

FISCAL REPORT

Eighty-First Nevada Legislature



**Fiscal Analysis Division
Legislative Counsel Bureau**

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MEMORANDUM

Date: February 23, 2021
To: Members of the 81st Legislature
From: Fiscal Analysis Division
Subject: **2021-23 Nevada Legislative Fiscal Report**

The Legislative Fiscal Report, prepared by the Fiscal Analysis Division, is designed to provide you with a summary of the financial status of the state and the Governor's budget recommendations for the next biennium.

The report is divided into sections and includes historical revenue and expenditure trends, revenue projections of the Economic Forum, an overview of taxes, and the Governor's recommended appropriations for the upcoming biennium, including supplemental appropriations, one-shot appropriations, restoration of fund balances and capital improvements. Budget summaries by each functional area of state government are included.

This report contains general information, including highlights of the various governmental functions. Emphasis is placed on changes and expansion or reductions of existing programs; therefore, this report should be used in conjunction with The Executive Budget in which more complete information is presented.

If you have questions on this material, feel free to contact us at any time.

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SECTION I

GENERAL FUND

HISTORICAL AND CURRENT PERSPECTIVE

This section contains a historical review of actual State General Fund revenues and the Economic Forum's December 3, 2020, forecasts for the 2021-23 biennium. The Economic Forum's forecasts for Fiscal Year (FY) 2022 and FY 2023 of the 2021-23 biennium reflect the tax changes approved during the 80th Regular Session (2019) effective for FY 2020 and FY 2021 and the tax changes approved during the 31st Special Session (July 2020) for FY 2021 only. This section also provides a comparison of the General Fund revenue amounts for FY 2022 and FY 2023 from the Governor's recommended revenue enhancements included in The Executive Budget compared to the Economic Forum forecast. A presentation on General Fund operating appropriations, including the amounts approved by the Legislature for the 2019-21 biennium during the 80th Regular Session and as adjusted during the 31st Special Session, is provided after the section on General Fund revenues.

GENERAL FUND REVENUE TRENDS

FY 1996 TO FY 2006

General Fund revenues were approximately \$1.83 billion in FY 2003, a 41.4% increase over FY 1996 revenues. The average annual growth rate over those eight years was 5.1%. Given the state's robust population growth, per capita revenues grew at only a 0.6% average annual rate over this eight-year period. Furthermore, inflation-adjusted per capita revenues actually declined at an annual average rate of 1.7% per year over this period. Thus, while the state's revenues were experiencing positive gains, those gains were not keeping pace with inflation and the state's rapid population growth and the attendant increase in demand for government services.

In response to the downward trend in inflation-adjusted revenues per capita, the tax package approved during the 20th Special Session (2003) created new taxes in addition to increasing some of the existing levies. Information on the tax changes approved during the 20th Special Session is provided in the Revenue Reference Manual prepared by the Fiscal Analysis Division.

In FY 2004, the initial year of implementation of the 2003 tax plan, General Fund revenues increased 31.7%. The majority of this increase was attributable to the tax changes approved by the 2003 Legislature. However, due to stronger than anticipated economic activity, the actual growth in revenue was higher than the projections, which incorporated the estimated effects of the tax changes. General Fund revenues grew an additional 14.1% in FY 2005, the first year in which all the tax changes from 2003 were fully implemented. Again, the growth observed was attributable to the implementation of the tax measures, as well as strong and sustained economic activity. By FY 2006, the effects of the tax changes from 2003 were fully annualized; thus, the 11.5% growth in General Fund revenues over the prior year was due primarily to economic growth.

FY 2007 TO FY 2011

Beginning in late 2006 and early 2007, the fiscal environment began to change, and due to already slowing national and state economic activity, total General Fund revenues peaked in FY 2007 at \$3.15 billion. Although General Fund revenues increased by 2.8% in FY 2007, per capita revenues fell by 0.8% and inflation-adjusted per capita revenues in FY 2007 were 3.3% below the level in FY 2006.

As economic conditions continued to worsen through the end of Calendar Year 2007 and into 2008 through 2009, total General Fund revenues fell by 2.9% in FY 2008 and 10.3% in FY 2009. On an inflation-adjusted per capita basis, General Fund revenues decreased by 7.1% in FY 2008 and 10.7% in FY 2009 to levels below that observed in FY 2004 after the 2003 tax changes.

Actual total General Fund revenues increased by 9.8% in FY 2010 due to the revenue enhancements approved by the Legislature in the 2009 Session and 26th Special Session (February 2010). Total General Fund revenues increased by 5.6% in FY 2011, the second fiscal year of the biennium for which revenue enhancements approved by the Legislature in the 2009 Session and 26th Special Session were effective. Even after accounting for the impact of the revenue enhancements, inflation-adjusted per capita General Fund revenues in FY 2010 were still below the level recorded in FY 2008, while the inflation-adjusted per capita amount for FY 2011 was slightly above the FY 2008 level.

FY 2012 TO FY 2015

The gains from the revenue enhancements approved during the 2009 Session and 26th Special Session were short-lived, however, as total General Fund revenues decreased by 2.9% in FY 2012 and fell 6.7% on an inflation-adjusted per capita basis.

The General Fund revenue situation did not improve over the next two fiscal years with FY 2013 increasing by only 1.6% and FY 2014 actually decreasing by 2.1%. On an inflation-adjusted per capita basis, General Fund revenue decreased by 1.8% in FY 2013 and 5.0% in FY 2014. The FY 2014 inflation-adjusted per capita amount was close, but still below the level observed in FY 2001 and significantly below the prior peak level in FY 2006.

Coming off the weakness posted in FY 2014, General Fund revenue increased by 7.1% and increased by 4.3% on an inflation-adjusted per capita basis in FY 2015. The growth in inflation-adjusted terms was aided by the relatively low inflation rate of only 0.7% in FY 2015.

FY 2016 TO FY 2019

Actual General Fund revenue, after tax credits, increased by 12.5% in FY 2016 with a significant portion of the growth attributable to the revenue enhancements approved by the Legislature in the 78th Regular Session (2015). On an inflation-adjusted per capita basis, FY 2016 General Fund revenue, after tax credits, increased by 9.6% aided by an inflation rate of only 0.7%.

With the impacts from the tax changes approved in the 2015 Session still being fully realized in FY 2017, actual General Fund revenue, after tax credits, increased by 5.1% and increased by 2.0% on an inflation-adjusted per capita basis. The actual tax credits taken in FY 2017 accounted for a 1.5% reduction in the growth rate since actual General Fund revenue, before tax credits, increased by 6.6% in FY 2017. Besides the other tax credit programs, FY 2017 was the first year that tax credits were taken against the Modified Business Tax (MBT) based on the business's prior fiscal year Commerce Tax payments, which accounted for approximately 1.2% of the 1.5% reduction in the recorded growth due to tax credits.

Actual General Fund revenue, after tax credits, increased by only 3.6% in FY 2018 and decreased by 1.1% on an inflation-adjusted per capita basis. Part of this result is explained by the \$171.2 million in tax credits taken in FY 2018 compared to \$115.6 million in FY 2017. The actual tax credits taken in FY 2018 accounted for a 1.2% reduction in the growth rate since actual General Fund revenue, before tax credits, increased by 4.8% in FY 2018. However, unlike FY 2017, the Commerce Tax credits against the MBT accounted for only 0.3% of the reduction as the other various tax credit programs accounted for 0.9%.

In FY 2019, actual General Fund revenue, after tax credits, increased by 6.7% resulting in an increase of 2.7% on an inflation-adjusted per capita basis. However, actual General Fund revenue, before tax credits, increased by only 5.2%. This result occurs because only \$120.1 million in tax credits were incurred in FY 2019 compared to the \$171.2 million in tax credits taken in FY 2018. This \$51.1 million reduction in tax credits taken between FY 2018 and FY 2019 results in actual General Fund revenue increasing by 1.5% more after tax credits than before tax credits with the Commerce Tax credits against the MBT accounting for only 0.4% and the other various tax credit programs accounting for 1.1%.

FY 2020 – A PANDEMIC BEGINS

On March 12, 2020, Governor Sisolak declared a state of emergency relating to the beginning of the pandemic caused by the novel coronavirus, referred to as COVID-19. As the number of reported cases continued to increase, by March 18, the Governor had ordered all gaming establishments to cease operations; by March 20, all non-essential businesses had been ordered to close; and by March 31, Nevadans were being ordered to stay in their residences unless it was necessary to leave to receive or provide essential services or engage in certain outdoor activities.

The Governor allowed the state to move into Phase 1 of the reopening plan on May 9 under which certain businesses and activities, previously deemed non-essential again, with specific restrictions such as retail businesses, were allowed to operate at no more than 50% of their allowed occupancy. On May 29, the Governor announced that the state would move into Phase 2 of the reopening plan, which allowed the Gaming Control Board to implement plans allowing casinos to reopen on June 4 as well as expand the list of businesses and activities that were allowed.

Due to the impact of the pandemic on economic conditions globally, as well as the actions taken by the Governor to specifically manage the number of cases in Nevada, actual General Fund revenue, after tax credits, decreased by 4.9% in FY 2020 and decreased by 7.8% on an inflation-adjusted per capita basis. Actual General Fund revenue, before tax credits, decreased by 5.4% in FY 2020. Since actual tax credits taken in FY 2020 were only \$92.5 million, or \$27.6 million less than the \$120.1 million taken in FY 2019, then total General Fund revenues decreased by 0.5% less after tax credits than before tax credits.

As a reference point for the potential impact of the pandemic on General Fund revenue in the last half of FY 2020, total actual General Fund revenue, after tax credits, of \$4.077 billion were approximately \$369.0 million below the Economic Forum May 1, 2019, forecast, adjusted for legislative actions from the 2019 Session, of \$4.446 billion, or 8.3%, below the forecast.

ECONOMIC FORUM FORECAST: FY 2021, FY 2022 AND FY 2023

Based on the Economic Forum's December 3, 2020, forecast, total General Fund revenues, before tax credits, are projected to decrease by 2.1% to \$4.082 billion in FY 2021, increase by 2.8% to \$4.197 billion in FY 2022, and increase by 6.8% to \$4.484 billion in FY 2023. Total General Fund revenues, after tax credits, are projected to decrease by 1.6% to \$4.012 billion in FY 2021, increase by 2.6% to \$4.116 billion in FY 2022, and increase by 6.7% to \$4.392 billion in FY 2023.

Total projected General Fund revenue, before tax credits, for the 2021-23 biennium of \$8.680 billion are forecast to be 5.2% (\$429.1 million) above the projected revenues for the 2019-21 biennium of \$8.251 billion (amount reflects the FY 2020 actual collections and the revised FY 2021 Economic Forum December 2020 forecast), as shown in Table 1. Total projected General Fund revenue, after tax credits, for the 2021-23 biennium of \$8.507 billion is forecast to be 5.2% (\$418.0 million) above the projected revenue for the 2019-21 biennium of \$8.089 billion, as shown in Table 1.

For additional reference, the Economic Forum December 2020 forecast for total General Fund revenue, after tax credits, for the 2019-21 biennium of \$8.089 billion is:

- 2.7% (\$216.7 million) below the actual collections for the 2017-19 biennium of \$8.306 billion.
- 11.8% (\$952.8 million) below the Economic Forum May 2019 forecast of \$9.042 billion that was used during the 2019 Session to develop the legislatively approved General Fund budget for the 2019-21 biennium.
- 2.5% (\$202.8 million) above the Budget Division/Fiscal Division June 29, 2020, consensus forecast, adjusted for the revenue enhancements for FY 2021 approved in S.B. 3, of \$7.887 billion for the 2019-21 biennium that was used by the Legislature in developing the approved General Fund appropriation adjustments during the 31st Special Session in July 2020.

TABLE 1

GENERAL FUND REVENUE FORECAST FOR THE 2019-21 BIENNIUM AND 2021-23 BIENNIUM

Based on the Economic Forum December 3, 2020, Forecast

Revenue Source (Millions of Dollars)	2019-21 Biennium				2021-23 Biennium			
	2019-21 Biennium Forecast	% of Total After Tax Credits	\$ Difference from 2017-19	% Change from 2017-19	2021-23 Biennium Forecast	% of Total After Tax Credits	\$ Difference from 2019-21	% Change from 2019-21
	Sales Tax	\$2,490.9	30.8%	\$17.0	0.7%	\$2,591.9	30.5%	\$101.0
Gaming Taxes	\$1,220.5	15.1%	-\$366.9	-23.1%	\$1,444.5	17.0%	\$224.0	18.4%
Modified Business Tax	\$1,383.4	17.1%	\$30.3	2.2%	\$1,449.1	17.0%	\$65.7	4.8%
Insurance Premium Taxes	\$940.9	11.6%	\$78.3	9.1%	\$1,018.1	12.0%	\$77.2	8.2%
Live Entertainment Tax	\$97.5	1.2%	-\$159.1	-62.0%	\$182.9	2.1%	\$85.4	87.5%
Commerce Tax	\$396.9	4.9%	-\$31.8	-7.4%	\$417.6	4.9%	\$20.7	5.2%
Cigarette Tax	\$304.3	3.8%	-\$20.7	-6.4%	\$286.4	3.4%	-\$17.9	-5.9%
Real Property Transfer Tax	\$206.8	2.6%	\$2.3	1.1%	\$210.6	2.5%	\$3.8	1.9%
Business License Fee	\$204.4	2.5%	-\$15.2	-6.9%	\$207.1	2.4%	\$2.7	1.3%
Governmental Services Tax	\$115.6	1.4%	\$73.8	176.9%	\$48.0	0.6%	-\$67.6	-58.5%
Mining Taxes/Fees	\$187.4	2.3%	\$73.5	64.5%	\$112.2	1.3%	-\$75.1	-40.1%
Liquor Taxes	\$81.2	1.0%	-\$7.8	-8.7%	\$83.4	1.0%	\$2.1	2.6%
Transportation Connection Tax	\$33.7	0.4%	-\$18.3	-35.3%	\$44.6	0.5%	\$10.9	32.4%
Other Tobacco Tax	\$53.2	0.7%	\$18.6	53.8%	\$64.4	0.8%	\$11.2	21.0%
Other Taxes	\$29.2	0.4%	\$13.7	87.8%	\$15.1	0.2%	-\$14.1	-48.3%
All Other Revenue Sources	\$505.4	6.2%	-\$33.9	-6.3%	\$504.4	5.9%	-\$1.0	-0.2%
Total General Fund Revenue - Before Tax Credits	\$8,251.3	102.0%	-\$346.2	-4.0%	\$8,680.4	102.0%	\$429.1	5.2%
Commerce Tax Credits Against the Modified Business Tax	-\$96.6	-1.2%	\$6.2	-6.0%	-\$88.6	-1.0%	\$8.0	-8.3%
Total General Fund Revenue - After Commerce Tax Credits	\$8,154.7	100.8%	-\$340.1	-4.0%	\$8,591.8	101.0%	\$437.1	5.4%
Tax Credit Programs	-\$65.2	-0.8%	\$123.3	-65.4%	-\$84.3	-1.0%	-\$19.1	29.3%
Total General Fund Revenue - After Tax Credit Programs	\$8,089.5	100.0%	-\$216.7	-2.6%	\$8,507.5	100.0%	\$418.0	5.2%

Note: The sum of the individual components of the % of Total column may not equal 100% due to rounding.

GOVERNOR RECOMMENDS VERSUS ECONOMIC FORUM FORECAST: FY 2022 AND FY 2023

The Executive Budget includes one recommendation by the Governor for a General Fund revenue enhancement estimated to generate approximately \$488,000 per fiscal year for FY 2022 and FY 2023. A summary of the Governor’s revenue enhancement included in The Executive Budget is reflected on page 23 of Section II of this report.

Table 2 provides a comparison of the General Fund revenue for the 2021-23 biennium (FY 2022 and FY 2023) based on the estimate for the revenue enhancement recommended by the Governor in The Executive Budget to the Economic Forum December 3, 2020, forecast on a before- and after-tax credits basis. Based on the revenue enhancement recommendation that generates net additional revenue of approximately \$0.98 million, the Governor’s recommended General Fund revenue estimate for the 2021-23 biennium, before tax credits, is \$8.681 billion compared to the Economic Forum forecast of \$8.680 billion. As shown in Table 2, the revenue enhancements recommended by the Governor, after tax credits, are estimated to generate approximately \$0.98 million in additional revenue resulting in a Governor’s recommended General Fund revenue estimate of \$8.508 billion for the 2021-23 biennium compared to the Economic Forum forecast of \$8.507 billion. The revenue sources shaded in Table 2 are impacted by the recommendations included in The Executive Budget.

TABLE 2
GENERAL FUND REVENUE FORECAST FOR THE 2021-23 BIENNIUM
GOVERNOR RECOMMENDS VERSUS ECONOMIC FORUM FORECAST

Economic Forum December 3, 2020, Forecast for FY 2021, FY 2022, and FY 2023 and the Governor Recommends Revenue Enhancement Estimates included in The Executive Budget for FY 2022 and FY 2023

Revenue Source (Millions of Dollars)	Economic Forum		Governor Recommends		
	2021-23 Biennium Forecast	% of Total After Tax Credits	2021-23 Biennium Forecast	% of Total After Tax Credits	\$ Difference from the Forum
Sales Tax	\$2,591.9	30.5%	\$2,592.9	30.5%	\$0.98
Gaming Taxes	\$1,444.5	17.0%	\$1,444.5	17.0%	\$0.00
Modified Business Tax	\$1,449.1	17.0%	\$1,449.1	17.0%	\$0.00
Insurance Premium Taxes	\$1,018.1	12.0%	\$1,018.1	12.0%	\$0.00
Live Entertainment Tax	\$182.9	2.1%	\$182.9	2.1%	\$0.00
Commerce Tax	\$417.6	4.9%	\$417.6	4.9%	\$0.00
Cigarette Tax	\$286.4	3.4%	\$286.4	3.4%	\$0.00
Real Property Transfer Tax	\$210.6	2.5%	\$210.6	2.5%	\$0.00
Business License Fee	\$207.1	2.4%	\$207.1	2.4%	\$0.00
Governmental Services Tax	\$48.0	0.6%	\$48.0	0.6%	\$0.00
Mining Taxes/Fees	\$112.2	1.3%	\$112.2	1.3%	\$0.00
Liquor Taxes	\$83.4	1.0%	\$83.4	1.0%	\$0.00
Transportation Connection Tax	\$44.6	0.5%	\$44.6	0.5%	\$0.00
Other Tobacco Tax	\$64.4	0.8%	\$64.4	0.8%	\$0.00
Other Taxes	\$15.1	0.2%	\$15.1	0.2%	\$0.00
All Other Revenue Sources	\$504.4	5.9%	\$504.4	5.9%	\$0.00
Total General Fund Revenue - Before Tax Credits	\$8,680.4	102.0%	\$8,681.4	102.0%	\$0.98
Commerce Tax Credits Against the Modified Business Tax	-\$88.6	-1.0%	-\$88.6	-1.0%	\$0.00
Total General Fund Revenue - After Commerce Tax Credits	\$8,591.8	101.0%	\$8,592.8	101.0%	\$0.98
Tax Credit Programs	-\$84.3	-1.0%	-\$84.3	-1.0%	\$0.00
Total General Fund Revenue - After Tax Credit Programs	\$8,507.5	100.0%	\$8,508.5	100.0%	\$0.98

Note: The sum of the individual components of the % of Total column may not equal 100% due to rounding.

The estimates for FY 2022 of \$4.116 billion and FY 2023 of \$4.392 billion, after tax credits, based on the projections included in The Executive Budget are 30.9% and 39.7% above the prior FY 2007 peak amount of \$3.145 billion, respectively. However, after adjusting for inflation, these projected amounts on a FY 1998-dollar basis for FY 2022 and FY 2023 are 0.3% and 4.3%, respectively, above the actual inflation-adjusted amount observed in FY 2007 on an FY 1998-dollar basis.

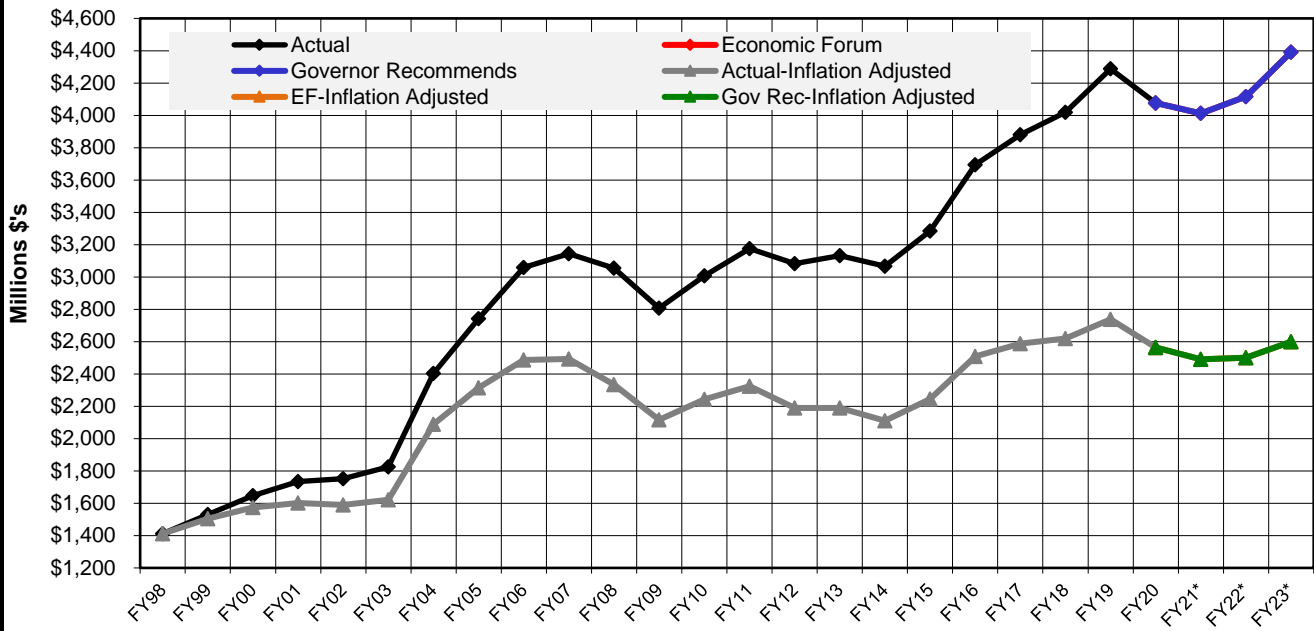
The Governor's recommended estimate for FY 2022 of \$4.116 billion equates to approximately \$768 per person in inflation-adjusted FY 1998 dollars and the FY 2023 estimate of \$4.392 billion equates to approximately \$787 per person in inflation-adjusted dollars. These per capita amounts are:

- 12.7% and 10.5% below the FY 2019 actual amount of \$880 per person
- 19.0% and 17.0% below the FY 2006 amount of \$948 per person
- 1.8% and 4.3% above the FY 1998 amount of \$755 per person

For comparison, as graphically shown in Chart 2, the Economic Forum's December 2020 forecast for FY 2022 and FY 2023 result in inflation-adjusted per capita amounts of \$768 and \$787, which are:

- 12.7% and 10.5% below the FY 2019 actual amount of \$880 per person
- 19.0% and 17.0% below the FY 2006 amount of \$948 per person
- 1.7% and 4.3% above the FY 1998 amount of \$755 per person

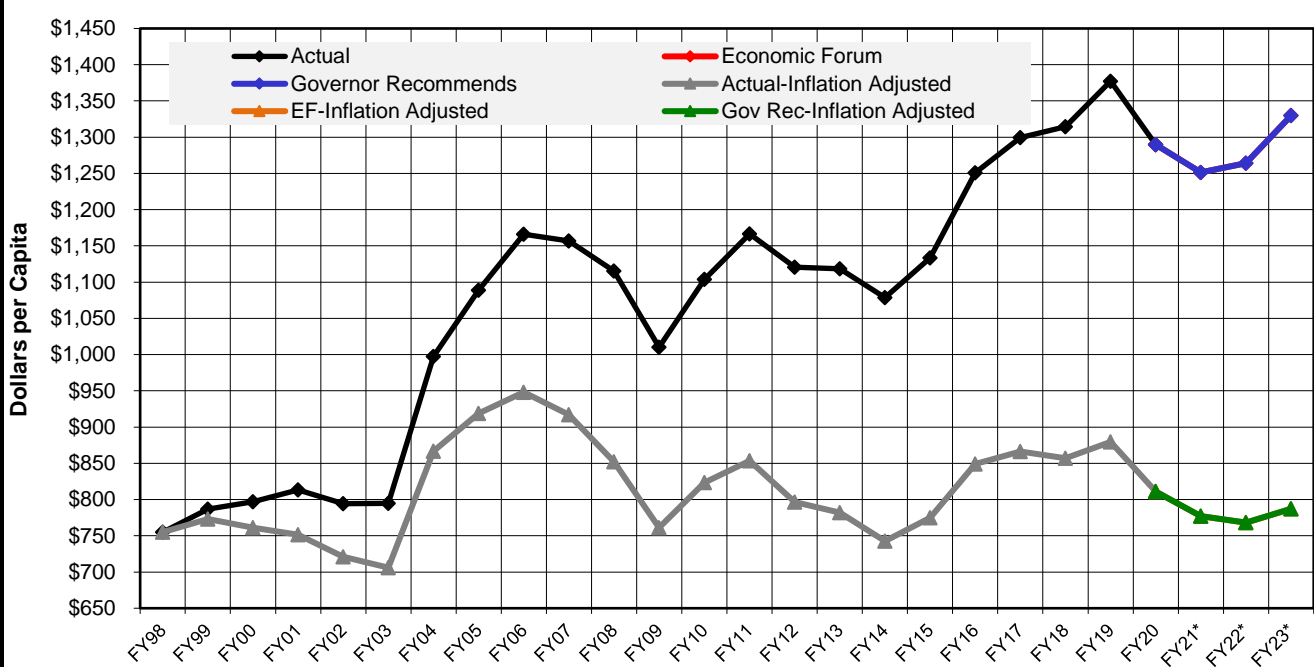
CHART 1
Nevada General Fund Revenues: Actual and Inflation Adjusted (FY98 \$'s)
Economic Forum (EF) versus Governor Recommends (Gov Rec)
 Actual: FY 1998 to FY 2020 Forecast: FY 2021 to FY 2023*



*Economic Forum December 3, 2020, Forecast and Governor Recommends

The Economic Forum forecast lines do not display separately because the Governor Recommends lines lie on top of them as the recommended revenue enhancement for FY 2022 and FY 2023 is approximately only \$488,000 per fiscal year.

CHART 2
Nevada General Fund Revenues per Capita: Actual and Inflation Adjusted (FY98 \$'s)
Economic Forum (EF) versus Governor Recommends (Gov Rec)
 Actual: FY 1998 to FY 2020 Forecast: FY 2021 to FY 2023*



*Economic Forum December 3, 2020, Forecast and Governor Recommends

The Economic Forum forecast lines do not display separately because the Governor Recommends lines lie on top of them as the recommended revenue enhancement for FY 2022 and FY 2023 is approximately only \$488,000 per fiscal year.

ECONOMIC FORUM'S DECEMBER 3, 2020, GENERAL FUND REVENUE FORECAST

The tables on the following pages present the General Fund revenue forecast by revenue source for FY 2021, FY 2022 and FY 2023 approved by the Economic Forum at the December 3, 2020, meeting. The forecasts in the table are presented on both a before and after tax credit basis and include estimates for the various tax credit programs.

The General Fund revenue forecast (before any tax credits) for the 2021-23 biennium of \$8.680 billion is approximately \$429 million above the current forecast for the 2019-21 biennium of \$8.251 billion.

After accounting for the various tax credits, the total General Fund revenue forecast for the 2021-23 biennium is \$8.507 billion, \$418 million above the current forecast for the 2019-21 biennium (after tax credits) of \$8.089 billion.

The total net General Fund revenue forecast (after tax credits) for the 2021-23 biennium of \$8.507 billion is \$173 million less than the total gross General Fund revenue forecast (before tax credits) of \$8.680 billion due to the Commerce Tax credit against the MBT (-\$89 million) and the other six tax credit programs (-\$84 million).

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018		FY 2019		FY 2020		ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
	ACTUAL	% Change	ACTUAL	% Change	ACTUAL	% Change	FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
TAXES												
MINING TAX												
3064 Net Proceeds of Minerals [2-16][3-16][1-21]	\$63,522,196	151.5%	\$50,336,904	-20.8%	\$57,157,296	13.5%	\$130,207,000	127.8%	\$57,321,000	-56.0%	\$54,913,000	-4.2%
3245 Centrally Assessed Penalties	\$1		\$17,164		\$1,684		\$0		\$0		\$0	
TOTAL MINING TAXES AND FEES	\$63,522,196	151.4%	\$50,354,067	-20.7%	\$57,158,980	13.5%	\$130,207,000	127.8%	\$57,321,000	-56.0%	\$54,913,000	-4.2%
SALES AND USE												
3001 Sales & Use Tax [1-19][1-20]	\$1,142,799,766	4.8%	\$1,235,124,279	8.1%	\$1,214,701,336	-1.7%	\$1,178,675,000	-3.0%	\$1,206,567,000	2.4%	\$1,283,341,000	6.4%
3002 State Share - LSST [4-16][1-19][1-20]	\$11,091,996	4.6%	\$11,937,036	7.6%	\$11,770,188	-1.4%	\$11,492,000	-2.4%	\$11,764,000	2.4%	\$12,513,000	6.4%
3003 State Share - BCCRT [1-19][1-20]	\$4,996,610	5.6%	\$5,318,926	6.5%	\$5,254,882	-1.2%	\$5,157,000	-1.9%	\$5,279,000	2.4%	\$5,615,000	6.4%
3004 State Share - SCCRT [1-19][1-20]	\$17,481,048	5.6%	\$18,611,557	6.5%	\$18,387,225	-1.2%	\$18,048,000	-1.8%	\$18,476,000	2.4%	\$19,651,000	6.4%
3005 State Share - PTT [1-19][1-20]	\$12,857,082	15.5%	\$13,704,137	6.6%	\$13,825,825	0.9%	\$13,571,000	-1.8%	\$13,893,000	2.4%	\$14,777,000	6.4%
TOTAL SALES AND USE	\$1,189,226,502	4.9%	\$1,284,695,935	8.0%	\$1,263,939,457	-1.6%	\$1,226,943,000	-2.9%	\$1,255,979,000	2.4%	\$1,335,897,000	6.4%
GAMING - STATE												
3041 Percent Fees - Gross Revenue: <u>Before Tax Credits</u>	\$757,790,502	3.7%	\$752,165,675	-0.7%	\$619,269,825	-17.7%	\$548,333,000	-11.5%	\$667,051,000	21.7%	\$721,954,000	8.2%
<u>Tax Credit Programs:</u>												
Film Transferrable Tax Credits [TC-1]	\$0		-\$1,519,656		-\$337,637		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	-\$73,831,822		-\$41,943,604		-\$21,912,501		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	-\$355,000		\$0		-\$300,000		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$74,186,822		-\$43,463,260		-\$22,550,138		\$0		\$0		\$0	
Percent Fees - Gross Revenue: <u>After Tax Credits</u>	\$683,603,680	-0.7%	\$708,702,415	3.7%	\$596,719,687	-15.8%	\$548,333,000	-8.1%	\$667,051,000	21.7%	\$721,954,000	8.2%
3032 Pari-mutuel Tax	\$3,200	-6.0%	\$3,228	0.9%	\$3,379	4.7%	\$0	-100.0%	\$3,400	0.0%	\$3,500	2.9%
3181 Racing Fees	\$8,723	-12.2%	\$7,459	-14.5%	\$9,286	24.5%	\$0	-100.0%	\$9,300	0.0%	\$9,500	2.2%
3247 Racing Fines/Forfeitures	\$0		\$500		\$0		\$0		\$0		\$0	
3042 Gaming Penalties	\$415,429	-80.7%	\$22,214,808	5247.4%	\$176,184	-99.2%	\$700,000	297.3%	\$700,000	0.0%	\$700,000	0.0%
3043 Flat Fees-Restricted Slots [2-20]	\$8,270,489	1.2%	\$8,317,777	0.6%	\$8,073,138	-2.9%	\$7,582,000	-6.1%	\$7,763,000	2.4%	\$8,332,000	7.3%
3044 Non-Restricted Slots [2-20]	\$10,496,064	-1.4%	\$10,416,168	-0.8%	\$10,223,380	-1.9%	\$9,356,000	-8.5%	\$9,562,000	2.2%	\$10,361,000	8.4%
3045 Quarterly Fees-Games	\$6,390,520	-0.8%	\$6,266,332	-1.9%	\$5,439,293	-13.2%	\$5,567,000	2.3%	\$5,692,000	2.2%	\$6,045,000	6.2%
3046 Advance License Fees	\$1,000,375	-4.1%	\$1,434,605	43.4%	\$1,173,154	-18.2%	\$2,449,000	108.8%	\$3,615,000	47.6%	\$600,000	-83.4%
3048 Slot Machine Route Operator	\$32,000	-4.5%	\$32,000	0.0%	\$32,000	0.0%	\$31,500	-1.6%	\$31,500	0.0%	\$31,500	0.0%
3049 Gaming Info Systems Annual	\$36,000	0.0%	\$30,000	-16.7%	\$42,000	40.0%	\$30,000	-28.6%	\$30,000	0.0%	\$30,000	0.0%
3028 Interactive Gaming Fee - Operator	\$500,000	0.0%	\$500,000	0.0%	\$500,000	0.0%	\$500,000	0.0%	\$500,000	0.0%	\$500,000	0.0%
3029 Interactive Gaming Fee - Service Provider	\$56,000	1.8%	\$53,000	-5.4%	\$13,000	-75.5%	\$14,000	7.7%	\$15,000	7.1%	\$16,000	6.7%
3030 Interactive Gaming Fee - Manufacturer	\$100,000	0.0%	\$100,000	0.0%	\$75,000	-25.0%	\$75,000	0.0%	\$75,000	0.0%	\$75,000	0.0%
3033 Equip Mfg. License	\$291,520	6.0%	\$291,480	0.0%	\$286,510	-1.7%	\$286,000	-0.2%	\$288,000	0.7%	\$288,500	0.2%
3034 Race Wire License	\$4,439	-63.3%	\$3,977	-10.4%	\$5,059	27.2%	\$1,800	-64.4%	\$1,800	0.0%	\$1,700	-5.6%
3035 Annual Fees on Games	\$119,782	-1.2%	\$114,088	-4.8%	\$132,153	15.8%	\$152,000	15.0%	\$137,200	-9.7%	\$122,200	-10.9%
TOTAL GAMING - STATE: BEFORE TAX CREDITS	\$785,515,041	3.3%	\$801,951,098	2.1%	\$645,453,361	-19.5%	\$575,077,300	-10.9%	\$695,474,200	20.9%	\$749,069,900	7.7%
<u>Tax Credit Programs</u>	<u>-\$74,186,822</u>		<u>-\$43,463,260</u>		<u>-\$22,550,138</u>		<u>\$0</u>		<u>\$0</u>		<u>\$0</u>	
TOTAL GAMING - STATE: AFTER TAX CREDITS	\$711,328,219	-0.9%	\$758,487,838	6.6%	\$622,903,223	-17.9%	\$575,077,300	-7.7%	\$695,474,200	20.9%	\$749,069,900	7.7%
LIVE ENTERTAINMENT TAX (LET)												
3031G Live Entertainment Tax-Gaming [5-16]	\$100,863,918	-1.4%	\$105,613,998	4.7%	\$72,175,787	-31.7%	\$1,082,000	-98.5%	\$45,450,000	4100.6%	\$94,831,000	108.6%
3031NG Live Entertainment Tax-Nongaming [5-16]	\$24,544,887	-9.0%	\$25,642,344	4.5%	\$19,159,947	-25.3%	\$5,123,000	-73.3%	\$18,947,000	269.8%	\$23,666,000	24.9%
TOTAL LET	\$125,408,805	-3.0%	\$131,256,342	4.7%	\$91,335,734	-30.4%	\$6,205,000	-93.2%	\$64,397,000	937.8%	\$118,497,000	84.0%
COMMERCE TAX												
Commerce Tax [6-16]	\$201,926,513	2.1%	\$226,770,333	12.3%	\$204,983,790	-9.6%	\$191,937,000	-6.4%	\$201,028,000	4.7%	\$216,605,000	7.7%
TRANSPORTATION CONNECTION EXCISE TAX												
Transportation Connection Excise Tax [7-16]	\$21,773,229	-5.7%	\$30,216,771	38.8%	\$19,868,720	-34.2%	\$13,782,000	-30.6%	\$15,989,000	16.0%	\$28,578,000	78.7%
CIGARETTE TAX												
3052 Cigarette Tax [8-16][3-20]	\$160,664,759	-11.1%	\$164,392,540	2.3%	\$156,694,742	-4.7%	\$147,653,000	-5.8%	\$144,554,000	-2.1%	\$141,863,000	-1.9%

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**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
 ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
 ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	%	FY 2019 ACTUAL	%	FY 2020 ACTUAL	%	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
							FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
TAXES - CONTINUED												
MODIFIED BUSINESS TAX (MBT)												
MBT - NONFINANCIAL BUSINESSES (MBT-NFI) [9-16][10-16] [11-16][12-16][4-20]												
3069 MBT - Nonfinancial: <u>Before Tax Credits</u>	\$604,038,466	5.3%	\$644,970,150	6.8%	\$646,338,474	0.2%	\$614,260,000	-5.0%	\$639,594,000	4.1%	\$676,514,000	5.8%
Commerce Tax Credits [13-16]	<u>-\$57,111,521</u>		<u>-\$44,539,863</u>		<u>-\$49,894,345</u>							
MBT - Nonfinancial: <u>After Commerce Tax Credits</u>	\$546,926,945	3.1%	\$600,430,287	9.8%	\$596,444,129	-0.7%	\$614,260,000	3.0%	\$639,594,000	4.1%	\$676,514,000	5.8%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$15,925,154		-\$12,064,773		-\$11,069,828		\$0		\$0		\$0	
College Savings Plan Tax Credits [TC-6]	\$0		-\$731		\$0		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	<u>-\$15,925,154</u>		<u>-\$12,065,504</u>		<u>-\$11,069,828</u>		\$0		\$0		\$0	
MBT - Nonfinancial: <u>After Tax Credit Programs</u>	<u>\$531,001,790</u>	<u>1.0%</u>	<u>\$588,364,782</u>	<u>10.8%</u>	<u>\$585,374,301</u>	<u>-0.5%</u>	<u>\$614,260,000</u>	<u>4.9%</u>	<u>\$639,594,000</u>	<u>4.1%</u>	<u>\$676,514,000</u>	<u>5.8%</u>
MBT - FINANCIAL BUSINESSES (MBT-FI) [12-16][4-20]												
3069 MBT - Financial: <u>Before Tax Credits</u>	\$29,088,764	4.2%	\$29,919,524	2.9%	\$35,412,610	18.4%	\$40,502,000	14.4%	\$40,631,000	0.3%	\$42,443,000	4.5%
Commerce Tax Credits [13-16]	<u>-\$633,954</u>		<u>-\$329,401</u>		<u>-\$875,623</u>							
MBT - Financial: <u>After Commerce Tax Credits</u>	\$28,454,810	3.6%	\$29,590,123	4.0%	\$34,536,987	16.7%	\$40,502,000	17.3%	\$40,631,000	0.3%	\$42,443,000	4.5%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$50,000		\$0		-\$230,000		\$0		\$0		\$0	
College Savings Plan Tax Credits [TC-6]	\$0		\$0		\$0		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	<u>-\$50,000</u>		<u>\$0</u>		<u>-\$230,000</u>		\$0		\$0		\$0	
MBT - Financial: <u>After Tax Credit Programs</u>	<u>\$28,404,810</u>	<u>3.6%</u>	<u>\$29,590,123</u>	<u>4.2%</u>	<u>\$34,306,987</u>	<u>15.9%</u>	<u>\$40,502,000</u>	<u>18.1%</u>	<u>\$40,631,000</u>	<u>0.3%</u>	<u>\$42,443,000</u>	<u>4.5%</u>
MBT - MINING BUSINESSES (MBT-MINING) [11-16][4-20]												
3069 MBT - Mining: <u>Before Tax Credits</u>	\$22,508,221	1.6%	\$22,520,260	0.1%	\$22,992,626	2.1%	\$23,852,000	3.7%	\$24,561,000	3.0%	\$25,358,000	3.2%
Commerce Tax Credits [13-16]	<u>-\$71,092</u>		<u>-\$100,486</u>		<u>-\$70,648</u>							
MBT - Mining: <u>After Commerce Tax Credits</u>	\$22,437,129	1.5%	\$22,419,773	-0.1%	\$22,921,979	2.2%	\$23,852,000	4.1%	\$24,561,000	3.0%	\$25,358,000	3.2%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	\$0		\$0		\$0		\$0		\$0		\$0	
College Savings Plan Tax Credits [TC-6]	\$0		\$0		\$0		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	<u>\$0</u>		<u>\$0</u>		<u>\$0</u>		\$0		\$0		\$0	
MBT - Mining: <u>After Tax Credit Programs</u>	<u>\$22,437,129</u>	<u>1.5%</u>	<u>\$22,419,773</u>	<u>-0.1%</u>	<u>\$22,921,979</u>	<u>2.2%</u>	<u>\$23,852,000</u>	<u>4.1%</u>	<u>\$24,561,000</u>	<u>3.0%</u>	<u>\$25,358,000</u>	<u>3.2%</u>

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
 ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
 ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
							FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
TAXES - CONTINUED												
TOTAL MBT - NEI, FI. & MINING												
TOTAL MBT: BEFORE TAX CREDITS	\$655,635,451	5.1%	\$697,409,933	6.4%	\$704,743,710	1.1%	\$678,614,000	-3.7%	\$704,786,000	3.9%	\$744,315,000	5.6%
TOTAL COMMERCE TAX CREDITS [13-16]	-\$57,816,568		-\$44,969,750		-\$50,840,616		-\$45,774,000		-\$43,362,000		-\$45,227,000	
TOTAL MBT: AFTER COMMERCE TAX CREDITS	\$597,818,883	3.1%	\$652,440,183	9.1%	\$653,903,094	0.2%	\$632,840,000	-3.2%	\$661,424,000	4.5%	\$699,088,000	5.7%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$15,975,154		-\$12,064,773		-\$11,299,828		-\$11,400,000		-\$6,655,000		-\$6,655,000	
College Savings Plan Tax Credits [TC-6]	\$0		-\$731		\$0		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$15,975,154		-\$12,065,504		-\$11,299,828		-\$11,400,000		-\$6,655,000		-\$6,655,000	
TOTAL MBT: AFTER TAX CREDIT PROGRAMS	\$581,843,729	1.1%	\$640,374,679	10.1%	\$642,603,266	0.3%	\$621,440,000	-3.3%	\$654,769,000	5.4%	\$692,433,000	5.8%
INSURANCE TAXES												
3061 Insurance Premium Tax: Before Tax Credits [1-16]	\$417,497,362	8.8%	\$442,123,385	5.9%	\$458,514,238	3.7%	\$479,199,000	4.5%	\$496,540,000	3.6%	\$518,271,000	4.4%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Nevada New Markets Job Act Tax Credits [TC-3]	-\$23,234,613		-\$19,610,979		-\$7,775,281		-\$1,809,713		-\$24,000,000		-\$24,000,000	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$23,234,613		-\$19,610,979		-\$7,775,281		-\$1,809,713		-\$24,000,000		-\$24,000,000	
Insurance Premium Tax: After Tax Credit Programs	\$394,262,749	10.0%	\$422,512,406	7.2%	\$450,738,957	6.7%	\$477,389,287	5.9%	\$472,540,000	-1.0%	\$494,271,000	4.6%
3062 Insurance Retailatory Tax	\$170,507	-5.7%	\$309,525	81.5%	\$378,126	22.2%	\$344,300	-8.9%	\$349,300	1.5%	\$354,400	1.5%
3067 Captive Insurer Premium Tax	\$1,267,234	17.6%	\$1,266,281	-0.1%	\$1,244,273	-1.7%	\$1,255,000	0.9%	\$1,293,000	3.0%	\$1,335,000	3.2%
TOTAL INSURANCE TAXES: BEFORE TAX CREDITS	\$418,935,102	8.8%	\$443,699,191	5.9%	\$460,136,638	3.7%	\$480,798,300	4.5%	\$498,182,300	3.6%	\$519,960,400	4.4%
TAX CREDIT PROGRAMS	-\$23,234,613		-\$19,610,979		-\$7,775,281		-\$1,809,713		-\$24,000,000		-\$24,000,000	
TOTAL INSURANCE TAXES: AFTER TAX CREDITS	\$395,700,489	10.0%	\$424,088,212	7.2%	\$452,361,356	6.7%	\$478,988,587	5.9%	\$474,182,300	-1.0%	\$495,960,400	4.6%
REAL PROPERTY TRANSFER TAX (RPTT)												
3055 Real Property Transfer Tax	\$103,390,400	23.1%	\$101,045,306	-2.3%	\$100,266,873	-0.8%	\$106,507,000	6.2%	\$105,460,000	-1.0%	\$105,143,000	-0.3%
GOVERNMENTAL SERVICES TAX (GST)												
3051 Governmental Services Tax [14-16][2-18][5-20][2-21]	\$20,252,358	-47.5%	\$21,489,134	6.1%	\$21,307,879	-0.8%	\$94,266,000	342.4%	\$23,703,000	-74.9%	\$24,295,000	2.5%
OTHER TAXES												
3113 Business License Fee [15-16]	\$109,297,773	4.2%	\$110,336,678	1.0%	\$103,062,659	-6.6%	\$101,355,000	-1.7%	\$102,461,000	1.1%	\$104,681,000	2.2%
3050 Liquor Tax	\$44,194,634	0.7%	\$44,790,598	1.3%	\$42,312,940	-5.5%	\$38,917,000	-8.0%	\$40,896,000	5.1%	\$42,473,000	3.9%
3053 Other Tobacco Tax [6-20]	\$16,496,006	12.3%	\$18,099,022	9.7%	\$23,200,047	28.2%	\$30,011,000	29.4%	\$31,552,000	5.1%	\$32,838,000	4.1%
4862 HECC Transfer	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%
3068 Branch Bank Excise Tax	\$2,745,343	-1.4%	\$2,802,489	2.1%	\$2,608,720	-6.9%	\$2,590,000	-0.7%	\$2,562,000	-1.1%	\$2,535,000	-1.1%
Tax Amnesty [3-21]							\$14,000,000		\$0		\$0	
TOTAL TAXES: BEFORE TAX CREDITS	\$3,923,984,113	4.6%	\$4,134,309,440	5.4%	\$3,902,074,250	-5.6%	\$3,843,862,600	-1.5%	\$3,949,344,500	2.7%	\$4,226,663,300	7.0%
TOTAL COMMERCE TAX CREDITS [13-16]	-\$57,816,568		-\$44,969,750		-\$50,840,616		-\$45,774,000		-\$43,362,000		-\$45,227,000	
TOTAL TAXES: AFTER COMMERCE TAX CREDITS	\$3,866,167,545	4.3%	\$4,089,339,690	5.8%	\$3,851,233,634	-5.8%	\$3,798,088,600	-1.4%	\$3,905,982,500	2.8%	\$4,181,436,300	7.1%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		-\$1,519,656		-\$337,637		-\$10,000,000		-\$4,000,000		-\$6,000,000	
Economic Development Transferrable Tax Credits [TC-2]	-\$73,831,822		-\$41,943,604		-\$21,912,501		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	-\$355,000		\$0		-\$300,000		-\$350,000		\$0		\$0	
Nevada New Markets Job Act Tax Credits [TC-3]	-\$23,234,613		-\$19,610,979		-\$7,775,281		-\$1,809,713		-\$24,000,000		-\$24,000,000	
Education Choice Scholarship Tax Credits [TC-5]	-\$15,975,154		-\$12,064,773		-\$11,299,828		-\$11,400,000		-\$6,655,000		-\$6,655,000	
College Savings Plan Tax Credits [TC-6]	\$0		-\$731		\$0		-\$2,500		-\$2,500		-\$2,500	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		-\$3,000,000		-\$10,000,000	
Total - Tax Credit Programs	-\$113,396,589		-\$75,139,743		-\$41,625,247		-\$23,562,213		-\$37,657,500		-\$46,657,500	
TOTAL TAXES: AFTER TAX CREDITS	\$3,752,770,956	3.2%	\$4,014,199,946	7.0%	\$3,809,608,386	-5.1%	\$3,774,526,387	-0.9%	\$3,868,325,000	2.5%	\$4,134,778,800	6.9%

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
 ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
 ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018		FY 2019		FY 2020		ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
	ACTUAL	% Change	ACTUAL	% Change	ACTUAL	% Change	FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
LICENSES												
3101 Insurance Licenses	\$21,002,623	7.5%	\$21,928,437	4.4%	\$23,569,572	7.5%	\$24,898,000	5.6%	\$25,587,000	2.8%	\$26,690,000	4.3%
3120 Marriage License	\$342,192	-6.2%	\$331,666	-3.1%	\$267,159	-19.4%	\$178,900	-33.0%	\$223,000	24.7%	\$214,600	-3.8%
SECRETARY OF STATE												
3105 UCC	\$1,942,182	5.6%	\$2,408,248	24.0%	\$3,057,329	27.0%	\$3,414,000	11.7%	\$2,714,000	-20.5%	\$2,731,000	0.6%
3129 Notary Fees	\$556,389	1.4%	\$523,925	-5.8%	\$464,366	-11.4%	\$494,800	6.6%	\$516,500	4.4%	\$521,000	0.9%
3130 Commercial Recordings [16-16]	\$77,057,113	3.3%	\$76,200,543	-1.1%	\$72,629,712	-4.7%	\$71,594,000	-1.4%	\$72,284,000	1.0%	\$73,383,000	1.5%
3131 Video Service Franchise	\$5,050	48.5%	\$27,900	452.5%	\$2,950	-89.4%	\$3,500	18.6%	\$3,500	0.0%	\$3,500	0.0%
3121 Domestic Partnership Registry Fee	\$0		\$47,497		\$33,998	-28.4%	\$34,000	0.0%	\$34,000	0.0%	\$34,000	0.0%
3152 Securities	\$29,322,672	3.6%	\$29,879,214	1.9%	\$30,131,586	0.8%	\$31,494,000	4.5%	\$31,805,000	1.0%	\$32,066,000	0.8%
TOTAL SECRETARY OF STATE	\$108,883,405	3.4%	\$109,087,327	0.2%	\$106,319,941	-2.5%	\$107,034,300	0.7%	\$107,357,000	0.3%	\$108,738,500	1.3%
3172 Private School Licenses	\$214,155	0.6%	\$220,294	2.9%	\$194,318	-11.8%	\$213,500	9.9%	\$225,600	5.7%	\$231,000	2.4%
3173 Private Employment Agency	\$15,500	14.0%	\$18,600	20.0%	\$19,700	5.9%	\$20,600	4.6%	\$21,600	4.9%	\$22,700	5.1%
REAL ESTATE												
3161 Real Estate License [17-16]	\$2,469,797	5.3%	\$2,705,756	9.6%	\$2,533,241	-6.4%	\$2,470,000	-2.5%	\$2,551,000	3.3%	\$2,594,000	1.7%
3162 Real Estate Fees	\$1,670	-51.6%	\$1,800	7.8%	\$1,650	-8.3%	\$1,800	9.1%	\$1,800	0.0%	\$1,800	0.0%
TOTAL REAL ESTATE	\$2,471,467	5.2%	\$2,707,556	9.6%	\$2,534,891	-6.4%	\$2,471,800	-2.5%	\$2,552,800	3.3%	\$2,595,800	1.7%
3102 Athletic Commission Fees [18-16]	\$6,016,432	87.0%	\$4,333,982	-28.0%	\$4,021,180	-7.2%	\$259,000	-93.6%	\$3,333,000	1186.9%	\$4,000,000	20.0%
TOTAL LICENSES	\$138,945,774	6.1%	\$138,627,862	-0.2%	\$136,926,762	-1.2%	\$135,076,100	-1.4%	\$139,300,000	3.1%	\$142,492,600	2.3%
FEES AND FINES												
3203 Divorce Fees	\$164,198	-4.7%	\$158,760	-3.3%	\$144,113	-9.2%	\$121,500	-15.7%	\$129,700	6.7%	\$125,700	-3.1%
3204 Civil Action Fees	\$1,249,463	-2.9%	\$1,286,607	3.0%	\$1,226,220	-4.7%	\$1,013,000	-17.4%	\$1,192,000	17.7%	\$1,190,000	-0.2%
3242 Insurance Fines	\$676,092	-40.7%	\$482,053	-28.7%	\$390,033	-19.1%	\$396,700	1.7%	\$396,700	0.0%	\$396,700	0.0%
3242LC Investigative Recovery Costs - Labor Commission					\$18,000		\$19,900	10.6%	\$20,600	3.5%	\$21,300	3.4%
3103MD Medical Plan Discount Reg. Fees	\$0		\$1,500		\$0		\$0		\$0		\$0	
REAL ESTATE FEES												
3107IOS IOS Application Fees	\$7,780	15.4%	\$6,880	-11.6%	\$6,600	-4.1%	\$6,800	3.0%	\$6,900	1.5%	\$7,000	1.4%
3165 Land Co Filing Fees [19-16]	\$24,575	-0.5%	\$27,925	13.6%	\$19,400	-30.5%	\$23,300	20.1%	\$25,000	7.3%	\$25,000	0.0%
3169 Real Estate Reg Fees	\$12,275	71.7%	\$9,725	-20.8%	\$14,450	48.6%	\$13,200	-8.7%	\$11,500	-12.9%	\$11,500	0.0%
4741 Real Estate Exam Fees	\$601,757	27.5%	\$587,174	-2.4%	\$442,139	-24.7%	\$594,000	34.3%	\$599,300	0.9%	\$604,600	0.9%
3178 Real Estate Accred Fees	\$109,295	6.2%	\$115,250	5.4%	\$100,475	-12.8%	\$106,800	6.3%	\$107,600	0.7%	\$108,500	0.8%
3254 Real Estate Penalties	\$102,131	7.1%	\$104,900	2.7%	\$83,050	-20.8%	\$91,700	10.4%	\$91,700	0.0%	\$91,700	0.0%
3190 A.B. 165, Real Estate Inspectors	\$60,150	4.6%	\$58,374	-3.0%	\$62,730	7.5%	\$61,300	-2.3%	\$61,300	0.0%	\$61,300	0.0%
TOTAL REAL ESTATE FEES	\$917,963	18.7%	\$910,228	-0.8%	\$728,844	-19.9%	\$897,100	23.1%	\$903,300	0.7%	\$909,600	0.7%
3066 Short Term Car Lease	\$55,601,611	6.0%	\$57,304,945	3.1%	\$45,208,997	-21.1%	\$36,624,000	-19.0%	\$43,133,000	17.8%	\$47,007,000	9.0%
3103AC Athletic Commission Licenses/Fines	\$117,035	0.4%	\$139,525	19.2%	\$135,750	-2.7%	\$168,000	23.8%	\$120,000	-28.6%	\$135,000	12.5%
3150 Navigable Water Permit Fees [3-18]	\$61,185		\$65,000	6.2%	\$65,000	0.0%	\$65,000	0.0%	\$65,000	0.0%	\$65,000	0.0%
3205 State Engineer Sales [4-18]	\$3,860,659		\$3,886,601	0.7%	\$3,731,855	-4.0%	\$3,770,000	1.0%	\$3,770,000	0.0%	\$3,770,000	0.0%
3206 Supreme Court Fees	\$229,445	13.4%	\$252,460	10.0%	\$205,770	-18.5%	\$227,600	10.6%	\$233,800	2.7%	\$235,900	0.9%
3115 Notice of Default Fee	\$806,743	-11.4%	\$591,061	-26.7%	\$487,642	-17.5%	\$400,000	-18.0%	\$537,500	34.4%	\$500,000	-7.0%
3271 Misc Fines/Forfeitures [5-18]	\$2,764,378	14.5%	\$3,495,166	26.4%	\$1,671,151	-52.2%	\$1,750,000	4.7%	\$2,250,000	28.6%	\$2,500,000	11.1%
TOTAL FEES AND FINES	\$66,448,771	11.7%	\$68,573,906	3.2%	\$54,013,376	-21.2%	\$45,452,800	-15.8%	\$52,751,600	16.1%	\$56,856,200	7.8%

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
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DESCRIPTION	FY 2018 ACTUAL	%	FY 2019 ACTUAL	%	FY 2020 ACTUAL	%	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
							FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
USE OF MONEY AND PROP												
OTHER REPAYMENTS												
4403 Forestry Nurseries Fund Repayment (05-M27)	\$20,670		\$20,670		\$20,670		\$20,670		\$20,670		\$20,670	
4408 Comp/Fac Repayment	\$23,744		\$13,032		\$13,032		\$13,032		\$13,032		\$13,032	
4408 CIP 97-C26, Capitol Complex Conduit System, Phase I	\$62,542		\$62,542		\$0		\$0		\$0		\$0	
4408 CIP 97-S4H, Advance Planning Addition to Computer Facility	\$9,107		\$9,107		\$0		\$0		\$0		\$0	
4408 EITS Repayment - State Microwave Communications System [1-18]	\$57,900		\$57,900		\$57,900		\$57,900		\$266,915		\$266,915	
4408 EITS Repayment - Cyber Security Resource Enhancement [2-19]			\$124,406		\$201,079		\$178,351		\$124,406		\$0	
4408 EITS Repayment - Wide-Area Network Upgrade [3-19]			\$499,724		\$499,724		\$499,724		\$223,808		\$0	
4408 EITS Repayment - Enterprise Cloud Application [1-22]					\$0		\$0		\$448,209		\$448,209	
4408 EITS Repayment - Firewall Replacement [2-22]					\$0		\$0		\$679,792		\$679,792	
4409 Motor Pool Repay - LV	\$125,000		\$125,000		\$125,000		\$125,000		\$125,000		\$125,000	
TOTAL OTHER REPAYMENTS	\$298,963	18.7%	\$912,381	205.2%	\$917,405	0.6%	\$894,677	-2.5%	\$1,901,832	112.6%	\$1,553,618	-18.3%
INTEREST INCOME												
3290 Treasurer	\$9,146,057	155.6%	\$18,212,970	99.1%	\$20,026,728	10.0%	\$7,136,000	-64.4%	\$4,296,000	-39.8%	\$6,069,000	41.3%
3291 Other	\$115,117	163.2%	\$206,181	79.1%	\$177,821	-13.8%	\$22,500	-87.3%	\$42,500	88.9%	\$55,000	29.4%
TOTAL INTEREST INCOME	\$9,261,175	155.6%	\$18,419,152	98.9%	\$20,204,550	9.7%	\$7,158,500	-64.6%	\$4,338,500	-39.4%	\$6,124,000	41.2%
TOTAL USE OF MONEY & PROP	\$9,560,138	146.7%	\$19,331,533	102.2%	\$21,121,955	9.3%	\$8,053,177	-61.9%	\$6,240,332	-22.5%	\$7,677,618	23.0%
OTHER REVENUE												
3059 Hoover Dam Revenue	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%
MISC SALES AND REFUNDS												
4794 GST Commissions and Penalties / DMV [20-16]							\$0		\$0		\$0	
3047 Expired Slot Machine Wagering Vouchers	\$9,482,546	8.4%	\$10,372,316	9.4%	\$10,821,026	4.3%	\$7,952,000	-26.5%	\$8,360,000	5.1%	\$9,635,000	15.3%
3107 Misc Fees [3-18]	\$497,111	31.6%	\$418,804	-15.8%	\$410,057	-2.1%	\$443,200	8.1%	\$443,200	0.0%	\$443,200	0.0%
3109 Court Admin Assessments [21-16][6-18][7-20]	\$1,551,956		\$1,672,413	7.8%	\$0		\$0		\$0		\$0	
3114 Court Administrative Assessment Fee	\$2,095,971	1.4%	\$2,144,139	2.3%	\$1,831,501	-14.6%	\$1,657,000	-9.5%	\$2,005,000	21.0%	\$2,109,000	5.2%
3168 Declare of Candidacy Filing Fee	\$35,075	81.7%	\$36,842	5.0%	\$20,405	-44.6%	\$23,300	14.2%	\$35,000	50.2%	\$23,300	-33.4%
3202 Fees & Writs of Garnishments	\$1,740	-1.4%	\$6,500	273.6%	\$1,295	-80.1%	\$1,000	-22.8%	\$1,300	30.0%	\$1,200	-7.7%
3220 Nevada Report Sales	\$4,895	16.3%	\$11,265	130.1%	\$3,450	-69.4%	\$6,900	100.0%	\$7,500	8.7%	\$7,500	0.0%
3222 Excess Property Sales	\$3,400	-7.7%	\$9,516	179.9%	\$6,446	-32.3%	\$6,100	-5.4%	\$6,100	0.0%	\$6,100	0.0%
3240 Sale of Trust Property	\$864	-91.2%	\$3,511	306.3%	\$573	-83.7%	\$600	4.7%	\$900	50.0%	\$900	0.0%
3243 Insurance - Misc	\$397,998	8.5%	\$354,889	-10.8%	\$364,448	2.7%	\$364,800	0.1%	\$364,800	0.0%	\$364,800	0.0%
3274 Misc Refunds	\$51,085	-96.6%	\$37,467	-26.7%	\$30,139	-19.6%	\$34,300	13.8%	\$34,300	0.0%	\$34,300	0.0%
3276 Cost Recovery Plan [7-18][8-20]	\$9,839,249	-3.7%	\$10,438,523	6.1%	\$10,588,533	1.4%	\$10,981,630	3.7%	\$10,206,992	-7.1%	\$9,803,603	-4.0%
TOTAL MISC SALES & REF	\$23,961,888	2.7%	\$25,506,185	6.4%	\$24,077,873	-5.6%	\$21,470,830	-10.8%	\$21,465,092	0.0%	\$22,428,903	4.5%
3255 Unclaimed Property	\$26,723,929	3.3%	\$20,964,747	-21.6%	\$31,198,989	48.8%	\$27,387,000	-12.2%	\$27,317,000	-0.3%	\$27,245,000	-0.3%
TOTAL OTHER REVENUE	\$50,985,818	3.0%	\$46,770,931	-8.3%	\$55,576,862	18.8%	\$49,157,830	-11.5%	\$49,082,092	-0.2%	\$49,973,903	1.8%
TOTAL GENERAL FUND REVENUE: BEFORE TAX CREDITS	\$4,189,924,613	4.8%	\$4,407,613,671	5.2%	\$4,169,713,203	-5.4%	\$4,081,602,507	-2.1%	\$4,196,718,524	2.8%	\$4,483,663,621	6.8%
TOTAL COMMERCE TAX CREDITS [13-16]	-\$57,816,568		-\$44,969,750		-\$50,840,616		-\$45,774,000		-\$43,362,000		-\$45,227,000	
TOTAL GENERAL FUND REVENUE: AFTER COMMERCE TAX CREDITS	\$4,132,108,045	4.5%	\$4,362,643,921	5.6%	\$4,118,872,587	-5.6%	\$4,035,828,507	-2.0%	\$4,153,356,524	2.9%	\$4,438,436,621	6.9%
TAX CREDIT PROGRAMS:												
FILM TRANSFERRABLE TAX CREDITS [TC-1]	\$0		-\$1,519,656		-\$337,637		-\$10,000,000		-\$4,000,000		-\$6,000,000	
ECONOMIC DEVELOPMENT TRANSFERRABLE TAX CREDITS [TC-2]	-\$73,831,822		-\$41,943,604		-\$21,912,501		\$0		\$0		\$0	
CATALYST ACCOUNT TRANSFERRABLE TAX CREDITS [TC-4]	-\$355,000		\$0		-\$300,000		-\$350,000		\$0		\$0	
NEVADA NEW MARKET JOBS ACT TAX CREDITS [TC-3]	-\$23,234,613		-\$19,610,979		-\$7,775,281		-\$1,809,713		-\$24,000,000		-\$24,000,000	
EDUCATION CHOICE SCHOLARSHIP TAX CREDITS [TC-5]	-\$15,975,154		-\$12,064,773		-\$11,299,828		-\$11,400,000		-\$6,655,000		-\$6,655,000	
COLLEGE SAVINGS PLAN TAX CREDITS [TC-6]	\$0		-\$731		\$0		-\$2,500		-\$2,500		-\$2,500	
AFFORDABLE HOUSING TRANSFERRABLE TAX CREDITS [TC-7]	\$0		\$0		\$0		\$0		-\$3,000,000		-\$10,000,000	
TOTAL- TAX CREDIT PROGRAMS	-\$113,396,589		-\$75,139,743		-\$41,625,247		-\$23,562,213		-\$37,657,500		-\$46,657,500	
TOTAL GENERAL FUND REVENUE: AFTER TAX CREDITS	\$4,018,711,456	3.6%	\$4,287,504,178	6.7%	\$4,077,247,340	-4.9%	\$4,012,266,294	-1.6%	\$4,115,699,024	2.6%	\$4,391,779,121	6.7%

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	%	Change	FY 2019 ACTUAL	%	Change	FY 2020 ACTUAL	%	Change	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
										FY 2021 FORECAST	%	Change	FY 2022 FORECAST	%	Change

NOTES:

FY 2016: Note 1 represents legislative actions approved during the 28th Special Session in September 2014.

[1-16] Assembly Bill 3 (28th S.S.) limits the amount of the home office credit that may be taken against the Insurance Premium Tax to an annual limit of \$5 million, effective January 1, 2016. The home office credit is eliminated pursuant to this bill, effective January 1, 2021.

FY 2016: Notes 2 through 21 represent legislative actions approved during the 2015 Legislative Session.

[2-16] S.B. 483 extends the June 30, 2015, sunset (approved in S.B. 475 (2013)) by one year to June 30, 2016, on the Net Proceeds of Minerals (NPM) tax, which continues the payment of taxes in the current fiscal year based on the estimated net proceeds for the current calendar year with a true-up against actual net proceeds for the calendar year in the next fiscal year. The one-year extension of the sunset is estimated to yield \$34,642,000 in FY 2016. There is no estimated tax payment in FY 2017 with the one-year extension of the prepayment of NPM taxes.

[3-16] S.B. 483 extends the June 30, 2015, sunset (approved in S.B. 475 (2013)) by one-year to June 30, 2016, that eliminates health and industrial insurance deductions allowed against gross proceeds to determine net proceeds for the purpose of calculating the Net Proceeds of Minerals (NPM) tax liability. These deduction changes are effective for the NPM tax payments due in FY 2016. The health and industrial insurance deduction changes are estimated to generate \$4,221,000 in additional revenue in FY 2016.

[4-16] S.B. 483 makes the 0.35% increase in the Local School Support Tax (LSST) permanent. The 0.35% increase generates additional revenue from the 0.75% General Fund Commission assessed against LSST proceeds before distribution to school districts in each county, which is estimated to generate \$1,387,300 in FY 2016 and \$1,463,400 in FY 2017.

[5-16] S.B. 266 makes changes to the structure of the tax base and tax rate for the Live Entertainment Tax (LET) in NRS Chapter 368A that is administered by the Gaming Control Board for live entertainment at licensed gaming establishments and the Department of Taxation for live entertainment provided at non-gaming establishments. Under existing law, the tax rate is 10% of the admission charge and amounts paid for food, refreshments, and merchandise, if the live entertainment is provided at a facility with a maximum occupancy of less than 7,500 persons, and 5% of the admission charge only, if the live entertainment is provided at a facility with a maximum occupancy equal to or greater than 7,500 persons. S.B. 266 removes the occupancy threshold and establishes a single 9% tax rate on the admission charge to the facility only. The tax rate does not apply to amounts paid for food, refreshments, and merchandise unless that is the consideration required to enter the facility for the live entertainment. S.B. 266 adds the total amount of consideration paid for escorts and escort services to the LET tax base and makes these activities subject to the 9% tax rate. The bill provides that the exemption from the LET for certain nonprofit organizations applies depending on the number of tickets sold and the type of live entertainment being provided. S.B. 266 establishes an exemption for the following: 1.) the value of certain admissions provided on a complimentary basis; 2.) a charge for access to a table, seat, or lounge or for food, beverages, and merchandise that are in addition to the admission charge to the facility; and 3.) certain license and rental fees of luxury suites, boxes, or similar products at a facility with a maximum occupancy of more than 7,500 persons. The provisions of S.B. 266 also make other changes to the types of activities that are included or excluded from the tax base as live entertainment events subject to the 9% tax rate. The provisions of S.B. 266 are effective October 1, 2015. The amounts shown reflect the estimated net change from the provisions of S.B. 266 on the amount of the LET collected from the portion administered by the Gaming Control Board and the Department of Taxation separately and the combined impact. The changes to the LET are estimated to reduce LET-Gaming collections by \$19,165,000 in FY 2016 and by \$26,551,000 in FY 2017, but increase LET-Nongaming collections by \$15,483,000 in FY 2016 and \$25,313,000 in FY 2017. The combined net effect on total LET collections is estimated to be reduction of \$3,682,000 in FY 2016 and \$1,238,000 in FY 2017.

[6-16] S.B. 483 establishes the Commerce Tax as an annual tax on each business entity engaged in business in the state whose Nevada gross revenue in a fiscal year exceeds \$4,000,000 at a tax rate based on the industry in which the business is primarily engaged. The Commerce Tax is due on or before the 45th day immediately following the fiscal year taxable period (June 30th). Although the Commerce Tax collections are received after the June 30th end of the fiscal year tax period, the proceeds from the Commerce Tax will be accrued back and accounted for in that fiscal year, since that fiscal year is not officially closed until the third Friday in September. The Commerce Tax provisions are effective July 1, 2015, for the purpose of taxing the Nevada gross revenue of a business, but the first tax payment will not be made until August 14, 2016, for the FY 2016 annual taxable business activity period.

[7-16] A.B. 175 requires the collection of an excise tax by the Nevada Transportation Authority or the Taxicab Authority, as applicable, on the connection of a passenger to a driver affiliated with a transportation network company, a common motor carrier of passengers, or a taxicab equal to 3% of the fare charged to the passenger. The excise tax becomes effective on passage and approval (May 29, 2015) for transportation network companies and August 28, 2015, for common motor carrier and taxicab companies. The first \$5,000,000 in tax proceeds from each biennium are required to be deposited in the State Highway Fund and the estimate for FY 2016 reflects this requirement.

[8-16] S.B. 483 increases the cigarette tax per pack of 20 by \$1.00 from 80 cents per pack (10 cents to Local Government Distribution Fund, 70 cents to State General Fund) to \$1.80 per pack (10 cents to Local Government Distribution Fund, \$1.70 to State General Fund), effective July 1, 2015. The \$1.00 per pack increase is estimated to generate \$96,872,000 in FY 2016 and \$95,391,000 in FY 2017.

[9-16] S.B. 483 permanently changes the structure and tax rate for the Modified Business Tax on General Business (nonfinancial institutions) by exempting quarterly taxable wages (gross wages less allowable health care expenses) paid by an employer to employees up to and including \$50,000 per quarter and taxable wages exceeding \$50,000 per quarter are taxed at 1.475%. The taxable wages exemption threshold was \$85,000 per quarter for FY 2014 and FY 2015 with a 1.17% tax rate on quarterly taxable wages exceeding \$85,000, based on S.B. 475 (2013). These provisions in S.B. 475 were scheduled to sunset effective June 30, 2015, at which time the tax rate would have been 0.63% on all taxable wages per quarter. The provisions in S.B. 483 are effective July 1, 2015. The estimated net increase in MBT-NFI tax collections from the 1.475% tax rate on quarterly taxable wages exceeding \$50,000 compared to the Economic Forum May 1, 2015, forecast, based on the 0.63% tax rate on all quarterly taxable wages before accounting for the estimated impact of any other legislatively approved changes to the MBT-NFI is \$268,041,000 for FY 2016 and \$281,443,000 for FY 2017.

[10-16] A.B. 389 deems the client company of an employee leasing company to be the employer of the employees it leases for the purposes of NRS Chapter 612 (unemployment compensation). Under these provisions, the wages of employees leased from employee leasing companies by client companies will no longer be reported on an aggregated basis under the employee leasing company. The wages of the employees will now be reported on a disaggregated basis under each client company. Instead of the \$50,000 quarterly exemption applying to the employee leasing company, it will now apply to each client company. These provisions are effective October 1, 2015. The wages paid to employees being reported on a disaggregated basis for each client company versus an aggregated basis for the employee leasing company is estimated to reduce MBT-NFI collections by \$2,758,000 in FY 2016 and \$3,861,000 in FY 2017.

[11-16] S.B. 483 requires businesses subject to the Net Proceeds of Minerals (NPM) tax in NRS Chapter 362 to pay a 2.0% tax on all quarterly taxable wages paid by the employer to the employees, which is identical to the Modified Business Tax (MBT) paid by financial institutions under NRS Chapter 363A. These provisions are effective July 1, 2015. This change is estimated to reduce MBT-NFI tax collections by \$10,884,000 in both FY 2016 and FY 2017. The mining companies paying the 2% tax rate on all taxable wages are estimated to generate \$17,353,000 in both FY 2016 and FY 2017 for the MBT-Mining. This change is estimated to yield a net increase in General Fund revenue of \$6,469,000 in both FY 2016 and FY 2017.

[12-16] S.B. 103 exempts from the definition of "financial institution" in NRS Chapter 363A any person who is primarily engaged in the sale, solicitation, or negotiation of insurance, which makes such a person subject to the Modified Business Tax on General Business (nonfinancial institutions) in NRS Chapter 363B at 1.475% on quarterly taxable wages exceeding \$50,000 and not the 2.0% tax on all quarterly taxable wages. These provisions are effective July 1, 2015. MBT-FI is estimated to be reduced by \$891,000 in FY 2016 and \$936,000 and the MBT-NFI is estimated to be increased by \$278,000 in FY 2016 and \$291,000 in FY 2017. The net decrease in General Fund revenue is estimated to be \$613,000 in FY 2016 and \$645,000 in FY 2017.

[13-16] S.B. 483 provides for a credit against a business's Modified Business Tax (MBT) due during the current fiscal year not to exceed 50% of the Commerce Tax paid by the business for the preceding fiscal year. The credit can be taken against any or all of the four quarterly MBT payments for the current fiscal year, but any amount of credit not used cannot be carried forward and used in succeeding fiscal years. The total estimated Commerce Tax credits against the MBT are estimated to be \$59,913,000 in FY 2017, but this estimated credit amount was not allocated separately to the MBT-NFI, MBT-FI, and MBT-Mining.

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
							FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
[14-16]	S.B. 483 requires 100% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2016. In FY 2017, 50% of the proceeds will be allocated to the State General Fund and 50% to the State Highway Fund. Under S.B. 483, 100% of the additional revenue generated from the GST 10% depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2018 and going forward permanently.											
[15-16]	S.B. 483 makes the \$100 increase in the Business License Fee (BLF) from \$100 to \$200 permanent for the initial and annual renewal, that was scheduled to sunset on June 30, 2015, (as approved in A.B. 475 (2013)) for all types of businesses, except for corporations. The initial and annual renewal fee for corporations, as specified in S.B. 483, is increased from \$200 to \$500 permanently. These provisions are effective July 1, 2015. The changes to the BLF are estimated to generate additional General Fund revenue of \$63,093,000 in FY 2016 and \$64,338,000 in FY 2017 in relation of the Economic Forum May 1, 2015, forecast with all business types paying a \$100 annual fee.											
[16-16]	S.B. 483 permanently increases the fee for filing the initial and annual list of directors and officers by \$25 that is required to be paid by each business entity organizing under the various chapters in Title 7 of the NRS, effective July 1, 2015. The \$25 increase in the initial and annual list filing fee is estimated to increase Commercial Recordings Fee revenue by \$2,751,000 in FY 2016 and \$2,807,000 in FY 2017.											
[17-16]	A.B. 475 changes the initial period from 24 to 12 months and the renewal period from 48 to 24 months for a license as a real estate broker, broker-salesperson, or salesperson and also changes the period for other licenses from 48 to 24 months, effective July 1, 2015. Existing licenses issued before July 1, 2015, do not need to be renewed until the expiration date required under statute prior to July 1, 2015. This change in the licensing period is estimated to reduce Real Estate License Fee revenue by \$1,693,400 in FY 2016 and \$1,404,200 in FY 2017.											
[18-16]	A.B. 476 increases the current 6% license fee on the gross receipts from admission charges to unarmed combat events, that is dedicated to the State General Fund, by 2% to 8% with 75% of the proceeds from the 8% fee deposited in the State General Fund and 25% retained by the Athletic Commission to fund the agency's operations. A.B. 476 repeals the two-tiered fee based on the revenues from the sale or lease of broadcast, television and motion picture rights that is dedicated to the State General Fund. A.B. 476 allows the promoter of an unarmed combat event a credit against the 8% license fee equal to the amount paid to the Athletic Commission or organization sanctioned by the Commission to administer a drug testing program for unarmed combatants. These provisions are effective June 9, 2015, based on the passage and approval effective date provisions of A.B. 476. These changes are estimated to reduce Athletic Commission Fee revenue by \$600,000 in both FY 2016 and FY 2017.											
[19-16]	A.B. 478 increases certain fees relating to application or renewals paid by developers for exemptions to any provisions administered by the Real Estate Division of the Department of Business and Industry, and requires that all fees collected for this purpose be kept by the Division, effective July 1, 2015. This requirement for the Division to keep these fees is estimated to reduce Real Estate Land Company filing fees by approximately \$152,600 in FY 2016 and \$153,300 in FY 2017.											
[20-16]	A.B. 491 (2013) required the proceeds from the commission retained by the Department of Motor Vehicles from the amount of Governmental Services Tax (GST) collected and any penalties for delinquent payment of the GST to be transferred to the State General Fund in FY 2015 only. A.B. 491 specified that the amount transferred shall not exceed \$20,813,716 from commissions and \$4,097,964 from penalties in FY 2015. A.B. 490 amended the commissions amount to \$23,724,000 and the penalties amount to \$5,037,000. This results in an estimated net increase in General Fund revenue of \$3,849,320 in FY 2015 from GST Commissions and Penalties.											
[21-16]	Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2016 and FY 2017.											
FY 2018: Note 1 represents legislative actions approved during the 2015 Legislative Session.												
[1-18]	Section 51 of S.B. 514 allows the Division of Enterprise Information Technology Services of the Department of Administration to use revenues from intergovernmental transfers to the State General Fund for the repayment of special appropriations that were made to the Division for the replacement of the state's microwave communications system. The legislatively approved repayment from the Division to the State General Fund is \$57,900 per year between FY 2018 and FY 2021, with increased repayments between FY 2022 and FY 2028.											
FY 2018: Notes 2 through 7 represent legislative actions approved during the 2017 Legislative Session.												
[2-18]	A.B. 486 requires 25% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2018 and FY 2019, with the remaining 75% deposited in the State Highway Fund. Under A.B. 486, 100% of the additional revenue generated from the GST 10% depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2020 and going forward permanently. Estimated to generate \$19,367,000 in FY 2018 and \$19,573,500 in FY 2019.											
[3-18]	S.B. 512 removes fees for the issuance of certain permits relating to the usage of piers, docks, buoys, or other facilities on navigable bodies of water in this state from NRS 322.120, and instead requires that the State Land Registrar of the Division of State Lands of the Department of Conservation and Natural Resources establish these fees by regulation, effective July 1, 2017. The bill requires that the first \$65,000 of the proceeds from these permit fees be deposited in the State General Fund in each fiscal year, with any proceeds in excess of \$65,000 to be used by the State Land Registrar to carry out programs to preserve, protect, restore, and enhance the natural environment of the Lake Tahoe Basin.											
[4-18]	S.B. 514 requires that certain fees collected by the State Engineer of the Division of Water Resources of the Department of Conservation and Natural Resources relating to services for the adjudication and appropriation of water be deposited in the State General Fund. Estimated to generate \$3,467,000 per year in FY 2018 and FY 2019.											
[5-18]	S.B. 515 requires that certain penalties received by the Securities Division of the Secretary of State's Office be deposited in the State General Fund, instead of the Secretary of State's Office's operating budget, effective July 1, 2017. Estimated to generate \$117,256 per fiscal year in FY 2018 and FY 2019.											
[6-18]	Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2018 and FY 2019. Estimated to generate \$1,328,228 in FY 2018 and \$1,080,780 in FY 2019.											
[7-18]	Adjustment to the Statewide Cost Allocation amount included in the Legislature Approves budget after the May 1, 2017, approval of the General Fund revenue forecast by the Economic Forum.											
FY 2019: Notes 1 through 3 represent legislative actions approved during the 2017 Legislative Session.												
[1-19]	Senate Bill 415 (2017) required the submission of a question on the November 2018 General Election ballot seeking approval to amend the Sales and Use Tax Act of 1955 to provide an exemption from the State 2% sales and use tax for certain feminine hygiene products. This ballot question was approved by the voters and, therefore, the sales tax exemption for these products will be effective January 1, 2019, until December 31, 2028.											
[2-19]	S.B. 415 also provides that if the ballot question is approved by the voters, identical exemptions for these products from the Local School Support Tax and other state and local taxes would become effective January 1, 2019, and would also expire on December 31, 2028. These exemptions will reduce the amount of the commission that is kept by the Department of Taxation and deposited in the State General Fund for collection of these taxes.											
[2-19]	Section 39 of A.B. 518 provides General Fund appropriations of \$497,625 in FY 2018 and \$306,690 in FY 2019 to the Division of Enterprise Information Technology Services of the Department of Administration to enhance the state's cyber security resources. The legislatively approved repayment of these appropriations is 25 percent of the amounts appropriated per year, beginning in FY 2019 (for the FY 2018 appropriation) and in FY 2020 (for the FY 2019 appropriation).											
[3-19]	Section 40 of A.B. 518 provides a General Fund appropriation of \$1,998,895 in FY 2018 to the Division of Enterprise Information Technology Services of the Department of Administration to increase the bandwidth and connectivity of the State's wide area network. The legislatively approved repayment of this appropriation is 25 percent of the amount appropriated per year, beginning in FY 2019.											

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	%	Change	FY 2019 ACTUAL	%	Change	FY 2020 ACTUAL	%	Change	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
										FY 2021 FORECAST	%	Change	FY 2022 FORECAST	%	Change

FY 2020: Notes 1 through 8 represent legislative actions approved during the 2019 Legislative Session.

- [1-20] A.B. 445 requires a marketplace facilitator, defined as a person who facilitates the sale of tangible personal property by a marketplace seller in the state of Nevada, to collect and remit sales and use taxes on certain sales that are facilitated on behalf of the marketplace seller, effective October 1, 2019. Estimated to generate \$16,459,000 in FY 2020 and \$21,945,000 in FY 2021 for the State 2% rate. This requirement is also estimated to increase collections for the General Fund Commissions by \$668,000 in FY 2020 (LSST: \$160,000; BCCRT: \$72,000; SCCRT: \$252,000; PTT: \$184,000) and \$892,000 in FY 2021 (LSST: \$214,000; BCCRT: \$96,000; SCCRT: \$336,000; PTT: \$246,000).
- [2-20] S.B. 535 removes the requirement that an amount equal to \$2 per slot machine collected from quarterly restricted and non-restricted slot machine fees be allocated to the Account to Support Programs for the Prevention and Treatment of Problem Gambling. Estimated to generate \$1,303,100 in FY 2020 (Non-restricted: \$1,149,400; Restricted: \$153,700) and \$1,298,800 in FY 2021 (Non-restricted: \$1,143,900; Restricted: \$154,900).
- [3-20] A.B. 535 increases the existing license fee on wholesale dealers of cigarettes, which is currently distributed between the State General Fund and local governments, and establishes new license fees for manufacturers, wholesale dealers of other tobacco products, and tobacco retailers. This bill requires all license fee proceeds to be retained by the Department of Taxation to administer and enforce the cigarette and OTP statutes. This action to require the license fees on wholesale dealers of cigarettes to be retained by the Department is estimated to reduce General Fund revenue by less than \$10,000 per year in FY 2020 and FY 2021; thus, no adjustment is made to the forecast.
- [4-20] S.B. 551 permanently repeals the provisions requiring the Modified Business Tax (MBT) tax rates on nonfinancial institutions (MBT-NFI), financial institutions (MBT-FI), and mining companies (MBT-Mining) to be reduced by the Department of Taxation if actual collections from these taxes, in combination with collections from the Commerce Tax and Branch Bank Excise Tax and tax credits taken against the MBT, are more than 4% above the Economic Forum's May forecast in any even-numbered fiscal year.

As a result of the passage of this bill, the rates for the MBT-NFI, which was to be reduced to 1.378% for all taxable wages in excess of \$50,000 per calendar quarter, and the MBT-FI and MBT-Mining, which were to be reduced to 1.853% for all taxable wages, effective July 1, 2019, will remain at the current rates of 1.475% (for the MBT-NFI) and 2% (for the MBT-FI and MBT-Mining), on and after that date. Estimated to generate \$48,166,000 in FY 2020 (MBT-NFI: \$44,101,000; MBT-FI: \$2,335,000; MBT-Mining: \$1,730,000) and \$49,998,000 in FY 2021 (MBT-NFI: \$45,827,000; MBT-FI: \$2,420,000; MBT-Mining: \$1,751,000).
- [5-20] S.B. 541 requires 25% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund on a permanent basis, effective July 1, 2019. The remaining 75% portion of these proceeds are to be deposited in the State Highway Fund. Estimated to generate \$21,954,000 in FY 2020 and \$22,321,000 in FY 2021.
- [6-20] S.B. 263 specifies that alternative nicotine products and vapor products, including e-cigarettes and their components, are subject to the 30 percent wholesale tax on other tobacco products, effective January 1, 2020. Estimated to generate \$3,699,000 in FY 2020 and \$7,931,000 in FY 2021.
- [7-20] Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2020 and FY 2021. Estimated to generate \$351,220 in FY 2020 and \$270,166 in FY 2021.
- [8-20] Adjustment to the Statewide Cost Allocation amount included in the Legislatively Approved budget after the May 1, 2019, approval of the General Fund revenue forecast by the Economic Forum.

FY 2021: Notes 1 through 3 represent legislative actions approved during the 31st Special Session (July 2020).

