	-.45
OTHER FUND	213,850,813	199,901,203	232,053,755	16.08	242,649,010	4.57
MUNICIPAL BOND BANK REVENUE	41,216,938	69,581,290	30,617,938	-56.00	30,832,306	.70
BALANCE FORWARD	-12,482	12,483				
OTHER FUND	41,229,420	69,568,807	30,617,938	-55.99	30,832,306	.70
MUNICIPAL BOND BANK DEBT SERVICE	41,177,071	69,692,190	30,774,730	-55.84	30,987,194	.69
INTER-AGENCY TRANSFER	41,173,298	69,515,042	30,597,582	-55.98	30,810,046	.69
OTHER FUND	3,773	177,148	177,148		177,148	
ETHICS COMMISSION	637,763	704,046	685,984	-2.57	687,249	.18
GENERAL FUND	250,991	256,570	215,960	-15.83	216,416	.21
BALANCE FORWARD	9,591					
INTER-AGENCY TRANSFER		10,061				
OTHER FUND	390,428	437,415	470,024	7.45	470,833	.17
REVERSIONS	-13,247					
TOTAL ELECTED OFFICIALS	345,842,614	620,691,525	588,599,337	-5.17	610,729,736	3.76
GENERAL FUND	34,857,268	38,406,397	34,923,340	-9.07	35,308,788	1.10
BALANCE FORWARD	-37,993,374	187,178,847	214,275,552	14.48	225,211,515	5.10
FEDERAL FUND	3,257,327	4,418,046	3,924,378	-11.17	3,414,672	-12.99
INTER-AGENCY TRANSFER	73,535,812	100,435,214	60,689,327	-39.57	60,928,727	.39
INTERIM FINANCE	55,655	288,780				
OTHER FUND	276,306,916	289,964,241	274,786,740	-5.23	285,866,034	4.03
REVERSIONS	-4,176,990					

**Nevada Legislative Counsel Bureau
Source of Funds Summary
2009-11 Fiscal Report**

	2007-2008 Actual	2008-2009 Work Program	2009-2010 Governor Recommends	% Change	2010-2011 Governor Recommends	% Change
ELECTED OFFICIALS						
GENERAL FUND	34,857,268	38,406,397	34,923,340	-9.07	35,308,788	1.10
BALANCE FORWARD	-37,993,374	187,178,847	214,275,552	14.48	225,211,515	5.10
FEDERAL FUND	3,257,327	4,418,046	3,924,378	-11.17	3,414,672	-12.99
INTER-AGENCY TRANSFER	73,535,812	100,435,214	60,689,327	-39.57	60,928,727	.39
INTERIM FINANCE	55,655	288,780				
OTHER FUND	276,306,916	289,964,241	274,786,740	-5.23	285,866,034	4.03
REVERSIONS	-4,176,990					
TOTAL FOR ELECTED OFFICIALS	345,842,614	620,691,525	588,599,337	-5.17	610,729,736	3.76
Less: INTER-AGENCY TRANSFER	73,535,812	100,435,214	60,689,327	-39.57	60,928,727	.39
NET ELECTED OFFICIALS	272,306,802	520,256,311	527,910,010	1.47	549,801,009	4.15