- [1-21] S.B. 3 requires the advance payment on the net proceeds of minerals (NPM) tax in FY 2021 based on the estimated net proceeds for the current calendar year 2021. This additional NPM tax payment in FY 2021 is estimated to generate \$54,500,000 from the General Fund portion of the tax due on the estimated net proceeds for calendar year 2021 based on the consensus estimate prepared by the Department of Taxation, Budget Division, and the Fiscal Analysis Division. The provisions of S.B. 3 also apply to FY 2022 and FY 2023, but the NPM tax reverts back to the former method (tax due based on actual mining activity from the preceding calendar year) of taxing net proceeds on July 1, 2023.
- [2-21] S.B. 3 requires 100% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2021 only. Beginning in FY 2022, the distribution reverts to 75% of the additional revenue generated from the GST 10% depreciation schedule change deposited in the State Highway Fund and 25% deposited in the State General Fund, as approved in S.B. 541 (2019). Estimated to generate an additional \$71,346,000 in FY 2021 for the State General Fund, based on the consensus estimate prepared by the Budget Division and the Fiscal Analysis Division.
- [3-21] A.B. 535 increases the existing license fee on wholesale dealers of cigarettes, which is currently distributed between the State General Fund and local governments, and establishes new license fees for manufacturers, wholesale dealers of other tobacco products, and tobacco retailers. This bill requires all license fee proceeds to be retained by the Department of Taxation to administer and enforce the cigarette and OTP statutes. This action to require the license fees on wholesale dealers of cigarettes to be retained by the Department is estimated to reduce General Fund revenue by less than \$10,000 per year in FY 2020 and FY 2021; thus, no adjustment is made to the forecast.

FY 2022: Notes 1 and 2 represent legislative actions approved during the 2019 Legislative Session.

- [1-22] Section 1 of A.B. 512 provides a General Fund appropriation of \$2,138,800 in FY 2020 to the Division of Enterprise Information Technology Services of the Department of Administration for the implementation of an enterprise cloud electronic mail and business productivity application. The legislatively approved repayment of this appropriation is 25 percent of the amount appropriated per year, beginning in FY 2022.
- [2-22] Section 2 of A.B. 512 provides a General Fund appropriation of \$4,186,202 in FY 2020 to the Division of Enterprise Information Technology Services of the Department of Administration for the replacement of firewalls. The legislatively approved repayment of this appropriation is 25 percent of the amount appropriated per year, beginning in FY 2022.

TAX CREDIT PROGRAMS APPROVED BY THE LEGISLATURE

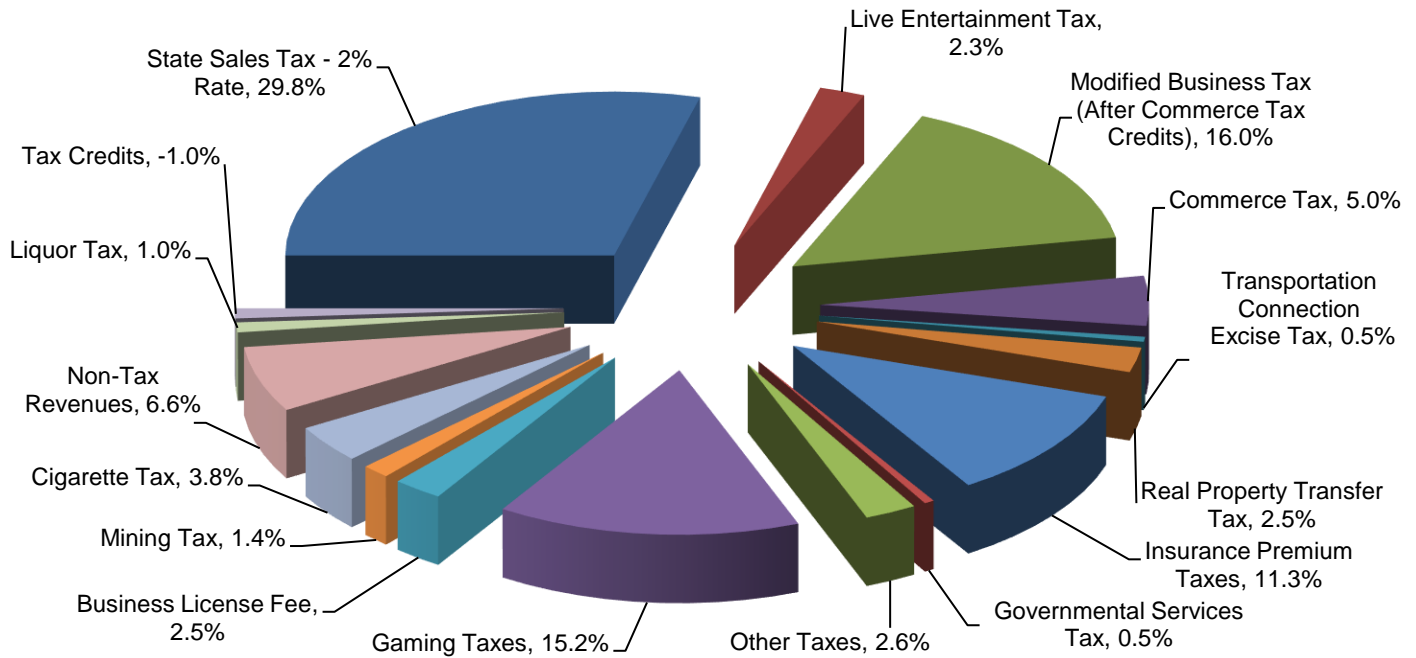
- [TC-1] Pursuant to S.B. 165 (2013), the Governor's Office of Economic Development (GOED) could issue up to \$20 million per fiscal year for a total of \$80 million for the four-year pilot program in transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. The provisions of the film tax credit program were amended in S.B. 1 (28th Special Session (2014)) to reduce the total amount of the tax credits that may be approved by GOED to a total of \$10 million.

Pursuant to A.B. 492 (2017), a total of \$10 million per year in film tax credits may be awarded by GOED beginning in FY 2018, in addition to any remaining amounts from S.B. 1 of the 28th Special Session (2014). Any portion of the \$10 million per fiscal year that is not approved by GOED may be carried forward and made available during the next or any future fiscal year. The amounts shown for FY 2021, FY 2022, and FY 2023 are based on information provided by GOED.

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	%	FY 2019 ACTUAL	%	FY 2020 ACTUAL	%	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST												
							FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change							
[TC-2] Pursuant to S.B. 1 (28th Special Session (2014)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$12,500 for each qualified employee employed by the participants in the project, to a maximum of 6,000 employees, plus 5 percent of the first \$1 billion of new capital investment in the State made collectively by the participants in the qualifying project, plus an additional 2.8 percent of the next \$2.5 billion in new capital investment in the State made collectively by the participants in the project. The amount of credits approved by GOED may not exceed \$45 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$195 million. The forecast is \$0 per fiscal year for FY 2021, FY 2022, and FY 2023, because the entirety of the \$195 million in transferrable tax credits that could be authorized pursuant to S.B. 1 have been awarded and used.																			
[TC-3] Pursuant to S.B. 357 (2013), the Nevada New Markets Jobs Act allows insurance companies to receive a credit against the tax imposed on insurance premiums in exchange for making qualified equity investments in community development entities, particularly those that are local and minority-owned. A total of \$200 million in qualified equity investments may be certified by the Department of Business and Industry. In exchange for making the qualified equity investment, insurance companies are entitled to receive a credit against the Insurance Premium Tax in an amount equal to 58 percent of the total qualified equity investment that is certified by the Department. The credits may be taken in increments beginning on the second anniversary date of the original investment, based on a percentage of the qualified investment, as follows: 2 years after the investment is made: 12%; 3 years after the investment is made: 12%; 4 years after the investment is made: 12%; 5 years after the investment is made: 11%; and 6 years after the investment is made: 11%. Under the provisions of S.B. 357, the insurance companies were allowed to begin taking tax credits in the third quarter of FY 2015. The amounts shown for FY 2019 and FY 2020 reflect estimates of the amount of tax credits that will be taken in each fiscal year based on information provided by the Department of Business and Industry and the Department of Taxation. Pursuant to A.B. 446 (2019), an additional \$200 million in qualified equity investments may be certified by the Department of Business and Industry, effective July 1, 2019, with a total of \$116 million of credits that may be taken based on the increment percentages originally approved in S.B. 357 (2013). However, pursuant to A.B. 446, no credits may be taken against the Insurance Premium Tax before July 1, 2021 (FY 2022).																			
[TC-4] S.B. 507 (2015) authorizes the Governor's Office of Economic Development (GOED) to approve transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax to new or expanding businesses to promote the economic development of Nevada. As approved in S.B. 507, the total amount of transferrable tax credits that may be issued is \$500,000 in FY 2016, \$2,000,000 in FY 2017, and \$5,000,000 for FY 2018 and each fiscal year thereafter. The amounts shown are the estimate based on the maximum amount that can be issued in each fiscal year. A.B. 1 of the 29th Special Session (2015) reduced the total amount of transferrable tax credits that may be issued by GOED to zero in FY 2016, \$1 million in FY 2017, \$2 million per year in FY 2018 and FY 2019, and \$3 million in FY 2020. For FY 2021 and future fiscal years, the amount of credits that may be issued by GOED remains at \$5 million per year.																			
[TC-5] A.B. 165 (2015) allows taxpayers who make donations of money to certain scholarship organizations to receive a dollar-for-dollar credit against the taxpayer's liability for the Modified Business Tax (MBT). The total amount of credits that may be approved by the Department of Taxation (Department) is \$5 million in FY 2016, \$5.5 million in FY 2017, and 110 percent of the total amount of credits authorized in the previous year, for all subsequent fiscal years. The amounts shown reflect the estimate based on the assumption that the total amount authorized for each fiscal year will be donated to a qualified scholarship organization and taken as credits against the MBT. S.B. 555 (2017) authorized an additional \$20 million in credits against the MBT under this program in Fiscal Year 2018 beyond those that were authorized in FY 2018 based on the provisions of A.B. 165 (2015). Any amount of the \$20 million in credits that is not approved by the Department may be issued in future fiscal years. The forecast for FY 2019 is based on the amount of this \$20 million that was awarded in FY 2018, but not used against the MBT in that fiscal year, plus the maximum amount of annual credits allowed based on the statutory formula adopted in A.B. 165 (2015). The forecasts for FY 2020 and FY 2021 are based on the maximum amount of annual credits allowed based on the statutory formula in A.B. 165 only. A.B. 458 (2019) permanently eliminated the 10 percent increase in the amount of credits that may be authorized in each year, capping the total amount that may be authorized in each year at \$6,655,000 beginning in FY 2020. The bill additionally clarified that the \$6,655,000 limit per year applies to the combined credits that may be taken under both chapters of the MBT (Chapters 363A and 363B), rather than as a separate limit for each chapter. S.B. 551 (2019) authorized an additional \$4,745,000 in credits against the MBT (Chapters 363A and 363B combined) under this program per year in FY 2020 and FY 2021 beyond those that were authorized in those years based on the provisions of A.B. 458 (2019). Any amount of the \$4,745,000 million in credits that is not approved by the Department in each fiscal year may be issued in future fiscal years. The forecast for FY 2021 is based on the maximum amount of \$6,655,000 allowed pursuant to A.B. 458 (2019) plus the additional \$4,745,000 per year authorized under S.B. 551 (2019), plus any amounts previously approved by the Department but not yet taken against the tax.																			
[TC-6] S.B. 412 (2015) provides a tax credit against the Modified Business Tax (MBT) to certain employers who match the contribution of an employee to one of the college savings plans offered through the Nevada Higher Education Prepaid Tuition Program and the Nevada College Savings Program authorized under existing law. The amount of the tax credit is equal to 25 percent of the matching contribution, not to exceed \$500 per contributing employee per year, and any unused credits may be carried forward for 5 years. The provisions relating to the Nevada College Savings Program are effective January 1, 2016, and the Higher Education Prepaid Tuition Program are effective July 1, 2016. The amounts shown are estimates based on information provided by the Treasurer's Office on enrollment and contributions for the college savings plans.																			
[TC-7] S.B. 448 (2019) authorizes the Housing Division of the Department of Business and Industry (Division) to approve a total of \$40 million of transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. Under the provisions of S.B. 448, the Division may award up to \$10 million in transferable tax credits per year to persons who develop affordable housing projects in Nevada over the four years of the pilot program, but may award an additional \$3 million in credits in any fiscal year if the issuance of the credits is necessary for the development of additional affordable housing projects in the state. If the Division approves any credits in excess of \$10 million in a fiscal year, the amount to be awarded in the next fiscal year must be reduced by the amount in excess of \$10 million that was issued in the previous fiscal year. If the Division does not issue all of the \$10 million in credits authorized in a fiscal year, that amount is carried forward and may be issued in a subsequent fiscal year.																			

NEVADA GENERAL FUND REVENUE ACTUAL BY SOURCE AFTER TAX CREDITS - FY 2020



ACTUAL GENERAL FUND REVENUE: FY 2020

	<u>Millions</u> <u>\$'s</u>	<u>% of</u> <u>Total*</u>		<u>Millions</u> <u>\$'s</u>	<u>% of</u> <u>Total*</u>
Taxes:			Other Taxes:		
Gaming Percentage Fee Tax (1.)	\$619.3	15.2%	Sales Tax Commissions	\$49.2	1.2%
State Sales Tax - 2% Rate	\$1,214.7	29.8%	Other Gaming Taxes & Fees	\$26.2	0.6%
Insurance Premium Taxes (1.)	\$460.1	11.3%	Other Tobacco Tax	\$23.2	0.6%
Cigarette Tax	\$156.7	3.8%	Annual Slot Tax Transfer	\$5.0	0.1%
Live Entertainment Tax:			Branch Bank Excise Tax	\$2.6	0.1%
Gaming Establishments	\$72.2	1.8%	Subtotal Other Taxes	\$106.2	2.6%
Non-Gaming Establishments	\$19.2	0.5%	Subtotal Taxes	\$3,851.3	94.4%
Modified Business Tax (MBT) (1.)(2.)	\$653.9	16.0%	Non-Tax Revenues		
Commerce Tax	\$205.0	5.0%	Licenses	\$136.9	3.4%
Transportation Connection Excise Tax	\$19.9	0.5%	Fees and Fines	\$54.0	1.3%
Real Property Transfer Tax	\$100.3	2.5%	Use of Money and Property	\$21.1	0.5%
Business License Fee	\$103.1	2.5%	Miscellaneous Revenues	\$55.6	1.4%
Liquor Tax	\$42.3	1.0%	Subtotal Non-Tax Revenues	\$267.6	6.6%
Mining Tax	\$57.2	1.4%	Total General Fund - <u>Before</u> Tax Credit Programs	\$4,118.9	101.0%
Governmental Services Tax (GST)	\$21.3	0.5%	Tax Credit Programs	-\$41.6	-1.0%
			Total General Fund - <u>After</u> Tax Credit Programs	\$4,077.2	100.0%

*% of Total based on the Total General Fund - After Tax Credit Programs amount.

(1.) The Gaming Percentage Fee Tax, the Modified Business Tax, and the Insurance Premium Tax may be impacted by one or more tax credit programs approved by the Legislature.

(2.) The amount shown for the Modified Business Tax (MBT) represents the estimates for the nonfinancial (MBT-NFI), financial (MBT-FI), and mining (MBT-Mining) portions of the MBT including the credit of up to 50% of the Commerce Tax against the MBT.

GENERAL FUND APPROPRIATION TRENDS

Total General Fund appropriations, as approved by the Legislature, have grown 35.1% over the ten-year period from \$3.337 billion in FY 2011 to \$4.507 billion in FY 2021 (legislatively approved during the 80th Session [2019]). The average annual growth per fiscal year over this ten-year period is 3.1%. Over this ten-year period, inflation increased by an average of 1.7% per fiscal year and statewide population increased by an average of 1.7% per fiscal year. In inflation-adjusted per-capita terms, General Fund appropriations have actually decreased by 2.7% from FY 2011 to FY 2021, or an average decrease of 0.3% per fiscal year.

Total General Fund appropriations of \$4.349 billion in FY 2023, as recommended by the Governor, represent a 40.3% increase over the FY 2013 amount of \$3.100 billion. After accounting for growth in population and inflation over this ten-year period, the Governor's recommended General Fund appropriation amount for FY 2023 of \$4.349 billion is 0.1% above the FY 2013 amount in inflation-adjusted per-capita terms.

Total legislatively approved General Fund appropriations for the 2019-21 biennium of \$8.876 billion were 11.1% above the appropriations approved for the 2017-19 biennium of \$7.986 billion.

Total General Fund appropriations for the 2021-23 biennium of \$8.689 billion, as recommended by the Governor, represent a 2.1% decrease over the legislatively approved General Fund appropriations of \$8.876 billion for the 2019-21 biennium.

The chart on the following page displays the General Fund appropriations by functional area as approved by the Legislature during the 80th Session for the 2019-21 biennium. General Fund appropriations for Education accounted for 50.4% of total General Fund appropriations, while Human Services accounted for 33.5%.

TOTAL STATE BUDGET TRENDS

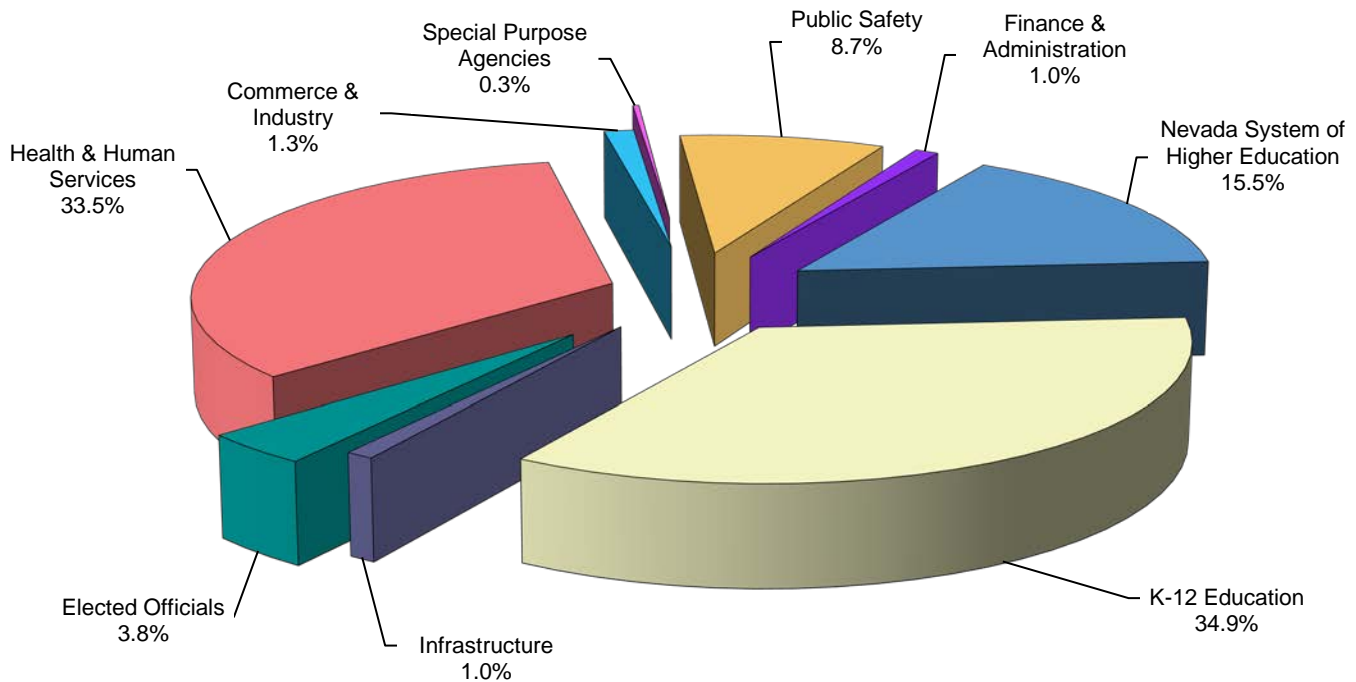
As recommended by the Governor in The Executive Budget, funding from all sources, which includes the General Fund, the Highway Fund, federal funds, and other funds available to state agencies, for FY 2023 of \$13.681 billion represents a 72.6% increase over the legislatively approved amount for FY 2013 of \$7.927 billion. The Governor recommended amount for FY 2023 represents an average increase over this ten-year period of 5.6% per fiscal year.

Total legislatively approved funding from all sources for the 2019-21 biennium of \$25.753 billion was 11.6% above the total funding approved for the 2017-19 biennium of \$23.086 billion.

NEVADA GENERAL FUND APPROPRIATIONS

LEGISLATURE APPROVED - 2019-21 BIENNIUM

ADJUSTED FOR ACTIONS APPROVED BY THE 80TH LEGISLATURE



LEGISLATURE APPROVED APPROPRIATIONS 2019-21 BIENNIUM

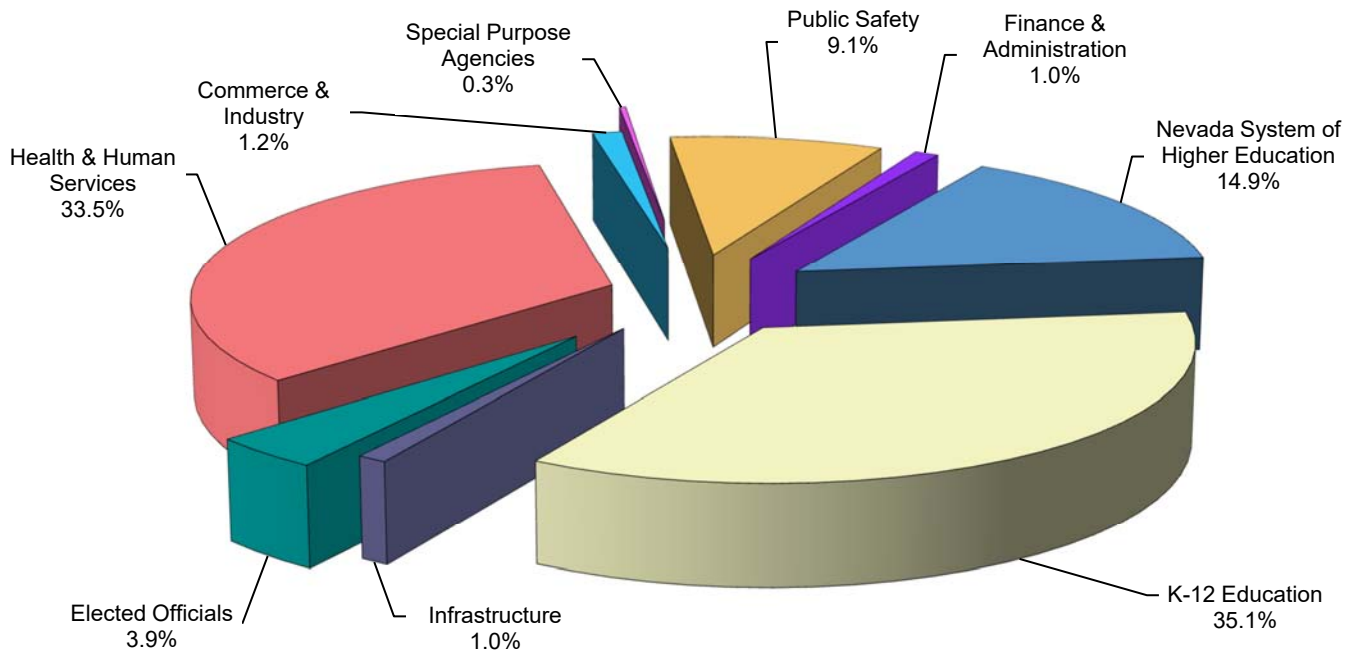
	<u>FY 2020</u>	<u>FY 2021</u>	<u>TOTAL</u>	<u>% of TOTAL</u>
Elected Officials ^{a.,c.}	\$ 170,088,174	\$ 169,168,620	\$ 339,256,794	3.8%
Finance & Administration	\$ 43,427,345	\$ 44,957,836	\$ 88,385,181	1.0%
Education:				
Kindergarten to 12th Grade	\$ 1,547,557,437	\$ 1,546,266,638	\$ 3,093,824,075	34.9%
Nevada System of Higher Education	\$ 684,707,608	\$ 694,855,461	\$ 1,379,563,069	15.5%
Subtotal Education	\$ 2,232,265,045	\$ 2,241,122,099	\$ 4,473,387,144	50.4%
Commerce & Industry	\$ 58,052,339	\$ 54,035,293	\$ 112,087,632	1.3%
Health & Human Services ^{c., d.}	\$ 1,428,541,671	\$ 1,548,922,959	\$ 2,977,464,630	33.5%
Public Safety	\$ 381,994,612	\$ 392,698,067	\$ 774,692,679	8.7%
Infrastructure	\$ 42,703,587	\$ 44,300,864	\$ 87,004,451	1.0%
Special Purpose Agencies ^{b., d.}	\$ 11,736,209	\$ 11,889,156	\$ 23,625,365	0.3%
Total	\$ 4,368,808,982	\$ 4,507,094,894	\$ 8,875,903,876	100.0%

- a. The Elected Officials function for Legislature Approved Appropriations 2019-21 includes \$3,683,816 pursuant to A.B. 542, Section 4, \$31,876,927 pursuant to A.B. 542, Section 5, \$25,505,447 pursuant to A.B. 542, Section 7, and \$77,308 pursuant to A.B. 542, Section 13 appropriated to the Board of Examiners for salary adjustment allocations.
- b. The 2019 Legislature approved operating appropriations totaling \$2,548,927 included in the Special Purpose Agencies function for two new agencies, Department of Indigent Defense Services and Department of Sentencing Policy.
- c. The 2019 Legislature approved moving the Commission for Persons Who are Deaf and Hard of Hearing from the Elected Officials function to the Health and Human Services function.
- d. The 2019 Legislature approved moving the State Public Defender from the Health and Human Services function to the Special Purpose Agencies function.

NEVADA GENERAL FUND APPROPRIATIONS

LEGISLATURE APPROVED - 2019-21 BIENNIUM

ADJUSTED FOR ACTIONS APPROVED IN A.B. 3 – 31ST SPECIAL SESSION



LEGISLATURE APPROVED APPROPRIATIONS 2019-21 BIENNIUM ADJUSTED FOR ACTIONS APPROVED IN ASSEMBLY BILL 3 OF THE 31ST SPECIAL SESSION ^{e.}

	<u>FY 2020</u>	<u>FY 2021 ^{e.}</u>	<u>TOTAL</u>	<u>% of TOTAL</u>
Elected Officials ^{a.,c.}	\$ 170,088,174	\$ 154,208,332	\$ 324,296,506	3.9%
Finance & Administration	\$ 43,427,345	\$ 41,328,512	\$ 84,755,857	1.0%
Education:				
Kindergarten to 12th Grade	\$ 1,547,557,437	\$ 1,386,410,060	\$ 2,933,967,497	35.1%
Nevada System of Higher Education	\$ 684,707,608	\$ 557,029,638	\$ 1,241,737,246	14.9%
Subtotal Education	\$ 2,232,265,045	\$ 1,943,439,698	\$ 4,175,704,743	50.0%
Commerce & Industry	\$ 58,052,339	\$ 46,991,770	\$ 105,044,109	1.2%
Health & Human Services ^{c., d.}	\$ 1,428,541,671	\$ 1,369,441,543	\$ 2,797,983,214	33.5%
Public Safety	\$ 381,994,612	\$ 376,136,124	\$ 758,130,736	9.1%
Infrastructure	\$ 42,703,587	\$ 39,485,354	\$ 82,188,941	1.0%
Special Purpose Agencies ^{b., d.}	\$ 11,736,209	\$ 10,347,884	\$ 22,084,093	0.3%
Total	\$ 4,368,808,982	\$ 3,981,379,217	\$ 8,350,188,199	100.0%

- a. The Elected Officials function for Legislature Approved Appropriations 2019-21 includes \$3,683,816 pursuant to A.B. 542, Section 4, \$31,876,927 pursuant to A.B. 542, Section 5, \$25,505,447 pursuant to A.B. 542, Section 7, and \$77,308 pursuant to A.B. 542, Section 13 appropriated to the Board of Examiners for salary adjustment allocations.
- b. The 2019 Legislature approved operating appropriations totaling \$2,548,927 included in the Special Purpose Agencies function for two new agencies, Department of Indigent Defense Services and Department of Sentencing Policy.
- c. The 2019 Legislature approved moving the Commission for Persons Who are Deaf and Hard of Hearing from the Elected Officials function to the Health and Human Services function.
- d. The 2019 Legislature approved moving the State Public Defender from the Health and Human Services function to the Special Purpose Agencies function.
- e. Includes reductions of \$525,715,677 in FY 2021 approved during the 31st Special Session.

SECTION II

GENERAL FUND PROJECTED FUND BALANCE

Senate Bill 23 (1993) established an Economic Forum to forecast State General Fund revenues for use by all state agencies, the Governor and the Legislature (NRS 353.226 - NRS 353-229). The Economic Forum must forecast revenues by December 1 of even-numbered years and revise the forecast by May 1 during the legislative session, if necessary. If either the Governor or the Legislature wants to appropriate more than what is available pursuant to the official forecast, a revenue enhancement proposal must be made.

The Governor is recommending the following “new” General Fund revenues for the 2021-23 biennium:

	FY 2022	FY 2023	Total 2021-23 Biennium
New General Fund Revenue			
Restructure the Sales and Use Tax permit from a one-time permit to an annual permit of \$15 per year.	\$ 487,883	\$ 487,883	\$ 975,766

Once the official forecast of state revenues has been completed, an estimate of the unappropriated General Fund balance (surplus) can be made. The schedule on pages 27 and 28 displays the General Fund balance as estimated by the Governor’s Office of Finance for Fiscal Years 2021 through 2023. This balance is estimated to be achieved based on the General Fund revenue projections as provided by the Economic Forum on December 3, 2020 (decrease of \$583.8 million for FY 2021 from the May 1, 2019, projections, and the amount approved by the 2019 Legislature). The Governor is also recommending reversions and fund transfers of \$395.0 million in Fiscal Year 2021 (refer to the schedule for details).

The projected General Fund balance, before any legislative action, on July 1, 2019, is projected to be \$957.5 million. Pursuant to NRS 353.213, the recommended budget must provide for a reserve of not less than 5%, or more than 10% of the total proposed ongoing appropriations from the State General Fund. Based on this statute, the ending fund balance for FY 2019 requires a minimum reserve of \$196.1 million (5% of approved operating appropriations of \$3.922 billion, adjusted for actions by the 31st Special Session [2020]); this results in \$761.4 million available for appropriation in FY 2021 by the 2021 Legislature. Under the proposed budget, the balance would decrease from \$574.3 million on June 30, 2020, to \$247.7 million on June 30, 2023 (minimum 5% reserve would be \$217.5 million).

ACCOUNT TO STABILIZE THE OPERATION OF STATE GOVERNMENT (NRS 353.288)

In 1991, the Legislature created the Fund to Stabilize the Operation of State Government to help stabilize the budget. The 2011 Legislature, through the enactment of Senate Bill (S.B) 74, changed the name of the fund to the Account to Stabilize the Operation of State Government (hereinafter referred to as the Rainy Day Account) within the State General Fund. The intent of the Rainy Day Account was to create an account that could be funded during good economic times and accessed in a financial emergency. When the State General Fund surplus reaches a certain threshold at the end of a fiscal year, a portion of the excess is maintained in the account to help the state through financial emergencies. The conditions under which monies from the account can be accessed for expenditures are set forth in *Nevada Revised Statutes* (NRS) 353.288, which provides that the Director of the Office of Finance in the Office of the Governor may submit a request to the State Board of Examiners to transfer funds from the Rainy Day Account to the State General Fund to offset a budget shortfall or fiscal emergency under certain circumstances. Any transfer from the Rainy Day Account to the State General Fund must be approved by either the Legislature, if in session, or the Interim Finance Committee (IFC) if the Legislature is not in session. This negates the need to call a special session to access the Rainy Day Account. The IFC is not bound to follow the recommendation of the State Board of Examiners. The committee provides an independent evaluation of the recommendation and may take action to establish the amount, set forth by resolution, for any funding transfers from the Rainy Day Account to the State General Fund.

Based on the unrestricted General Fund balance as of June 30, 2011, the State Controller transferred \$39.2 million from the General Fund to the Rainy Day Account in FY 2012. Based on the unrestricted General Fund balance as of June 30, 2012, the State Controller transferred \$45.5 million from the General Fund to the Rainy Day Account in FY 2013. The 2013 Legislature approved the transfer of the combined total of \$84.7 million from the Rainy Day Account to the General Fund (Assembly Bill [A.B.] 507) in FY 2014 for unrestricted General Fund use. Based on the unrestricted General Fund balance as of June 30, 2013, the State Controller transferred \$28.1 million from the General Fund to the Rainy Day Account in FY 2014. Through the passage of S.B. 490, the 2015 Legislature approved the transfer of \$28.1 million from the Rainy Day Account to the General Fund in FY 2015 for unrestricted use. Based on the unrestricted General Fund as of June 30, 2016, the State Controller transferred \$63.9 million from the General Fund to the Rainy Day Account in FY 2017. The 2017 Legislature through the passage of S.B. 550 (Section 3.1) and S.B. 553 (Section 4.3) approved the transfer of a total of \$30.0 million (\$5.0 million effective July 1, 2017, \$25.0 million in FY 2017) to the General Fund for unrestricted use.

Revisions to the Rainy Day Account were approved by the 2009 Legislature through the passage of A.B. 165, which required the Governor to reserve 1.0% of the total anticipated revenue for each fiscal year as projected by the Economic Forum in December of even-numbered years. The bill also required that the State Controller transfer from the General Fund to the Rainy Day Account, at the beginning of each fiscal year, 1.0% of the total anticipated revenue projected by the Economic Forum in May of odd-numbered years and be adjusted by any legislation enacted by the Legislature that affects state

revenue. However, due to the economic condition of the state following the nation's recession, these provisions were delayed first by the 2011 Legislature in A.B. 561 and again by the 2013 Legislature in A.B. 507, resulting ultimately in a July 1, 2015, effective date for these statutory revisions. Following the actions of the previous two legislatures, the 2015 Legislature also extended the effective date of the statutory changes to July 1, 2017, with the passage of S.B. 514. In accordance with Section 1(b) of NRS 353.288, commencing with the fiscal year starting on July 1, 2017, 1.0% of the total anticipated revenue as projected by the Economic Forum will be transferred from the General Fund to the Rainy Day Account each fiscal year. The State Controller transferred \$39.2 million from the General Fund to the Rainy Day Account for FY 2018 and, similarly for FY 2019, \$40.8 million was transferred. Additionally, \$55.8 million pursuant to Section 1(a) of NRS 353.288 was transferred in FY 2019 by the State Controller from the General Fund to the Rainy Day Account.

Senate Bill 487 approved by the 2017 Legislature enacted Section 5 of NRS 372A.290, which states that proceeds from the 10.0% excise tax imposed on the sales price of each retail sale of marijuana or marijuana products by a retail marijuana store are required to be deposited in the Rainy Day Account. Pursuant to this statute, \$42.5 million in FY 2018 and \$55.2 million in FY 2019 of excise tax collections were remitted for deposit to the Rainy Day Account. However, NRS 372A.290 was amended with the passage of S.B. 545 by the 2019 Legislature to direct revenue collected from the 10.0% excise tax on each retail sale of marijuana or marijuana products deposited to the credit of the State Distributive School Account rather than the Rainy Day Account effective July 1, 2019.

Following transfers of \$25.1 million in FY 2020 (close of FY 2019) and \$44.5 million representing 1.0% of the total anticipated revenue as projected by the Economic Forum at its May 1, 2019, meeting, adjusted for legislative actions, the balance in the Rainy Day Account was \$401.2 million.

To address a projected \$629.6 million decline in FY 2020 unrestricted General Fund revenues and total Distributive School Account and local K-12 revenues from the reduction in economic activity resulting from the public health and emergency response-oriented directives implemented in Nevada to mitigate the COVID-19 pandemic, the Interim Finance Committee, by resolution, authorized the transfer of \$401.2 million from the Rainy Day Account to the General Fund on May 18, 2020.

In FY 2021, the State Controller transferred \$97.5 million to the Rainy Day Account based on the ending General Fund balance in FY 2020. Therefore, a balance of \$97.5 million is available at the beginning of the 2021 Legislative Session.

The table on the following page shows the summary of activity in the Rainy Day Account from the close of the 2003 Legislative Session to the start of the 2021 Legislative Session.

Account to Stabilize the Operation of the State Government (NRS 353.288)

Summary of Account Activity	Transfer or Appropriation to Account	Transfer from Account Pursuant to Legislative Action	Account Balance
Close of the 2003 Legislative Session			\$ 1,340,970
Transfer per NRS 353.288 - Close of FY 2004	\$ 70,609,836		
Contingent Appropriation - Senate Bill 8, 20 th Special Session (2003)	\$ 50,000,000		
Transfer per NRS 353.288 - Close of FY 2005	\$ 25,214,470		
Appropriation - Approved by 2005 Legislature - FY 2006	\$ 37,000,000		
Transfer per NRS 353.288 - Close of FY 2006	\$ 49,467,240		
Appropriation - Approved by 2005 Legislature - FY 2007	\$ 34,000,000		
Close of FY 2007			\$ 267,632,516
Transfer - Senate Bill 1, 24 th Special Session (2008)		\$ (267,000,000)	
Start of 2009 Legislative Session			\$ 632,516
Transfer - Assembly Bill 3, 26 th Special Session (2010)		\$ (632,516)	
Transfer per NRS 353.288 - Close of FY 2010	\$ 41,321,014		
Start of 2011 Legislative Session			\$ 41,321,014
Transfer - Assembly Bill 561, 76 th Session (2011)		\$ (41,321,014)	
Transfer per NRS 353.288 (1)(a) - Close of FY 2011	\$ 39,237,222		
Transfer per NRS 353.288 (1)(a) - Close of FY 2012	\$ 45,500,054		
Start of 2013 Legislative Session			\$ 84,737,276
Transfer - Assembly Bill 507, 77 th Session (2013)		\$ (84,737,276)	
Transfer per NRS 353.288 (1)(a) - Close of FY 2013	\$ 28,061,106		
Start of 2015 Legislative Session			\$ 28,061,106
Transfer - Senate Bill 490, 78 th Session (2015)		\$ (28,061,106)	
Transfer per NRS 353.288 (1)(a) - Close of FY 2016	\$ 63,935,955		
Start of 2017 Legislative Session			\$ 63,935,955
Transfer - Senate Bill 550, 79 th Session (2017)		\$ (5,000,000)	
Transfer - Senate Bill 553, 79 th Session (2017)		\$ (25,000,000)	
Transfer per NRS 353.288 (1)(a) - Close of FY 2017	\$ 64,317,785		
Transfer per NRS 353.288 (1)(b) - FY 2018	\$ 39,155,095		
Transfer per NRS 353.288 (1)(a) - Close of FY 2018	\$ 55,846,598		
Transfer per NRS 353.288 (1)(b) - FY 2019	\$ 40,765,283		
Transfer per NRS 372A.290 - 10% Excise Tax - FY 2018	\$ 42,489,202		
Transfer per NRS 372A.290 - 10% Excise Tax - FY 2019	\$ 55,184,915		
Close of 2019 Legislative Session			\$ 331,694,833
Transfer per NRS 353.288 (1)(a) - Close of FY 2019	\$ 25,028,566		
Transfer per NRS 353.288 (1)(b) - FY 2020	\$ 44,462,821		
Transfer to General Fund per Interim Finance Committee Resolution - FY 2020		\$ (401,186,220)	\$ -
Transfer per NRS 353.288 (1)(a) - Close of FY 2020	\$ 97,545,079		
Start of 2021 Legislative Session			\$ 97,545,079

Notes:

NRS 353.288(1)(a) - Requires the State Controller to transfer from the State General Fund to the Account to Stabilize the Operation of the State Government, 40% of the unrestricted balance of the State General Fund, as of the close of the previous fiscal year, which remains after subtracting an amount equal to 7% of all appropriations made from the State General Fund during the previous fiscal year for the operation of all departments, institutions and agencies of state government and for the funding of schools.

NRS 353.288(1)(b) - Requires the Controller to transfer 1% of the total anticipated revenue for the fiscal year in which the transfer will be made, as projected by the Economic Forum for that fiscal year pursuant to paragraph (e) of subsection 1 of NRS 353.228 and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year.

NRS 372A.290 - Subsection 2 imposes an excise tax on each retail sale of marijuana or marijuana products by a retail marijuana store at the rate of 10% of the sales price of the marijuana or marijuana products. Subsection 5 stipulates the revenues collected from the excise tax imposed pursuant to subsection 2 must be paid over as collected for deposit to the credit of the Account to Stabilize the Operation of the State Government created in the State General Fund pursuant to NRS 353.288. The 2019 Legislature amended the statute by the passage of S.B. 545 redirecting the revenue collected from the excise tax to the State Distributive School Account instead of the Account to Stabilize the Operation of the State Government.

**Statement of Projected Unappropriated
General Fund Balance – Fiscal Years 2021-23 – Governor Recommends**

Unappropriated Balance July 1, 2020 (a.)	\$ 574,295,121
Unrestricted General Fund Revenue	
Projected Revenues FY 2021 - Economic Forum December 3, 2020	\$ 4,012,266,294
Restricted General Fund Revenue	
Unclaimed Property - Millennium Scholarships	\$ 7,600,000
Nevada Arts Council	\$ 150,000
General Fund Reversions / Fund Transfers	
Unrestricted General Fund Reversions	\$ 64,000,000
Budgetary Transfers 31 st Special Session	\$ 192,995,515
Public Employees Benefits Program 31 st Special Session	\$ 12,000,000
Six Days Furlough Leave 31 st Special Session	\$ 25,869,881
Correction to FY 2020 General Fund Transfer	\$ (13,482,662)
CARES Act Reimbursement	\$ 113,590,571
Total Funds Available	\$ 4,989,284,720
Less Appropriations	
FY 2021 Operating Appropriations	\$ (4,507,094,894)
Appropriations Transferred Between Fiscal Years	\$ 59,358,350
One-Time Appropriations 2019 Legislature	\$ (13,358,618)
Reductions to Operating Appropriations 31 st Special Session	\$ 525,715,668
Reductions to One-Time Appropriations 31 st Special Session	\$ 9,827,273
Cost of 32 nd Special Session	\$ (410,000)
Total FY 2021 Appropriations Before Legislative Action	\$ (3,925,962,221)
Restricted General Fund Transfers	
Unclaimed Property - Millennium Scholarships	\$ (7,600,000)
Nevada Arts Council	\$ (150,000)
Account to Stabilize the Operation of State Government	\$ (97,545,079)
Transfer to Disaster Relief Account	\$ (500,000)
Total Estimated General Fund Balance July 1, 2021	\$ 957,527,420
5% Minimum Ending Fund Balance	\$ 196,101,044
Balance Over / (Under) 5% Minimum Ending Fund Balance	\$ 761,426,376
(a.) Subject to reconciliation with the Controller's Annual Report.	
<u>Estimated General Fund Balance Before Legislative Action</u>	
Unrestricted General Fund Revenue	
Projected Revenues FY 2022 - Economic Forum December 3, 2020	\$ 4,115,699,024
Transfer from the Account to Stabilize the Operation of State Government	\$ 97,545,079
Restricted General Fund Revenue	
Unclaimed Property - Millennium Scholarships	\$ 7,600,000
Nevada Arts Council	\$ 150,000
General Fund Reversions	\$ 50,000,000
Restricted General Fund Transfers	
Unclaimed Property - Millennium Scholarships	\$ (7,600,000)
Nevada Arts Council	\$ (150,000)
Transfer to Disaster Relief Account	\$ (2,000,000)
Account to Stabilize the Operation of State Government	\$ (41,156,990)
Total Estimated Revenues & Reversions FY 2022	\$ 4,220,087,113
Unrestricted General Fund Revenue	
Projected Revenues FY 2023 - Economic Forum December 3, 2020	\$ 4,391,779,121
Restricted General Fund Revenue	
Unclaimed Property - Millennium Scholarships	\$ 7,600,000
Nevada Arts Council	\$ 150,000
General Fund Reversions	\$ 50,000,000
Restricted General Fund Transfers	
Unclaimed Property - Millennium Scholarships	\$ (7,600,000)
Nevada Arts Council	\$ (150,000)
Transfer to Disaster Relief Account	\$ (2,000,000)
Account to Stabilize the Operation of State Government	\$ (43,917,791)
Total Estimated Revenues & Reversions FY 2023	\$ 4,395,861,330
Estimated Unappropriated Balance July 1, 2023, Before Legislative Action	\$ 9,573,475,863

**Statement of Projected Unappropriated
General Fund Balance – Fiscal Years 2021-23 – Governor Recommends**

Recommended General Fund Revenues / Appropriations Before the 81st Nevada Legislature		
New General Fund Revenues - FY 2022		
Restructure Sales and Use Tax permit from a one-time fee to an annual fee of \$15 per year	\$ 487,883	
Total New General Fund Revenues - FY 2022		\$ 487,883
New General Fund Revenues - FY 2023		
Restructure Sales and Use Tax permit from a one-time fee to an annual fee of \$15 per year	\$ 487,883	
Total New General Fund Revenues - FY 2023		\$ 487,883
Total New General Fund Revenues Before 81st Nevada Legislature		\$ 975,766
2021 Supplemental Appropriations	\$ (342,371,138)	
2021 Restoration of Fund Balances	\$ (29,780,212)	
2021 One-Time Appropriations	\$ (226,499,958)	
Estimated Cost of the 81 st Nevada Legislature	\$ (19,447,280)	
2021 Recommended Appropriations		\$ (618,098,588)
2022 Operating Appropriations	\$ (4,339,547,990)	
2022 Recommended Appropriations		\$ (4,339,547,990)
2023 Operating Appropriations	\$ (4,349,076,010)	
Estimated Cost of the 82 nd Nevada Legislature	\$ (20,000,000)	
2023 Recommended Appropriations		\$ (4,369,076,010)
2021-23 Recommended Appropriations		\$ (9,326,722,588)
Estimated Unappropriated Balance July 1, 2023, Before Legislative Action		\$ 9,573,475,863
Total New General Fund Revenues Before 81st Nevada Legislature		\$ 975,766
Additional Transfer to the Account to Stabilize the Operation of State Government		\$ (9,758)
Recommended Appropriations Before the 81st Nevada Legislature		\$ (9,326,722,588)
Estimated Unappropriated General Fund Balance June 30, 2023		\$ 247,719,283
Minimum 5% Ending Fund Balance		\$ 217,453,801
Amount Over / (Under) Minimum 5% Ending Fund Balance		\$ 30,265,483

SECTION III

TAX OVERVIEW

This section reviews the major tax policy changes approved by the Legislature for the 80th Regular Session (2019). Summaries of tax policy changes between 1979 and 2019 are included in the *Revenue Reference Manual* prepared by the Fiscal Analysis Division, which is available from the Fiscal Analysis Division, or can be found on the Legislative Counsel Bureau's website at <https://www.leg.state.nv.us/Division/Fiscal/>.

80th LEGISLATIVE SESSION (2019)

In October 2018, the Department of Taxation determined that actual collections for the Modified Business Tax (MBT), Commerce Tax, and Branch Bank Excise Tax for FY 2018 were more than 4.0% above the Economic Forum's May 1, 2017, forecasts for these specific revenue sources. This determination was based on the provisions approved by the Legislature in Senate Bill (S.B.) 483 of the 2015 Session, which required the department to calculate the MBT rates that would have resulted in total revenues of 4.0% above the Economic Forum's forecasts for these specific revenue sources, and then reduce the MBT tax rates for all taxpayers to these levels, effective at the beginning of the next biennium after the fiscal year for which the determination was made.

The department's calculations required reductions of the MBT tax rate on financial institutions and mining companies to be permanently reduced from 2.0% to 1.853%, and for the MBT tax rate on all other businesses to be reduced from 1.475% to 1.378% under S.B. 483, effective July 1, 2019, for FY 2020.

In his State of the State Address in January 2019, Governor Sisolak recommended the deferral of these rate reductions for these MBT rates that were scheduled to become effective at the beginning of the 2019-21 biennium. Additionally, the Governor recommended continuing to deposit a portion of the Governmental Services Tax in the State General Fund instead of the State Highway Fund and the establishment of a new \$10.0 million per year in state tax credits program to be used for the creation or preservation of affordable housing in Nevada.

During the 2019 Session, the Legislature approved all three of these proposals from the Governor. The Legislature additionally passed laws requiring the collection of sales taxes from marketplace facilitators, which was anticipated to increase collections from state and local sales and use taxes and requiring e-cigarettes and other vapor products to be taxed in the same manner as tobacco products other than cigarettes, which was anticipated to increase collections from the tax on other tobacco products that are deposited in the State General Fund.

Tables 1 and 2 summarize these changes, as well as other actions, to the State General Fund revenue sources and tax credits enacted by the Legislature during the 80th Legislative Session along with the estimates prepared by the Fiscal Analysis Division for these actions during the session.

31st SPECIAL SESSION (JULY 2020)

During the 31st Special Session, held from July 8, 2020, to July 19, 2020, the Legislature approved S.B. 3 that included three State General Fund revenue enhancements for FY 2021 only of the 2019-21 biennium. A summary of the three revenue actions, along with the consensus estimates prepared by the Department of Taxation, the Budget Division of the Governor's Office of Finance and the Fiscal Analysis Division of the Legislative Counsel Bureau during the special session, are as follows:

- Requires mining companies to make an estimated payment for only the portion of the Net Proceeds of Minerals (NPM) tax that would be deposited in the State General Fund in FY 2021 based on their estimated mining activity for calendar year 2021. This estimated tax payment is in addition to the tax payment based on actual mining activity for calendar year 2020 that is required to be paid in FY 2021 under existing statute. This action was estimated to generate approximately \$54.5 million in FY 2021.
 - The estimated payment in the current fiscal year based on projected mining activity in the current calendar year is required to be made for calendar years 2021, 2022, and 2023, with provisions allowing for the mining operation to true up their estimated payments as actual mining activity is known. These provisions revert to require the NPM tax to be paid based on actual mining activity in the preceding calendar year beginning with the payment for calendar year 2024 that will be made in FY 2025. Thus, there is no tax payment required to be made to the State General Fund in FY 2024 other than any true-up payments required related to the estimated payment made for calendar 2023 in FY 2023.
- Requires the 75% share of the proceeds from the portion of the Governmental Services Tax generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund, instead of the State Highway Fund, for FY 2021 only. Effective for FY 2022 and going forward, the allocation will return to the 25% share for the State General Fund and 75% share for the State Highway Fund as originally approved on a permanent basis beginning in FY 2020 based on S.B. 541 from the 2019 Session. This action was estimated to generate approximately \$71.3 million in FY 2021.
- Requires the Department of Taxation to establish and conduct an amnesty program by which taxpayers may pay a fee, tax, or assessment required to be paid to the department without incurring any penalties or interest that would otherwise be required as a result of the unpaid fee, tax or assessment. This program is required to be conducted by the department for a period of not more than 90 calendar days and must be concluded no later than June 30, 2021. The amnesty program only applies to taxes, fees and assessments that are due and payable before July 20, 2020, based on the effective date provisions of the bill and the approval of the bill by the Governor on July 20, 2020. This program was estimated to generate approximately \$21.0 million in FY 2021 with \$14.0 million for the State General Fund and \$7.0 million for the Distributive School Account. The Department will run the amnesty program for the 90-day period from February 1, 2021, to April 30, 2021.

**TABLE 1
ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2019, FORECAST FOR THE 2019-21 BIENNIUM
FOR MEASURES APPROVED BY THE 2019 LEGISLATURE (80th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS						
	FY 2019	% Change	FY 2020	% Change	FY 2021	% Change	2019-2021 BIENNIUM*
Economic Forum May 1, 2019, Forecast <u>Before</u> Tax Credits and <u>Without</u> Adjustments for Measures Approved by the 2019 Legislature	\$4,401,312,361	17.4%	\$4,461,335,205	1.4%	\$4,585,880,805	2.8%	\$9,047,216,009
ADJUSTMENTS TO REVENUE							
TAXES							
SALES & USE TAX (A.B. 445) A.B. 445 requires a marketplace facilitator, defined as a person who facilitates the sale of tangible personal property by a marketplace seller in the state of Nevada, to collect and remit sales and use taxes on certain sales that are facilitated on behalf of the marketplace seller, effective October 1, 2019.			\$16,459,000		\$21,945,000		\$38,404,000
SALES & USE TAX: GENERAL FUND COMMISSION - LSST (A.B. 445) A.B. 445 requires a marketplace facilitator, defined as a person who facilitates the sale of tangible personal property by a marketplace seller in the state of Nevada, to collect and remit sales and use taxes on certain sales that are facilitated on behalf of the marketplace seller, effective October 1, 2019.			\$160,000		\$214,000		\$374,000
SALES & USE TAX: GENERAL FUND COMMISSION - BCCRT (A.B. 445) A.B. 445 requires a marketplace facilitator, defined as a person who facilitates the sale of tangible personal property by a marketplace seller in the state of Nevada, to collect and remit sales and use taxes on certain sales that are facilitated on behalf of the marketplace seller, effective October 1, 2019.			\$72,000		\$96,000		\$168,000
SALES & USE TAX: GENERAL FUND COMMISSION - SCCRT (A.B. 445) A.B. 445 requires a marketplace facilitator, defined as a person who facilitates the sale of tangible personal property by a marketplace seller in the state of Nevada, to collect and remit sales and use taxes on certain sales that are facilitated on behalf of the marketplace seller, effective October 1, 2019.			\$252,000		\$336,000		\$588,000
SALES & USE TAX: GENERAL FUND COMMISSION - PTT (A.B. 445) A.B. 445 requires a marketplace facilitator, defined as a person who facilitates the sale of tangible personal property by a marketplace seller in the state of Nevada, to collect and remit sales and use taxes on certain sales that are facilitated on behalf of the marketplace seller, effective October 1, 2019.			\$184,000		\$246,000		\$430,000
FLAT FEES - RESTRICTED SLOTS (S.B. 535) S.B. 535 removes the requirement that an amount equal to \$2 per slot machine collected from quarterly restricted and non-restricted slot machine fees be allocated to the Account to Support Programs for the Prevention and Treatment of Problem Gambling.			\$153,700		\$154,900		\$308,600
NON-RESTRICTED SLOTS (S.B. 535) S.B. 535 removes the requirement that an amount equal to \$2 per slot machine collected from quarterly restricted and non-restricted slot machine fees be allocated to the Account to Support Programs for the Prevention and Treatment of Problem Gambling.			\$1,149,400		\$1,143,900		\$2,293,300
CIGARETTE TAX (A.B. 535) A.B. 535 increases the existing license fee on wholesale dealers of cigarettes, which is currently distributed between the State General Fund and local governments, and establishes new license fees for manufacturers, wholesale dealers of other tobacco products, and tobacco retailers. This bill requires all license fee proceeds to be retained by the Department of Taxation to administer and enforce the cigarette and OTP statutes. This action to require the license fees on wholesale dealers of cigarettes to be retained by the Department is estimated to reduce General Fund revenue by less than \$10,000 per year in FY 2020 and FY 2021; thus, no adjustment is made to the forecast.							

**TABLE 1
ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2019, FORECAST FOR THE 2019-21 BIENNIUM
FOR MEASURES APPROVED BY THE 2019 LEGISLATURE (80th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS						
	FY 2019	% Change	FY 2020	% Change	FY 2021	% Change	2019-2021 BIENNIUM*
TAXES (CONTINUED)							
<p>MODIFIED BUSINESS TAX - NONFINANCIAL (MBT-NFI) (S.B. 551) S.B. 551 permanently repeals the provisions requiring the tax rates for the Modified Business Tax (MBT) to be reduced by the Department of Taxation if actual collections from these taxes, in combination with collections from the Commerce Tax and Branch Bank Excise Tax and tax credits taken against the MBT, are more than 4% above the Economic Forum's May forecast in any even-numbered fiscal year.</p> <p>As a result of the passage of this bill, the rate for the MBT-NFI, which was to be reduced to 1.378% for all taxable wages in excess of \$50,000 per calendar quarter, effective July 1, 2019, will remain at the current rate of 1.475% on and after that date.</p>			\$44,101,000		\$45,827,000		\$89,928,000
<p>MODIFIED BUSINESS TAX - FINANCIAL (MBT-FI) (S.B. 551) S.B. 551 permanently repeals the provisions requiring the tax rates for the Modified Business Tax (MBT) to be reduced by the Department of Taxation if actual collections from these taxes, in combination with collections from the Commerce Tax and Branch Bank Excise Tax and tax credits taken against the MBT, are more than 4% above the Economic Forum's May forecast in any even-numbered fiscal year.</p> <p>As a result of the passage of this bill, the rate for the MBT-FI, which was to be reduced to 1.853% for all taxable wages in a calendar quarter, effective July 1, 2019, will remain at the current rate of 2.0% on and after that date.</p>			\$2,335,000		\$2,420,000		\$4,755,000
<p>MODIFIED BUSINESS TAX - MINING (MBT-MINING) (S.B. 551) S.B. 551 permanently repeals the provisions requiring the tax rates for the Modified Business Tax (MBT) to be reduced by the Department of Taxation if actual collections from these taxes, in combination with collections from the Commerce Tax and Branch Bank Excise Tax and tax credits taken against the MBT, are more than 4% above the Economic Forum's May forecast in any even-numbered fiscal year.</p> <p>As a result of the passage of this bill, the rate for the MBT-Mining, which was to be reduced to 1.853% for all taxable wages in a calendar quarter, effective July 1, 2019, will remain at the current rate of 2.0% on and after that date.</p>			\$1,730,000		\$1,751,000		\$3,481,000
<p>GOVERNMENTAL SERVICES TAX - GST (S.B. 541) S.B. 541 requires 25% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund on a permanent basis, effective July 1, 2019. The remaining 75% portion of these proceeds are to be deposited in the State Highway Fund.</p>			\$21,954,000		\$22,321,000		\$44,275,000
<p>OTHER TOBACCO TAX (S.B. 263) S.B. 263 specifies that alternative nicotine products and vapor products, including e-cigarettes and their components, are subject to the 30 percent wholesale tax on other tobacco products, effective January 1, 2020.</p>			\$3,699,000		\$7,931,000		\$11,630,000
NET IMPACT - TOTAL TAXES			<u>\$92,249,100</u>		<u>\$104,385,800</u>		<u>\$196,634,900</u>

**TABLE 1
ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2019, FORECAST FOR THE 2019-21 BIENNIUM
FOR MEASURES APPROVED BY THE 2019 LEGISLATURE (80th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS						
	FY 2019	% Change	FY 2020	% Change	FY 2021	% Change	2019-2021 BIENNIUM*
OTHER REVENUE							
COURT ADMINISTRATIVE ASSESSMENTS Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2020 and FY 2021.			\$351,220		\$270,166		\$621,386
COST RECOVERY PLAN Adjustment to the Statewide Cost Allocation amount included in the Legislatively Approved budget after the May 1, 2019, approval of the General Fund revenue forecast by the Economic Forum.			\$280,554		\$87,840		\$368,394
NET IMPACT - OTHER REVENUE			<u>\$631,774</u>		<u>\$358,006</u>		<u>\$989,780</u>
NET IMPACT - ADJUSTMENTS TO REVENUE			<u>\$92,880,874</u>		<u>\$104,743,806</u>		<u>\$197,624,680</u>
ECONOMIC FORUM MAY 1, 2019, FORECAST BEFORE TAX CREDITS AND WITH ADJUSTMENTS FOR MEASURES APPROVED BY THE 2019 LEGISLATURE	<u>\$4,401,312,361</u>	17.4%	<u>\$4,554,216,079</u>	3.5%	<u>\$4,690,624,611</u>	3.0%	<u>\$9,244,840,689</u>

* The amounts shown in the 2019-2021 Biennium column represent the sum of the FY 2020 and FY 2021 amounts and do not include any amounts shown for FY 2019.

**TABLE 1
ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2019, FORECAST FOR THE 2019-21 BIENNIUM
FOR MEASURES APPROVED BY THE 2019 LEGISLATURE (80th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS						
	FY 2019	% Change	FY 2020	% Change	FY 2021	% Change	2019-2021 BIENNIUM*
Economic Forum May 1, 2019, Forecast <u>Before</u> Tax Credits and <u>With</u> Adjustments for Measures Approved by the 2019 Legislature	\$4,401,312,361	17.4%	\$4,554,216,079	3.5%	\$4,690,624,611	3.0%	\$9,244,840,689
Commerce Tax Credit	-\$56,222,000		-\$59,128,000		-\$62,145,000		-\$121,273,000
Economic Forum May 1, 2019, Forecast <u>Before</u> Tax Credits and <u>With</u> Adjustments for Measures Approved by the 2019 Legislature (<u>After Commerce Tax Credits</u>)	\$4,345,090,361	15.9%	\$4,495,088,079	3.5%	\$4,628,479,611	3.0%	\$9,123,567,689
ADJUSTMENTS TO TAX CREDIT PROGRAMS							
NEVADA NEW MARKETS JOBS ACT TAX CREDIT PROGRAM (A.B. 446)							
Pursuant to A.B. 446, an additional \$200 million in qualified equity investments may be certified by the Department of Business and Industry, effective July 1, 2019, with a total of \$116 million of credits that may be taken based on the increment percentages originally approved in S.B. 357 (2013). However, pursuant to A.B. 446, no credits may be taken against the Insurance Premium Tax before July 1, 2021 (FY 2022).							
NEVADA EDUCATIONAL CHOICE SCHOLARSHIP TAX CREDIT PROGRAM (A.B. 458)							
A.B. 458 permanently eliminated the 10 percent increase in the amount of credits that may be authorized in each year, capping the total amount that may be authorized in each year at \$6,655,000 beginning in FY 2020. The bill additionally clarified that the \$6,655,000 limit per year applies to the combined credits that may be taken under both chapters of the MBT (Chapters 363A and 363B), rather than as a separate limit for each chapter.							
NEVADA EDUCATIONAL CHOICE SCHOLARSHIP TAX CREDIT PROGRAM (S.B. 551)							
S.B. 551 authorized an additional \$4,745,000 in credits against the MBT (Chapters 363A and 363B combined) under this program per year in FY 2020 and FY 2021 beyond those that were authorized in those years based on the provisions of A.B. 458 (2019). Any amount of the \$4,745,000 million in credits that is not approved by the Department in each fiscal year may be issued in future fiscal years.							
AFFORDABLE HOUSING TRANSFERRABLE TAX CREDIT PROGRAM (S.B. 448)							
S.B. 448 authorizes the Housing Division of the Department of Business and Industry (Division) to approve a total of \$40 million of transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. Under the provisions of S.B. 448, the Division may award up to \$10 million in transferrable tax credits per year to persons who develop affordable housing projects in Nevada over the four years of the pilot program, but may award an additional \$3 million in credits in any fiscal year if the issuance of the credits is necessary for the development of additional affordable housing projects in the state. If the Division approves any credits in excess of \$10 million in a fiscal year, the amount to be awarded in the next fiscal year must be reduced by the amount in excess of \$10 million that was issued in the previous fiscal year. If the Division does not issue all of the \$10 million in credits authorized in a fiscal year, that amount is carried forward and may be issued in a subsequent fiscal year.							
NET IMPACT - ADJUSTMENTS TO TAX CREDIT PROGRAMS							
			\$3,241,000		-\$5,294,900		-\$2,053,900
Tax Credits Approved by Legislature - Economic Forum May 1, 2019, Forecast	-\$88,074,063		-\$52,046,974		-\$27,155,100		-\$79,202,074
TOTAL TAX CREDITS <u>WITH</u> ADJUSTMENTS FOR MEASURES APPROVED BY THE 2019 LEGISLATURE	<u>-\$88,074,063</u>		<u>-\$48,805,974</u>		<u>-\$32,450,000</u>		<u>-\$81,255,974</u>
Economic Forum May 1, 2019, Forecast <u>After</u> Tax Credits and <u>With</u> Adjustments for Measures Approved by the 2019 Legislature (<u>After Commerce Tax Credits</u>)	\$4,257,016,298	15.2%	\$4,446,282,105	4.4%	\$4,596,029,611	3.4%	\$9,042,311,715

* The amounts shown in the 2019-2021 Biennium column represent the sum of the FY 2020 and FY 2021 amounts and do not include any amounts shown for FY 2019.

TABLE 1

**ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2019, FORECAST FOR THE 2019-21 BIENNIUM
ADJUSTMENTS TO THE DISTRIBUTIVE SCHOOL ACCOUNT (DSA)/K-12 EDUCATION FOR THE 2019-21 BIENNIUM
BASED ON MEASURES APPROVED BY THE 2019 LEGISLATURE (80th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS						
	FY 2019	% Change	FY 2020	% Change	FY 2021	% Change	2019-2021 BIENNIUM*
LOCAL SCHOOL SUPPORT TAX (LSST) (A.B. 445) A.B. 445 requires a marketplace facilitator, defined as a person who facilitates the sale of tangible personal property by a marketplace seller in the state of Nevada, to collect and remit sales and use taxes on certain sales that are facilitated on behalf of the marketplace seller, effective October 1, 2019. Estimated LSST revenue includes proceeds dedicated to county school districts and the DSA.			\$21,236,000		\$28,315,000		\$49,551,000
STATE 3% ROOM TAX - I.P. 1 (2009) (S.B. 555) S.B. 544 requires the proceeds generated from the State 3% Room Tax deposited in the State Supplemental School Support Fund, pursuant to I.P. 1 (2009 Session), to be transferred to the Distributive School Account (DSA) for FY 2020 and FY 2021. The transfer of the room tax proceeds to the DSA provides a State General Fund offset in FY 2020 and FY 2021. Beginning in FY 2022, the proceeds from the State 3% Room Tax will remain in the State Supplemental School Support Fund and will be used to provide funding for K-12 education as intended under I.P. 1.			\$187,177,000		\$190,585,000		\$377,762,000
RETAIL MARIJUANA EXCISE TAX (S.B. 545) S.B. 545 requires the proceeds from the 10 percent retail marijuana excise tax, which were previously deposited in the Account to Stabilize the Operation of the State Government (Rainy Day Fund) pursuant to S.B. 555 (2017), to be permanently deposited in the State Distributive School Account.			\$58,554,600		\$61,253,900		\$119,808,500
WHOLESALE MARIJUANA TAX (A.B. 533) A.B. 533 creates the Cannabis Compliance Board (Board) as a new state agency and transfers the administration of the recreational and medical marijuana programs from the Department of Taxation to the Board, effective July 1, 2020. The transfer of these duties to the Board results in increased expenditures relating to the administration of the marijuana programs, which reduces the amount of revenue from the 15% wholesale marijuana tax that is transferred to the State Distributive School Account.			-\$743,675		-\$882,748		-\$1,626,423
NET IMPACT - DSA/K-12 EDUCATION			<u>\$266,223,925</u>		<u>\$279,271,152</u>		<u>\$545,495,077</u>

**GENERAL FUND AND DISTRIBUTIVE SCHOOL ACCOUNT (DSA)
ADJUSTMENTS TO THE GENERAL FUND AND DSA/K-12 EDUCATION FOR THE 2019-21 BIENNIUM
BASED ON MEASURES APPROVED BY THE 2019 LEGISLATURE (80th SESSION)**

DESCRIPTION	ESTIMATED REVENUE IMPACT FROM LEGISLATIVE ACTIONS						
	FY 2019	% Change	FY 2020	% Change	FY 2021	% Change	2019-2021 BIENNIUM*
GENERAL FUND - ADJUSTMENTS TO REVENUE			\$92,880,874		\$104,743,806		\$197,624,680
GENERAL FUND - ADJUSTMENTS TO TAX CREDIT PROGRAMS			\$3,241,000		-\$5,294,900		-\$2,053,900
NET IMPACT - GENERAL FUND			<u>\$96,121,874</u>		<u>\$99,448,906</u>		<u>\$195,570,780</u>
DISTRIBUTIVE SCHOOL ACCOUNT (DSA)/K-12 EDUCATION			\$266,223,925		\$279,271,152		\$545,495,077
NET IMPACT - GENERAL FUND AND DSA/K-12 EDUCATION			<u>\$362,345,799</u>		<u>\$378,720,058</u>		<u>\$741,065,857</u>

* The amounts shown in the 2019-2021 Biennium column represent the sum of the FY 2020 and FY 2021 amounts and do not include any amounts shown for FY 2019.

TABLE 2
ECONOMIC FORUM MAY 1, 2019, GENERAL FUND REVENUE FORECAST FOR FY 2019, FY 2020, AND FY 2021
BEFORE AND AFTER TAX CREDIT PROGRAMS APPROVED DURING THE 2013 AND 2015 LEGISLATIVE SESSIONS
AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2019 LEGISLATURE (80TH SESSION)

DESCRIPTION	ECONOMIC FORUM MAY 1, 2019, FORECAST <u>BEFORE AND AFTER TAX CREDITS AND</u> <u>WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2019 LEGISLATURE</u>						
	FY 2019	%	FY 2020	%	FY 2021	%	2019-2021 BIENNIUM*
Economic Forum May 1, 2019, Forecast <u>Before</u> Tax Credits and <u>Without</u> Adjustments Approved by the 2019 Legislature Adjustments to Revenue Based on Measures Approved by the 2019 Legislature (80th Session) <u>Before Tax Credits</u>	\$4,401,312,361	17.4%	\$4,461,335,205	1.4%	\$4,585,880,805	2.8%	\$9,047,216,009
			\$92,880,874		\$104,743,806		\$197,624,680
Economic Forum May 1, 2019, Forecast <u>Before</u> Tax Credits and <u>With</u> Adjustments Approved by the 2019 Legislature	\$4,401,312,361	17.4%	\$4,554,216,079	3.5%	\$4,690,624,611	3.0%	\$9,244,840,689
ESTIMATED TAX CREDITS - COMMERCE TAX COMMERCE TAX CREDIT (S.B. 483 (2015)) Pursuant to S.B. 483 (2015), a business that pays the Commerce Tax may take a credit against that business's Modified Business Tax (MBT) due during the current fiscal year, in an amount not to exceed 50% of the Commerce Tax paid by the business for the preceding fiscal year. The credit can be taken against any or all of the four quarterly MBT payments for the current fiscal year, but any amount of credit not used cannot be carried forward and used in succeeding fiscal years. The total estimated Commerce Tax credit amount listed for each fiscal year is aggregated for all three components of the MBT (MBT-NFI, MBT-FI, and MBT-Mining).	-\$56,222,000		-\$59,128,000		-\$62,145,000		-\$121,273,000
Economic Forum May 1, 2019, Forecast <u>Before</u> Tax Credits and <u>With</u> Adjustments for Measures Approved by the 2019 Legislature (<u>After Commerce Tax Credits</u>)	\$4,345,090,361	15.9%	\$4,495,088,079	3.5%	\$4,628,479,611	3.0%	\$9,123,567,689
ESTIMATED TAX CREDITS - TAX CREDIT PROGRAMS TRANSFERRABLE FILM TAX CREDIT PROGRAM (S.B. 165 (2013)/A.B. 492 (2017)) Pursuant to S.B. 165 (2013), the Governor's Office of Economic Development (GOED) could issue up to \$20 million per fiscal year for a total of \$80 million for the four-year pilot program in transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. The film tax credit program was amended in S.B. 1 (28th Special Session (2014)) to reduce the total amount of the tax credits that may be approved by GOED to a total of \$10 million. Pursuant to A.B. 492 (2017), a total of \$10 million per year in film tax credits may be awarded by GOED beginning in FY 2018, in addition to any remaining amounts from S.B. 1 of the 28th Special Session (2014). Any portion of the \$10 million per fiscal year that is not approved by GOED may be carried forward and made available during the next or any future fiscal year. The amounts shown for FY 2019, FY 2020, and FY 2021 are based on information provided by GOED.	-\$3,770,609		-\$5,000,000		-\$6,000,000		-\$11,000,000

**TABLE 2
ECONOMIC FORUM MAY 1, 2019, GENERAL FUND REVENUE FORECAST FOR FY 2019, FY 2020, AND FY 2021
BEFORE AND AFTER TAX CREDIT PROGRAMS APPROVED DURING THE 2013 AND 2015 LEGISLATIVE SESSIONS
AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2019 LEGISLATURE (80TH SESSION)**

DESCRIPTION	ECONOMIC FORUM MAY 1, 2019, FORECAST BEFORE AND AFTER TAX CREDITS AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2019 LEGISLATURE						
	FY 2019	% Change	FY 2020	% Change	FY 2021	% Change	2019-2021 BIENNIUM*
<p>NEVADA EDUCATIONAL CHOICE SCHOLARSHIP TAX CREDIT PROGRAM (A.B. 165 (2015)/S.B. 555 (2017)/A.B. 458 (2019)/S.B. 551 (2019))</p> <p>A.B. 165 (2015) allows taxpayers who make donations of money to certain scholarship organizations to receive a dollar-for-dollar credit against the taxpayer's liability for the Modified Business Tax (MBT). The total amount of credits that may be approved by the Department of Taxation is \$5 million in FY 2016, \$5.5 million in FY 2017, and 110 percent of the total amount of credits authorized in the previous year, for all subsequent fiscal years, for each chapter of the MBT (Chapters 363A and 363B).</p> <p>S.B. 555 (2017) authorized an additional \$20 million in credits against the MBT under this program in Fiscal Year 2018 beyond those that were authorized in FY 2018 based on the provisions of A.B. 165 (2015). Any amount of the \$20 million in credits that is not approved by the Department may be issued in future fiscal years.</p> <p>A.B. 458 (2019) permanently eliminated the 10 percent increase in the amount of credits that may be authorized in each year, capping the total amount that may be authorized in each year at \$6,655,000 beginning in FY 2020. The bill additionally clarified that the \$6,655,000 limit per year applies to the combined credits that may be taken under both chapters of the MBT (Chapters 363A and 363B), rather than as a separate limit for each chapter.</p> <p>S.B. 551 (2019) authorized an additional \$4,745,000 in credits against the MBT (Chapters 363A and 363B combined) under this program per year in FY 2020 and FY 2021 beyond those that were authorized in those years based on the provisions of A.B. 458 (2019). Any amount of the \$4,745,000 million in credits that is not approved by the Department in each fiscal year may be issued in future fiscal years.</p> <p>The forecast for FY 2019 is based on the amount of the \$20 million that was awarded in FY 2018 pursuant to S.B. 555 (2017), but not used against the MBT in that fiscal year, plus the maximum amount of annual credits allowed based on the statutory formula adopted in A.B. 165 (2015). The forecasts for FY 2020 and FY 2021 are based on the maximum of \$6,655,000 per fiscal year allowed pursuant to A.B. 458 (2019), plus the additional \$4,745,000 per year allowed pursuant to S.B. 551 (2019).</p>	-\$18,131,350		-\$11,400,000		-\$11,400,000		-\$22,800,000

**TABLE 2
 ECONOMIC FORUM MAY 1, 2019, GENERAL FUND REVENUE FORECAST FOR FY 2019, FY 2020, AND FY 2021
 BEFORE AND AFTER TAX CREDIT PROGRAMS APPROVED DURING THE 2013 AND 2015 LEGISLATIVE SESSIONS
 AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2019 LEGISLATURE (80TH SESSION)**

DESCRIPTION	ECONOMIC FORUM MAY 1, 2019, FORECAST BEFORE AND AFTER TAX CREDITS AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2019 LEGISLATURE						
	FY 2019	% Change	FY 2020	% Change	FY 2021	% Change	2019-2021 BIENNIUM*
<p>NEVADA NEW MARKETS JOBS ACT TAX CREDIT PROGRAM (S.B. 357 (2013)/A.B. 446 (2019))</p> <p>Pursuant to S.B. 357 (2013), the Nevada New Markets Jobs Act allows insurance companies to receive a credit against the tax imposed on insurance premiums in exchange for making qualified equity investments in community development entities, particularly those that are local and minority-owned. A total of \$200 million in qualified equity investments may be certified by the Department of Business and Industry. In exchange for making the qualified equity investment, insurance companies are entitled to receive a credit against the Insurance Premium Tax in an amount equal to 58 percent of the total qualified equity investment that is certified by the Department. The credits may be taken in increments beginning on the second anniversary date of the original investment, as follows:</p> <p>2 years after the investment is made: 12 percent of the qualified investment 3 years after the investment is made: 12 percent of the qualified investment 4 years after the investment is made: 12 percent of the qualified investment 5 years after the investment is made: 11 percent of the qualified investment 6 years after the investment is made: 11 percent of the qualified investment</p> <p>Under the provisions of S.B. 357, the insurance companies were allowed to begin taking tax credits in the third quarter of FY 2015. The amounts shown for FY 2019, FY 2020, and FY 2021 reflect estimates of the amount of tax credits that will be taken in each fiscal year based on information provided by the Department of Business and Industry and the Department of Taxation during the 2019 Session.</p> <p>Pursuant to A.B. 446 (2019), an additional \$200 million in qualified equity investments may be certified by the Department of Business and Industry, effective July 1, 2019, with a total of \$116 million of credits that may be taken based on the increment percentages originally approved in S.B. 357 (2013). However, pursuant to A.B. 446, no credits may be taken against the Insurance Premium Tax before July 1, 2021 (FY 2022).</p>	-\$22,000,000		-\$7,195,974				-\$7,195,974

TABLE 2
ECONOMIC FORUM MAY 1, 2019, GENERAL FUND REVENUE FORECAST FOR FY 2019, FY 2020, AND FY 2021
BEFORE AND AFTER TAX CREDIT PROGRAMS APPROVED DURING THE 2013 AND 2015 LEGISLATIVE SESSIONS
AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2019 LEGISLATURE (80TH SESSION)

DESCRIPTION	ECONOMIC FORUM MAY 1, 2019, FORECAST BEFORE AND AFTER TAX CREDITS AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2019 LEGISLATURE						
	FY 2019	% Change	FY 2020	% Change	FY 2021	% Change	2019-2021 BIENNIUM*
<p>ECONOMIC DEVELOPMENT TRANSFERRABLE TAX CREDIT PROGRAMS (S.B. 1 (28TH S.S.)/S.B. 1 (29TH S.S.))</p> <p>Pursuant to S.B. 1 (28th Special Session (2014)), for certain qualifying projects with a capital investment of at least \$3.5 billion, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$12,500 for each qualified employee employed by the participants in the project, to a maximum of 6,000 employees, plus 5 percent of the first \$1 billion of new capital investment in the State made collectively by the participants in the qualifying project, plus an additional 2.8 percent of the next \$2.5 billion in new capital investment in the State made collectively by the participants in the project. The amount of credits approved by GOED may not exceed \$45 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$195 million.</p> <p>Pursuant to S.B. 1 (29th Special Session (2015)), for certain qualifying projects with a capital investment of at least \$1 billion, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$9,500 for each qualified employee employed by the participants in the project, to a maximum of 4,000 employees. The amount of credits approved by GOED may not exceed \$7.6 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$38 million.</p> <p>The amounts shown reflect estimates based on information provided by GOED during the 2019 Session on the amount of credits that will be used or be approved for use in FY 2019, FY 2020, and FY 2021.</p>	-\$41,943,604		-\$21,912,500				-\$21,912,500
<p>CATALYST ACCOUNT TRANSFERRABLE TAX CREDIT PROGRAM (S.B. 507 (2015)/A.B. 1 (29TH S.S.))</p> <p>S.B. 507 (2015) authorizes the Governor's Office of Economic Development (GOED) to approve and issue transferrable tax credits that may be used against the Modified Business Tax (MBT), Insurance Premium Tax, and Gaming Percentage Fee Tax to new or expanding businesses to promote the economic development of Nevada. Pursuant to A.B. 1 of the 29th Special Session (2015), the total amount of transferrable tax credits that may be issued is \$1 million in FY 2017, \$2 million per year in FY 2018 and FY 2019, and \$3 million in FY 2020. For FY 2021 and future fiscal years, the amount of credits that may be issued by GOED remains at \$5 million per year. The amounts shown for FY 2019 and FY 2020 are based on information provided by GOED on the amount of credits that will be used or approved for use in FY 2019 and FY 2020. The amount shown for FY 2021 is the estimate based on the maximum amount that can be issued in that fiscal year.</p>	-\$2,227,500		-\$3,247,500		-\$5,000,000		-\$8,247,500

**TABLE 2
ECONOMIC FORUM MAY 1, 2019, GENERAL FUND REVENUE FORECAST FOR FY 2019, FY 2020, AND FY 2021
BEFORE AND AFTER TAX CREDIT PROGRAMS APPROVED DURING THE 2013 AND 2015 LEGISLATIVE SESSIONS
AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2019 LEGISLATURE (80TH SESSION)**

DESCRIPTION	ECONOMIC FORUM MAY 1, 2019, FORECAST BEFORE AND AFTER TAX CREDITS AND WITH ADJUSTMENT FOR MEASURES APPROVED BY THE 2019 LEGISLATURE						
	FY 2019	% Change	FY 2020	% Change	FY 2021	% Change	2019-2021 BIENNIUM*
<p>COLLEGE SAVINGS PLAN EMPLOYER MATCHING EMPLOYEE CONTRIBUTION TAX CREDIT PROGRAM (S.B. 412 (2015))</p> <p>S.B. 412 (2015) provides a tax credit against the Modified Business Tax (MBT) to certain employers who match the contribution of an employee to one of the college savings plans offered through the Nevada Higher Education Prepaid Tuition Program and the Nevada College Savings Program authorized under existing law. The amount of the tax credit is equal to 25 percent of the matching contribution, not to exceed \$500 per contributing employee per year, and any unused credits may be carried forward for 5 years. The amounts shown are estimates based on information provided by the Treasurer's Office on enrollment and contributions for the college savings plans.</p>	-\$1,000		-\$50,000		-\$50,000		-\$100,000
<p>AFFORDABLE HOUSING TRANSFERRABLE TAX CREDIT PROGRAM (S.B. 448 (2019))</p> <p>S.B. 448 (2019) authorizes the Housing Division of the Department of Business and Industry (Division) to approve a total of \$40 million of transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. Under the provisions of S.B. 448, the Division may award up to \$10 million in transferrable tax credits per year to persons who develop affordable housing projects in Nevada over the four years of the pilot program, but may award an additional \$3 million in credits in any fiscal year if the issuance of the credits is necessary for the development of additional affordable housing projects in the state. If the Division approves any credits in excess of \$10 million in a fiscal year, the amount to be awarded in the next fiscal year must be reduced by the amount in excess of \$10 million that was issued in the previous fiscal year. If the Division does not issue all of the \$10 million in credits authorized in a fiscal year, that amount is carried forward and may be issued in a subsequent fiscal year.</p>					-\$10,000,000		-\$10,000,000
<p>TOTAL - ALL OTHER TAX CREDITS APPROVED BY ECONOMIC FORUM AT THE MAY 1, 2019, MEETING ADJUSTED FOR MEASURES BY THE 2019 LEGISLATURE</p>	-\$88,074,063		-\$48,805,974		-\$32,450,000		-\$81,255,974
<p>Economic Forum May 1, 2019, Forecast <u>After</u> Tax Credits Approved on May 1, 2019, and <u>With</u> Adjustments Approved by the 2019 Legislature</p>	\$4,257,016,298	15.2%	\$4,446,282,105	4.4%	\$4,596,029,611	3.4%	\$9,042,311,715
<p>Economic Forum May 1, 2019, Forecast <u>After</u> Tax Credits Approved on May 1, 2019, and <u>Without</u> Adjustments Approved by the 2019 Legislature</p>	\$4,257,016,298	15.2%	\$4,350,160,231	2.2%	\$4,496,580,705	3.4%	\$8,846,740,935
<p>Difference <u>After</u> Tax Credits: Economic Forum May 1, 2019, Forecast <u>With</u> Less <u>Without</u> Adjustments Approved by the 2019 Legislature</p>			\$96,121,874		\$99,448,906		\$195,570,780

* The amounts shown in the 2019-2021 Biennium column represent the sum of the FY 2020 and FY 2021 amounts and do not include any amounts shown for FY 2019.

SECTION IV

GENERAL FUND APPROPRIATIONS AND TOTAL BUDGET

On January 18, 2021, Governor Steve Sisolak transmitted The 2021-23 Executive Budget to the 81st Nevada Legislature. The budget includes recommendations for a Capital Improvement Program, supplemental and one-shot appropriations, as well as operating appropriations and authorizations for Fiscal Years 2022 and 2023.

EXPENDITURE CAP

The 1979 Legislature established the state's current expenditure limitation *Nevada Revised Statutes* (NRS) 353.213), which applies to all General Fund appropriations recommended by the Governor, except appropriations recommended for construction. The base period is the 1975-77 biennium (Fiscal Years 1976 and 1977), and the base amount is increased by the growth in population and the rate of inflation each biennium. The limitation can be exceeded to the extent necessary to meet situations involving a threat to life or property.

Historically, the expenditure limitation has been higher than the amount of General Fund appropriations recommended in The Executive Budget; therefore, has not been a factor in the budgeting process. However, the difference between the expenditure limitation and General Fund appropriations recommended in The Executive Budget began to narrow, resulting in the recommended General Fund appropriations in The Executive Budget submitted to the 2005 Legislature being only slightly under the expenditure limitation. The expenditure limitation is not a factor in the 2021-23 budgeting process.

The current expenditure limitation and the General Fund appropriations recommended by the Governor for each biennium under review by the 2021 Legislature are outlined below.

	<u>2019-21 Biennium</u>	<u>2022-23 Biennium</u>
Expenditure Limitation (a.) (b.)	\$10,166,212,828	\$10,805,859,383
General Fund Appropriations		
2019 Legislature Approves (c.)	\$ 8,934,013,830	
31 st Special Session (d.)	(\$532,228,700)	
32 nd Special Session (e.)	\$ 410,000	
2021 Governor Recommends (f.)	<u>\$582,979,561</u>	<u>\$ 8,720,529,458</u>
Total Appropriations	\$ 8,985,174,691	\$ 8,720,529,458
Over/(Under) Expenditure Limitation	(\$1,181,038,137)	(\$2,085,329,925)

(a.) The expenditure limitation for the 2019-21 biennium is based on the July 1, 2018, population estimate certified by the Governor of 3,057,582.

(b.) The expenditure limitation for the 2021-23 biennium is prepared by the Fiscal Analysis Division and based on the State Demographers March 2020 5-year population projections July 1, 2020, statewide population estimate of 3,160,965.

(c.) Source – 2019 Legislature Appropriations Report, page 72, Expenditure Limitation for the 2019-21 biennium. Cost of 2021 Legislative Session reflected in the 2021 Governor Recommends.

(d.) Source – 2020 31st Special Session Appropriations Report.

(e.) 32nd Special Session - Senate Bill 4, section 33.5

(f.) The Executive Budget, BUDGET OVERVIEW–15 & 16 Unrestricted Appropriations/Transfers for FY 2021, FY 2022 and FY 2023.

2021-23 EXECUTIVE BUDGET

The Governor’s recommended budget includes approximately \$8.689 billion in General Fund operating appropriations for the 2021-23 biennium. Supplemental appropriations, appropriations to restore various fund balances, one-shot appropriations, Capital Improvement Program, and the estimated cost of the 81st Legislature total \$618.1 million, as noted in the table below. Additionally, the Governor has recommended reserving \$20.0 million to fund the estimated cost of the 82nd Legislature.

General Fund Appropriations 2021-23 Biennium - Governor Recommended				
Purpose	FY 2021	FY 2022	FY 2023	Total
Supplemental Appropriations	\$342,371,138	\$ -	\$ -	\$342,371,138
Restoration of Fund Balances	\$ 29,780,212	\$ -	\$ -	\$ 29,780,212
Estimated Cost of the 81 th Legislature	\$ 19,447,280	\$ -	\$ -	\$ 19,447,280
One-Time Appropriations	\$226,499,958	\$ -	\$ -	\$226,499,958
Capital Improvement Program	\$ -	\$ -	\$ -	\$ -
Subtotal	\$618,098,588	\$ -	\$ -	\$618,098,588
Estimated Cost of the 82nd Legislature (a.)	\$ -	\$ -	\$ 20,000,000	\$ 20,000,000
Total	\$618,098,588	\$ -	\$ 20,000,000	\$638,098,588

(a.) Reserved for appropriation by the 2023 Legislature.

Total General Fund appropriations for the 2021-23 biennium (including one-shot and supplemental appropriations for Fiscal Year 2021) as recommended in The Executive Budget are \$9.307 billion. This represents a decrease of 0.2% from General Fund appropriations as approved by the 2019 Legislature for the 2019-21 biennium (\$9.326 billion).

After adjusting for interagency transfers, appropriations and authorizations for the 2021-23 biennium from all revenue sources total \$27.070 billion, which compares to the \$25.753 billion approved by the 2019 Legislature. This represents an increase of 5.1% in total funding recommended for the 2021-23 biennium compared to the 2019-21 biennium.

The schedules that follow contain all the appropriations recommended by the Governor for the 2021-23 biennium. Also included is a “pie chart” that illustrates the proposed distribution of General Fund appropriations among the various governmental functions.

Following are summaries and schedules that reflect the proposed spending in the Governor’s budget. Included is a “Source of Funds Summary,” which compares the proposed operating appropriations and authorizations to those in the current biennium by funding source; a list of proposed supplemental appropriations for the current fiscal year; a list of proposed one-shot appropriations; the amounts recommended to restore certain fund balances; and information on the Governor’s proposed Capital Improvement Program, and recommended position summary.

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
ELECTED OFFICIALS						
GENERAL FUND	176,990,781	161,652,833	141,796,446	-12.28	138,767,681	-2.14
BALANCE FORWARD	17,355,728	262,578,015	239,718,653	-8.71	272,983,903	13.88
FEDERAL FUND	15,486,861	17,154,249	13,393,194	-21.92	9,109,594	-31.98
HIGHWAY FUND	7,268,787	7,254,493	1,120,879	-84.55	1,561,737	39.33
INTERAGENCY TRANSFER	64,558,230	78,027,315	65,990,020	-15.43	64,839,981	-1.74
INTERIM FINANCE	349,216	552,764				
OTHER FUND	252,840,880	264,795,317	240,181,181	-9.30	241,954,482	.74
REVERSIONS	-29,919,672					
TOTAL FOR ELECTED OFFICIALS	504,930,811	792,014,986	702,200,373	-11.34	729,217,378	3.85
Less: INTER-AGENCY TRANSFER	64,558,230	78,027,315	65,990,020	-15.43	64,839,981	-1.74
NET ELECTED OFFICIALS	440,372,581	713,987,671	636,210,353	-10.89	664,377,397	4.43
FINANCE & ADMINISTRATION						
GENERAL FUND	43,427,345	41,328,512	43,737,632	5.83	44,774,334	2.37
BALANCE FORWARD	-416,331	50,023,756	42,901,465	-14.24	36,684,058	-14.49
FEDERAL FUND	1,901,166	2,160,666	1,884,996	-12.76	1,884,996	
INTERAGENCY TRANSFER	119,061,826	126,383,910	114,901,214	-9.09	114,748,476	-1.13
INTERIM FINANCE	295,052	246,593				
OTHER FUND	66,441,258	75,274,487	89,949,547	19.50	95,158,443	5.79
REVERSIONS	-1,749,216					
TOTAL FOR FINANCE & ADMINISTRATION	228,961,100	295,417,924	293,374,854	-6.9	293,250,307	-0.4
Less: INTER-AGENCY TRANSFER	119,061,826	126,383,910	114,901,214	-9.09	114,748,476	-1.13
NET FINANCE & ADMINISTRATION	109,899,274	169,034,014	178,473,640	5.58	178,501,831	.02
EDUCATION						
GENERAL FUND	2,362,145,271	1,919,720,173	2,078,278,937	8.26	1,961,179,763	-5.63
BALANCE FORWARD	-11,013,736	53,925,151	17,008,718	-68.46	18,700,560	9.95
FEDERAL FUND	274,281,860	311,435,876	313,564,358	.68	312,803,818	-.24
INTERAGENCY TRANSFER	221,663,379	353,550,984	237,810,569	-32.74	280,802,960	18.08
INTERIM FINANCE	2,494,057	428,800				
OTHER FUND	835,606,622	845,835,126	860,031,289	1.68	938,640,639	9.14
REVERSIONS	-17,847,581					
TOTAL FOR EDUCATION	3,667,329,872	3,484,896,110	3,506,693,871	.63	3,512,127,740	.15
Less: INTER-AGENCY TRANSFER	221,663,379	353,550,984	237,810,569	-32.74	280,802,960	18.08
NET EDUCATION	3,445,666,493	3,131,345,126	3,268,883,302	4.39	3,231,324,780	-1.15
COMMERCE & INDUSTRY						
GENERAL FUND	59,052,342	46,991,770	54,702,214	16.41	53,609,242	-2.00
BALANCE FORWARD	-13,078,009	112,401,155	103,030,043	-8.34	105,691,056	2.58
FEDERAL FUND	176,328,491	265,853,726	159,543,562	-39.99	163,723,816	2.62
HIGHWAY FUND	2,601,361	2,733,592	2,689,182	-1.62	2,665,990	-.86
INTERAGENCY TRANSFER	35,372,024	142,440,317	32,810,249	-76.97	31,481,837	-4.05
INTERIM FINANCE	85,841	71,465				
OTHER FUND	161,060,663	174,854,273	162,746,840	-6.92	170,818,234	4.96
REVERSIONS	-7,038,757					
TOTAL FOR COMMERCE & INDUSTRY	414,383,956	745,346,298	515,522,090	-30.83	527,990,175	2.42
Less: INTER-AGENCY TRANSFER	35,372,024	142,440,317	32,810,249	-76.97	31,481,837	-4.05
NET COMMERCE & INDUSTRY	379,011,932	602,905,981	482,711,841	-19.94	496,508,338	2.86

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

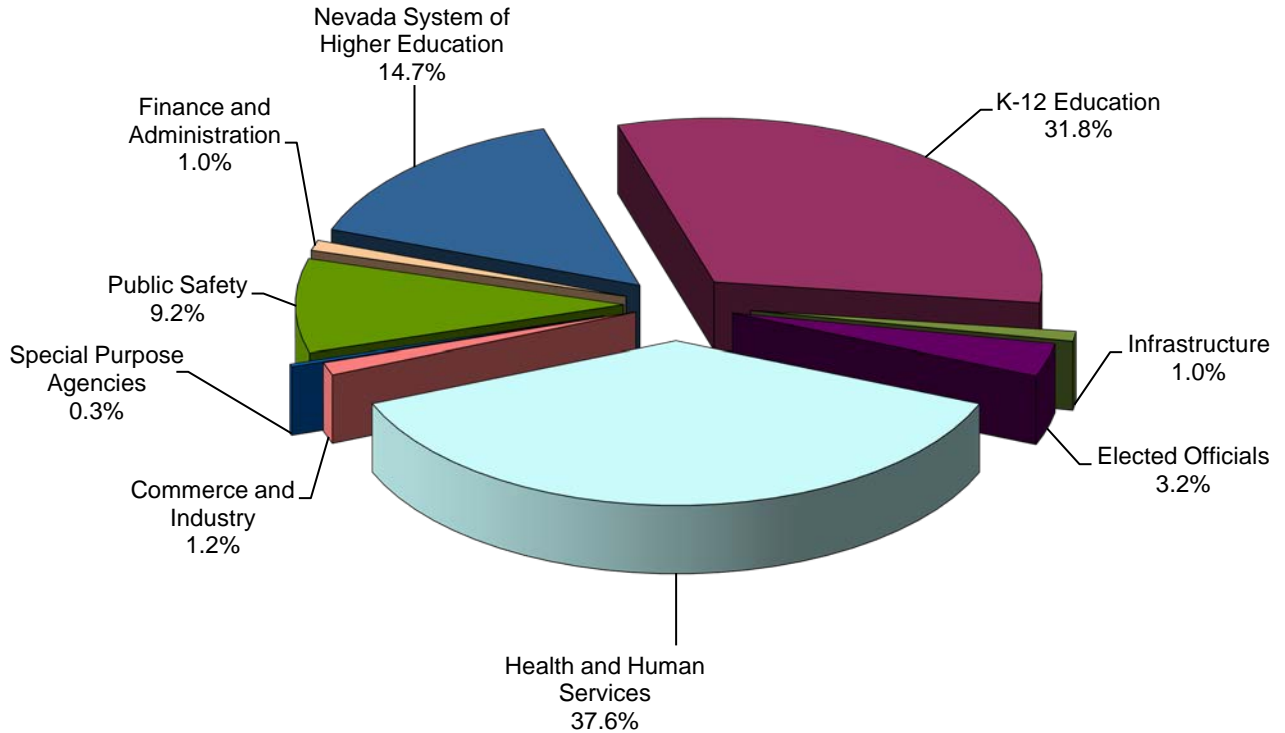
	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
HEALTH AND HUMAN SERVICES						
GENERAL FUND	1,366,424,055	1,434,106,058	1,571,279,041	9.57	1,691,002,442	7.62
BALANCE FORWARD	-474,071	120,480,676	141,738,531	17.64	86,348,330	-39.08
FEDERAL FUND	3,855,202,102	4,296,138,293	4,286,475,435	-0.22	4,498,841,696	4.95
INTERAGENCY TRANSFER	536,031,632	706,329,315	963,936,438	36.47	911,102,095	-5.48
OTHER FUND	368,959,767	382,536,293	726,970,546	90.04	728,411,123	.20
REVERSIONS	-34,785,163					
TOTAL FOR HEALTH AND HUMAN SERVICES	6,091,358,322	6,939,590,635	7,690,399,991	10.82	7,915,705,686	2.93
Less: INTER-AGENCY TRANSFER	536,031,632	706,329,315	963,936,438	36.47	911,102,095	-5.48
NET HEALTH AND HUMAN SERVICES	5,555,326,690	6,233,261,320	6,726,463,553	7.91	7,004,603,591	4.14
PUBLIC SAFETY						
GENERAL FUND	382,131,612	376,557,590	396,803,863	5.38	406,731,329	2.50
BALANCE FORWARD	-3,093,171	77,127,165	49,889,945	-35.31	50,317,162	.86
FEDERAL FUND	35,326,388	34,647,350	32,932,962	-4.95	31,082,282	-5.62
HIGHWAY FUND	127,538,473	130,785,900	127,366,646	-2.61	133,002,772	4.43
INTERAGENCY TRANSFER	90,546,703	200,211,735	52,380,674	-73.84	53,928,350	2.95
INTERIM FINANCE	8,698,560	9,544,204				
OTHER FUND	156,416,307	171,547,637	154,285,157	-10.06	155,002,762	.47
REVERSIONS	-33,414,272					
TOTAL FOR PUBLIC SAFETY	764,150,600	1,000,421,581	813,659,247	-18.67	830,064,657	2.02
Less: INTER-AGENCY TRANSFER	90,546,703	200,211,735	52,380,674	-73.84	53,928,350	2.95
NET PUBLIC SAFETY	673,603,897	800,209,846	761,278,573	-4.87	776,136,307	1.95
INFRASTRUCTURE						
GENERAL FUND	42,763,593	39,482,381	41,693,808	5.60	41,497,935	-.47
BALANCE FORWARD	7,294,724	53,598,264	37,757,912	-29.55	35,575,268	-5.78
FEDERAL FUND	386,473,647	442,192,996	423,082,398	-4.32	422,904,092	-.04
HIGHWAY FUND	514,711,028	520,327,957	447,551,732	-13.99	452,933,329	1.20
INTERAGENCY TRANSFER	55,886,167	64,274,250	54,140,091	-15.77	54,920,263	1.44
INTERIM FINANCE	12,990,924	1,699,854				
OTHER FUND	85,396,534	276,902,518	122,938,625	-55.60	121,843,022	-.89
REVERSIONS	-118,613,139					
TOTAL FOR INFRASTRUCTURE	986,903,478	1,398,478,220	1,127,164,566	-19.40	1,129,673,909	.22
Less: INTER-AGENCY TRANSFER	55,886,167	64,274,250	54,140,091	-15.77	54,920,263	1.44
NET INFRASTRUCTURE	931,017,311	1,334,203,970	1,073,024,475	-19.58	1,074,753,646	.16
SPECIAL PURPOSE AGENCIES						
GENERAL FUND	11,982,205	10,597,884	11,256,049	6.21	11,513,284	2.29
BALANCE FORWARD	-1,499,199	172,672,048	140,877,882	-18.41	133,168,763	-5.47
FEDERAL FUND	36,092,893	52,185,795	47,282,376	-9.40	49,780,133	5.28
INTERAGENCY TRANSFER	678,715,048	690,279,755	621,341,351	-9.99	671,707,786	8.11
INTERIM FINANCE	1,682,088					
OTHER FUND	59,057,677	51,305,136	61,952,852	20.75	60,582,816	-2.21
REVERSIONS	-2,796,119					
TOTAL FOR SPECIAL PURPOSE AGENCIES	783,234,593	977,040,618	882,710,510	-9.65	926,752,782	4.99
Less: INTER-AGENCY TRANSFER	678,715,048	690,279,755	621,341,351	-9.99	671,707,786	8.11
NET SPECIAL PURPOSE AGENCIES	104,519,545	286,760,863	261,369,159	-8.85	255,044,996	-2.42

Nevada Legislative Counsel Bureau
 Source of Funds Summary
 2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
STATEWIDE						
GENERAL FUND	4,444,917,204	4,030,437,201	4,339,547,990	7.67	4,349,076,010	.22
BALANCE FORWARD	-4,924,065	902,806,230	772,923,149	-14.39	739,469,100	-4.33
FEDERAL FUND	4,781,093,408	5,421,768,951	5,278,159,281	-2.65	5,490,130,427	4.02
HIGHWAY FUND	652,119,649	661,101,942	578,728,439	-12.46	590,163,828	1.98
INTERAGENCY TRANSFER	1,801,835,009	2,361,497,581	2,143,310,606	-9.24	2,183,531,748	1.88
INTERIM FINANCE	26,595,738	12,543,680				
OTHER FUND	1,985,779,708	2,243,050,787	2,419,056,037	7.85	2,512,411,521	3.86
REVERSIONS	-246,163,919					
TOTAL FOR STATEWIDE	13,441,252,732	15,633,206,372	15,531,725,502	- .65	15,864,782,634	2.14
Less: INTER-AGENCY TRANSFER	1,801,835,009	2,361,497,581	2,143,310,606	-9.24	2,183,531,748	1.88
NET STATEWIDE	11,639,417,723	13,271,708,791	13,388,414,896	.88	13,681,250,886	2.19

NEVADA GENERAL FUND APPROPRIATIONS

GOVERNOR RECOMMENDS – 2021-23 BIENNIUM



GOVERNOR RECOMMENDS GENERAL FUND APPROPRIATIONS - 2021-23 BIENNIUM

	<u>FY 2022</u>	<u>FY 2023</u>	<u>2021-23 Biennium</u>	<u>% of Total</u>
Elected Officials	\$ 141,796,446	\$ 138,767,681	\$ 280,564,127	3.2%
Finance and Administration	\$ 43,737,632	\$ 44,774,334	\$ 88,511,966	1.0%
Education				
K-12 Education	\$ 1,440,734,740	\$ 1,321,210,066	\$ 2,761,944,806	31.8%
Nevada System of Higher Education	\$ 637,544,197	\$ 639,969,697	\$ 1,277,513,894	14.7%
Subtotal Education	\$ 2,078,278,937	\$ 1,961,179,763	\$ 4,039,458,700	46.5%
Commerce and Industry	\$ 54,702,214	\$ 53,609,242	\$ 108,311,456	1.2%
Health and Human Services	\$ 1,571,279,041	\$ 1,691,002,442	\$ 3,262,281,483	37.6%
Public Safety	\$ 396,803,863	\$ 406,731,329	\$ 803,535,192	9.2%
Infrastructure	\$ 41,693,808	\$ 41,497,935	\$ 83,191,743	1.0%
Special Purpose Agencies	\$ 11,256,049	\$ 11,513,284	\$ 22,769,333	0.3%
Total	\$ 4,339,547,990	\$ 4,349,076,010	\$ 8,688,624,000	100.0%

**GENERAL FUND SUPPLEMENTAL APPROPRIATIONS
GOVERNOR RECOMMENDS - 2021 LEGISLATURE**

DEPARTMENT/DIVISION	PURPOSE	EXECUTIVE BUDGET		
		FY 2021	FY 2022	FY 2023
ELECTED OFFICIALS				
Governor's Office of Finance- Division of Internal Audits	Provides funding for a shortfall in personnel services.	\$ 81,972		
	SUBTOTAL - ELECTED OFFICIALS	\$ 81,972	\$ -	\$ -
EDUCATION				
Department of Education- Distributive School Account	Provides funding for an unanticipated decrease in revenues for the 2019-2020 and 2020-2021 school years.	\$ 331,686,641		
	SUBTOTAL - EDUCATION	\$ 331,686,641	\$ -	\$ -
PUBLIC SAFETY				
Department of Corrections - Director's Office	Provides funding for a shortfall in inmate driven and food costs.	\$ 500,000		
Department of Public Safety -Division of Parole and Probation	Provides funding for a shortfall in contractual obligations and staff physicals.	\$ 92,269		
	SUBTOTAL - PUBLIC SAFETY	\$ 592,269	\$ -	\$ -
INFRASTRUCTURE				
Department of Conservation and Natural Resources - Administration	Provides funding for terminal leave payout costs.	\$ 10,256		
Department of Conservation and Natural Resources -Division of Forestry	Provides funding for a shortfall in the fire suppression account.	\$ 10,000,000		
	SUBTOTAL - INFRASTRUCTURE	\$ 10,010,256		
	TOTAL GENERAL FUND SUPPLEMENTAL APPROPRIATIONS	\$ 342,371,138	\$ -	\$ -

**GENERAL FUND ONE-SHOT AND SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS - 2021 LEGISLATURE
2021-23 BIENNIUM**

DEPARTMENT/DIVISION	PURPOSE	EXECUTIVE BUDGET		
		FY 2021	FY 2022	FY 2023
ELECTED OFFICIALS				
Governor's Office of Finance - Budget Division	Provides funding for the Nevada Executive Budget System upgrade project.	\$ 422,000		
Governor's Office of Finance Office - Smart 21	Provides funding for implementation of the statewide finance and human resources system.	\$ 23,280,635		
Governor's Office of Finance Office - Smart 21	Provides funding for office furnishings.	\$ 32,055		
Governor's Office of Finance - Special Appropriations	Provides funding for targeted assistance for eligible businesses, non-profits and other entities impacted by the COVID-19 pandemic.	\$ 50,000,000		
Governor's Office of Finance - Special Appropriations	Provides funding for construction of a medical school at the University of Nevada, Las Vegas	\$ 25,000,000		
Office of the Secretary of State	Provides funding for replacement of computer hardware and software equipment.	\$ 2,530,292		
Office of the Treasurer	Provides funding for the Governor Guinn Millennium Scholarship.	\$ 44,000,000		
Office of the Treasurer	Provides funding for the Account for Pensions for Silicosis, Diseases Related to Asbestos and Other Disabilities.	\$ 34,000		
Office of the Treasurer	Provides funding for the Promise Scholarship program.	\$ 7,328,366		
Office of the Controller	Provides funding for replacement printers.	\$ 18,848		
Judicial Branch - Supreme Court	Provides funding for initial implementation of a statewide E-filing solution for local trial courts.	\$ 1,336,800		
Judicial Branch - Supreme Court	Provides funding for initial implementation of a statewide case management system in the trial courts.	\$ 1,290,292		
Judicial Branch - Supreme Court	Provides funding for replacement of computer hardware and software equipment.	\$ 164,801		
Judicial Branch - Court of Appeals	Provides funding for replacement of computer hardware and software equipment.	\$ 42,903		
Judicial Branch - Law Library	Provides funding for replacement of computer hardware and software equipment.	\$ 9,753		
Judicial Branch - Judicial Programs and Services Division	Provides funding for replacement of computer hardware and software equipment.	\$ 13,652		

**GENERAL FUND ONE-SHOT AND SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS - 2021 LEGISLATURE
2021-23 BIENNIUM**

DEPARTMENT/DIVISION	PURPOSE	EXECUTIVE BUDGET		
		FY 2021	FY 2022	FY 2023
Legislative Branch - Legislative Counsel Bureau	Provides funding for capital improvement projects.	\$ 4,007,000		
Legislative Branch - Legislative Counsel Bureau	Provides funding for national and regional organizations annual dues.	\$ 875,500		
	SUBTOTAL - ELECTED OFFICIALS	\$ 160,386,897	\$ -	\$ -
FINANCE AND ADMINISTRATION				
Department of Administration - Enterprise IT Services	Provides funding for a General Fund loan to Enterprise Information Technology Services for replacement of the Content Management and Portal platform.	\$ 1,784,500		
Department of Taxation	Provides funding for replacement of computer hardware and software equipment.	\$ 146,822		
Department of Taxation	Provides funding for replacement printers.	\$ 68,912		
Department of Taxation	Provides funding for replacement of essential information technology hardware.	\$ 261,655		
Department of Taxation	Provides funding for replacement printers.	\$ 50,461		
Department of Taxation	Provides funding for relocation and consolidation of the two Las Vegas Valley offices into one office in Southern Nevada.	\$ 622,364		
Department of Taxation	Provides funding for the modernization of the Unified Tax System as part of Project MYNT.	\$ 2,943,463		
	SUBTOTAL - FINANCE AND ADMINISTRATION	\$ 5,878,177	\$ -	\$ -
COMMERCE AND INDUSTRY				
Department of Agriculture - Veterinary Medical Services	Provides funding for purchase of laboratory equipment and maintenance contracts.	\$ 53,550		
Gaming Control Board	Provides funding for continuation of the replacement of the legacy information system.	\$ 5,409,619		
Department of Business and Industry - Real Estate Division	Provides funding for upgrade of the agency legacy licensing software.	\$ 693,670		
Department of Business and Industry - Real Estate Division	Provides funding for replacement of computer hardware and software equipment.	\$ 37,654		
Department of Tourism and Cultural Affairs - Museums and History	Provides funding for restoration of the School Bus Program.	\$ 100,000		

**GENERAL FUND ONE-SHOT AND SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS - 2021 LEGISLATURE
2021-23 BIENNIUM**

DEPARTMENT/DIVISION	PURPOSE	EXECUTIVE BUDGET		
		FY 2021	FY 2022	FY 2023
	SUBTOTAL - COMMERCE AND INDUSTRY	\$ 6,294,493	\$ -	\$ -
HEALTH AND HUMAN SERVICES				
Department of Health and Human Services - Aging and Disability Services Division - Desert Regional Center	Provides funding for campus-wide pavement maintenance at the Jones campus.	\$ 85,750		
Department of Health and Human Services - Division of Public and Behavioral Health - Northern Nevada Adult Mental Health Services	Provides funding for deferred maintenance projects.	\$ 111,860		
Department of Health and Human Services - Division of Public and Behavioral Health - Northern Nevada Adult Mental Health Services	Provides funding for deferred maintenance projects for Building 8A.	\$ 51,534		
Department of Health and Human Services - Division of Public and Behavioral Health - Southern Nevada Adult Mental Health Services	Provides funding for building maintenance and repairs on the West Charleston campus.	\$ 1,457,870		
Department of Health and Human Services - Division of Public and Behavioral Health - Southern Nevada Adult Mental Health Services	Provides funding for building maintenance and repairs on the West Charleston campus.	\$ 145,000		
Department of Health and Human Services - Division of Public and Behavioral Health - Southern Nevada Adult Mental Health Services	Provides funding for building maintenance and repairs for the Rawson Neal Psychiatric Hospital.	\$ 565,500		
Department of Health and Human Services - Division of Public and Behavioral Health - Facility for the Mental Offender	Provides funding for deferred maintenance for Lake's Crossing Center on the Northern Nevada Adult Mental Health Services campus.	\$ 261,362		
Department of Health and Human Services - Division of Public and Behavioral Health - Facility for the Mental Offender	Provides funding for replacement kitchen equipment.	\$ 27,285		

**GENERAL FUND ONE-SHOT AND SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS - 2021 LEGISLATURE
2021-23 BIENNIUM**

DEPARTMENT/DIVISION	PURPOSE	EXECUTIVE BUDGET		
		FY 2021	FY 2022	FY 2023
Department of Health and Human Services - Division of Welfare and Supportive Services - Child Enforcement	Provides funding for continuation of the Child Support Enforcement Program technology modernization project.	\$ 17,472,208		
Department of Health and Human Services - Division of Child and Family Services - Summit View Youth Center	Provides funding for deferred maintenance projects.	\$ 145,790		
Department of Health and Human Services - Division of Child and Family Services - Caliente Youth Center	Provides funding for deferred maintenance projects.	\$ 56,969		
Department of Health and Human Services - Division of Child and Family Services - Nevada Youth Training Center	Provides funding for deferred maintenance projects.	\$ 129,908		
Department of Health and Human Services - Division of Child and Family Services - Southern Nevada Child and Adolescent Services	Provides funding for deferred maintenance projects.	\$ 433,894		
SUBTOTAL - HEALTH AND HUMAN SERVICES		\$ 20,944,930	\$ -	\$ -
PUBLIC SAFETY				
Department of Corrections - Director's Office	Provides funding for upgrading the Offender Management System.	\$ 2,189,808		
Department of Corrections - Director's Office	Provides funding for re-integration of the Offender Sentence Management System into the Nevada Offender Tracking Information System.	\$ 1,436,720		
Department of Corrections - Director's Office	Provides funding for replacement cameras and storage area networks.	\$ 247,012		
Department of Corrections - Prison Medical Care	Provides funding for mandated hepatitis C treatments.	\$ 6,000,000		
Department of Corrections - Prison Medical Care	Provides funding for purchase of new and replacement medical and dental equipment throughout the state's correctional facilities.	\$ 196,523		
Department of Corrections - High Desert State Prison	Provides funding for replacement ovens.	\$ 102,747		
Department of Public Safety - Division of Parole and Probation	Provides funding for replacement of computer hardware and software equipment.	\$ 313,157		

**GENERAL FUND ONE-SHOT AND SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS - 2021 LEGISLATURE
2021-23 BIENNIUM**

DEPARTMENT/DIVISION	PURPOSE	EXECUTIVE BUDGET		
		FY 2021	FY 2022	FY 2023
Department of Public Safety - Investigation Division	Provides funding for replacement of computer hardware and software equipment.	\$ 66,384		
Department of Public Safety - Records, Communications and Compliance Division - Central Repository for Nevada Records of Criminal History	Provides funding for the Nevada Criminal Justice Information System modernization program.	\$ 18,643,998		
	SUBTOTAL - PUBLIC SAFETY	\$ 29,196,349	\$ -	\$ -
INFRASTRUCTURE				
Department of Conservation and Natural Resources -Division of Forestry	Provides funding for deferred maintenance projects.	\$ 666,590		
Department of Transportation - Administration	Provides funding for the Nevada Shared Radio System project.	\$ 2,519,568		
	SUBTOTAL - INFRASTRUCTURE	\$ 3,186,158	\$ -	\$ -
SPECIAL PURPOSE				
Office of the Military	Provides funding for maintenance projects at various National Guard facilities.	\$ 530,024		
Office of the Military	Provides funding for replacement of computer hardware and software equipment.	\$ 39,750		
Office of the Military	Provides funding for replacement equipment and shop tools.	\$ 43,180		
	SUBTOTAL - SPECIAL PURPOSE	\$ 612,954	\$ -	\$ -
TOTAL GENERAL FUND ONE-SHOT AND SPECIAL APPROPRIATIONS		\$ 226,499,958	\$ -	\$ -

**HIGHWAY FUND ONE-SHOT AND SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS - 2021 LEGISLATURE
2021-23 BIENNIUM**

DEPARTMENT/DIVISION	PURPOSE	EXECUTIVE BUDGET		
		FY 2021	FY 2022	FY 2023
ELECTED OFFICIALS				
Governor's Office of Finance - Smart 21	Provides funding for implementation of the statewide finance and human resources system.	\$ 5,548,574		
Governor's Office of Finance - Smart 21	Provides funding for office furnishings.	\$ 7,519		
	SUBTOTAL - ELECTED OFFICIALS	\$ 5,556,093	\$ -	\$ -
PUBLIC SAFETY				
Department of Motor Vehicles - System Technology Application Redesign	Provides funding for the system modernization project.	\$ 47,097,653		
Department of Motor Vehicles - Director's Office	Provides funding for replacement of computer hardware and software equipment.	\$ 22,780		
Department of Motor Vehicles - Automation Division	Provides funding for replacement of the DUO Digipass security application and a UPS Battery backup unit.	\$ 23,677		
Department of Motor Vehicles - Automation Division	Provides funding for replacement of computer hardware and software equipment.	\$ 576,380		
Department of Motor Vehicles - Administrative Services Division	Provides funding for replacement of computer hardware and software equipment.	\$ 37,074		
Department of Motor Vehicles - Compliance Enforcement Division	Provides funding for replacement of computer hardware and software equipment.	\$ 32,392		
Department of Motor Vehicles - Field Services Division	Provides funding for replacement equipment.	\$ 204,128		
Department of Motor Vehicles - Field Services Division	Provides funding for replacement of barcode scanners.	\$ 61,614		
Department of Motor Vehicles - Field Services Division	Provides funding for replacement of computer hardware and software equipment.	\$ 427,378		
Department of Motor Vehicles - Motor Carrier Division	Provides funding for replacement of computer hardware and software equipment.	\$ 36,112		
Department of Public Safety - Nevada Highway Patrol Division	Provides funding for replacement of fleet vehicles and associated special equipment.	\$ 10,433,390		
Department of Public Safety - Nevada Highway Patrol Division	Provides funding for replacement of fleet motorcycles and associated special equipment.	\$ 278,772		
Department of Public Safety - Nevada Highway Patrol Division	Provides funding of Oral Fluid Mobile Analyzers and cartridges used for alcohol related offenses.	\$ 400,750		

**HIGHWAY FUND ONE-SHOT AND SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS - 2021 LEGISLATURE
2021-23 BIENNIUM**

DEPARTMENT/DIVISION	PURPOSE	EXECUTIVE BUDGET		
		FY 2021	FY 2022	FY 2023
Department of Public Safety - Nevada Highway Patrol Division	Provides funding for replacement of mobile data computer tablets.	\$ 1,211,984		
Department of Public Safety - Nevada Highway Patrol Division	Provides funding for equipment for the Nevada Highway Patrol's Investigation and Reconstruction Teams.	\$ 238,989		
Department of Public Safety - Nevada Highway Patrol Division	Provides funding for replacement of printers and associated mobile adapters.	\$ 143,043		
Department of Public Safety - Nevada Highway Patrol Division	Provides funding for replacement of computer hardware and software equipment.	\$ 198,050		
	SUBTOTAL - PUBLIC SAFETY	\$ 61,424,166	\$ -	\$ -
INFRASTRUCTURE				
Department of Transportation - Administration	Provides funding for the Nevada Shared Radio System project.	\$ 19,398,146		
	SUBTOTAL - INFRASTRUCTURE	\$ 19,398,146	\$ -	\$ -
TOTAL HIGHWAY FUND ONE -SHOT AND SPECIAL APPROPRIATIONS		\$ 86,378,405	\$ -	\$ -

**GENERAL FUND APPROPRIATIONS TO RESTORE FUND BALANCES
GOVERNOR RECOMMENDS - 2021 LEGISLATURE
2021-23 BIENNIUM**

FUND	PURPOSE	EXECUTIVE BUDGET		
		FY 2021	FY 2022	FY 2023
Stale Claims Account	Provides restoration of fund balance.	\$ 3,029,648		
Statutory Contingency Account	Provides restoration of fund balance.	\$ 12,848,474		
Emergency Account	Provides restoration of fund balance.	\$ 239,791		
Interim Finance Contingency Account	Provides restoration of fund balance.	\$ 13,662,299		
TOTAL GENERAL FUND RESTORATION OF FUND BALANCE APPROPRIATIONS		\$ 29,780,212	\$ -	\$ -

CAPITAL IMPROVEMENT PROGRAM

The Governor recommends a Capital Improvement Program (CIP) for the 2021-23 biennium in the amount of \$491.4 million, which compares to programs of \$347.0 million approved by the 2019 Legislature, \$407.6 million approved by the 2017 Legislature and \$215.3 million approved by the 2015 Legislature. The Governor recommends financing the 2021 program as depicted in the following table:

Funding Sources – 2021 CIP (Recommended):	Amount
General Obligation Bonds ¹	\$ 356,699,068
Agency Funds ²	\$ 59,802,715
Other Funds ³	\$ 1,813,032
Federal Funds	\$ 57,116,598
Highway Funds	\$ 14,941,908
Special Higher Education Capital Construction Fund (SHECC)	\$ 1,000,000
Total	\$ 491,373,321

Notes:

¹ General Obligation Bonds recommended by the Governor with debt service paid from ad valorem tax. This amount excludes \$44.0 million of Historic Preservation, Tahoe EIP, Conservation (A.B. 84, 2019) and Water Infrastructure bonds that the Governor recommends be sold over the biennium.

² Agency Funds include amounts from Appendix for University Funds, Department of Wildlife Fees, Internal Service Funds and Miscellaneous Agency Fees.

³ The Appendix reflects \$1,813,032 in Other Funds, which conflict with the project cost estimate sheets for 21-C09, 21-M45 and 21-M50 which reflect this funding as federal funds.

The following table displays state funding, other funding and total funding, with the percentage of each funding source that is recommended to be received by each state agency in the Governor's recommended 2021 CIP:

2021 CIP Recommended State Funding, Other Funding and Total Funding						
Agency	State Funding	% of State Funding	Other Funding	% of Other Funding	Total Funding	% of Total Funding
Department of Administration	\$ 123,610,532	34.7%	\$ 33,679,953	25.0%	\$ 157,290,485	32.0%
Nevada System of Higher Education	\$ 58,081,436	16.3%	\$ 38,444,345	28.5%	\$ 96,525,781	19.6%
Department of Corrections	\$ 84,726,916	23.8%	\$ -	0.0%	\$ 84,726,916	17.2%
Office of the Military	\$ 41,911,275	11.7%	\$ 40,691,996	30.2%	\$ 82,603,271	16.8%
Department of Health and Human Services	\$ 28,153,124	7.9%	\$ -	0.0%	\$ 28,153,124	5.7%
Department of Wildlife	\$ 6,854,833	1.9%	\$ 7,098,470	5.3%	\$ 13,953,303	2.8%
Department of Conservation and Natural Resources	\$ 7,920,646	2.2%	\$ 1,813,032	1.3%	\$ 9,733,678	2.0%
Office of Veterans' Services	\$ 2,718,134	0.8%	\$ 6,403,247	4.8%	\$ 9,121,381	1.9%
Department of Motor Vehicles	\$ -	0.0%	\$ 6,331,883	4.7%	\$ 6,331,883	1.3%
Department of Tourism and Cultural Affairs	\$ 2,293,117	0.6%	\$ -	0.0%	\$ 2,293,117	0.5%
Department of Public Safety	\$ 429,057	0.1%	\$ 211,327	0.2%	\$ 640,384	0.1%
Total:	\$ 356,699,070	100.0%	\$ 134,674,253	100.0%	\$ 491,373,323	100.0%

Note: The Executive Budget recommends a total of \$491,373,321 in funding, comprised of \$356,699,068 in State Funding and \$134,674,252 in Other Funding (APPENDIX-8). While the amounts in The Executive Budget are displayed as whole dollars, the State Public Works Division's software budgets projects to dollars and cents. Therefore, there are minor rounding issues when compared to this table which was prepared by the Fiscal Analysis Division.

The Governor recommends increasing the current property tax rate of \$0.1575 for general obligation debt to \$0.1618 for each year of the 2021-23 biennium to meet the state's current general obligation debt liabilities. The total tax rate for the 2021-23 biennium for state debt service is recommended to remain unchanged at \$0.17 per \$100 of assessed valuation, as the property tax rate for the Open Space bond program is recommended to decrease from \$0.0125 to \$0.0082. If additional funding were required, it would be taken from the Bond Interest and Redemption Account reserves. The Treasurer is projecting \$400.7 million of new general obligation bonding affordability in the 2021-23 biennium, and a minimum of \$375.0 million in subsequent biennia (Source: General Obligation Debt Capacity Report, Office of the State Treasurer – 2021-2023 Biennium). According to information contained in the Governor's recommended 2021 CIP and the State Treasurer's Debt Capacity Report, the property tax rate for debt service is predicated upon the issuance of general obligation bonds in the 2021-23 biennium as follows:

Governor Recommended General Obligation Bonding 2021-23 Biennium

<u>Purpose</u>	<u>Authority</u>	<u>Amount</u>
Capital Improvement Bonds ¹	2021 CIP Bill	\$ 356,699,068
Water Systems Bonds	NRS 349.980 - 349.987	\$ 8,000,000
Tahoe Environmental Improvement Bonds	A.B. 18 (2009) ²	\$ 12,000,000
Historic Preservation Bonds	NRS 383.530 ³	\$ 4,000,000
Open Space Bonds	A.B. 84 (2021)	\$ 20,000,000
Total		\$ 400,699,068
¹ Amount does not include \$15,260,000 in remaining authority to be issued for support of the 2019 CIP. ² S.B. 197 (2017) extended the deadline through June 30, 2030, for which remaining bonds could be issued under this program. ³ Current statutory limit is \$3 million per year.		

The Office of the State Treasurer computes the estimated constitutional debt capacity as of January 1, 2021, as follows:

Constitutional Debt Limitation As of January 1, 2021

State's Estimated Assessed Valuation ¹	\$ 144,323,763,007
Multiplied by the 2% Constitutional Limit	\$ 2,886,475,260
Minus the Bonds Outstanding ²	\$ (1,031,540,000)
Equals the State's Unused Bonding Capacity	\$ 1,854,935,260
Source: <i>Debt Capacity Report, Office of the State Treasurer – 2021-2023 Biennium</i>	
¹ The assessed valuation as of the June 30, 2020, certification by Nevada Tax Commission.	
² Debt outstanding as of January 1, 2021.	

Assessed Valuations – Assessed valuations are prepared and certified by the Department of Taxation and are used for those portions of The Executive Budget dependent upon property assessments and/or local property tax collections. The historical information of assessed valuations from the Department of Taxation’s annual reports on property tax rates, or the Redbook, are presented in the following table. The assessed valuation amounts are reported annually in April and include Net Proceeds of Minerals and Redevelopment Authorities and exclude general exemptions:

Fiscal Year	Assessed Value	% Change
2016	\$ 108,331,564,827	
2017	\$ 114,727,736,818	5.9%
2018	\$ 123,418,562,960	7.6%
2019	\$ 134,128,343,902	8.7%
2020	\$ 144,323,763,007	7.6%
<u>Source:</u> Annual Redbook Publication – Department of Taxation		

The following pages present the Governor’s recommended CIP program for the 2021-23 biennium.

**GOVERNOR'S RECOMMENDED CIP PROGRAM
FOR THE 2021-23 BIENNIUM**

Project Number	Agency	Location	Project Title	State Funding	Other Funding	Project Total	Other Funding Source	Remarks
CONSTRUCTION PROJECTS								
21-C01	Conservation	Elko	Heavy Equipment Repair Shop and Shop Renovation (Northern Region 2 Headquarters)	\$ 5,543,284	\$ -	\$ 5,543,284		Design and construct a 7,200 sf Heavy Equipment Repair Shop and renovate the existing 4,600 sf Shop Building. Continuation of 19-P08, Advance Planning: Heavy Equipment Shop and Renovation, Elko, which had design work deferred pursuant to S.B. 1 of the 31st Special Session.
21-C02	Administration	Las Vegas	Southern Nevada Fleet Services Maintenance Building (Grant Sawyer Site)	\$ -	\$ 9,305,815	\$ 9,305,815	Agency Funds	Construct a 6,150 sf fleet support facility on the grounds near the Grant Sawyer Office Building site in Las Vegas. Continuation of 17-P04, Advance Planning: Southern Nevada Fleet Services Maintenance Facility, Grant Sawyer Site.
21-C03	Military	Stead	Washoe County Training Center Addition (Nevada Army National Guard)	\$ 25,300,695	\$ 19,270,080	\$ 44,570,775	Federal Funds	Design and construct a 55,000 sf addition to the Washoe County Training Center Building at the Harry Reid Training Center
21-C04	Wildlife	Cave Lake	Cave Creek Dam Rehabilitation(Cave Lake State Park)	\$ 2,614,544	\$ 6,898,470	\$ 9,513,014	Federal Funds / Agency Funds	Complete design and construct structural and functional upgrades at the Cave Creek Dam. Cost estimate sheet lists other funding in federal funding column, whereas project description identifies other funding as agency funds from Department of Wildlife.
21-C05	NSHE	Las Vegas	Engineering Academic and Research Building (University of Nevada, Las Vegas)	\$ 36,844,345	\$ 36,844,345	\$ 73,688,690	Agency Funds	Construct a 52,000 sf College of Engineering Academic and Research Building at UNLV. Continuation of 17-P09, Advance Planning UNLV College of Engineering, Academic and Research Building; and 19-C30, Construction of a UNLV College of Engineering, Academic and Research Building, which was cancelled pursuant to S.B. 1 of the 31st Special Session.
21-C06	Administration	Carson City	Hobart Reservoir Dam Rehabilitation (Marlette Lake Water System)	\$ 3,912,924	\$ 10,021,355	\$ 13,934,279	Federal Funds	Complete design and construct structural and functional upgrades at the Hobart Reservoir Dam. Continuation of work completed under 19-S04, Statewide Advance Planning Program.
21-C07	Military	Stead	Construct Organizational Parking (Washoe County Armory)	\$ 432,627	\$ 1,008,385	\$ 1,441,012	Federal Funds	Construct a gravel parking area with fencing for the Washoe County Armory.
21-C08	Military	Stead	Purchase of Navy Operational Support Center	\$ 3,795,470	\$ 686,035	\$ 4,481,505	Federal Funds	Purchase the Navy Operational Support Center in Stead and complete interior renovations.
21-C09	Conservation	Valley of Fire	Comfort Stations (Valley of Fire State Park)	\$ 436,579	\$ 379,718	\$ 816,297	Federal Funds	Replace six restrooms at various remote locations throughout the Valley of Fire State Park. Continuation of 19-M50, Replace Comfort Stations, Valley of Fire State Park, which was cancelled pursuant to S.B. 1 of the 31st Special Session.
21-C10	Military	Stead	Aircraft Storage Hangar and Sitework (Harry Reid Training Center)	\$ 2,843,505	\$ 3,650,000	\$ 6,493,505	Federal Funds	Complete design and construct a 16,355 sf aircraft storage hangar for the Army Aviation Support Facility and complete sitework at the Harry Reid Training Center.
21-C11	Veterans' Services	Boulder City	Cemetery Expansion Supplemental Funding (Southern Nevada Veterans Memorial Cemetery)	\$ 607,271	\$ 3,541,019	\$ 4,148,290	Federal Funds	Expand the Southern Nevada Veterans Memorial Cemetery, Boulder City, through the development of in-ground and columbarium wall cremation interments. The agency indicates that this is an continuation of 19-C03, Cemetery Expansion, Southern Nevada Veterans Memorial Cemetery.
21-C12	NSHE	Elko	Welding Lab Addition and Renovation (Great Basin College)	\$ 5,740,320	\$ 600,000	\$ 6,340,320	Agency Funds	Complete design and construct a 4,500 sf Welding Lab addition and renovation to the existing 4,830 sf Welding Lab. Continuation of 19-P70, Planning, Great Basin College Welding Lab Expansion, which had design work deferred pursuant to S.B. 1 of the 31st Special Session.
21-C13	NSHE	Carson City	Renovation of Marlette Lecture Hall (Western Nevada College)	\$ 1,496,771	\$ -	\$ 1,496,771		Complete design and renovate the 1,950 sf Marlette Lecture Hall. Continuation of 19-P71, Planning, Western Nevada College Marlette Hall Refurbishment, which had design work deferred pursuant to S.B. 1 of the 31st Special Session.
CONSTRUCTION PROJECTS				\$ 89,568,335	\$ 92,205,222	\$ 181,773,557	Project Count: 13	
MAINTENANCE PROJECTS								
21-M01	Administration	Carson City	Central Plant Renovation (Attorney General's Office Building)	\$ 1,951,601	\$ -	\$ 1,951,601		Replace existing central plant heating and cooling equipment at the Attorney Generals Office Building. The project would include replacement of the existing chiller, cooling tower, boilers, pumps, piping, and related controls. Continuation of 19-M30, Central Plant Renovation, Attorney General's Office Building which had construction deferred pursuant to S.B. 1 of the 31st Special Session.

Project Number	Agency	Location	Project Title	State Funding	Other Funding	Project Total	Other Funding Source	Remarks
21-M02	Health/Human Svcs	Statewide	Deferred Maintenance (Department of Health and Human Services)	\$ 28,153,124	\$ -	\$ 28,153,124		Recommendation to consolidate all DHHS maintenance projects under a single CIP project, which is a new approach recommended by the Governor for this agency. The project would address various deferred maintenance needs throughout the state at agency facilities.
21-M03	Corrections	Carson City	Replace Domestic Water and Sanitary Sewer (Northern Nevada Correctional Center)	\$ 13,826,543	\$ -	\$ 13,826,543		Replace domestic water and sanitary sewers. Continuation of 19-P04, Advance Planning: Replace Domestic Water and Sanitary Sewer, Northern Nevada Correctional Center.
21-M04	Corrections	Ely	Replace Domestic and Heating Hot Water Piping (Ely State Prison)	\$ 10,104,817	\$ -	\$ 10,104,817		Replace domestic and heating hot water piping in Housing Units 2 through 8. The agency indicates this is a continuation of 19-M11, Replace Domestic and Heating Hot Water Piping, Ely State Prison, Housing Unit I.
21-M05	Military	Reno	Electrical Circuiting, Devices & Lighting Replacement (Plumb Lane Armory)	\$ 302,071	\$ 692,676	\$ 994,747	Federal Funds	Replace electrical feeders, branch circuits, electrical devices, LED lighting and lighting controls in three buildings at the Plumb Lane Armory.
21-M06	NSHE	Various	Deferred Maintenance (HECC/SHECC)	\$ 14,000,000	\$ 1,000,000	\$ 15,000,000	Slot Tax Revenue	Deferred maintenance projects for various NSHE campuses.
21-M07	Corrections	Ely	Underground Piping Replacement (Ely State Prison)	\$ 8,399,741	\$ -	\$ 8,399,741		Replace underground heating piping at Ely State Prison. The agency indicates that this is a continuation of 19-M09, Boiler Replacement, Ely State Prison.
21-M08	Wildlife	Various	Construct Water Wells and Water Systems (Various Fish Hatchery Sites)	\$ 2,642,494	\$ -	\$ 2,642,494		Complete design and construct water system and well improvements at the Gallagher Fish Hatchery, Ruby Valley, and Spring Creek Rearing Station which is located 8 miles south of the town of Baker. Continuation of 19-M14, Construct Water Wells and Water Systems, Various Fish Hatchery Sites which had construction deferred pursuant to S.B. 1 of the 31st Special Session.
21-M09	Corrections	Lovelock	Switchgear Renovation and Electrical Testing (Lovelock Correctional Center)	\$ 1,546,587	\$ -	\$ 1,546,587		Perform electrical equipment testing, adjustment and evaluation of the electrical systems. Would also replace emergency transfer switch control system and backup batteries in the Central Plant, and provide third party commissioning of the emergency power system.
21-M10	Corrections	Indian Springs	Plumbing Fixture Water Control Renovations (Housing Units 1 - 4, Southern Desert Correctional Center)	\$ 3,226,088	\$ -	\$ 3,226,088		Design and replace existing piping, valves and water saving control system. Continuation of 17-M66, Plumbing Fixture Water Control Renovations, Housing Units 1 through 4 at Southern Desert Correctional Center, which was cancelled pursuant to S.B. 1 of the 31st Special Session.
21-M11	Administration	Carson City	Uninterruptable Power Supply and Temperature Control System Upgrade (Bryan Building)	\$ 1,645,621	\$ -	\$ 1,645,621		Replace temperature control system and uninterruptable power supply at the Bryan Building.
21-M12	Administration	Carson City	Elevator Modernization (EICON Building)	\$ 751,789	\$ -	\$ 751,789		Elevator replacement and HVAC relocation at the EICON building
21-M13	Administration	Las Vegas	Terminal Unit Replacement (Department of Motor Vehicles, Flamingo)	\$ -	\$ 1,014,828	\$ 1,014,828	Highway Funds	Air distribution system renovation at the Flamingo DMV.
21-M14	Administration	Carson City	Data Center Facility Site Upgrades (Enterprise IT Services)	\$ -	\$ 325,633	\$ 325,633	Agency Funds	Design and replace south building pedestrian ramp and stairs, loading dock pedestrian stairs, sliding access gate and ground dock lift at the Data Center Facility site.
21-M15	Administration	Carson City	Diversion Dam Controls Upgrade (Marlette Lake Water System)	\$ 815,268	\$ -	\$ 815,268		Upgrade controls and install metering, catwalk and chain link fence at the Diversion Dam for the Marlette Lake Water System.
21-M16	Corrections	Carson City	Electrical Distribution Upgrade (Northern Nevada Correctional Center)	\$ 19,669,185	\$ -	\$ 19,669,185		Construct power distribution system at the Northern Nevada Correctional Center, including a generator building, electrical room additions at 10 buildings and the installation of generators, transformers and other electrical equipment. Continuation of 19-P06, Advance Planning: Electrical Distribution Upgrade, Northern Nevada Correctional Center.
21-M17	Administration	Carson City	Replace Driveway Snow Melt System (Supreme Court Building)	\$ 413,835	\$ -	\$ 413,835		Replace electrical -based driveway snow melt system with a hot water-based system at the Supreme Court Building.
21-M18	Military	Las Vegas	Construct Organizational Parking Addition (Las Vegas Readiness Center)	\$ 712,429	\$ 1,833,961	\$ 2,546,390	Federal Funds	Construct organizational parking addition with lighting at the Las Vegas Readiness Center on Silverado Ranch Boulevard. Continuation of an agency funded design project.
21-M19	Military	Carlin	HVAC Systems Renovation (Carlin Readiness Center)	\$ 757,502	\$ 1,441,982	\$ 2,199,484	Federal Funds	Replace water source heat pumps, package rooftop units, piping ductwork and related controls for various buildings at the Carlin Readiness Center.
21-M20	Wildlife	Elko	HVAC System Renovation (Elko Office)	\$ 1,005,764	\$ 200,000	\$ 1,205,764	Agency Funds	Replace boilers, pumps, piping, fan coil units, ductwork and temperature control systems at the Department of Wildlife Office Building.

Project Number	Agency	Location	Project Title	State Funding	Other Funding	Project Total	Other Funding Source	Remarks
21-M21	Administration	Carson City	HVAC System Replacement (State Mail Services)	\$ 467,930	\$ -	\$ 467,930		Replace rooftop units, exhaust fans and temperature control system serving the Mail Services Building.
21-M23	Administration	Carson City	HVAC Renovation (Department of Motor Vehicles, Carson City)	\$ -	\$ 5,321,115	\$ 5,321,115	Highway Funds	Replace hot and chilled water central plant, hot and chilled water distribution piping, air handling units, terminal units and computer room cooling units serving all buildings at the Carson City DMV. Continuation of 19-P05, Advance Planning: HVAC Renovation, Department of Motor Vehicles, Carson City.
21-M24	Military	Stead	Restroom and Shower Renovation (Washoe County Armory)	\$ 642,290	\$ 555,633	\$ 1,197,923	Federal Funds	Renovate the restrooms and showers at the Washoe County Armory.
21-M25	Military	North Las Vegas	Remodel Restroom Facilities (Clark County Armory)	\$ 1,009,824	\$ 880,630	\$ 1,890,454	Federal Funds	Design and remodel of the restrooms and showers at the Clark County Armory.
21-M26	Veterans' Services	Fernley	Pavilion Renovation (Northern Nevada Veterans Memorial Cemetery)	\$ 297,774	\$ -	\$ 297,774		Design and renovate the Pavilion at the Northern Nevada Memorial Cemetery. The project would include replacing the glass window units, cleaning and sealing the walls, roof replacement, and replacing the heavy timber beams with steel beams. Continuation of 19-M27, Pavilion Renovation, Northern Nevada Veterans Memorial Cemetery, which was cancelled pursuant to S.B. 1 of the 31st Special Session.
21-M27	Military	Carlin	Replace Domestic Water Heaters (Carlin Readiness Center)	\$ 437,108	\$ 586,085	\$ 1,023,193	Federal Funds	Replace domestic hot water heaters in seven buildings at the Carlin Readiness Center. Would include replacement of water heaters, piping, pumps and related controls, and the addition of hot water return piping circuits for certain buildings.
21-M28	Corrections	North Las Vegas	Replace Emergency Generator (Florence McClure Women's Correctional Center)	\$ 1,080,646	\$ -	\$ 1,080,646		Remove and replace emergency generator and concrete pad.
21-M29	Administration	Carson City	Replace Exterior Campus Electrical Service Entrance (Department of Motor Vehicles, Carson City)	\$ -	\$ 746,665	\$ 746,665	Highway Funds	Replace utility transformer and main switchboard, and upgrade the main utility electrical service entrance with an underground feeder at the Carson City DMV.
21-M30	Corrections	Carson City	Housing Unit 4 HVAC System Renovation (Northern Nevada Correctional Center)	\$ 1,984,173	\$ -	\$ 1,984,173		Replace air handling units, condensing units, ductwork, lighting, ceilings and associated temperature control system for Housing Unit 4 at Northern Nevada Correctional Center.
21-M31	Corrections	North Las Vegas	Water Softener Replacement (Florence McClure Women's Correctional Center)	\$ 468,422	\$ -	\$ 468,422		Replace five water softeners and associated equipment.
21-M32	Corrections	Indian Springs	Dishwasher Replacement (High Desert State Prison)	\$ 493,712	\$ -	\$ 493,712		Replacement of the dishwashers in the Culinary Building.
21-M33	Military	North Las Vegas	HVAC System Renovation (Clark County Armory)	\$ 854,733	\$ 738,072	\$ 1,592,805	Federal Funds	Replace evaporative coolers, unit heaters, make-up air units, fan coil units and add additional temperature controls.
21-M34	Conservation	Virginia City	Office Building Renovations (Comstock Historic Office)	\$ 327,254	\$ -	\$ 327,254		Replace storefront glazing, realignment of exterior doors to protect from the elements, install roller window shades, upgrade the HVAC systems, upgrade lighting fixtures and repair of exhibit lighting and art hanging system.
21-M35	Corrections	Carson City	Replace Housing Unit 4 Air Handling Units and Multipurpose Building Chiller (Warm Springs Correctional Center)	\$ 3,669,038	\$ -	\$ 3,669,038		Replace roof-mounted air handling units and temperature control system for Housing Unit 4, and replace air cooled chiller, pumps, piping and equipment at the Multipurpose Building.
21-M36	Corrections	North Las Vegas	Install Sanitary Sewer Macerator (Florence McClure Women's Correctional Center)	\$ 1,011,322	\$ -	\$ 1,011,322		Install a prefabricated sanitary sewer macerator manhole upstream of the existing lift station. Project would require temporary construction access gates and fencing and parking lot reconfiguration.
21-M37	Administration	Las Vegas	Install Surveillance Cameras (Department of Motor Vehicles, North Decatur)	\$ -	\$ 1,316,090	\$ 1,316,090	Highway Funds	Install interior and exterior surveillance cameras with ability for remote monitoring at the North Decatur DMV.
21-M38	Administration	Stewart	Replace Building 89 Chiller (Stewart Facility)	\$ 868,598	\$ -	\$ 868,598		Replace chiller, piping, pumps and the temperature control system at Building 89 on the Stewart Facility campus.
21-M39	Tourism & Cultural Affairs	Carson City	HVAC System Renovation (Nevada State Railroad Museum)	\$ 1,338,211	\$ -	\$ 1,338,211		Replace unit heaters, furnace, evaporative cooling units and add a temperature control system in the Jacobsen Interpretive Center and Restoration Shop.

Project Number	Agency	Location	Project Title	State Funding	Other Funding	Project Total	Other Funding Source	Remarks
21-M40	Veterans' Services	Boulder City	Temperature Controls Replacement (Southern Nevada State Veterans Home)	\$ 177,212	\$ 268,388	\$ 445,600	Federal Funds	Replace the temperature control system.
21-M41	Tourism & Cultural Affairs	Overton	Historic Pit House and Adobe Pueblos Repair (Lost City Museum)	\$ 370,808	\$ -	\$ 370,808		Assess and repair the Lost City Museum Pit House and Lost City Outdoor Exhibit.
21-M43	Military	Carson City	Domestic Hot Water System and Transformer Replacement (Office of the Adjutant General)	\$ 472,682	\$ 407,829	\$ 880,511	Federal Funds	Replace domestic hot water system and electrical transformers at the Office of the Adjutant General Building.
21-M44	Administration	Carson City	Computer Room Cooling System Upgrade (State Computer Facility)	\$ -	\$ 2,154,029	\$ 2,154,029	Agency Funds	Replace the air conditioning equipment serving the main server room, computer workshop and communications equipment room. Continuation of 17-P03, Advance Planning: Computer Room Cooling System Upgrade, State Computer Facility.
21-M45	Conservation	Fort Churchill	Park Facilities Maintenance & ADA Upgrades (Fort Churchill State Park)	\$ 656,774	\$ 582,827	\$ 1,239,601	Federal Funds	Renovation of electrical, mechanical, and plumbing systems at the Fort Churchill State Park. The project would include upgrades to the restrooms as well Americans with Disabilities Act code compliance upgrades to the Visitor Center, shop/office, and public restrooms as well as upgrades to the fire alarms and telephone systems. The project would also include upgrades to the exterior concrete walking surfaces and parking areas. Continuation of 19-M53, Park Facilities Maintenance and ADA Upgrades, Fort Churchill State Park which had construction deferred pursuant to S.B. 1 of the 31st Special Session.
21-M46	Administration	Carson City	Exterior Renovation (State Capitol and Annex Building)	\$ 4,880,113	\$ -	\$ 4,880,113		Complete design and rehabilitation of the exterior surfaces at the Capitol and Annex Buildings to include painting and repair of windows/doors, the fascia and soffits, roof balustrade, copper gutters and sandstone mortar joints. Continuation of 17-M70, Exterior Renovation, Nevada State Capitol and Annex Building, which had construction deferred pursuant to S.B. 1 of the 31st Special Session.
21-M47	Military	Carlin	Recondition Water Storage Tank (Carlin Readiness Center)	\$ 286,576	\$ 308,212	\$ 594,788	Federal Funds	Inspect, recondition (recoating, welding and structural bolt tightening) and sanitize the 246,000 gallon water storage tank.
21-M49	Administration	Las Vegas	Purchasing Warehouse Renovation	\$ -	\$ 969,423	\$ 969,423	Agency Funds	Renovate the purchasing warehouse with a replacement roof and addition of a fire alarm and sprinkler system.
21-M50	Conservation	Cathedral Gorge	Safety Improvements (Miller Point Overlook)	\$ 956,755	\$ 850,487	\$ 1,807,242	Federal Funds	Rehabilitation of stairs, foundations, guardrails and bridge, and install safety railings for the overlook edge and canyon walkways at the Miller Point Overlook at the Cathedral Gorge State Park.
21-M51	Military	Carlin	Upgrade Wastewater System (Carlin Readiness Center)	\$ 322,196	\$ 750,000	\$ 1,072,196	Federal Funds	Complete functional and capacity upgrades to the wastewater system. Would include a wastewater modeling study and upgrades/improvements to the lift station, wash pad drainage, aeration system, headworks and effluent lift station. Continuation of an agency funded design project.
21-M52	Tourism & Cultural Affairs	Reno	HVAC System Renovation (Nevada Historical Society Building)	\$ 584,098	\$ -	\$ 584,098		Replace five roof-mounted packaged gas-electric units and associated ductwork.
21-M53	Wildlife	Elko	HVAC Systems Installation (Elko Office Warehouse)	\$ 592,031	\$ -	\$ 592,031		Install unit heaters and evaporative coolers to serve the Eastern Region Nevada Department of Wildlife Warehouse building. Project would include natural gas piping, fill and drain piping, ductwork and temperature controls system, and building insulation.
21-M54	Corrections	Lovelock	Chilled Water Plant Renovation (Lovelock Correctional Center)	\$ 2,532,354	\$ -	\$ 2,532,354		Replace water-cooled chilled water plant with air-cooled plant, including replacement of chillers, cooling towers, pumps, piping and controls.
21-M55	Corrections	Las Vegas	Replace Surveillance System (Casa Grande Transitional Housing)	\$ 959,603	\$ -	\$ 959,603		Replace non-operative surveillance system which includes fixed and pan tilt-zoom cameras as well as digital storage at Casa Grande Transitional Housing. Continuation of 19-M24, Replace Surveillance System, Casa Grande Transitional Housing which was cancelled pursuant to S.B. 1 of the 31st Special Session.
21-M56	Corrections	Indian Springs	Central Plant Renovation (High Desert State Prison)	\$ 10,411,861	\$ -	\$ 10,411,861		Replace the chilled and heating equipment in the central plant. Continuation of 19-P07, Advance Planning: Central Plant Renovation, High Desert State Prison.
21-M57	Corrections	Indian Springs	Install Recreation Yard Fencing (Southern Desert Correctional Center and High Desert State Prison)	\$ 1,830,391	\$ -	\$ 1,830,391		Installation of recreational yard fencing cages at Housing Unit 8 at Southern Desert Correctional Center, and recreation yard fencing at High Desert State Prison. Continuation of 19-M48, Install Recreation Yard Fencing, Southern Desert Correctional Center and High Desert State Prison, which was cancelled pursuant to S.B. 1 of the 31st Special Session.
21-M58	Corrections	Carson City	Replace Locks and Controls Housing Unit 7 (Northern Nevada Correctional Center)	\$ 3,512,433	\$ -	\$ 3,512,433		Replace sally port doors, locks, control panels, distress buttons and cell doors for Housing Unit 7.

Project Number	Agency	Location	Project Title	State Funding	Other Funding	Project Total	Other Funding Source	Remarks
MAINTENANCE PROJECTS TOTAL				\$ 153,421,381	\$ 22,944,565	\$ 176,365,946	Project Count:	55
ECONOMIC DEVELOPMENT *New Project Type Recommendation for 2021-23 Biennium*								
21-E01	Military	North Las Vegas	Loading Dock (North Las Vegas Readiness Center)	\$ 147,190	\$ 332,105	\$ 479,295	Federal Funding	Design and construct a bi-level concrete loading dock.
21-E02	Military	Carlin	Replace Overhead Doors, Maintenance Building (Carlin Readiness Center)	\$ 281,940	\$ 237,208	\$ 519,148	Federal Funding	Design and replace nine overhead glass panel doors with insulated coiling doors on the Maintenance Building (Building 6, old fire station).
21-E03	Military	Las Vegas	Upgrade Interior Lighting (Las Vegas Readiness Center)	\$ 292,190	\$ 666,907	\$ 959,097	Federal Funding	Install LED light fixtures, occupancy sensors with relays, lighting controls and replace wall mounted switches with dimming controls. Would also update the sequence of operations for the HVAC system.
21-E04	Military	Carlin	Security Fence Addition (Carlin Readiness Center)	\$ 666,080	\$ 732,758	\$ 1,398,838	Federal Funding	Install perimeter security fencing, and develop an access road, security fence and swing gates at key locations.
21-E05	Military	North Las Vegas	Security Fencing (Floyd Edsall Training Center)	\$ 75,961	\$ 1,113,106	\$ 1,189,067	Federal Funding	Construct a 7 ft high chain link fence with barbed wire on top between the Floyd Edsall Training Center and the Speedway Readiness Center.
21-E06	Military	North Las Vegas	Interior and Exterior Door Replacement (Clark County Armory)	\$ 724,161	\$ 624,022	\$ 1,348,183	Federal Funding	Replace exterior and interior doors and accessories to connect electronic security card readers and alarms.
21-E07	Military	North Las Vegas	Covered Patio (Clark County Armory)	\$ 149,165	\$ 127,310	\$ 276,475	Federal Funding	Design and construct an 1,100 sf shade structure to provide a break area for building occupants.
ECONOMIC DEVELOPMENT PROJECTS TOTAL				\$ 2,336,687	\$ 3,833,416	\$ 6,170,103	Project Count:	7
PLANNING PROJECTS								
21-P01	Administration	Las Vegas	Advance Planning (Grant Sawyer Office Building Remodel)	\$ 4,943,728	\$ -	\$ 4,943,728		Design development through construction documents to complete a renovation of the interior space of the Grant Sawyer Office Building. The project would include replacement of interior partitions, carpets, wallcoverings, interior lighting, HVAC, life safety system, plumbing, sewer modification, elevator replacement, atrium infill at levels 3 and 4, and add electric vehicle charging stations. Continuation of 19-P01, Advance Planning: Grant Sawyer Office Building Renovation, which had design work deferred pursuant to S.B. 1 of the 31st Special Session.
21-P02	Administration	Carson City	Advance Planning: Seismic Retrofit and Renovation (Heroes Memorial & Annex)	\$ 1,544,163	\$ -	\$ 1,544,163		Design development through construction documents to complete seismic strengthening and a major remodel of the Heroes Memorial Building and Annex. The project would address upgrades to the structure, and building systems. Continuation of 19-P02, Advance Planning: Renovation and Seismic Retrofit, Heroes Memorial Building and Annex, which had design work deferred pursuant to S.B. 1 of the 31st Special Session.
21-P03	Veterans' Services	Boulder City	Advance Planning: Remodel & Addition (Southern Nevada Veterans Home)	\$ 1,635,877	\$ 2,593,840	\$ 4,229,717	Federal Funds	Complete programming study and design development through construction documents to complete interior renovations and remodel shared rooms to individual rooms at the Southern Nevada State Veterans Home. The future construction would also include site development/improvements, and an addition of 14,400 sf in new resident rooms.
21-P04	Public Safety	Carson City	Advance Planning: Headquarters Building (Department of Public Safety)	\$ 429,057	\$ 211,327	\$ 640,384	Highway Funds	Complete programming, site design and utility studies, as well as a conceptual design for a Department of Public Safety headquarters campus at the old Carson City Armory site.
21-P05	Military	North Las Vegas	Advance Planning: General Instruction Building (Floyd Edsall Training Center)	\$ 1,404,880	\$ 4,049,000	\$ 5,453,880	Federal Funds	Design through construction documents for a general instruction building, barracks, dining facility and supporting facilities within the Floyd Edsall Training Center site.
21-P06	Motor Vehicles	Las Vegas	Advance Planning: Department of Motor Vehicles (Silverado Ranch Facility)	\$ -	\$ 6,331,883	\$ 6,331,883	Highway Funds	Design through construction documents for a full service DMV facility with commercial driver's license services on Silverado Ranch Boulevard, including programming, civil engineering traffic and drainage analysis, zoning approval and impact analysis project studies.
PLANNING PROJECTS TOTAL				\$ 9,957,705	\$ 13,186,050	\$ 23,143,755	Project Count:	6
STATEWIDE PROJECTS								

Project Number	Agency	Location	Project Title	State Funding	Other Funding	Project Total	Other Funding Source	Remarks
21-S01	Administration	Statewide	Statewide Roofing Program	\$ 5,984,653	\$ -	\$ 5,984,653		State funded statewide roofing projects.
21-S01w	Administration	Las Vegas	Roofing Replacement (Nevada Department of Wildlife, Las Vegas Headquarters)	\$ 586,612	\$ 130,000	\$ 716,612	Agency Funds	Replace the Nevada Department of Wildlife's Headquarters building roof.
21-S02	Administration	Statewide	Statewide ADA Program	\$ 2,593,037	\$ -	\$ 2,593,037		State funded statewide program accessibility under Title II of the Americans with Disabilities Act.
21-S03	Administration	Statewide	Statewide Fire and Life Safety Program	\$ 2,138,164	\$ -	\$ 2,138,164		Install and maintain fire alarm and sprinkler systems at Ely State Prison.
21-S04	Administration	Statewide	Statewide Advance Planning Program	\$ 2,043,408	\$ -	\$ 2,043,408		Preparation of the 2023 Capital Improvement Program (CIP).
21-S05	Administration	Statewide	Statewide Paving Program	\$ 2,385,478	\$ -	\$ 2,385,478		Complete design and construction of various statewide paving projects
21-S06	Administration	Statewide	Statewide Indoor Air Quality - Environmental Program	\$ 1,293,791	\$ 100,000	\$ 1,393,791	Agency Funds	Statewide project to address environmental issues such as asbestos, indoor air quality, lead paint, and mold.
21-S08	Administration	Statewide	Statewide Energy Efficiency Program	\$ 9,389,819	\$ -	\$ 9,389,819		Lighting energy retrofit projects at Ely State Prison, Northern Nevada Correctional Center, Warm Springs Correctional Center, Lovelock Correctional Center, High Desert State Prison and Nevada Youth Training Center.
21-S09	Administration	Statewide	Statewide Building Official Program	\$ -	\$ 2,275,000	\$ 2,275,000	Agency Funds	Project to accept and spend funds from various state agencies for plan review and inspection of building projects not managed by the SPWB.
21-S11	Administration	Statewide	Statewide Infrastructure and Economic Development Program	\$ 75,000,000	\$ -	\$ 75,000,000		Statewide energy infrastructure improvements and economic development.
			STATEWIDE PROJECTS TOTAL	\$ 101,414,962	\$ 2,505,000	\$ 103,919,962	Project Count: 10	
			TOTAL ALL PROJECTS	\$ 356,699,070	\$ 134,674,253	\$ 491,373,323	Project Count: 91	

Note: The Executive Budget recommends a total of \$491,373,321 in funding, comprised of \$356,699,068 in State Funding and \$134,674,252 in Other Funding (APPENDIX -8). While the amounts in The Executive Budget are displayed as whole dollars, the State Public Works Division's software budgets projects to dollars and cents. Therefore, there are minor rounding issues when compared to this table which was prepared by the Fiscal Analysis Division.

POSITION SUMMARY

The following table displays the eliminated positions, new positions and vacant positions either held vacant or restored as recommended in The Executive Budget by functional area for the 2021-23 biennium. The FY 2021 work program year is displayed to provide a perspective of the total number of positions in the current fiscal year compared to the total number of positions approved by the 2019 Legislature for FY 2021. A comparison can then be made to the total number of positions recommended by the Governor for the 2021-23 biennium. The total number of positions for the Nevada System of Higher Education (NSHE) is detailed separately, and only includes authorized positions in FY 2021.

Over the 2019-21 biennium, the number of positions, excluding NSHE, increased from 20,278.75, as approved by the 2019 Legislature for FY 2021, to 20,483.71, a net increase of 204.96 positions. Significant position additions include 64.00 positions for the Office of the Military to support the State Family Support Service Program, the Air National Guard in Reno and the Nevada National Youth Challenge Program, 10.00 positions for the Division of Child and Family Services to expand the Nevada System of Care for Youth with Serious Emotional Disorders Program, and 10.00 positions for the Department of Taxation to support new legislation that passed out of the 2019 Legislative Session.

For FY 2022, excluding the NSHE, the Governor recommends a total of 20,450.85 positions. The recommendation includes the elimination of 205.73 existing positions when compared to FY 2021 (work program year), holding 273.73 positions vacant and the addition of 446.60 new positions. The net decrease in positions (new, less eliminated and positions held vacant, plus transferred) is 32.86 when compared to the FY 2021 work program.

For FY 2023, excluding the NSHE, the Governor recommends a total of 20,709.73 positions. The recommendation includes the elimination of 3.00 positions, restoring 248.37 positions held vacant and the addition of 13.51 new positions. The net increase in positions (new, plus restored vacant positions, less eliminated) is 258.88. This results in a total of 208.73 (205.73 + 3.00) eliminated positions, 460.11 (446.60 + 13.51) new positions, and a net 25.36 positions held vacant (273.73 - 248.37) over the 2021-23 biennium. The net increase in positions (new, less eliminated and held vacancies) for the 2021-23 biennium is 226.02 when compared to the number of positions in the FY 2021 work program year.

Significant position additions recommended by the Governor over the 2021-23 biennium include the addition of 305.00 positions in FY 2022 and 4.51 positions in FY 2023 (309.51 positions total) for the Health and Human Services functional area, the addition of 39.0 positions in FY 2022 and 8.00 positions in FY 2023 (47.00 positions total) for the Public Safety functional area. The 309.51 additional positions for the Health and Human Services functional area are primarily recommended to meet increased demand for services provided by the Aging and Disability Services Division, the Division of Welfare

and Supportive Services, and the Division of Public and Behavioral Health. The additional 47.00 positions recommended by the Governor for the Public Safety functional area are primarily recommended to meet caseloads and services demand in the Division of Parole and Probation, Department of Public Safety's Director's Office, Division of Emergency Management, Capitol Police, the Nevada Department of Corrections, and the Records, Communications and Compliance Division.

In order to meet targeted budgetary reductions, agencies opted to hold positions vacant with the intention of restoring the position at a later date when funding became available. Significant vacant positions held vacant, recommended by the Governor over the 2021-23 biennium, include 247.12 positions held vacant in FY 2022 and 246.12 positions held vacant restored in FY 2023, for a net of 1.00 position held vacant over the 2021-23 biennium, for the Human Services function, and 19.00 positions held vacant in FY 2022 for the Infrastructure function.

Significant position eliminations recommended by the Governor over the 2021-23 biennium include the elimination of 107.00 positions in FY 2022 for the Public Safety Function primarily due to caseload adjustments for the Division of Parole and Probation based off James F. Austin Institute staffing projections, staffing reductions in the Department of Motor Vehicles Field Services Division to meet targeted budgetary reduction requirements, the elimination of 40.53 positions in FY 2022 for the Human Services function primarily attributable to the Division of Public and Behavioral Health and Aging and Disability Services Division meeting targeted budgetary reduction requirements, and the elimination of 33.60 positions for the Constitutional Agencies function primarily attributable to the Governor's Office of Finance SMART 21 program eliminating intermittent positions established during the 2019-21 biennium.

Since formula funding recommendations are not translated into position counts until after the close of the legislative session, no information is being provided on authorized positions for NSHE for the 2021-23 biennium.

Nevada Legislative Counsel Bureau
Governor Recommends Position Count
(Full-Time Equivalency Count)

	FY 2021	FY 2021	Governor Recommends FY 2022						Governor Recommends FY 2023					
	Legislature Approved	Work Program ^a	Eliminated Positions	Net Transfers	Vacant Positions Held/Restored ^b	New Positions	Technical Corrections ^c	Total	Eliminated Positions	Net Transfers	Vacant Positions Held/Restored ^b	New Positions	Technical Corrections ^c	Total
Government Function														
Constitutional Agencies	1,267.95	1,317.93	(33.60)	4.00	(1.00)	38.00	-	1,325.33	(3.00)	-	1.00	1.00	-	1,324.33
Finance and Administration	1,054.57	1,064.57	(13.00)	(7.00)	-	11.00	-	1,055.57	-	-	-	-	-	1,055.57
Education	200.51	212.00	-	-	-	7.00	-	219.00	-	-	-	-	-	219.00
Human Services	6,997.34	7,015.34	(40.53)	3.00	(247.12)	305.00	(1.00)	7,034.69	-	-	246.12	4.51	-	7,285.32
Commerce and Industry	1,491.61	1,508.61	(11.60)	-	(6.61)	(1.40)	1.00	1,490.00	-	-	1.25	-	-	1,491.25
Public Safety	5,878.13	5,894.62	(107.00)	-	-	39.00	(1.00)	5,825.62	-	-	-	8.00	-	5,833.62
Infrastructure ^b	2,877.64	2,884.64	-	-	(19.00)	41.00	1.00	2,907.64	-	-	-	-	-	2,907.64
Special Purpose Agencies	511.00	586.00	-	-	-	7.00	-	593.00	-	-	-	-	-	593.00
Sub-Total	20,278.75	20,483.71	(205.73)	0.00	(273.73)	446.60	-	20,450.85	(3.00)	-	248.37	13.51	-	20,709.73
Nevada System of Higher Education														
Professional	5,309.05	5,595.86						N/A ^d						N/A ^d
Classified	2,141.27	2,119.93						N/A ^d						N/A ^d
Sub-Total	7,450.32	7,715.79												
Total^e	27,729.07	28,199.50												

a. The FY 2021 work program sub-total by Government Function in The Fiscal Report differs from The Executive Budget due to necessary adjustments for those items which are not reflected in The Executive Budget work program. Reconciliation is on file in the Fiscal Analysis Division.

b. Executive Branch agencies were requested to provide 14% reductions going into the budget build for 2021-23 biennium for consideration for the Executive Budget. Rather than eliminating positions, some agencies opted to hold vacant positions with the intent to restore them at a later date.

c. FTE counts that fall into the technical corrections column account for positions that were either duplicated or removed from the base budget unintentionally.

d. Funding recommendations are not translated into position counts until after the close of the Legislative Session. Therefore, information is not provided on authorized positions for the NSHE over the 2021-23 biennium.

e. Total does not include Boards, Commissions, or the Tahoe Regional Planning Agency.

SECTION V

GOVERNOR'S RECOMMENDATIONS BY FUNCTION

This section includes a schedule by budget of the Governor's recommended level of spending by funding source. Narratives at the beginning of each functional section include comparisons of the amounts recommended by the Governor for the 2021-23 biennium to the amounts approved by the Legislature for the 2019-21 biennium. The percentage change between the biennia is also displayed. Expenditure and percentage figures are rounded, but all calculations are extracted from the unrounded numbers.

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 2021 Legislative Session.

ELECTED OFFICIALS

The Elected Officials function encompasses three subfunctions: Executive Branch elected offices and their various agencies, Legislative Branch agencies and Judicial Branch agencies. The Executive Branch elected offices include the Governor, Lieutenant Governor, Attorney General, Secretary of State, State Treasurer, and State Controller. The Legislative Branch agencies include the Legislative Counsel Bureau, the Interim Nevada Legislature and the State Printing Office. Judicial Branch agencies include the Supreme Court, Court of Appeals, Specialty Courts, Administrative Office of the Courts, and the Commission on Judicial Discipline. The Elected Officials functional area also includes the Western Interstate Commission for Higher Education (WICHE); however, the Governor recommends the transfer of WICHE from the Governor's Office to the Nevada System of Higher Education beginning in FY 2022.

The recommended General Fund appropriations for Elected Officials totals \$280.6 million over the 2021-23 biennium, a decrease of 17.3% compared to the legislatively approved General Fund appropriations of \$339.3 million approved by the Legislature for the 2019-21 biennium. Budget recommendations for all funding sources for Elected Officials totals \$1.301 billion, a decrease of 0.4% compared to the amount approved by the 2019 Legislature of \$1.306 billion for the 2019-21 biennium, 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 the state's military forces and as the Chair 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 General Fund appropriations. For the 2021-23 biennium, The Executive Budget recommends funding of \$5.6 million over the biennium, which is a \$52,798 (1.0%) increase from the \$5.5 million approved by the 2019 Legislature for the 2019-21 biennium.

The Executive Budget recommends transferring the Patient Protection Commission and the associated positions and funding from the Office of the Governor to the Aging and Disability Services Division (ADSD) within the Department of Health and Human Services. This would result in the transfer of three positions and \$682,830 in General Fund appropriations over the 2021-23 biennium from the Governor's Office to the ADSD. This transfer is recommended as part of the creation of a new Consumer Health Advocacy and Protection Unit within the ADSD.

MANSION MAINTENANCE

The Mansion Maintenance budget provides for the staffing, operation and maintenance of the Governor's Mansion in Carson City. The budget also supports the cost of travel to official functions for the Governor's spouse. The Mansion Maintenance budget is supported entirely by General Fund appropriations. General Fund support for the mansion is recommended to decrease from \$715,085 as approved by the 2019 Legislature for the 2019-21 biennium to \$669,004 for the 2021-23 biennium, which is a decrease of \$46,081, or 6.4%. The Executive Budget proposes to fund \$5,299 in replacement equipment for the Governor's Mansion over the 2021-23 biennium. The Executive Budget recommends funding for 2.64 non-classified positions to staff the mansion, which is a continuation of the positions approved by the 2019 Legislature.

WASHINGTON OFFICE

The establishment of the Governor's 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 Washington Office is funded through transfers from the Department of Transportation, the Commission on Tourism and the Governor's Office of Economic Development. The Governor recommends funding support of \$504,000 for the 2021-23 biennium, which is a reduction of \$14,868, or 2.9%, compared to the \$518,868 approved by the 2019 Legislature for the 2019-21 biennium. This decrease is the result of a new contract with a different vendor at a reduced amount.

NEVADA ATHLETIC COMMISSION

The Nevada State Athletic Commission (NSAC), established in 1941, supervises and regulates all contests and exhibitions of unarmed combat, including boxing, professional wrestling, mixed martial arts, kickboxing and elimination boxing. Additionally, the commission licenses and regulates persons who conduct, hold, or give contests or exhibitions for unarmed combat where an admission fee is received. The Medical Advisory Board is responsible for preparing standards for the physical and mental examination of contestants and advising the commission regarding the physical or mental fitness of a contestant when requested by the commission. Pursuant to *Nevada Revised Statutes* (NRS) 467.107(2), the NSAC is authorized to retain one-fourth

of the total gross receipts collected from admission to a live contest or exhibition of unarmed combat to fund the operations of the agency.

The Executive Budget recommends funding of \$8.3 million over the 2021-23 biennium for the NSAC, which is a 33.2% increase from the \$6.3 million legislatively approved for the 2019-21 biennium. Gate Fee revenues are projected at \$3.2 million over the biennium.

To address increases in the number of events sanctioned by the NSAC, the Governor recommends one new Administrative Assistant position and associated costs, funded with reserve reductions of \$51,814 in FY 2022 and \$66,403 in FY 2023. The position would provide general clerical support as well as assist in the preparation of pre- and post-fight documentation during events.

OFFICE FOR NEW AMERICANS

The Office for New Americans was established through passage and approval of Senate Bill 538 of the 2019 legislative session. To assist new and aspiring Americans immigrating to Nevada, the 2019 Legislature approved General Fund appropriations totaling \$372,367 to establish the office, including two new positions, one unclassified and one classified. For the 2021-23 biennium, the Governor recommends General Fund appropriations of \$284,073 in FY 2022 and \$287,621 in FY 2023, or \$571,694 in total to continue the two positions, and a Management Analyst position previously funded through a private grant.

GOVERNOR'S OFFICE OF ENERGY

The Governor's Office of Energy is responsible for implementing the Governor's Nevada Energy Protection Plan and for serving as the state's point of contact with the United States Department of Energy's (DOE) State Energy Program (SEP). The office administers grants and contracts that promote the economic development of the state, encourages conservation and energy efficiency, encourages the development and utilization of Nevada's renewable energy resources, and promotes alternative fuel use in Nevada. The activities of the Governor's Office of Energy include energy emergency support, energy policy formulation and implementation, technical assistance and public information and education.

Funding for the Governor's Office of Energy is provided through a mix of federal funds, property tax receipts transferred from the Renewable Energy Account and the Renewable Energy, Efficiency and Conservation Loan (REECL) program. For the 2021-23 biennium, the Governor recommends total transfers for the office from the Renewable Energy Account and the REECL of \$2.0 million. The Governor recommends sunset provisions related to Green Building Tax Abatements (GBTA) and replacing GBTA application fee revenue with corresponding transfers from the Renewable Energy Account. The Governor recommends continuing General Fund appropriations of \$100 in each year of the 2021-23 biennium, which provides access to the Interim Finance Committee Contingency Account should the need arise.

RENEWABLE ENERGY ACCOUNT

The Renewable Energy Account receives 45% of the property taxes paid by a qualifying renewable energy facility during the period of partial abatement of property taxes. The Executive Budget includes property tax revenue of \$4.8 million for the 2021-23 biennium, a reduction of 8.3% compared to the \$5.2 million approved by the 2019 Legislature. Of that amount, not less than 75.0% of the property taxes received in the account must be used to offset the cost of electricity to retail customers of a public utility subject to a renewable energy portfolio standard established by the Public Utilities Commission. The remaining 25.0% of the property taxes received in the account may be used by the director as prescribed by regulation. To continue support for the Home Energy Retrofit Opportunity for Seniors (HEROS) program, The Executive Budget recommends transfers of \$1.3 million over the 2021-23 biennium to the Nevada Housing Division, which is \$182,553, or 12.2%, less than the \$1.5 million approved by the 2019 Legislature. To continue funding for the Nevada Electric Highway, which supports electric vehicle infrastructure development on the state's major interstate and highway corridors, The Executive Budget recommends \$300,000 over the 2021-23 biennium, which is a 60.0% reduction compared to the \$750,000 approved by the 2019 Legislature.

RENEWABLE ENERGY, EFFICIENCY AND CONSERVATION LOAN

The 2009 Legislature authorized the creation of the Renewable Energy, Efficiency and Conservation Loan budget for the purpose of granting low interest loans to renewable energy systems. The federal government initially granted \$8.2 million to the State of Nevada under the American Recovery and Reinvestment Act (ARRA) of 2009 to create a sustainable revolving loan program to help Nevada meet its renewable energy portfolio standard goals, promote energy independence and create jobs by providing short-term, low-cost loans to developers of renewable energy systems in Nevada. The loans serve as a bridge financing option to provide necessary funding for the various start-up costs associated with these projects to be repaid once the projects reach a mature level and total project financing is in place. The 2019 Legislature, through Senate Bill (S.B.) 536, approved repurposing ARRA funds from loans to other uses approved by the federal Department of Energy (DOE).

In the Renewable Energy, Efficiency and Conservation Loan budget, The Executive Budget recommends a total of \$292,898 in energy loan repayments for the 2021-23 biennium, a decrease of 0.8% when compared to the \$295,284 approved by the 2019 Legislature. The Executive Budget also includes utilizing \$500,000 in remaining ARRA funds over the biennium to fund energy program grants, which is the same amount approved for the 2019-21 biennium. In addition, The Executive Budget includes \$150,000 in FY 2022 to fund start-up costs for the Nevada Clean Energy Fund (NCEF), an independent nonprofit with the purpose of providing funding for and promoting investment in residential and commercial clean energy projects in Nevada, authorized by S.B. 407 (2017).

OFFICE OF SCIENCE, INNOVATION AND TECHNOLOGY

The Office of Science, Innovation and Technology (OSIT) was established to promote the development of a skilled workforce in the areas of science, technology, engineering or math (STEM), and to improve broadband availability, adoption and use. The Governor recommends General Fund appropriations of \$8.3 million over the 2021-23 biennium for OSIT, which is the same amount that was legislatively approved for the 2019-21 biennium. The recommendations outlined below are intended to restore the budget reductions to OSIT made during the 2019-20 Interim period to the amounts approved by the 2019 Legislature.

The Governor recommends General Fund appropriations of \$947,940 in each year of the 2021-23 biennium to continue the development of a statewide E-Rate consortium to leverage E-Rate dollars from the Federal Communications Commission. E-Rate is the universal service support program that helps schools and libraries obtain affordable broadband.

The Governor also recommends General Fund appropriations of \$451,603 in each year of the 2021-23 biennium to restore funding for the STEM workforce development grant program. The STEM workforce development grant program provides funding for programs that provide in demand, industry-recognized credentials and training for students and professional development for STEM teachers.

Finally, The Executive Budget recommends General Fund appropriations for the restoration of the Broadband Program (\$32,544 in each year of the 2021-23 biennium), the STEM Advisory Council (\$9,744 in each year of the 2021-23 biennium), and STEM recognition events (\$6,082 in each year of the 2021-23 biennium).

GOVERNOR'S OFFICE OF FINANCE

BUDGET DIVISION

The primary responsibilities of the Budget Division are to produce The Executive Budget, provide budgetary oversight to all agencies and coordinate statewide planning efforts. The division also provides staff support to the Board of Examiners and the Economic Forum. The Governor recommends General Fund appropriations of \$8.6 million over the 2021-23 biennium to fund operations of the Governor's Office of Finance, an increase of \$33,625, or 0.4%, when compared to the \$8.6 million legislatively approved for the 2019-21 biennium.

DIVISION OF INTERNAL AUDITS

The Division of Internal Audits consists of three sections:

- Internal Audits – Provides recommendations through the audit process geared toward improving the efficiency and effectiveness of Executive Branch agencies.
- Financial Management – Reviews Executive Branch agencies' internal controls and provides training to ensure effective financial administration.
- Compliance – Statistically samples Executive Branch agency transactions for compliance with laws, regulations, guidelines, and contract stipulations.

The Governor recommends General Fund appropriations totaling \$3.3 million over the 2021-23 biennium to fund the operation of the division, representing a \$91,269, or 2.7%, decrease from the \$3.4 million in General Fund appropriations approved for the 2019-21 biennium. The division is supported by the General Fund.

The Executive Budget recommends a supplemental appropriation totaling \$81,972 in FY 2021 to fund a shortfall in budgeted personnel costs.

SMART 21 PROJECT

The Silver State Modernization Approach for Resources and Technology in the 21st Century (SMART 21) budget was created during the 2017-19 Interim pursuant to Assembly Bill 504 (2017) to isolate costs associated with the replacement of the state's existing financial and human resources information systems with a modernized, comprehensive cloud-based Enterprise Resource Planning solution. The budget is funded with General Fund appropriations and Highway Fund appropriations.

The Executive Budget recommends continuing the SMART 21 project and Project Management Office in the 2021-23 biennium with funding totaling \$15.6 million, including General Fund appropriations of \$11.4 million and Highway Fund appropriations of \$2.7 million, an increase of 206.1% from the \$5.1 million legislatively approved for the 2019-21 biennium. To provide staffing for the SMART 21 project, the Governor recommends eliminating 26 positions (25 full-time equivalent), adding 30 positions and associated costs, and transferring in 7 positions from the Division of Enterprise IT Services (EITS), for a net increase of 12 positions, at a net cost of \$475,624 over the 2021-23 biennium (\$828,767 General Fund savings, \$194,414 Highway Fund savings, and \$1.5 million in transfers from EITS). A total of \$6.7 million (\$5.4 million General Fund and \$1.3 million Highway Funds) is recommended to support continued data cleansing and integration efforts and cloud service costs associated with the replacement system.

SPECIAL APPROPRIATIONS

The Special Appropriations budget is used by the Governor's Office of Finance to pass through legislatively approved General Fund appropriations to other governmental entities and not-for-profit organizations. The Governor recommends General Fund appropriations totaling \$9.1 million for the 2021-23 biennium. The Nevada Governor's Advisory Council on Education Relating to the Holocaust and Nevada Volunteers are recommended to receive annual appropriations of \$100,000 and \$150,000, respectively. Additionally, the Governor recommends \$25,000 for the Nevada Civil Air Patrol in FY 2022, \$8.5 million for additional Graduate Medical Education grants in FY 2022 and \$70,000 for transition costs for newly elected constitutional officers after the November 2022 general election.

Additionally, the Governor recommends one-shot General Fund appropriations in FY 2021 of \$50.0 million to fund targeted assistance for eligible businesses, nonprofits and other entities impacted by the COVID-19 pandemic and \$25.0 million for construction of the UNLV School of Medicine building in Las Vegas.

OFFICE OF WORKFORCE INNOVATION

The Office of Workforce Innovation (OWINN) was established in the Governor's Office to develop statewide strategies to ensure that employers are able to recruit Nevadans for jobs requiring training and skills, and to implement statewide career pathways, talent development and workforce training. The OWINN is also responsible for promoting apprenticeship programs, supporting the State Apprenticeship Council, and maintaining the statewide longitudinal data system that links data relating to programs and K-12 public education with data relating to postsecondary education and workforce in the state. The Executive Budget recommends total funding of \$8.6 million over the 2021-23 biennium for OWINN, of which \$7.4 million consists of Coronavirus Aid, Relief, and Economic Security (CARES) Act funds, received as a competitive grant award from the U.S. Department of Education for OWINN's Supporting and Advancing Nevada's Dislocated Individuals (SANDI) project.

The Executive Budget recommends the transfer of OWINN from the Governor's Office to the Department of Employment, Training and Rehabilitation (DETR).

LIEUTENANT GOVERNOR

The Lieutenant Governor is elected to a four-year term and serves as the President of the Senate. The Lieutenant Governor also serves as the Chair of the Commission on Tourism, Chair of the Advisory Board on Outdoor Recreation, a member of the Board of Economic Development, a member of the Board of Directors of the Department of Transportation, and a member of the Executive Branch Audit Committee. The Lieutenant Governor is a member of the Governor's cabinet and serves as acting Governor whenever the Governor is out of state or unable to perform the duties of the office. The Office of the Lieutenant Governor is supported entirely by General Fund appropriations.

For the 2021-23 biennium, The Executive Budget recommends funding of \$1.3 million over the biennium, which is \$188,233 less than, or a 12.9% decrease from, the \$1.5 million approved by the 2019 Legislature for the 2019-21 biennium. The Executive Budget recommends the continuation of four unclassified positions, in addition to the Lieutenant Governor, for the Office of the Lieutenant Governor. An unclassified Small Business Advocate position, which was funded by the 2019 Legislature but never created due to enabling legislation not being adopted, is not included in The Executive Budget. The Governor recommends General Fund appropriations of \$10,181 in each year of the 2021-23 biennium for increased in-state travel costs.

ATTORNEY GENERAL

The Office of the Attorney General (OAG) serves as legal advisor to nearly all state agencies, boards and commissions and assists the county district attorneys throughout the state. As the state's Chief Law Enforcement Office, the Attorney General represents the people of the State of Nevada before trial and appellate courts of Nevada and the United States in criminal and civil matters. The OAG includes the following five bureaus:

- Criminal Justice – includes the Fraud Unit, Mortgage Fraud Unit, the Workers' Compensation and Insurance Fraud units, and the Medicaid Fraud Control Unit
- Litigation – includes the Transportation Division and Public Safety Division
- Consumer Protection – includes the Civil Mortgage Fraud Unit, Mortgage Settlement Administration and Financial Fraud Unit
- Gaming and Government Affairs – includes the Gaming Division, the Boards and Open Government Division, and the Government and Natural Resources Division
- Business and State Services – includes the Business and Taxation Division, the Personnel Division, and Health and Human Services

The OAG also includes an Administration Division comprising the Fiscal, Information Technology and Personnel units; and the Investigations Division, which includes Tobacco Enforcement, Missing and Exploited Children, Human Sex Trafficking, High Technology Crime, and General Fraud units.

The Executive Budget recommends total funding of \$71.6 million (net of interagency transfers) over the 2021-23 biennium for the OAG, a 21.6 % decrease from the \$91.2 million approved for the 2019-21 biennium. The General Fund portion of The Executive Budget totals \$9.5 million for the 2021-23 biennium, a 20.7 % decrease from the legislatively approved General Fund amount of \$12.0 million for the 2019-21 biennium.

ADMINISTRATIVE ACCOUNT

The Administrative Account is supported by General Fund appropriations and by assessments paid by agencies and boards and commissions that receive legal services from the OAG, referred to as the Attorney General Cost Allocation Plan (AGCAP). The Executive Budget recommends AGCAP assessments of \$21,614 over the biennium to reclassify an Administrative Services Officer 2 position to an Administrative Services Officer 3 position. The reclassification was approved during the 2019 Legislative Session, but due to the COVID-19 pandemic, the reclassification was not implemented during the biennium as a cost saving measure.

WORKERS' COMPENSATION FRAUD

The Workers' Compensation Fraud Unit (WCFU) is responsible for the investigation and prosecution of fraud committed by employees, employers, or medical providers against insurance companies or self-insured employers for workers' compensation. The WCFU is funded through a transfer from the Workers' Compensation and Safety Fund administered by the Division of Industrial Relations.

As a result of the passage of Senate Bill 86 by the 2019 Legislature, and the ensuing modifications governing insurance, fraud investigations, which are subsequently referred to the OAG, are anticipated to increase. To manage the additional caseload, The Executive Budget recommends reserve reductions totaling \$1.5 million over the 2021-23 biennium to fund seven new positions and associated operating costs. The recommended positions include two unclassified Senior Deputy Attorney General, three Criminal Investigator and two Legal Secretary positions.

CONSUMER ADVOCATE

The Bureau of Consumer Protection (BCP), headed by the State Consumer Advocate, statutorily represents public and customer interests related to the protection of public utilities and areas of consumer protection. The Consumer Advocate also provides victim assistance, consumer education and public outreach.

The Executive Budget recommends a funding source change for the support of two Senior Deputy Attorney General positions and one Legal Secretary position currently funded by a previous settlement, the funds of which are projected to be depleted prior to the start of the 2021-23 biennium. As such, Settlement funds from the Attorney General Court Settlement Account are proposed to support the personnel and associated operating costs totaling \$827,419 over the 2021-23 biennium for these positions.

NATIONAL SETTLEMENT ADMINISTRATION

The National Settlement Administration budget was established during FY 2013 to provide for the general administration of the funds received from the National Mortgage Multi-Bank Settlement and the Bank of America Mortgage Settlement. The Governor recommends the transfer of one Legal Researcher and one Chief Deputy Attorney General position from the National Settlement Administration budget to the Consumer Advocate budget. The proposed transfer would result in cost savings and a corresponding increase in reserves in this budget totaling \$558,477 over the 2021-23 biennium.

STATE SETTLEMENTS

The 2017 Legislature established the State Settlements budget to be used by the OAG when settlements are awarded to the state and allocated to the OAG in accordance with the terms outlined in the settlement agreement. The Executive Budget recommends Settlement Income totaling \$235,266 over the 2021-23 biennium for the continued support of one Criminal Investigator position, which was approved during the current biennium to conduct criminal investigations concerning the over-prescribing, selling, and manufacturing of opioid-based drugs in Nevada.

SECRETARY OF STATE

The Secretary of State maintains the official records of the acts of the Nevada Legislature and of the Executive Branch of state government. The office is responsible for ensuring the integrity of elections, receiving and recording business entity filings, administering the uniform commercial code, protecting consumers against securities fraud, preserving public records, and promoting public awareness and education in these areas. For the 2021-23 biennium, the Governor recommends General Fund appropriations totaling \$37.1 million, which is a \$697,379 decrease (1.8%) from the \$37.8 million approved by the Legislature for the 2019-21 biennium.

The Governor recommends General Fund appropriations of \$1.6 million over the 2021-23 biennium for ongoing programming and ongoing maintenance and support of the Cenuity Support Technology Investment Project.

The Executive Budget recommends General Fund reductions of \$1.0 million over the 2021-23 biennium to eliminate seven vacant positions, and hold one position vacant in FY 2022, but restore funding for that position in FY 2023.

STATE TREASURER

The State Treasurer's Office, which has offices located in Carson City and Las Vegas, is responsible for investing state and local governments' funds, issuing and servicing debt on behalf of the state, managing the state's pooled collateral program, distributing interest earnings to statutorily approved funds and budgets, managing the state's banking relationships, reconciling bank transactions, drawing federal funds, and distributing state checks. The Treasurer's Office is also responsible for the administration of the Governor Guinn Millennium Scholarship program, Nevada Higher Education Prepaid Tuition program, the Nevada 529 College Savings Plans program, and the Unclaimed Property program.

The Executive Budget recommends \$840.9 million in total funding, net of interagency transfers, in the Treasurer's Office budgets for the 2021-23 biennium, of which \$809.0 million is related to the Bond Interest and Redemption Account. This is an increase of \$55.2 million, or 7.0%, over the \$785.7 million in total funding, net of interagency transfers, approved by the 2019 Legislature for the 2019-21 biennium. Of the amount recommended for the 2021-23 biennium, General Fund appropriations represent \$766,222 of the total, which is a decrease of \$484,452, or 38.7%, compared to the \$1.3 million in General Fund appropriations approved by the 2019 Legislature for the 2019-21 biennium.

NEVADA COLLEGE SAVINGS TRUST

The Nevada College Savings Program allows individuals to establish and contribute to a child's college savings account and then use the savings proceeds to pay for qualifying higher education expenses. Withdrawals, including earnings on contributions, which are used for qualifying educational expenses, are not subject to federal taxation pursuant to Internal Revenue Code, Section 529. The value of each account is based upon investment performance and is subject to investment gains and losses. The proceeds from the 529 College Savings Plan can be used at any eligible educational institution in the United States. The program is administered by the State Treasurer through the five-member Board of Trustees of the College Savings Plans of Nevada.

The 2017 Legislature approved Assembly Bill (A.B.) 475, which established the College Kick Start (CKS) program, subsequently codified as *Nevada Revised Statutes* (NRS) 353B.335. Prior to that, the CKS program was operated as a three-year pilot program that commenced in FY 2014. In this program, all kindergarten students who enroll in Nevada's public schools receive a contribution of \$50 to a 529 college savings account established on their behalf. The Governor recommends the elimination of fund transfers of \$1.8 million in the Nevada College Savings Trust base budget each year of the 2021-23 biennium for the CKS program. The Governor also recommends converting the program from a cash model to an actuarially-based accounting model. A companion recommendation is included in the College Savings Endowment Account to reduce the

funds transferred to the Nevada College Savings Trust budget by \$1.8 million per fiscal year.

The amount of funds available for education and outreach for college-related programs under the Treasurer's Office, pursuant to NRS 353B.350, increased from 3% to 7% of revenue received annually from national 529 investment partners through the passage of Senate Bill (S.B.) 82 by the 2019 Legislature. The Executive Budget includes \$161,494 in transfers from College Savings Endowment Account funds in each fiscal year of the 2021-23 biennium to increase college savings marketing expenditures to a total of \$317,099, which will allow for marketing expenditures, such as social media and online messaging and the creation of collateral for in-person events. A companion recommendation is included in the College Saving Endowment Account to increase the funds transferred to the Nevada College Savings Trust budget by \$161,494 per fiscal year.

ONE-SHOT APPROPRIATIONS

The Governor recommends the following one-shot General Fund appropriations for the 2021-23 biennium:

- \$44.0 million to support the Governor Guinn Millennium Scholarship program
- \$7.3 million for the continuation of the Promise Scholarship program
- \$34,000 for the Account for Pensions for Silicosis Diseases Related to Asbestos and Other Disabilities

STATE CONTROLLER

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 \$11.1 million over the 2021-23 biennium, which represents a 2.1% increase from the \$10.8 million approved for the 2019-21 biennium.

The Executive Budget recommends General Fund appropriations of \$108,539 in FY 2022 and \$75,000 in FY 2023 for a subscription-based application that will provide various lease calculations that the Controller's Office must perform to comply with the Governmental Accounting Standards Board. In addition, The Executive Budget recommends General Fund savings of \$7,004 in FY 2022 and \$15,549 in FY 2023 to close its Las Vegas office and transfer three staff to the Carson City office effective September 1, 2021.

LEGISLATIVE BRANCH

The Legislative Counsel Bureau is the administrative support agency for the Nevada Legislature. The bureau includes the Administrative Division, Audit Division, Fiscal Analysis Division, Legal Division, Research Division, and the State Printing Office. The Interim Nevada Legislature provides for support staff between legislative sessions. The interim staff of the Legislature is responsible for finalizing the work of the preceding

session, preparing for the next session, assisting legislators, and providing assistance to the public.

General Fund appropriations of \$35.3 million in FY 2022 and \$35.4 million in FY 2023 are included in The Executive Budget to support the operations of the Legislative Branch during the 2021-23 biennium. This represents a decrease of approximately \$5.4 million, or 7.1%, compared to the General Fund appropriations legislatively approved for the 2019-21 biennium. The Legislative Counsel Bureau recommends General Fund savings of \$1.1 million in each year of the 2021-23 biennium to implement 12 furlough days per year in order to meet targeted budget reductions. In addition, the Legislative Counsel Bureau recommends reducing certain positions from full-time to part-time, which would result in General Fund savings of \$148,791 in FY 2022 and \$252,224 in FY 2023.

JUDICIAL BRANCH

Pursuant to *Nevada Revised Statutes* (NRS) 353.246, the budgets for the Judicial Branch are included in The Executive Budget but are not subject to review by the Governor; therefore, budgets presented in The Executive Budget represent the budget request of the Judicial Branch.

The budgets of the Judicial Branch include funding for the Supreme Court, Court of Appeals, Specialty Court, Administrative Office of the Courts, Judicial Programs and Services Division, Uniform System of Judicial Records, and Supreme Court Law Library. Additionally, the Judicial Branch budgets include funding for the salaries, travel and pension expenses of district court judges; continuing education requirements of district court judges, justices of the peace, municipal court judges, and, if funding permits, quasi-judicial officers such as masters and trial court personnel; the salaries and travel expenses of retired justices and judges who are recalled to active service by the Chief Justice to expedite judicial business; and the Commission on Judicial Selection.

The Judicial Branch budgets are supported primarily through General Fund appropriations and court administrative assessments authorized under NRS 176.059. Court administrative assessments are the fees charged to defendants in criminal and traffic cases. Other sources of funding include specialty court administrative assessments authorized under NRS 176.0613, peremptory challenge fees (i.e., fees paid by attorneys or litigants to exclude particular judges in civil cases), filing fees, justice court fees, federal grants, fines and penalties, and user fees.

The Executive Budget, excluding the budget for the Commission on Judicial Discipline, includes total funding for the Judicial Branch, net of interagency transfers, of \$140.2 million recommended by the Judicial Branch for the 2021-23 biennium, which is an increase of \$6.9 million, or 5.2%, over the funding approved by the 2019 Legislature of \$133.3 million for the 2019-21 biennium. Of the amount recommended for the 2021-23 biennium, General Fund appropriations represent \$92.3 million of the total, which is an increase of \$4.4 million, or 5.0%, over the \$87.9 million in General Fund appropriations approved by the 2019 Legislature for the 2019-21 biennium.

Court Administrative Assessment Revenue

Pursuant to NRS 176.059, not less than 51.0% of the court administrative assessment revenues deposited in the State General Fund must be distributed to the Administrative Office of the Courts for allocation among various Judicial Branch budgets based on the percentage distribution set in NRS 176.059(8)(a), and not more than 49.0% must be distributed to various Executive Branch budgets to the extent of legislative authorization. Any court administrative assessments not distributed to Judicial and Executive Branch budgets must be transferred to the uncommitted balance of the State General Fund. The Judicial Branch projects total court administrative assessment revenue of \$21.7 million in FY 2022 and \$23.0 million in FY 2023 as of the December 2020 projection. The following table displays the court administrative assessments included in The Executive Budget as recommended by the Judicial Branch for the Judicial Branch budgets and the Governor for the Executive Branch budgets:

ADMINISTRATIVE COURT ASSESSMENTS (NRS 176.059) BUDGET DISTRIBUTION

BA	BA DESCRIPTION	2019-2021 BIENNIUM LEGISLATIVELY APPROVED		2021-2023 BIENNIUM JUDICIAL BRANCH RECOMMENDS			
		FISCAL YEAR 2021		FISCAL YEAR 2022		FISCAL YEAR 2023	
1483	ADMINISTRATIVE OFFICE OF THE COURTS	\$ 4,530,799	33.11%	\$ 4,548,818	33.84%	\$ 4,815,108	33.84%
1486	UNIFORM SYSTEM OF JUDICIAL RECORDS	\$ 1,064,636	7.78%	\$ 971,866	7.23%	\$ 1,028,760	7.23%
1487	JUDICIAL EDUCATION	\$ 801,278	5.86%	\$ 763,513	5.68%	\$ 808,210	5.68%
	SUB-TOTAL BUDGET ACCOUNTS 1483, 1486, AND 1487	\$ 6,396,713	46.75%	\$ 6,284,197	46.75%	\$ 6,652,078	46.75%
1494	SUPREME COURT	\$ 5,165,261	37.75%	\$ 5,074,405	37.75%	\$ 5,371,463	37.75%
1495	SPECIALTY COURT	\$ 1,641,937	12.00%	\$ 1,613,056	12.00%	\$ 1,707,485	12.00%
1496	SENIOR JUSTICE & SENIOR JUDGE PROGRAM	\$ 478,898	3.50%	\$ 470,475	3.50%	\$ 498,017	3.50%
	SUBTOTAL OTHER JUDICIAL BRANCH ACCOUNTS	\$ 7,286,096	53.25%	\$ 7,157,936	53.25%	\$ 7,576,965	53.25%
	JUDICIAL BRANCH BUDGET ACCOUNT TOTALS	\$ 13,682,809	100.00%	\$13,442,133	100.00%	\$14,229,043	100.00%
		\$ 13,682,809	62.00%	\$13,442,133	62.00%	\$14,229,043	62.00%
1041	AG - COUNCIL FOR PROSECUTING ATTORNEYS	\$ 139,221	1.72%	\$ 134,358	1.66%	\$ 134,358	1.66%
1042	AG - VICTIMS OF DOMESTIC VIOLENCE	\$ 73,877	0.91%	\$ 73,877	0.91%	\$ 73,877	0.91%
3774	PEACE OFFICER STANDARDS & TRAINING COMMISSION	\$ 2,261,007	27.86%	\$ 2,180,808	26.89%	\$ 2,141,973	26.44%
4709	DPS-CENTRAL REP FOR NV RECORDS OF CRIMINAL HISTORY	\$ 4,551,977	56.09%	\$ 4,655,193	57.39%	\$ 4,684,426	57.82%
4895	DHHS - DCFS - VICTIMS OF CRIME	\$ 1,089,989	13.43%	\$ 1,066,624	13.15%	\$ 1,066,624	13.17%
	EXECUTIVE BRANCH BUDGET ACCOUNT TOTALS	\$ 8,116,071	36.78%	\$ 8,110,860	37.41%	\$ 8,101,258	35.30%
9999	UNCOMMITTED BALANCE OF THE GENERAL FUND	\$ 270,166	1.22%	\$ 127,865	0.59%	\$ 619,765	2.70%
	EXECUTIVE BRANCH TOTALS	\$ 8,386,237	38.00%	\$ 8,238,725	38.00%	\$ 8,721,023	38.00%
	GRAND TOTAL ADMINISTRATIVE ASSESSMENT AUTHORITY	\$ 22,069,046	100.00%	\$21,680,858	100.00%	\$22,950,066	100.00%

* The Executive Budget does not include the amounts projected to be deposited in the unrestricted General Fund for the 2021-23 biennium.

The budgets for the 2019-21 biennium approved by the 2019 Legislature allocated 62.0% of total court administrative assessments per fiscal year to the Judicial Branch budgets (\$27.3 million over the 2019-21 biennium), and Assembly Bill (A.B.) 540 was approved by the 2019 Legislature to modify the percentage distribution of court administrative assessments among the Judicial Branch budgets pursuant to NRS 176.059(8)(a), which expires by limitation on June 30, 2021.

The Judicial Branch recommends the continuation of the allocation of 62.0% of total court administrative assessments per fiscal year to the Judicial Branch budgets (\$27.7 million over the 2021-23 biennium), and further recommends the same percentage distribution between Judicial Branch budgets approved in A.B. 540 (2019).

Multi-County Integrated Justice Information System

The Executive Budget includes the following enhancements related to the Multi-County Integrated Justice Information System (MCIJIS) in the Supreme Court and Uniform System of Judicial Records budgets, as recommended by the Judicial Branch:

- A General Fund appropriation of \$192,120 in FY 2022 to upgrade the court's interface with MCIJIS and General Fund appropriations of \$60,450 in each fiscal year of the 2021-23 biennium to add an additional document type to MCIJIS to allow for the electronic transmittal of temporary protective orders in the Supreme Court budget.
- Reductions to reserve of \$23,168 in FY 2023 for a load balancer which will be used to enhance the MCIJIS broker software and the JWorks project; and reductions to reserve of \$28,509 in FY 2022 to add capability for additional justice partners to send new warrants and warrant clears electronically through MCIJIS to the Department of Public Safety in the Uniform System of Judicial Records budget.

SUPREME COURT

The Supreme Court, established under Article 6 of the Nevada State Constitution, is the highest court of record in Nevada's court system and its primary responsibility is to review and rule on appeals from district court cases. The Supreme Court provides administrative oversight of the Nevada Judicial System, assigns cases to the Court of Appeals, and provides admittance to the legal profession in Nevada. The Supreme Court consists of seven justices, chambers staff, the Office of the Court Clerk, central legal staff, the Law Library, and the Administrative Office of the Courts. The Supreme Court is funded primarily through General Fund appropriations and administrative court assessments.

The Executive Budget includes General Fund appropriations of \$50,000 in each fiscal year of the 2021-23 biennium, as recommended by the Judicial Branch, to redo the court's website in order to maintain compatibility with the state's information technology infrastructure due to the anticipated replacement of Enterprise IT Services' current Ektron platform.

COURT OF APPEALS

In November 2014, Nevada voters approved the creation of the Court of Appeals by allowing an amendment to Article 6 of the Nevada State Constitution. The Court of Appeals is comprised of three judges that hears categories of cases assigned to it by Supreme Court Rule including administrative agency decisions, foreclosure mediation, venue challenges, and injunctive relief. The Court of Appeals is funded through General Fund appropriations.

The Executive Budget includes General Fund appropriations, as recommended by the Judicial Branch, of \$32,741 over the 2021-23 biennium to allow for an increase in the pay level of judicial court administrator positions with a commensurate increase in job requirements so the positions can perform judicial chambers-related legal work, and \$14,094 in each fiscal year of the 2021-23 biennium to allow for the reclassification of an unclassified Supervisor Staff Attorney to create an additional level of supervision among current staff.

ADMINISTRATIVE OFFICE OF THE COURTS

The Administrative Office of the Courts (AOC), authorized under NRS 1.320, serves as the Office of the Court Administrator and provides payroll, personnel, budgeting, accounting, and information technology support to the Nevada Supreme Court. The AOC also provides support to the statewide court system by managing the judicial education program, statewide court statistics and trial courts' technology grants and loan programs. The AOC is responsible for recommending operational improvements for trial courts to the Supreme Court. The AOC is funded by court administrative assessments.

The Executive Budget includes reductions to reserve of \$89,999 in FY 2022, as recommended by the Judicial Branch, to migrate the court's phone system to a virtual format housed on servers, rather than having a physical phone switch. The Executive Budget, as recommended by the Judicial Branch, also includes holding a position vacant that supports the committees and commissions of the Supreme Court and the Judicial Council of the State of Nevada from July 2021 through December 2022 as a result of the decline in court administrative assessment revenue that has occurred due to the COVID-19 pandemic, which results in an increase to reserves of \$177,201 over the 2021-23 biennium.

ONE-SHOT APPROPRIATIONS AND AUTHORIZATIONS

The Executive Budget, as recommended by the Judicial Branch, includes the following one-shot appropriations and authorizations:

- General Fund appropriation of \$1.3 million to fund the initial implementation of a statewide case management system in the trial courts.
- General Fund appropriation of \$1.3 million and annual transaction fees of \$203,533 to fund the initial implementation of a statewide e-filing solution for local trial courts.

COMMISSION ON JUDICIAL DISCIPLINE

The Nevada Commission on Judicial Discipline (commission) established under Article 6, Section 21 of the Nevada State Constitution, is charged with the responsibility of investigating allegations of misconduct, violations of the code of judicial conduct, or disability of judges. The seven-member commission receives and investigates complaints against a justice of the Supreme Court, a judge of the Court of Appeals, a district judge, a justice of the peace, a municipal judge, and aspirants to judicial office. The Commission on Judicial Discipline is funded by General Fund appropriations. The Executive Budget includes General Fund appropriations of \$2.4 million over the 2021-23 biennium, which is an increase of \$447,363, or 23.2%, over the funding approved by the 2019 Legislature of \$1.9 million for the 2019-21 biennium.

The Executive Budget includes General Fund appropriations of \$294,937 to fund a new Investigative Attorney position and associated costs that would support the commission in addressing an increased caseload and allow the commission to operate and conduct investigations more thoroughly and efficiently.

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
ELECTED OFFICIALS						
OFFICE OF THE GOVERNOR	2,943,359	3,090,740	2,791,352	-9.69	2,763,794	-9.9
GENERAL FUND	2,733,781	2,658,567	2,791,352	4.99	2,763,794	-9.9
BALANCE FORWARD	-202,891					
INTERAGENCY TRANSFER	222,641	191,108				
INTERIM FINANCE	296,072	241,065				
REVERSIONS	-106,244					
GOVERNOR'S MANSION MAINTENANCE	316,815	350,414	332,650	-5.07	336,354	1.11
GENERAL FUND	340,671	350,414	332,650	-5.07	336,354	1.11
REVERSIONS	-23,856					
GOVERNOR'S WASHINGTON OFFICE	169,859	259,434	252,000	-2.87	252,000	.00
INTERAGENCY TRANSFER	169,859	259,434	252,000	-2.87	252,000	
ATHLETIC COMMISSION	1,430,626	3,707,975	4,008,189	8.10	4,333,664	8.12
BALANCE FORWARD	-327,721	2,098,683	2,281,174	8.70	2,606,649	14.27
INTERAGENCY TRANSFER	27,295					
OTHER FUND	1,731,052	1,609,292	1,727,015	7.32	1,727,015	
GOVERNOR'S OFFICE HIGH LEVEL NUCLEAR WASTE	1,887,888	2,010,946	2,034,163	1.15	1,993,998	-1.97
GENERAL FUND	1,326,581	1,334,374	1,484,163	11.23	1,443,998	-2.71
BALANCE FORWARD	-1,875	1,875				
FEDERAL FUND	206,353	274,697	150,000	-45.39	150,000	
INTERAGENCY TRANSFER	406,658	400,000	400,000		400,000	
REVERSIONS	-49,829					
GOE - OFFICE OF ENERGY	1,149,835	1,529,301	1,608,490	5.18	1,654,788	2.88
GENERAL FUND	100	100	100		100	
BALANCE FORWARD	-143,542	210				
FEDERAL FUND	515,440	563,147	515,230	-8.51	515,230	
INTERAGENCY TRANSFER	617,937	876,094	986,245	12.57	1,032,543	4.69
OTHER FUND	160,000	89,750	106,915	19.13	106,915	
REVERSIONS	-100					
GOE - RENEWABLE ENERGY ACCOUNT	2,975,673	17,895,003	15,247,631	-14.79	15,546,024	1.96
BALANCE FORWARD	-1,471,145	13,317,099	12,524,039	-5.96	12,943,220	3.35
INTERAGENCY TRANSFER	21,395					
OTHER FUND	4,425,423	4,577,904	2,723,592	-40.51	2,602,804	-4.43
OFFICE OF SCIENCE, INNOVATION AND TECHNOLOGY	3,474,795	4,375,357	4,132,585	-5.55	4,126,434	-1.15
GENERAL FUND	4,671,613	3,352,962	4,132,585	23.25	4,126,434	-1.15
BALANCE FORWARD	98,062	4,015				
OTHER FUND	2,535	1,018,380				
REVERSIONS	-1,297,415					
GOE - RENEWABLE, EFFICIENCY, CONSERVATION LOAN	2,306	1,962,858	1,430,170	-27.14	1,253,133	-12.38
BALANCE FORWARD	-222,963	1,766,622	1,204,901	-31.80	1,027,864	-14.69
OTHER FUND	225,269	196,236	225,269	14.79	225,269	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
LIEUTENANT GOVERNOR	709,733	727,621	628,725	-13.59	643,860	2.41
GENERAL FUND	713,060	727,621	628,725	-13.59	643,860	2.41
REVERSIONS	-3,327					
OFFICE FOR NEW AMERICANS	186,972	247,702	322,914	30.36	326,866	1.22
GENERAL FUND	176,285	155,899	284,073	82.22	287,621	1.25
BALANCE FORWARD	-85,802	85,803	38,841	-54.73	39,245	1.04
INTERAGENCY TRANSFER		6,000				
OTHER FUND	110,000					
REVERSIONS	-13,511					
GOVERNOR'S OFC OF FINANCE - BUDGET DIVISION	5,463,363	5,356,292	4,068,822	-24.04	4,572,172	12.37
GENERAL FUND	4,026,488	4,500,731	4,068,822	-9.60	4,572,172	12.37
BALANCE FORWARD	1,060,705	430,848				
INTERAGENCY TRANSFER	595,241	424,713				
REVERSIONS	-219,071					
GOVERNOR'S OFC OF FINANCE- DIV OF INTERNAL AUDITS	1,658,905	1,247,012	1,646,537	32.04	1,685,646	2.38
GENERAL FUND	1,680,294	1,233,700	1,646,537	33.46	1,685,646	2.38
INTERAGENCY TRANSFER		13,312				
REVERSIONS	-21,389					
GOVERNOR'S OFFICE OF FINANCE - SMART 21	9,762,140	36,149,727	6,634,078	-81.65	8,972,353	35.25
GENERAL FUND	2,129,463	1,743,122	4,777,791	174.09	6,657,219	39.34
BALANCE FORWARD	7,280,661	33,506,090				
HIGHWAY FUND	455,955	454,481	1,115,879	145.53	1,556,737	39.51
INTERAGENCY TRANSFER	1,940	134,335				
INTERIM FINANCE		311,699				
OTHER FUND			740,408		758,397	2.43
REVERSIONS	-105,879					
GOVERNOR'S OFC OF FINANCE - SPECIAL APPROPRIATIONS	42,078,107	7,017,168	8,805,000	25.48	320,000	-96.37
GENERAL FUND	11,042,343	4,590,000	8,805,000	91.83	320,000	-96.37
BALANCE FORWARD	26,420,566	2,427,168				
OTHER FUND	5,827,280					
REVERSIONS	-1,212,082					
BOE - GENERAL FUND SALARY ADJUSTMENT	12,766,476	30,741,594				
GENERAL FUND	30,401,904	30,741,594				
REVERSIONS	-17,635,428					
BOE - HIGHWAY FUND SALARY ADJUSTMENT		6,795,012				
HIGHWAY FUND	6,681,983	6,795,012				
REVERSIONS	-6,681,983					
NSHE - WICHE ADMINISTRATION	384,346	335,313	329,272	-1.80	328,556	-.22
GENERAL FUND	400,983	335,313	329,272	-1.80	328,556	-.22
REVERSIONS	-16,637					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
NSHE - W.I.C.H.E. LOANS & STIPENDS	1,320,454	1,148,718	1,298,154	13.01	1,298,154	.00
GENERAL FUND	913,134	739,098	943,684	27.68	943,684	
BALANCE FORWARD	31,052	10,272				
OTHER FUND	383,968	399,348	354,470	-11.24	354,470	
REVERSIONS	-7,700					
AG - EXTRADITION COORDINATOR	737,269	577,597	663,133	14.81	668,348	.79
GENERAL FUND	654,887	334,465	607,105	81.52	612,276	.85
INTERAGENCY TRANSFER	102,667	186,950				
OTHER FUND	58,019	56,182	56,028	-.27	56,072	.08
REVERSIONS	-78,304					
AG - ADMINISTRATIVE BUDGET ACCOUNT	30,208,610	33,588,522	30,845,714	-8.17	31,008,767	.53
GENERAL FUND	4,010,501	2,250,300	284,178	-87.37	2,413,942	749.45
BALANCE FORWARD	7,923	94	94		94	
INTERAGENCY TRANSFER	26,905,774	29,350,007	30,066,431	2.44	28,099,720	-6.54
OTHER FUND	442,298	1,988,121	495,011	-75.10	495,011	
REVERSIONS	-1,157,886					
AG - SPECIAL LITIGATION FUND	3,773,990	3,447,598	3,060,279	-11.23	3,059,159	-.04
GENERAL FUND	865,046	814,389	1,302,914	59.99	1,302,053	-.07
BALANCE FORWARD	1,143,969	735,018				
INTERAGENCY TRANSFER	286,736	364,558	283,836	-22.14	283,836	
OTHER FUND	1,489,872	1,533,633	1,473,529	-3.92	1,473,270	-.02
REVERSIONS	-11,633					
AG - WORKERS' COMP FRAUD	4,218,296	5,708,953	6,716,478	17.65	7,112,123	5.89
BALANCE FORWARD	74,475	127,554	1,180,289	825.32	1,590,940	34.79
INTERAGENCY TRANSFER	1,136,945	2,126,614	2,042,125	-3.97	2,042,125	
OTHER FUND	3,398,026	3,454,785	3,494,064	1.14	3,479,058	-.43
REVERSIONS	-391,150					
AG - CRIME PREVENTION	584,269	602,944	665,634	10.40	678,744	1.97
GENERAL FUND	539,535	563,796	639,138	13.36	653,798	2.29
BALANCE FORWARD	-2,343					
INTERAGENCY TRANSFER	15,536	3,393				
INTERIM FINANCE	3,551					
OTHER FUND	27,990	35,755	26,496	-25.90	24,946	-5.85
AG - MEDICAID FRAUD	2,575,362	3,911,656	3,514,221	-10.16	3,465,828	-1.38
GENERAL FUND	100	100	100		100	
BALANCE FORWARD	442,094	1,144,630	807,424	-29.46	759,031	-5.99
FEDERAL FUND	1,930,082	2,328,280	2,250,444	-3.34	2,250,444	
OTHER FUND	203,186	438,646	456,253	4.01	456,253	
REVERSIONS	-100					
AG - CONSUMER ADVOCATE	4,194,826	5,266,972	4,898,312	-7.00	4,805,030	-1.90
GENERAL FUND	749,070	684,602	757,189	10.60	756,352	-.11
BALANCE FORWARD	211,362	1,611,206	426,873	-73.51	331,929	-22.24
INTERAGENCY TRANSFER	216,890	46,763				
OTHER FUND	3,030,348	2,924,401	3,714,250	27.01	3,716,749	.07
REVERSIONS	-12,844					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
AG - GRANTS UNIT	3,371,151	4,229,448	4,992,901	18.05	3,495,916	-29.98
GENERAL FUND	173,715	14,977	41,304	175.78	42,324	2.47
FEDERAL FUND	3,154,647	4,006,277	4,881,540	21.85	3,383,964	-30.68
INTERAGENCY TRANSFER	78,270	58,194	70,057	20.39	69,628	-.61
OTHER FUND		150,000				
REVERSIONS	-35,481					
AG - COUNCIL FOR PROSECUTING ATTORNEYS	181,311	447,841	393,615	-12.11	344,577	-12.46
GENERAL FUND	100	100	100		100	
BALANCE FORWARD	-46,089	190,077	234,896	23.58	185,858	-20.88
INTERAGENCY TRANSFER	65,163	90,888				
OTHER FUND	162,237	166,776	158,619	-4.89	158,619	
REVERSIONS	-100					
AG - VICTIMS OF DOMESTIC VIOLENCE	396,161	476,466	461,234	-3.20	465,081	.83
GENERAL FUND	50,673	64,158	60,341	-5.95	62,919	4.27
BALANCE FORWARD	-13,598	63,044	52,985	-15.96	54,254	2.40
INTERAGENCY TRANSFER	233,872	215,019	211,255	-1.75	211,255	
OTHER FUND	128,489	134,245	136,653	1.79	136,653	
REVERSIONS	-3,275					
AG - FORFEITURE	8,809	50,334	18,929	-62.39	6,926	-63.41
BALANCE FORWARD	8,809	33,621	18,929	-43.70	6,926	-63.41
OTHER FUND		16,713				
AG - ATTORNEY GENERAL TORT CLAIMS FUND	4,031,621	9,493,669	8,246,304	-13.14	7,865,158	-4.62
BALANCE FORWARD	197,787	5,414,638	4,478,665	-17.29	4,085,489	-8.78
INTERAGENCY TRANSFER	3,828,834	4,074,031	3,762,639	-7.64	3,774,669	.32
OTHER FUND	5,000	5,000	5,000		5,000	
AG - NATIONAL SETTLEMENT ADMINISTRATION	5,000,555	12,360,484	7,163,038	-42.05	3,555,910	-50.36
BALANCE FORWARD	4,601,016	11,947,588	7,032,425	-41.14	3,425,297	-51.29
INTERAGENCY TRANSFER	116,453	282,283				
OTHER FUND	283,086	130,613	130,613		130,613	
AG - STATE SETTLEMENTS	4,994,744	13,457,514	2,195,442	-83.69	2,159,396	-1.64
BALANCE FORWARD	68,817	2,359,144	2,078,162	-11.91	2,041,410	-1.77
INTERAGENCY TRANSFER	46,796					
OTHER FUND	4,879,131	11,098,370	117,280	-98.94	117,986	.60
CONTROLLER - CONTROLLER'S OFFICE	5,401,752	5,517,375	5,670,921	2.78	5,503,117	-2.96
GENERAL FUND	5,335,083	4,955,241	5,616,361	13.34	5,448,557	-2.99
INTERAGENCY TRANSFER	124,717	562,134	54,560	-90.29	54,560	
REVERSIONS	-58,048					
CONTROLLERS OFFICE - DEBT RECOVERY ACCOUNT	54,894	696,933	679,926	-2.44	1,005,147	47.83
BALANCE FORWARD	-66,367	316,818	300,145	-5.26	625,366	108.35
OTHER FUND	121,261	380,115	379,781	-.09	379,781	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
SOS - SECRETARY OF STATE	17,551,971	18,855,921	17,819,787	-5.50	18,192,117	2.09
GENERAL FUND	17,699,026	15,479,823	17,593,378	13.65	17,965,478	2.12
BALANCE FORWARD	-30,028	41,314	28,953	-29.92	28,953	
INTERAGENCY TRANSFER	329,421	3,145,853				
OTHER FUND	181,387	188,931	197,456	4.51	197,686	.12
REVERSIONS	-627,835					
SOS - HELP AMERICA VOTE ACT (HAVA) ELECTION REFORM	4,926,729	10,330,308	6,749,448	-34.66	6,195,247	-8.21
GENERAL FUND	996,842	849,316	760,003	-10.52	805,543	5.99
BALANCE FORWARD	-5,480,442	9,443,716	5,916,386	-37.35	5,316,645	-10.14
FEDERAL FUND	9,287,515	14,769				
INTERAGENCY TRANSFER	97,943	22,320				
OTHER FUND	73,059	187	73,059	38,968.98	73,059	
REVERSIONS	-48,188					
TREASURER - STATE TREASURER	2,961,800	3,066,995	3,007,828	-1.93	3,073,532	2.18
GENERAL FUND	621,451	427,947	381,143	-10.94	385,079	1.03
INTERAGENCY TRANSFER	980,943	1,171,771	1,153,358	-1.57	1,180,610	2.36
OTHER FUND	1,408,593	1,467,277	1,473,327	.41	1,507,843	2.34
REVERSIONS	-49,187					
TREASURER - HIGHER EDUCATION TUITION ADMIN	793,692	816,524	737,176	-9.72	777,758	5.51
OTHER FUND	793,692	816,524	737,176	-9.72	777,758	5.51
TREASURER - BOND INTEREST & REDEMPTION	191,253,927	367,181,893	387,657,881	5.58	421,387,869	8.70
BALANCE FORWARD	-11,147,394	155,840,505	184,176,589	18.18	217,896,468	18.31
INTERAGENCY TRANSFER	15,283,870	17,370,923	16,800,627	-3.28	16,799,620	-.01
OTHER FUND	187,117,451	193,970,465	186,680,665	-3.76	186,691,781	.01
TREASURER - MUNICIPAL BOND BANK REVENUE	7,661,788	7,673,242	6,057,144	-21.06	6,738,894	11.26
BALANCE FORWARD	-6,665	6,666				
OTHER FUND	7,668,453	7,666,576	6,057,144	-20.99	6,738,894	11.26
TREASURER - MUNICIPAL BOND BANK DEBT SERVICE	7,661,787	7,722,079	6,099,662	-21.01	6,781,412	11.18
INTERAGENCY TRANSFER	7,661,787	7,662,238	6,052,913	-21.00	6,734,663	11.26
OTHER FUND		59,841	46,749	-21.88	46,749	
TREASURER - MILLENNIUM SCHOLARSHIP ADMINISTRATION	360,941	394,784	410,394	3.95	421,461	2.70
OTHER FUND	360,941	394,784	410,394	3.95	421,461	2.70
TREASURER - NEVADA COLLEGE SAVINGS TRUST	3,173,405	3,851,860	2,100,435	-45.47	2,145,286	2.14
OTHER FUND	3,173,405	3,851,860	2,100,435	-45.47	2,145,286	2.14
TREASURER - ENDOWMENT ACCOUNT	3,909,168	15,701,309	16,980,677	8.15	20,090,978	18.32
BALANCE FORWARD	-1,896,914	10,506,901	11,174,595	6.35	14,284,896	27.83
OTHER FUND	5,806,082	5,194,408	5,806,082	11.78	5,806,082	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
TREASURER - UNCLAIMED PROPERTY	2,343,221	2,704,385	2,534,202	-6.29	2,640,700	4.20
OTHER FUND	2,343,221	2,704,385	2,534,202	-6.29	2,640,700	4.20
PATIENT PROTECTION COMMISSION			342,871		339,959	-.85
GENERAL FUND			342,871		339,959	-.85
DETR - OFFICE OF WORKFORCE INNOVATION	1,483,826	13,108,562	5,701,483	-56.51	2,915,467	-48.86
GENERAL FUND	2,541	2,058	2,541	23.47	2,541	
BALANCE FORWARD	-50,000	50,000				
FEDERAL FUND		9,571,548	5,198,343	-45.69	2,412,327	-53.59
INTERAGENCY TRANSFER	1,481,403	3,434,656	500,599	-85.43	500,599	
OTHER FUND	50,000	50,300				
REVERSIONS	-118					
DETR - NEVADA P20 WORKFORCE REPORTING	871,599	710,695	850,512	19.67	851,902	.16
GENERAL FUND	873,633	710,695	850,512	19.67	851,902	.16
INTERAGENCY TRANSFER	23,595					
REVERSIONS	-25,629					
TOTAL ELECTED OFFICIALS	403,369,126	676,901,050	592,806,313	-12.42	618,159,605	4.28
GENERAL FUND	93,128,903	79,615,462	59,463,932	-25.31	55,752,361	-6.24
BALANCE FORWARD	20,451,519	253,481,219	233,956,365	-7.70	267,250,534	14.23
FEDERAL FUND	15,094,037	16,758,718	12,995,557	-22.45	8,711,965	-32.96
HIGHWAY FUND	7,137,938	7,249,493	1,115,879	-84.61	1,556,737	39.51
INTERAGENCY TRANSFER	61,080,581	72,473,591	62,636,645	-13.57	61,435,828	-1.92
INTERIM FINANCE	299,623	552,764				
OTHER FUND	236,070,754	246,769,803	222,637,935	-9.78	223,452,180	.37
REVERSIONS	-29,894,229					
LEG - LEGISLATIVE COUNSEL BUREAU	37,621,404	36,780,890	34,889,553	-5.14	35,116,487	.65
GENERAL FUND	37,039,488	36,188,906	34,359,554	-5.06	34,586,488	.66
HIGHWAY FUND	5,000	5,000	5,000		5,000	
INTERAGENCY TRANSFER	312,425	251,493	309,150	22.93	309,150	
OTHER FUND	264,491	335,491	215,849	-35.66	215,849	
LEG - NEVADA LEGISLATURE INTERIM	1,000,981	810,791	935,053	15.33	779,855	-16.60
GENERAL FUND	1,000,981	810,791	935,053	15.33	779,855	-16.60
LEG - INTERIM FINANCE COMMITTEE	1,024,277	144,491				
GENERAL FUND	898,428	144,491				
HIGHWAY FUND	125,849					
LEG - STATE PRINTING OFFICE	2,821,716	3,004,083	3,053,475	1.64	3,108,253	1.79
INTERAGENCY TRANSFER	2,808,516	2,985,683	3,043,475	1.94	3,094,253	1.67
OTHER FUND	13,200	18,400	10,000	-45.65	14,000	40.00
TOTAL LEGISLATIVE BRANCH	42,468,378	40,740,255	38,878,081	-4.57	39,004,595	.33
GENERAL FUND	38,938,897	37,144,188	35,294,607	-4.98	35,366,343	.20
HIGHWAY FUND	130,849	5,000	5,000		5,000	
INTERAGENCY TRANSFER	3,120,941	3,237,176	3,352,625	3.57	3,403,403	1.51
OTHER FUND	277,691	353,891	225,849	-36.18	229,849	1.77

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
SUPREME COURT	11,813,744	15,922,390	12,912,429	-18.90	12,791,245	-.94
GENERAL FUND	7,726,354	7,708,487	7,787,493	1.02	7,369,251	-5.37
BALANCE FORWARD	-865,110	865,111				
INTERAGENCY TRANSFER	175,950	2,133,000				
OTHER FUND	4,776,550	5,215,792	5,124,936	-1.74	5,421,994	5.80
COURT OF APPEALS	3,008,912	3,178,170	3,053,678	-3.92	3,093,368	1.30
GENERAL FUND	3,129,363	3,031,831	3,053,678	.72	3,093,368	1.30
BALANCE FORWARD	-131,838	131,839				
INTERAGENCY TRANSFER	11,387	14,500				
STATE JUDICIAL ELECTED OFFICIALS	22,651,521	24,072,461	24,752,229	2.82	25,648,220	3.62
GENERAL FUND	23,777,848	22,946,133	24,752,229	7.87	25,648,220	3.62
BALANCE FORWARD	-1,126,327	1,126,328				
SENIOR JUSTICE & SENIOR JUDGE PROGRAM	1,070,784	1,976,870	1,569,459	-20.61	1,569,452	-.00
GENERAL FUND	1,025,708	1,023,348	1,056,324	3.22	1,028,775	-2.61
BALANCE FORWARD	-431,963	431,964				
OTHER FUND	477,039	521,558	513,135	-1.61	540,677	5.37
LAW LIBRARY	1,818,334	2,024,374	1,950,923	-3.63	2,025,235	3.81
GENERAL FUND	1,883,264	1,932,457	1,948,673	.84	2,022,985	3.81
BALANCE FORWARD	-75,166	75,167				
INTERAGENCY TRANSFER	8,792	15,250	750	-95.08	750	
OTHER FUND	1,444	1,500	1,500		1,500	
ADMINISTRATIVE OFFICE OF THE COURTS	4,131,681	6,057,142	5,967,908	-1.47	6,407,393	7.36
BALANCE FORWARD	-121,619	1,471,328	1,419,075	-3.55	1,592,270	12.20
INTERAGENCY TRANSFER	92,205	55,000				
OTHER FUND	4,161,095	4,530,814	4,548,833	.40	4,815,123	5.85
JUDICIAL PROGRAMS AND SERVICES DIVISION	1,731,974	2,033,516	1,912,966	-5.93	1,922,821	.52
GENERAL FUND	1,370,185	1,432,979	1,478,539	3.18	1,488,402	.67
BALANCE FORWARD	-81,392	81,393				
FEDERAL FUND	392,824	395,531	397,637	.53	397,629	-.00
INTERAGENCY TRANSFER	20,417	93,798				
OTHER FUND	29,940	29,815	36,790	23.39	36,790	
UNIFORM SYSTEM OF JUDICIAL RECORDS	1,163,730	2,784,916	2,483,930	-10.81	2,367,300	-4.70
BALANCE FORWARD	-183,969	1,322,436	1,118,856	-15.39	945,332	-15.51
INTERAGENCY TRANSFER	2,663					
OTHER FUND	1,345,036	1,462,480	1,365,074	-6.66	1,421,968	4.17
JUDICIAL EDUCATION	638,363	1,616,271	1,518,167	-6.07	1,195,052	-21.28
BALANCE FORWARD	-119,283	804,093	748,754	-6.88	380,942	-49.12
INTERAGENCY TRANSFER	7,283	5,000				
OTHER FUND	750,363	807,178	769,413	-4.68	814,110	5.81

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
SPECIALTY COURT	8,462,700	11,321,360	10,913,446	-3.60	11,326,952	3.79
GENERAL FUND	3,640,718	4,384,251	4,384,251		4,384,251	
BALANCE FORWARD	249,764	2,199,573	1,936,429	-11.96	2,087,360	7.79
OTHER FUND	4,572,218	4,737,536	4,592,766	-3.06	4,855,341	5.72
JUDICIAL SUPPORT, GOVERNANCE AND SPECIAL EVENTS	291,602	880,367	904,124	2.70	1,092,415	20.83
BALANCE FORWARD	-87,148	515,417	539,174	4.61	727,465	34.92
OTHER FUND	378,750	364,950	364,950		364,950	
JUDICIAL RETIREMENT SYSTEM STATE SHARE	1,337,285	1,577,153	1,409,432	-10.63	1,409,432	.00
GENERAL FUND	1,409,432	1,505,006	1,409,432	-6.35	1,409,432	
BALANCE FORWARD	-72,147	72,147				
JUDICIAL DISCIPLINE	972,677	928,691	1,167,288	25.69	1,204,293	3.17
GENERAL FUND	960,109	928,691	1,167,288	25.69	1,204,293	3.17
BALANCE FORWARD	-49,593					
INTERAGENCY TRANSFER	38,011					
INTERIM FINANCE	49,593					
REVERSIONS	-25,443					
TOTAL JUDICIAL BRANCH	59,093,307	74,373,681	70,515,979	-5.19	72,053,178	2.18
GENERAL FUND	44,922,981	44,893,183	47,037,907	4.78	47,648,977	1.30
BALANCE FORWARD	-3,095,791	9,096,796	5,762,288	-36.66	5,733,369	-.50
FEDERAL FUND	392,824	395,531	397,637	.53	397,629	-.00
INTERAGENCY TRANSFER	356,708	2,316,548	750	-99.97	750	
INTERIM FINANCE	49,593					
OTHER FUND	16,492,435	17,671,623	17,317,397	-2.00	18,272,453	5.52
REVERSIONS	-25,443					
ELECTED OFFICIALS						
GENERAL FUND	176,990,781	161,652,833	141,796,446	-12.28	138,767,681	-2.14
BALANCE FORWARD	17,355,728	262,578,015	239,718,653	-8.71	272,983,903	13.88
FEDERAL FUND	15,486,861	17,154,249	13,393,194	-21.92	9,109,594	-31.98
HIGHWAY FUND	7,268,787	7,254,493	1,120,879	-84.55	1,561,737	39.33
INTERAGENCY TRANSFER	64,558,230	78,027,315	65,990,020	-15.43	64,839,981	-1.74
INTERIM FINANCE	349,216	552,764				
OTHER FUND	252,840,880	264,795,317	240,181,181	-9.30	241,954,482	.74
REVERSIONS	-29,919,672					
TOTAL FOR ELECTED OFFICIALS	504,930,811	792,014,986	702,200,373	-11.34	729,217,378	3.85
Less: INTER-AGENCY TRANSFER	64,558,230	78,027,315	65,990,020	-15.43	64,839,981	-1.74
NET ELECTED OFFICIALS	440,372,581	713,987,671	636,210,353	-10.89	664,377,397	4.43

FINANCE AND ADMINISTRATION

Finance and Administration encompasses those agencies that generally coordinate, assist, and provide services and information to other agencies and programs in state government. It includes the Department of Taxation and the Cannabis Compliance Board in addition to the Department of Administration, which is comprised of several state agencies, such as the Division of Enterprise Information Technology Services, the Division of Human Resource Management, the Nevada State Library, Archives and Public Records, and the State Public Works Division.

The Executive Budget recommends General Fund support for the Finance and Administration function totaling \$88.5 million for the 2021-23 biennium, an increase of 0.1% compared to \$88.4 million of General Fund support approved for the 2019-21 biennium by the 2019 Legislature. The Executive Budget recommends total funding from all revenue sources, less interagency transfers, of \$357.0 million for the 2021-23 biennium, an increase of 19.7% when compared to the funding of \$298.3 million approved for the 2019-21 biennium.

DEPARTMENT OF ADMINISTRATION

The Department of Administration consists of divisions that generally provide services to state agencies and programs to ensure efficient and effective operations in state government. The Executive Budget recommends General Fund support for the Department of Administration totaling \$11.4 million for the 2021-23 biennium, a decrease of 6.9% compared to \$12.3 million of General Fund support approved by the 2019 Legislature for the 2019-21 biennium. The Executive Budget recommends total funding from all revenue sources, less interagency transfers, of \$127.5 million for the 2021-23 biennium, an increase of 18.8% when compared to the funding of \$107.3 million approved for the 2019-21 biennium.

DIRECTOR'S OFFICE

The Department of Administration's Director's Office is responsible for the administration of Grant Procurement, Coordination and Management; Hearings and Appeals; Deferred Compensation; and the state's internal service agencies consisting of Administrative Services; Enterprise Information Technology Services; Fleet Services; Human Resource Management; Library, Archives and Public Records; Purchasing; Risk Management, and Public Works, which includes the management of all Capital Improvement Program projects and state-owned buildings and grounds.

The Governor recommends General Fund reductions of \$66,362 in FY 2022 and \$69,988 in FY 2023 to reflect changes proposed to a Nevada Commission for Women position. The Executive Budget includes changing the funding source for 50% of the position to Director's Office Cost Allocation as well as a recommendation to reclassify the position from a Management Analyst to an Administrative Assistant with a commensurate change in position duties to 50% Nevada Commission for Women and 50% Department of Administration.

NATIONAL JUDICIAL COLLEGE AND NATIONAL COUNCIL OF JUVENILE & FAMILY COURT JUDGES

The mission of the National Judicial College (NJC) is to improve justice by providing judge proficiency, performance and productivity training and education. The National Council of Juvenile and Family Court Judges (NCJFCJ) provides assistance to judges, court administrators and related professionals whose primary concerns are the care of children and their families. The Executive Budget recommends General Fund appropriations totaling \$38,500 over the 2021-23 biennium to restore funding that was reduced by Assembly Bill 3 of the 31st Special Session (2020) for the National Council of Juvenile and Family Court Judges (\$35,000) and for the Dividing Waters Course program (\$3,500), which is a unique NJC-affiliated program that helps judicial officers adjudicate complex water cases through education.

ADMINISTRATIVE SERVICES DIVISION

The Administrative Services Division provides fiscal and administrative support to the divisions of the Department of Administration, as well as fiscal services to other entities, such as the Board of Examiners, the Office of the Governor, Governor's Mansion, Lieutenant Governor, Agency for Nuclear Projects, Office of Energy, Civil Air Patrol, Commission on Ethics, and the Commission on Judicial Discipline. The division is funded entirely through an administrative assessment charged to the other divisions within the Department of Administration and other agencies utilizing its services.

ENTERPRISE INFORMATION TECHNOLOGY SERVICES

The Division of Enterprise Information Technology Services (EITS) provides state agencies and elected officials with centralized information technology (IT) related services, including programming, database management, computing, communications, IT security, and other technical services. The Executive Budget recommends funding totaling \$125.3 million over the 2021-23 biennium, a 3.7% increase from the legislatively approved amount of \$120.8 million for the 2019-21 biennium. EITS consists of five operational units: Office of the Chief Information Officer, Agency IT Services, Computing, Communications, and Information Security.

AGENCY IT SERVICES UNIT

The Agency IT Services Unit is responsible for interfacing with customer agencies and consists of 24/7 help desk operations, desktop support, database development and management, application development, project management services, and webpage support. The Agency IT Services Unit houses staff from the Agency IT Services and Office of the CIO budget accounts.

The Governor recommends increasing reserves by \$732,377 over the 2021-23 biennium by eliminating three vacant IT Professional positions that are no longer necessary due to the transition to the new SMART21 system. In addition, the Governor recommends transferring four IT Professionals, two Program Officers and one Business Process Analyst to the SMART21 budget to assist with the transition of legacy systems to the new SMART21 system.

Finally, the Governor recommends a \$1.8 million General Fund loan (one-shot appropriation) in FY 2021 for the replacement of the Content Management and Portal Platform. The replacement of the Content Management and Portal was approved during the 2019 Legislative Session; however, funding to support the replacement was eliminated due to budgetary reductions during FY 2020.

COMPUTING UNIT

The Computing Unit, which consists of the Computer Facility budget, is responsible for managing, operating and supporting servers in the state data center, including the mainframe enterprise server, internet servers, and application servers in a secure 24/7 environment.

The Governor recommends the utilization of \$2.0 million in reserves over the 2021-23 biennium to fund a statewide Multi-Factor Authentication (MFA) service. The MFA is intended to help prevent unauthorized access to state systems by requiring a second piece of information be entered by the user that only the user knows via a smartphone app, hardware token, voice phone call, or Short Message Service (SMS) message.

In addition, the Governor recommends continuing into the third phase of the Office 365 rollout, which would include the integration of the Department of Motor Vehicles and the Nevada Department of Corrections. The recommendation would increase revenues through charges to these agencies totaling \$2.5 million over the 2021-23 biennium, and result in an additional \$1.5 million in reserves over the biennium.

FLEET SERVICES DIVISION

The Fleet Services Division provides safe, dependable and economical transportation solutions for state employees and is responsible for administration of the state's vehicle fleet in Carson City, Reno and Las Vegas. Funding for the division is primarily generated from vehicle rental charges. The Governor recommends reserve reductions of \$1.3 million over the 2021-23 biennium to purchase 33 vehicles in order to meet the requested need for agency fleet services vehicles.

OFFICE OF GRANT PROCUREMENT, COORDINATION AND MANAGEMENT

The Office of Grant Procurement, Coordination and Management provides a range of grant-related support for state agencies, including identifying funding opportunities and providing grant-related resources, advocacy and coordination. The Nevada Grants Office also develops, provides and coordinates grant-related training workshops and resources for state agencies, ensures the state has submitted mandated and accurate state and federal grant information, serves as the single point of contact for state grant applications and works with agencies and subgrantees to ensure compliance with federally-mandated activities.

HEARINGS AND APPEALS DIVISION

The Hearings and Appeals Division is responsible for adjudicating disputed workers' compensation claims for private and public-insured employees, and establishing a bi-level appeal system, utilizing administrative hearings officers at the first administrative level of appeal. Appeals officers, appointed by the Governor, process the second administrative level of appeal. The decision of the appeals officer is the final and binding administrative determination of a workers' compensation claim and is limited to judicial review by the district court. The division also conducts hearings in Victims of Crime cases and for various state agencies pursuant to interagency agreements. Funding for the division comes primarily from the Workers' Compensation and Safety Fund, with nominal revenues derived from state agencies.

The Executive Budget recommends an allocation from the Workers' Compensation and Safety Fund totaling \$460,172 and fee revenue of \$33,045 over the 2021-23 biennium for an expansion of the Las Vegas Hearings and Appeals office to add three new courtrooms, including one American with Disabilities Act accessible courtroom, to address an increase in caseloads.

DIVISION OF HUMAN RESOURCE MANAGEMENT

The Division of Human Resource Management (DHRM) is responsible for attracting and retaining a qualified workforce that serves the citizens of Nevada. The DHRM is primarily funded by assessments to all state agencies for personnel and payroll services. In addition, the DHRM performs personnel services for select state agencies through its Agency Human Resource Services (AHRS) section. Only those agencies receiving personnel services from the AHRS section are assessed for those services. The Executive Budget recommends funding totaling \$30.4 million over the 2021-23 biennium, a 16.1% increase from the legislatively approved amount of \$26.2 million for the 2019-21 biennium.

The Governor recommends establishing a new Collective Bargaining Assessment to collect from state agencies whose employees have centralized bargaining services through passage of Senate Bill 135 (2019). The assessment is recommended at \$66.71 in FY 2022 and \$68.04 in FY 2023 per full-time equivalent (FTE) position that has an exclusive bargaining representative. The assessment is budgeted at approximately \$2.0 million over the 2021-23 biennium to fund the Labor Relations Unit, which was established during the 2019-21 Interim and provides an organizational structure to the collective bargaining processes.

NEVADA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS

The Nevada State Library, Archives and Public Records (NSLA) includes the Nevada State Archives and Public Records, which administers programs for the creation, maintenance, retention, preservation, and disposition of records of the Executive Branch. Additionally, Archives and Public Records provides a range of information services to state agencies, public libraries and the public, including reference, research and support services, and services designed for people with disabilities. The NSLA provides administrative services to the Nevada Cooperative Libraries (CoOp), which is a

consortium of libraries and related agencies that share library and technological resources, including an automated library catalog to organize, publish and check materials in and out to library users. Finally, the NSLA's Mail Services section provides a wide range of mail delivery and pick-up services statewide.

The Executive Budget recommends total funding of \$28.0 million for the 2021-23 biennium for the NSLA, which is a nominal decrease of 1.1% when compared to the 2019-21 legislatively approved funding of \$28.3 million. The NSLA funding comes primarily from a combination of General Fund appropriations, Federal Title I Library Grant revenues and Interagency Transfers, such as data processing services, mail services, administration charges, and interoffice mail services. For the 2021-23 biennium, the Governor recommends General Fund appropriations of \$8.8 million, representing a 0.2% increase when compared to the legislatively approved General Fund appropriations for the 2019-21 biennium. The Governor further recommends reserve reductions of \$211,088 over the 2021-23 biennium for one new unclassified Division Administrator position to establish a new Mail Services Division within the Department of Administration.

STATE PUBLIC WORKS DIVISION

The duties of the State Public Works Division (SPWD) of the Department of Administration include implementing the state's Capital Improvement Program (CIP); providing the physical building and grounds maintenance and housekeeping for state-owned buildings; procuring office space leases for state agencies; and managing the Marlette Lake Water System that provides water to Carson City and Storey County. The Buildings and Grounds (B&G) section of the SPWD also funds security services provided by the Capitol Police Division of the Department of Public Safety.

The primary source of funding for the B&G section is rent charged to state agencies for the use of state-owned building office and storage space. Building rents collected by B&G are recommended to total \$28.6 million over the 2021-23 biennium, a decrease of 10.4% from the \$32.0 million approved for the 2019-21 biennium. The rental rate charged by B&G for state-owned office space, which is the primary source of rental income, is recommended to decrease by 12.5% to \$0.961 per square foot for FY 2022 compared to \$1.098 per square foot approved for FY 2021. The Governor is recommending an increase of 2.1% to \$0.981 per square foot for state-owned office rent in FY 2023.

The Governor recommends \$1.9 million from reserves to fund building renovation projects in the 2021-23 biennium. This recommendation would support the agency in its efforts to replace aging and life safety equipment, remain in compliance with building codes, and to address building exterior and energy savings projects in state-owned facilities.

DEPARTMENT OF TAXATION

The Department of Taxation is responsible for the administration of the majority of the state's non-gaming tax laws, as well as the Local Government Budget Act. The department is comprised of five divisions: Executive Office, Administrative Services, Information Technology, Compliance, and Local Government Services. The Executive Budget recommends General Fund support for the department in the

amount of \$77.1 million over the 2021-23 biennium, an increase of \$978,801, or 1.3%, when compared to the legislatively approved General Fund support for the 2019-21 biennium.

The Governor recommends General Fund reductions of \$789,592 over the 2021-23 biennium by eliminating seven positions. The Governor further recommends General Fund reductions of \$678,731 over the 2021-23 biennium by increasing the retention of existing tobacco fees by \$514,894 and Justice Court fees by \$163,837 over the biennium.

Finally, the Governor recommends a one-shot General Fund appropriation of \$4.1 million to continue the modernization of the Unified Tax System (\$2.9 million), the relocation and consolidation of staff in the Grant Sawyer State Office Building and the Henderson office to a new office in Southern Nevada (\$622,364), and computer hardware and software replacement (\$527,850).

CANNABIS COMPLIANCE BOARD

The 2019 Legislature established the Cannabis Compliance Board (CCB) through the passage of Assembly Bill 533. Pursuant to Chapters 678A, 678B, 678C, and 678D of *Nevada Revised Statutes* (NRS), the CCB administers the regulation and licensure of medical and recreational marijuana establishments and their agents. The CCB is primarily funded with the 15% excise tax on wholesale sale of marijuana products and license fees. *Nevada Revised Statutes* 372A.290 and 678B.390 require any revenues in excess of the costs to administer the marijuana program to be credited to the Distributive School Account through FY 2021 and to the State Education Fund beginning in FY 2022. For the 2021-23 biennium, the Governor recommends revenue totaling \$149.7 million, largely generated by the 15% excise tax on marijuana wholesale sales (\$133.1 million) and application and license fees (\$8.0 million).

The Governor recommends reserve reductions totaling \$1.6 million over the 2021-23 biennium for ten new positions and associated operating, equipment and travel expenditures. The Governor also recommends reserve reductions totaling \$48,949 over the 2021-23 biennium to reclassify two classified Health Program Manager positions as unclassified Division Chief positions. Finally, the Governor recommends reducing master service agreement programmer charges, which would increase reserves by \$248,975 over the 2021-23 biennium.

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
FINANCE & ADMINISTRATION						
ADMINISTRATION - DIRECTOR'S OFFICE	787,655	1,028,898	927,304	-9.87	902,197	-2.71
GENERAL FUND	91,207	88,278	33,902	-61.60	31,289	-7.71
BALANCE FORWARD	-113,752	214,860	217,133	1.06	194,639	-10.36
INTERAGENCY TRANSFER	793,162	705,282	676,269	-4.11	676,269	
OTHER FUND	17,600	20,478				
REVERSIONS	-562					
ADMINISTRATION - ADMINISTRATIVE SERVICES	2,874,402	4,111,102	3,705,024	-9.88	3,503,539	-5.44
BALANCE FORWARD	-153,917	806,298	751,959	-6.74	550,474	-26.79
INTERAGENCY TRANSFER	3,028,265	3,304,804	2,953,065	-10.64	2,953,065	
OTHER FUND	54					
ADMINISTRATION - INSURANCE & LOSS PREVENTION	20,263,944	39,071,693	31,732,198	-18.78	28,512,200	-10.15
BALANCE FORWARD	-2,143,787	15,561,875	13,576,604	-12.76	10,356,606	-23.72
INTERAGENCY TRANSFER	22,233,608	22,896,497	17,696,640	-22.71	17,696,640	
OTHER FUND	174,123	613,321	458,954	-25.17	458,954	
ADMINISTRATION - FLEET SERVICES	5,189,762	8,605,234	7,415,612	-13.82	7,914,890	6.73
BALANCE FORWARD	-1,070,846	1,565,069	1,693,859	8.23	2,085,211	23.10
INTERAGENCY TRANSFER	6,244,320	7,022,757	5,710,132	-18.69	5,818,058	1.89
OTHER FUND	16,288	17,408	11,621	-33.24	11,621	
ADMINISTRATION - FLEET SERVICES CAPITAL PURCHASE	10,617,828	3,309,345	1,680,370	-49.22	1,272,333	-24.28
BALANCE FORWARD	9,269,005	1,112,143	179,566	-83.85	402,604	124.21
INTERAGENCY TRANSFER	1,025,935	1,956,700	1,260,302	-35.59	629,227	-50.07
OTHER FUND	322,888	240,502	240,502		240,502	
ADMINISTRATION - PURCHASING	4,041,283	5,064,191	4,740,632	-6.39	4,739,636	-.02
BALANCE FORWARD	449,461	786,296	1,158,328	47.31	1,149,432	-.77
INTERAGENCY TRANSFER	1,544,135	2,526,967	1,604,471	-36.51	1,612,371	.49
OTHER FUND	2,047,687	1,750,928	1,977,833	12.96	1,977,833	
ADMINISTRATION - FEDERAL SURPLUS PROPERTY PROGRAM	3,236	121,909	99,769	-18.16	110,603	10.86
BALANCE FORWARD	-12,023	29,465	84,510	186.81	95,344	12.82
OTHER FUND	15,259	92,444	15,259	-83.49	15,259	
ADMINISTRATION - HEARINGS AND APPEALS DIVISION	5,336,344	5,701,894	5,896,476	3.41	5,868,348	-.48
INTERAGENCY TRANSFER	226,357	272,030	149,716	-44.96	144,415	-3.54
OTHER FUND	5,368,803	5,429,864	5,746,760	5.84	5,723,933	-.40
REVERSIONS	-258,816					
ADMINISTRATION - SPWD - ADMINISTRATION	903,799	1,238,861	1,294,169	4.46	1,265,171	-2.24
BALANCE FORWARD	-296,877					
INTERAGENCY TRANSFER	1,221,072	1,238,861	1,294,169	4.46	1,265,171	-2.24
REVERSIONS	-20,396					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
ADMINISTRATION - SPWD - ENGINEERING & PLANNING	5,886,068	8,202,971	7,790,002	-5.03	7,871,101	1.04
BALANCE FORWARD	469,588	1,286,574	27,558	-97.86		
INTERAGENCY TRANSFER	29,274	32,240				
OTHER FUND	5,387,206	6,884,157	7,762,444	12.76	7,871,101	1.40
ADMINISTRATION - SPWD - FACILITY COND & ANALYSIS	364,167	390,298	412,568	5.71	409,396	-7.7
GENERAL FUND	388,214	388,771	412,568	6.12	409,396	-7.7
INTERAGENCY TRANSFER	3,886	1,527				
REVERSIONS	-27,933					
ADMINISTRATION - SPWD - BUILDINGS & GROUNDS	15,260,294	22,571,819	20,361,341	-9.79	19,196,413	-5.72
BALANCE FORWARD	-1,361,284	5,514,810	4,959,069	-10.08	3,524,283	-28.93
INTERAGENCY TRANSFER	16,535,635	16,949,576	15,293,623	-9.77	15,563,481	1.76
OTHER FUND	85,943	107,433	108,649	1.13	108,649	
ADMINISTRATION - SPWD - MARLETTE LAKE	1,368,495	1,517,244	1,543,693	1.74	1,564,996	1.38
GENERAL FUND	100	100	100		100	
BALANCE FORWARD	125,853	285,471	340,065	19.12	362,232	6.52
INTERAGENCY TRANSFER		225				
OTHER FUND	1,242,642	1,231,448	1,203,528	-2.27	1,202,664	-0.7
REVERSIONS	-100					
ADMINISTRATION - EITS - OFFICE OF THE CIO	1,365,384	2,287,000	2,072,138	-9.39	1,871,133	-9.70
BALANCE FORWARD	-193,570	813,284	604,695	-25.65	403,690	-33.24
INTERAGENCY TRANSFER	1,558,954	1,473,509	1,467,443	-.41	1,467,443	
OTHER FUND		207				
ADMINISTRATION - EITS - AGENCY IT SERVICES	9,462,250	13,627,169	13,211,494	-3.05	13,022,608	-1.43
BALANCE FORWARD	-1,592,263	2,871,114	2,851,563	-.68	2,655,106	-6.89
INTERAGENCY TRANSFER	11,054,513	10,755,219	10,359,931	-3.68	10,367,502	.07
OTHER FUND		836				
ADMINISTRATION - EITS - COMPUTER FACILITY	16,059,196	26,939,255	28,022,400	4.02	29,435,326	5.04
BALANCE FORWARD	-2,835,498	5,675,582	4,135,024	-27.14	5,788,850	40.00
INTERAGENCY TRANSFER	18,888,070	21,262,373	23,886,076	12.34	23,645,176	-1.01
OTHER FUND	6,624	1,300	1,300		1,300	
ADMINISTRATION - EITS - DATA COMM & NETWORK ENGR	6,360,268	9,607,660	8,190,492	-14.75	6,785,882	-17.15
BALANCE FORWARD	-811,081	2,523,024	3,224,933	27.82	1,819,899	-43.57
INTERAGENCY TRANSFER	7,171,349	7,084,636	4,965,559	-29.91	4,965,983	.01
ADMINISTRATION - EITS - TELECOMMUNICATIONS	3,084,303	4,208,491	3,610,625	-14.21	3,610,816	.01
BALANCE FORWARD	-438,368	838,864	943,342	12.45	582,277	-38.28
INTERAGENCY TRANSFER	3,521,861	3,368,890	2,667,283	-20.83	3,028,539	13.54
OTHER FUND	810	737				

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
ADMINISTRATION - EITS - NETWORK TRANSPORT SERVICES	3,732,452	4,654,672	5,032,087	8.11	4,881,352	-3.00
BALANCE FORWARD	-252,845	806,268	1,002,199	24.30	851,464	-15.04
INTERAGENCY TRANSFER	3,879,410	3,848,404	4,029,888	4.72	4,029,888	
OTHER FUND	105,887					
ADMINISTRATION - EITS - IT SECURITY	2,492,103	3,750,005	3,015,805	-19.58	2,524,670	-16.29
BALANCE FORWARD	-231,411	996,454	909,078	-8.77	417,943	-54.03
INTERAGENCY TRANSFER	2,723,514	2,753,551	2,106,727	-23.49	2,106,727	
ADMINISTRATION - HRM - HUMAN RESOURCE MANAGEMENT	7,829,828	10,593,929	10,539,670	-.51	11,098,553	5.30
BALANCE FORWARD	-287,941	2,205,985	946,779	-57.08	1,508,008	59.28
INTERAGENCY TRANSFER	8,089,429	8,356,585	9,564,551	14.46	9,562,205	-.02
OTHER FUND	28,340	31,359	28,340	-9.63	28,340	
ADMINISTRATION - HRM - AGENCY HR SERVICES	716,690	1,533,280	1,390,363	-9.32	1,272,252	-8.49
BALANCE FORWARD	-55,596	459,406	461,415	.44	342,182	-25.84
INTERAGENCY TRANSFER	772,286	1,073,874	928,948	-13.50	930,070	.12
ADMINISTRATION - HRM - UNEMPLOYMENT COMPENSATION	956,443	3,106,721	3,060,935	-1.47	3,015,149	-1.50
BALANCE FORWARD	-563,547	1,580,532	1,534,746	-2.90	1,488,960	-2.98
INTERAGENCY TRANSFER	1,519,990	1,526,189	1,526,189		1,526,189	
ADMINISTRATION - NSLA - STATE LIBRARY	4,625,213	7,714,577	4,693,973	-39.15	4,737,955	.94
GENERAL FUND	2,745,765	2,666,361	2,808,509	5.33	2,852,491	1.57
BALANCE FORWARD	-27,975	27,976				
FEDERAL FUND	1,885,036	2,160,666	1,884,996	-12.76	1,884,996	
INTERAGENCY TRANSFER	56,356					
OTHER FUND	385	2,859,574	468	-99.98	468	
REVERSIONS	-34,354					
ADMINISTRATION - NSLA - ARCHIVES & PUBLIC RECORDS	1,645,551	1,765,638	1,609,174	-8.86	1,655,143	2.86
GENERAL FUND	1,577,891	1,403,680	1,524,845	8.63	1,568,870	2.89
BALANCE FORWARD	85,250					
INTERAGENCY TRANSFER	36,348	361,958	84,329	-76.70	86,273	2.31
REVERSIONS	-53,938					
ADMINISTRATION - OFFICE OF GRANT PROCUREMENT COORD	875,854	646,116	545,450	-15.58	549,817	.80
GENERAL FUND	858,823	462,987	545,450	17.81	549,817	.80
INTERAGENCY TRANSFER	45,521	183,129				
REVERSIONS	-28,490					
ADMINISTRATION - NSLA - LIBRARY COOPERATIVE	296,719	401,952	473,959	17.91	519,378	9.58
BALANCE FORWARD	-37,382	197,729	126,142	-36.20	172,694	36.90
FEDERAL FUND	2,963					
INTERAGENCY TRANSFER	50,461	66,109	59,209	-10.44	56,347	-4.83
OTHER FUND	280,677	138,114	288,608	108.96	290,337	.60

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
ADMINISTRATION - NSLA - MAIL SERVICES	6,375,200	7,227,686	7,064,796	-2.25	7,165,941	1.43
BALANCE FORWARD	94,030	478,948	464,823	-2.95	565,651	21.69
INTERAGENCY TRANSFER	6,270,878	6,748,738	6,599,973	-2.20	6,600,290	.00
OTHER FUND	10,292					
ADMINISTRATION - NSLA - MAIL SERVICES EQUIPMENT	80,035	68,001	968	-98.58	1,394	44.01
BALANCE FORWARD	80,035	68,001				
INTERAGENCY TRANSFER			968		1,394	44.01
ADMINISTRATION - NSLA - IPS EQUIPMENT/SOFTWARE	15,053	14,443	19,820	37.23	25,169	26.99
BALANCE FORWARD	9,589	8,979	14,356	59.88	19,705	37.26
INTERAGENCY TRANSFER	5,464	5,464	5,464		5,464	
ADMINISTRATION - JUVENILE & FAMILY COURT JUDGES	467,500	333,250	352,500	5.78	352,500	.00
GENERAL FUND	467,500	333,250	352,500	5.78	352,500	
ADMINISTRATION - MERIT AWARD BOARD	3,621	67				
GENERAL FUND	3,621	67				
DEFERRED COMPENSATION COMMITTEE	386,657	546,014	466,026	-14.65	487,366	4.58
BALANCE FORWARD	36,215	91,689	103,938	13.36	85,330	-17.90
INTERAGENCY TRANSFER	1,113					
OTHER FUND	349,329	454,325	362,088	-20.30	402,036	11.03
TOTAL DEPARTMENT OF ADMINISTRATION	139,727,597	199,961,385	180,971,833	-9.50	176,143,227	-2.67
GENERAL FUND	6,133,121	5,343,494	5,677,874	6.26	5,764,463	1.53
BALANCE FORWARD	-1,860,937	46,806,696	40,311,684	-13.88	35,422,584	-12.13
FEDERAL FUND	1,887,999	2,160,666	1,884,996	-12.76	1,884,996	
INTERAGENCY TRANSFER	118,531,166	125,776,094	114,890,925	-8.65	114,738,187	-.13
OTHER FUND	15,460,837	19,874,435	18,206,354	-8.39	18,332,997	.70
REVERSIONS	-424,589					
DEPARTMENT OF TAXATION	39,013,973	38,167,894	39,427,123	3.30	40,410,729	2.49
GENERAL FUND	37,294,224	35,985,018	38,059,758	5.77	39,009,871	2.50
BALANCE FORWARD	1,236,840	323,200				
FEDERAL FUND	13,167					
INTERAGENCY TRANSFER	529,458	561,241	10,289	-98.17	10,289	
INTERIM FINANCE	295,052	246,593				
OTHER FUND	969,859	1,051,842	1,357,076	29.02	1,390,569	2.47
REVERSIONS	-1,324,627					
TOTAL DEPARTMENT OF TAXATION	39,013,973	38,167,894	39,427,123	3.30	40,410,729	2.49
GENERAL FUND	37,294,224	35,985,018	38,059,758	5.77	39,009,871	2.50
BALANCE FORWARD	1,236,840	323,200				
FEDERAL FUND	13,167					
INTERAGENCY TRANSFER	529,458	561,241	10,289	-98.17	10,289	
INTERIM FINANCE	295,052	246,593				
OTHER FUND	969,859	1,051,842	1,357,076	29.02	1,390,569	2.47
REVERSIONS	-1,324,627					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
CCB - MARIJUANA REGULATION & CONTROL ACCT	50,219,530	57,288,645	72,975,898	27.38	76,696,351	5.10
BALANCE FORWARD	207,766	2,893,860	2,589,781	-10.51	1,261,474	-51.29
INTERAGENCY TRANSFER	1,202	46,575				
OTHER FUND	50,010,562	54,348,210	70,386,117	29.51	75,434,877	7.17
TOTAL CANNABIS COMPLIANCE BOARD	50,219,530	57,288,645	72,975,898	27.38	76,696,351	5.10
BALANCE FORWARD	207,766	2,893,860	2,589,781	-10.51	1,261,474	-51.29
INTERAGENCY TRANSFER	1,202	46,575				
OTHER FUND	50,010,562	54,348,210	70,386,117	29.51	75,434,877	7.17
FINANCE & ADMINISTRATION						
GENERAL FUND	43,427,345	41,328,512	43,737,632	5.83	44,774,334	2.37
BALANCE FORWARD	-416,331	50,023,756	42,901,465	-14.24	36,684,058	-14.49
FEDERAL FUND	1,901,166	2,160,666	1,884,996	-12.76	1,884,996	
INTERAGENCY TRANSFER	119,061,826	126,383,910	114,901,214	-9.09	114,748,476	-1.13
INTERIM FINANCE	295,052	246,593				
OTHER FUND	66,441,258	75,274,487	89,949,547	19.50	95,158,443	5.79
REVERSIONS	-1,749,216					
TOTAL FOR FINANCE & ADMINISTRATION	228,961,100	295,417,924	293,374,854	-6.9	293,250,307	-0.4
Less: INTER-AGENCY TRANSFER	119,061,826	126,383,910	114,901,214	-9.09	114,748,476	-1.13
NET FINANCE & ADMINISTRATION	109,899,274	169,034,014	178,473,640	5.58	178,501,831	.02

EDUCATION

The Education function consists of two sub-functions: The Department of Education (inclusive of K-12 and the State Public Charter School Authority) and the Nevada System of Higher Education. The Education function continues to be the largest function in the state budget supported by the General Fund for the 2021-23 biennium. General Fund appropriations for educational programs recommended by the Governor total approximately \$4.039 billion, which is a 9.7% decrease over General Fund appropriations of \$4.473 billion approved for the 2019-21 biennium. The appropriations for educational programs account for 46.5% of total General Fund expenditures over the 2021-23 biennium, as compared to 50.4% over the 2019-21 biennium.

Total funding recommended by the Governor from all sources for education (net of interagency transfers) total \$3.269 billion in FY 2022, a 3.2% decrease when compared to the legislatively approved amount of \$3.376 billion for FY 2021 and \$3.231 billion in FY 2023, which represents a decrease of 1.1% from FY 2022.

EDUCATION (K-12)

The K-12 Education budgets are discussed separately from the Nevada Department of Education (NDE) operating budgets and include: Distributive School Account (DSA), State Education Funding Account, Other State Education Programs, School Remediation Trust Fund, New Nevada Education Funding Plan, Incentives for Licensed Education Personnel, Teachers' School Supplies Assistance Account, Teach Nevada Scholarship Program, Professional Development Programs, Instruction in Financial Literacy, Account for Computer Education and Technology, State Supplemental School Support Account, School Safety, Bullying Prevention Account, and the Contingency Account for Special Education Services budgets.

Nevada Department of Education Biennium Comparison (K-12 Budgets Only)

	Legislature Approved ¹ 2019-21 Biennium		Governor Recommends ¹ 2021-23 Biennium		Increase/(Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	%
General Fund	2,997,286,739	68.1%	2,670,525,974	64.2%	\$ (326,760,765)	-10.9%
Balance Forward	17,585,037	0.4%	11,906,942	0.3%	\$ (5,678,095)	-32.3%
Federal Funds	8,000,000	0.2%	10,000,000	0.2%	\$ 2,000,000	25.0%
Interagency Transfer	460,966,926	10.5%	427,758,422	10.3%	\$ (33,208,504)	-7.2%
Other Funds	915,167,142	20.8%	1,038,023,904	25.0%	\$ 122,856,762	13.4%
Total K-12 Education	\$ 4,399,005,844	100.0%	\$ 4,158,215,242	100.0%	\$ (240,790,602)	-5.5%
Less Interagency Transfer	\$ (460,966,926)	-10.5%	\$ (427,758,422)	-10.3%	\$ 33,208,504	-7.2%
Net K-12 Education	\$ 3,938,038,918	89.5%	\$ 3,730,456,820	89.7%	\$ (207,582,098)	-5.3%

¹ General Fund appropriations include \$38.5 million in both the 2019-21 biennium and the 2021-23 biennium associated with the Adult Education program.

As the previous table reflects, The Executive Budget recommends total funding for K-12 Education budgets of \$3.730 billion (net of interagency transfers) for the 2021-23 biennium, a decrease of 5.3% when compared to the legislatively approved amount of \$3.938 billion for the 2019-21 biennium. Of this amount, the Governor recommends General Fund appropriations totaling \$2.671 billion for the upcoming biennium, a decrease of 10.9% when compared to the legislatively approved amount of \$2.997 billion for the 2019-21 biennium.

General Fund Appropriations	Legislature Approved 2019-21 Biennium		Governor Recommended 2021-23 Biennium	
	Amount	% of Total	Amount	% of Total
K-12 Education Budgets	\$ 2,997,286,739	33.8%	\$ 2,670,525,974	30.7%
All Other General Fund Budgets Statewide	\$ 5,878,617,137	66.2%	\$ 6,018,098,026	69.3%
Statewide Total General Fund	\$ 8,875,903,876	100.0%	\$ 8,688,624,000	100.0%

General Fund appropriations recommended in The Executive Budget for K-12 Education budgets (excluding the NDE operating budgets) account for 30.7% of the total recommended General Fund appropriations over the 2021-23 biennium, as compared to 33.8% approved over the 2019-21 biennium.

STATE EDUCATION FUNDING ACCOUNT

The Governor recommends the creation of a new budget, the State Education Funding Account, that would contain funding to support the recommended phased implementation of the new Pupil-Centered Funding Plan (PCFP). As background, the 2019 Legislature passed Senate Bill (S.B.) 543 to replace the Nevada Plan formula funding with the PCFP beginning in the 2021-23 biennium. The legislatively approved PCFP reflected the following key provisions:

- All state and local revenue currently dedicated for the support of K-12 education would be deposited and distributed through a new State Education Fund.
- Base per pupil funding as well as weighted funding for English learners, at-risk pupils, pupils with disabilities, and gifted and talented pupils would be provided to school districts and charter schools.
- A statement of legislative intent that the base per pupil funding amount should increase each year by not less than inflation.
- Adjustment factors to the base per pupil funding amount for variations among the counties for the cost of living/cost of labor to operate school districts and charter schools, increased costs to operate necessarily small schools in school districts and increased costs to operate small school districts.
- A requirement that the General Fund appropriation for the State Education Fund increase or decrease based on the revenue projections of the Economic Forum in relation to growth in inflation and enrollment.

- Funding provided through the State Education Fund would be provided for the following purposes:
 - State Administrative and Oversight Programs (NDE activities)
 - Food Service and Transportation Costs of School Districts
 - Base Per Pupil Funding
 - Weighted Funding
 - Excess Allocation (if applicable, would increase the base and weights proportionally)
- A statement of legislative intent that school districts receive at least the same level of funding under the PCFP as they received in FY 2020.
- An Education Stabilization Account to receive certain ending fund balances from school districts, generally greater than 16.6% of actual expenditures, and the remaining uncommitted balance from the State Education Fund at the end of a fiscal year. With Interim Finance Committee approval, funding in the Education Stabilization Account may be allocated to the Department of Education for distribution to school districts and charter schools when the State Education Fund will receive 97% or less of its projected revenue in a fiscal year.
- Allows the Governor, if he determines it would be impracticable to fund K-12 programs as required under the PCFP provisions of S.B. 543, to instead propose an executive budget for K-12 education that he determines to be appropriate.
- Creation of an 11-member Commission on School Funding to provide guidance on the implementation of the PCFP, monitor the implementation of the PCFP, recommend changes to the PCFP, and review the funding amounts included in the PCFP.

Although the 2019 Legislature approved full implementation of S.B. 543, beginning on July 1, 2021, the Governor recommends a phased approach to implement the bill, which includes implementing a modified PCFP that would only provide state funding through the plan for the 2021-23 biennium. To do so, the Governor recommends the following:

- Development of the Nevada Plan formula funding in the DSA for the 2021-23 biennium, which is discussed in detail below. Based on the Governor's recommendations, total statewide projected operating expenditures for all school districts and charter schools would total \$4.436 billion in FY 2022 and \$4.516 billion in FY 2023, which compares to the legislatively approved amount of \$4.153 billion approved for FY 2021.
- Transfer of the state revenue, or the state share, of the Nevada Plan formula funding from the DSA to the State Education Funding Account to support the modified PCFP, with funding totaling \$1.378 billion (General Fund of \$830.9 million) in FY 2022 and \$1.324 billion (General Fund of \$702.5 million) in FY 2023.
- Transfer of funding for various K-12 categorical programs from various budgets to the new State Education Funding Account, totaling \$280.5 million in FY 2022 and \$283.8 million in FY 2023 to support the modified PCFP. The Governor also recommends that interest earnings associated with some of these transferred programs (\$1.5 million in each year of the 2021-23 biennium) be eliminated.

These recommendations would provide total funding of \$1.657 billion in FY 2022 and \$1.606 billion in FY 2023 for the Pupil-Centered Funding Plan, as detailed in the following table:

Governor Recommended Program Funding Transfers to the State Education Funding Account

	FY 2022	FY 2023	Biennium
Nevada Plan Formula Funding (State)	\$ 1,377,913,248	\$ 1,323,520,867	\$ 2,701,434,115
New Nevada Education Funding Plan	\$ 69,959,044	\$ 69,959,044	\$ 139,918,088
Instruction in Financial Literacy	\$ 750,000	\$ 750,000	\$ 1,500,000
Class Size Reduction	\$ 77,538,382	\$ 80,968,855	\$ 158,507,237
Gifted and Talented Education	\$ 8,274,243	\$ 8,274,243	\$ 16,548,486
Read by Grade Three	\$ 14,818,229	\$ 14,653,229	\$ 29,471,458
Advanced Placement Exams	\$ 583,220	\$ 583,220	\$ 1,166,440
District Library Books	\$ 449,142	\$ 449,142	\$ 898,284
Computer Education and Technology	\$ 700,000	\$ 700,000	\$ 1,400,000
Special Elementary Counseling	\$ 850,000	\$ 850,000	\$ 1,700,000
College and Career Ready Diplomas	\$ 1,314,000	\$ 1,314,000	\$ 2,628,000
EL - Zoom Schools	\$ 44,497,729	\$ 44,497,729	\$ 88,995,458
EL - Rurals and Charter Schools	\$ 4,950,496	\$ 4,950,496	\$ 9,900,992
Victory Schools	\$ 23,152,671	\$ 23,152,671	\$ 46,305,342
Nevada Ready 21 Tech Grants	\$ 10,000,000	\$ 10,000,000	\$ 20,000,000
Social Worker Program	\$ 18,348,269	\$ 18,348,269	\$ 36,696,538
School Resource/Police Officers	\$ 4,312,500	\$ 4,312,500	\$ 8,625,000
Bullying Prevention Grants	\$ 45,000	\$ 45,000	\$ 90,000
Total Transfers:	\$ 1,658,456,173	\$ 1,607,329,265	\$ 564,351,323
Eliminate School Rem Trust Interest	\$ (1,484,349)	\$ (1,484,349)	\$ (2,968,698)
Eliminate New NV Funding Plan Interest	\$ (22,044)	\$ (22,044)	\$ (44,088)
Net Transfers:	\$ 1,656,949,780	\$ 1,605,822,872	\$ 561,338,537

Modified Pupil-Centered Funding Plan

The funding recommended for transfer to the State Education Funding Account, net of the Governor's recommendation to eliminate Treasurer's Interest revenue that was previously recorded in various K-12 budgets totaling \$1.5 million in each year of the 2021-23 biennium, totals \$1.657 billion in FY 2022 and \$1.606 billion in FY 2023 as provided in the following table:

State Education Funding Account Revenue Sources

	FY 2022	FY 2023	% Change
General Fund Appropriations	\$ 1,109,758,299	\$ 984,809,735	-11.3%
Local School Support Tax (Out-of-State)	\$ 232,348,000	\$ 247,133,000	6.4%
Room Tax Revenue	\$ 129,616,000	\$ 176,270,000	36.0%
Recreational Marijuana Retail Tax	\$ 89,839,000	\$ 94,862,000	5.6%
Transfer from the Cannabis Compliance Board	\$ 58,673,885	\$ 61,676,637	5.1%
Annual Slot Tax	\$ 23,150,000	\$ 26,428,000	14.2%
Transfer from the Permanent School Fund	\$ 7,720,000	\$ 8,760,000	13.5%
Federal Mineral Leasing	\$ 5,000,000	\$ 5,000,000	0.0%
Room Tax Treasurer's Interest	\$ 638,400	\$ 883,500	38.4%
Balance Forward from Prior Year	\$ 206,196	\$ -	-100.0%
Total:	\$ 1,656,949,780	\$ 1,605,822,872	-3.1%

The Governor recommends utilizing the State Education Funding Account revenue for the modified PCFP to provide base per pupil funding and weighted formula funding. The modified PCFP reflects the statewide base per pupil funding adjusted by the following cost factors:

- School district size at the attendance area level (District Size Adjustment).
- Wages and goods (Nevada Cost of Education Index) that, as calculated, would benefit all counties except Carson City, Douglas, Lyon, Storey, and Washoe counties. The Nevada Cost of Education Index factor is calculated as 1.030 for all other counties, except for Clark County which reflects a factor of 1.031.

The following table outlines the allocation of funding under the proposed modified PCFP. As the table illustrates, funding is reduced in FY 2023 by \$51.1 million when compared to FY 2022, largely due to the reduced amount transferred from the DSA in FY 2023 when compared to FY 2022. This reduced transfer amount from the DSA is based on the calculated state share of the Nevada Plan formula funding, with a reduction calculated in FY 2023 based on increased local revenue.

Allocations Under the Pupil-Centered Funding Plan

Description	FY 2022	FY 2023	% Change
State Oversight, Administration, and Non-District Programs	\$ -	\$ -	NA
Auxiliary Education Services (Transportation and Food Svcs)	\$ -	\$ -	NA
Statewide Base Per Pupil Funding	\$ 1,423,435,572	\$ 1,379,749,722	-3.1%
District Size Adjustment	\$ 48,339,941	\$ 46,784,534	-3.2%
Nevada Cost of Education Index Adjustment	\$ 35,846,476	\$ 34,744,834	-3.1%
Special Education Program Funding	\$ -	\$ -	NA
English Learner Program Funding	\$ 84,416,725	\$ 81,647,856	-3.3%
At-Risk Learner Program Funding	\$ 56,636,823	\$ 54,893,079	-3.1%
Gifted and Talented Education Program Funding	\$ 8,274,242	\$ 8,002,847	-3.3%
Total Allocations	\$ 1,656,949,780	\$ 1,605,822,872	-3.1%

As indicated in the table, the Governor recommends the funding for the state Special Education program, state administration (NDE activities), and food service and transportation continue to be distributed separately from the formula funding.

Under the modified PCFP recommended by the Governor, total statewide base per pupil funding would be \$2,936 in FY 2022 and \$2,839 in FY 2023, excluding adjustment factors or weighted funding. It should be noted these amounts only reflect state funding provided under the modified PCFP, with local funding recommended by the Governor to still be retained by school districts. The Executive Budget documentation indicates all local revenue is estimated to increase from \$3.058 billion in FY 2022 to \$3.192 billion in FY 2023, a 4.4% increase.

NEW NEVADA EDUCATION FUNDING PLAN

The New Nevada Education Funding Plan, created pursuant to *Nevada Revised Statutes* (NRS) 387.129-387.139, provides school districts and charter schools (not designated as Zoom schools or Victory schools) with an additional \$1,200 per eligible student in each fiscal year to implement specific education interventions to improve the academic

performance of students. Qualifying students must be English Learners or eligible for free or reduced-price lunch, score in the bottom 25% of students on certain assessments and must not have an individualized education plan.

The Governor recommends General Fund appropriations of \$69.9 million in each year of the 2021-23 biennium for the New Nevada Education Funding Plan to restore funding that was eliminated as part of the budget reductions approved in Assembly Bill (A.B.) 3 during the 31st Special Session (2020). The Executive Budget further recommends the transfer of \$69.9 million in each year and projected interest earnings of \$22,044 in each year from this budget to the State Education Funding Account budget wherein funding is recommended to be distributed through the modified PCFP. The Account for the New Nevada Education Funding Plan sunsets effective July 1, 2021, in accordance with NRS 387.129.

INSTRUCTION IN FINANCIAL LITERACY

The Account for Instruction in Financial Literacy, created pursuant to NRS 388.895, provides funding for instruction in financial literacy for pupils in grades 3 through 12 enrolled in public schools. The Governor recommends General Fund appropriations of \$750,000 in each year of the 2021-23 biennium for this program and the transfer of this funding to the new State Education Funding Account.

DISTRIBUTIVE SCHOOL ACCOUNT

Prior to approval of the PCFP, the Legislature determined the level of state aid for school districts and charter schools through a formula called the “Nevada Plan,” which accounted for differences across districts in the cost of providing education and in local wealth. A guaranteed amount of basic support per pupil was calculated for each school district and established in law each session. The state through the DSA, and local districts through the Local School Support (sales) Tax (LSST) and property tax, shared the responsibility for providing the money needed to fund the guaranteed basic support.

Under the Nevada Plan, which is abolished beginning in FY 2022 under the provisions of S.B. 543 from the 2019 Legislative Session, supporting Nevada’s public elementary and secondary schools is a shared responsibility with state, local and federal sources contributing to school district and charter school operating funds. The DSA budget does not include the entire funding for K-12 Education, but rather, includes only the state’s portion of the school district and charter school operating funds that provide the basic support guarantee and other state-supported programs. The following section provides an overview of the development of the Nevada Plan formula funding as legislatively approved for the 2019-21 biennium and as recommended by the Governor to determine the funding transfer to the State Education Funding Account for the 2021-23 biennium.

The following table summarizes the elements (in millions) that are the basis for the DSA as approved by the 2019 Legislature for the 2019-21 biennium and as recommended by the Governor for the 2021-23 biennium when developing The Executive Budget. While the “Total Required Support” is guaranteed by the state, only the portion of the table below “Total State Share” is included in the DSA budget.

The Nevada Plan Formula Funding							
	<u>Legislature Approved</u> (Millions)			<u>Governor Recommended</u> (Millions)			Percent Change
	FY 20	FY 21	2019-21 Biennium	FY 22	FY 23	2021-23 Biennium	
Total Operating Expenditures	\$4,274	\$4,373	\$8,647	\$4,662	\$4,747	\$9,408	8.8%
Less: Non-Basic Support Programs ¹	(\$214)	(\$220)	(\$434)	(\$225)	(\$231)	(\$456)	5.2%
Total Nevada Plan Formula Funding Expenditures	\$4,060	\$4,153	\$8,213	\$4,436	\$4,516	\$8,952	9.0%
Less: Non-Guaranteed Local Revenues	(\$1,035)	(\$1,069)	(\$2,104)	(\$1,451)	(\$1,486)	(\$2,937)	39.6%
Total Regular Basic Support [a]	\$3,025	\$3,085	\$6,109	\$2,985	\$3,030	\$6,015	-1.5%
Projected Enrollment [b]	486,465	490,561		484,892	485,950		
Basic Support Guarantee [a] / [b]	\$6,218	\$6,288		\$6,156	\$6,236		
State Guarantee							
Total Required Support	\$3,025	\$3,085	\$6,109	\$2,985	\$3,030	\$6,015	-1.5%
Less: Guaranteed Local Revenues	(\$1,738)	(\$1,799)	(\$3,537)	(\$1,607)	(\$1,707)	(\$3,314)	-6.3%
Nevada Plan Funding in the Distributive School Account (DSA)							
Total State Share	\$1,287	\$1,285	\$2,572	\$1,378	\$1,324	\$2,701	5.0%
Less: Miscellaneous DSA Revenues	(\$495)	(\$508)	(\$1,004)	(\$547)	(\$621)	(\$1,168)	16.4%
General Fund Support for NV Plan Formula Funding	\$791	\$777	\$1,568	\$831	\$703	\$1,533	-2.2%
General Fund for Categorical Programs in the DSA ²	\$375	\$386	\$761	\$303	\$312	\$615	-19.2%
Total General Fund in the DSA	\$1,166	\$1,163	\$2,329	\$1,134	\$1,014	\$2,148	-7.8%

Notes: Totals and percentages may not balance due to rounding.

¹ Non-Basic Support Programs include Special Education, National School Lunch Program match, and Special Transportation.

² Categorical Programs in the DSA include all Non-Basic Support Programs as well as the Class-Size Reduction Program.

As shown in the table above, The Executive Budget recommends the total general operating expenditures (Nevada Plan formula funding) for all Nevada school district and charter school operating budgets increase from \$8.213 billion as approved by the 2019 Legislature for the 2019-21 biennium to \$8.952 billion in the 2021-23 biennium, an increase of 9.0%. As recommended by the Governor, the total required support for school district and charter school expenditures, after subtracting projected non-guaranteed revenue of \$2.937 billion over the 2021-23 biennium, is \$6.015 billion over the 2021-23 biennium, a decrease of 1.5% from the total of \$6.109 billion approved by the 2019 Legislature for the 2019-21 biennium.

NEVADA PLAN FORMULA FUNDING

- **Nevada Plan - Non-Guaranteed Local Revenues**

As indicated in the previous table, certain locally-generated revenues are considered before the state’s funding responsibility is determined. These local revenues are not guaranteed by the state under the Nevada Plan; therefore, state aid is not increased or decreased based on actual realized revenue from these local revenue sources.

- Property Tax: State law requires a property tax rate of 75 cents per \$100 of assessed valuation for the support of schools. One-third of the proceeds from the 75-cent property tax rate is guaranteed by the state, while the remaining two-thirds of the proceeds of the 75-cent property tax rate is not guaranteed by the state under the Nevada Plan.

In FY 2021, the two-thirds portion is projected to increase 6.1% to \$548.3 million. The Executive Budget projects that the two-thirds portion will generate \$581.1 million in FY 2022, which represents a 6.0% increase over the amount projected for FY 2021 and \$612.4 million in FY 2023, an increase of 5.4% over FY 2022.

- Local Governmental Services Tax (GST): The local GST is estimated to generate \$117.6 million in FY 2022 and \$120.5 million in FY 2023 compared to FY 2020 actual collections of \$109.0 million.
- Other Local Sources: Franchise taxes, federal revenue, interest, tuition, and other local revenue and opening balances are estimated to contribute \$752.5 million in each year of the 2021-23 biennium.

For the 2021-23 biennium, non-guaranteed revenues under the Nevada Plan formula funding are budgeted to generate 32.8% of the revenue necessary to support the budgets of school districts and charter schools (25.6% in the 2019-21 biennium) with the balance being funded through revenue sources guaranteed by the state under the Nevada Plan.

- Nevada Plan - Guaranteed Local Revenues

Nevada Plan funding for school districts and charter schools consists of state financial support received through the DSA and locally-collected revenues that are guaranteed by the state under the Nevada Plan, namely the LSST and the remaining one-third of the proceeds from the 75-cent property tax rate. These two local revenue amounts **are guaranteed** by the state; thus, if budgeted amounts are not actually collected, the state funds the difference, and conversely, if actual revenues exceed projections, the amount of General Fund support is reduced.

- LSST: For the 2021-23 biennium, the 2.60% LSST is estimated at \$1.317 billion for FY 2022 (2.4% increase over the \$1.286 billion estimated for FY 2021) and at \$1.400 billion for FY 2023 (6.4% increase over projected FY 2022).
- Property Tax: Local funding from the one-third portion of the proceeds from the 75-cent property tax rate is recommended at \$290.5 million for FY 2022 (6.0% increase over FY 2021 projections of \$274.2 million) and at \$306.2 million for FY 2023 (5.4% increase over projected FY 2022).

Combined, these two local sources provide approximately 55.1% of the basic support amount with the state contributing the remaining 44.9% for the 2021-23 biennium compared to a 57.9% local and a 42.1% state share legislatively approved for the 2019-21 biennium.

Nevada Plan State Support

In the projections included in the Governor's budget, the state's share of funding for the Nevada Plan formula funding in the DSA is largely provided by General Fund appropriations of \$830.9 million in FY 2022 and \$702.5 million in FY 2023, totaling \$1.533 billion for the 2021-23 biennium (exclusive of categorical programs that are funded in the DSA budget and discussed below). The Governor recommended General Fund appropriations of \$1.533 billion for the upcoming biennium are \$35.0 million or 2.2% less than the total General Fund appropriations of \$1.568 billion approved for the 2019-21 biennium. This reduction is due to the increases in local revenue that were discussed earlier and increases in the miscellaneous revenue sources in the DSA that are discussed below.

Miscellaneous Revenue Sources in the DSA

Other sources of revenue that provide funding for the DSA are included in the earlier "Nevada Plan" table as "Miscellaneous DSA Revenues." These other sources include an annual tax on slot machines, interest earned on investments from the Permanent School Fund, revenue from leases of federal land for mineral exploration and from royalties, LSST from sales that cannot be attributed to a specific county, recreational marijuana 10% retail excise tax, and transfers of excess revenue from the Cannabis Compliance Board.

The Governor estimates proceeds from the Room Tax revenue collected pursuant to NRS 244.33561 and associated interest earnings would total \$130.3 million in FY 2022 and \$177.2 million in FY 2023, with the Governor recommending this funding be transferred from the State Supplemental School Support Account to the DSA as a state funding source in the 2021-23 biennium. Nevada Revised Statute 387.1212 (2)(b) requires Room Tax revenue to be deposited in the State Education Fund beginning in FY 2022. The Governor recommends this revenue be transferred to the State Education Funding Account to support the modified PCFP.

The Executive Budget recommends total other miscellaneous revenues in the DSA (inclusive of the Room Tax revenue discussed above) at \$1.168 billion over the 2021-23 biennium, an increase of 16.4% when compared to the \$1.004 billion legislatively approved for the 2019-21 biennium.

The following table displays the DSA budget as recommended by the Governor for the 2021-23 biennium, actual revenues and expenditures for FY 2020, projections for FY 2021, and the legislatively approved budget for the 2019-21 biennium:

DISTRIBUTION STATE ACCOUNT						
	FY 2020		FY 2021		FY 2022	FY 2023
	Legislature Approved	FY 2020 Actual	Legislature Approved	FY 2021 Estimated	Governor's Recommend	Governor's Recommend
WEIGHTED ENROLLMENT	486,465	484,892	490,561	475,527	484,892	485,950
ADDITIONAL ENROLLMENT FOR HOLD HARMLESS		383	-	667	-	-
TOTAL ENROLLMENT *	486,465	485,275	490,561	476,194	484,892	485,950
BASIC SUPPORT	\$ 6,218	\$ 6,218	\$ 6,288	\$ 6,288	\$ 6,156	\$ 6,236
TOTAL REGULAR BASIC SUPPORT **	\$ 3,024,676,999	\$ 3,017,439,950	\$ 3,084,585,180	\$ 2,994,307,872	\$ 2,985,103,247	\$ 3,030,153,767
CATEGORICAL FUNDING:						
SPECIAL EDUCATION	\$ 211,504,167	\$ 211,504,167	\$ 218,041,746	\$ 218,041,746	\$ 223,203,922	\$ 228,758,469
SPECIAL EDUCATION 50% ABOVE 13% CAP	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
CLASS-SIZE REDUCTION	\$ 161,650,216	\$ 149,628,590	\$ 165,487,286	\$ 159,362,453	\$ 77,538,383	\$ 80,968,855
SCHOOL LUNCH PROGRAM STATE MATCH	\$ 588,732	\$ 588,732	\$ 588,732	\$ 588,732	\$ 588,732	\$ 588,732
SPECIAL TRANSPORTATION	\$ 142,555	\$ 115,061	\$ 145,650	\$ 145,650	\$ 146,630	\$ 147,630
NRS ADJUSTMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER ADJUSTMENTS	\$ -	\$ 908,767	\$ -	\$ -	\$ -	\$ -
TOTAL REQUIRED STATE SUPPORT	\$ 3,400,062,669	\$ 3,381,685,267	\$ 3,470,348,594	\$ 3,373,946,453	\$ 3,288,080,914	\$ 3,342,117,453
LESS - GUARANTEED REVENUE						
LOCAL SCHOOL SUPPORT TAX - 2.60%	\$ (1,483,224,000)	\$ (1,322,569,260)	\$ (1,528,727,000)	\$ (1,286,204,000)	\$ (1,316,641,000)	\$ (1,400,419,000)
1/3 PUBLIC SCHOOLS OPERATING PROPERTY TAX	\$ (254,709,500)	\$ (258,284,528)	\$ (270,421,900)	\$ (274,162,333)	\$ (290,549,000)	\$ (306,214,000)
ADJ FOR EUREKA, LANDER, AND STOREY REVENUE	\$ -	\$ 6,254,765	\$ -	\$ 6,254,765	\$ -	\$ -
TOTAL STATE SHARE	\$ 1,662,129,169	\$ 1,807,086,244	\$ 1,671,199,694	\$ 1,819,834,885	\$ 1,680,890,914	\$ 1,635,484,453
STATE SHARE ELEMENTS						
GENERAL FUND	\$ 1,166,677,713	\$ 1,166,677,713	\$ 1,162,939,824	\$ 1,162,939,824	\$ 1,133,905,629	\$ 1,014,471,316
TRANSFER FROM CCB - REC & MED MARIJUANA	\$ 40,983,256	\$ 39,740,986	\$ 42,221,670	\$ 45,623,211	\$ 58,673,885	\$ 61,676,637
RECREATIONAL MARIJUANA RETAIL TAX	\$ 58,554,600	\$ 60,410,272	\$ 61,253,900	\$ 85,410,000	\$ 89,839,000	\$ 94,862,000
GENERAL FUND TRANSFERS ^{1,3}		\$ 126,819,732		\$ (126,819,732)		
DSA SHARE OF SLOT TAX	\$ 27,421,600	\$ 21,936,496	\$ 27,660,300	\$ 22,614,000	\$ 23,150,000	\$ 26,428,000
PERMANENT SCHOOL FUND	\$ 7,000,000	\$ 17,232,288	\$ 7,000,000	\$ 6,810,000	\$ 7,720,000	\$ 8,760,000
FEDERAL MINERAL LEASE REVENUE	\$ 4,000,000	\$ 5,680,216	\$ 4,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
OUT OF STATE LSST - 2.60%	\$ 170,315,000	\$ 229,778,238	\$ 175,539,000	\$ 226,977,000	\$ 232,348,000	\$ 247,133,000
IP1 (2009) ROOM TAX REVENUE TRANSFER	\$ 187,177,000	\$ 138,837,797	\$ 190,585,000	\$ 77,740,400	\$ 130,254,400	\$ 177,153,500
GENERAL FUND SUPPLEMENTAL APPROPRIATION	\$ -	\$ -	\$ -	\$ 331,686,641	\$ -	\$ -
REVERSION TO THE GENERAL FUND ²	\$ -	\$ (27,494)	\$ -	\$ -	\$ -	\$ -
31ST SPECIAL SESSION BUDGET REDUCTION ³	\$ -	\$ -	\$ -	\$ (18,146,459)	\$ -	\$ -
TOTAL STATE SHARE ELEMENTS	\$ 1,662,129,169	\$ 1,807,086,244	\$ 1,671,199,694	\$ 1,819,834,885	\$ 1,680,890,914	\$ 1,635,484,453
	\$ -	\$ 0	\$ (0)	\$ 0	\$ -	\$ (0)
Totals May Not Balance Due to Rounding						
Notes:						
¹ Pursuant to S.B. 555 of the 2019 Legislative Session, General Fund appropriations may be transferred between fiscal years in the 2019-21 biennium with the approval of the Governor upon the recommendation of the Director of the Office of Finance in the Office of the Governor.						
² Reversion of remaining funding from the special transportation program to the General Fund.						
³ Assembly Bill 3 of the 31 st Special Session (2020) enacted the Governor's recommendation to reduce General Fund appropriations for the Class-Size Reduction (CSR) program in FY 2021. The estimated CSR program savings totaled \$12.0 million in FY 2020 and \$6.1 million in FY 2021, with the FY 2020 savings balanced forward and available in FY 2021. These estimated savings are largely related to supplemental CSR program funding, which was included in the legislatively approved budget through the inclusion of charter school students in the funding calculation of the CSR program despite charter schools not being eligible for CSR program funding. In prior fiscal years, the supplemental CSR program funding was provided to underperforming schools with approved class-size reduction variances.						

STATEWIDE AVERAGE BASIC SUPPORT PER PUPIL

The 2019 Legislature approved a statewide average basic support per pupil of \$6,218 for FY 2020 and \$6,288 for FY 2021. Based on the recommendations included in The Executive Budget, the statewide average basic support would be \$6,156 per pupil in FY 2022 and \$6,236 per pupil in FY 2023, decreases of \$132 per pupil and \$52 per pupil in FY 2022 and FY 2023, respectively, when compared to the FY 2021 legislatively approved statewide average basic support per pupil of \$6,288. The guaranteed basic support per pupil should not be confused with expenditures per pupil. As stated earlier, other resources not considered within the Nevada Plan are also available to cover schools' operating costs. When all local revenue sources (guaranteed and non-guaranteed) and state revenue sources are considered, average expenditures per pupil would be \$9,149 in FY 2022 and \$9,292 in FY 2023 under the Nevada Plan funding formula (excluding categorical programs that provide additional funding for K-12 education).

ENROLLMENT

Each school district's guaranteed level of funding is determined by multiplying the basic support per pupil by weighted enrollment. Weighted enrollment (utilized to distribute Nevada Plan formula funding to school districts and charter schools) equals a full count of pupils enrolled in full-day kindergarten and grades 1 through 12, net of transfers. Weighted enrollment also includes children with disabilities enrolled in special education programs within a district or charter school, and six-tenths of the count of pupils enrolled in programs for three- and four-year-olds with disabilities. Special-needs preschoolers are counted as six-tenths of a pupil, because they typically attend school for half of a day or less. The following chart compares audited weighted enrollment numbers (excluding hold harmless) by fiscal year and the percent of change each year compared to the preceding year.

Nevada Audited Weighted Enrollment

FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual¹	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Gov. Rec.	FY 2023 Gov. Rec.
435,522	439,882	450,333	456,943	477,894	482,029	484,892	475,527	484,892	485,950
	1.00%	2.38%	1.47%	4.59%	0.87%	0.59%	-1.93%	1.97%	0.22%

¹ Enrollment reflects the addition of kindergarten students into the Nevada Plan funding formula as full-time students effective July 1, 2017. Prior to that time, kindergarten students were weighted as six-tenths of a pupil.

The Governor recommends General Fund appropriations of \$4.7 million in FY 2022 and \$11.8 million in FY 2023 to provide for the projected enrollment growth for K-12 pupils (inclusive of the Special Education and Class-Size Reduction programs).

HOLD HARMLESS PROVISION

To protect school districts and charter schools during times of declining enrollment, Section 3 of NRS 387.1223 contains a "hold harmless" provision under both the Nevada Plan formula funding that would also continue under the PCFP. Under this provision, the guaranteed level of funding is based on the current year's quarter enrollment, unless the decline in enrollment is 5.0% or more from the previous year, in which case the funding is based on the higher of the current or the previous year's

quarter enrollment. According to the department, the hold harmless provision for eligible school districts and charter schools increased the state responsibility by \$1.7 million in FY 2018, \$5.2 million in FY 2019 and \$3.1 million in FY 2020. Due to the uncertainty of projected enrollments, the cost of the hold harmless provision has not historically been budgeted.

POSITIONS AND SALARY ADJUSTMENTS

To determine the number of employees needed to accommodate increased enrollment, the Governor’s Office of Finance calculated the actual student-to-employee ratios for each major job classification in the FY 2020 base year. Position counts for each year of the upcoming biennium were computed by maintaining the same student-to-employee ratio in each job classification. The Executive Budget estimates that an additional 49 licensed, instructional personnel will be needed by the end of the 2021-23 biennium to maintain the FY 2020 statewide average of 21.77:1 student-to-teacher ratio.

The Governor recommends General Fund appropriations of \$62.0 million in FY 2022 and \$125.3 million in FY 2023 for “roll-up” costs of 2.0% each year to reflect all school employees (including Special Education and Class-Size Reduction program staff) earning merit increases due to the attainment of additional education and/or additional years of service.

The following table provides the actual and projected statewide average contract salaries and benefits for teachers in the current biennium and recommended for the 2019-21 biennium, inclusive of the 2.0% roll-up and including the fringe benefit adjustments discussed below.

Statewide Average Contract Salaries and Benefits for Teachers

	FY 2020 Actual	FY 2021 Projected	FY 2022 Gov. Rec.	FY 2023 Gov. Rec.
Average Contract Salary for Teachers	\$ 58,624	\$ 59,796	\$ 60,992	\$ 62,212
% Change Salaries		2.00%	2.00%	2.00%
Benefits	\$ 25,533	\$ 26,206	\$ 27,142	\$ 27,828
% Change Benefits		2.64%	3.57%	2.53%
Total Salaries and Benefits	\$ 84,157	\$ 86,002	\$ 88,134	\$ 90,040
% Change Salary and Benefits		2.19%	2.48%	2.16%

Average contract salaries for teachers are affected by a number of factors, which include the number of teachers who retire/leave the profession, the number of new teachers hired, the number of teachers who are no longer eligible for merit adjustments, and collective bargaining agreements. It should be noted that local collective bargaining agreements require teachers to work a contractual number of days (usually between 180-184 days depending on the school district). This compares to the number of days a typical full-time employee works in a year (260 days).

FRINGE BENEFIT ADJUSTMENTS

The Executive Budget estimates the cost of group insurance for school personnel would increase by 3.52% in FY 2022 and 3.68% in FY 2023, based on the projected rate increase for state agencies. The Executive Budget also increases funding to reflect the Public Employees' Retirement System (PERS) contribution rate increase from 29.25% to 29.75% in the 2021-23 biennium for school employees under the employer-paid plan. The Governor recommends total General Fund appropriations of \$15.7 million in FY 2022 and \$28.7 million in FY 2023 to fund these increases (inclusive of the Special Education and Class-Size Reduction programs).

SUPPLEMENTAL APPROPRIATION

The Executive Budget recommends a General Fund appropriation of \$331.7 million in FY 2021 for the DSA due to lower-than-projected revenue that are guaranteed by the state under the Nevada Plan. This revenue includes in-state LSST, as well as Room Tax revenue and Slot Tax revenue in the DSA.

TEXTBOOK FUNDING

The Executive Budget recommends funding for textbooks, instructional supplies, instructional hardware, and instructional software in FY 2022 and FY 2023 totaling \$87.8 million and \$87.9 million, respectively, reflecting the total actual expenditures incurred by school districts and charter schools for these items in FY 2020, and increased for projected enrollment growth.

FUNDING FOR STUDENTS WITH DISABILITIES

The Executive Budget recommends General Fund appropriations of \$224.7 million in FY 2022 and \$230.3 million in FY 2023 to fund services for students with disabilities, inclusive of increases for projected enrollment growth and fringe salary/benefit adjustments. Total funding of \$455.0 million recommended for students with disabilities in the 2021-23 biennium represents a 5.2% increase over the legislatively approved funding of \$432.5 million for the 2019-21 biennium.

CLASS-SIZE REDUCTION PROGRAM

To finance salaries and fringe benefits of teachers hired to meet the required ratios of 17 pupils per teacher in first and second grades and 20 pupils per teacher in third grade pursuant to Senate Bill 555, the 2019 Legislature appropriated a total of \$327.1 million over the 2019-21 biennium to continue the Class-Size Reduction (CSR) program. Subject to State Board of Education approval, Section 2 of NRS 388.720 authorizes rural school districts (counties whose populations are under 100,000) to use CSR funding to operate a program of alternative pupil-teacher ratios in grades 1 through 6. Under the alternative program, pupil-teacher ratios may not exceed 22:1 in grades 1, 2 and 3 and may not exceed 25:1 in grades 4 and 5, or grades 4, 5 and 6 in school districts that include grade 6 in elementary school.

The Executive Budget calculated the ratios required for 17 pupils per teacher in first and second grades and 20 pupils per teacher in third grade, which required funding of \$155.5 million in FY 2022 and \$158.9 million in FY 2023 to continue the CSR program in grades 1 through 3 for the 2021-23 biennium. This funding would provide for 1,856 and 1,857 CSR teachers for grades 1 through 3 in FY 2022 and FY 2023, respectively. However, the Governor recommends reducing funding by \$78.0 million in each year of the biennium, which would provide funding for the CSR program of \$77.5 million in FY 2022 and \$81.0 million in FY 2023. Finally, the Governor recommends all CSR funding be transferred to the State Education Funding Account to fund the modified PCFP.

OTHER STATE EDUCATION PROGRAMS

The Other State Education Programs budget provides state funds to school districts, charter schools and other organizations for various programs. Such K-12 Education categorical grant programs include Read by Grade 3, Career and Technical Education (CTE), Underperforming Schools, Gifted and Talented Education, College and Career Readiness, Early Childhood Education (ECE), Jobs for America’s Graduates (JAG), Public Broadcasting, National Board Teacher Certification Reimbursement, Speech Pathologist Increment, and various other smaller programs. In addition, the budget provides state funds for the Adult High School Diploma (AHSD) program, which is considered outside of K-12 Education funding.

The Governor recommends General Fund appropriations of \$47.7 million in each year of the 2021-23 biennium for various K-12 Education and other categorical grant programs to restore funding that was reduced or eliminated by A.B. 3 of the 31st Special Session (2020). The programs with recommended funding restorations are provided in the table that follows.

Recommended Restoration of Funding for K-12 Education Categorical Programs

Program	FY 2022	FY 2023	Biennium
Read by Grade 3	\$ 31,429,229	\$ 31,429,229	\$ 62,858,458
Underperforming/Turnaround Schools	\$ 2,500,000	\$ 2,500,000	\$ 5,000,000
College and Career Readiness	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000
Gifted and Talented Education (GATE)	\$ 5,229,699	\$ 5,229,699	\$ 10,459,398
Special Elementary Counseling	\$ 850,000	\$ 850,000	\$ 1,700,000
College and Career Ready Diplomas	\$ 1,314,000	\$ 1,314,000	\$ 2,628,000
Career and Technical Education	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
Jobs for America's Graduates	\$ 252,098	\$ 252,098	\$ 504,196
Educational Leadership	\$ 100,000	\$ 100,000	\$ 200,000
Total Recommended Restorations	\$ 47,675,026	\$ 47,675,026	\$ 95,350,052

Although considered outside of K-12 funding, the Governor also recommends General Fund appropriations of \$1.2 million in each year of the 2021-23 biennium in this budget to restore funding for the AHSD program, which was reduced as a budget reduction measure in A.B. 3 of the 31st Special Session (2020).

The Executive Budget further recommends, as a budget reduction measure, General Fund reductions totaling \$25.1 million in FY 2022 and \$25.3 million in FY 2023 for various K-12 Education categorical grant programs. The programs that are recommended for reductions in funding are provided in the table that follows:

Recommended Reduction of Funding for K-12 Education Categorical Programs

Program	FY 2022	FY 2023	Biennium
Read by Grade 3	\$ (16,611,000)	\$ (16,776,000)	\$ (33,387,000)
Underperforming/Turnaround Schools	\$ (2,500,000)	\$ (2,500,000)	\$ (5,000,000)
College and Career Readiness	\$ (5,000,000)	\$ (5,000,000)	\$ (10,000,000)
Advanced Placement Exams	\$ (79,530)	\$ (79,530)	\$ (159,060)
NV Inst on Teaching and Ed Prep	\$ (750,000)	\$ (750,000)	\$ (1,500,000)
Teacher/Nursing Certification	\$ (6,351)	\$ (6,351)	\$ (12,702)
Counselor Certification	\$ (80,249)	\$ (80,249)	\$ (160,498)
Speech Pathologists Increment	\$ (63,214)	\$ (63,214)	\$ (126,428)
Total Recommended Reductions	\$ (25,090,344)	\$ (25,255,344)	\$ (50,345,688)

To support the modified PCFP, the Governor recommends the transfer of funding for various K-12 categorical grant programs totaling \$27.0 million in FY 2022 and \$26.8 million in FY 2023 from the Other State Education Programs budget to the new State Education Funding Account. The programs that are recommended for transfer are provided in the table that follows:

Recommended Transfers of Program Funding to the State Education Funding Account

Program	FY 2022	FY 2023	Biennium
Gifted and Talented Education (GATE)	\$ 8,274,243	\$ 8,274,243	\$ 16,548,486
Read by Grade 3	\$ 14,818,229	\$ 14,653,229	\$ 29,471,458
Advanced Placement Exams	\$ 583,220	\$ 583,220	\$ 1,166,440
District Library Book Grant	\$ 449,142	\$ 449,142	\$ 898,284
Computer Education and Technology	\$ 700,000	\$ 700,000	\$ 1,400,000
Special Elementary Counseling	\$ 850,000	\$ 850,000	\$ 1,700,000
College and Career Ready Diplomas	\$ 1,314,000	\$ 1,314,000	\$ 2,628,000
Total Recommended Transfers	\$ 26,988,834	\$ 26,823,834	\$ 53,812,668

After consideration of the previously discussed recommendations to restore, reduce and transfer funding for various K-12 Education and other categorical grant programs, The Executive Budget recommends net General Fund appropriations totaling \$39.1 million in FY 2022 and \$38.7 million in FY 2023 for the remaining programs in this budget, which are provided in the table that follows:

**Governor Recommended Funding for K-12 Education and Other Categorical Programs
Other State Education Programs Budget**

Program	FY 2022	FY 2023	Biennium
Education Technology - KLVX Satellite	\$ 392,329	\$ -	\$ 392,329
Jobs for America's Graduates	\$ 3,865,513	\$ 3,865,513	\$ 7,731,026
Vocational Student Organizations	\$ 106,998	\$ 106,998	\$ 213,996
Public Broadcasting	\$ 462,725	\$ 462,725	\$ 925,450
School Library Media Specialist Salary Increment	\$ 18,798	\$ 18,798	\$ 37,596
Project GAIN - Geographic Alliance in Nevada	\$ 44,583	\$ 44,583	\$ 89,166
Education Leadership	\$ 300,000	\$ 300,000	\$ 600,000
National Board Certification Reimbursement	\$ 46,574	\$ 46,574	\$ 93,148
Counselor Certification Salary Increment	\$ 588,491	\$ 588,491	\$ 1,176,982
Speech Pathologist Salary Increment	\$ 463,570	\$ 463,570	\$ 927,140
Career and Technical Education	\$ 13,543,822	\$ 13,543,822	\$ 27,087,644
Subtotal K-12 Education Programs	\$ 19,833,403	\$ 19,441,074	\$ 39,274,477
Adult High School Diploma	\$ 19,260,398	\$ 19,260,398	\$ 38,520,796
Total All K-12 and Other Programs	\$ 39,093,801	\$ 38,701,472	\$ 77,795,273

PROFESSIONAL DEVELOPMENT PROGRAMS

The Executive Budget recommends total General Fund appropriations and interest earnings totaling \$12.8 million in each year of the 2021-23 biennium for the Great Teaching and Leading grant program, Regional Professional Development Programs (RPDPs), and the Peer Assistance and Review program funded in this budget. This level of funding includes the Governor's recommendation to reduce funding for the Great Teaching and Leading grant program by \$744,043 in each year of the 2021-23 biennium.

SCHOOL REMEDIATION TRUST FUND

The Account for Programs for Innovation and the Prevention of Remediation (referred to as the School Remediation Trust Fund), created pursuant to NRS 387.1247, supports improvement plans developed by schools and school districts to improve the achievement of students. This budget currently provides funding for the support of the following six programs: (1) New Teachers Incentives program; (2) Teacher Incentives for new and transfer teachers to Title I schools; (3) English Learner (EL) program; including the Zoom Schools program (Clark and Washoe School Districts) and the EL grant program for rural school districts and charter schools sponsored by the State Public Charter School Authority (SPCSA); (4) the Victory Schools program; (5) the Nevada Ready 21 Technology program (NR21), and (6) the Supplemental Block Grant provided through

Senate Bill 551 (2019). The primary funding source for this budget is General Fund appropriations.

The 2019 Legislature approved ongoing appropriations of \$10.0 million for the Teacher Incentives at Title I Schools program and \$71.9 million over the 2019-21 biennium for the S.B. 551 (2019) Supplemental Block Grant. As part of the budget reductions approved in A.B. 3 during the 31st Special Session (2020), the Teacher Incentives at Title I Schools program was eliminated and funding for the S.B. 551 (2019) Supplemental Block Grant was reduced for FY 2021. For the 2021-23 biennium, the Governor's budget proposes to restore General Fund appropriations of \$5.0 million over the 2021-23 biennium for the Teacher Incentives at Title I Schools program and \$1.0 million in each year of the upcoming biennium for the S.B. 551 (2019) Supplemental Block Grant.

The Governor also recommends transferring General Fund appropriations of \$36.8 million in each year of the 2021-23 biennium for the S.B. 551 Supplemental Block Grant from this budget to the Distributive School Account budget. Lastly, The Executive Budget proposes to transfer funding totaling \$82.6 million in each year (General Fund of \$80.9 million in FY 2022 and \$81.1 million in FY 2023) for the English Learner (\$49.4 million each year), Victory Schools (\$23.2 each year) and NR 21 (\$10 million each year) programs from this budget to the State Education Funding Account for distribution through the modified PCFP.

Although the School Remediation Trust budget is scheduled to sunset effective July 1, 2021, in accordance with NRS 387.1247, The Executive Budget proposes to retain the Teacher Incentives at Title I Schools program (\$2.5 million each year) and the New Teacher Incentives program (\$2.5 million each year) in this budget for the 2021-23 biennium.

SCHOOL SAFETY

The School Safety budget supports various school safety initiatives to enhance the physical safety and emotional well-being of K-12 students. The Governor recommends General Fund appropriations totaling \$2.7 million in each year of the 2021-23 biennium for the School Resource/Police Officer and the Social Worker or Other Mental Health Worker programs, which would restore program funding that was reduced by A.B. 3 of the 31st Special Session (2020). The Governor also recommends General Fund reductions of \$2.5 million in each year of the 2021-23 biennium for these programs. Combined, these recommendations would adjust funding for these programs by the following amounts:

- \$519,836 increase in each year of the 2021-23 biennium for the School Resource/Police Officer program
- \$358,287 decrease in each year of the 2021-23 biennium for the Social Worker or Other Mental Health Worker program

The Governor also recommends transferring these programs and the associated funding (General Fund appropriations of \$22.7 million in each year of the 2021-23 biennium) to the State Education Funding Account to fund the modified PCFP.

TEACH NEVADA SCHOLARSHIP PROGRAM

The Teach Nevada Scholarship Program Account was created pursuant to NRS 391A.575 to provide scholarships up to \$3,000 per semester, or \$24,000 in the aggregate for students entering certain teaching programs. The Governor recommends total funding of \$6.4 million in FY 2022 and \$6.5 million in FY 2023 (General Fund appropriations of \$2.4 million each year) to continue these scholarships in the upcoming biennium.

INCENTIVES FOR LICENSED EDUCATIONAL PERSONNEL

Based on the projected number of one-fifth retirement service credit purchases for the upcoming biennium, and in conjunction with targeted budget reductions, the Governor recommends a reduction of \$120,000 in each year, resulting in net General Fund appropriations of \$459,849 million in each year of the 2021-23 biennium to fund the estimated outstanding liability for the 1/5 Retirement Credit Purchase program.

Assembly Bill 1 (23rd Special Session [2007]), repealed the statutory language of NRS 391.165, which required the purchase of retirement credits for teachers in at-risk schools, psychologists, and teachers in the fields of mathematics, science, special education, and English as a second language. However, Assembly Bill 1 (23rd Special Session [2007]) provided an option for those employees participating in the program prior to July 1, 2007, to continue the purchase of retirement credits until they have earned an additional one full year of retirement service credit. The 1/5 Retirement Credit Purchase program will continue to be funded until all eligible participants as of July 1, 2007, have earned one full year of retirement service credit.

BULLYING PREVENTION ACCOUNT

Pursuant to NRS 388.1325, the Bullying Prevention Account provides grants to school districts for establishing programs to create a school environment that is free from bullying and cyber-bullying, training on the Office of Safe and Respectful Learning Environment-related policies adopted by school districts, or the development and implementation of procedures by which pupils can discuss bullying policies. The Governor recommends General Fund appropriations of \$45,000 in each year of the 2021-23 biennium to restore funding for this budget that was eliminated by A.B. 3 of the 31st Special Session (2020). The Governor also recommends transferring the General Fund appropriations of \$45,000 in each year of the 2021-23 biennium from this budget to the State Education Funding Account to fund the modified PCFP.

DEPARTMENT OF EDUCATION

The Executive Budget recommends total funding for the Nevada Department of Education (NDE) operating budgets (net of interagency transfers) in the amount of \$714.3 million for the 2021-23 biennium, an increase of 10.2% when compared to the legislatively approved amount of \$648.4 million for the 2019-21 biennium. Of this amount, the Governor recommends General Fund appropriations totaling \$91.4 million for the upcoming biennium, a decrease of 5.3% when compared to the legislatively approved amount of \$96.5 million for the 2019-21 biennium. The department's K-12 Education budgets, which include the Distributive School Account (DSA), the State Education Funding Account,

Other State Education Programs, the School Remediation Trust Fund, the New Nevada Education Funding Plan, the Incentives for Licensed Education Personnel, the Teachers' School Supplies Assistance Account, the Teach Nevada Scholarship Program, the Professional Development Programs, the Instruction in Financial Literacy, the Account for Computer Education and Technology, the State Supplemental School Support Account, the School Safety, the Bullying Prevention Account, and the Contingency Account for Special Education Services budgets, are not included in this total.

EDUCATIONAL TRUST ACCOUNT

The Educational Trust Account budget is funded by year-end transfers of 60% of the unredeemed or uncharged value of expired or abandoned gift certificates from the Abandoned Property Trust Account. These funds may only be expended for educational purposes as approved by the Legislature or the Interim Finance Committee. For the 2019-21 biennium, the budget provides support for the Teacher of the Year program, the biennial Family Engagement Summit, and the Educators in Residence/Fellowship Positions/Graduate Students program.

The Governor recommends reserve reductions totaling \$210,238 over the 2021-23 biennium to continue the Educators in Residence/Fellowship Positions/Graduate Students program in the upcoming biennium.

OFFICE OF THE SUPERINTENDENT

The Office of the Superintendent is responsible for the administration of the provisions of law relating to the jurisdiction, duties and functions of the three divisions of the department, which include Business and Support Services, Educator Effectiveness and Family Engagement, and Student Achievement. The Governor recommends General Fund appropriations of \$493,121 over the 2021-23 biennium to continue two full-time positions that were approved by the Interim Finance Committee in the 2019-20 Interim to assist with the development and implementation of the Pupil-Centered Funding Plan.

ASSESSMENTS AND ACCOUNTABILITY

The Assessments and Accountability budget includes funding for the Nevada Proficiency Examination Program (NPEP) and supports the costs of administering student assessments that are required pursuant to *Nevada Revised Statutes* (NRS) Chapters 389 and 390, including Smarter Balanced Assessments Consortium (SBAC), ACT assessment and the National Assessment of Educational Progress.

The Governor recommends General Fund appropriations of \$1.0 million in each year of the 2021-23 biennium to administer the Measures of Academic Progress assessments that are used by the Read by Grade 3 program. The Governor also recommends General Fund appropriations of \$1,057 in each year of the 2021-23 biennium to restore funding for the Council to Establish Academic Standards, which was eliminated in Assembly Bill (A.B.) 3 of the 31st Special Session (2020).

EDUCATOR LICENSURE

The Educator Licensure budget funds the Office of Educator Licensure as well as the Commission on Professional Standards in Education. The Office of Educator Licensure is responsible for determining eligibility for licensure; approving and issuing licenses for administrators, teachers and other educational personnel; and maintaining a competency testing program for educational personnel. The Commission on Professional Standards in Education, which consists of 11 members appointed by the Governor, sets licensure standards for state educational personnel. The Educator Licensure budget is funded by the fees collected for educator licenses, renewals, endorsements, fingerprinting, and testing.

The Governor recommends reserve reductions of \$8,839 over the 2021-23 biennium to reclassify one Program Officer position to a Chief Compliance Investigator position and one Administrative Assistant position to a Compliance Investigator position in the office's Background Investigations Unit.

EDUCATOR EFFECTIVENESS

The Educator Effectiveness budget provides resources to support the certification of administrator and teacher preparation programs, professional development and high-quality learning, development and support of a statewide evaluation system, and the Nevada Educator Performance Framework (NEPF). State funds in this budget support the Great Teaching and Leading program, Teachers and Leaders Council, the Statewide Coordinating Council for Regional Training Programs, and educator preparation programs and the associated evaluation system. Federal funds in this budget support high-quality teachers and leaders as defined by the federal Elementary and Secondary Education Act.

The Governor recommends General Fund reductions of \$97,192 and federal fund reductions of \$98,192 over the 2021-23 biennium by transferring one Education Programs Professional position from the Educator Effectiveness budget to the Educator Licensure budget and funding the position with reserve reductions of \$195,384 in the Educator Licensure budget.

OFFICE OF EARLY LEARNING AND DEVELOPMENT

The Office of Early Learning and Development manages and administers programs for at-risk children who are ready for kindergarten, as well as administers the State pre-K program, federal Head Start and certain Child Care Development Fund programs to improve access and quality of early childhood programs throughout the state.

The Governor recommends General Fund appropriations of \$6.2 million in each year of the 2021-23 biennium for the State pre-K program, which would restore the program funding reductions approved through A.B. 3 of the 31st Special Session (2020). To align funding sources with position duties, the Governor further recommends General Fund appropriations of \$183,998 over the 2021-23 biennium to fund two existing full-time positions that are currently funded with federal Child Care Development Block Grant funds.

SAFE AND RESPECTFUL LEARNING

The Safe and Respectful Learning budget includes funding for the Office of Safe and Respectful Learning and oversight of the department's SafeVoice anti-bullying program. The Governor recommends a General Fund appropriation of \$125,000 in FY 2023 to fund the software licensing fee for the SafeVoice tip line that was previously funded with grant funds. The Governor also recommends reductions in federal grant funding totaling \$780,388 over the 2021-23 biennium due to the expiration of various grants.

STUDENT AND SCHOOL SUPPORT

The Student and School Support budget provides for the distribution and administration of federal grants, primarily federal Title I assistance to Nevada schools for economically and educationally disadvantaged students. The Governor recommends federal Title IV grant expenditures of \$209,324 over the 2021-23 biennium for one new full-time position to manage the Title IV grant program. The Governor further recommends General Fund appropriations of \$25,000 in each year of the 2021-23 biennium for the Commission on Mentoring program and a General Fund appropriation of \$165,000 in FY 2023 for external evaluation of K-12 programs, which would restore the funding reductions approved through A.B. 3 of the 31st Special Session (2020).

LITERACY PROGRAMS

The Literacy Programs budget provides resources to administer the state's Read by Grade 3 program and is funded with General Fund appropriations. The Governor recommends General Fund appropriations of \$1.3 million over the 2021-23 biennium to fund three existing positions and associated operating costs. These positions support the Read by Grade 3 program, which is recommended to be transferred to the State Education Funding Account to support the Pupil-Centered Funding Plan.

STATE PUBLIC CHARTER SCHOOL AUTHORITY

The State Public Charter School Authority (SPCSA) is responsible for providing oversight and technical assistance to state-sponsored charter schools, as well as fostering a climate in which all charter schools can succeed. As of school year 2020-2021, the number of charter schools throughout the state totals 51, of which 37 charter schools are sponsored by the SPCSA as shown in the table below.

Total Number of Charter Schools Statewide

Sponsor	Total Count¹
Sate Public Charter School Authority	37
Clark County School District	6
Washoe County School District	7
Carson City School District	1
Total Number of Charter Schools Statewide	51
<small>¹ Represents the total number of charters authorized and not the total number of school campuses. Does does not include the one university school for profoundly gifted pupils.</small>	

The SPCSA is currently funded by a 1.25% administrative fee (Charter School Fees) on each sponsored school's per pupil funding from the Distributive School Account; however, NRS 388A.414 authorizes the SPCSA to collect up to a 2.0% administrative fee. Additionally, the SPCSA, as a local education agency, receives federal funding authorized by the Elementary and Secondary Education Act and the Individuals with Disabilities Education Act (IDEA), as well as funding from various state K-12 education grants.

The Executive Budget recommends Charter School Fees of \$9.8 million over the 2021-23 biennium, an increase of \$1.8 million or 22.6%, when compared to the legislatively approved amount of \$8.0 million for the 2019-21 biennium. This increase is due to a projected increase in student enrollment at SPCSA-sponsored schools, which the SPCSA estimates would total 51,519 in FY 2021, 54,797 in FY 2022, and 56,535 in FY 2023. In addition, the Governor recommends fund transfers from the Nevada Department of Education (NDE) totaling \$51.7 million over the 2021-23 biennium from federal and state grants, representing an increase of \$25.5 million, or 97.3%, when compared to the legislatively approved amount of \$26.2 million for the 2019-21 biennium. The increase in fund transfers is primarily due to a projected increase in federal Title I and Title IIA grant revenue, a projected increase in the number of students qualifying for the federal IDEA grant, and funding from the New Nevada Education Funding Plan.

The Governor recommends reserve reductions of \$526,801 and federal grant revenue of \$331,536 over the 2021-23 biennium for four new full-time positions and associated operating and travel expenditures to address charter school caseload growth and SPCSA obligations as a local educational agency and charter school sponsor.

NEVADA SYSTEM OF HIGHER EDUCATION

The Nevada System of Higher Education (NSHE) is governed by an elected 13-member Board of Regents. The System comprises the Chancellor's Office; the University of Nevada, Reno (UNR); the University of Nevada, Las Vegas (UNLV); the Nevada State College at Henderson (NSC); the College of Southern Nevada (CSN); Great Basin College (GBC); Truckee Meadows Community College (TMCC); Western Nevada College (WNC); the UNR School of Medicine (UNR SOM); the UNLV School of Medicine (UNLV SOM); the UNLV Law School; the UNLV School of Dental Medicine; and the Desert Research Institute (DRI).

The Governor recommends \$2.032 billion in total funding for the 2021-23 biennium, which represents a 4.0% decrease when compared to the total funding originally approved by the 2019 Legislature for the prior biennium.

	2019-21 Original Legislator Approved	2019-21 Percent of Total	2021-23 Governor Recommended	2021-23 Percent of Total	2021-23 Dollar Change	Percent Change
Revenues						
State General Fund	\$1,379.6 M	65.2%	\$1,277.5 M	62.9%	-\$102.0 M	-7.4%
Student Fee/Tuition ¹	\$726.1 M	34.3%	\$742.9 M	36.6%	\$16.7 M	2.3%
Other	\$10.5 M	0.5%	\$11.3 M	0.6%	\$0.8 M	8.0%
TOTAL	\$2,116.2 M	100.0%	\$2,031.7 M	100.0%	-\$84.5 M	-4.0%

¹Registration (per credit hour) fees, Non-Resident Tuition, and Miscellaneous Student Fees. The Board of Regents approved an approximate 2.8% annual increase in the undergraduate and graduate registration fees and non-resident tuition through FY 2023.

²The Interim Finance Committee approved FY 2020 General Fund reductions totaling \$13.1 million across all NSHE budgets. The 31st Special Session approved \$137.8 million in General Fund reductions across all NSHE budgets in FY 2021. Reductions are not reflected in the Original Leg Approved column.

GOVERNOR RECOMMENDS 7.4% GENERAL FUND DECREASE

The Executive Budget recommends a 7.4%, or \$102.0 million, decrease in General Fund appropriations, to \$1.278 billion for the 2021-23 biennium. Compared to the original FY 2021 General Fund appropriations approved by the 2019 Legislature, the Governor recommends a decrease to the seven campus formula (instructional) budgets of 6.4%, or \$32.9 million, in FY 2022 and 6.0%, or \$30.8 million, in FY 2023. Cumulatively, General Fund appropriations for the DRI and the professional schools are recommended to decrease by 11.8%, or \$12.7 million, in FY 2022, and 11.5%, or \$12.5 million, in FY 2023 compared to FY 2021 appropriations originally approved by the 2019 Legislature. The balance of the decrease recommended in The Executive Budget occurs across NSHE's non-formula budgets. The following table provides a comparison of the Governor's recommended 2021-23 budget and the original FY 2021 General Fund appropriation levels approved by the 2019 Legislature:

Governor Recommended NSHE 2021-23 Biennium General Fund Appropriation

NSHE Budget Account	FY 2021 Original Leg Approved Gen. Fund	FY 2022 Governor Rec. Gen. Fund	% Change from FY 2021	FY 2023 Governor Rec. Gen. Fund	% Change from FY 2021
University of Nevada, Las Vegas ¹	\$ 181,632,636	\$ 167,780,538	-7.6%	\$ 168,522,896	-7.2%
University of Nevada, Reno ¹	\$ 131,048,475	\$ 119,082,791	-9.1%	\$ 119,690,646	-8.7%
College of Southern Nevada ¹	\$ 109,024,754	\$ 103,347,967	-5.2%	\$ 103,743,133	-4.8%
Great Basin College ¹	\$ 13,974,209	\$ 13,987,111	0.1%	\$ 14,046,456	0.5%
Truckee Meadows Community College ¹	\$ 38,294,670	\$ 35,609,416	-7.0%	\$ 35,745,537	-6.7%
Western Nevada College ¹	\$ 14,914,956	\$ 13,355,003	-10.5%	\$ 13,407,332	-10.1%
Nevada State College ¹	\$ 21,718,947	\$ 24,567,985	13.1%	\$ 24,634,741	13.4%
Instruction (Formula) SUBTOTAL	\$ 510,608,647	\$ 477,730,811	-6.4%	\$ 479,790,741	-6.0%
UNR School of Medicine	\$ 37,632,115	\$ 33,286,079	-11.5%	\$ 33,351,286	-11.4%
UNLV School of Medicine	\$ 41,464,109	\$ 36,584,508	-11.8%	\$ 36,639,495	-11.6%
UNLV Law School	\$ 10,456,418	\$ 9,283,923	-11.2%	\$ 9,310,653	-11.0%
UNLV Dental School	\$ 9,806,394	\$ 8,743,692	-10.8%	\$ 8,787,852	-10.4%
DRI ¹	\$ 8,666,365	\$ 7,432,601	-14.2%	\$ 7,483,985	-13.6%
Professional School SUBTOTAL	\$ 108,025,401	\$ 95,330,803	-11.8%	\$ 95,573,271	-11.5%
Non-Formula Accounts SUBTOTAL	\$ 76,221,413	\$ 64,482,583	-15.4%	\$ 64,605,685	-15.2%
Total Requested Appropriations²	\$ 694,855,461	\$ 637,544,197	-8.2%	\$ 639,969,697	-7.9%

NOTES:

- The General Fund appropriation amounts for each of the instructional formula budgets is inclusive of performance funding and capacity enhancements. The performance set aside for each fiscal year (20%) would be \$107.2 million.
- The FY 2021 legislatively approved General Fund appropriations are exclusive of funding allocated to the Board of Examiners for salary adjustment funds authorized in A.B. 542. Since the appropriation was not allocated directly to NSHE, the salary adjustment funds are not reflected in this table.
- The 31st Special Session (2020) approved \$137.8 million in General Fund reductions across all NSHE budgets in FY 2021.

BUDGETARY REDUCTION RECOMMENDATIONS

The figures in the previous table are inclusive of Governor recommended General Fund reductions of \$84.5 million each year of the 2021-23 biennium. Recommended reductions include a hiring freeze (approximately \$47.4 million per year), reduced travel (\$1.9 million per year), operating expenditure reductions (approximately \$32.3 million per year), a reduction to the Silver State Opportunity Grant (\$600,000 per year), and revenue/expenditure offsets between non-state and state-supported budgets (\$2.2 million per year).

NSHE FUNDING FORMULA AND PERFORMANCE FUNDING POOL FOR INSTRUCTIONAL BUDGETS

The Higher Education funding formula is not in statute, but rather is budget policy approved by the Legislature. The Executive Budget continues the previously adopted funding formula policies through the 2021-23 biennium. Based on provided supporting documentation, the value of the weighted student credit hours (WSCHs) and performance funding transfers appear to have been calculated prior to the consideration of recommended budget reductions in the instructional formula budgets. The following summarizes the major components of the NSHE funding formula for the seven instructional budgets:

- Weighted Student Credit Hours: The General Fund appropriations recommended for the 2021-23 biennium instructional budgets for UNR, UNLV, CSN, GBC, TMCC, WNC, and NSC are primarily based upon the count of WSCHs completed by Nevada resident students. The WSCHs for non-resident students are excluded. The value of each WSCH is uniform across all institutions and is calculated by dividing the available General Fund appropriations in each fiscal year, after any “pre-formula allocations” are distributed, by the total number of FY 2020 WSCHs. The WSCH value is an output as the result of this calculation, is not a pre-determined amount, and is not used to determine overall General Fund appropriation levels in the budget.

For FY 2022 and FY 2023, the Governor recommended calculated General Fund value of a WSCH is \$167.81, compared to the legislatively approved WSCH calculated value of \$164.04 for FY 2020 and \$164.61 in FY 2021.

Available General Fund appropriations are determined through the traditional base, maintenance and enhancement methodology, less any pre-formula allocations (i.e., small institution and research operations and maintenance funding). The Executive Budget utilizes the same credit hour weighting values (taxonomy) for FY 2020 WSCH as approved by the 2019 Legislature.

WSCH Caseload Adjustment: The Governor recommends General Fund appropriations of \$24.0 million in each year of the 2021-23 biennium based on a 4.9% system-wide increase in FY 2020 WSCHs compared to FY 2018 WSCHs.

The Governor's recommended budget utilized the FY 2021 calculated WSCH value of \$164.61 in the caseload calculation, consistent with prior biennia calculations.

Governor Recommended Weighted Student Credit Hour Caseload Adjustment (M-203)

Institution	FY 2018 WSCH	FY 2020 WSCH	WSCH Growth	FY 2021 WSCH Calculated Value (Leg. App.)	FY 2022 Caseload Adjustment (Gov. Rec.)	FY 2023 Caseload Adjustment (Gov. Rec.)
UNLV	1,078,174	1,115,625	37,451	\$ 164.61	\$ 6,164,743	\$ 6,164,743
UNR	763,270	783,516	20,246	\$ 164.61	\$ 3,332,678	\$ 3,332,678
CSN	627,075	663,630	36,555	\$ 164.61	\$ 6,017,236	\$ 6,017,236
GBC	76,324	87,716	11,392	\$ 164.61	\$ 1,875,237	\$ 1,875,237
TMCC	218,966	227,510	8,544	\$ 164.61	\$ 1,406,428	\$ 1,406,428
WNC	86,284	87,071	787	\$ 164.61	\$ 129,466	\$ 129,466
NSC	126,472	157,417	30,945	\$ 164.61	\$ 5,093,155	\$ 5,092,994
Total	2,976,565	3,122,483	145,918	\$ 164.61	\$ 24,018,943	\$ 24,018,782

- **Small Institution Funding:** The Governor recommends GBC and WNC collectively receive General Fund appropriations totaling \$756,405 each year of the 2021-23 biennium, allocated prior to the calculation of the WSCH value, as the result of the small institution factor calculation. The intent of the funding is to recognize that all institutions have certain fixed administrative costs regardless of size. However, at the larger institutions, sufficient fee revenues are collected to support administrative expenditures without additional General Fund appropriations. The level of recommended funding for GBC and WNC is determined by the actual number of WSCHs greater than 50,000, but less than 100,000, with a maximum amount for each institution of \$1.5 million per year. As the institutions' WSCHs grow closer to 100,000, the level of small institution funding decreases. For the purposes of calculating the small institution funding, each WSCH is valued at \$30.00.

**Governor Recommended 2021-23 Biennium
Small Institution Funding Allocations for GBC and WNC**

	FY 2021 Leg. Approved	FY 2022 Gov. Rec.	FY 2023 Gov. Rec.	Annual % Change Compared to FY 2021	2021-23 Biennium Total Gov. Rec.
GBC	\$ 710,280	\$ 368,520	\$ 368,520	-48.12%	\$ 737,040
WNC	\$ 411,480	\$ 387,885	\$ 387,885	-5.73%	\$ 775,770
Total	\$ 1,121,760	\$ 756,405	\$ 756,405	-32.57%	\$ 1,512,810

Note: M-201 decision unit reflects net change in funding as base funding includes General Fund appropriations for the Small Institution Funding. This table reflects the total amount requested.

- **Research Space Operations and Maintenance:** The Governor recommends General Fund appropriations of \$20.5 million over the 2021-23 biennium in research space operations and maintenance (O&M) funding for UNR (\$11.4 million) and UNLV (\$9.1 million). The recommended funding for UNLV represents an annual increase of 9.9%, or \$412,349, compared to the \$4.2 million approved by the 2019 Legislature for FY 2021. The recommended funding for UNR represents an annual increase of 5.4%,

or \$291,963, compared to the \$5.4 million approved by the 2019 Legislature for FY 2021. This funding is allocated prior to the calculation of the WSCH value.

**Governor Recommended 2021-23 Biennium
University Research Space Operation and Maintenance (O&M) Funding Allocations**

	FY 2021 Research O&M (Leg Approved)	FY 2022 Research O&M	FY 2023 Research O&M	Annual % Change Compared to FY 2021	2021-23 Biennium Research O&M
UNLV	\$ 4,151,084	\$ 4,563,433	\$ 4,563,433	9.9%	\$ 9,126,866
UNR	\$ 5,404,243	\$ 5,696,206	\$ 5,696,206	5.4%	\$ 11,392,412
Total	\$ 9,555,327	\$ 10,259,639	\$ 10,259,639	7.4%	\$ 20,519,277

Note: M-200 decision unit reflects net change in funding as base funding includes General Fund appropriations for Research O&M. This table reflects the total amount requested.

- Performance Funding Pool Set-Aside:** Consistent with existing policy, the Governor recommends a 20% set-aside of General Fund appropriations for the performance funding pool of \$107.1 million each year of the 2021-23 biennium. These General Fund appropriations are transferred from each institution's instructional budget to the Performance Funding Pool budget. As previously noted, the recommended transfers appear to have been calculated prior to the Governor's recommended budget reductions. Based on the institution's performance, funds would then be transferred from the Performance Funding Pool budget to the applicable institution's instructional budget, upon approval of the Interim Finance Committee (IFC). The majority of the performance metrics are based on the number of certificates and degrees granted. The following reflects General Fund appropriations in FY 2022 and FY 2023 that are recommended for transfer to the Performance Funding Pool in The Executive Budget:

**FY 2022 General Fund Appropriation
Performance Funding Set-Aside**

**FY 2023 General Fund Appropriation
Performance Funding Set-Aside**

Institution	FY 2022 NSHE General Fund Request	FY 2022 20% Performance Funding Set-Aside	Institution	FY 2023 NSHE General Fund Request	FY 2023 20% Performance Funding Set-Aside
UNLV	\$ 167,780,538	\$ 38,489,577	UNLV	\$ 168,522,896	\$ 38,489,577
UNR	\$ 119,082,791	\$ 27,412,762	UNR	\$ 119,690,646	\$ 27,412,762
CSN	\$ 98,143,569	\$ 22,273,148	CSN	\$ 98,538,735	\$ 22,273,148
GBC	\$ 13,487,111	\$ 3,017,683	GBC	\$ 13,546,456	\$ 3,017,683
TMCC	\$ 33,359,416	\$ 7,635,833	TMCC	\$ 33,495,537	\$ 7,635,833
WNC	\$ 13,055,003	\$ 2,999,891	WNC	\$ 13,107,332	\$ 2,999,891
NSC	\$ 23,667,985	\$ 5,283,311	NSC	\$ 23,734,741	\$ 5,283,311
Total	\$ 468,576,413	\$ 107,112,205	Total	\$ 470,636,343	\$ 107,112,205

1. The table figures reflect what was provided with The Executive Budget and may require adjustment to correct to a 20% set-aside.
2. General Fund requests in each year above exclude capacity funding.

APPROVED STUDENT REGISTRATION FEE AND NON-RESIDENT TUITION LEVELS

For the 2021-23 biennium, the Board of Regents approved an increase in undergraduate and graduate registration fees at the universities, state college and community colleges by approximately 2.8% in each of the next two academic years. The board also approved an increase in non-resident tuition by 2.8% for the universities, state college and community colleges in each of the next two academic years. The following table displays the Board of Regents' approved fees upon which registration fee and non-resident tuition revenues contained in The Executive Budget are based:

Type of Institution/Fee	Regents' Approved Charges FY 2021	Regents' Approved Charges FY 2022	% Change	Regents' Approved Charges FY 2023	% Change
<u>Community Colleges</u>					
Lower Division (Per credit)	\$ 106.75	\$ 109.75	2.8%	\$ 112.75	2.7%
Upper Division (Per Credit)	\$ 175.00	\$ 180.00	2.9%	\$ 185.00	2.8%
Non-Resident ¹ (Per Year)	\$ 7,477.00	\$ 7,686.00	2.8%	\$ 7,901.00	2.8%
<u>Nevada State College</u>					
Undergraduate (Per Credit)	\$ 175.00	\$ 180.00	2.9%	\$ 185.00	2.8%
Graduate (Per Credit)	\$ 236.00	\$ 242.50	2.8%	\$ 249.25	2.8%
Non-Resident ¹ (Per Year)	\$ 13,001.00	\$ 13,365.00	2.8%	\$ 13,739.00	2.8%
<u>Universities</u>					
Undergraduate (Per Credit)	\$ 242.25	\$ 249.00	2.8%	\$ 256.00	2.8%
Graduate (Per Credit)	\$ 297.25	\$ 305.50	2.8%	\$ 314.00	2.8%
Non-Resident ¹ (Per Year)	\$ 15,653.00	\$ 16,091.00	2.8%	\$ 16,542.00	2.8%
Notes:					
1. Non-residents pay the tuition charge in addition to the per credit hour registration fee.					

As shown in the following tables, The Executive Budget recommends student registration fee and non-resident tuition revenues over the 2021-23 biennium of \$598.9 million and \$139.2 million, respectively, for the seven teaching institutions and four professional school budgets.

Governor Recommended 2021-23 Biennium Budgeted Registration Fee Revenues

Institution	FY 2021 Leg Approved	FY 2022 NSHE Budget Request	% Change FY 2022/ FY 2021	FY 2023 NSHE Budget Request	% Change FY 2023/ FY 2022
UNLV	\$ 106,238,086	\$ 111,569,574	5.0%	\$ 114,835,113	2.9%
UNR	\$ 84,225,152	\$ 80,558,653	-4.4%	\$ 81,484,022	1.1%
CSN	\$ 43,186,941	\$ 44,589,919	3.2%	\$ 45,996,625	3.2%
GBC	\$ 3,540,951	\$ 4,334,024	22.4%	\$ 4,451,628	2.7%
TMCC	\$ 12,556,471	\$ 13,588,779	8.2%	\$ 13,967,189	2.8%
WNC	\$ 5,057,892	\$ 4,268,020	-15.6%	\$ 4,268,020	0.0%
NSC	\$ 11,613,150	\$ 11,441,422	-1.5%	\$ 12,051,275	5.3%
Subtotal	\$ 266,418,643	\$ 270,350,391	1.5%	\$ 277,053,872	2.5%
UNR Medical	\$ 6,283,616	\$ 6,566,498	4.5%	\$ 6,803,379	3.6%
UNLV Medical	\$ 4,512,375	\$ 4,672,320	3.5%	\$ 4,812,480	3.0%
UNLV Dental	\$ 8,125,876	\$ 8,076,024	-0.6%	\$ 8,076,024	0.0%
UNLV Law	\$ 4,414,526	\$ 4,950,767	12.1%	\$ 5,151,628	4.1%
Subtotal	\$ 23,336,393	\$ 24,265,609	4.0%	\$ 24,843,511	2.4%
Capacity Enhancement	\$ 1,028,871	\$ 1,040,318	1.1%	\$ 1,150,043	10.5%
Prison Education	\$ 62,925	\$ 102,176	62.4%	\$ 102,764	0.6%
Subtotal	\$ 1,091,796	\$ 1,142,494	4.6%	\$ 1,252,807	9.7%
Total	\$ 290,846,832	\$ 295,758,494	1.7%	\$ 303,150,190	2.5%

Governor Recommended 2021-23 Biennium Budgeted Non-Resident Tuition Revenues

Institution	FY 2021 Leg Approved	FY 2022 NSHE Budget Request	% Change FY 2022/ FY 2021	FY 2023 NSHE Budget Request	% Change FY 2023/ FY 2022
UNLV	\$ 30,118,475	\$ 26,983,870	-10.4%	\$ 26,995,409	0.0%
UNR	\$ 34,595,336	\$ 32,332,954	-6.5%	\$ 32,111,364	-0.7%
CSN	\$ 6,505,958	\$ 5,314,708	-18.3%	\$ 5,462,121	2.8%
GBC	\$ 197,000	\$ 300,000	52.3%	\$ 325,000	8.3%
TMCC	\$ 1,772,261	\$ 1,886,407	6.4%	\$ 1,961,864	4.0%
WNC	\$ 260,100	\$ 239,811	-7.8%	\$ 260,100	8.5%
NSC	\$ 330,965	\$ 269,661	-18.5%	\$ 269,661	0.0%
Subtotal	\$ 73,780,095	\$ 67,327,411	-8.7%	\$ 67,385,519	0.1%
UNR Medical	\$ 644,398	\$ 602,890	-6.4%	\$ 562,705	-6.7%
UNLV Medical	\$ 116,000	\$ 119,480	3.0%	\$ 123,064	3.0%
UNLV Dental	\$ 794,700	\$ 900,660	13.3%	\$ 900,660	0.0%
UNLV Law	\$ 315,350	\$ 601,864	90.9%	\$ 626,520	4.1%
Subtotal	\$ 1,870,448	\$ 2,224,894	18.9%	\$ 2,212,949	-0.5%
Total	\$ 75,650,543	\$ 69,552,305	-8.1%	\$ 69,598,468	0.1%

NON-FORMULA ENHANCEMENTS

- **Increasing Capacity Systemwide:** The Governor recommends General Fund appropriations of \$10.2 million each fiscal year of the 2021-23 biennium to continue to build capacity systemwide and support workforce growth and development of the state. The recommendation includes funding for the four community colleges, the state college, and the DRI. As part of the recommendation, the four community colleges and the state college collectively included \$2.2 million in registration fee revenues over the 2021-23 biennium.

During the 2017 Session, each institution provided, and was approved, for a four-year plan for the development and sustainability of programs that align with workforce and economic development needs of the state. In the Governor’s recommended budget for the 2019-21 biennium, NSHE indicated that the institutional plans had shifted to a five-year effort, which was ultimately approved by the 2019 Legislature for the community colleges, state college, and the DRI. The enhancement request for the 2021-23 biennium represents years four and five of the plan as directed by the 2019 Legislature.

**Governor Recommended 2021-23 Biennium
Increasing Capacity Enhancement General Fund Appropriation**

NSHE Budget Account	FY 2022 NSHE Gen. Fund Request	FY 2023 NSHE Gen. Fund Request	2021-23 Biennium Total Gen. Fund Request
College of Southern Nevada	\$ 5,204,398	\$ 5,204,398	\$ 10,408,796
Great Basin College	\$ 500,000	\$ 500,000	\$ 1,000,000
Truckee Meadows Community College	\$ 2,250,000	\$ 2,250,000	\$ 4,500,000
Western Nevada College	\$ 300,000	\$ 300,000	\$ 600,000
Nevada State College	\$ 900,000	\$ 900,000	\$ 1,800,000
Desert Research Institute	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
Total Requested Appropriations	\$ 10,154,398	\$ 10,154,398	\$ 20,308,796

As referenced, following is a brief description of capacity enhancement funding recommended in the 2021-23 biennium:

CSN: Expansion of health sciences, advanced manufacturing, cyber security, and dual enrollment programs. Capacity funds would also help development of short-term training programs and weekend college options for high-demand fields with a focus on unemployed and displaced workers.

GBC: Focus on increasing capacity in paramedic, human services/substance abuse counseling and land surveying, in addition to expansion of the nursing program to the Ely campus.

TMCC: Expand high-demand courses and maximize room utilization to encourage full-time degree completion. Additionally, the college intends to expand advising and support staff to improve student persistence and completion.

- WNC: Continued focus on expansion of the Jump Start college dual credit program, designed to help students earn college credit and industry recognized certifications upon high school graduation. Additionally, the college intends to continue to support rural nursing programs for students in the Fallon area and access and retention of under-served student populations.
- NSC: Expansion of the teacher academies program, which works with high schools to identify students interested in pursuing a teaching career. The college also plans to expand efforts to deliver bachelor's degrees on community college campuses.
- DRI: The request would fund the repair, upgrade or replacement of lab and field instrumentation; an upgrade to computer resources; and faculty development. Capacity funding would support initiatives in drought forecasting and mitigation, wildfire risk evaluation and weather modeling.
- Desert Research Institute: Consistent with the existing policy, The Executive Budget recommends that funding continue to be based on the DRI formula model for institutional support and research administration functions at the DRI. The DRI O&M costs are recommended to be funded using the existing base, maintenance and enhancement methodology. Based upon the formula and changes in O&M costs, the Governor is recommending decreases in General Fund appropriations of \$404,092 in FY 2022 and \$374,308 in FY 2023. Consistent with the policy continued by the 2019 Legislature, the Governor recommends new General Fund appropriations of \$277,848 in FY 2022 and \$287,747 in FY 2023 to account for inflationary increases that are not otherwise accounted for in the DRI formula. In total, the Governor recommends General Fund appropriations of \$12.9 million over the 2021-23 biennium for the DRI budget.
 - Nevada Teach: The Governor recommends General Fund appropriations of \$150,000 in each year of the 2021-23 biennium to continue the Nevada Teach program at UNR. This program, initially approved by the 2017 Legislature (Assembly Bill 522), allows students to earn dual degrees in secondary education and one of many Science, Technology, Engineering, and Math (STEM) majors. The program provides certification for students to teach at the middle school or high school level.
 - UNR 2017 Engineering Building Debt Service: The Governor recommends the elimination of all General Fund appropriations from the 2017 Engineering Building Debt Service budget. Through the passage of the 2017 Capital Improvement Program (Senate Bill [S.B.] 546, 2017 Legislature), \$41.5 million in general obligation bonds were approved with the legislature's intent that the debt service be paid from the General Fund. The Governor is recommending that the debt service be paid for out of the Treasurer's Bond, Interest and Redemption Account for the 2021-23 biennium.

- New Positions: The Executive Budget recommends the following new positions by funding source:
 - New Positions Funded with Offsetting Reductions in Operating Expenditures
The Governor is recommending 104.84 new full-time equivalent (FTE) positions funded by revenue neutral expenditure shifts between NSHE operating categories and the personnel category.
 - New Positions Funded with Registration Fees: The Governor recommends registration fee revenues of \$17.4 million in FY 2022 and \$17.7 million in FY 2023 to support 150.72 new FTE positions in FY 2022 and 1.5 FTE positions in FY 2023, and associated expenditures.
 - New Positions Federally Funded: The Governor recommends \$1.3 million in federal funding over the 2021-23 biennium to support 7.9 new FTE positions and associated expenditures beginning in FY 2022 within the Agricultural Experiment Station budget.

CAPITAL IMPROVEMENT PROGRAM PROJECTS

The Executive Budget recommends funding of \$96.5 million for NSHE-related projects in the 2021 Capital Improvement Program (CIP), of which \$58.1 million is state funding. This includes funding of \$73.7 million for construction of a new Engineering Academic and Research Building on the UNLV campus (**CIP Project 21-C05**), with a recommended funding split of \$36.8 million in state funding and \$36.8 million in UNLV funding. The recommendation also includes \$6.3 million for an addition to and renovation of the welding lab at the GBC campus (**CIP Project 21-C12**), with a recommended funding split of \$5.7 million in state funding and \$600,000 in college funds. The Governor also recommends \$1.5 million for renovation of Marlette Hall on the WNC campus (**CIP Project 21-C13**), all of which are state funds. Finally, the Governor's recommended 2021 CIP includes \$15.0 million in funding for NSHE-related deferred maintenance projects (**CIP Project 21-M06**), which is inclusive of \$1.0 million of slot tax funding.

NSHE-RELATED ITEMS

1. The Knowledge Account: The Executive Budget recommends General Fund appropriations of \$5.0 million over the 2021-23 biennium in the Nevada Knowledge Account budget within the Governor's Office of Economic Development (GOED). *Nevada Revised Statutes* (NRS) 231.1592 established the Knowledge Account for the development and commercialization of research and technology at UNLV, UNR and the DRI. The Executive Director of GOED allocates the money in the Knowledge Account to provide funding for: (1) the recruitment, hiring and retention of faculty and teams to conduct research in science and technology; (2) research laboratories and related equipment; (3) the construction of research clinics, institutes and facilities and related buildings in the state; and (4) matching funds for federal and private grants that further economic development. GOED and the UNLV, UNR and DRI are authorized to enter into agreements for the allocation of commercialization revenue generated from programs receiving money from the Knowledge Account.

2. Governor's Office of Science, Innovation and Technology: The Governor recommends General Fund appropriations of \$2.0 million each year of the 2021-23 biennium to fund Science, Technology, Engineering and Math (STEM) Workforce Challenge grant programs in the Office of Science, Innovation and Technology budget. The office coordinates and aligns efforts by K-12, higher education, workforce development, and employers to improve STEM education and workforce development to meet the demands of the state's growing and diversifying economy.
3. Special Appropriations: The Governor recommends \$8.5 million in General Fund appropriations in FY 2022 in the Special Appropriations budget for the purpose of providing grants to expand graduate medical education. The grants, for which the NSHE is eligible to apply, would fund efforts to train quality doctors through residencies and fellowships, with the goal of retaining those doctors in the state to improve the quality of available healthcare.
4. Governor Guinn Millennium Scholarship: The Governor recommends \$44 million in one-shot General Fund appropriations in FY 2021 for continued support of the Governor Guinn Millennium Scholarship (GGMS) program.
5. Nevada Promise Scholarship: The Governor recommends \$7.3 million in one-shot General Fund appropriations in FY 2021 for the Nevada Promise Scholarship program, approved by the 2017 Legislature (S.B. 391) and administered by the Treasurer's Office. The Nevada Promise Scholarship provides last-dollar financial aid to Nevada students attending any of the state's four community colleges.
6. UNLV Medical School Building: The Executive Budget includes \$25 million in one-shot General Fund appropriations in FY 2021 to provide funding for the construction of a medical school building at UNLV.
7. Western Interstate Commission for Higher Education: The Governor recommends the transfer of the Western Interstate Commission for Higher Education (WICHE) Administration budget and the WICHE Loans and Stipend budget from the Governor's Office to the Nevada System of Higher Education, resulting in net General Fund reductions of \$85,854 over the 2021-23 biennium.

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
EDUCATION						
NDE - STATE EDUCATION FUNDING ACCOUNT			1,656,949,780		1,605,822,872	-3.09
GENERAL FUND			1,109,758,299		984,809,735	-11.26
BALANCE FORWARD			206,196			
FEDERAL FUND			5,000,000		5,000,000	
INTERAGENCY TRANSFER			188,928,285		238,830,137	26.41
OTHER FUND			353,057,000		377,183,000	6.83
NDE - NEW NEVADA EDUCATION FUNDING PLAN	62,676,738	8,066,809				
GENERAL FUND	69,937,000					
BALANCE FORWARD	-7,316,800	7,316,800				
OTHER FUND	56,538	750,009				
NDE - INSTRUCTION IN FINANCIAL LITERACY	482,153	1,017,847				
GENERAL FUND	750,000	750,000				
BALANCE FORWARD	-267,847	267,847				
NDE - DISTRIBUTIVE SCHOOL ACCOUNT	1,807,086,244	1,526,233,503	225,439,284	-85.23	230,994,831	2.46
GENERAL FUND	1,293,497,445	1,017,973,633	225,439,284	-77.85	230,994,831	2.46
FEDERAL FUND	5,680,216	4,000,000				
INTERAGENCY TRANSFER	178,578,783	232,806,670				
OTHER FUND	329,357,294	271,453,200				
REVERSIONS	-27,494					
NDE - OTHER STATE EDUCATION PROGRAMS	85,904,260	43,235,989	39,093,801	-9.58	38,701,472	-1.00
GENERAL FUND	91,829,691	41,896,239	39,093,801	-6.69	38,701,472	-1.00
BALANCE FORWARD	-1,339,719	1,339,720				
OTHER FUND	55,064	30				
REVERSIONS	-4,640,776					
NDE - PROFESSIONAL DEVELOPMENT PROGRAMS	6,811,180	8,832,163	12,802,908	44.96	12,802,908	.00
GENERAL FUND	7,907,393	7,339,697	12,795,466	74.33	12,795,466	
BALANCE FORWARD	-1,103,655	1,397,875				
OTHER FUND	7,442	94,591	7,442	-92.13	7,442	
NDE - ACCOUNT FOR COMPUTER EDUCATION AND TECHNOLOG		101,926				
GENERAL FUND	100,000					
BALANCE FORWARD	-101,925	101,926				
OTHER FUND	1,925					
NDE - SCHOOL REMEDIATION TRUST FUND	131,583,906	200,272,381	5,000,000	-97.50	5,000,000	.00
GENERAL FUND	131,107,961	126,383,724	5,000,000	-96.04	5,000,000	
BALANCE FORWARD	-1,008,404	12,712,741				
INTERAGENCY TRANSFER		60,000,000				
OTHER FUND	1,484,349	1,175,916				

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
NDE - SCHOOL SAFETY	22,849,810	30,191,192	201,000	-99.33	201,000	.00
GENERAL FUND	29,599,216	24,617,542	201,000	-99.18	201,000	
BALANCE FORWARD	1,926,350	5,573,650				
REVERSIONS	-8,675,756					
NDE - STATE SUPPLEMENTAL SCHOOL SUPPORT ACCOUNT	138,837,797	190,585,000	130,254,400	-31.66	177,153,500	36.01
OTHER FUND	138,837,797	190,585,000	130,254,400	-31.66	177,153,500	36.01
NDE - TEACH NEVADA SCHOLARSHIP PROGRAM	1,495,628	10,504,765	6,399,244	-39.08	6,478,544	1.24
GENERAL FUND	2,428,280	2,407,861	2,407,861		2,407,861	
BALANCE FORWARD	-1,129,212	8,060,084	3,810,823	-52.72	3,890,123	2.08
OTHER FUND	196,560	36,820	180,560	390.39	180,560	
NDE - EDUCATIONAL TRUST ACCOUNT	8,095	912,750	556,722	-39.01	584,561	5.00
BALANCE FORWARD	-70,741	749,209	408,894	-45.42	436,733	6.81
INTERAGENCY TRANSFER	78,836	163,541	147,828	-9.61	147,828	
NDE - TEACHERS' SCHOOL SUPPLIES ASSISTANCE ACCOUNT	4,321,823	635,479				
GENERAL FUND	4,499,000					
BALANCE FORWARD	-186,865	634,168				
OTHER FUND	9,688	1,311				
NDE - INCENTIVES FOR LICENSED EDUCATION PERSONNEL	454,318	1,545,682	459,849	-70.25	459,849	.00
GENERAL FUND	454,318	1,545,682	459,849	-70.25	459,849	
NDE - OFFICE OF THE SUPERINTENDENT	3,044,344	17,172,400	9,077,206	-47.14	2,190,314	-75.87
GENERAL FUND	2,200,096	1,643,038	2,167,706	31.93	2,189,314	1.00
BALANCE FORWARD	-521,061	521,062				
INTERAGENCY TRANSFER		15,007,300	6,908,500	-53.97		
INTERIM FINANCE	1,476,878					
OTHER FUND	1,000	1,000	1,000		1,000	
REVERSIONS	-112,569					
NDE - DISTRICT SUPPORT SERVICES	1,657,364	2,144,261	2,152,636	.39	2,225,383	3.38
GENERAL FUND	1,365,053	1,196,883	1,318,023	10.12	1,362,583	3.38
BALANCE FORWARD	-72,000	72,000				
INTERAGENCY TRANSFER	556,793	875,378	834,613	-4.66	862,800	3.38
REVERSIONS	-192,482					
NDE - DEPARTMENT SUPPORT SERVICES	3,622,268	5,461,913	6,125,122	12.14	7,137,424	16.53
BALANCE FORWARD	-118,471	233,585	1,479,133	533.23	2,542,350	71.88
INTERAGENCY TRANSFER	3,740,739	5,228,328	4,645,989	-11.14	4,595,074	-1.10
NDE - STANDARDS AND INSTRUCTIONAL SUPPORT	1,325,295	1,834,045	1,395,371	-23.92	1,387,942	-5.3
GENERAL FUND	1,124,333	1,005,650	1,036,041	3.02	1,024,501	-1.11
BALANCE FORWARD	10,359					
FEDERAL FUND	326,512	389,728	359,330	-7.80	363,441	1.14
INTERAGENCY TRANSFER		438,667				
REVERSIONS	-135,909					

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Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
NDE - ASSESSMENTS AND ACCOUNTABILITY	18,020,519	18,275,944	17,612,111	-3.63	17,477,628	-7.76
GENERAL FUND	14,518,617	13,662,467	12,957,216	-5.16	12,831,919	-9.7
BALANCE FORWARD	-18,644	42,031				
FEDERAL FUND	4,450,600	4,564,086	4,654,895	1.99	4,645,709	-2.0
INTERAGENCY TRANSFER		7,360				
OTHER FUND	43,331					
REVERSIONS	-973,385					
NDE - DATA SYSTEMS MANAGEMENT	2,839,709	3,917,429	4,142,170	5.74	3,877,071	-6.40
GENERAL FUND	2,864,703	2,853,432	2,788,423	-2.28	2,656,253	-4.74
BALANCE FORWARD	-57,028	58,741				
FEDERAL FUND	140,100	926,241	1,297,323	40.06	1,164,044	-10.27
INTERAGENCY TRANSFER	59,752	79,015	56,424	-28.59	56,774	.62
REVERSIONS	-167,818					
NDE - EDUCATOR LICENSURE	2,260,283	4,664,590	4,359,981	-6.53	3,992,918	-8.42
BALANCE FORWARD	8,073	2,494,784	2,166,264	-13.17	1,799,201	-16.94
INTERAGENCY TRANSFER		7,360				
OTHER FUND	2,252,210	2,162,446	2,193,717	1.45	2,193,717	
NDE - EDUCATOR EFFECTIVENESS	10,070,430	18,877,278	12,619,471	-33.15	12,609,178	-0.8
GENERAL FUND	720,419	693,245	635,931	-8.27	625,649	-1.62
BALANCE FORWARD	-32,361	45,102				
FEDERAL FUND	9,276,456	11,923,166	11,983,540	.51	11,983,529	-0.0
INTERAGENCY TRANSFER		6,215,765				
INTERIM FINANCE	175,000					
REVERSIONS	-69,084					
NDE - GEAR UP	1,752,710	6,466,339	3,500,000	-45.87	3,500,000	.00
FEDERAL FUND	1,580,945	6,466,339	3,500,000	-45.87	3,500,000	
INTERAGENCY TRANSFER	171,765					
NDE - PARENTAL INVOLVEMENT AND FAMILY ENGAGEMENT	141,223	167,241	159,967	-4.35	171,734	7.36
GENERAL FUND	149,719	155,401	159,967	2.94	161,734	1.10
INTERAGENCY TRANSFER		11,840			10,000	
REVERSIONS	-8,496					
NDE - OFFICE OF EARLY LEARNING AND DEVELOPMENT	27,931,721	27,285,604	30,647,387	12.32	30,673,657	.09
GENERAL FUND	20,777,239	14,485,433	20,672,167	42.71	20,698,437	.13
BALANCE FORWARD	135,194	68,631				
FEDERAL FUND	1,807,278	125,000	125,000		125,000	
INTERAGENCY TRANSFER	6,782,999	12,606,540	9,850,220	-21.86	9,850,220	
REVERSIONS	-1,570,989					
NDE - SAFE AND RESPECTFUL LEARNING	2,956,871	8,202,604	6,630,367	-19.17	6,527,216	-1.56
GENERAL FUND	939,374	883,989	829,428	-6.17	977,219	17.82
BALANCE FORWARD	-4,331	4,331				
FEDERAL FUND	2,344,130	7,158,455	5,800,939	-18.96	5,549,997	-4.33
INTERAGENCY TRANSFER		155,829				
OTHER FUND	24,761					
REVERSIONS	-347,063					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
NDE - STUDENT AND SCHOOL SUPPORT	153,083,359	168,546,402	170,478,901	1.15	170,630,710	.09
GENERAL FUND	1,074,244	881,529	771,031	-12.53	1,067,703	38.48
BALANCE FORWARD	471,202	23,967				
FEDERAL FUND	151,736,257	167,635,386	169,707,870	1.24	169,563,007	-.09
INTERAGENCY TRANSFER		5,520				
REVERSIONS	-198,344					
NDE - LITERACY PROGRAMS	535,391	566,688	642,049	13.30	648,511	1.01
GENERAL FUND	669,605	563,008	642,049	14.04	648,511	1.01
INTERAGENCY TRANSFER		3,680				
REVERSIONS	-134,214					
NDE - CAREER AND TECHNICAL EDUCATION	11,363,549	12,596,176	12,125,031	-3.74	12,101,993	-.19
GENERAL FUND	746,567	726,439	689,530	-5.08	666,495	-3.34
BALANCE FORWARD	848,104	103,990				
FEDERAL FUND	9,866,489	11,747,199	11,435,501	-2.65	11,435,498	-.00
INTERAGENCY TRANSFER		18,548				
REVERSIONS	-97,611					
NDE - CONTINUING EDUCATION	7,511,795	7,100,128	7,586,038	6.84	7,590,794	.06
GENERAL FUND	700,988	677,794	666,280	-1.70	671,035	.71
BALANCE FORWARD	-7,320	64,695				
FEDERAL FUND	6,856,103	6,350,279	6,919,758	8.97	6,919,759	.00
INTERAGENCY TRANSFER		7,360				
REVERSIONS	-37,976					
NDE - INDIVIDUALS WITH DISABILITIES EDUCATION ACT	74,818,077	81,547,202	89,123,938	9.29	89,332,860	.23
GENERAL FUND	166,499	176,587	147,162	-16.66	148,777	1.10
BALANCE FORWARD	-221	222				
FEDERAL FUND	74,654,634	81,368,553	88,976,776	9.35	89,184,083	.23
INTERAGENCY TRANSFER		1,840				
REVERSIONS	-2,835					
NDE - CONTINGENCY ACCOUNT FOR SPECIAL ED SERVICES	428,800	2,000,000	2,000,000	.00	2,000,000	.00
GENERAL FUND	100	100	100		100	
BALANCE FORWARD	86,621	1,571,100	1,999,900	27.29	1,999,900	
INTERIM FINANCE	342,179	428,800				
REVERSIONS	-100					
NDE - ACCOUNT FOR ALTERNATIVE SCHOOLS	2,649,523	5,840,262	536,263	-90.82	114,041	-78.73
GENERAL FUND	117,683	39,433	98,126	148.84	109,622	11.72
BALANCE FORWARD	2,489	10,148				
FEDERAL FUND	2,532,369	5,786,081	433,675	-92.50		
OTHER FUND		4,600	4,462	-3.00	4,419	-.96
REVERSIONS	-3,018					
NDE - BULLYING PREVENTION ACCOUNT	45,000					
GENERAL FUND	45,000					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
TOTAL DEPARTMENT OF EDUCATION	2,588,570,183	2,414,801,992	2,458,070,997	1.79	2,452,388,911	-.23
GENERAL FUND	1,680,290,543	1,262,558,806	1,440,734,740	14.11	1,321,210,066	-8.30
BALANCE FORWARD	-9,868,213	43,468,409	10,071,210	-76.83	10,668,307	5.93
FEDERAL FUND	271,252,089	308,440,513	310,194,607	.57	309,434,067	-.25
INTERAGENCY TRANSFER	189,969,667	333,640,541	211,371,859	-36.65	254,352,833	20.33
INTERIM FINANCE	1,994,057	428,800				
OTHER FUND	472,327,959	466,264,923	485,698,581	4.17	556,723,638	14.62
REVERSIONS	-17,395,919					
STATE PUBLIC CHARTER SCHOOL AUTHORITY	23,599,695	34,479,399	37,268,891	8.09	38,510,376	3.33
BALANCE FORWARD	-461,299	6,262,715	6,518,282	4.08	7,594,993	16.52
INTERAGENCY TRANSFER	20,492,220	19,910,443	25,827,548	29.72	25,838,965	.04
OTHER FUND	3,568,774	8,306,241	4,923,061	-40.73	5,076,418	3.12
PUBLIC CHARTER SCHOOL LOAN PROGRAM	45,500	789,397	420,446	-46.74	449,408	6.89
BALANCE FORWARD	-98,746	679,038	389,397	-42.65	420,446	7.97
OTHER FUND	144,246	110,359	31,049	-71.87	28,962	-6.72
TOTAL STATE PUBLIC CHARTER SCHOOL AUTHORITY	23,645,195	35,268,796	37,689,337	6.86	38,959,784	3.37
BALANCE FORWARD	-560,045	6,941,753	6,907,679	-.49	8,015,439	16.04
INTERAGENCY TRANSFER	20,492,220	19,910,443	25,827,548	29.72	25,838,965	.04
OTHER FUND	3,713,020	8,416,600	4,954,110	-41.14	5,105,380	3.05
NSHE - SYSTEM ADMINISTRATION	4,943,062	4,283,913	5,217,756	21.80	5,226,703	.17
GENERAL FUND	4,932,899	4,057,569	4,380,250	7.95	4,389,197	.20
INTERAGENCY TRANSFER	10,163		611,162		611,162	
OTHER FUND		226,344	226,344		226,344	
NSHE - SPECIAL PROJECTS	1,238,826	5,317,034	2,006,255	-62.27	2,008,484	.11
GENERAL FUND	2,278,035	1,831,874	2,006,255	9.52	2,008,484	.11
BALANCE FORWARD	-597,853	3,485,160				
REVERSIONS	-441,356					
NSHE - UNIVERSITY PRESS	454,091	366,048	402,100	9.85	403,752	.41
GENERAL FUND	454,091	366,048	402,100	9.85	403,752	.41
NSHE - SYSTEM COMPUTING CENTER	18,779,629	15,096,669	16,589,097	9.89	16,622,456	.20
GENERAL FUND	18,758,967	15,096,669	16,589,097	9.89	16,622,456	.20
INTERAGENCY TRANSFER	20,662					
NSHE - EDUCATION FOR DEPENDENT CHILDREN	13,097	41,452	42,525	2.59	29,510	-30.61
GENERAL FUND		11,541	12,614	9.30	12,614	
BALANCE FORWARD	12,375	29,829	29,829		16,814	-43.63
OTHER FUND	722	82	82		82	
NSHE - UNIVERSITY OF NEVADA, RENO	247,447,756	224,923,861	205,205,932	-8.77	206,517,566	.64
GENERAL FUND	130,357,424	105,289,257	91,670,029	-12.94	92,277,884	.66
INTERAGENCY TRANSFER	3,041,826					
OTHER FUND	114,048,506	119,634,604	113,535,903	-5.10	114,239,682	.62

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
NSHE - INTERCOLLEGIATE ATHLETICS - UNR	5,475,113	4,403,731	4,820,536	9.46	4,826,339	.12
GENERAL FUND	5,475,113	4,403,731	4,820,536	9.46	4,826,339	.12
NSHE - STATEWIDE PROGRAMS - UNR	8,749,206	6,798,655	7,617,413	12.04	7,629,749	.16
GENERAL FUND	8,749,206	6,798,655	7,617,413	12.04	7,629,749	.16
NSHE - UNR SCHOOL OF MEDICINE	44,492,914	37,209,396	40,522,632	8.90	40,775,870	.62
GENERAL FUND	37,561,465	30,235,051	33,286,079	10.09	33,351,286	.20
OTHER FUND	6,931,449	6,974,345	7,236,553	3.76	7,424,584	2.60
NSHE - HEALTH LABORATORY AND RESEARCH	1,780,159	1,434,787	1,577,818	9.97	1,583,057	.33
GENERAL FUND	1,780,159	1,434,787	1,577,818	9.97	1,583,057	.33
NSHE - AGRICULTURAL EXPERIMENT STATION	7,318,599	6,197,348	6,953,703	12.20	6,966,262	.18
GENERAL FUND	5,573,516	4,487,087	4,938,868	10.07	4,951,427	.25
FEDERAL FUND	1,745,083	1,710,261	2,014,835	17.81	2,014,835	
NSHE - COOPERATIVE EXTENSION SERVICE	5,794,158	5,007,317	5,441,700	8.67	5,457,309	.29
GENERAL FUND	3,867,743	3,119,239	3,445,057	10.45	3,460,666	.45
FEDERAL FUND	1,284,688	1,285,102	1,354,916	5.43	1,354,916	
OTHER FUND	641,727	602,976	641,727	6.43	641,727	
NSHE - BUSINESS CENTER NORTH	2,147,055	1,730,680	1,903,741	10.00	1,910,919	.38
GENERAL FUND	2,147,055	1,730,680	1,903,741	10.00	1,910,919	.38
NSHE - UNIVERSITY OF NEVADA, LAS VEGAS	322,610,767	283,919,587	269,120,308	-5.21	273,139,744	1.49
GENERAL FUND	181,018,756	145,930,473	129,290,961	-11.40	130,033,319	.57
INTERAGENCY TRANSFER	6,231,002					
INTERIM FINANCE	500,000					
OTHER FUND	134,861,009	137,989,114	139,829,347	1.33	143,106,425	2.34
NSHE - UNLV SCHOOL OF MEDICINE	38,943,022	37,942,196	41,414,933	9.15	41,613,664	.48
GENERAL FUND	35,519,101	33,313,821	36,584,508	9.82	36,639,495	.15
OTHER FUND	3,423,921	4,628,375	4,830,425	4.37	4,974,169	2.98
NSHE - INTERCOLLEGIATE ATHLETICS - UNLV	7,896,825	6,349,458	6,947,265	9.42	6,954,090	.10
GENERAL FUND	7,896,825	6,349,458	6,947,265	9.42	6,954,090	.10
NSHE - STATEWIDE PROGRAMS - UNLV	3,814,504	3,067,859	3,367,202	9.76	3,371,330	.12
GENERAL FUND	3,814,504	3,067,859	3,367,202	9.76	3,371,330	.12
NSHE - UNLV LAW SCHOOL	16,550,718	13,162,954	14,866,554	12.94	15,118,801	1.70
GENERAL FUND	10,430,525	8,401,078	9,283,923	10.51	9,310,653	.29
OTHER FUND	6,120,193	4,761,876	5,582,631	17.24	5,808,148	4.04
NSHE - UNLV DENTAL SCHOOL	18,723,215	16,884,900	17,820,426	5.54	17,864,586	.25
GENERAL FUND	9,735,157	7,878,824	8,743,692	10.98	8,787,852	.51
OTHER FUND	8,988,058	9,006,076	9,076,734	.78	9,076,734	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
NSHE - BUSINESS CENTER SOUTH	1,951,542	1,572,978	1,728,883	9.91	1,735,444	.38
GENERAL FUND	1,951,542	1,572,978	1,728,883	9.91	1,735,444	.38
NSHE - DESERT RESEARCH INSTITUTE	7,910,926	6,111,367	6,581,087	7.69	6,632,471	.78
GENERAL FUND	7,624,693	5,962,881	6,432,601	7.88	6,483,985	.80
INTERAGENCY TRANSFER	137,747					
OTHER FUND	148,486	148,486	148,486		148,486	
NSHE - GREAT BASIN COLLEGE	18,774,735	14,341,631	15,171,452	5.79	15,375,401	1.34
GENERAL FUND	13,230,752	10,527,404	10,469,428	-.55	10,528,773	.57
INTERAGENCY TRANSFER	175,043					
OTHER FUND	5,368,940	3,814,227	4,702,024	23.28	4,846,628	3.08
NSHE - WESTERN NEVADA COLLEGE	19,079,133	17,055,473	14,617,715	-14.29	14,692,162	.51
GENERAL FUND	14,565,829	11,683,236	10,055,112	-13.94	10,107,441	.52
INTERAGENCY TRANSFER	92,998					
OTHER FUND	4,420,306	5,372,237	4,562,603	-15.07	4,584,721	.48
NSHE - COLLEGE OF SOUTHERN NEVADA	152,370,077	133,302,623	126,385,048	-5.19	128,334,333	1.54
GENERAL FUND	103,292,716	82,894,724	75,870,421	-8.47	76,265,587	.52
INTERAGENCY TRANSFER	956,440					
OTHER FUND	48,120,921	50,407,899	50,514,627	.21	52,068,746	3.08
NSHE - TRUCKEE MEADOWS COMMUNITY COLLEGE	49,993,539	42,953,456	41,256,118	-3.95	41,846,106	1.43
GENERAL FUND	35,919,997	28,567,375	25,723,583	-9.95	25,859,704	.53
INTERAGENCY TRANSFER	397,659					
OTHER FUND	13,675,883	14,386,081	15,532,535	7.97	15,986,402	2.92
NSHE - NEVADA STATE COLLEGE	32,139,322	28,658,901	30,200,757	5.38	30,877,366	2.24
GENERAL FUND	20,746,937	16,549,816	18,384,674	11.09	18,451,430	.36
INTERAGENCY TRANSFER	137,952					
OTHER FUND	11,254,433	12,109,085	11,816,083	-2.42	12,425,936	5.16
NSHE - PERFORMANCE FUNDING POOL		100,131,729	107,112,205	6.97	107,112,205	.00
GENERAL FUND		100,131,729	107,112,205	6.97	107,112,205	
NSHE - 2017 UNR ENGINEERING BUILDING DEBT SERVICE	10,470					
GENERAL FUND	10,470					
NSHE - SILVER STATE OPPORTUNITY GRANT PROGRAM	4,990,150	4,199,260	4,400,000	4.78	4,400,000	.00
GENERAL FUND	5,000,000	4,199,260	4,400,000	4.78	4,400,000	
REVERSIONS	-9,850					
NSHE - PRISON EDUCATION PROGRAM	461,150	381,188	447,660	17.44	448,925	.28
GENERAL FUND	361,251	318,263	345,484	8.55	346,161	.20
OTHER FUND	99,899	62,925	102,176	62.38	102,764	.58
NSHE - CAPACITY BUILDING ENHANCEMENT	10,260,734	11,978,871	11,194,716	-6.55	11,304,441	.98
GENERAL FUND	8,800,000	10,950,000	10,154,398	-7.27	10,154,398	
OTHER FUND	1,461,190	1,028,871	1,040,318	1.11	1,150,043	10.55
REVERSIONS	-456					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
TOTAL NEVADA SYSTEM OF HIGHER EDUCATION	1,055,114,494	1,034,825,322	1,010,933,537	-2.31	1,020,779,045	.97
GENERAL FUND	681,854,728	657,161,367	637,544,197	-2.99	639,969,697	.38
BALANCE FORWARD	-585,478	3,514,989	29,829	-99.15	16,814	-43.63
FEDERAL FUND	3,029,771	2,995,363	3,369,751	12.50	3,369,751	
INTERAGENCY TRANSFER	11,201,492		611,162		611,162	
INTERIM FINANCE	500,000					
OTHER FUND	359,565,643	371,153,603	369,378,598	-4.8	376,811,621	2.01
REVERSIONS	-451,662					
EDUCATION						
GENERAL FUND	2,362,145,271	1,919,720,173	2,078,278,937	8.26	1,961,179,763	-5.63
BALANCE FORWARD	-11,013,736	53,925,151	17,008,718	-68.46	18,700,560	9.95
FEDERAL FUND	274,281,860	311,435,876	313,564,358	.68	312,803,818	-.24
INTERAGENCY TRANSFER	221,663,379	353,550,984	237,810,569	-32.74	280,802,960	18.08
INTERIM FINANCE	2,494,057	428,800				
OTHER FUND	835,606,622	845,835,126	860,031,289	1.68	938,640,639	9.14
REVERSIONS	-17,847,581					
TOTAL FOR EDUCATION	3,667,329,872	3,484,896,110	3,506,693,871	.63	3,512,127,740	.15
Less: INTER-AGENCY TRANSFER	221,663,379	353,550,984	237,810,569	-32.74	280,802,960	18.08
NET EDUCATION	3,445,666,493	3,131,345,126	3,268,883,302	4.39	3,231,324,780	-1.15

COMMERCE AND INDUSTRY

The Commerce and Industry function of state government includes those agencies responsible for licensing or regulating various businesses and financial activities within the state, as well as agencies responsible for the promotion of commerce and industry in Nevada. These agencies include the Department of Business and Industry, Department of Agriculture, Division of Minerals, Gaming Control Board, Public Utilities Commission, Governor's Office of Economic Development, and the Department of Tourism and Cultural Affairs.

The Executive Budget recommends General Fund support for the Commerce and Industry functional area totaling \$108.3 million over the 2021-23 biennium, which is a 3.4% decrease compared to the \$112.1 million approved by the Legislature for the 2019-21 biennium. Budget recommendations from all funding sources, less interagency transfers, total \$979.2 million over the 2021-23 biennium, a decrease of 5.8% compared to the legislatively approved total of \$1.039 billion for the 2019-21 biennium.

DEPARTMENT OF AGRICULTURE

The Department of Agriculture is responsible for encouraging, advancing and protecting the livestock and agricultural industries of the state and encouraging sound agricultural resource management. The Department of Agriculture consists of five divisions: Administration, Plant Industry, Animal Industry, Consumer Equitability, and Food and Nutrition. The Executive Budget recommends total funding (net of interagency transfers) for the department in the amount of \$365.8 million for the 2021-23 biennium, a decrease of \$102.0 million, or 21.8%, when compared to the legislatively approved total of \$467.8 million for the 2019-21 biennium. This decrease is primarily due to a reduction in federal funding for the various School Nutrition Programs. The Governor recommends total General Fund appropriations of \$6.4 million over the 2021-23 biennium, which represents a decrease of \$468,567, or 6.8%, from the total legislatively approved General Fund appropriations of \$6.9 million for the 2019-21 biennium.

ADMINISTRATION DIVISION

The department's Administration Division provides oversight, guidance and coordination to all programs and activities within the department. The Governor recommends departmental cost allocation revenues totaling \$142,375 over the 2021-23 biennium for costs associated with establishing a new Personnel Analyst position to provide dedicated support for the department's human resource functions. In addition, the Governor recommends departmental cost allocation revenues totaling \$41,256 over the 2021-23 biennium to fund contract support to assist the information technology (IT) unit in addressing a backlog of IT projects.

Additionally, The Executive Budget recommends departmental cost allocation revenues totaling \$496,400 over the 2021-23 biennium to purchase a new Laboratory Information Management (LIM) system to streamline and modernize the department's legacy information management systems into a single, unified LIM system.

PLANT INDUSTRY DIVISION

The Plant Industry Division is responsible for licensing and regulating plant nurseries, regulating the use of fertilizers and pesticides, and controlling insects, pests and noxious weeds. The Governor's recommended budget includes two budget reduction measures to achieve General Fund savings in the Plant Health and Quarantine Services budget. The first recommendation is to fund 50% of the personnel costs for an Environmental Scientist position with fee revenue transferred from the Agriculture Registration and Enforcement budget, resulting in General Fund reductions totaling \$79,612 over the 2021-23 biennium. The second recommendation is to maintain the vacancy of one part-time Agriculturalist position during the 2021-23 biennium, resulting in General Fund reductions totaling \$92,368 over the biennium.

The Governor recommends three new positions for the division. In the Agriculture Registration and Enforcement budget, the Governor recommends reserve reductions totaling \$156,492 over the 2021-23 biennium for costs associated with a new Agriculturalist position to support the agency's Pest Control Operator Regulatory program. For the Pest, Plant Disease and Noxious Weed Control budget, the Governor recommends total funding of \$281,273 over the 2021-23 biennium for costs associated with establishing one new Grants and Projects Analyst position to assist the agency with the management of federal grants and one new Agriculturalist position to perform plant disease field surveys.

ANIMAL INDUSTRY DIVISION

The Animal Industry Division provides diagnostic services to protect domestic and wild animals from communicable, infectious, nutritional, and parasitic diseases, and to protect people from animal diseases that are transmissible to humans. The division is also responsible for protecting livestock owners from the theft or loss of their animals as well as regulating the branding and dealer licensing related to the sale of livestock animals.

The Governor recommends two positions remain vacant during the 2021-23 biennium resulting in savings totaling \$361,795 (\$266,366 General Fund) over the biennium. The positions include one Biologist in the Veterinary Medical Services budget and one Agriculture Enforcement Officer in the Livestock Enforcement budget.

The Executive Budget also recommends additional contract staffing for the division. In the Veterinary Medical Services budget, the Governor recommends General Fund appropriations totaling \$29,726 over the 2021-23 biennium to fund contract clerical support. In the Dairy Fund budget, reserve reductions totaling \$18,280 over the 2021-23 biennium are recommended to fund a contract community instructor to promote the dairy industry and to educate youth about career opportunities.

Lastly, the Governor recommends a one-shot General Fund appropriation of \$53,550 in FY 2021 for the purchase of laboratory equipment and associated maintenance contracts.

CONSUMER EQUITABILITY DIVISION

The Consumer Equitability Division offers consumer and marketplace protection through the Petroleum Technology and Weights and Measures programs. The Governor recommends reserve reductions totaling \$101,242 over the 2021-23 biennium for costs associated with establishing one new Administrative Assistant position in the Las Vegas office to address an increased workload. In addition, the Governor recommends a reserve reduction of \$250,000 in FY 2023 to fund a systems modernization project for the Weights and Measures program.

Consistent with the department's goal to increase financial stability by aligning revenues with planned expenditures, the Governor recommends the elimination of one Metrologist position and all expenditures associated with the satellite metrology laboratory in Las Vegas, which closed in December 2020. This recommendation results in cost savings and a corresponding increase to reserves totaling \$184,797 over the 2021-23 biennium.

GAMING CONTROL BOARD

Gaming activities are administered through three individual budgets, which include the Nevada Gaming Control Board (GCB), the Gaming Commission and the Gaming Control Board Investigation Fund. The regulation of Nevada's gaming industry is conducted through a tiered system comprised of the Nevada Gaming Commission (5 members), the GCB (3 members) and the Gaming Policy Committee (12 members). The Gaming Commission has final authority on all gaming matters. The GCB functions as the enforcement, investigative and regulatory agency. The Gaming Policy Committee functions as an advisory body, meeting when required to examine and recommend gaming policy. The GCB has six divisions, including Administration, Audit, Enforcement, Investigations, Tax and License, and Technology.

For all gaming budgets included in The Executive Budget, net of interagency transfers, the Governor recommends total funding of \$93.1 million over the 2021-23 biennium, which is a decrease of \$1.9 million or 2.0% compared to the \$95.0 million legislatively approved for the 2019-21 biennium. In total, General Fund appropriations of \$63.8 million are recommended for the biennium, which is a decrease of \$438,335, or 0.7%, compared to the \$64.2 million approved for the 2019-21 biennium.

The GCB budget is supported primarily through General Fund appropriations and transfers from the Gaming Investigation Fund, which pays the investigative costs of those individuals applying for a gaming license through applicant reimbursement. For the 2021-23 biennium, The Executive Budget recommends General Fund appropriations of \$65,182 in each year to support additional travel costs in order for the GCB to fulfill its statutory responsibilities.

As a budget reduction measure, the Governor proposes to eliminate 15 positions (14 of which are vacant), resulting in General Fund savings of \$2.3 million over the 2021-23 biennium. The following table summarizes the affected positions:

Position Type	FY 2022 FTE	FY 2023 FTE
Administrative Assistant	8.0	8.0
Agent, Audit	2.0	2.0
Agent, Enforcement	2.0	2.0
Agent, Tax & License	1.0	1.0
Electronics Technician	2.0	2.0
Total	15.0	15.0

The Executive Budget also recommends a one-shot General Fund appropriation of \$5.4 million to continue the migration of legacy Common Business Oriented Language (COBOL) programs to a modern technology platform. This project, known as the Alpha Migration project, was originally anticipated to be completed by the end of FY 2023. However, due to budget reductions and delays resulting from the COVID-19 pandemic, the timeline to complete the Alpha Migration project has been extended to the end of FY 2025.

PUBLIC UTILITIES COMMISSION

The Public Utilities Commission of Nevada (PUCN) regulates public companies engaged in electric, natural gas, telephone, water, and sewer services; gas and electric “master metering” service at mobile home parks; some propane systems; and is involved in monitoring gas pipeline and railroad safety. Additionally, the PUCN makes determinations in a number of renewable energy-related matters, has oversight authority regarding electric and gas utilities’ administration of renewable energy incentive and demonstration programs, and administers the portfolio energy credit program.

The PUCN is comprised of three commissioners, appointed by the Governor, whose responsibilities are to balance the interests of customers of public utilities to receive safe and adequate service with reasonable rates, while providing shareholders of public utilities the opportunity to earn a fair return on their investment. The PUCN is responsible for the collection of the Universal Energy Charge (UEC), authorized by *Nevada Revised Statutes* (NRS) 702.150-170, that is deposited into the Fund for Energy Assistance and Conservation. The UEC is based upon each kilowatt-hour of electricity and therm of gas sold at the retail level. The fund is administered in conjunction with the Division of Welfare and Supportive Services and the Division of Housing to assist low-income consumers with power bill payments and energy conservation, weatherization, and energy efficiency needs.

The Executive Budget recommends total funding of \$34.3 million (less interagency transfers) over the 2021-23 biennium for the PUCN, which is an increase of 3.2% over the 2019-21 legislatively approved funding of \$33.2 million. Primary funding in this budget is derived from a mill assessment on gross utility operating revenues, statutorily capped at 3.5 mills (one mill = 1/10 of one cent). An additional assessment of up to 0.75 mills is assessed and transferred to the Attorney General's Consumer Advocate budget. Pursuant to NRS 704.033, the PUCN estimates its annual regulatory assessment at 3.00 mills for the 2021-23 biennium. The mill assessment for FY 2020 and FY 2021 was set at 2.90 and 2.89 mills, respectively. The mill assessment for the Attorney General's Consumer Advocate budget is 0.75 mills for the 2021-23 biennium.

DEPARTMENT OF BUSINESS AND INDUSTRY

The Department of Business and Industry (B&I) is charged with regulating business enterprises, promoting worker safety, educating the public and businesses regarding their legal rights and responsibilities, and promoting the legal operation of businesses in Nevada. The department consists of the following divisions: Administration, Insurance, Industrial Relations, Housing, Employee Management Relations Board, Real Estate, Taxicab Authority, Transportation Authority, Labor Commissioner, Attorney for Injured Workers, Financial Institutions, and Mortgage Lending. Funding sources for the department include General Fund appropriations, Highway Fund appropriations, license and fee revenue, assessments, and federal funds.

The Executive Budget recommends total funding for B&I, net of interagency transfers, of \$358.7 million over the 2021-23 biennium, which is a \$45.7 million, or 14.6%, increase over the \$313.0 million legislatively approved for the 2019-21 biennium. General Fund support is recommended at \$9.5 million, which is an increase of \$747,796, or 8.6%, from the \$8.7 million legislatively approved for the 2019-21 biennium.

BUSINESS AND INDUSTRY ADMINISTRATION (DIRECTOR'S OFFICE)

The Administration/Director's Office is responsible for providing administrative and budgetary oversight to the various entities that organizationally make up the department. In addition, the Director's Office manages a number of programs and initiatives to address the needs of small businesses, homeowners, and consumers such as small business advocacy, bond programs and housing retention programs.

The Consumer Affairs Unit (CAU) is scheduled to sunset June 30, 2021, pursuant to *Nevada Revised Statutes* (NRS) 232.511. The Governor recommends General Fund appropriations totaling \$1.4 million to reinstate the CAU, consisting of 6.6 full-time equivalent (FTE) positions and operating costs for the 2021-23 biennium. As a budget reduction measure, the Governor recommends reducing one full-time Administrative Law Judge to half-time status and eliminating two Administrative Assistant positions (1.6 FTE), which provides General Fund savings of \$340,503 over the 2021-23 biennium. Inclusive of the proposed budget reductions, the Governor recommends net General Fund appropriations totaling \$1.0 million to support 4.5 FTE positions and associated costs over the 2021-23 biennium for the CAU.

DIVISION OF INDUSTRIAL RELATIONS

The Division of Industrial Relations (DIR) regulates Nevada's workers' compensation insurance to ensure injured workers receive the benefits to which they are entitled, enforces federal and state health and safety standards, and assists employers with workplace safety programs. Additionally, the DIR provides safety training and inspections for all active mines in the state and issues or denies operating permits for elevators, escalators, boilers, and pressure vessels based on inspections performed by state specialists or an authorized agency. The programs under the division are funded primarily through assessments of workers' compensation insurers, with a smaller portion of funding received through licenses and fees. The division also receives grants from the United States Department of Labor, Occupational Safety and Health Administration, the Mine Safety and Health Administration and the Bureau of Labor Statistics. For all DIR budgets, The Executive Budget recommends total funding of \$52.4 million over the 2021-23 biennium, which is a 2.5% increase from the \$51.1 million legislatively approved for the 2019-21 biennium.

The Executive Budget recommends an allocation from the Workers' Compensation and Safety Fund totaling \$228,230 over the 2021-23 biennium in the Administration budget to offset the elimination of fee revenue related to the oversight of employee leasing companies, the responsibility of which is proposed to be transferred to the Division of Insurance through legislation.

HOUSING DIVISION

The Housing Division assists and encourages the private sector and other governmental entities in the financing, creation and maintenance of affordable housing throughout the state. The Housing Division has eight major components: Multi-Family Bond Financing, First-Time Homebuyer Program, Low-Income Housing Tax Credit Program, Low-Income Housing Tax Credit Monitoring and Compliance, Home Investment Partnership Program (HOME), Low-Income Housing Trust Fund, Emergency Solutions Grant Program, and the Weatherization Program. The division is an enterprise fund, which must generate its own resources through the administration of lending resources or allowable administrative fees from federally funded programs.

For the Housing Division as a whole, the Governor recommends total funding of \$130.6 million (net of interagency transfers), which represents a 14% increase over the \$114.6 million legislatively approved for the 2019-21 biennium. This increase is primarily due to a higher carry forward of funding from the current biennium.

The Executive Budget recommends the transfer of the federal HOME Investment Partnerships program from the Housing Division budget to the Account for Low-Income Housing budget to consolidate all federal and state non-weatherization grants into one budget. The recommended transfer includes total funding of \$3.9 million in FY 2022 and \$4.7 million in FY 2023 and two Grants and Project Analyst positions.

In the Housing and Inspection Compliance budget, the Governor recommends the transfer of six positions from this budget to the Housing Division budget to provide a more efficient method for inter-divisional cost allocations. The recommended transfers include one Chief Housing Assistant position, three Administrative Assistant positions, one Information Technology (IT) Professional position, and one Housing Advocate position with personnel and associated costs totaling \$505,625 in FY 2022 and \$513,936 in FY 2023.

REAL ESTATE DIVISION

The Real Estate Division is responsible for regulating real estate brokers and salesmen, property managers, appraisers, qualified intermediaries and building inspectors. The division also administers continuing education programs for real estate licensees in Nevada and is responsible for the enforcement of the statutory and regulatory provisions regarding the sale of subdivided lands, timeshares and campground memberships. The division is funded through a combination of fees, cost allocation reimbursements and General Fund appropriations. Net of interagency transfers, the Governor recommends total revenues of \$23.2 million over the 2021-23 biennium, representing a \$3.1 million, or 15.4%, increase when compared to total revenues of \$20.1 million legislatively approved for the 2019-21 biennium. Of this total, the Governor recommends General Fund appropriations of \$3.2 million over the 2021-23 biennium, which is \$881,831, or 37.4%, more than the General Fund appropriations of \$2.4 million approved by the 2019 Legislature.

As a budget reduction measure, The Executive Budget recommends eliminating two vacant Administrative Assistant positions in the Real Estate Education and Research budget resulting in cost savings and a corresponding increase in reserves of \$230,696 over the 2021-23 biennium. In addition, the Governor recommends reserve reductions in the Real Estate Education and Research budget totaling \$49,998 over the 2021-23 biennium to fund the upgrade of the agency's legacy licensing system to an integrated system to reduce manual processes and streamline education-related business functions.

The Executive Budget recommends a one-shot General Fund appropriation of \$693,670 to fund the upgrade of the agency's legacy licensing and software system to an integrated licensing system, which would improve overall functionality. The Governor also recommends a one-shot General Fund appropriation of \$37,654 to fund the replacement of computer hardware and software equipment.

TAXICAB AUTHORITY

The Taxicab Authority is responsible for regulating the taxicab industry in counties with a population that exceeds 700,000 people (currently only Clark County). The Taxicab Authority is primarily funded through a \$0.20 trip charge assessed on every taxicab ride, as well as through various other fee revenues. Over the past several biennia, the Taxicab Authority has experienced a decline in revenues due to a variety of factors, including the growth of transportation network companies in the state. To help address concerns regarding the agency's financial stability, the 2019 Legislature approved a

fee increase in the annual assessment charged to taxicab companies from \$100 to \$300 per cab per year.

Due to the COVID-19 pandemic and the resulting state shutdown and decline in tourism, the Taxicab Authority's Trip Charge revenues have been negatively impacted during the 2019-21 biennium. The Governor's budget for the 2021-23 biennium continues to focus on the agency's financial stability. As such, The Executive Budget recommends eliminating two vacant full-time positions, one Public Safety Dispatcher and one Taxicab Vehicle Inspector, which results in cost savings and a corresponding increase in reserves of \$309,045 over the 2021-23 biennium. The agency indicates these positions are no longer justified given present demand for industry services.

In addition, the Governor recommends the transfer of one Information Technology (IT) Professional position and associated costs from the Taxicab Authority to the Department of Business and Industry's Director's Office, as the current workload does not support the need for a full-time position in the Taxicab Authority budget. The proposed transfer would result in cost savings and a corresponding increase in reserves of \$185,194 over the 2021-23 biennium in the agency's budget. The Governor further recommends changing the source of funding for the IT Professional position in the Director's Office budget to cost allocation reimbursements of \$182,828 and General Fund appropriations of \$2,366 over the 2021-23 biennium.

OFFICE OF THE LABOR COMMISSIONER

The Office of the Labor Commissioner was formed in 1915 and is responsible for the enforcement of all labor laws of the state that are not specifically and exclusively vested in any other officer, board or commission. Major program areas include the following: investigating claims for wages, enforcement of public works laws, determination of prevailing wage rates, oversight of child labor laws, licensing of private employment agencies, licensing of producer-promoters, and enforcement of the use of apprentices on public works projects. The Labor Commissioner has offices in Las Vegas and Carson City and is funded entirely through General Fund appropriations. The Governor recommends General Fund appropriations totaling \$3.9 million over the 2021-23 biennium, which is \$170,827, or 4.6%, more than the \$3.7 million in General Fund appropriations approved by the 2019 Legislature.

The Executive Budget recommends budget reductions resulting in General Fund savings of \$167,780 over the 2021-23 biennium. The proposed recommendation includes holding two full-time Administrative Assistant positions vacant in FY 2022 with funding recommended to be partially restored for 1.25 full-time equivalent positions in FY 2023.

In addition, the Governor recommends the reclassification of one vacant Administrative Assistant 2 position to a Compliance Audit Investigator 2 position, which the agency indicates is more commensurate with the duties of the position. The reclassification would be funded through General Fund appropriations totaling \$26,114 over the 2021-23 biennium.

Lastly, General Fund appropriations totaling \$25,300 are recommended over the 2021-23 biennium to fund the implementation of a Labor Certified Payroll Tracker Compliance and Workforce Manager software system to allow the agency to monitor public works projects, track apprenticeship utilization in public works projects and to track workforce and employment data.

FINANCIAL INSTITUTIONS DIVISION

The Financial Institutions Division is responsible for the licensure and regulation of all state-chartered financial institutions, including banks, savings and loans, credit unions, and check-cashing companies. The division is self-funded through existing licensing fees and industry assessments. For all division budgets, The Executive Budget recommends total funding of \$18.8 million over the 2021-23 biennium, which is a 34.3% increase compared to the \$14.0 million legislatively approved for the 2019-21 biennium.

The Governor recommends reserve reductions of \$527,107 over the 2021-23 biennium for three new full-time Financial Institutions Examiner positions and associated costs to meet Federal Deposit Insurance Company (FDIC) financial examination requirements and to assist with the examinations of depository savings banks and other depository institutions. In addition, the Governor recommends reserve reductions of \$41,500 in FY 2022 to fund the migration of the division's legacy licensing system to the Nationwide Multi-State Licensing System to improve functionality.

GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

The Governor's Office of Economic Development (GOED) is tasked with diversifying and strengthening the state's economy by attracting companies, subsidiaries, and divisions to locate into the state; assisting in the retention and expansion of existing Nevada companies; and helping new companies to start up in the state.

The Governor recommends General Fund appropriations of \$13.6 million over the 2021-23 biennium for the Governor's Office of Economic Development budget, which is a decrease of 11.6%, or \$1.8 million, compared to the \$15.4 million approved for the 2019-21 biennium. To realize General Fund savings of \$253,553 over the 2021-23 biennium, the Governor recommends eliminating one vacant non-classified position and reducing in-state and out-of-state travel costs and advertising. To partially restore reductions to grants to regional development authorities approved by the 31st Special Session (2020), the Governor recommends a net increase in General Funds totaling \$536,548 over the biennium. A total of \$5.1 million is recommended over the 2021-23 biennium for grants to regional development authorities, a decrease of 13.5% compared to the \$5.9 million approved for the 2019-21 biennium.

NEVADA MAIN STREET PROGRAM

The Nevada Main Street Program was created by the 2017 Legislature through the passage of Assembly Bill 417 to promote revitalization that involves aesthetic, business creation or retention, and housing that will lead to healthy and economically vibrant communities. The Governor recommends General Fund appropriations of \$175,000 over

the 2021-23 biennium for the continued support of the Nevada Main Street program, a decrease of 50% compared to the \$350,000 approved for the 2019-21 biennium.

NEVADA FILM OFFICE

The Nevada Film Office's mission is to proactively promote, pursue and facilitate the production of motion pictures and all other forms of media projects utilizing Nevada locations, vendors, services, crew, personnel, and performance talent. The Nevada Film Office also solidifies and enhances the state's credibility and raises Nevada's visibility as a prime resource for film, television, music, and other production industries.

The Governor recommends room tax revenues of \$1.2 million over the 2021-23 biennium, which is a decrease of 14.4%, or \$196,565, compared to the \$1.4 million approved for the 2019-21 biennium, due to projected declines in room tax revenue over the 2021-23 biennium.

WORKFORCE INNOVATIONS FOR A NEW NEVADA

The Workforce Innovations for a New Nevada (WINN) budget was created through the passage of Assembly Bill 1 of the 29th Special Session (2015) of the Nevada Legislature. The legislation requires GOED to develop and implement programs to provide customized workforce development services to companies that create and expand businesses in the state and/or relocate businesses to Nevada.

The Governor recommends General Fund appropriations of \$1.5 million, a decrease of 75% when compared to the \$6.0 million approved for the 2019-21 biennium, and federal Workforce Innovation and Opportunity Act grant funds of \$2.0 million in FY 2022 to continue funding workforce development efforts. Any remaining balance in the WINN budget at the end of an even-numbered fiscal year may balance forward to the next year pursuant to NRS 231.151.

KNOWLEDGE ACCOUNT

The purpose of the Knowledge Account is to spur research and the commercialization of that research in areas that the state has targeted for economic growth. The account provides grants of money to the University of Nevada, Reno; the University of Nevada, Las Vegas; and the Desert Research Institute in five allowable areas: (1) establishing technology outreach programs; (2) recruiting, hiring, and retaining research teams and faculty; (3) funding research laboratories and related equipment; (4) constructing research facilities; and (5) matching funds for federal and private sector grants and contract opportunities.

The Governor recommends increasing General Fund appropriations to \$5.0 million over the 2021-23 biennium, an increase of 100% compared to the \$2.5 million approved for the 2019-21 biennium, to continue funding grant projects.

DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS

The Department of Tourism and Cultural Affairs (DTCA) consists of the Division of Tourism, Nevada Commission on Tourism, Division of Museums and History, Board of Museums and History, Nevada Arts Council, Board of the Nevada Arts Council, and Nevada Indian Commission. For the department, the Governor recommends funding (excluding interagency transfers) of \$78.1 million over the 2021-23 biennium, a decrease of \$42,139 compared to the \$78.2 million approved for the 2019-21 biennium. The Governor recommends increasing General Fund appropriations to the department by \$65,584, or 0.8%, over the 2021-23 biennium when compared to the 2019-21 biennium.

DIVISION OF TOURISM

The Division of Tourism is responsible for developing and implementing a domestic and international marketing and advertising campaign to promote Nevada as a tourism and business travel destination. The division is funded primarily by a 3/8 share of 1.0% of the statewide room tax.

Room Tax revenues were lower in the 2019-21 biennium than legislatively approved due to lower visitor volume and room nights occupied related to travel and business restrictions. In FY 2020, the department received \$19.1 million in Room Tax revenue, or \$6.6 million (25.8%) less than the legislatively approved amount of \$25.7 million. Agency projections dated December 29, 2020, provided by the Governor's Office of Finance on January 2, 2021, project Room Tax revenue of \$9.7 million in FY 2021, which is \$16.8 million (63.4%) less than the legislatively approved amount of \$26.6 million. The total projection for the 2019-21 biennium is \$28.8 million, or \$23.5 million (44.9%) less than the legislatively approved amount of \$52.3 million.

FY 2022 Room Tax revenues are projected to increase from the projected FY 2021 amount of \$9.7 million to \$17.2 million based on an anticipated rebound in visitor volume and occupied room nights. FY 2023 Room Tax revenues are projected to be 34.7% higher than FY 2022, at \$23.2 million.

Due to the projected level of Room Tax revenue, the Governor recommends room tax transfers to other state agencies of \$11.4 million over the 2021-23 biennium, which is a \$1.3 million (10.1%) reduction compared to the \$12.7 million approved for the 2019-21 biennium. The 2021-23 recommended transfer amounts are shown in the following table, after considering all decision units:

**2021-23 Governor's Recommended Room Tax
Transfers From The Tourism Development Fund**

<u>Intra-Agency Transfers to:</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Biennium Total</u>
Nevada Arts Council	\$ 1,161,248	\$ 1,324,326	\$ 2,485,574
Nevada Indian Commission	\$ 73,040	\$ 88,818	\$ 161,858
Stewart Living Legacy	\$ 170,347	\$ 189,069	\$ 359,416
Lost City Museum	\$ 223,593	\$ 248,660	\$ 472,253
Nevada Historical Society	\$ 309,552	\$ 348,343	\$ 657,895
Nevada State Museum-Carson City	\$ 782,903	\$ 868,805	\$ 1,651,708
Nevada State Museum-Las Vegas	\$ 809,785	\$ 895,360	\$ 1,705,145
State Railroad Museums	\$ 614,810	\$ 684,330	\$ 1,299,140
Division of Museums	\$ 235,796	\$ 257,243	\$ 493,039
Tourism Development	\$ 50,000	\$ 100,000	\$ 150,000
Nevada Magazine	\$ 132,781	\$ 132,781	\$ 265,562
Subtotal	\$ 4,563,855	\$ 5,137,735	\$ 9,701,590
<u>Inter-Agency Transfers to:</u>			
Nevada Film Office	\$ 583,663	\$ 587,945	\$ 1,171,608
Governor's Washington Office	\$ 69,736	\$ 69,736	\$ 139,472
State Parks	\$ -	\$ 403,423	\$ 403,423
Subtotal	\$ 653,399	\$ 1,061,104	\$ 1,714,503
Total Transfers	\$ 5,217,254	\$ 6,198,839	\$ 11,416,093

Due to the projected level of Room Tax revenue, the Governor recommends reducing Room Tax transfers from the Tourism Development Fund to other budgets, as well as reducing travel, grants, and marketing costs, as described below.

The Governor recommends replacing room tax transfers of \$696,122 in FY 2022 to other budgets within the department as well as the State Parks budget within the Department of Conservation and Natural Resources with corresponding amounts of General Fund appropriations in the receiving budgets, as shown in the table below.

**FY 2022 Governor's Recommended
Replacement of Room Tax Transfers with General Fund**

Budget	Room Tax Transfer Reduction	General Fund Replacement
Lost City Museum	\$ (17,537)	\$ 17,537
Nevada Historical Society	\$ (24,279)	\$ 24,279
Nevada State Museum, Carson City	\$ (61,404)	\$ 61,404
Nevada State Museum, Las Vegas	\$ (63,512)	\$ 63,512
State Railroad Museums	\$ (48,220)	\$ 48,220
Nevada Arts Council	\$ (33,593)	\$ 33,593
Indian Commission	\$ (13,912)	\$ 13,912
Division of Museums	\$ (18,494)	\$ 18,494
Stewart Living Legacy	\$ (11,748)	\$ 11,748
Department of Tourism and Cultural Affairs Subtotal	\$ (292,699)	\$ 292,699
State Parks	\$ (403,423)	\$ 403,423
Total	\$ (696,122)	\$ 696,122

To generate savings of \$2.8 million over the biennium, the Governor recommends a \$50,000 reduction in transfers to the Tourism Development budget, which would result in a corresponding decrease in Tourism Development Grants to support rural tourism infrastructure in FY 2022; a \$730,549 reduction in Rural Matching Grants to support rural community marketing projects in FY 2022; a \$1.7 million reduction in research, global marketing, media, and creative services contract costs; a \$77,536 reduction in dues and registrations in FY 2022; and a \$198,234 reduction in travel over the biennium.

NEVADA HUMANITIES

Affiliated with the National Endowment for the Humanities, Nevada Humanities is a charitable organization that works in partnership with local communities to develop and fund humanities activities and educational programs, such as lectures, exhibits, publications, book festivals, historic performances, teacher institutes, documentary films, and a humanities grants program. The budget is funded by General Fund appropriations that pass through to the organization.

The Governor recommends reducing payments in support of Nevada Humanities, for General Fund savings of \$50,000 over the biennium, representing a 20% decrease from the \$250,000 approved for the 2019-21 biennium.

DIVISION OF MUSEUMS AND HISTORY

The Division of Museums and History includes the Administration office in Carson City and the following facilities: the Nevada State Museum and the Nevada State Railroad Museum in Carson City, the Nevada Historical Society in Reno, the Nevada State Museum in Las Vegas, the Boulder City Railroad Museum, the East Ely Railroad Depot Museum, and the Lost City Museum in Overton.

In the Museums and History Administration budget, the Governor recommends replacing \$182,031 in revenues (\$81,914 General Fund savings and \$100,117 Room Tax transfer reduction) supporting a position with a corresponding amount of License Plate revenues over the 2021-23 biennium. To provide the License Plate revenue, a corresponding \$182,301 reduction in the Commemorative License Plate category is recommended.

The Governor recommends a FY 2021 one-shot General Fund appropriation of \$100,000 to restore the School Bus Program, which reimburses transportation costs for elementary school students to visit Nevada state museums. Initially funded by the 2017 Legislature as a pilot program with a \$500,000 General Fund appropriation for the 2017-2019 biennium, the program was continued by the 2019 Legislature with a \$250,000 appropriation. However, only \$7,700 was expended in FY 2020 prior to the remaining \$242,300 reverting to the General Fund as part of FY 2020 budget reductions approved at the June 25, 2020, Interim Finance Committee meeting.

CAPITAL IMPROVEMENT PROGRAM PROJECTS

The Governor recommends three Capital Improvement Program (CIP) projects for the DTCA during the 2021-23 biennium totaling \$2.3 million in state funds, as shown in the following table:

**Department of Tourism and Cultural Affairs
Governor Recommended Capital Improvement Projects**

Project Number	Location	Project Description	State Funding
M39	Nevada State Railroad Museum, Carson City	HVAC System Renovation	\$ 1,338,211
M41	Lost City Museum, Overton	Historic Pit House and Adobe Pueblos Repair	\$ 370,808
M52	Nevada Historical Society, Reno	HVAC System Renovation	\$ 584,098
Total			\$ 2,293,117

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
COMMERCE & INDUSTRY						
AGRI - AGRICULTURE ADMINISTRATION	3,029,318	3,385,139	3,729,029	10.16	3,503,927	-6.04
GENERAL FUND	202,471	343,468	290,539	-15.41	198,575	-31.65
BALANCE FORWARD	2,271	28,651	1,787	-93.76	2,743	53.50
FEDERAL FUND	5,000	5,000				
INTERAGENCY TRANSFER	2,819,571	3,004,170	3,432,853	14.27	3,298,759	-3.91
OTHER FUND	5	3,850	3,850		3,850	
AGRI - AGRICULTURE REGISTRATION/ENFORCEMENT	3,570,149	7,206,237	6,037,331	-16.22	5,431,542	-10.03
BALANCE FORWARD	-127,975	3,383,261	2,379,761	-29.66	1,764,269	-25.86
FEDERAL FUND	271,283	576,860	480,003	-16.79	480,003	
INTERAGENCY TRANSFER	308,667	208,619	179,433	-13.99	179,433	
OTHER FUND	3,118,174	3,037,497	2,998,134	-1.30	3,007,837	.32
AGRI - PLANT HEALTH & QUARANTINE SERVICES	595,181	329,661	536,552	62.76	553,892	3.23
GENERAL FUND	584,903	329,661	497,543	50.93	513,289	3.16
INTERAGENCY TRANSFER	9,821		39,009		40,603	4.09
OTHER FUND	8,214					
REVERSIONS	-7,757					
AGRI - PEST, PLANT DISEASE NOXIOUS WEED CONTROL	1,072,176	1,707,861	1,609,146	-5.78	1,631,859	1.41
BALANCE FORWARD	-26,095	334,338	212,489	-36.44	191,551	-9.85
FEDERAL FUND	1,008,263	1,311,125	1,320,244	.70	1,359,638	2.98
INTERAGENCY TRANSFER	4,112	5,135				
OTHER FUND	85,896	57,263	76,413	33.44	80,670	5.57
AGRI - VETERINARY MEDICAL SERVICES	1,473,354	1,241,639	1,197,644	-3.54	1,174,056	-1.97
GENERAL FUND	1,184,885	1,060,751	982,947	-7.33	957,949	-2.54
BALANCE FORWARD	174,084					
FEDERAL FUND	56,381	77,218	77,220	.00	77,220	
INTERAGENCY TRANSFER	66,911	100,682	134,506	33.59	135,916	1.05
OTHER FUND	2,162	2,988	2,971	-.57	2,971	
REVERSIONS	-11,069					
AGRI - COMMERCIAL FEED	12,279	135,276	184,123	36.11	244,954	33.04
BALANCE FORWARD	-34,224	109,676	117,952	7.55	165,882	40.64
OTHER FUND	46,503	25,600	66,171	158.48	79,072	19.50
AGRI - LIVESTOCK INSPECTION	1,127,531	1,783,341	1,646,601	-7.67	1,728,340	4.96
BALANCE FORWARD	-441,005	640,863	465,276	-27.40	541,405	16.36
INTERAGENCY TRANSFER	742					
OTHER FUND	1,567,794	1,142,478	1,181,325	3.40	1,186,935	.47
AGRI - PREDATORY ANIMAL & RODENT CONTROL	860,929	939,157	964,483	2.70	978,102	1.41
GENERAL FUND	891,835	906,034	931,982	2.86	945,601	1.46
INTERAGENCY TRANSFER	14,000	14,000	14,000		14,000	
OTHER FUND	17,035	19,123	18,501	-3.25	18,501	
REVERSIONS	-61,941					

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
AGRI - CONSUMER EQUITABILITY	2,970,527	4,636,818	4,593,494	-9.3	5,036,984	9.65
BALANCE FORWARD	-493,908	1,340,300	1,174,898	-12.34	1,157,882	-1.45
INTERAGENCY TRANSFER	870,884	759,823	752,430	-9.7	752,430	
OTHER FUND	2,593,551	2,536,695	2,666,166	5.10	3,126,672	17.27
AGRI - NUTRITION EDUCATION PROGRAMS	157,101,303	234,393,607	137,096,928	-41.51	141,046,060	2.88
GENERAL FUND	137,832	137,832	141,264	2.49	141,580	.22
BALANCE FORWARD	2,092					
FEDERAL FUND	156,933,395	234,159,322	136,955,664	-41.51	140,904,480	2.88
INTERAGENCY TRANSFER	27,984	89,253				
OTHER FUND		7,200				
AGRI - COMMODITY FOODS DISTRIBUTION PROGRAM	21,024,611	30,325,249	26,323,506	-13.20	26,159,835	-.62
GENERAL FUND	160,506	152,939	160,506	4.95	160,506	
BALANCE FORWARD	-27,314	1,608,766	1,569,044	-2.47	1,524,579	-2.83
FEDERAL FUND	4,153,546	2,864,776	4,065,593	41.92	4,150,884	2.10
INTERAGENCY TRANSFER	9,631	8,505,171				
OTHER FUND	16,776,590	17,193,597	20,528,363	19.40	20,323,866	-1.00
REVERSIONS	-48,348					
AGRI - DAIRY FUND	1,093,450	1,781,419	1,538,680	-13.63	1,308,224	-14.98
BALANCE FORWARD	116,150	718,478	547,604	-23.78	317,148	-42.08
FEDERAL FUND	2,255		2,255		2,255	
INTERAGENCY TRANSFER	19,836	59,711				
OTHER FUND	955,209	1,003,230	988,821	-1.44	988,821	
AGRI - LIVESTOCK ENFORCEMENT	565,545	354,751	515,542	45.33	531,495	3.09
GENERAL FUND	212,049	132,951	257,309	93.54	265,249	3.09
BALANCE FORWARD	225,000					
INTERAGENCY TRANSFER	128,496	221,800	258,233	16.43	266,246	3.10
TOTAL DEPARTMENT OF AGRICULTURE	194,496,353	288,220,155	185,973,059	-35.48	189,329,270	1.80
GENERAL FUND	3,374,481	3,063,636	3,262,090	6.48	3,182,749	-2.43
BALANCE FORWARD	-630,924	8,164,333	6,468,811	-20.77	5,665,459	-12.42
FEDERAL FUND	162,430,123	238,994,301	142,900,979	-40.21	146,974,480	2.85
INTERAGENCY TRANSFER	4,280,655	12,968,364	4,810,464	-62.91	4,687,387	-2.56
OTHER FUND	25,171,133	25,029,521	28,530,715	13.99	28,819,195	1.01
REVERSIONS	-129,115					
DIVISION OF MINERALS	2,483,244	4,169,808	4,222,045	1.25	3,752,457	-11.12
BALANCE FORWARD	-274,404	1,871,712	1,455,212	-22.25	1,228,236	-15.60
FEDERAL FUND	169,241	107,119	10,772	-89.94		
INTERAGENCY TRANSFER	132,631	104,253	80,820	-22.48	80,820	
OTHER FUND	2,455,776	2,086,724	2,675,241	28.20	2,443,401	-8.67
TOTAL MINERALS	2,483,244	4,169,808	4,222,045	1.25	3,752,457	-11.12
BALANCE FORWARD	-274,404	1,871,712	1,455,212	-22.25	1,228,236	-15.60
FEDERAL FUND	169,241	107,119	10,772	-89.94		
INTERAGENCY TRANSFER	132,631	104,253	80,820	-22.48	80,820	
OTHER FUND	2,455,776	2,086,724	2,675,241	28.20	2,443,401	-8.67

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
GCB - GAMING CONTROL BOARD	48,501,386	51,725,092	44,569,383	-13.83	45,234,667	1.49
GENERAL FUND	31,237,533	29,198,049	30,779,919	5.42	31,445,526	2.16
BALANCE FORWARD	2,646,795	4,829,232				
INTERAGENCY TRANSFER	13,842,264	15,498,075	12,583,887	-18.80	12,583,564	-.00
OTHER FUND	1,037,798	2,199,736	1,205,577	-45.19	1,205,577	
REVERSIONS	-263,004					
GCB - GAMING COMMISSION	786,573	818,505	835,662	2.10	709,216	-15.13
GENERAL FUND	802,642	808,145	835,662	3.40	709,216	-15.13
INTERAGENCY TRANSFER		10,360				
REVERSIONS	-16,069					
GCB - GAMING CONTROL BOARD INVESTIGATION FUND	12,348,672	13,822,864	13,448,826	-2.71	13,448,503	-.00
BALANCE FORWARD		2,000	2,000		2,000	
OTHER FUND	13,005,285	13,820,864	13,446,826	-2.71	13,446,503	-.00
REVERSIONS	-656,613					
TOTAL GAMING CONTROL BOARD	61,636,631	66,366,461	58,853,871	-11.32	59,392,386	.92
GENERAL FUND	32,040,175	30,006,194	31,615,581	5.36	32,154,742	1.71
BALANCE FORWARD	2,646,795	4,831,232	2,000	-99.96	2,000	
INTERAGENCY TRANSFER	13,842,264	15,508,435	12,583,887	-18.86	12,583,564	-.00
OTHER FUND	14,043,083	16,020,600	14,652,403	-8.54	14,652,080	-.00
REVERSIONS	-935,686					
PUC - PUBLIC UTILITIES COMMISSION OF NEVADA	13,124,733	17,975,073	17,462,904	-2.85	17,193,258	-1.54
BALANCE FORWARD	16,192	4,869,203	4,011,392	-17.62	3,612,242	-9.95
FEDERAL FUND	750,685	703,415	685,634	-2.53	803,159	17.14
INTERAGENCY TRANSFER	176,177	213,737	176,177	-17.57	176,177	
OTHER FUND	12,181,679	12,188,718	12,589,701	3.29	12,601,680	.10
TOTAL PUBLIC UTILITIES COMMISSION	13,124,733	17,975,073	17,462,904	-2.85	17,193,258	-1.54
BALANCE FORWARD	16,192	4,869,203	4,011,392	-17.62	3,612,242	-9.95
FEDERAL FUND	750,685	703,415	685,634	-2.53	803,159	17.14
INTERAGENCY TRANSFER	176,177	213,737	176,177	-17.57	176,177	
OTHER FUND	12,181,679	12,188,718	12,589,701	3.29	12,601,680	.10
B&I - OFFICE OF BUSINESS AND PLANNING	338,151	269,938	347,457	28.72	358,434	3.16
GENERAL FUND	339,663	264,526	347,457	31.35	358,434	3.16
INTERAGENCY TRANSFER	3,593	5,412				
OTHER FUND	500					
REVERSIONS	-5,605					
B&I - NEW MARKETS PERFORMANCE GUARANTEE	1,512	4,338,489	4,338,489	.00	4,335,357	-.07
BALANCE FORWARD	-4,338,488	4,338,489	4,338,489		4,335,357	-.07
OTHER FUND	4,340,000					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
B&I - BUSINESS AND INDUSTRY ADMINISTRATION	5,130,423	5,520,113	5,512,880	-1.13	5,584,671	1.30
GENERAL FUND	944,047	713,872	791,926	10.93	811,491	2.47
BALANCE FORWARD	-624,815	643,935	300,000	-53.41	150,000	-50.00
INTERAGENCY TRANSFER	4,786,118	4,122,004	4,379,252	6.24	4,581,419	4.62
OTHER FUND	40,302	40,302	41,702	3.47	41,761	.14
REVERSIONS	-15,229					
B&I - PRIVATE ACTIVITY BONDS	67,565	1,786,096	1,895,835	6.14	1,985,998	4.76
BALANCE FORWARD	-163,891	1,530,741	1,639,700	7.12	1,729,863	5.50
INTERAGENCY TRANSFER		8,000	14,467	80.84	14,467	
OTHER FUND	231,456	247,355	241,668	-2.30	241,668	
B&I - EMPLOYEE MANAGEMENT RELATIONS BOARD	605,137	1,500,791	1,257,997	-16.18	1,256,506	-1.12
BALANCE FORWARD	-23,018	864,502	884,113	2.27	706,922	-20.04
INTERAGENCY TRANSFER	3	200				
OTHER FUND	628,152	636,089	373,884	-41.22	549,584	46.99
B&I - LABOR COMMISSIONER	1,951,806	1,821,912	1,838,626	.92	2,074,516	12.83
GENERAL FUND	1,872,450	1,697,921	1,838,626	8.29	2,074,516	12.83
BALANCE FORWARD	-64,526					
INTERAGENCY TRANSFER	58,041	52,526				
INTERIM FINANCE	85,841	71,465				
B&I - NV ATTORNEY FOR INJURED WORKERS	3,789,754	4,165,377	4,014,519	-3.62	4,108,620	2.34
INTERAGENCY TRANSFER	371,699	165,239				
OTHER FUND	3,948,359	4,000,138	4,014,519	.36	4,108,620	2.34
REVERSIONS	-530,304					
B&I - INSURANCE REGULATION	11,154,649	17,682,185	17,492,459	-1.07	17,780,128	1.64
BALANCE FORWARD	-767,783	5,183,639	4,580,240	-11.64	4,259,844	-7.00
FEDERAL FUND	96,105	93,060	9,396	-89.90	9,396	
INTERAGENCY TRANSFER	323,021	591,902	192,782	-67.43	194,447	.86
OTHER FUND	11,503,306	11,813,584	12,710,041	7.59	13,316,441	4.77
B&I - CAPTIVE INSURERS	831,053	1,515,559	1,273,977	-15.94	1,487,026	16.72
BALANCE FORWARD	-9,092	488,125	436,819	-10.51	445,868	2.07
INTERAGENCY TRANSFER	415,873	460,834	414,758	-10.00	414,758	
OTHER FUND	424,272	566,600	422,400	-25.45	626,400	48.30
B&I - INSURANCE RECOVERY		209,320	209,320	.00	195,704	-6.50
BALANCE FORWARD		209,320	209,320		195,704	-6.50
B&I - SELF INSURED - WORKERS COMPENSATION	377,792	686,171	644,192	-6.12	614,183	-4.66
INTERAGENCY TRANSFER	926	3,734				
OTHER FUND	539,802	682,437	644,192	-5.60	614,183	-4.66
REVERSIONS	-162,936					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
B&I - DIVISION OF INDUSTRIAL RELATIONS	7,240,616	8,361,912	8,072,947	-3.46	8,172,626	1.23
INTERAGENCY TRANSFER	344,369	94,561				
OTHER FUND	7,952,401	8,267,351	8,072,947	-2.35	8,172,626	1.23
REVERSIONS	-1,056,154					
B&I - OCCUPATIONAL SAFETY & HEALTH ENFORCEMENT	10,946,091	12,763,787	12,435,485	-2.57	12,829,257	3.17
FEDERAL FUND	1,391,698	1,514,663	1,450,395	-4.24	1,450,395	
INTERAGENCY TRANSFER	872,692	13,202				
OTHER FUND	10,635,320	11,235,922	10,985,090	-2.23	11,378,862	3.58
REVERSIONS	-1,953,619					
B&I - SAFETY CONSULTATION AND TRAINING	3,450,033	3,671,961	3,701,251	.80	3,814,430	3.06
FEDERAL FUND	876,297	887,701	891,105	.38	891,105	
INTERAGENCY TRANSFER	298,817	5,175				
OTHER FUND	2,746,731	2,779,085	2,810,146	1.12	2,923,325	4.03
REVERSIONS	-471,812					
B&I - MINE SAFETY & TRAINING	1,519,467	1,749,694	1,677,528	-4.12	1,701,448	1.43
FEDERAL FUND	392,011	377,346	395,768	4.88	395,768	
OTHER FUND	1,320,508	1,372,348	1,281,760	-6.60	1,305,680	1.87
REVERSIONS	-193,052					
B&I - REAL ESTATE ADMINISTRATION	3,895,555	4,269,303	4,852,100	13.65	4,855,223	.06
GENERAL FUND	1,012,266	1,005,676	1,619,327	61.02	1,620,118	.05
BALANCE FORWARD	-3,275	3,785				
INTERAGENCY TRANSFER	268,077	294,139	232,670	-20.90	235,002	1.00
OTHER FUND	2,618,739	2,965,703	3,000,103	1.16	3,000,103	
REVERSIONS	-252					
B&I - REAL ESTATE EDUCATION AND RESEARCH	553,315	981,947	824,593	-16.02	767,073	-6.98
BALANCE FORWARD	45,452	472,815	314,671	-33.45	257,151	-18.28
INTERAGENCY TRANSFER	501,241	502,975	503,300	.06	503,300	
OTHER FUND	6,622	6,157	6,622	7.55	6,622	
B&I - REAL ESTATE RECOVERY ACCOUNT	587,107	854,368	887,107	3.83	887,107	.00
BALANCE FORWARD		300,000	300,000		300,000	
OTHER FUND	587,107	554,368	587,107	5.91	587,107	
B&I - COMMON INTEREST COMMUNITIES	2,101,610	5,466,100	5,695,531	4.20	5,906,434	3.70
BALANCE FORWARD	-543,473	2,885,551	3,062,160	6.12	3,273,063	6.89
INTERAGENCY TRANSFER	17,712	9,140				
OTHER FUND	2,627,371	2,571,409	2,633,371	2.41	2,633,371	
B&I - HOUSING DIVISION	3,779,561	13,895,845	7,339,217	-47.18	7,223,044	-1.58
BALANCE FORWARD	-655,397	1,934,227	3,069,536	58.70	2,756,045	-10.21
FEDERAL FUND	1,088,820	3,016,970				
INTERAGENCY TRANSFER	469,584	524,658	801,600	52.79	812,265	1.33
OTHER FUND	2,876,554	8,419,990	3,468,081	-58.81	3,654,734	5.38

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
B&I - ACCOUNT FOR LOW-INCOME HOUSING	9,091,346	74,168,849	41,539,450	-43.99	45,021,174	8.38
BALANCE FORWARD	-3,931,157	24,039,855	25,318,730	5.32	28,800,454	13.75
FEDERAL FUND	3,425,065	11,680,728	6,863,544	-41.24	6,863,544	
INTERAGENCY TRANSFER		30,000,354				
OTHER FUND	9,597,438	8,447,912	9,357,176	10.76	9,357,176	
B&I - SPECIAL HOUSING ASSISTANCE	937	2,252,631	2,130,229	-5.43	2,129,333	-0.4
BALANCE FORWARD	-756,623	1,720,285	712,998	-58.55	712,102	-1.13
FEDERAL FUND		384,015	195,740	-49.03	195,740	
OTHER FUND	757,560	148,331	1,221,491	723.49	1,221,491	
B&I - WEATHERIZATION	4,542,249	9,255,933	9,650,960	4.27	10,551,035	9.33
BALANCE FORWARD	-736,376	3,109,152	3,094,819	-4.6	3,955,924	27.82
FEDERAL FUND	889,431	1,016,157	1,509,219	48.52	1,509,219	
INTERAGENCY TRANSFER	1,094,169	1,756,880	1,453,448	-17.27	1,453,448	
OTHER FUND	3,295,025	3,373,744	3,593,474	6.51	3,632,444	1.08
B&I - HOUSING INSPECTION & COMPLIANCE	2,671,165	5,144,842	4,769,655	-7.29	4,767,451	-0.05
BALANCE FORWARD	-254,826	2,288,384	2,174,655	-4.97	2,188,843	.65
FEDERAL FUND	24,957	21,866	22,693	3.78	22,693	
INTERAGENCY TRANSFER	473,558	484,784				
OTHER FUND	2,427,476	2,349,808	2,572,307	9.47	2,555,915	-6.4
B&I - DIVISION OF FINANCIAL INSTITUTIONS	3,725,741	7,050,815	7,423,171	5.28	7,433,688	.14
BALANCE FORWARD	-563,707	3,519,892	2,868,717	-18.50	2,758,834	-3.83
INTERAGENCY TRANSFER	39,681	42,654				
OTHER FUND	4,249,767	3,488,269	4,554,454	30.56	4,674,854	2.64
B&I - FINANCIAL INSTITUTIONS INVESTIGATIONS	65,069	1,685,703	1,690,617	.29	1,687,642	-1.18
BALANCE FORWARD	-105,743	1,610,204	1,615,667	.34	1,625,242	.59
OTHER FUND	170,812	75,499	74,950	-7.3	62,400	-16.74
B&I - FINANCIAL INSTITUTIONS AUDIT	125,868	284,125	289,679	1.95	291,581	.66
BALANCE FORWARD	-8,773	155,981	146,316	-6.20	148,218	1.30
INTERAGENCY TRANSFER	584	1,168				
OTHER FUND	134,057	126,976	143,363	12.91	143,363	
B&I - DIVISION OF MORTGAGE LENDING	2,822,982	16,101,012	16,464,805	2.26	17,218,035	4.57
BALANCE FORWARD	-1,489,409	11,936,984	12,505,106	4.76	13,234,636	5.83
INTERAGENCY TRANSFER	25,565	19,368				
OTHER FUND	4,286,826	4,144,660	3,959,699	-4.46	3,983,399	.60
B&I - TAXICAB AUTHORITY	4,947,759	9,254,482	7,969,569	-13.88	7,288,832	-8.54
BALANCE FORWARD	620,388	4,557,703	3,560,934	-21.87	2,880,197	-19.12
INTERAGENCY TRANSFER	293,789	28,942				
OTHER FUND	4,033,582	4,667,837	4,408,635	-5.55	4,408,635	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
B&I - NEVADA TRANSPORTATION AUTHORITY	4,754,816	7,125,526	6,781,835	-4.82	6,812,212	.45
BALANCE FORWARD	-814,522	1,604,770	1,460,170	-9.01	1,473,080	.88
HIGHWAY FUND	2,601,361	2,733,592	2,689,182	-1.62	2,665,990	-.86
INTERAGENCY TRANSFER	519,295	179,534				
OTHER FUND	2,990,663	2,607,630	2,632,483	.95	2,673,142	1.54
REVERSIONS	-541,981					
B&I - TRANSPORTATION AUTHORITY ADMIN FINES	90,285	1,244,826	1,309,714	5.21	1,384,049	5.68
BALANCE FORWARD	-62,952	1,019,940	1,136,854	11.46	1,211,189	6.54
OTHER FUND	153,237	224,886	172,860	-23.13	172,860	
TOTAL DEPT OF BUSINESS & INDUSTRY	91,159,414	225,079,612	184,331,194	-18.10	190,522,817	3.36
GENERAL FUND	4,168,426	3,681,995	4,597,336	24.86	4,864,559	5.81
BALANCE FORWARD	-15,252,006	74,418,279	73,730,014	-.92	77,398,536	4.98
FEDERAL FUND	8,184,384	18,992,506	11,337,860	-40.30	11,337,860	
HIGHWAY FUND	2,601,361	2,733,592	2,689,182	-1.62	2,665,990	-.86
INTERAGENCY TRANSFER	11,178,407	39,367,385	7,992,277	-79.70	8,209,106	2.71
INTERIM FINANCE	85,841	71,465				
OTHER FUND	85,123,945	85,814,390	83,984,525	-2.13	86,046,766	2.46
REVERSIONS	-4,930,944					
SMALL BUSINESS ENTERPRISE LOAN		758,110	516,695	-31.84	328,118	-36.50
BALANCE FORWARD			280,088		140,044	-50.00
OTHER FUND		758,110	236,607	-68.79	188,074	-20.51
NEVADA MAIN STREET PROGRAM	41,484	308,517	171,016	-44.57	87,500	-48.84
GENERAL FUND			171,016		3,984	-97.67
BALANCE FORWARD	41,484	308,517			83,516	
UNMANNED SYSTEM SAFETY PROGRAM	1,000,000					
GENERAL FUND	1,000,000					
GOED - GOVERNOR'S OFFICE OF ECONOMIC DEV	7,864,064	69,147,795	6,920,885	-89.99	6,942,794	.32
GENERAL FUND	7,701,185	6,532,553	6,782,387	3.82	6,804,296	.32
FEDERAL FUND	140,498	481,385	138,498	-71.23	138,498	
INTERAGENCY TRANSFER	159,848	61,717,500				
OTHER FUND	98,351	416,357				
REVERSIONS	-235,818					
GOED - NEVADA FILM OFFICE	665,116	965,205	678,955	-29.66	698,885	2.94
BALANCE FORWARD	48,259	78,653	73,486	-6.57	89,141	21.30
INTERAGENCY TRANSFER	577,532	838,402	583,663	-30.38	587,945	.73
OTHER FUND	39,325	48,150	21,806	-54.71	21,799	-.03
GOED - RURAL COMMUNITY DEVELOPMENT	3,288,218	5,459,155	3,314,172	-39.29	3,318,559	.13
GENERAL FUND	180,091	180,555	155,053	-14.12	159,440	2.83
FEDERAL FUND	3,158,833	5,278,600	3,159,119	-40.15	3,159,119	
REVERSIONS	-50,706					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
GOED - PROCUREMENT OUTREACH PROGRAM	627,358	735,931	717,225	-2.54	726,448	1.29
GENERAL FUND	132,316	135,931	117,225	-13.76	126,448	7.87
FEDERAL FUND	513,012	600,000	600,000		600,000	
REVERSIONS	-17,970					
GOED - NEVADA CATALYST ACCOUNT	423,083	462,500				
BALANCE FORWARD	769,500	462,500				
OTHER FUND	36,943					
REVERSIONS	-383,360					
GOED - NEVADA SSBCI PROGRAM	2,280,016	6,228,947	4,635,103	-25.59	2,997,016	-35.34
BALANCE FORWARD	1,569,934	4,933,185	3,979,509	-19.33	2,359,274	-40.71
OTHER FUND	710,082	1,295,762	655,594	-49.40	637,742	-2.72
GOED - WORKFORCE INNOVATIONS FOR A NEW NEVADA ACCT	541,258	5,458,743	3,500,000	-35.88	2,000,000	-42.86
GENERAL FUND	4,000,000		1,500,000			
BALANCE FORWARD	-3,458,742	3,458,743			2,000,000	
INTERAGENCY TRANSFER		2,000,000	2,000,000			
GOED - NEVADA KNOWLEDGE ACCOUNT	2,857,037	3,408,880	3,694,866	8.39	3,353,723	-9.23
GENERAL FUND	2,500,000		2,500,000		2,500,000	
BALANCE FORWARD	243,169	3,408,880	1,141,518	-66.51	837,829	-26.60
OTHER FUND	113,868		53,348		15,894	-70.21
TOTAL GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT	19,587,634	92,933,783	24,148,917	-74.01	20,453,043	-15.30
GENERAL FUND	15,513,592	6,849,039	11,225,681	63.90	9,594,168	-14.53
BALANCE FORWARD	-786,396	12,650,478	5,474,601	-56.72	5,509,804	.64
FEDERAL FUND	3,812,343	6,359,985	3,897,617	-38.72	3,897,617	
INTERAGENCY TRANSFER	737,380	64,555,902	2,583,663	-96.00	587,945	-77.24
OTHER FUND	998,569	2,518,379	967,355	-61.59	863,509	-10.74
REVERSIONS	-687,854					
TOURISM - STEWART INDIAN SCHOOL LIVING LEGACY	290,787	309,015	293,702	-4.96	304,950	3.83
GENERAL FUND	119,093	108,968	123,355	13.20	115,881	-6.06
INTERAGENCY TRANSFER	181,052	91,347	170,347	86.48	189,069	10.99
OTHER FUND		108,700				
REVERSIONS	-9,358					
TOURISM - TOURISM DEVELOPMENT FUND	20,659,626	36,338,341	28,595,640	-21.31	35,039,067	22.53
BALANCE FORWARD	1,310,402	4,736,892	11,335,585	139.30	11,803,778	4.13
INTERAGENCY TRANSFER	235,609	4,985,142	14,603	-99.71	14,603	
OTHER FUND	19,113,615	26,616,307	17,245,452	-35.21	23,220,686	34.65
TOURISM - TOURISM DEVELOPMENT	97,652	228,823	183,116	-19.97	239,757	30.93
BALANCE FORWARD	-7,319	124,171	128,823	3.75	135,464	5.16
INTERAGENCY TRANSFER	100,000	100,000	50,000	-50.00	100,000	100.00
OTHER FUND	4,971	4,652	4,293	-7.72	4,293	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
TOURISM - NEVADA MAGAZINE	916,817	1,363,645	1,139,668	-16.42	1,111,099	-2.51
BALANCE FORWARD	41,696	127,891	217,333	69.94	128,764	-40.75
INTERAGENCY TRANSFER	27,806	140,145	132,781	-5.25	132,781	
OTHER FUND	847,315	1,095,609	789,554	-27.93	849,554	7.60
TOURISM - MUSEUMS & HISTORY	798,449	1,077,256	596,468	-44.63	601,834	.90
GENERAL FUND	474,040	230,626	226,549	-1.77	210,471	-7.10
BALANCE FORWARD	-89,084	378,859				
INTERAGENCY TRANSFER	279,196	333,651	235,799	-29.33	257,243	9.09
OTHER FUND	135,455	134,120	134,120		134,120	
REVERSIONS	-1,158					
TOURISM - MUSEUMS & HIST - LOST CITY MUSEUM	529,714	583,395	548,001	-6.07	563,451	2.82
GENERAL FUND	196,748	202,374	214,825	6.15	203,447	-5.30
INTERAGENCY TRANSFER	257,461	263,972	223,593	-15.30	248,660	11.21
OTHER FUND	81,871	117,049	109,583	-6.38	111,344	1.61
REVERSIONS	-6,366					
TOURISM - MUSEUMS & HIST-NEVADA HISTORICAL SOCIETY	521,251	578,427	610,422	5.53	636,807	4.32
GENERAL FUND	288,623	249,464	297,415	19.22	285,009	-4.17
INTERAGENCY TRANSFER	290,127	322,437	309,552	-4.00	348,343	12.53
OTHER FUND	3,455	6,526	3,455	-47.06	3,455	
REVERSIONS	-60,954					
TOURISM - MUSEUMS & HIST - NEVADA STATE MUSEUM, CC	1,734,816	1,818,164	1,802,018	-.89	1,848,831	2.60
GENERAL FUND	742,261	666,960	752,201	12.78	710,840	-5.50
BALANCE FORWARD	1,770	2,446				
INTERAGENCY TRANSFER	864,352	856,764	782,903	-8.62	868,805	10.97
OTHER FUND	220,983	291,994	266,914	-8.59	269,186	.85
REVERSIONS	-94,550					
TOURISM - MUSEUMS & HIST - NEVADA STATE MUSEUM, LV	1,621,055	3,491,547	1,725,412	-50.58	1,768,386	2.49
GENERAL FUND	710,568	603,691	778,027	28.88	732,567	-5.84
INTERAGENCY TRANSFER	906,243	747,713	809,785	8.30	895,360	10.57
OTHER FUND	54,924	2,140,143	137,600	-93.57	140,459	2.08
REVERSIONS	-50,680					
TOURISM - MUSEUMS & HIST-NV STATE RAILROAD MUSEUMS	1,555,137	1,757,658	1,644,983	-6.41	1,686,281	2.51
GENERAL FUND	546,721	564,301	590,702	4.68	559,903	-5.21
INTERAGENCY TRANSFER	660,162	726,701	614,810	-15.40	684,330	11.31
OTHER FUND	420,345	466,656	439,471	-5.83	442,048	.59
REVERSIONS	-72,091					
TOURISM - NEVADA ARTS COUNCIL	2,640,666	2,664,939	2,938,364	10.26	3,086,710	5.05
GENERAL FUND	513,474	448,408	643,686	43.55	628,453	-2.37
BALANCE FORWARD	-54,731	225,659	206,272	-8.59	206,773	.24
FEDERAL FUND	981,715	696,400	710,700	2.05	710,700	
INTERAGENCY TRANSFER	1,046,344	1,080,287	1,161,248	7.49	1,324,326	14.04
OTHER FUND	203,544	214,185	216,458	1.06	216,458	
REVERSIONS	-49,680					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
TOURISM - NEVADA HUMANITIES	125,000	125,000	100,000	-20.00	100,000	.00
GENERAL FUND	125,000	125,000	100,000	-20.00	100,000	
TOURISM - INDIAN COMMISSION	404,977	265,196	352,306	32.85	359,771	2.12
GENERAL FUND	239,140	191,114	274,766	43.77	266,453	-3.03
INTERAGENCY TRANSFER	176,158	74,082	77,540	4.67	93,318	20.35
REVERSIONS	-10,321					
TOTAL DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS	31,895,947	50,601,406	40,530,100	-19.90	47,346,944	16.82
GENERAL FUND	3,955,668	3,390,906	4,001,526	18.01	3,813,024	-4.71
BALANCE FORWARD	1,202,734	5,595,918	11,888,013	112.44	12,274,779	3.25
FEDERAL FUND	981,715	696,400	710,700	2.05	710,700	
INTERAGENCY TRANSFER	5,024,510	9,722,241	4,582,961	-52.86	5,156,838	12.52
OTHER FUND	21,086,478	31,195,941	19,346,900	-37.98	25,391,603	31.24
REVERSIONS	-355,158					
COMMERCE & INDUSTRY						
GENERAL FUND	59,052,342	46,991,770	54,702,214	16.41	53,609,242	-2.00
BALANCE FORWARD	-13,078,009	112,401,155	103,030,043	-8.34	105,691,056	2.58
FEDERAL FUND	176,328,491	265,853,726	159,543,562	-39.99	163,723,816	2.62
HIGHWAY FUND	2,601,361	2,733,592	2,689,182	-1.62	2,665,990	-.86
INTERAGENCY TRANSFER	35,372,024	142,440,317	32,810,249	-76.97	31,481,837	-4.05
INTERIM FINANCE	85,841	71,465				
OTHER FUND	161,060,663	174,854,273	162,746,840	-6.92	170,818,234	4.96
REVERSIONS	-7,038,757					
TOTAL FOR COMMERCE & INDUSTRY	414,383,956	745,346,298	515,522,090	-30.83	527,990,175	2.42
Less: INTER-AGENCY TRANSFER	35,372,024	142,440,317	32,810,249	-76.97	31,481,837	-4.05
NET COMMERCE & INDUSTRY	379,011,932	602,905,981	482,711,841	-19.94	496,508,338	2.86

HEALTH AND HUMAN SERVICES

The Health and Human Services function consists of the Department of Health and Human Services, which includes the divisions of Health Care Financing and Policy, Aging and Disability Services, Public and Behavioral Health, Welfare and Supportive Services, and Child and Family Services. This function also includes the Department of Employment, Training and Rehabilitation.

The Executive Budget recommends General Fund support for the Health and Human Services functional area totaling \$1.571 billion in FY 2022, which is a 1.4% increase compared to the \$1.549 billion approved by the Legislature for FY 2021, and \$1.691 billion in FY 2023, which represents a 7.6% increase from amounts recommended for FY 2022. The Governor recommends \$6.726 billion in FY 2022 from all funding sources, less interagency transfers, which is a 11.2% increase over the \$6.050 billion approved for FY 2021 and \$7.005 billion in FY 2023, which is an additional increase of 4.1% compared to FY 2022.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIRECTOR'S OFFICE

The Director's Office is responsible for coordinating all departmental programs, overseeing the department's budgets, and providing technical assistance to the various divisions within the department. The following budgets are directly administered by the Director's Office: Administration, Developmental Disabilities, Family Planning, Grants Management Unit, Grief Support Trust Account, Consumer Health Assistance, Indigent Hospital Care, Upper Payment Limit Holding Account, and Individuals with Disabilities Education Part C. The Governor recommends a new budget, Data Analytics, for the 2021-23 biennium.

FAMILY PLANNING

The Family Planning budget was created in accordance with Senate Bill (S.B.) 94 (2019), codified as *Nevada Revised Statutes* (NRS) 442.725, which transferred the duty of administering the existing Account for Family Planning from the Division of Public and Behavioral Health to the Director's Office. Money in the account must be expended to award grants to local governmental entities and nonprofit organizations to provide family planning services or pay for family planning services which are provided by, or contracted by, an Executive Branch agency. The family planning services are intended for all persons who would otherwise have difficulty obtaining such services.

The Governor recommends General Fund reductions of \$621,707 in each year of the 2021-23 biennium with corresponding reductions to the Family Planning category. The recommended reduction would result in Family Planning category authority of \$2.4 million in each year of the 2021-23 biennium, which represents a 20.7% reduction from the \$3.0 million per year approved by the 2019 Legislature.

GRANTS MANAGEMENT UNIT

The Grants Management Unit (GMU) administers grant programs within the Department of Health and Human Services Director’s Office, which include: Title XX Purchase of Social Services Block Grant, Community Services Block Grant and Fund for a Healthy Nevada (tobacco settlement) funds.

Revenue for the Fund for a Healthy Nevada (FHN) is provided through a transfer from the Treasurer’s Office (non-Executive budget) of tobacco settlement funds received by the state pursuant to the Tobacco Master Settlement Agreement of 1998. *Nevada Revised Statutes* 439.620 requires that the FHN be administered by the State Treasurer. After allocations to the Office of the Attorney General for the Tobacco Enforcement Unit and the Department of Taxation’s Compliance Unit, the Treasurer transfers 60% of the tobacco settlement funds from the FHN to various DHHS budgets, and the remaining 40% supports the Governor Guinn Millennium Scholarship program.

Pursuant to NRS 439.630, the DHHS Director must consider the recommendations of the Grants Management Advisory Committee, the Nevada Commission on Aging and the Nevada Commission on Services for Persons with Disabilities, after conducting a statewide needs assessment, in developing a spending plan for the allocation of tobacco settlement funds. For the entire department, The Executive Budget recommends the following FHN allocations over the 2021-23 biennium pursuant to the spending plan developed by the DHHS Director:

**Tobacco Settlement Funds
2021-23 Biennium Spending Plan**

Use Category	FY 2022	FY 2023	Biennium Total	Notes
Senior Rx; Senior Independent/Assisted Living NRS 439.630(c-e)	\$ 7,191,611	\$ 7,770,338	\$ 14,961,949	
Tobacco Cessation NRS 439.630(f)	\$ 1,099,671	\$ 1,100,668	\$ 2,200,339	
Wellness NRS 439.630(g)	\$ 14,380,484	\$ 14,378,068	\$ 28,758,552	Includes: Minority Health, Incubator Project, Suicide Prevention, Hunger Prevention, SafeVoice, Immunization, Nevada 2-1-1 Support, Wellness for Family Services, Differential Response, Family Resource Centers, Adult/Youth Mental Health
Disability Grants, Disability Rx NRS 439.630(h-i)	\$ 2,248,676	\$ 2,248,591	\$ 4,497,267	Includes: Respite, Positive Behavior Support, Independent Living Grants, NV 2-1-1, Autism, Family Preservation
Subtotal	\$ 24,920,442	\$ 25,497,665	\$ 50,418,107	
Administrative Costs	\$ 67,925	\$ 69,496	\$ 137,421	
Total	\$ 24,988,367	\$ 25,567,161	\$ 50,555,528	

Of the \$50.6 million in tobacco settlement funds shown on the previous table, The Executive Budget recommends \$13.3 million over the 2021-23 biennium for the GMU to administer the funds and award grants, which represents a 11.4% decrease from the \$15.0 million approved for the GMU over the 2019-21 biennium. The decrease is primarily due to the Governor's recommendation to transfer the Nevada 2-1-1 program, with FHN funding of \$1.7 million, from the GMU to the Consumer Health Assistance budget.

Title XX Purchase of Social Services

The Purchase of Social Services program established under Title XX of the federal Social Security Act, provides states with funds for a wide variety of social service programs. The state's Title XX funds support subgrants to state and non-state agencies. The Executive Budget recommends total expenditure authority of \$29.3 million over the 2021-23 biennium. The Governor recommends Title XX grants to non-state agencies at \$4.3 million for each fiscal year of the 2021-23 biennium, an increase from the \$3.7 million per year authorized for the 2019-21 biennium.

DATA ANALYTICS

The Office of Data Analytics is recommended as a new budget account for the 2021-23 biennium within the DHHS Director's Office, established by transferring existing resources from other DHHS divisions, including 27 positions and total funding of \$6.0 million (\$1.5 million General Fund) over the 2021-23 biennium. The recommendation is intended to centralize DHHS data analytics within a single unit in the Director's Office, supporting the department-wide strategy of standardization, collaboration and capacity building in relation to analytics.

CONSUMER HEALTH ASSISTANCE

To streamline consumer-related information, and improve the facilitation of resources and outreach efforts, the 2011 Legislature approved the Governor's recommendation to merge the Office of Consumer Health Assistance (OCHA) with the Office of Minority Health and Equity (OMHE).

The OCHA assists Nevada consumers in navigating the health care system to understand patient rights and responsibilities under various health care plans, including industrial insurance, Medicaid and prescription drug programs. The office responds to and investigates complaints regarding health care plans and policies, resolves disputes between patients and hospitals, and conducts and coordinates statewide educational outreach to increase awareness of and access to health care services. The mission of the OMHE is to improve the quality of health care services for members of minority groups.

The Governor recommends transferring the OMHE to the Director's Office Administration budget, as the OMHE works statewide and provides support for all divisions within the DHHS. Additionally, The Executive Budget recommends moving the OCHA budget from its current location in the Director's Office to the Aging and Disability Services Division. This recommendation is part of a proposal to bring together existing programs housed at various divisions – Nevada 2-1-1, Community Advocates, Health Care Navigators,

Long-Term Care Ombudsman, Adult Protective Services, and the Patient Protection Commission – under a single division within the Aging and Disability Services Division to create efficiencies and improve services to Nevadans.

INDIGENT HOSPITAL CARE

The Indigent Hospital Care account was initially created to provide reimbursement to Nevada counties for unpaid hospital charges for medical treatment of indigent persons and reimbursement to hospitals for care provided to indigent persons who have been injured in motor vehicle accidents in Nevada. The account is primarily funded by a property tax levy of 1.5 cents on each \$100 of assessed valuation and unmet free care funding collected from hospitals pursuant to NRS 439B.340. The account is administered by the Board of Trustees of the Fund for Hospital Care to Indigent Persons.

Nevada Revised Statutes 428.206 authorizes the Board of Trustees to enter into an agreement with the Department of Health Care Financing and Policy (DHCFP) to transfer funds from this account to the DHCFP to provide for enhanced reimbursement rates for hospital care for Medicaid recipients or make supplemental payments to hospitals in accordance with the Medicaid State Plan. Funding from this account may also provide relief to counties that are unable to meet the obligation to fund their portion of the state share of costs associated with the County Indigent population in the Medicaid budget.

The Executive Budget recommends continuing the transfer of funding from this account to the DHCFP to support the state share of the Medicaid supplemental payment program, known as the Indigent Accident Fund Upper Payment Limit program, and includes transfers of \$23.3 million in FY 2022 and \$26.0 million in FY 2023. The Governor recommends continuing to utilize funding from the Indigent Hospital Care budget to support a portion of a counties' responsibilities to pay the non-federal share of Medicaid expenditures for certain participants, as approved by the Interim Finance Committee at its October 23, 2020, meeting.

UPPER PAYMENT LIMIT HOLDING ACCOUNT

The 2019 Legislature authorized the continuation of the Upper Payment Limit (UPL) Holding Account through Section 55 of Assembly Bill 543 (2019) to allow the DHHS to receive funding transferred from other DHHS divisions resulting from savings associated with not providing health care and related services. The legislation also specifies that funding transferred to this account must be utilized to support the state share of an expanded Medicaid supplemental payment program and associated administrative costs, with any remaining funding reverting to the General Fund or the Fund for a Healthy Nevada.

The Executive Budget recommends continuing the UPL Holding Account in the 2021-23 biennium. The Governor recommends transferring savings of \$11.9 million in each year of the 2021-23 biennium that are budgeted, but not incurred, from Director's Office, Division of Public and Behavioral Health, Division of Child and Family Services, and Aging and Disability Services Division budgets to this budget in the Director's Office, and transferring \$8.8 million and \$8.6 million in FY 2022 and FY 2023,

respectively, from this budget to the Division of Health Care Financing and Policy to provide the state share of the Private Hospital Collaborative UPL supplemental payment program. General Fund reversions are projected to amount to \$1.7 million in FY 2022 and \$1.8 million in FY 2023, and reversions to the Fund for a Healthy Nevada are projected at \$1.4 million in FY 2022 and \$1.5 million in FY 2023.

AGING AND DISABILITY SERVICES DIVISION

The Aging and Disability Services Division (ADSD) develops, coordinates and delivers a comprehensive system of support services, which allow Nevada's residents who are 60 years of age and older and persons with disabilities to lead independent, meaningful and dignified lives.

The Governor recommends General Fund appropriations of \$413.3 million over the 2021-23 biennium, representing an increase of \$21.0 million, or 5.3%, compared to the \$392.3 million approved by the 2019 Legislature. For the 2021-23 biennium, total funding, excluding interagency transfers, is recommended to increase by \$15.1 million, or 3.2%, from \$470.0 million to \$485.1 million. Although General Fund appropriations are the largest funding source for the division, other funding sources for the ADSD include Medicaid reimbursements, various federal funding sources and tobacco settlement funds transferred from the State Treasurer's Office (i.e., Healthy Nevada Funds).

New Consumer Health Advocacy and Protection Unit

The Governor recommends creating a new Consumer Health Advocacy and Protection Unit, which includes transferring the Patient Protection Commission from the Office of the Governor and transferring the Office of Consumer Health Assistance and Nevada 2-1-1 program from the DHHS Director's Office to the ADSD.

FEDERAL PROGRAMS AND ADMINISTRATION

The Federal Programs and Administration budget is the primary administrative budget and provides centralized fiscal, human resources and information technology services for the division. The budget is funded with General Fund appropriations and cost allocation revenue charged for services provided to the other budgets within the division. For the 2021-23 biennium, the Governor recommends total funding of \$19.6 million, a decrease of 2.3% compared to the \$20.0 million approved for the 2019-21 biennium. Of the total funding, the Governor recommends General Fund appropriations of \$4.0 million for the 2021-23 biennium, a decrease of 3.2% compared to the \$4.2 million approved for the 2019-21 biennium. To realize budget reductions of \$375,964, including General Fund savings of \$75,193 in FY 2022, the Governor recommends holding six positions vacant through FY 2022 (one Accounting Assistant, two Administrative Assistants, one Information Technology Professional, one Management Analyst, and one Personnel Analyst).

SENIOR RX AND DISABILITY RX PROGRAMS

The Senior Rx and Disability Rx (SRx/DRx) programs assist eligible low-income seniors and disabled individuals to pay for Medicare Part D premiums and Medicare Part D gap prescription drug costs. The programs are funded with Healthy Nevada Funds. Total funding recommended for the 2021-23 biennium is \$1.1 million, a decrease of 65%, or \$2.0 million, compared to the \$3.1 million approved by the 2019 Legislature. The decrease in funding is due primarily to the Governor's recommendation to reduce Healthy Nevada Funds by \$1.3 million over the 2021-23 biennium to eliminate the prescription subsidy portion of the SRx/DRx programs. The recommendation continues the insurance premium subsidy portion of the SRx/DRx programs for eligible members enrolled in Medicare Part D health insurance plans.

HOME AND COMMUNITY-BASED SERVICES

The Home and Community-Based Services budget includes community-based services such as the Community Options Program for the Elderly (COPE), Personal Assistance Services (PAS) and Homemaker programs, as well as the Adult Protective Services (APS) program. The budget also includes aging programs, such as the Long-Term Care Ombudsman Program (LTCOP), nutrition and home-delivered meals programs, and social services and family caregiver support programs. The budget is primarily funded with General Fund appropriations and federal funds.

Home and community-based services provide alternatives to nursing home placement for seniors at risk of institutionalization through the federally funded Medicaid Home and Community-Based Waiver (HCBW) for the Frail Elderly and HCBW for Persons with Physical Disabilities. The Division of Health Care Financing and Policy has administrative authority, establishes policy and makes payments for services for the HCBW programs, while the ADSD incurs the personnel and operating costs related to overseeing and operating the waiver programs.

The Governor recommends total funding of \$110.5 million for the Home and Community-Based Services budget for the 2021-23 biennium, an increase of 3.4% compared to the \$106.8 million approved for the 2019-21 biennium. Of the total funding, the Governor recommends General Fund appropriations totaling \$53.2 million for the 2021-23 biennium, an increase of 1.1% compared to the \$52.6 million approved for the 2019-21 biennium. To realize budget reductions of \$1.4 million, including General Funds of \$901,658 in FY 2022, the Governor recommends holding 21 positions vacant through FY 2022 (7 Administrative Assistants, 1 Adult Rights Supervisor, 3 Health Care Coordination Nurses, 4 Health Care Coordinators, 1 Management Analyst, 1 Social Services Program Specialist, 1 Social Work Supervisor, and 3 Social Workers).

Home and Community-Based Services Caseloads and Waitlists

The Governor recommends General Fund appropriations of \$382,546 over the 2021-23 biennium to adjust caseloads and reduce waitlists for the PAS, Homemaker and COPE programs, as shown in the following table:

Home and Community-Based Services Monthly Average Caseloads FY 2020 Actual and FY 2021, FY 2022, and FY 2023 Projected					
		FY 2020	FY 2021	FY 2022	FY 2023
		Actual	Projected	Governor Recommends	
Personal Assistance Services (PAS)		127	118	141	144
% Change			-7.1%	19.5%	2.1%
Homemaker Program		300	326	345	344
% Change			8.7%	5.8%	-0.3%
Community Options Program for the Elderly (COPE)		88	100	121	124
% Change			13.6%	21.0%	2.5%

To adjust staffing for the combined community-based services caseload, including the PAS, Homemaker, COPE and HCBW programs, the Governor recommends eliminating 1 Social Work Supervisor and 4 intake Social Worker positions (all vacant) and adding 2 Social Worker caseworkers and 1 Administrative Assistant to align with the agency’s staffing ratio of 1 caseworker to every 50 clients, for a net reduction of 2 positions, for a reduction in General Funds of \$547,240 over the 2021-23 biennium.

Long-Term Care Ombudsman Program Caseload

The Governor recommends reducing General Fund appropriations by \$1.1 million over the 2021-23 biennium to adjust staffing for the LTCOP, which provides information and advocacy services to individuals in long-term care facilities. The LTCOP monthly average caseload is projected to increase by 33.7% over the biennium from 643 individuals in FY 2021 to 860 individuals in FY 2023. The recommendation eliminates 6 Adult Rights Specialist caseworkers and 1 Adult Rights Supervisor position (all vacant) and adds 1 quality assurance Social Services Program Specialist position to align with the agency’s staffing ratio of 1 caseworker to every 60 clients, for a net reduction of 6 positions.

Adult Protective Services Program Caseload

The Governor recommends General Fund appropriations of \$1.7 million over the 2021-23 biennium to adjust staffing for the APS program, which provides protective services to vulnerable persons ages 18 to 59 and individuals age 60 and older. The APS monthly average caseload is projected to increase by 0.3% over the biennium from 2,050 individuals in FY 2021 to 2,057 individuals in FY 2023. The recommendation adds 9 Social Worker positions to align with the agency’s staffing ratio of 1 caseworker to every 40 clients.

APS Program Position Funding Swap: Due to a reduction in the federal Victims of Crime Act grant funds, the Governor recommends changing the funding source for nine existing APS Program positions (one Administrative Assistant, five Adult Rights Specialists, one Legal Research Assistant, and two Mental Health Counselors) to a

combination of General Fund appropriations, Medicaid Administrative and federal grant funds (net change of zero dollars).

EARLY INTERVENTION SERVICES

Early Intervention Services (EIS) are provided to children from birth to three years of age who have known or suspected developmental delays in the areas of cognition, communication, physical development (including vision and hearing), social and emotional development, and/or adaptive skills as required by Part C of the Individuals with Disabilities Education Act. The program provides services and support for families with children who have developmental delays and helps facilitate the children's learning and individualized development.

The Governor recommends total funding of \$78.6 million for the EIS budget for the 2021-23 biennium, a decrease of 1.0% compared to the \$79.4 million approved for the 2019-21 biennium. Of the total funding, the Governor recommends General Fund appropriations totaling \$65.0 million for the 2021-23 biennium, an increase of 2.9% compared to the \$63.2 million approved for the 2019-21 biennium. To realize net budget reductions of \$4.4 million, including General Funds of \$4.1 million over the 2021-23 biennium, the Governor recommends reducing the EIS community provider rate by 11.5%, from \$565 to \$500 per child per month, and holding 29 positions (25.8 FTE) (4 Accounting Assistants, 3 Administrative Assistants, 1 Clinical Social Worker, 14 Developmental Specialists, 1 Licensed Psychologist, 5 Public Service Interns, and 1 Speech Pathologist) vacant through FY 2022.

The Governor recommends a net increase of \$1.5 million (\$1.4 million General Fund appropriations) over the 2021-23 biennium to increase the average number of children served per month in the EIS program from 3,552 children in FY 2021 to 3,891 children in FY 2023, representing an increase of 9.6% over the biennium. The recommendations include adjustments to caseload staffing, for a net increase of one position. The recommendation continues the current service model in which caseload management and service delivery for 50% of the caseload is overseen by the state and 50% of the caseload is overseen by community providers.

AUTISM TREATMENT ASSISTANCE PROGRAM

The Autism Treatment Assistance Program (ATAP) assists parents and caregivers with the cost of providing autism-specific treatments to children diagnosed with Autism Spectrum Disorder. The ATAP is a statewide program that provides temporary assistance and funding to pay for evidenced-based treatment, such as Applied Behavior Analysis for children on the Autism Spectrum, who are under the age of 20 and are diagnosed as a person with Autism Spectrum Disorder by a physician, psychologist, child/adolescent psychiatrist, pediatric neurologist, or other qualified professional.

For the 2021-23 biennium, the Governor recommends total funding of \$18.8 million, a decrease of 44.9% compared to the \$34.1 million approved for the 2019-21 biennium. Of the total funding, the Governor recommends General Fund appropriations of \$11.5 million for the 2021-23 biennium, a decrease of 33.7% compared to the \$17.4 million approved for the 2019-21 biennium. The funding recommendation for the

2021-23 biennium reduces Healthy Nevada Funds by \$5.7 million, from \$6.0 million to \$287,000, and increases Temporary Assistance for Needy Families funds transferred in from the Division of Welfare and Supportive Services by \$1.5 million, from \$4.2 million to \$5.7 million, when compared to legislatively approved amounts for the 2019-21 biennium.

The Governor recommends additional funding of \$3.3 million (\$3.1 million General Fund appropriations) over the 2021-23 biennium to increase the projected monthly average ATAP caseload from 933 children in FY 2021 to 1,231 children in FY 2023, representing an increase of 31.9% over the biennium. The recommendations include eliminating the ATAP waitlist and a net staffing increase, including the addition of two Administrative Assistant positions and two Developmental Specialist positions. Additionally, to realize budget reductions of \$597,899, including General Funds of \$455,376, the Governor recommends holding eight Developmental Specialist positions vacant through FY 2022.

DEVELOPMENTAL SERVICES

Developmental services include an array of services provided to people of all ages with intellectual and/or developmental disabilities, and their families, through three regional centers. The Sierra Regional Center (SRC) serves all of Washoe County; the Desert Regional Center (DRC) serves the greater Las Vegas area and Clark County, except for the majority of the outlying rural areas; and the Rural Regional Center (RRC) serves the remainder of the state. The DRC also has a 48-bed licensed Intermediate Care Facility for Individuals with Intellectual Disabilities that provides comprehensive and individualized health care and rehabilitation services to individuals to promote their functional status and independence. The Family Preservation Program (FPP) is administered by the SRC but serves clients in all three regional centers. The FPP is a statewide program that provides financial assistance to low-income families residing in Nevada who provide care in their home for family members with profound or severe intellectual disabilities or children under six years of age who have developmental delays that require support equivalent to that required by a person with profound or severe intellectual or developmental disabilities.

The Governor recommends total funding of \$532.5 million for the developmental services budgets for the 2021-23 biennium, an increase of 8.2% compared to the \$492.3 million approved for the 2019-21 biennium. Of the total funding, the Governor recommends General Fund appropriations totaling \$279.5 million for the 2021-23 biennium, an increase of 9.6% compared to the \$254.9 million approved for the 2019-21 biennium. To realize budget reductions of \$4.9 million, including General Funds of \$4.4 million over the 2021-23 biennium, the Governor recommends reducing the developmental services provider payment for Fiscal Intermediary Services from \$450 to \$300 per month in FY 2022, holding 33 positions (1 Accounting Assistant, 12 Administrative Assistants, 6 Developmental Specialists, 1 Licensed Psychologist, 5 Mental Health Counselors, 1 Psychiatric Caseworker, 3 Psychiatric Nurses, and 4 Quality Assurance Specialists) vacant through FY 2022, and eliminating a recommended pilot program at the DRC to support individuals with dual diagnoses.

Developmental Services Caseloads and Waitlists

The Governor recommends funding totaling \$71.1 million (\$36.0 million General Fund appropriations) over the 2021-23 biennium to increase the caseloads for the FPP, Supported Living Arrangements (SLA), Family Support/Respite, and Jobs and Day Training (JDT) programs at the DRC, SRC and RRC. The recommendations would fund projected increases in caseloads for developmental services programs and reduce the waitlist for those waiting for waiver services for 90 days for the SLA and JDT programs at the DRC and the SRC, adding a monthly average of 237 waiver slots over the biennium. The recommendations would also add 18 new positions at the DRC and 2 new positions at the SRC (8 Developmental Specialists, 3 Psychiatric Nurses, 3 Administrative Assistants, 2 Personnel Technicians, 2 Personnel Analysts, 1 Accounting Assistant and 1 Health Program Manager) by the end of FY 2023. The developmental services caseload for the three regional centers is projected to increase from 7,341 monthly average actual clients in FY 2020 to 7,690 in FY 2022 and 7,905 in FY 2023. The FPP caseload is projected to increase from 656 monthly average actual clients in FY 2020 to 670 in FY 2022 and 680 in FY 2023.

DESERT REGIONAL CENTER

The Governor recommends General Fund appropriations of \$2.2 million over the 2021-23 biennium for a pilot program at the DRC to recruit and retain providers that specialize in intensive behavioral support for individuals with dual diagnoses through an increase in the rate paid to providers, from \$25 to \$35 an hour; as previously noted, the Governor subsequently recommends eliminating this enhancement as a budget reduction measure. The Governor also recommends General Fund appropriations of \$400,000 over the 2021-23 biennium to continue the provision of dental services to DRC clients by the University of Nevada Las Vegas School of Dental Medicine to reduce delays for dental care. Additionally, the Governor recommends a FY 2021 one-shot General Fund appropriation of \$85,750 to fund a campus-wide pavement maintenance project at the DRC Jones campus.

DIVISION OF HEALTH CARE FINANCING AND POLICY

The mission of the Division of Health Care Financing and Policy (DHCFP) is to purchase and provide quality health care services to low-income Nevadans through the Medicaid and Nevada Check Up programs in the most efficient manner; to promote equal access to health care at an affordable cost; to restrain the growth of health care costs; and to maximize the receipt of federal revenue for the provision of health care programs.

The Executive Budget recommends total funding to support the division's programs in the amount of \$10.624 billion for the 2021-23 biennium (net of interagency transfers), which is an increase of \$1.66 billion (18.6%) when compared to the \$8.961 billion legislatively approved for the 2019-21 biennium. General Fund appropriations are recommended to increase by \$264.5 million (14.8%) to \$2.050 billion over the 2021-23 biennium compared to the \$1.786 billion approved for the 2019-21 biennium.

PRESCRIPTION DRUG REBATE

The Governor recommends establishing a standalone Prescription Drug Rebate budget to receive drug rebates totaling \$640.5 million over the 2021-23 biennium. The funds would be transferred to the Medicaid budget to offset the need for funds in that budget, including \$485.4 million in federal funds and \$155.1 million in General Funds. Currently, drug rebates are included as an offset to expenditures in the Offline category in the Medicaid budget. The net fiscal impact of establishing the standalone budget is zero.

INTERGOVERNMENTAL TRANSFER PROGRAM

The Intergovernmental Transfer (IGT) budget collects funds from other governmental entities to be used as state matching funds for Medicaid expenditures, thereby reducing the need for General Fund appropriations. Funds are collected in the IGT budget and then transferred to Medicaid for use as state matching funds. The IGT payments that are in excess of the required state match are used to offset General Fund appropriations for other Medicaid expenditures, referred to as the state net benefit. The significant programs supported by IGT funding and associated budgetary recommendations are described below.

- **Disproportionate Share Hospital (DSH) Program:** The DSH program provides payments to hospitals that have a disproportionate share of uncompensated costs due to services provided to indigents and the uninsured in comparison to other hospitals. The federal government provides a specific annual allotment of federal funds for each state; however, in order to receive these funds, states must provide matching funds.

Pursuant to *Nevada Administrative Code* (NAC) 422.105, Clark and Washoe counties are required to make IGT payments to the division in support of the DSH program. Under NRS 428.285, revenue from a \$0.01 ad valorem tax on each \$100 of assessed value of taxable property is directed to the IGT budget. Pursuant to NAC 422.105, this revenue is used as an offset to county contributions to the DSH program.

The Executive Budget recommends decreasing payments that participating hospitals receive from FY 2020 actual payments of \$96.2 million to \$33.9 million in FY 2022 and \$13.8 million in FY 2023. Projected payments in the 2021-23 biennium are lower due to provisions in the Patient Protection and Affordable Care Act (ACA) and other subsequent legislation, which decrease federal DSH allotments to states on the assumption there would be fewer uninsured and less uncompensated care due to the expansion of health insurance coverage. For the 2021-23 biennium, The Executive Budget estimates the IGT program will generate a state net benefit amounting to \$20.8 million in FY 2022 and \$14.4 million in FY 2023.

- **Upper Payment Limit (UPL) Programs:** Federal Medicaid law allows states the option of making supplemental payments to qualifying hospitals up to the amount Medicare would have paid for the same services provided to fee-for-service recipients, known as the upper payment limit. The intent is to preserve access to inpatient and outpatient hospital services for needy individuals by reimbursing hospitals that qualify for uncompensated or under-compensated care.

The Public Hospital UPL programs provide payments to county-owned hospitals for inpatient and outpatient services. Pursuant to interlocal agreements, counties make IGT payments to be used as state matching funds for the Public Hospital UPL programs. The Executive Budget recommends continuing the Public Hospital UPL programs for the 2021-23 biennium, with payments to participating hospitals totaling \$62.4 million in FY 2022 and \$62.7 million in FY 2023. The net benefit to counties (hospital payments less IGT payments) is budgeted to be \$36.6 million for FY 2022 and \$36.4 million for FY 2023. The estimated net benefit for the state is \$10.4 million for FY 2022 and \$10.2 million for FY 2023.

At its October 2013 meeting, the Interim Finance Committee approved establishing the Private Hospital Collaborative UPL program to make supplemental payments for inpatient services to privately-owned hospitals that have entered into an agreement with the state or a local government in Nevada to collaborate in providing health care services to low-income and needy persons. The Executive Budget recommends continuing the Private Hospital Collaborative UPL program in the 2021-23 biennium. Participating hospitals would receive payments totaling \$19.8 million in FY 2022 and \$20.4 million in FY 2023. The Director's Office transfers funding from savings realized in other departmental budgets to this budget to provide the state share of the supplemental payments. The state net benefit from the Private Hospital Collaborative UPL, which is budgeted in the Director's Office for reversion to the General Fund and the Fund for a Healthy Nevada rather than as an offset to General Fund in the Medicaid budget. General Fund reversions are projected to amount to \$1.7 million in FY 2022 and \$1.8 million in FY 2023, and reversions to the Fund for a Healthy Nevada are projected at \$1.4 million in FY 2022 and \$1.5 million in FY 2023.

The Interim Finance Committee approved establishing the Indigent Accident Fund UPL program to make supplemental payments to qualifying public and privately-owned acute care hospitals for inpatient services at its October 2014 meeting. The Governor recommends continuing the Indigent Accident Fund UPL program in the 2021-23 biennium, with the state share of supplemental payments provided by funding transferred from the Indigent Hospital Care account in the Director's Office. The Governor recommends continuing to utilize funding from the Indigent Hospital Care budget to support a portion of a counties' responsibilities to pay the non-federal share of Medicaid expenditures for certain participants, as approved by the Interim Finance Committee at its October 23, 2020, meeting.

- Medical Education Supplemental Payments: The Practitioner's UPL and Graduate Medical Education (GME) programs provide additional Medicaid payments in recognition of the higher cost of providing medical services in a teaching environment.

In FY 2007, the division and the University of Nevada, Reno School of Medicine (UNR SOM) entered into an agreement that provides supplemental payments to the UNR SOM in recognition of the gap between Medicaid reimbursement and the average private insurance reimbursement for the same services (primarily outpatient services). The program has expanded to include the University of Nevada, Las Vegas (UNLV) School of Medicine and UNLV School of Dental Medicine. Governmental

entities provide the IGT revenue to be used as the state's match to receive federal Title XIX funds. Supplemental payments for the Practitioner's UPL program are recommended to be \$6.8 million in FY 2022 and \$6.9 million in FY 2023, and the program is estimated to generate a state net benefit of \$1.8 million over the 2021-23 biennium.

The GME supplemental payment program provides supplemental payments to public and private hospitals with qualifying graduate medical education programs. Governmental entities provide the IGT revenue to be used as the state's match. The Executive Budget recommends GME payments of \$25.2 million in FY 2022 and \$25.4 million in FY 2023. The GME program generates a state net benefit estimated at \$4.1 million in FY 2022 and \$4.2 million in FY 2023.

- Enhanced Managed Care Organization payment program: The enhanced Managed Care Organization (MCO) payment program provides an enhancement to the capitated payments made to MCOs as a means of providing increased reimbursement to safety net medical service providers, currently University Medical, for targeted services, including inpatient and outpatient hospital services provided to Medicaid recipients enrolled in MCOs. Clark County provides the state match for this program pursuant to an interlocal agreement. The Governor recommends replacing the enhanced MCO payment program with the MCO Directed Payment supplemental payment program, which was approved by the federal government retroactive to January 1, 2020. The Executive Budget recommends supplemental payments of \$113.9 million in FY 2022 and \$112.7 million in FY 2023, and a state net benefit estimated at \$14.2 million in FY 2022 and \$14.1 million in FY 2023.

ADMINISTRATION

The Administration budget provides the administrative staff and support services for the DHCFP, which includes administration, accounting, budgeting, personnel, rates, compliance, utilization surveillance and review, privacy, recipient rights, provider enrollment, and information technology, as well as the cost containment function required under *Nevada Revised Statutes* (NRS) 439B.

Position Changes: The Governor recommends net funding increases of \$563,038 (\$224,349 General Fund appropriation) over the 2021-23 biennium for the following position changes:

- One contract position is recommended to serve as the State Dental Health Officer (NRS 439.272). According to the agency, in addition to providing clinical expertise for the Medicaid program, the position would perform activities related to the statutory duties of the State Dental Health Officer, such as general public health in the state. The contract position was previously located in the Division of Public and Behavioral Health Chronic Disease budget.
- One unclassified Senior Physician is recommended to transfer in from the Department of Public and Behavioral Health Northern Nevada Adult Mental Health Services budget to serve as a pharmacy advisor for Medicaid.

- One new Business Process Analyst and associated costs is recommended to support data quality for federal reporting.
- Three Management Analysts are recommended to transfer to the Desert Regional Center budget in the Aging and Disability Services Division to conduct service audits for Waiver for Individuals with Intellectual Disabilities and Related Conditions participants.

The Governor recommends net funding increases of \$54.7 million (\$2.7 million General Fund appropriation) over the 2021-23 biennium to support administrative and fiscal agent costs associated with implementing federal mandates, waiver slot increases, technology projects, rate reviews, actuarial services, cost allocation adjustments, and pharmacy benefit manager costs.

INCREASED QUALITY OF NURSING CARE

The Increased Quality of Nursing Care budget was created in accordance with Assembly Bill 395 (2003) approved by the 2003 Legislature, which amended NRS Chapter 422 to institute a methodology that requires the division to establish a provider tax program encompassing all freestanding long-term care facilities (except those owned by the state) in Nevada. *Nevada Revised Statutes* 422.3755-379 stipulates that funding received via the provider tax and used to match federal Title XIX funds must be applied to increasing reimbursement rates and cannot be used to replace existing state expenditures paid to long-term care facilities.

The Executive Budget indicates that the total available for supplemental payments will be \$44.2 million in FY 2022 and \$46.1 million in FY 2023. The Medicaid budget includes supplemental payments to long-term care facilities of \$118.0 million and \$127.9 million in FY 2022 and FY 2023, respectively. *Nevada Revised Statutes* 422.3785 allows the division to use no more than 1% of the taxes collected to administer the provider tax program.

NEVADA CHECK UP

The Balanced Budget Act of 1997 created the Children's Health Insurance Program under Title XXI of the Social Security Act to enable states to initiate and expand health care coverage targeted to low-income uninsured children. The Nevada Check Up program was approved to cover children ages birth through 18 years from families with incomes up to 205% of the federal poverty level. Eligible families pay quarterly premiums ranging from \$0 to \$80 based on their income level and family size. Services are provided under a managed care arrangement with participating Managed Care Organizations (MCOs) in Clark and Washoe counties and on a fee-for-service basis in areas of the state where a MCO network does not exist.

Overall funding for the Nevada Check Up program is recommended at \$123.8 million for the 2021-23 biennium, which is a decrease of \$1.9 million, or 1.5%, when compared to the total funding of \$125.8 million legislatively approved for the 2019-21 biennium. General Fund appropriations are recommended to increase to \$27.3 million for the 2021-23 biennium, which is an increase of \$9.2 million, or 50.8%, when compared to the General Fund appropriations of \$18.1 million approved by the 2019 Legislature for the 2019-21 biennium, primarily due to an increase in the Federal Medical Assistance Percentage applicable to the Nevada Check Up program in the 2019-21 biennium.

Caseload Growth: The Executive Budget recommends \$5.5 million (\$1.2 million General Fund appropriation) in FY 2022 and \$7.0 million (\$1.5 million General Fund appropriation) in FY 2023 to increase the Nevada Check Up monthly caseload to 29,896 in FY 2022 and 30,628 in FY 2023 from the FY 2020 actual average monthly caseload of 27,095, as shown in the following table:

Check-Up Average Monthly Caseload *

	FY 2020	FY 2021		FY 2022		FY 2023	
	Actual	Projected	% Change	Projected	% Change	Projected	% Change
Caseload	27,095	27,402	1.13%	29,896	9.10%	30,628	2.45%

* The narrative in The Executive Budget reflects year-end caseload. This table reflects average monthly caseload for entire fiscal years.

Mandatory Provider Rate Increases: The Executive Budget recommends \$990,927 (\$258,284 General Fund appropriation) in FY 2022 and \$2.9 million (\$735,505 General Fund appropriation) in FY 2023 for mandated rate increases. Mandated rate increases include managed care capitation rates, dental capitation rates, prescription drugs, Rural Health and Federally Qualified Health Centers, Indian Health Services, and hospice services. Provider rates for which increases are required under federal law are recommended to increase by 3.52% in FY 2022 and 3.68% in FY 2023.

Budget Restoration: Consistent with recommendations for Medicaid, The Executive Budget recommends funding totaling \$12.6 million (\$3.2 million General Fund appropriation) to restore the 6% reduction in fee schedule reimbursement rates paid to Medicaid providers approved by the 31st Special Session (2020) of the Legislature, effective October 1, 2021.

Budget Reductions: The Governor recommends budget reductions totaling \$912,678 (\$233,632 General Fund savings) over the 2021-23 biennium, consistent with reductions recommended for Medicaid, including the elimination of biofeedback/neurotherapy, psychosocial rehabilitation and basic skills training.

NEVADA MEDICAID

Medicaid is the state-administered program for medical assistance established in 1965 through the passage of Title XIX of the Social Security Act. Medicaid covers low-income adults, children, the aged, blind and/or disabled, and other people who are eligible to receive federally-assisted income maintenance payments. Under federal Medicaid law, there are certain eligible groups and benefits that must be covered by

states; however, states are given discretion and flexibility to determine the various categories of benefits and the eligible groups their Medicaid programs will cover. Nevada has adopted optional eligibility groups and optional benefit packages to be covered under its Medicaid plan.

Overall funding for the Medicaid program is recommended at \$10.238 billion for the 2021-23 biennium, which is an increase of \$1.666 billion, or 19.4%, when compared to the total funding of \$8.572 billion legislatively approved for the 2019-21 biennium. General Fund appropriations are recommended to increase to \$1.967 billion for the 2021-23 biennium, which is an increase of \$257.3 million, or 15.0%, when compared to the General Fund appropriations of \$1.710 billion approved by the 2019 Legislature for the 2019-21 biennium.

Caseload Growth: The Executive Budget recommends additional funding of \$630.7 million (\$152.5 million General Fund appropriation) in FY 2022 and \$581.3 million (\$144.5 million General Fund appropriation) in FY 2023 for increased costs associated with projected growth in the Medicaid caseload. According to the department's projections, which are based on October 2020 actual enrollments, the average monthly caseload for Medicaid is projected to increase from approximately 652,000 in FY 2020 to approximately 767,000 in FY 2023.

During the 2019-21 biennium, actual Medicaid caseload has been higher than legislatively approved due to the economic situation in the state, with average monthly FY 2021 caseload projected to be 118,312, or 18.5%, higher than the legislatively approved caseload of 640,083. In February 2020, caseload was in line with the legislatively approved level, at 637,908. In October 2020, actual caseload had increased by 114,300, or 17.9%, to 752,208. Caseload is projected to continue to increase to a monthly average of 772,793 in FY 2022 and then decrease slightly to 767,109 in FY 2023, as shown in the following table:

Medicaid Average Monthly Caseload *

	FY 2020		FY 2021		FY 2022		FY 2023	
	Actual	Projected	% Change	Projected	% Change	Projected	% Change	
Caseload *	651,760	758,395	16.4%	772,793	1.9%	767,109	-0.7%	

* Caseload does not include Special Low-Income Medicare Beneficiaries (SLMB).

Mandatory Provider Rate Increases: The Executive Budget recommends \$191.3 million (\$57.7 million General Fund appropriation) in FY 2022 and \$331.4 million (\$86.2 million General Fund appropriation) in FY 2023 for mandatory reimbursement rate increases for Medicaid providers. Mandated rate increases include managed care capitation rates, dental capitation rates, prescription drugs, Rural Health and Federally Qualified Health Centers, Indian Health Services, and hospice services. Prescription drug inflation is recommended at 5.50% per year in the upcoming biennium, and the remainder of provider rates for which increases are required under federal law are recommended to increase by 3.52% in FY 2022 and 3.68% in FY 2023.

Budget Restoration: The Governor recommends funding totaling \$436.5 million (\$117.3 million General Fund appropriation) to restore the 6% reduction in fee schedule reimbursement rates paid to Medicaid providers approved by the Legislature in the 31st Special Session (2020), effective October 1, 2021.

Budget Reductions: The Governor recommends budget reductions totaling \$269.5 million (\$125.3 million General Fund reduction) over the 2021-23 biennium, including:

- Eliminating several optional services for Medicaid participants including biofeedback/neurotherapy (\$12.6 million General Fund reduction), psychosocial rehabilitation (\$5.8 million General Fund reduction), basic skills training (\$3.7 million General Fund reduction), and case management services (\$440,598 General Fund reduction).
- Utilizing state net benefit associated with Medicaid supplemental payment programs generated in the 2019-21 biennium to offset General Fund need in FY 2022 (\$60.0 million General Fund reduction).
- Implementing policy changes for personal care services, including eliminating services for participants with a live-in caregiver (\$7.2 million General Fund reduction).
- Making certain payments to MCOs in FY 2021 rather than FY 2022, including reversing the delay of payments to the MCOs related to maternity cases and very low birthweight newborns and stop-loss (reinsurance) payments when certain costs of care for a participant exceed a \$100,000 threshold annually from FY 2021 to FY 2022, as approved in Assembly Bill 3 in the 31st Special Session (2020), and paying projected July 2021 capitated payments for the newly eligible population in FY 2021 instead of FY 2022 (\$33.5 million General Fund reductions).
- Implementing a two-sided risk corridor for the MCOs as a means of limiting MCO profits and losses if an MCO's actual costs of covering health care for those enrolled in an MCO are greater than or less than a targeted percentage of those costs (\$1.9 million General Fund reduction).
- Reductions in capitated payments for non-emergency transportation services (\$248,901 General Fund reduction).

Support of County Match Population: The Governor recommends continuing to utilize funding from the Indigent Hospital Care budget to support a portion of a counties' responsibility to pay the non-federal share of Medicaid expenditures for certain participants, as approved by the Interim Finance Committee at its October 23, 2020, meeting. This recommendation would provide \$24.4 million to support counties' obligations.

Waiver Slot Increases: The Governor recommends additional funding totaling \$50.5 million (\$7.98 million General Fund appropriation) to increase waiver slots for the division's three approved Medicaid waiver programs, which allow eligible Medicaid recipients to receive long-term care services in home and community-based settings rather than in institutional settings. The recommended increases, which are projected to cover caseload growth and reduce the waiting list to those waiting for services to 90 days, include:

- Increase waiver slots for the Waiver for Individuals with Intellectual Disabilities and Related Conditions (IDRC) by 381, from 2,356, the June 2021 projection, to 2,737 over the 2021-23 biennium, an increase of 16.2%.
- Increase waiver slots for the Home and Community-Based Waiver (HCBW) for the Frail Elderly by 499, from 2,874, the June 2021 projection, to 3,373 over the 2021-23 biennium, an increase of 17.4%.
- Increase waiver slots for the HCBW for Persons with Physical Disabilities by 276, from 1,228, the June 2021 projection, to 1,504 over the 2021-23 biennium, an increase of 22.5%.

DIVISION OF PUBLIC AND BEHAVIORAL HEALTH

The Division of Public and Behavioral Health (DPBH) is dedicated to improving the health and wellness of Nevadans. Its programs address infectious, chronic, and mental illnesses as well as public health hazards. The division currently has 27 legislatively approved budgets, of which 19 serve primarily Public Health and 8 serve Behavioral Health functions.

The Executive Budget recommends General Fund support of \$303.3 million for the upcoming biennium. This represents a \$6.6 million decrease over the 2019-21 biennium legislatively approved amount of \$310.0 million. While recommended General Fund appropriations for the 2021-23 biennium decrease by 2.1% from the 2019-21 biennium – primarily due to budget reductions and caseload decreases in the Behavioral Health budgets – the total division budget recommendation increases by \$52.0 million, or 7.2%, due to increased federal and other funding. The 2019-21 legislatively approved budget included total funding of \$723.4 million (net of interagency transfers) to the division; the Governor’s recommended 2021-23 budget includes \$775.4 million.

PUBLIC HEALTH

The Public Health function of the division seeks to ensure the health and wellness of Nevadans through the making and implementation of regulations; the collection, analysis and provision of data and information; and in some instances, the facilitation of direct service provision. The Public Health function’s funding support totals \$434.6 million over the 2021-23 biennium, of which \$9.8 million (2.3%) consist of General Funds. The primary sources of funding are federal funds, which contribute \$249.7 million (57.5%) over the 2021-23 biennium to Public Health budgets, and other funds – primarily license and other fee-generated revenues – which account for \$110.0 million (25.3%).

NEVADA CENTRAL CANCER REGISTRY

Pursuant to *Nevada Revised Statutes* (NRS) 457.230, the Cancer Control Registry (NCCR) collects, registers and maintains records of reportable cases of cancer occurring in the state. Timely and complete cancer data is used to evaluate the appropriateness of measures for the prevention and control of cancer and conducting epidemiological surveys of cancer and cancer-related deaths both statewide and nationally.

The Governor recommends a new funding source for the NCCR deriving from the planned increase of fees for the registration and renewal of a radiation machine, mammography machine, health care facility, and medical laboratory by not more than 8% of the amounts currently established in statute. The newly created funding source would generate revenues totaling \$454,962 over the 2021-23 biennium. The revenue would increase budget reserves, a portion of which, \$198,317, is recommended to be used for the creation of two additional Health Program Specialist positions in FY 2023 to support the NCCR.

HEALTH STATISTICS AND PLANNING

The Office of Vital Records (OVR) issues certified birth and death certificates, maintains and protects all vital records and processes all legal corrections and amendments to these vital records. This office participates in the National Vital Statistics System and responds to the data and statistical needs of federal, state and county agencies as well as of policy makers and researchers.

The Governor recommends expending \$1.4 million in reserve funds in FY 2023 to begin a multi-year, \$2.5 million upgrade of the cloud-based Vital Records System to manage documents, processes and reporting requirements related to statewide births and deaths. The Governor also recommends the reclassification of five Administrative Assistant positions to Administrative Assistant 2 positions for staff retention. The recommended reclassifications would cost \$21,314 in FY 2022 and \$22,237 in FY 2023 and would be funded with fee and contract-based revenues.

ENVIRONMENTAL HEALTH SERVICES

To help protect public health, the Environmental Health Section issues permits, educates businesses and enforces Nevada laws in the following areas: food protection, bottled water, cosmetics, public accommodations, recreational vehicle parks, public bathing and swimming waters, institutional environmental health, onsite septic systems, and invasive body decoration. Additionally, Environmental Health Services provides emergency responses to potential environmental health hazards.

The Governor recommends the elimination of three fee-funded positions, including one Public Health Rating and Survey position, one Environmental Health Specialist, and one Administrative Assistant, resulting in an increase in reserves of \$427,407 over the 2021-23 biennium.

IMMUNIZATION PROGRAM

The purpose of the Immunization Program is to prevent the occurrence of vaccine-preventable diseases in Nevada by promoting immunizations and providing vaccines to prevent the transmission of diseases. The program has thus been tasked with parts of the planning and rollout of the state's COVID-19 vaccination campaign.

The Governor recommends replacing one federal grant-funded Health Program Specialist contract position with a permanent position for a net increase in federal grant-based expenditures of \$11,770 in FY 2022 and \$14,714 in FY 2023.

HEALTH CARE FACILITIES REGULATION

The mission of the Health Care Quality and Compliance (HCQC) program is to protect the health and welfare of the public through licensure, regulation, enforcement, and education of various types of health facilities. The division has an agreement with the Centers for Medicare and Medicaid Services to inspect facilities that receive Medicare and/or Medicaid reimbursements, as well as laboratories that must conform to the Clinical Laboratory Improvement Amendments. The program also conducts complaint investigations regarding medical facilities and coordinates with other oversight bodies, such as the Board of Medical Examiners and the Board of Pharmacy.

The Governor recommends the creation of a new Infection Prevention Unit staffed with four new Health Program Specialist positions to address infection control and prevention in licensed health care facilities, where Nevada's most vulnerable citizens reside. The positions/unit would require additional net expenditures of \$116,438 (\$536 General Fund) in FY 2022 and \$297,826 (\$356 General Fund) in FY 2023. Funding for the net expenditure increase would primarily come from the budget's licensing fee-based reserves.

To reduce General Fund use in view of the coronavirus pandemic and the associated projected decrease in state revenues, the Governor also recommends the substitution of \$128,278 in General Funds with federal grant and license fee funds.

BIostatISTICS AND EPIDEMIOLOGY

Biostatistics and Epidemiology conducts disease surveillance, investigates disease outbreaks and provides timely and relevant data and statistics to supportive public health stakeholders through the Office of Public Health Informatics and Epidemiology (OPHIE). The OPHIE records and analyzes reportable disease information, analyzes data from disease investigations, identifies risk factors, provides education and recommendations on disease prevention, and works with appropriate agencies to enforce communicable disease laws. The program has been tasked with part of the coordination and planning of the state's public health COVID-19 response since the coronavirus outbreak in calendar year 2020.

As a measure to reduce General Funds, the Governor recommends the substitution of \$41,586 in General Funds with federal grant funds.

CHRONIC DISEASE

The Chronic Disease budget funds various programs that work to control, prevent and track the incidence and prevalence of communicable and chronic diseases among Nevadans. These programs include: Women's Health Connection (Breast and Cervical Cancer Early Detection Program), Tuberculosis Elimination, Tobacco Prevention and Education, Comprehensive Cancer Control, Diabetes, Colorectal Cancer Screening, Preventative Health and Human Services block grant, Chronic Disease Prevention, and the Oral Health Program.

The Governor recommends General Fund appropriations of \$500,000 in each year of the 2021-23 biennium to continue additional funding originally approved by the 2017 Legislature (Assembly Bill 388) for the 2017-19 biennium, and continued by the 2019 Legislature for the 2019-21 biennium, for the Women's Health Connection program for breast and cervical cancer early detection services to women ages 40 to 49.

The Governor also recommends a new funding mix and structure for the State Program for Oral Health, which would allocate \$92,119 in Fund for a Healthy Nevada funds in FY 2022 and \$92,123 in FY 2023 to support the contracted position of State Public Health Dental Hygienist. The contracted position of State Dental Health Officer would be included in the Division of Health Care Financing and Policy's Administration budget to be partially financed through Medicaid funds.

Finally, the Governor recommends the elimination of one Colorectal Cancer federal grant-funded Health Resource Analyst position as a result of the federal grant's expiration.

MATERNAL CHILD AND ADOLESCENT HEALTH SERVICES

The Maternal Child Health (MCH) program works to improve the health of at-risk families, pregnant and postpartum women, infants, children, adolescents, and children with special healthcare needs.

The Governor recommends the transfer of \$848,840 in FY 2022 and \$791,441 in FY 2023 in Temporary Assistance for Needy Family funds to the Maternal Child and Adolescent Health Services budget for the expansion of the Home Visiting Nurse Family Partnership program by an additional 100 families.

The Governor also recommends replacing 1.51 Health Program Specialist contract positions with 1.51 permanent positions, resulting in a net reduction of General Fund appropriations by \$66,206 in each year of the 2021-23 biennium, as General Funds would be substituted with federal grant funds.

To reduce General Funds in view of decreasing state income as a result of the coronavirus pandemic, the Governor recommends the substitution of \$2,838 in General Funds with federal grant and license fee funds over the 2021-23 biennium.

COMMUNITY HEALTH SERVICES

Community Health Services provides public health services in rural communities, which include public health preparedness, epidemiology assistance and public health nursing services. Essential public health nursing services include the following: adult and child immunizations, early periodic screening diagnosis and treatment examinations, lead testing, family planning, cancer screening, and identification/treatment of communicable diseases such as tuberculosis, sexually transmitted infections, and human immunodeficiency virus.

The Governor recommends holding three positions vacant throughout FY 2022, including two Community Health Nurses and one Administrative Assistant, all to be reinstated in FY 2023 representing General Fund reductions of \$117,272, and the use of federal grant funds instead of General Funds for additional General Fund reductions of \$46,028 over the 2021-23 biennium.

BEHAVIORAL HEALTH

The Behavioral Health programs function as a direct service provider of last resort for Nevadans with severe mental illnesses and co-occurring conditions. Services include psychiatric assessments, case management, residential supports, mobile crisis, mental health court, hospitalization, forensic assessment and hospitalization, and outpatient clinical services provided in both rural and urban areas.

The eight Behavioral Health budget accounts are predominantly funded with General Funds of \$293.5 million, or 72.0%, of Behavioral Health budgets' total funding of \$407.9 million over the 2021-23 biennium.

PROBLEM GAMBLING

The Revolving Account for the Prevention and Treatment of Problem Gambling was created by the 2005 Legislature (NRS 458A) to provide for programs that expand and improve the treatment and prevention of problem gambling through workforce development, research and evaluation and increasing the number of treatment facilities and providers in Nevada.

The Executive Budget recommends program service reductions for a total of \$352,000 in General Funds over the 2021-23 biennium.

BEHAVIORAL HEALTH PREVENTION AND TREATMENT

The Behavioral Health Prevention and Treatment budget is the designated single state agency for the purposes of applying for and expending the federal Substance Abuse Prevention and Treatment (SAPT) Block Grant. The agency does not provide direct substance abuse prevention or treatment services; instead, it plans and coordinates statewide substance abuse service delivery and provides technical assistance to programs and other state agencies. The agency also subgrants and monitors funding for government and local nonprofit organizations that provide direct services.

The Governor recommends the transition of four contract positions to one Administrative Assistant and three Health Program Specialist permanent positions to support the Behavioral Health Prevention and Treatment budget program. The positions would be funded with federal grant funds totaling \$228,168 in FY 2022 and \$313,667 in FY 2023.

RURAL CLINICS

The Rural Clinics program provides community-based outpatient mental health services to persons of all age groups, serving 12 rural Nevada counties through 10 full-service clinics and 6 partial-service/mobile outreach clinics. Full-service clinics are located in

Carson City, Fallon, Gardnerville, Elko, Winnemucca, Silver Springs, Fernley, Yerington, Pahrump, and Ely. Partial-service/mobile outreach clinics provide services to Battle Mountain, Caliente, Dayton, Hawthorne, Tonopah, and Lovelock.

A total of 11.26 FTE is recommended to be held vacant throughout FY 2022 for General Fund reductions of \$600,544. The positions held vacant in FY 2022 are to be reinstated in FY 2023 and include Licensed Psychologist, Psychiatric Caseworker, Mental Health Counselor, Clinical Program Manager, Clinical Social Worker, Psychiatric Nurse, and Administrative Assistant positions. Additional psychiatric service reductions would reduce, and the substitution of General Funds with federal grant funds would reduce General Funds by \$972,642 and \$237,922, respectively, over the 2021-23 biennium.

NORTHERN NEVADA ADULT MENTAL HEALTH SERVICES

Northern Nevada Adult Mental Health Services (NNAMHS) provides numerous services, including psychiatric evaluations, medication and case management, residential housing and support services, justice involved diversion programs, and mobile crisis and outreach services. At the Dini-Townsend Hospital, psychiatric and psychological services are provided to the seriously mentally ill population in Northern Nevada.

The Governor recommends holding 22.55 full-time equivalent (FTE) positions vacant through FY 2022 (reinstated in FY 2023) for General Fund savings of \$1.9 million. The positions held vacant include medical, planning and administrative positions, such as Mental Health Counselor, Psychiatric Caseworker, Psychiatric Nurse, Licensed Psychologist, Substance Use Counselor, Administrative Assistant, and Accounting Assistant positions. Service reductions proposed for the Community-based Living Arrangement program would result in General Fund reductions of \$389,399 in FY 2022.

The Governor also recommends General Fund reductions of \$1.1 million over the 2021-23 biennium resulting from projected caseload decreases in the Medication Clinic. The reductions would result in the elimination of 4.02 FTE, including Psychiatric Nurse and Mid-Level Practitioner positions.

SOUTHERN NEVADA ADULT MENTAL HEALTH SERVICES

Southern Nevada Adult Mental Health Services (SNAMHS) operates five sites in Clark County to provide psychiatric outpatient and inpatient services to individuals in need of mental health services. The main SNAMHS campus is located on West Charleston Boulevard in Las Vegas and includes the Rawson-Neal Psychiatric Hospital and the Stein Hospital forensic facility.

The Governor recommends holding five positions vacant and a reduction of office space for General Fund reductions of \$520,400 over the 2021-23 biennium. Five positions are recommended to be held vacant through FY 2022 (reinstated in FY 2023) for General Fund savings of \$364,542. The positions held vacant include Psychiatric Nurses, Clinical Program Planner, Accounting Assistant and Supply Technician positions.

The recommended office space reduction for General Fund reductions of \$155,858 over the 2021-23 biennium would eliminate parts of the East Las Vegas clinic services.

The Governor also recommends General Fund reductions of \$903,756 over the 2021-23 biennium resulting from projected caseload decreases in the Justice Involved Diversion program. The reductions would result in the elimination of five positions, including Psychiatric Caseworkers, a Mental Health Counselor and a Clinical Social Worker position

To update and replace equipment, The Executive Budget recommends \$227,845 in General Funds in FY 2022 and \$30,581 in FY 2023 for an upgrade and maintenance of security cameras throughout SNAMHS' campus, and \$136,000 in General Funds in FY 2022 and \$96,000 in FY 2023 for the replacement of a Unit Dose Packaging machine at SNAMHS' Rawson-Neal Hospital.

ONE-SHOT APPROPRIATIONS

The Governor recommends General Fund appropriations totaling \$2.6 million in FY 2021 for building maintenance and repair on the campuses of SNAMHS and NNAMHS and at Lake's Crossing Center. Lake's Crossing Center would also receive new kitchen equipment.

DIVISION OF WELFARE AND SUPPORTIVE SERVICES

The Division of Welfare and Supportive Services (DWSS) is responsible for administering the delivery of federally-funded cash grants and electronic benefit transfers for the Supplemental Nutrition Assistance Program (SNAP), enforcing child support, administering employment and training programs for welfare recipients, distributing child care funding, and determining eligibility for Nevada's Medicaid program.

For the division as a whole, The Executive Budget recommends General Fund appropriations of \$200.5 million in the 2021-23 biennium, an increase of \$15.8 million, or 8.5%, when compared to the General Fund appropriations of \$184.7 million legislatively approved for the 2019-21 biennium. Including all sources of funds, net of interagency transfers, the DWSS budget is recommended to increase by \$91.1 million, or 15.0%, to \$697.8 million in the 2021-23 biennium.

WELFARE ADMINISTRATION

The DWSS Administration budget supports the administrative staff, who provide oversight to various programs administered by the division, and includes support resources provided to the division's field staff who operate the various programs under the division's jurisdiction.

The Governor recommends federal funding totaling \$368,966 over the 2021-23 biennium for two new Social Service Program Specialist positions and associated costs to focus on SNAP monitoring and compliance and TANF monitoring and compliance. In addition, the Governor recommends total funding of \$995,000 (\$99,500 in General Fund, \$895,500

in federal Title XIX funds) in FY 2022 for contract costs to automate processes related to determining eligibility for the various Medicaid waiver programs.

As a budget reduction measure, the Governor recommends maintaining vacancies in 12 full-time positions through FY 2022 only, resulting in reductions totaling \$975,272 (\$382,420 General Fund) in FY 2022.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

The Temporary Assistance for Needy Families (TANF) budget provides funding for temporary cash assistance for eligible recipients; supports the employment and training programs and services administered by the division designed to help clients prepare for and find work; and provides a wide variety of support services for families and individuals to support and maintain self-sufficiency.

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 replaced the Aid to Families with Dependent Children program, an open-ended federal entitlement, with the TANF program. The federal funding to support the TANF program is now allocated to states in the form of a block grant that is capped and covers cash assistance, welfare employment and training, and the administrative costs associated with providing those services. The 1997 Legislature, with passage of Assembly Bill 401 (1997) and Senate Bill 356 (1997), enacted legislation to conform state laws to the PRWORA requirements and authorized a number of welfare reform initiatives unique to Nevada. The PRWORA legislation requires states to continue contributing state funds equal to 80% of the amount spent in Federal Fiscal Year 1994 on welfare programs consolidated into TANF. The maintenance of effort (MOE) provisions requires Nevada to continue to spend a minimum of \$27.2 million in state funds each fiscal year on welfare-related programs. The 80% MOE can be reduced to 75% if work participation rate requirements are met.

The federal block grant that is allocated to Nevada is projected at \$43.8 million in each year of the 2021-23 biennium. The TANF block grant is allocated among the Division of Welfare and Supportive Services' TANF, Welfare Administration, Welfare Field Services, and Child Assistance and Development budgets.

In support of the TANF budget, the Governor recommends \$86.6 million (\$49.2 million General Fund appropriations) over the 2021-23 biennium. General Fund appropriations recommended for the 2021-23 biennium remain unchanged from the legislatively approved amount for the 2019-21 biennium.

TANF caseloads projected in The Executive Budget total 19,621 average monthly recipients in FY 2022 and 19,811 in FY 2023, yielding decreases of 6.7% (1,410 fewer recipients) and 5.8% (1,220 fewer recipients), respectively, compared to actual of 21,031 average monthly recipients in FY 2020.

The Governor recommends TANF block grant funding totaling \$1.2 million over the 2021-23 biennium for the support of grants for vocational training programs for

low-income youth. The program would be focused on improving graduation and employment outcomes for low-income youth by providing mentoring and training.

In addition, the Governor recommends the transfer of \$1.6 million in TANF block grant funding over the 2021-23 biennium to the Division of Public and Behavioral Health for a new Nurse Family Partnership program. This program would provide first-time, low-income mothers, one-on-one home visits from a trained public health registered nurse.

ASSISTANCE TO AGED AND BLIND

Assistance to the Aged and Blind is an option to the Supplemental Security Income (SSI) program established by Public Law 92-603. The federal SSI program replaced the state-run assistance programs for the aged, blind and disabled, and established uniform payment amounts. The Social Security Administration administers the program. Nevada has paid a state supplement to the aged and blind who live at home or in an adult group care facility since January 1, 1974. Nevada has never elected the option to supplement payments to the disabled. The purpose of the program is to provide supplemental income to low-income aged and blind individuals and provide adult group care facilities with supplements that enable individuals to avoid or delay institutionalization.

To fund projected caseload increases in the Assistance to Aged and Blind budget, The Executive Budget recommends increases in General Fund appropriations totaling \$863,320 over the 2021-23 biennium. The Executive Budget projects caseloads to increase from 15,405 actual average monthly recipients in FY 2020 to 15,799 in FY 2022 (2.6% increase from FY 2020) and to 16,083 in FY 2023, a 4.4% increase from FY 2020. The Executive Budget does not recommend a state-funded increase in the amount of the supplement paid to eligible aged and blind individuals or a rate increase for group care operators.

FIELD SERVICES

The Welfare Field Services budget provides for the salaries, operating expenses and support costs for staff that determine eligibility for the TANF, SNAP and Medicaid programs, as well as the support staff of the employment and training programs administered by the division.

To align staffing with projected caseloads for the 2021-23 biennium, the Governor recommends the addition of 226 positions, which would require additional funding totaling \$24.6 million (\$9.0 million General Fund) over the 2021-23 biennium. This recommendation includes 41 Administrative Assistants, 168 Family Service Specialists, 15 Family Service Supervisors, and 2 Social Services Manager positions.

In addition, the Governor recommends TANF grant funding totaling \$1.5 million over the 2021-23 biennium for ten new positions and associated costs to establish a new Recovery through Employment unit, which would provide education, training, recruitment, and referrals to individuals in recovery from substance abuse.

To achieve targeted savings, the Governor recommends maintaining vacancies in 36 full-time positions and 22 intermittent positions through FY 2022 only, as well as the closure of 4 division offices in the Las Vegas area, resulting in reductions totaling \$6.5 million (\$2.4 million General Fund) over the 2021-23 biennium.

CHILD SUPPORT ENFORCEMENT PROGRAM

The Child Support Enforcement (CSE) program provides the following five basic services: locating absent parents, establishing parentage, establishing child and medical support orders, enforcing support payments, and collecting and distributing child and medical support. In Nevada, the CSE program is administered by the DWSS and jointly operated by the division and county district attorneys. The CSE budget is funded with a portion of child support collections that the state is allowed to retain, which has historically provided the match for federal Title IV-D (of the Social Security Act) funds. The state's share of collections typically supports all non-federal expenditures.

For the CSE budget, the Governor recommends total funding of \$33.9 million for the 2021-23 biennium, which is an increase of \$1.3 million, or 4.1%, compared to total funding of \$32.6 million approved by the Legislature for the 2019-21 biennium.

In addition to the funding contained in the CSE operating budget for the 2021-23 biennium, the Governor recommends a one-shot General Fund appropriation and the authorization of federal funds of \$51.8 million (\$17.5 million General Fund) in FY 2021 to fund the continuation of the CSE program's technology modernization project to better satisfy federal and state processing mandates and to upgrade aging software.

CHILD ASSISTANCE AND DEVELOPMENT

The Child Assistance and Development budget provides for all child-care-related expenditures for TANF recipients, former TANF recipients, non-TANF-eligible clients who are at risk of losing employment due to a lack of assistance with child care, and low-income non-TANF-eligible clients.

The Governor recommends total funding for the Child Assistance and Development budget of \$183.5 million for the 2021-23 biennium, which is an increase of \$37.5 million compared to total funding of \$146.0 million approved by the 2019 Legislature for the 2019-21 biennium. The recommended increase to this budget represents entirely federal funds. The Executive Budget recommends the Child Assistance and Development MOE, funded with General Fund appropriations, remain at the minimum required level of \$2.6 million in each year of the 2021-23 biennium. In addition to the General Fund appropriation for the MOE, the agency utilizes certified matching funds from outside child care entities in lieu of state hard-dollar cash match for the TANF budget.

To support projected caseload increases, the Governor recommends additional federal funds of \$2.7 million over the 2021-23 biennium to issue child care benefits to additional clients. The caseload is projected to increase from 10,413 actual average monthly clients in FY 2020 to 10,587 clients in FY 2023, a 1.7% increase from FY 2020.

The Governor recommends federal Child Care Discretionary Block Grant (CCDGB) funding totaling \$311,055 over the 2021-23 biennium for two new Social Service Program Specialist positions and associated costs. The positions would be responsible for working with stakeholders to develop policy to expand, improve and increase child care capacity and child care workforce in the state.

In addition, the Governor recommends federal CCDBG funding of \$6.5 million over the 2021-23 biennium for contract costs for a new child care case management system. The agency indicates that upgrades are needed to automate processes, increase reporting capabilities and create efficiencies for the existing system developed in 2007.

ENERGY ASSISTANCE PROGRAM

The Energy Assistance Program (EAP) provides payments for eligible households, which can be applied to either the heating provider, the cooling provider or split between the two. In addition, the EAP provides arrearage assistance to eligible households. Payment assistance is provided through a combination of Low Income Home Energy Assistance Block Grant funds and revenue from the Universal Energy Charge, established by the 2001 Legislature and collected from certain electric and gas utilities.

For the 2021-23 biennium, the energy assistance caseload is projected to increase from an actual annual monthly average total of 21,563 households in FY 2020 to 27,466 households in FY 2023, an increase of 27.4% over actual FY 2020. The projected annual average assistance payment is \$701 per household in each year of the 2021-23 biennium. To support these caseloads, the Governor recommends total funding of approximately \$19 million in each year of the 2021-23 biennium.

The Executive Budget also proposes to reclassify several positions commensurate with changes in the duties of the positions. Under the Governor's proposal, two Program Officer positions would be reclassified to Family Services Supervisor positions and two Administrative Assistant positions would be reclassified to Family Service Specialist positions, resulting in a combined additional cost of \$52,178 over the 2021-23 biennium.

DIVISION OF CHILD AND FAMILY SERVICES

The Division of Child and Family Services (DCFS) provides a wide array of services to children and adolescents and is organized into three major program areas: Quality and Oversight, community services, and residential services. The Executive Budget recommends total funding of \$634.8 million to support DCFS over the 2021-23 biennium, which is a 1.0% decrease from the \$641.2 million approved for the 2019-21 biennium. General Fund support is recommended to decrease 3.4%, or \$9.8 million, from \$284.4 million to \$274.6 million for the 2021-23 biennium.

CHILDREN, YOUTH AND FAMILY ADMINISTRATION

The Children, Youth and Family Administration budget is the central administrative budget of the division and contains the unclassified Administrator, the division's four unclassified Deputy Administrators, and central fiscal, accounting and personnel staff.

One Social Services Program Manager position and associated expenditures within the DCFS Administration budget is recommended to support victims' services, funded by federal revenues totaling \$175,318 over the 2021-23 biennium.

The Governor recommends total expenditure reductions of \$911,451 (\$564,855 General Fund) over the 2021-23 biennium across the following budgets: Children, Youth and Family Administration, Information Services, Juvenile Justice Services, and Southern Nevada Child and Adolescent Services, as a result of eliminating the building lease for the East Neighborhood Service Center in Las Vegas (4180 South Pecos Road), as well as the elimination of office space leased on 4600 Kietzke Lane in Reno. However, no positions are recommended for elimination.

The Executive Budget includes reductions of \$272,100 (\$130,069 General Fund) to the Nevada Partnership for Training Program over the 2021-23 biennium, which provides funding to the Nevada System of Higher Education for child welfare caseworker training.

URBAN CHILD WELFARE

As approved by the 2011 Legislature, the division awards block grants to counties whose populations are 100,000 or more (currently Clark and Washoe counties) for the provision of child welfare services in those counties. The counties that receive the block grants must use the money for child welfare services and are not required to revert unspent money to the General Fund. A categorical grant is provided to the same counties for the cost of adoption assistance services. Additionally, the division is required to administer an incentive program for the counties that provide child welfare services. Fiscal incentive payments are made based upon the counties' achievement of specific goals for improvement, as approved by the division.

WASHOE COUNTY CHILD WELFARE

The Washoe County Child Welfare budget funds the delivery of child welfare services for Washoe County, which are provided by the county's Human Services Agency. Total recommended funding for the 2021-23 biennium is \$76.7 million, including General Fund appropriations of \$34.8 million. To fund projected caseload growth in adoption subsidies in Washoe County, the Governor recommends total funding of \$3.7 million (\$1.5 million General Fund appropriations) over the 2021-23 biennium.

The Executive Budget includes reductions of \$1.7 million in General Fund appropriations over the 2021-23 biennium in performance incentive payments to Washoe County Child Welfare. This budget, along with Clark County Child Welfare, receives annual performance incentive funds as part of the block grant mechanism to fund child welfare operations in the urban counties. The recommendation would decrease performance

incentive funding to Washoe County by 51% and 46% in FY 2022 and FY 2023, respectively.

CLARK COUNTY CHILD WELFARE

The Clark County Child Welfare budget funds the delivery of child welfare services for Clark County, which are provided by the county's Department of Family Services. Total recommended funding for the 2021-23 biennium is \$218.4 million, including General Fund appropriations of \$102.9 million. To fund projected caseload growth in adoption subsidies in Clark County, the Governor recommends total funding of \$9.0 million (\$3.8 million General Fund appropriations) over the 2021-23 biennium.

The Executive Budget includes reductions of \$5.1 million in General Fund appropriations over the 2021-23 biennium in performance incentive payments to Clark County Child Welfare. The recommendation would decrease performance incentive funding to Clark County by 51% and 46% in FY 2022 and FY 2023, respectively.

RURAL CHILD WELFARE

The Rural Child Welfare budget funds the delivery of child welfare services in the rural counties, including foster care placement costs and subsidized adoption costs for the rural region. Total recommended funding for the 2021-23 biennium is \$47.3 million, including General Fund appropriations of \$17.7 million. The Governor recommends a net funding increase totaling \$561,428 over the 2021-23 biennium, including General Fund appropriations of \$333,152, to fund projected caseload increases in adoption subsidies, court jurisdiction, advanced and specialized foster care programs, and projected caseload decreases in family foster care and kinship guardianship programs.

One Legal Secretary position and associated expenditures, funded with General Fund appropriations totaling \$103,280 over the 2021-23 biennium, is recommended to assist with legal document processing.

Rural Child Welfare budget reduction recommendations include \$700,000 in General Fund reductions each year of the 2021-23 biennium, which appear to be replaced with federal IV-B (1) funding included in the base budget.

JUVENILE JUSTICE SERVICES

The DCFS includes the Juvenile Justice Services budget and operates three juvenile justice facilities within the state. The Juvenile Justice Services budget subgrants funds to local governments and private agencies for various juvenile justice programs. The budget also supports the Social Services Chief, who performs compliance and monitoring of youth facilities, serves as Nevada's juvenile justice specialist and prepares monitoring and performance reports for various federal grant programs.

The Governor recommends \$52,264 (\$40,264 General Fund) over the 2021-23 biennium to enhance juvenile justice reform efforts in the Juvenile Justice Services budget and the Youth Parole budget.

Nevada Revised Statutes (NRS) Chapter 62B.620 requires an annual quality assurance review of each youth facility using a validated service assessment tool. The Executive Budget indicates that the Juvenile Justice Oversight Commission selected a proprietary tool developed by the University of Cincinnati called the Correctional Program Checklist (CPC). The recommended funding would support a contract with the University of Cincinnati and associated expenditures to provide quality assurance training to DCFS staff, along with an increase in travel costs to conduct the required reviews.

Funding recommended for the Youth Parole Services budget would fund youth and family engagement incentives consistent with statute; NRS 63.765 requires the Youth Parole Bureau to establish policies and procedures that include incentives to encourage compliance with the terms and conditions of a youth's parole.

YOUTH ALTERNATIVE PLACEMENT

The Youth Alternative Placement budget provides General Fund appropriations to two county-operated facilities, China Spring/Aurora Pines in Douglas County and Spring Mountain in Las Vegas. The Executive Budget recommends net reductions totaling \$1.2 million in General Fund appropriations each year of the 2021-23 biennium to the funding for China Spring/Aurora Pines. The Governor recommends adding \$12,750 in General Fund appropriations to Spring Mountain each year of the 2021-23 biennium. As a result, each county facility is recommended to receive \$500,000 in General Fund appropriations. As recommended, the funding levels for the two county facilities would be \$2.7 million per year for China Spring/Aurora Pines and \$500,000 per year for Spring Mountain. In comparison, funding for China Spring/Aurora Pines and Spring Mountain during each year of the 2019-21 biennium was \$3.9 million and \$487,250, respectively.

SUMMIT VIEW YOUTH CENTER

Summit View Youth Center (SVYC) is a maximum-security male youth correctional facility located near the Las Vegas urban center, with funding for 48 beds. The Governor recommends holding 11 Group Supervisor positions vacant and associated reductions in General Fund appropriations totaling \$758,484 in FY 2022 only, with no change to facility capacity. Positions are recommended to be restored in FY 2023.

CALIENTE YOUTH CENTER

The Caliente Youth Center is a co-educational juvenile residential correctional facility that serves youth between the ages of 12 and 19 with a capacity of 112 youth as approved by the 2019 legislature. The Governor recommends holding 38 positions vacant, including 37 Group Supervisor positions and 1 Correctional Nurse position, which would result in General Fund reductions totaling \$2.6 million in FY 2022 only. Facility capacity would remain the same as approved by the Legislature in the 31st Special Session (2020) at 64 youth. Positions and capacity are recommended to be restored to 2019 legislatively approved levels in FY 2023.

NEVADA YOUTH TRAINING CENTER

The Nevada Youth Training Center (NYTC) is a residential juvenile correctional facility for male youth between 12 and 20 years of age, located in Elko, and was approved for 64 beds by the 2019 legislature. The Governor recommends holding 14 Group Supervisor positions vacant in FY 2022, resulting in General Fund savings of \$961,476. Capacity would remain at 48 youth, the level approved by the Legislature in the 31st Special Session (2020). Both held vacancies and capacity are recommended to be restored to levels as approved by the 2019 legislature in FY 2023.

NORTHERN NEVADA AND SOUTHERN NEVADA CHILD AND ADOLESCENT SERVICES

Through the Northern Nevada Child and Adolescent Services and Southern Nevada Child and Adolescent Services budgets, the division provides a continuum of comprehensive mental health services to emotionally disturbed children, adolescents and their families from birth through 18 years of age. Services include early childhood mental health, mobile crisis, outpatient, residential, and wraparound.

For the 2021-23 biennium, the Governor recommends total funding of \$85.7 million, which represents a total funding increase of \$3.7 million over the \$82.0 million approved for the 2019-21 biennium. Included in the total above, the Governor recommended 2021-23 biennium General Fund appropriations of \$34.4 million represent a decrease of approximately \$1.2 million over the \$35.6 million General Fund approved for the 2019-21 biennium.

Except for the closure of the South Pecos Road location in Southern Nevada, the Governor recommends no reductions to programmatic funding for either budget.

DEPARTMENT OF EMPLOYMENT, TRAINING AND REHABILITATION

The Department of Employment, Training and Rehabilitation (DETR) serves Nevada citizens by facilitating the training and stability of a qualified workforce that supports a growing and diverse economy, enforcing rules that protect citizens from workplace and personal discrimination, and regulating private colleges, universities and vocational training schools within Nevada.

The department is the lead state agency responsible for the administration of the Workforce Innovation and Opportunity Act (WIOA) in Nevada. The department consists of the Director's Office and centralized administrative services, the Employment Security Division, the Rehabilitation Division, the Research and Analysis Bureau, Information Development and Processing, the Nevada Equal Rights Commission (NERC), and the Commission on Postsecondary Education (CPE).

Funding for the department includes, but is not limited to, federal funds from the United States Departments of Labor and Education, the Social Security Administration, a surcharge of 0.05% on wages paid by Nevada employers, and penalties and interest collected from employers for nonpayment or late payment of unemployment insurance contributions. General Fund appropriations are made to NERC, which supplement contract payments from the federal Equal Employment Opportunity Commission,

and to the CPE, which is partially funded by the federal Department of Veterans Affairs. General Fund appropriations are also provided to the Vocational Rehabilitation program and the Bureau of Services to the Blind and Visually Impaired, primarily to match federal Section 110 funding.

Excluding interagency transfers, The Executive Budget includes total funding of \$354.4 million over the 2021-23 biennium, which represents a 13.1% increase (\$41.0 million) compared to the \$313.4 million approved by the 2019 Legislature for the current biennium. Recommended General Fund appropriations decrease by 3.4%, or \$350,135, from \$10.3 million to \$9.9 million, in the 2021-23 biennium.

REHABILITATION DIVISION

The Rehabilitation Division includes an administrative budget; the Bureau of Vocational Rehabilitation, which provides vocational rehabilitation services leading to employment for persons with disabilities; the Bureau of Services to the Blind and Visually Impaired, which provides vocational rehabilitation services leading to employment and independent living services to eligible individuals with blindness and visual impairments; the Bureau of Disability Adjudication, which makes medical determinations of eligibility for Social Security Administration disability benefit payment programs; and the Blind Business Enterprise program, which provides blind individuals seeking self-sufficiency the opportunity to operate snack bars and vending operations in federal, state and municipal buildings statewide.

BUREAU OF DISABILITY ADJUDICATION

The Governor recommends \$370,078 in federal funds over the biennium to convert the bureau to the department's recently deployed cloud-based phone system. In addition, the Governor recommends \$35,432 in federal funds over the biennium to reclassify an Administrative Assistant to a Rehabilitation Technician 3. The reclassified position would provide training and supervision for Rehabilitation Technician 2 positions, with the goal of providing consistency statewide.

BUREAU OF VOCATIONAL REHABILITATION

The Governor recommends holding a Rehabilitation Manager position vacant throughout the biennium for a reduction of \$229,921 (\$48,973 General Fund). The Governor also recommends reducing case services and third-party cooperative agreements by \$16.9 million (\$3.6 million General Fund savings) over the biennium.

In addition, The Governor recommends \$21,839 (\$4,647 General Fund) over the biennium to reclassify an Administrative Assistant position to a Rehabilitation Technician 3 position. The reclassified position would provide training and supervision for Rehabilitation Technician 2 positions, with the goal of providing consistency statewide.

SERVICES TO BLIND OR VISUALLY IMPAIRED

The Governor recommends reducing case services for savings totaling \$766,783 (\$163,324 General Funds) over the biennium.

EMPLOYMENT SECURITY DIVISION

The Employment Security Division (ESD) is responsible for the administration of the Unemployment Insurance program and numerous state- and federally-funded workforce investment programs that seek to connect Nevada employers with a skilled and qualified workforce.

The Governor recommends transferring the Office of Workforce Innovation (OWINN) and P20 Workforce Reporting budgets, including six positions, from the Governor's Office to DETR. The transfer is recommended because both OWINN and DETR receive funding from the federal Workforce Innovation and Opportunity grant. Total funding recommended for these budgets is \$10.3 million (\$1.7 million General Fund).

EMPLOYMENT SECURITY - SPECIAL FUND

The Governor recommends \$1.0 million in reserves over the 2021-23 biennium for contract Information Technology staff for Unemployment Insurance system (UInv) enhancements, maintenance, and defect resolution.

ESD ADMINISTRATION

The Governor recommends cost allocation reimbursements of \$306,492 over the biennium to add an unclassified Deputy Staff Attorney and associated costs to handle anticipated case increases.

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
HEALTH AND HUMAN SERVICES						
HHS-DO - ADMINISTRATION	1,911,345	2,191,539	2,229,066	1.71	2,240,340	.51
GENERAL FUND	1,461,081	1,473,331	1,562,534	6.05	1,567,038	.29
BALANCE FORWARD			2,327		2,327	
INTERAGENCY TRANSFER	499,150	718,208	524,657	-26.95	531,427	1.29
OTHER FUND			139,548		139,548	
REVERSIONS	-48,886					
HHS-DO - DEVELOPMENTAL DISABILITIES	656,655	824,577	720,926	-12.57	722,643	.24
GENERAL FUND	156,809	155,403	154,270	-.73	156,525	1.46
FEDERAL FUND	511,181	669,174	566,656	-15.32	566,118	-.09
INTERAGENCY TRANSFER	1,028					
REVERSIONS	-12,363					
HHS-DO - FAMILY PLANNING	2,590,618	3,000,000	2,378,152	-20.73	2,378,214	.00
GENERAL FUND	3,000,000	3,000,000	2,378,152	-20.73	2,378,214	.00
REVERSIONS	-409,382					
HHS-DO - GRANTS MANAGEMENT UNIT	25,004,683	26,946,886	25,120,831	-6.78	25,120,053	-.00
GENERAL FUND	37,215	40,527	37,091	-8.48	37,218	.34
FEDERAL FUND	18,492,119	19,422,780	18,455,355	-4.98	18,455,355	
INTERAGENCY TRANSFER	192,760					
OTHER FUND	6,293,196	7,483,579	6,628,385	-11.43	6,627,480	-.01
REVERSIONS	-10,607					
HHS-DO - GRIEF SUPPORT TRUST ACCOUNT	114,346	103,929	106,814	2.78	97,165	-9.03
BALANCE FORWARD	50,734	39,314	41,705	6.08	32,056	-23.14
INTERAGENCY TRANSFER	61,876	64,310	64,425	.18	64,425	
OTHER FUND	1,736	305	684	124.26	684	
DHHS DO - DATA ANALYTICS			2,941,559		3,029,965	3.01
GENERAL FUND			765,796		777,440	1.52
INTERAGENCY TRANSFER			2,088,685		2,165,588	3.68
OTHER FUND			87,078		86,937	-.16
HHS-DO - CONSUMER HEALTH ASSISTANCE	1,564,771	1,791,554	2,195,311	22.54	2,200,521	.24
GENERAL FUND	400,323	458,460	371,460	-18.98	372,440	.26
INTERAGENCY TRANSFER	493,201	612,136	458,681	-25.07	460,534	.40
OTHER FUND	686,859	720,958	1,365,170	89.35	1,367,547	.17
REVERSIONS	-15,612					
HHS-DO - INDIGENT HOSPITAL CARE	41,216,628	61,227,624	66,178,186	8.09	71,144,769	7.50
BALANCE FORWARD	4,180,876	25,925,928	23,300,126	-10.13	26,034,310	11.73
OTHER FUND	37,035,752	35,301,696	42,878,060	21.46	45,110,459	5.21
HHS-DO - UPL HOLDING ACCOUNT	10,766,265	13,758,157	11,873,577	-13.70	11,873,577	.00
INTERAGENCY TRANSFER	11,279,671	13,758,157	11,873,577	-13.70	11,873,577	
REVERSIONS	-513,406					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
HHS-DO - INDIVIDUALS WITH DISABILITIES ED PART C	4,003,201	4,123,803	4,105,183	- .45	4,108,224	.07
FEDERAL FUND	3,992,775	4,123,803	4,105,183	- .45	4,108,224	.07
INTERAGENCY TRANSFER	10,426					
TOTAL HEALTH AND HUMAN SERVICES - DIRECTOR'S OFFICE	87,828,512	113,968,069	117,849,605	3.41	122,915,471	4.30
GENERAL FUND	5,055,428	5,127,721	5,269,303	2.76	5,288,875	.37
BALANCE FORWARD	4,231,610	25,965,242	23,344,158	-10.09	26,068,693	11.67
FEDERAL FUND	22,996,075	24,215,757	23,127,194	-4.50	23,129,697	.01
INTERAGENCY TRANSFER	12,538,112	15,152,811	15,010,025	-.94	15,095,551	.57
OTHER FUND	44,017,543	43,506,538	51,098,925	17.45	53,332,655	4.37
REVERSIONS	-1,010,256					
HHS-ADSD - FEDERAL PROGRAMS AND ADMINISTRATION	9,196,278	10,954,499	9,366,276	-14.50	10,221,193	9.13
GENERAL FUND	1,998,970	2,152,466	1,927,327	-10.46	2,092,833	8.59
INTERAGENCY TRANSFER	7,601,737	8,802,033	7,438,949	-15.49	8,128,360	9.27
REVERSIONS	-404,429					
HHS-ADSD - SENIOR RX AND DISABILITY RX	1,187,491	1,530,900	533,828	-65.13	537,838	.75
OTHER FUND	1,187,491	1,530,900	533,828	-65.13	537,838	.75
HHS-ADSD - TOBACCO SETTLEMENT PROGRAM	5,818,974	5,943,499	6,680,683	12.40	7,255,400	8.60
OTHER FUND	5,818,974	5,943,499	6,680,683	12.40	7,255,400	8.60
HHS-ADSD - HOME AND COMMUNITY- BASED SERVICES	47,028,515	55,888,740	54,624,739	-2.26	55,840,856	2.23
GENERAL FUND	25,931,303	23,795,580	25,451,347	6.96	27,756,155	9.06
BALANCE FORWARD	-52,805	94,342	294,503	212.17	294,503	
FEDERAL FUND	16,147,340	24,657,144	19,832,306	-19.57	18,254,411	-7.96
INTERAGENCY TRANSFER	9,250,813	7,186,549	8,858,672	23.27	9,347,876	5.52
OTHER FUND	143,369	155,125	187,911	21.14	187,911	
REVERSIONS	-4,391,505					
HHS-ADSD - COMMUNICATION ACCESS SERVICES	2,823,299	4,135,224	4,097,931	-.90	3,783,738	-7.67
BALANCE FORWARD	286,941	1,534,573	1,334,412	-13.04	1,036,365	-22.34
OTHER FUND	2,536,358	2,600,651	2,763,519	6.26	2,747,373	-.58
HHS-ADSD - EARLY INTERVENTION SERVICES	38,251,692	37,723,693	37,538,676	-.49	41,029,247	9.30
GENERAL FUND	31,281,073	30,077,524	31,025,797	3.15	33,981,977	9.53
FEDERAL FUND	386,995	316,251	452,027	42.93	473,767	4.81
INTERAGENCY TRANSFER	7,066,646	7,160,783	6,060,852	-15.36	6,573,503	8.46
OTHER FUND		169,135				
REVERSIONS	-483,022					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
HHS - ADSD- AUTISM TREATMENT ASSISTANCE PROGRAM	11,903,614	11,984,231	8,688,460	-27.50	10,083,394	16.06
GENERAL FUND	8,161,244	3,506,458	5,150,870	46.90	6,358,489	23.44
FEDERAL FUND	24,534	1,531,703				
INTERAGENCY TRANSFER	740,646	3,122,925	3,394,090	8.68	3,581,405	5.52
OTHER FUND	3,013,500	3,823,145	143,500	-96.25	143,500	
REVERSIONS	-36,310					
HHS-ADSD-APPLIED BEHAVIOR ANALYSIS	26,534	394,567	269,750	-31.63	346,152	28.32
BALANCE FORWARD	-71,816	190,162	171,400	-9.87	247,802	44.58
OTHER FUND	98,350	204,405	98,350	-51.88	98,350	
HHS-ADSD - FAMILY PRESERVATION PROGRAM	2,942,258	3,067,273	3,008,830	-1.91	3,052,588	1.45
GENERAL FUND	1,711,905	1,767,273	1,708,830	-3.31	1,752,588	2.56
INTERAGENCY TRANSFER	1,100,000	1,100,000	1,100,000		1,100,000	
OTHER FUND	200,000	200,000	200,000		200,000	
REVERSIONS	-69,647					
HHS-ADSD - SIERRA REGIONAL CENTER	51,419,835	57,283,366	58,691,350	2.46	60,798,265	3.59
GENERAL FUND	26,918,935	27,355,283	29,298,973	7.11	30,289,162	3.38
INTERAGENCY TRANSFER	26,016,036	29,003,083	28,798,248	-.71	29,914,974	3.88
OTHER FUND	293,307	925,000	594,129	-35.77	594,129	
REVERSIONS	-1,808,443					
HHS-ADSD - DESERT REGIONAL CENTER	158,129,430	173,919,494	176,981,189	1.76	185,142,905	4.61
GENERAL FUND	83,235,107	83,602,834	93,982,998	12.42	99,226,090	5.58
INTERAGENCY TRANSFER	78,430,351	87,124,653	80,001,033	-8.18	82,885,390	3.61
OTHER FUND	1,924,627	3,192,007	2,997,158	-6.10	3,031,425	1.14
REVERSIONS	-5,460,655					
HHS-ADSD - RURAL REGIONAL CENTER	20,583,541	23,115,120	22,006,247	-4.80	22,789,706	3.56
GENERAL FUND	10,819,138	10,855,243	11,369,430	4.74	11,862,842	4.34
INTERAGENCY TRANSFER	10,152,439	12,079,873	10,420,047	-13.74	10,710,094	2.78
OTHER FUND	198,402	180,004	216,770	20.43	216,770	
REVERSIONS	-586,438					
HHS-ADSD - COMMISSION FOR PERSONS WHO ARE DEAF	14,435	25,000	25,000	.00	25,000	.00
GENERAL FUND	25,000	25,000	25,000		25,000	
REVERSIONS	-10,565					
TOTAL AGING AND DISABILITY SERVICES	349,325,896	385,965,606	382,512,959	-.89	400,906,282	4.81
GENERAL FUND	190,082,675	183,137,661	199,940,572	9.18	213,345,136	6.70
BALANCE FORWARD	162,320	1,819,077	1,800,315	-1.03	1,578,670	-12.31
FEDERAL FUND	16,558,869	26,505,098	20,284,333	-23.47	18,728,178	-7.67
INTERAGENCY TRANSFER	140,358,668	155,579,899	146,071,891	-6.11	152,241,602	4.22
OTHER FUND	15,414,378	18,923,871	14,415,848	-23.82	15,012,696	4.14
REVERSIONS	-13,251,014					
PRESCRIPTION DRUG REBATE			321,167,115		319,287,440	-.59
OTHER FUND			321,167,115		319,287,440	-.59

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
HHS-HCF&P - INTERGOVERNMENTAL TRANSFER PROGRAM	147,479,781	163,593,481	238,388,459	45.72	176,839,609	-25.82
BALANCE FORWARD	-260,998	3,329,364	63,329,364	1,802.15	3,329,364	-94.74
INTERAGENCY TRANSFER	45,555,680	36,473,690	35,640,565	-2.28	38,138,151	7.01
OTHER FUND	102,185,099	123,790,427	139,418,530	12.62	135,372,094	-2.90
HHS-HCF&P - HCF&P ADMINISTRATION	146,758,232	171,360,901	182,018,497	6.22	181,651,371	-2.20
GENERAL FUND	28,375,477	28,101,870	28,429,798	1.17	27,023,264	-4.95
BALANCE FORWARD	-113,707	1,054,669	591,577	-43.91	750,801	26.92
FEDERAL FUND	116,571,747	140,300,498	150,581,904	7.33	151,769,138	.79
INTERAGENCY TRANSFER	446,678	470,241	511,646	8.81	511,646	
OTHER FUND	1,486,924	1,433,623	1,903,572	32.78	1,596,522	-16.13
REVERSIONS	-8,887					
HHS-HCF&P - INCREASED QUALITY OF NURSING CARE	39,776,792	45,168,778	45,799,309	1.40	48,006,697	4.82
BALANCE FORWARD	-2,051,030	3,035,719	1,256,950	-58.59	900,001	-28.40
OTHER FUND	41,827,822	42,133,059	44,542,359	5.72	47,106,696	5.76
HHS-HCF&P - NEVADA CHECK UP PROGRAM	52,068,290	60,633,959	59,226,034	-2.32	64,615,474	9.10
GENERAL FUND	4,266,749	12,702,310	13,174,656	3.72	14,155,038	7.44
FEDERAL FUND	45,099,660	44,004,522	42,435,630	-3.57	46,800,148	10.29
INTERAGENCY TRANSFER	151,187	861,989	1,064,504	23.49	1,046,586	-1.68
OTHER FUND	2,550,694	3,065,138	2,551,244	-16.77	2,613,702	2.45
HHS-HCF&P - NEVADA MEDICAID, TITLE XIX	4,030,496,073	4,318,521,145	4,997,184,667	15.72	5,240,924,787	4.88
GENERAL FUND	744,207,728	831,770,720	939,481,615	12.95	1,027,793,606	9.40
BALANCE FORWARD	-27,463	684,568	790,465	15.47	790,465	
FEDERAL FUND	3,069,648,204	3,237,850,682	3,406,418,375	5.21	3,625,718,947	6.44
INTERAGENCY TRANSFER	189,483,329	212,193,714	620,121,057	192.24	554,020,675	-10.66
OTHER FUND	37,612,678	36,021,461	30,373,155	-15.68	32,601,094	7.34
REVERSIONS	-10,428,403					
TOTAL HEALTH CARE FINANCING & POLICY	4,416,579,168	4,759,278,264	5,843,784,081	22.79	6,031,325,378	3.21
GENERAL FUND	776,849,954	872,574,900	981,086,069	12.44	1,068,971,908	8.96
BALANCE FORWARD	-2,453,198	8,104,320	65,968,356	713.99	5,770,631	-91.25
FEDERAL FUND	3,231,319,611	3,422,155,702	3,599,435,909	5.18	3,824,288,233	6.25
INTERAGENCY TRANSFER	235,636,874	249,999,634	657,337,772	162.94	593,717,058	-9.68
OTHER FUND	185,663,217	206,443,708	539,955,975	161.55	538,577,548	-2.6
REVERSIONS	-10,437,290					
HHS-DPBH - RADIATION CONTROL	2,725,914	5,801,168	4,497,889	-22.47	4,423,978	-1.64
BALANCE FORWARD	-589,075	2,803,974	1,035,691	-63.06	1,342,469	29.62
FEDERAL FUND	269,099	230,000	269,779	17.30	270,599	.30
INTERAGENCY TRANSFER	13,081	14,422	16,140	11.91	16,206	.41
OTHER FUND	3,032,809	2,752,772	3,176,279	15.38	2,794,704	-12.01
HHS-DPBH - CHILD CARE SERVICES	1,612,499	2,135,889	2,232,635	4.53	2,363,760	5.87
BALANCE FORWARD	-59,208	227,311	192,818	-15.17	266,718	38.33
INTERAGENCY TRANSFER	1,535,961	1,750,596	1,870,553	6.85	1,922,642	2.78
OTHER FUND	135,746	157,982	169,264	7.14	174,400	3.03

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
HHS-DPBH - LOW-LEVEL RADIOACTIVE WASTE FUND	13,507	1,927,330	264,238	-86.29	262,529	-.65
BALANCE FORWARD	-266,285	1,651,923				
OTHER FUND	279,792	275,407	264,238	-4.06	262,529	-.65
HHS-DPBH - NEVADA CENTRAL CANCER REGISTRY	758,738	694,845	797,128	14.72	1,008,312	26.49
GENERAL FUND	166,780					
BALANCE FORWARD	35,878	119,345	75,904	-36.40	300,556	295.97
INTERAGENCY TRANSFER	552,365	575,000	485,523	-15.56	481,019	-.93
OTHER FUND	3,738	500	235,701	47,040.20	226,737	-3.80
REVERSIONS	-23					
HHS-DPBH - HEALTH STATISTICS AND PLANNING	1,738,676	4,180,251	3,935,324	-5.86	3,849,371	-2.18
BALANCE FORWARD	-160,393	2,385,322	2,095,210	-12.16	2,009,852	-4.07
INTERAGENCY TRANSFER	511,962	398,560	438,858	10.11	438,660	-.05
OTHER FUND	1,387,107	1,396,369	1,401,256	.35	1,400,859	-.03
HHS-DPBH - ENVIRONMENTAL HEALTH SERVICES	1,820,740	2,670,753	2,282,729	-14.53	2,199,112	-3.66
BALANCE FORWARD	5,054	685,220	512,875	-25.15	424,382	-17.25
FEDERAL FUND	136,691	283,283	189,085	-33.25	188,615	-.25
INTERAGENCY TRANSFER	76,158	5,123				
OTHER FUND	1,602,837	1,697,127	1,580,769	-6.86	1,586,115	.34
HHS-DPBH - IMMUNIZATION PROGRAM	6,810,636	11,601,630	7,234,810	-37.64	7,241,594	.09
GENERAL FUND	738,732	1,063,650	699,790	-34.21	699,790	
FEDERAL FUND	3,978,024	7,383,829	4,279,684	-42.04	4,284,971	.12
INTERAGENCY TRANSFER	1,983,235	3,004,151	2,105,336	-29.92	2,106,833	.07
OTHER FUND	149,972	150,000	150,000		150,000	
REVERSIONS	-39,327					
HHS-DPBH - WIC FOOD SUPPLEMENT	58,286,360	70,981,815	67,264,812	-5.24	67,254,152	-.02
BALANCE FORWARD	2					
FEDERAL FUND	39,724,202	51,987,556	46,667,874	-10.23	46,657,214	-.02
INTERAGENCY TRANSFER		3,114,758				
OTHER FUND	18,562,156	15,879,501	20,596,938	29.71	20,596,938	
HHS-DPBH - COMMUNICABLE DISEASES	35,339,550	26,871,755	27,555,405	2.54	27,548,672	-.02
BALANCE FORWARD	2,384,501	443,823	115,774	-73.91	127,033	9.72
FEDERAL FUND	13,634,405	12,492,575	12,227,104	-2.13	12,220,371	-.06
INTERAGENCY TRANSFER	514,029	336,271				
OTHER FUND	18,806,615	13,599,086	15,212,527	11.86	15,201,268	-.07
HHS-DPBH - HEALTH CARE FACILITIES REG	13,466,993	25,276,368	17,603,242	-30.36	14,966,240	-14.98
GENERAL FUND	600,840	413,150	233,709	-43.43	238,173	1.91
BALANCE FORWARD	163,697	9,429,726	6,216,603	-34.07	3,044,730	-51.02
FEDERAL FUND	2,447,457	1,853,162	1,841,389	-.64	1,848,916	.41
INTERAGENCY TRANSFER	2,271,872	5,411,845	2,211,680	-59.13	2,201,158	-.48
OTHER FUND	8,121,402	8,168,485	7,099,861	-13.08	7,633,263	7.51
REVERSIONS	-138,275					

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HHS-DPBH - HEALTH CARE FACILITIES ADMIN PENALTY	139	252,966	292,034	15.44	331,121	13.38
BALANCE FORWARD	-52,961	199,366	252,916	26.86	292,003	15.45
OTHER FUND	53,100	53,600	39,118	-27.02	39,118	
HHS-DPBH - PUBLIC HEALTH PREPAREDNESS PROGRAM	9,440,025	17,946,234	11,222,728	-37.46	11,228,028	.05
BALANCE FORWARD	2,496	37,243			5,989	
FEDERAL FUND	9,018,367	17,160,814	10,822,767	-36.93	10,813,573	-.08
INTERAGENCY TRANSFER	178,184	431,096	154,501	-64.16	158,161	2.37
OTHER FUND	242,590	317,081	245,460	-22.59	250,305	1.97
REVERSIONS	-1,612					
HHS-DPBH - BIostatISTICS AND EPIDEMIOLOGY	12,008,298	193,374,205	43,610,003	-77.45	23,775,095	-45.48
GENERAL FUND	395,920	396,124	318,482	-19.60	332,682	4.46
FEDERAL FUND	9,171,176	108,579,614	42,929,297	-60.46	23,079,950	-46.24
INTERAGENCY TRANSFER	2,436,146	84,299,430	362,121	-99.57	362,366	.07
OTHER FUND	92,005	99,037	103	-99.90	97	-5.83
REVERSIONS	-86,949					
HHS-DPBH - CHRONIC DISEASE	14,481,974	16,352,663	13,252,024	-18.96	13,276,266	.18
GENERAL FUND	3,000,000	481,971	500,169	3.78	500,472	.06
BALANCE FORWARD	-1,054,519	1,054,520				
FEDERAL FUND	9,001,256	10,693,087	9,176,664	-14.18	9,194,310	.19
INTERAGENCY TRANSFER	566,184	1,012,846	272,018	-73.14	275,560	1.30
OTHER FUND	3,028,045	3,110,239	3,303,173	6.20	3,305,924	.08
REVERSIONS	-58,992					
HHS-DPBH - MATERNAL CHILD & ADOLESCENT HEALTH SVCS	7,756,825	8,684,505	7,928,529	-8.70	8,017,194	1.12
GENERAL FUND	1,368,459	1,393,559	915,099	-34.33	956,379	4.51
FEDERAL FUND	5,901,106	6,417,363	6,018,184	-6.22	6,106,841	1.47
INTERAGENCY TRANSFER	700,593	873,583	995,246	13.93	953,974	-4.15
REVERSIONS	-213,333					
HHS-DPBH - OFFICE OF HEALTH ADMINISTRATION	9,888,436	12,757,008	11,468,753	-10.10	11,038,912	-3.75
GENERAL FUND	5,392,311	5,288,511	163,921	-96.90	110,243	-32.75
BALANCE FORWARD	-710,548	805,369	1,574,151	95.46	863,414	-45.15
INTERAGENCY TRANSFER	5,354,644	6,663,128	9,730,681	46.04	10,065,255	3.44
REVERSIONS	-147,971					
HHS-DPBH - COMMUNITY HEALTH SERVICES	3,263,722	4,219,777	2,992,927	-29.07	3,119,389	4.23
GENERAL FUND	1,583,180	1,463,045	1,280,286	-12.49	1,414,670	10.50
BALANCE FORWARD		112,000				
FEDERAL FUND	200,922	323,308	199,428	-38.32	199,557	.06
INTERAGENCY TRANSFER	1,148,975	1,721,412	960,376	-44.21	971,113	1.12
OTHER FUND	576,014	600,012	552,837	-7.86	534,049	-3.40
REVERSIONS	-245,369					

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HHS-DPBH - EMERGENCY MEDICAL SERVICES	1,026,181	1,061,048	1,063,351	.22	1,078,470	1.42
GENERAL FUND	725,087	738,092	715,063	-3.12	734,934	2.78
BALANCE FORWARD	-5,230	116,228	121,547	4.58	118,056	-2.87
FEDERAL FUND	94,177	130,000	128,240	-1.35	128,343	.08
INTERAGENCY TRANSFER	107,950	11,000				
OTHER FUND	126,409	65,728	98,501	49.86	97,137	-1.38
REVERSIONS	-22,212					
HHS-DPBH - MARIJUANA HEALTH REGISTRY	697,299	2,941,266	3,009,370	2.32	3,111,759	3.40
BALANCE FORWARD	-187,781	2,341,882	2,150,810	-8.16	2,390,349	11.14
INTERAGENCY TRANSFER	458					
OTHER FUND	884,622	599,384	858,560	43.24	721,410	-15.97
HHS-DPBH - BEHAVIORAL HEALTH ADMINISTRATION	3,971,953	4,245,247	4,836,759	13.93	4,897,934	1.26
GENERAL FUND	3,580,103	3,514,428				
BALANCE FORWARD	353	11,930				
INTERAGENCY TRANSFER	470,538	718,889	4,836,759	572.81	4,897,934	1.26
REVERSIONS	-79,041					
HHS-DPBH - PROBLEM GAMBLING	1,873,116	1,283,885	2,030,953	58.19	2,040,935	.49
GENERAL FUND	1,681,294	1,274,513	2,030,953	59.35	2,040,935	.49
BALANCE FORWARD	594,367					
OTHER FUND		9,372				
REVERSIONS	-402,545					
HHS-DPBH - ALCOHOL TAX PROGRAM	823,487	1,618,843	1,135,286	-29.87	1,435,290	26.43
BALANCE FORWARD	-273,134	500,256	256	-99.95	312,791	122,083.98
OTHER FUND	1,096,621	1,118,587	1,135,030	1.47	1,122,499	-1.10
HHS-DPBH - BEHAVIORAL HEALTH PREV & TREATMENT	40,478,261	72,762,454	42,464,124	-41.64	42,181,083	-.67
GENERAL FUND	6,444,010	6,470,473	6,023,505	-6.91	6,081,960	.97
BALANCE FORWARD	-1,415,780	2,069,478				
FEDERAL FUND	33,345,669	62,620,841	35,525,822	-43.27	35,288,005	-.67
INTERAGENCY TRANSFER	557,095	1,507,122	847,689	-43.75	744,010	-12.23
OTHER FUND	1,861,883	94,540	67,108	-29.02	67,108	
REVERSIONS	-314,616					
HHS-DPBH - RURAL CLINICS	15,647,134	16,548,454	15,956,054	-3.58	17,124,196	7.32
GENERAL FUND	11,984,407	12,158,394	12,354,915	1.62	13,211,502	6.93
FEDERAL FUND	381,690	505,531	421,034	-16.71	451,075	7.14
INTERAGENCY TRANSFER	2,665,278	3,047,704	2,117,872	-30.51	2,347,093	10.82
OTHER FUND	1,017,688	836,825	1,062,233	26.94	1,114,526	4.92
REVERSIONS	-401,929					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
HHS-DPBH - NO NV ADULT MENTAL HEALTH SVCS	28,205,022	30,586,191	25,468,159	-16.73	28,242,593	10.89
GENERAL FUND	24,290,635	24,382,209	22,505,926	-7.70	25,269,044	12.28
BALANCE FORWARD	1,017,047	100,576				
FEDERAL FUND	1,007,508	3,225,038	1,013,876	-68.56	1,018,393	.45
INTERAGENCY TRANSFER	2,535,909	2,522,372	1,254,312	-50.27	1,260,636	.50
OTHER FUND	256,299	355,996	694,045	94.96	694,520	.07
REVERSIONS	-902,376					
HHS-DPBH - SO NV ADULT MENTAL HEALTH SERVICES	92,680,387	92,745,050	95,786,065	3.28	97,504,549	1.79
GENERAL FUND	81,939,429	82,742,807	88,168,746	6.56	89,867,726	1.93
BALANCE FORWARD	195,960					
FEDERAL FUND	3,023,388	2,619,716	1,653,154	-36.90	1,656,119	.18
INTERAGENCY TRANSFER	7,833,222	6,751,292	4,579,998	-32.16	4,596,189	.35
OTHER FUND	691,854	631,235	1,384,167	119.28	1,384,515	.03
REVERSIONS	-1,003,466					
HHS-DPBH - FACILITY FOR THE MENTAL OFFENDER	12,810,035	12,666,827	13,228,075	4.43	13,563,220	2.53
GENERAL FUND	11,767,298	12,020,997	12,821,630	6.66	13,154,707	2.60
BALANCE FORWARD	10,246	24,410				
INTERAGENCY TRANSFER	734,204	87,260				
OTHER FUND	333,261	534,160	406,445	-23.91	408,513	.51
REVERSIONS	-34,974					
TOTAL DIVISION OF PUBLIC AND BEHAVIORAL HEALTH	377,625,907	642,188,427	429,413,406	-33.13	413,083,754	-3.80
GENERAL FUND	155,658,485	153,801,923	148,732,194	-3.30	154,613,217	3.95
BALANCE FORWARD	-365,313	25,119,902	14,344,555	-42.90	11,498,342	-19.84
FEDERAL FUND	131,335,137	286,505,717	173,363,381	-39.49	153,406,852	-11.51
INTERAGENCY TRANSFER	32,748,043	124,257,860	33,239,663	-73.25	33,798,809	1.68
OTHER FUND	62,342,565	52,503,025	59,733,613	13.77	59,766,534	.06
REVERSIONS	-4,093,010					
HHS-WELFARE - ADMINISTRATION	41,350,892	46,831,765	47,447,888	1.32	47,983,950	1.13
GENERAL FUND	11,374,237	11,088,686	12,697,542	14.51	13,164,820	3.68
BALANCE FORWARD	-887,054	1,290,699	186,845	-85.52	186,845	
FEDERAL FUND	23,612,660	22,378,093	24,378,491	8.94	25,128,615	3.08
INTERAGENCY TRANSFER	6,763,097	11,010,929	8,749,706	-20.54	8,045,226	-8.05
OTHER FUND	1,174,577	1,063,358	1,435,304	34.98	1,458,444	1.61
REVERSIONS	-686,625					
HHS-WELFARE - TANF	40,838,549	45,070,561	42,959,390	-4.68	43,609,145	1.51
GENERAL FUND	24,607,702	24,607,703	24,607,702	-0.00	24,607,702	
FEDERAL FUND	16,230,847	20,462,858	18,351,688	-10.32	19,001,443	3.54
HHS-WELFARE - ASSISTANCE TO AGED AND BLIND	10,641,000	11,187,527	11,068,889	-1.06	11,377,557	2.79
GENERAL FUND	10,763,355	11,187,527	11,068,889	-1.06	11,377,557	2.79
REVERSIONS	-122,355					

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HHS-WELFARE - WELFARE FIELD SERVICES	132,675,848	133,993,266	139,092,523	3.81	150,794,616	8.41
GENERAL FUND	42,335,340	27,489,904	46,811,341	70.29	50,984,986	8.92
BALANCE FORWARD	-5,849,158	6,147,495				
FEDERAL FUND	36,403,042	21,040,944	43,542,649	106.94	46,862,220	7.62
INTERAGENCY TRANSFER	60,082,699	79,295,390	48,600,656	-38.71	52,802,537	8.65
OTHER FUND		19,533	137,877	605.87	144,873	5.07
REVERSIONS	-296,075					
HHS-WELFARE - CHILD SUPPORT ENFORCEMENT PROGRAM	34,192,500	42,550,871	17,215,053	-59.54	16,734,126	-2.79
GENERAL FUND	355,493	61,860			6	
BALANCE FORWARD	7,156,029	10,914,023	1,761,048	-83.86	1,281,673	-27.22
FEDERAL FUND	19,923,547	26,574,392	10,066,539	-62.12	10,103,623	.37
OTHER FUND	6,757,431	5,000,596	5,387,466	7.74	5,348,824	-.72
HHS-WELFARE - CHILD SUPPORT FEDERAL REIMBURSEMENT	25,063,852	28,351,914	29,421,683	3.77	31,167,476	5.93
BALANCE FORWARD	4,986	240,115	234,995	-2.13	229,587	-2.30
FEDERAL FUND	25,058,866	28,111,799	29,186,688	3.82	30,937,889	6.00
HHS-WELFARE - CHILD ASSISTANCE AND DEVELOPMENT	92,056,707	109,935,436	91,465,260	-16.80	92,004,857	.59
GENERAL FUND	2,580,421	2,580,421	2,580,421		2,580,421	
FEDERAL FUND	89,476,286	107,355,015	88,884,839	-17.20	89,424,436	.61
HHS-WELFARE - ENERGY ASSISTANCE PROGRAM	26,974,099	26,799,246	21,629,049	-19.29	22,004,214	1.73
FEDERAL FUND	17,673,520	18,423,666	13,616,583	-26.09	13,836,012	1.61
INTERAGENCY TRANSFER		24,883				
OTHER FUND	9,300,579	8,350,697	8,012,466	-4.05	8,168,202	1.94
TOTAL WELFARE AND SUPPORTIVE SERVICES	403,793,447	444,720,586	400,299,735	-9.99	415,675,941	3.84
GENERAL FUND	92,016,548	77,016,101	97,765,895	26.94	102,715,492	5.06
BALANCE FORWARD	424,803	18,592,332	2,182,888	-88.26	1,698,105	-22.21
FEDERAL FUND	228,378,768	244,346,767	228,027,477	-6.68	235,294,238	3.19
INTERAGENCY TRANSFER	66,845,796	90,331,202	57,350,362	-36.51	60,847,763	6.10
OTHER FUND	17,232,587	14,434,184	14,973,113	3.73	15,120,343	.98
REVERSIONS	-1,105,055					
HHS-DCFS - CHILDREN, YOUTH & FAMILY ADMINISTRATION	35,827,186	51,727,434	44,864,713	-13.27	42,767,174	-4.68
GENERAL FUND	6,934,901	6,904,017	8,011,315	16.04	8,307,857	3.70
BALANCE FORWARD	28,570	107,611	107,611		107,611	
FEDERAL FUND	25,862,362	41,103,538	34,234,325	-16.71	31,808,031	-7.09
INTERAGENCY TRANSFER	1,976,540	2,162,268	1,118,962	-48.25	1,151,175	2.88
OTHER FUND	1,302,775	1,450,000	1,392,500	-3.97	1,392,500	
REVERSIONS	-277,962					
HHS-DCFS - VICTIMS OF DOMESTIC VIOLENCE	2,761,766	3,057,866	3,016,911	-1.34	3,170,365	5.09
BALANCE FORWARD	207,513	1,691	1,691		155,145	9,074.75
OTHER FUND	2,554,253	3,056,175	3,015,220	-1.34	3,015,220	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
HHS-DCFS - INFORMATION SERVICES	7,670,525	8,226,103	7,788,113	-5.32	8,058,467	3.47
GENERAL FUND	4,514,159	4,423,282	4,185,185	-5.38	4,334,950	3.58
FEDERAL FUND	2,894,976	3,347,161	3,161,225	-5.56	3,276,399	3.64
INTERAGENCY TRANSFER	443,514	455,660	441,703	-3.06	447,118	1.23
REVERSIONS	-182,124					
HHS-DCFS - WASHOE COUNTY CHILD WELFARE	37,317,422	37,235,302	38,036,663	2.15	38,632,704	1.57
GENERAL FUND	17,727,632	17,831,693	17,271,087	-3.14	17,556,563	1.65
FEDERAL FUND	19,657,145	19,269,622	20,595,294	6.88	20,905,859	1.51
INTERAGENCY TRANSFER	170,282	133,987	170,282	27.09	170,282	
REVERSIONS	-237,637					
HHS-DCFS - CLARK COUNTY CHILD WELFARE	109,644,886	114,547,236	108,064,090	-5.66	110,362,312	2.13
GENERAL FUND	54,292,727	54,778,363	50,912,551	-7.06	51,997,954	2.13
FEDERAL FUND	55,592,128	59,759,099	57,136,836	-4.39	58,349,655	2.12
INTERAGENCY TRANSFER	14,703	9,774	14,703	50.43	14,703	
REVERSIONS	-254,672					
HHS-DCFS - RURAL CHILD WELFARE	22,429,302	23,743,491	23,447,005	-1.25	23,859,444	1.76
GENERAL FUND	7,907,598	7,948,526	8,771,286	10.35	8,939,817	1.92
BALANCE FORWARD	203,928					
FEDERAL FUND	8,158,095	9,099,518	7,963,351	-12.49	8,071,955	1.36
INTERAGENCY TRANSFER	2,164,253	2,402,221	2,336,313	-2.74	2,342,576	.27
OTHER FUND	4,126,004	4,293,226	4,376,055	1.93	4,505,096	2.95
REVERSIONS	-130,576					
HHS-DCFS - CHILDREN'S TRUST ACCOUNT	590,930	1,518,129	1,503,752	-.95	1,213,120	-19.33
BALANCE FORWARD	-46,135	733,472	817,249	11.42	526,617	-35.56
INTERAGENCY TRANSFER	622,312	774,591	680,596	-12.13	680,596	
OTHER FUND	14,753	10,066	5,907	-41.32	5,907	
HHS-DCFS - CHILD WELFARE TRUST	161,828	314,672	346,049	9.97	346,059	.00
BALANCE FORWARD	-29,699	125,506	136,445	8.72	136,455	.01
OTHER FUND	191,527	189,166	209,604	10.80	209,604	
HHS-DCFS - TRANSITION FROM FOSTER CARE	980,055	1,354,591	1,254,705	-7.37	1,154,819	-7.96
BALANCE FORWARD	49,480	435,117	354,591	-18.51	254,705	-28.17
OTHER FUND	930,575	919,474	900,114	-2.11	900,114	
HHS-DCFS - REVIEW OF DEATH OF CHILDREN	133,726	567,820	573,311	.97	573,325	.00
BALANCE FORWARD	5,953	439,200	438,148	-.24	438,162	.00
OTHER FUND	127,773	128,620	135,163	5.09	135,163	
HHS-DCFS - JUVENILE JUSTICE SERVICES	3,113,886	3,960,969	3,615,288	-8.73	3,597,222	-.50
GENERAL FUND	2,967,825	3,003,819	3,083,031	2.64	3,065,921	-.55
BALANCE FORWARD	50	1,451				
FEDERAL FUND	107,254	830,944	505,807	-39.13	504,851	-.19
INTERAGENCY TRANSFER	57,824	116,005				
OTHER FUND	25,450	8,750	26,450	202.29	26,450	
REVERSIONS	-44,517					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
HHS-DCFS - YOUTH ALTERNATIVE PLACEMENT	4,370,793	4,370,793	3,186,312	-27.10	3,186,312	.00
GENERAL FUND	2,184,481	2,184,481	1,000,000	-54.22	1,000,000	
OTHER FUND	2,186,312	2,186,312	2,186,312		2,186,312	
HHS-DCFS - SUMMIT VIEW YOUTH CENTER	6,578,819	8,665,675	6,455,924	-25.50	7,450,170	15.40
GENERAL FUND	6,787,293	6,407,112	6,283,191	-1.93	7,277,437	15.82
BALANCE FORWARD	22,265	286,458				
INTERAGENCY TRANSFER	152,959	1,972,105	172,733	-91.24	172,733	
REVERSIONS	-383,698					
HHS-DCFS - CALIENTE YOUTH CENTER	9,170,242	10,440,907	6,836,944	-34.52	9,713,639	42.08
GENERAL FUND	8,975,448	7,255,228	6,473,518	-10.77	9,350,213	44.44
BALANCE FORWARD	177,491	164,367				
INTERAGENCY TRANSFER	345,236	3,021,312	363,426	-87.97	363,426	
REVERSIONS	-327,933					
HHS-DCFS - NEVADA YOUTH TRAINING CENTER	8,228,819	9,792,787	7,620,665	-22.18	8,787,389	15.31
GENERAL FUND	7,772,160	7,302,563	7,279,508	-.32	8,446,232	16.03
BALANCE FORWARD	551,671	228,535				
INTERAGENCY TRANSFER	203,680	2,239,069	312,569	-86.04	312,569	
OTHER FUND	23,626	22,620	28,588	26.38	28,588	
REVERSIONS	-322,318					
HHS-DCFS - YOUTH PAROLE SERVICES	6,281,372	6,848,636	6,623,350	-3.29	6,769,149	2.20
GENERAL FUND	3,318,783	3,390,992	3,275,024	-3.42	3,348,569	2.25
INTERAGENCY TRANSFER	14,949	26,844	5,022	-81.29	5,022	
OTHER FUND	3,060,478	3,430,800	3,343,304	-2.55	3,415,558	2.16
REVERSIONS	-112,838					
HHS-DCFS - NORTHERN NV CHILD & ADOLESCENT SERVICES	8,551,519	11,194,813	10,907,553	-2.57	11,226,988	2.93
GENERAL FUND	4,325,344	3,149,426	4,298,026	36.47	4,457,421	3.71
BALANCE FORWARD	113,396					
INTERAGENCY TRANSFER	4,585,588	7,289,955	5,884,535	-19.28	6,044,575	2.72
OTHER FUND	723,344	755,432	724,992	-4.03	724,992	
REVERSIONS	-1,196,153					
HHS-DCFS - SOUTHERN NV CHILD & ADOLESCENT SERVICES	28,172,216	37,228,427	31,427,877	-15.58	32,123,317	2.21
GENERAL FUND	13,994,614	13,483,291	12,688,235	-5.90	12,995,451	2.42
BALANCE FORWARD	57,187	147,053				
FEDERAL FUND	1,733,803	6,001,785	3,423,100	-42.97	3,432,311	.27
INTERAGENCY TRANSFER	11,771,538	15,755,482	13,572,358	-13.86	13,951,371	2.79
OTHER FUND	1,876,594	1,840,816	1,744,184	-5.25	1,744,184	
REVERSIONS	-1,261,520					
HHS-DCFS - VICTIMS OF CRIME	7,500,304	10,790,428	8,545,073	-20.81	7,650,534	-10.47
BALANCE FORWARD	2,365,510	4,293,901	2,442,183	-43.12	1,975,130	-19.12
FEDERAL FUND		1,068,000	2,252,000	110.86	2,252,000	
INTERAGENCY TRANSFER	1,887,329	1,709,941	427,486	-75.00		
OTHER FUND	3,247,465	3,718,586	3,423,404	-7.94	3,423,404	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
TOTAL CHILD AND FAMILY SERVICES	299,485,596	345,586,079	314,114,298	-9.11	320,642,509	2.08
GENERAL FUND	141,702,965	138,062,793	133,531,957	-3.28	141,078,385	5.65
BALANCE FORWARD	3,707,180	6,964,362	4,297,918	-38.29	3,593,825	-16.38
FEDERAL FUND	114,005,763	140,479,667	129,271,938	-7.98	128,601,061	-.52
INTERAGENCY TRANSFER	24,410,707	38,069,214	25,500,688	-33.01	25,656,146	.61
OTHER FUND	20,390,929	22,010,043	21,511,797	-2.26	21,713,092	.94
REVERSIONS	-4,731,948					
DETR - COMMISSION ON POSTSECONDARY EDUCATION	857,192	552,782	731,839	32.39	740,255	1.15
GENERAL FUND	430,940	453,293	619,349	36.63	627,765	1.36
BALANCE FORWARD	351,721	279				
FEDERAL FUND	116,352	99,210	112,490	13.39	112,490	
INTERAGENCY TRANSFER	73					
REVERSIONS	-41,894					
DETR - ADMINISTRATION	5,097,325	6,254,215	6,760,230	8.09	7,720,728	14.21
BALANCE FORWARD	-53,614	505,983	511,325	1.06	1,381,099	170.10
INTERAGENCY TRANSFER	5,150,756	5,748,232	6,248,905	8.71	6,339,629	1.45
OTHER FUND	183					
DETR - INFORMATION DEVELOPMENT AND PROCESSING	11,981,169	15,029,212	16,992,407	13.06	17,862,630	5.12
BALANCE FORWARD	-61,363	1,088,278	989,450	-9.08	1,791,607	81.07
INTERAGENCY TRANSFER	11,967,099	13,857,125	15,922,957	14.91	15,991,023	.43
OTHER FUND	75,433	83,809	80,000	-4.54	80,000	
DETR - RESEARCH & ANALYSIS	2,383,993	2,747,115	2,790,987	1.60	2,937,153	5.24
BALANCE FORWARD	-34,671	247,078	252,077	2.02	336,137	33.35
FEDERAL FUND	1,354,801	1,179,139	1,210,283	2.64	1,232,696	1.85
INTERAGENCY TRANSFER	1,063,863	1,320,898	1,328,627	.59	1,368,320	2.99
DETR - EQUAL RIGHTS COMMISSION	2,482,180	1,803,015	2,105,811	16.79	2,232,411	6.01
GENERAL FUND	1,494,056	1,322,299	1,492,198	12.85	1,618,798	8.48
BALANCE FORWARD	542,304	1,185				
FEDERAL FUND	515,680	477,541	613,000	28.37	613,000	
INTERAGENCY TRANSFER	44,236	1,435				
OTHER FUND	600	555	613	10.45	613	
REVERSIONS	-114,696					
DETR - REHABILITATION ADMINISTRATION	1,219,643	1,393,044	1,430,930	2.72	1,467,980	2.59
BALANCE FORWARD	26,589	166,408	148,648	-10.67	144,715	-2.65
INTERAGENCY TRANSFER	1,193,054	1,226,636	1,282,282	4.54	1,323,265	3.20
DETR - DISABILITY ADJUDICATION	15,384,220	22,701,442	20,054,018	-11.66	20,232,591	.89
FEDERAL FUND	15,384,220	22,690,554	20,054,018	-11.62	20,232,591	.89
INTERAGENCY TRANSFER		10,888				
DETR - VOCATIONAL REHABILITATION	20,582,830	20,073,376	18,928,336	-5.70	18,658,789	-1.42
GENERAL FUND	2,674,468	2,235,340	2,356,207	5.41	2,250,525	-4.49
FEDERAL FUND	17,892,007	17,813,106	16,552,193	-7.08	16,388,327	-.99
INTERAGENCY TRANSFER	933	7,851	936	-88.08	937	.11
OTHER FUND	15,422	17,079	19,000	11.25	19,000	

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
DETR - SERVICES TO BLIND OR VISUALLY IMPAIRED	2,679,777	2,588,612	2,934,428	13.36	2,974,919	1.38
GENERAL FUND	458,536	374,027	485,297	29.75	492,341	1.45
BALANCE FORWARD	-417	418				
FEDERAL FUND	2,221,658	2,203,201	2,438,165	10.66	2,471,612	1.37
OTHER FUND		10,966	10,966		10,966	
DETR - BLIND BUSINESS ENTERPRISE PROGRAM	1,569,103	4,352,604	4,389,250	.84	4,631,776	5.53
BALANCE FORWARD	544,689	2,799,386	2,717,268	-2.93	2,959,794	8.93
INTERAGENCY TRANSFER	32,500	1,014				
OTHER FUND	991,914	1,552,204	1,671,982	7.72	1,671,982	
DETR - WORKFORCE DEVELOPMENT	55,343,257	75,502,903	75,364,483	-.18	76,734,970	1.82
BALANCE FORWARD	-3,314,451	14,991,947	15,286,151	1.96	15,310,147	.16
FEDERAL FUND	40,844,538	42,300,010	41,674,504	-1.48	43,292,153	3.88
INTERAGENCY TRANSFER	297,850	165,510				
OTHER FUND	17,515,320	18,045,436	18,403,828	1.99	18,132,670	-1.47
DETR - EMPLOYMENT SECURITY - SPECIAL FUND	1,100,766	19,363,076	14,255,876	-26.38	18,267,263	28.14
BALANCE FORWARD	-4,001,756	13,727,441	9,508,382	-30.73	13,641,389	43.47
FEDERAL FUND		947,372				
INTERAGENCY TRANSFER	2,492	7,643				
OTHER FUND	5,100,030	4,680,620	4,747,494	1.43	4,625,874	-2.56
DETR - UNEMPLOYMENT INSURANCE	34,915,732	74,142,758	33,701,168	-54.55	34,468,833	2.28
BALANCE FORWARD	-165,597	259,082	259,084	.00	268,969	3.82
FEDERAL FUND	32,278,623	64,219,452	30,310,550	-52.80	31,050,568	2.44
INTERAGENCY TRANSFER	2,603,060	9,339,969	2,784,142	-70.19	2,802,146	.65
OTHER FUND	199,646	324,255	347,392	7.14	347,150	-.07
DETR - ESD ADMINISTRATION	1,122,609	1,379,450	1,986,144	43.98	2,226,053	12.08
BALANCE FORWARD	-14,907	127,956	127,956		306,207	139.31
INTERAGENCY TRANSFER	1,137,516	1,251,494	1,858,188	48.48	1,919,846	3.32
TOTAL EMPLOYMENT, TRAINING AND REHABILITATION	156,719,796	247,883,604	202,425,907	-18.34	211,156,351	4.31
GENERAL FUND	5,058,000	4,384,959	4,953,051	12.96	4,989,429	.73
BALANCE FORWARD	-6,181,473	33,915,441	29,800,341	-12.13	36,140,064	21.27
FEDERAL FUND	110,607,879	151,929,585	112,965,203	-25.65	115,393,437	2.15
INTERAGENCY TRANSFER	23,493,432	32,938,695	29,426,037	-10.66	29,745,166	1.08
OTHER FUND	23,898,548	24,714,924	25,281,275	2.29	24,888,255	-1.55
REVERSIONS	-156,590					
HEALTH AND HUMAN SERVICES						
GENERAL FUND	1,366,424,055	1,434,106,058	1,571,279,041	9.57	1,691,002,442	7.62
BALANCE FORWARD	-474,071	120,480,676	141,738,531	17.64	86,348,330	-39.08
FEDERAL FUND	3,855,202,102	4,296,138,293	4,286,475,435	-.22	4,498,841,696	4.95
INTERAGENCY TRANSFER	536,031,632	706,329,315	963,936,438	36.47	911,102,095	-5.48
OTHER FUND	368,959,767	382,536,293	726,970,546	90.04	728,411,123	.20
REVERSIONS	-34,785,163					
TOTAL FOR HEALTH AND HUMAN SERVICES	6,091,358,322	6,939,590,635	7,690,399,991	10.82	7,915,705,686	2.93
Less: INTER-AGENCY TRANSFER	536,031,632	706,329,315	963,936,438	36.47	911,102,095	-5.48
NET HEALTH AND HUMAN SERVICES	5,555,326,690	6,233,261,320	6,726,463,553	7.91	7,004,603,591	4.14

PUBLIC SAFETY

Public Safety consists of agencies that generally promote safety, provide law enforcement and protect the public and community throughout the state. The Department of Motor Vehicles, Department of Public Safety, including the Nevada Highway Patrol and the Division of Parole and Probation, Peace Officer Standards and Training, and Nevada Department of Corrections comprise the Public Safety function.

The Governor recommends General Fund appropriations for the Public Safety function totaling \$803.5 million for the 2021-23 biennium, an increase of 3.7% compared to General Fund appropriations of \$774.7 million approved by the 2019 Legislature for the 2019-21 biennium. Amounts recommended from all funding sources, less interagency transfers, total \$1.537 billion for the 2021-23 biennium, which is an increase of 1.7% compared to the \$1.512 billion of funding approved for the 2019-21 biennium.

PEACE OFFICER STANDARDS AND TRAINING COMMISSION

The Peace Officer Standards and Training Commission (POST) establishes minimum professional standards for training and certification of peace officers within the state. Also, POST provides basic law enforcement academies, certifies and monitors continuing education courses and audits other law enforcement academies. The Executive Budget recommends total funding of \$5.5 million over the 2021-23 biennium, a 3.0% decrease when compared to the \$5.7 million approved for the 2019-21 biennium.

The Governor recommends \$47,200 in court assessments over the 2021-23 biennium to fund the replacement of legacy data management and record storage systems.

DEPARTMENT OF CORRECTIONS

The Nevada Department of Corrections (NDOC) is governed by the Board of Prison Commissioners, which consists of the Governor, the Attorney General, and the Secretary of State. The Governor serves as chairperson of the board and appoints the director of the department. The department's facilities consist of 9 major institutions, 10 conservation camps and 2 transitional housing facilities. Of the 21 institutions and facilities, 2 major institutions and 1 facility are closed and in mothball status.

The Executive Budget recommends General Fund support for the NDOC of \$664.7 million for the 2021-23 biennium, which is a 5.1% (\$32.2 million) increase over the \$632.5 million approved for the 2019-21 biennium by the 2019 Legislature.

	FY 2020	FY 2021	FY 2022	FY 2023
	Actuals	Legislature Approved	Governor Recommended	Governor Recommended
Total Funding ¹	\$ 337,943,579	\$ 327,158,867	\$ 336,304,752	\$ 344,086,665
General Fund Support ²	\$ 311,903,286	\$ 320,589,258	\$ 328,638,137	\$ 336,084,459
Average Annual Inmate Population	12,395	13,524	12,345	12,349
Annual Cost per Inmate	\$ 27,265	\$ 24,191	\$ 27,242	\$ 27,864
Positions (Full-Time Equivalent)	2,940.62	2,938.62	2,946.62	2,947.62

¹ Total Funding for operating budgets only – Excludes Offenders Store, Prison Industries, Inmate Welfare, and Prison Ranch budgets.

² The FY 2021 legislatively approved General Fund appropriation does not reflect reductions approved pursuant to A.B. 3 of the 31st Special Session (2020) of \$3.6 million.

INMATE POPULATION

Nevada's average annual inmate population is projected to be 12,345 in FY 2022, which represents a decrease of 0.4% compared to the FY 2020 actual inmate population of 12,395. The inmate population is projected to increase by 0.03% in FY 2023 to an average of 12,349. Projections are provided by JFA Associates, an independent forecasting contractor.

NEW POSITIONS

The Executive Budget recommends a reduction in General Fund appropriations of \$58,887 in FY 2022 and \$41,354 in FY 2023 for position changes that result in a net reduction of one position. The recommendation would add a new unclassified Assistant to the Director/Chief of Staff position that would serve as a member of the Director's Executive Staff with a proposed annual salary of \$100,132. The new position would be funded through savings generated from the elimination of a vacant Personnel Officer and a vacant Information Technology Professional.

The Executive Budget recommends other funds of \$69,566 to add a new Substance Abuse Counselor to the Correctional Programs budget and \$201,587 to add two new Administrative Assistants to the Inmate Welfare Account budget over the 2021-23 biennium.

OTHER FUNDING RECOMMENDATIONS

Other significant funding recommendations for the department contained in The Executive Budget include the following:

- General Fund appropriations of \$5.9 million over the 2021-23 biennium for medical-related inflation. In total, the Governor recommends General Fund appropriations of \$118.4 million and other funds of \$5.4 million over the 2021-23 biennium to support the Prison Medical Care budget.
- General Fund appropriations of \$2.4 million over the 2021-23 biennium to fund the migration of email services from Novell GroupWise to Microsoft Office 365.
- General Fund appropriations of \$624,304 over the 2021-23 biennium to fund a 5% increase for a rural pay salary adjustment for all custody positions at Ely State Prison and Ely Conservation Camp to improve recruitment and retention of custody staff positions at these two locations.
- A General Fund appropriation of \$289,000 in FY 2022 to fund a department-wide staffing study to provide the department with a comprehensive, objective review and assessment of current security staffing with the intent of improving security and efficiency.
- General Fund appropriations of \$603,708 over the 2021-23 biennium to maintain the mothball status of Nevada State Prison, Southern Nevada Correctional Center and Silver Springs Conservation Camp.

SUPPLEMENTAL APPROPRIATIONS

The Executive Budget recommends a supplemental General Fund appropriation in FY 2021 of \$500,000 to fund a projected shortfall in inmate-driven expenditures and food costs.

ONE-SHOT APPROPRIATIONS

The Executive Budget recommends one-time General Fund appropriations of \$10.2 million to fund six recommendations, which are outlined in the following table:

ONE-SHOT GENERAL FUND APPROPRIATIONS		
BUDGET ACCOUNT	DESCRIPTION	GENERAL FUND
NDOC - Prison Medical Care	This request funds mandated hepatitis C treatments.	\$ 6,000,000
NDOC - Prison Medical Care	This request funds the purchase of new and replacement medical and dental equipment throughout the state's correctional facilities.	\$ 196,523
NDOC- Director's Office	This request funds an upgrade to the Offender Management System.	\$ 2,189,808
NDOC- Director's Office	This request fund the reintegration of the Offender Sentence Management system into the Nevada Offender Tracking Information System.	\$ 1,436,720
NDOC- Director's Office	This request funds replacement cameras and storage area networks.	\$ 247,012
NDOC - High Desert State Prison	This request funds replacement ovens.	\$ 102,747
TOTAL		\$ 10,172,810

CAPITAL IMPROVEMENT PROGRAM PROJECTS

The following table displays the Governor's recommended 2021 Capital Improvement Program projects for the NDOC, which total \$84.7 million in state funding:

NEVADA DEPARTMENT OF CORRECTIONS CAPITAL IMPROVEMENT PROGRAM PROJECTS			
Project Number	Facility	Project Title	Project Amount
21-M03	Northern Nevada Correctional Center	Replace Domestic Water and Sanitary Sewer	\$ 13,826,543
21-M04	Ely State Prison	Replace Domestic and Heating Hot Water Piping	\$ 10,104,817
21-M07	Ely State Prison	Underground Piping Replacement	\$ 8,399,741
21-M09	Lovelock Correctional Center	Switchgear Renovation and Electrical Testing	\$ 1,546,587
21-M10	Southern Desert Correctional Center	Plumbing Fixture Water Control Renovations	\$ 3,226,088
21-M16	Northern Nevada Correctional Center	Electrical Distribution Upgrade	\$ 19,669,185
21-M28	Florence McClure Women's Correctional Center	Replace Emergency Generator	\$ 1,080,646
21-M30	Northern Nevada Correctional Center	Housing Unit 4 HVAC System Renovation	\$ 1,984,173
21-M31	Florence McClure Women's Correctional Center	Water Softener Replacement	\$ 468,422
21-M32	High Desert State Prison	Dishwasher Replacement	\$ 493,712
21-M35	Warm Springs Correctional Center	Replace Housing Unit 4 Air Handling Units and Multipurpose Building Chiller	\$ 3,669,038
21-M36	Florence McClure Women's Correctional Center	Install Sanitary Sewer Macerator	\$ 1,011,322
21-M54	Lovelock Correctional Center	Chilled Water Plant Renovation	\$ 2,532,354
21-M55	Casa Grande Transitional Housing	Replace Surveillance System	\$ 959,603
21-M56	High Desert State Prison	Central Plant Renovation	\$ 10,411,861
21-M57	Southern Desert Correctional Center and High Desert State Prison	Install Recreation Yard Fencing	\$ 1,830,391
21-M58	Northern Nevada Correctional Center	Replace Locks and Controls Housing Unit 7	\$ 3,512,433
Total NDOC CIP Projects			\$ 84,726,916

DEPARTMENT OF MOTOR VEHICLES

The Department of Motor Vehicles (DMV) provides compliance and enforcement of Nevada laws concerning vehicle registrations, driver licensing, motor carrier services, motor and special fuel tax reporting, emission control, verification of insurance functions, and automobile wreckers and body shops. The following table provides the total legislatively approved funding for the 2019-21 biennium and the total Governor recommended funding for the 2021-23 biennium.

	Legislature Approved 2019-21 Biennium		Governor Recommended 2021-23 Biennium		Increase / (Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	%
General Fund	\$ 68,202	0.0%	\$ 56,960	0.0%	\$ (11,242)	-16.5%
Balance Forward	\$ 23,927,854	6.8%	\$ 32,943,612	10.0%	\$ 9,015,758	37.7%
Highway Fund	\$ 101,945,756	29.2%	\$ 101,063,633	30.7%	\$ (882,123)	-0.9%
Interagency Transfer	\$ 25,299,084	7.2%	\$ 24,720,467	7.5%	\$ (578,617)	-2.3%
Other Funds ¹	\$ 198,219,571	56.7%	\$ 170,072,376	51.7%	\$ (28,147,195)	-14.2%
Total DMV	\$ 349,460,467	100.0%	\$ 328,857,048	100.0%	\$ (20,603,419)	-5.9%
Less Interagency Transfer	\$ (25,299,084)		\$ (24,720,467)		\$ 578,617	
Net DMV	\$ 324,161,383		\$ 304,136,581		\$ (20,024,802)	-6.2%

¹The recommended reduction in Other Funds is largely reflective of reduced revenue projected by the DMV for the 2021-23 biennium, when compared to the 2019-21 biennium.

ADMINISTRATIVE CAP

Historically, *Nevada Revised Statutes* (NRS) 408.235 limited the DMV from expending more than 22% of Highway Fund collections on administration, excluding gasoline tax revenue that is not subject to this limitation. This administrative cap was increased to 27% by the 2015 Legislature due to its approval of the department's system modernization project, which will replace the DMV's current mainframe computer system. This increased administrative cap recognizes the increased expenditures associated with this project and is scheduled to sunset after FY 2022.

Based on revenue projections provided by the department in December 2020, Highway Fund proceeds collected by the DMV (excluding gasoline tax revenue) are projected to be \$272.9 million in FY 2021, \$345.9 million in FY 2022, and \$347.7 million in FY 2023, which is an increase of 26.8% in FY 2022 and 0.5% in FY 2023. It should be noted the increase in FY 2022 is largely due to 75.0% of Governmental Services Tax revenue, which was temporarily redirected to the General Fund in FY 2021 pursuant to Senate Bill 3 of the 31st Special Session (2020), being deposited in the Highway Fund in the 2021-23 biennium pursuant to NRS 482.182. Based on the DMV's revenue projections, the department's 22.0% cap threshold would be \$77.1 million for FY 2022 and \$77.5 million for FY 2023 (including projected Highway Fund reversions from the Records Search, Insurance Verification and Special Plates Trust budgets). Excluding estimated gasoline tax administration costs that are not subject to the administrative cap, The Executive Budget recommends Highway Fund appropriations in

the amount of \$48.3 million in FY 2022 and \$51.6 million in FY 2023. The Governor's recommended budget for the DMV appears to be under the historic 22.0% cap by \$28.8 million in FY 2022 and \$25.9 million in FY 2023. However, it should be noted the Highway Fund appropriations associated with the replacement of the DMV's computer system are not included in these amounts since the Governor recommends funding the project largely with a one-shot Highway Fund appropriation of \$47.1 million that is discussed later in this section. If the projected expenditures associated with that project and all other one-shot Highway Fund appropriations for the DMV are considered in the calculation, the Governor's Office of Finance calculates the DMV would be under the historic 22.0% cap by \$6.2 million in FY 2022, but over the 22.0% cap by \$35,869 in FY 2023.

DEPARTMENT-WIDE

As a cost saving measure, the Governor recommends the elimination of 64 vacant positions for the department that would provide Highway Fund savings totaling \$9.1 million over the 2021-23 biennium. The various position eliminations are detailed in each of the department budgets that are discussed below.

The Governor recommends the purchase of Microsoft Office 365 software licenses for all DMV staff, funded with Highway Fund appropriations of \$1.0 million, reserve reductions of \$45,458, and fee revenue of \$39,498 over the 2021-23 biennium. This recommendation would allow the DMV to be on the same platform as the Division of Enterprise Information Technology Services.

SYSTEM TECHNOLOGY APPLICATION REDESIGN

The System Technology Application Redesign (STAR) budget isolates the expenditures associated with the replacement of the DMV's existing Common Business Oriented Language (COBOL) mainframe and PowerBuilder computer system with a new integrated computer system that will operate on a single platform. For the 2019-21 biennium, this project is funded with Technology Fee revenue generated by a \$1 technology fee collected on any transaction performed by the DMV for which a fee is charged. Pursuant to NRS 481.064, the Technology Fee is scheduled to expire after FY 2022.

To continue the system modernization project, the Governor recommends a one-shot Highway Fund appropriation of \$47.1 million and reserve reductions of \$7.3 million. The Governor also recommends Technology Fee revenue of \$11.3 million over the 2021-23 biennium to support the project. Included in this funding is \$5.6 million in Technology Fee revenue that would be generated in FY 2023 based on the Governor's recommendation to continue the technology fee through the 2021-23 biennium. The Executive Budget indicates a bill draft request has been submitted to extend the collection of the technology fee.

To assist with the project, the Governor also recommends increasing a contract project manager position from part-time to full-time, funded with reserve reductions of \$205,800 over the 2021-23 biennium.

DIRECTOR'S OFFICE

The Director's Office is responsible for the general administration of the DMV and oversees the department's seven divisions, including Administrative Services, Field Services, Central Services and Records, Compliance Enforcement, Motor Carrier, Management Services and Programs, and Motor Vehicles Information Technology (Automation). Total funding is recommended to decrease from \$5.4 million legislatively approved in FY 2021 to \$4.9 million in FY 2022 and \$4.8 million in FY 2023. The Executive Budget recommends the elimination of one vacant Public Information Officer position, which would generate Highway Fund savings of \$190,858 over the 2021-23 biennium.

HEARINGS

The Office of Administrative Hearings conducts administrative hearings in accordance with NRS, the *Nevada Administrative Code* (NAC) and existing case law to ensure the public's right to appeal administrative sanctions imposed by the department. Total funding is recommended to decrease from \$1.3 million legislatively approved in FY 2021 to \$1.2 million in each year of the 2021-23 biennium. The Governor recommends the elimination of one vacant Legal Secretary, which would provide Highway Fund savings of \$135,804 over the 2021-23 biennium.

AUTOMATION

The Automation budget supports the Motor Vehicle Information Technology Division (MVIT), which provides data processing support, maintains application systems and infrastructure for systems data and provides technical and operating support for the DMV. Total funding is recommended to decrease from \$11.6 million legislatively approved in FY 2021 to \$11.5 million in FY 2022, and then increase to \$11.7 million in FY 2023. The Executive Budget recommends the elimination of six vacant Information Technology (IT) Professional positions and one vacant IT Technician position, which would generate Highway Fund savings of \$1.6 million over the 2021-23 biennium.

ADMINISTRATIVE SERVICES DIVISION

The Administrative Services Division provides support services, including fiscal and purchasing services, revenue and bad debt services, and contract management for the department. Total funding for Administrative Services is recommended to increase from \$16.5 million legislatively approved in FY 2021 to \$16.8 million in FY 2022, and then increase to \$17.8 million in FY 2023. This increase is largely reflective of funding needed for increased costs associated with credit card transactions. The Governor recommends the elimination of a vacant Management Analyst position and a vacant Accounting Assistant position, which would provide Highway Fund savings of \$293,506 over the 2021-23 biennium.

COMPLIANCE ENFORCEMENT DIVISION

The Compliance Enforcement Division is the regulatory arm of the DMV and serves as the umbrella organization for the Motor Vehicle Pollution Control budget. The primary purpose of the Compliance Enforcement Division is to support the activities of division investigators regulating the automobile industry as they relate to the sale or transfer of ownership of vehicles. Total funding for the Compliance Enforcement budget is recommended to increase from \$5.6 million that was legislatively approved for FY 2021 to \$7.1 million in FY 2022 with a slight increase to \$7.3 million in FY 2023. This increase is related to the Governor's recommendation to transfer 27 positions and associated operating expenditures, funded with Highway Fund appropriations of \$3.7 million over the 2021-23 biennium, from the Field Services Division to the Compliance Enforcement Division.

The Governor also recommends the elimination of a vacant DMV Services Technician position and a vacant Compliance/Enforcement Investigator position, resulting in Highway Fund savings of \$368,614 over the 2021-23 biennium.

CENTRAL SERVICES DIVISION

The Central Services Division provides for alternative services to DMV customers, including mail renewals, and Internet, web and telephone transactions for driver license and registration renewals. The Executive Budget recommends total funding to decrease from \$11.7 million legislatively approved in FY 2021 to \$11.0 million in FY 2022 and \$11.3 million in FY 2023. This decrease is largely attributed to the Governor's recommendation to eliminate 10 vacant positions (7 DMV Services Technicians and 3 Microfilm/Scanner Operators), which would provide Highway Fund savings of \$1.2 million over the 2021-23 biennium.

FIELD SERVICES DIVISION

The Field Services Division is responsible for the direct customer service operations of the driver licensing and vehicle registration functions. Total funding for the Field Services Division is recommended to decrease from \$58.2 million legislatively approved in FY 2021 to \$53.4 million in FY 2022 and \$55.0 million in FY 2023. This decrease is largely attributed to the transfer of 27 positions and associated operating expenditures from the Field Services Division to the Compliance Enforcement Division, which was previously discussed. The Executive Budget also recommends the elimination of 35 vacant positions (34 DMV Services Technicians and 1 Employee Development Manager), which would generate Highway Fund savings of \$4.5 million over the 2021-23 biennium.

MOTOR CARRIER DIVISION

The Motor Carrier Division is responsible for the collection of gasoline and special fuel taxes, registration fees and the Governmental Services Tax for licensing of vehicles in excess of 26,000 pounds. Total funding is recommended to decrease from \$5.0 million legislatively approved in FY 2021, to \$4.6 million in FY 2022 with a slight increase to \$4.7 million in FY 2023. This decrease in funding is largely related to the Governor's recommendation to eliminate four vacant positions (two Administrative Assistants,

one Tax Examiner, and one Auditor) that would provide Highway Fund savings of \$560,426 over the 2021-23 biennium.

DIVISION OF MANAGEMENT SERVICES & PROGRAMS

The Management Services Division is responsible for the development of the DMV policies and procedures, regulations, draft legislation, training surveys, forms, and requests for proposal. Total funding is recommended to decrease from \$1.7 million legislatively approved in FY 2021 to \$1.4 million in FY 2022 with a minimal increase to \$1.5 million in FY 2023. The Governor recommends the elimination of two vacant Program Officer positions, which would generate Highway Fund savings of \$315,093 over the 2021-23 biennium.

DEPARTMENT OF PUBLIC SAFETY

The Department of Public Safety (DPS) divisions include the Director's Office, Nevada Highway Patrol (NHP), Parole and Probation (P&P), Investigation Division, Emergency Management, Office of Cyber Defense Coordination, Records, Communications and Compliance Division, Fire Marshal, Capitol Police, the Office of Traffic Safety, Office of Criminal Justice Assistance, and the Parole Board.

The Governor recommends total funding, excluding one-shots, supplemental appropriations and interagency transfers, of \$454.0 million for the 2021-23 biennium. This represents an increase of \$3.8 million, or 0.8%, over the \$450.3 million that was legislatively approved for the 2019-21 biennium.

NEVADA HIGHWAY PATROL DIVISION

The Nevada Highway Patrol enforces the traffic laws of the state, investigates traffic accidents and enforces and regulates motor carriers transporting cargo and hazardous materials. The Governor recommends Highway Funds totaling \$155.3 million over the 2021-23 biennium, a 2.4% increase over the \$151.6 million approved for the 2019-21 biennium.

The Governor recommends \$55,074 in Forfeiture Funds over the 2021-23 biennium to fund a DPS expansion of the K-9 program from 8 units to 13, which would include 6 narcotic K-9s in the Southern Command, 4 narcotic K-9s in the Northern Command, 1 bomb K-9 at each command, and 1 arson K-9 housed under the Fire Marshal.

The Governor recommends \$114,830 in Highway Fund appropriations over the 2021-23 biennium to reclass a current DPS Officer within the Nevada Highway Patrol (NHP) to a DPS Major to be stationed at the Carson City headquarters. According to the agency, a DPS Major is needed to provide operational oversight at the Carson City headquarters to relieve the Chief of the NHP of administrative duties such as budgetary matters, legislative affairs and technological research and development.

DIVISION OF PAROLE AND PROBATION

The mission of the Division of Parole and Probation (P&P) is to monitor and enforce offenders' compliance with the conditions of their community supervision, assist offenders in successfully reintegrating into society and ensure objective sentencing information and recommendations are delivered to the district courts of Nevada.

The Governor recommends total funding for P&P of \$129.0 million for the 2021-23 biennium, which is a decrease of \$3.4 million, or 2.6%, compared to the funding approved by the 2019 Legislature of \$132.4 million for the 2019-21 biennium. Of the amount requested for the 2021-23 biennium, General Fund appropriations represent \$110.4 million of the totals over the 2021-23 biennium, which is a decrease of \$2.6 million, or 2.3%, compared to \$113.0 million approved by the 2019 Legislature for the 2019-21 biennium.

The following table depicts historical caseload information for FY 2019 and FY 2020, and projected caseload information for FY 2021 through FY 2023:

JFA Caseload Estimates	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected
Warrants	2,827	2,536	2,393	2,388	2,384
Interstate Compact	1,726	1,761	1,823	1,855	1,886
Pre-Release	2,303	2,277	2,303	2,320	2,338
Pardons Investigations	92	42	77	83	89
Post Convictions	624	480	719	725	731
Pre-Sentence Investigations (PSI)	10,645	10,134	10,202	10,248	10,283
Miscellaneous	4,529	5,176	4,999	5,155	5,292
Regular Supervision	11,576	11,584	12,041	12,288	12,523
Intense Supervision Unit / Residential Confinement	736	726	755	768	780
Sex Offenders*	860	927	2,142	2,256	2,367

* An error has been detected in the JFA caseload projection for sex offenders, which is expected to be resolved in the March 2021 revised caseload projections.

The Governor recommends a reduction in General Fund appropriations of \$426,349 and County Reimbursements of \$1.9 million, and the addition of Supervision Fees of \$210,453 over the 2021-23 biennium, which includes a net reduction of 11 positions (reduction of 1 Lieutenant and 17 Parole and Probation Specialists and addition of 2 Sergeants and 5 DPS Officers), to allow for the adjustment to P&P caseloads based on the James F. Austin (JFA) Institute's November 2020 projections.

The Executive Budget includes a reduction in General Fund appropriations of \$1.3 million over the 2021-23 biennium to fund a new supervision model that would replace 21 DPS Officers with Parole and Probation Specialists to assist in the monitoring of low-risk offenders including a modification to the caseload ratios. The new model would assign 2 Parole and Probation Specialist positions to 1 DPS Officer and modify the DPS Officer to low-risk offender ratio from 1:150 to 1:500.

The Governor recommends General Fund appropriations of \$2.2 million over the 2021-23 biennium to fund annual license fees for an off-the-shelf records management system to replace the Offender Tracking Information System, and \$228,000 in each fiscal year of the 2021-23 biennium to re-establish the Going Home Prepared Program to assist inmates with residence planning, specifically those whose initial plan submitted to the Parole Board proves to be nonviable.

INVESTIGATION DIVISION

The Investigation Division provides criminal and controlled substance investigative services upon request to the state, county, and local law enforcement agencies. In addition, the division collects, analyzes and disseminates information regarding terrorism, criminal activity and other public safety hazards and participates through various multi-jurisdictional task forces to deter the trafficking of narcotics and other dangerous substances. The Governor recommends total funding of \$17.3 million over the 2021-23 biennium, which is an increase of \$932,443, or 5.4%, when compared to the legislatively approved \$16.4 million over the 2019-21 biennium. The increase in funding is due in part to the transfer of an Administrative Services Officer position from the Director's Office resulting in an increase in funding of \$214,902.

DIVISION OF EMERGENCY MANAGEMENT

The Division of Emergency Management (DEM) coordinates planning, training, exercise, and equipment initiatives in order to prepare for, respond to and recover from any emergency or disaster. In addition, the DEM operations include the Office of Homeland Security, which collaborates, advises, assists, and engages with various federal, state, local, and tribal entities; private sector; non-governmental partners; and the general public to prevent, detect and deter terrorism activity in order to minimize the impact on lives, property and the economy. The Governor recommends total funding of \$50.7 million over the 2021-23 biennium, which is an increase of \$7.1 million, or 16.2%, when compared to the legislatively approved \$43.6 million over the 2019-21 biennium.

The Governor recommends the Division of Emergency Management and Homeland Security budgets be restructured under the Office of the Military. In addition, the Governor recommends federal funding of \$971,177 over the 2021-23 biennium to fund the continuation of three Grants and Projects Analysts and three Administrative Assistants, originally approved at the Interim Finance Committee meeting on August 20, 2020, to manage the grants related to the COVID-19 pandemic.

RECORDS, COMMUNICATION AND COMPLIANCE DIVISION

The Records, Communication and Compliance Division (RCCD) provides centralized support services to other DPS divisions and state agencies. The RCCD includes a Communications Bureau and a Records Bureau. The Communications Bureau provides centralized dispatch services to other DPS divisions and state agencies. The Records Bureau administers the Nevada Criminal Justice Information System (NCJIS) and is the repository for criminal history record information and crime statistics. The repository includes the National Incident Based Reporting System program, the Point-of-Sale firearms program (Brady), the Nevada Domestic Violence Protection Order Registry,

the Nevada Sex Offender Registry, Sexual Assault Kit Tracking program, and the Civil Name Check program.

The RCCD is primarily supported by cost allocation reimbursements, court assessments, fees for services, and nominal General Fund appropriations. The Executive Budget recommends funding, excluding one-shot appropriations, totaling \$67.6 million over the 2021-23 biennium, a 10.5% decrease from the 2019-21 legislatively approved funding of \$75.5 million. The decrease is primarily attributable to a decrease in funding balanced forward from the prior biennium.

The Governor recommends total funding of \$721,489 over the 2021-23 biennium to add five positions and associated operating costs to expand various units within the RCCD to meet workload requirements detailed in the following table:

**Records, Communications and Compliance Division
Governor Recommended Positions**

Budget Description	Unit	FTE	Description	Amount
Communications Bureau	Dispatch	1	Administration of the Spillman Records System	\$ 153,988
Records Bureau	Point-of-Contact Firearms Program	1	Training of staff and various regulatory responsibilities involving Firearm background checks.	\$ 158,083
	Criminal Records Unit	2	Increases in workload	\$ 207,005
	Fiscal Unit	1	Increase in Fiscal related workload	\$ 202,413
Total		5		\$ 721,489

STATE FIRE MARSHAL

The State Fire Marshal is primarily responsible for enforcing laws associated with the prevention of fires, the storage of combustible and other hazardous materials and explosives, inspections of buildings for fire and safety compliance, building reviews, and fire-related investigations. The Executive Budget recommends total funding of \$7.3 million over the 2021-23 biennium, a 4.3% increase from the \$7.0 million approved for the 2019-21 biennium.

The Governor recommends primarily fee-based funding totaling \$176,278 over the 2021-23 biennium for a new Plans Examiner position and associated costs. The position is recommended to address the agency's need for additional staff to conduct fire and life safety plan reviews.

CAPITOL POLICE

The Capitol Police provides for the safety of state employees, constitutional officers, state building properties, and the public on state property on a 24-hour basis, 7 days a week. The agency is funded primarily through transfers from the Department of Administration, Buildings and Grounds Division, with some funding from the Dignitary Protection budget. The Governor recommends total funding of \$6.5 million over the 2021-23 biennium, which is an increase of \$13,418, or 0.2%, when compared to the

legislatively approved \$6.5 million over the 2019-21 biennium. The Governor recommends the addition of an Administrative Assistant position to replace a temporary contract position with a net increase in funding of \$104,524 over the biennium.

PAROLE BOARD

The Board of Parole Commissioners (Parole Board) is responsible for evaluating eligible inmates for parole to consider whether the release of the inmate is compatible with the health, safety and welfare of society. The Parole Board is a full-time board that consists of a chairman and six commissioners, each appointed by the Governor. Commissioners conduct monthly inmate hearings, in person or via videoconferencing, at each prison location throughout the state and conduct parole violation hearings for those parolees alleged to have violated the conditions of their parole. To assist the Parole Board in meeting the hearing requirements, *Nevada Revised Statutes* 213.133 permits the board to appoint and utilize hearing representatives who hear, consider and act upon applications subject to final approval of a majority of the board members. The Parole Board is supported entirely by the General Fund. The Governor recommends \$6.8 million in General Fund appropriations for the 2021-23 biennium, which is a decrease of \$16,781 compared to the amount approved by the 2019 Legislature for the 2019-21 biennium.

CAPITAL IMPROVEMENT PROGRAM PROJECTS

The Governor recommends one Capital Improvement Program project for the DPS over the 2021-23 biennium totaling \$429,057 in state general obligation bond funds and \$211,327 in Highway Funds for advance planning of a DPS headquarters building.

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
PUBLIC SAFETY						
PEACE OFFICER STANDARDS & TRAINING COMMISSION	2,172,755	3,096,405	2,835,592	-8.42	2,705,856	-4.58
BALANCE FORWARD	-15,331	654,749	618,822	-5.49	527,921	-14.69
FEDERAL FUND		29,945				
INTERAGENCY TRANSFER	8,809	114,340				
OTHER FUND	2,179,277	2,297,371	2,216,770	-3.51	2,177,935	-1.75
TOTAL PEACE OFFICERS STANDARDS & TRAINING	2,172,755	3,096,405	2,835,592	-8.42	2,705,856	-4.58
BALANCE FORWARD	-15,331	654,749	618,822	-5.49	527,921	-14.69
FEDERAL FUND		29,945				
INTERAGENCY TRANSFER	8,809	114,340				
OTHER FUND	2,179,277	2,297,371	2,216,770	-3.51	2,177,935	-1.75
NDOC - DIRECTOR'S OFFICE	36,159,244	34,989,904	31,053,445	-11.25	30,686,010	-1.18
GENERAL FUND	32,466,504	31,715,437	30,799,123	-2.89	30,428,812	-1.20
BALANCE FORWARD	-812	30,666				
FEDERAL FUND	4,086,561					
INTERAGENCY TRANSFER	65,176	2,385,733	187,940	-92.12	190,816	1.53
OTHER FUND	69,627	858,068	66,382	-92.26	66,382	
REVERSIONS	-527,812					
NDOC - PRISON MEDICAL CARE	55,382,588	70,747,927	61,064,745	-13.69	62,681,778	2.65
GENERAL FUND	48,465,151	49,560,119	58,382,524	17.80	59,999,557	2.77
BALANCE FORWARD	-345,497					
INTERAGENCY TRANSFER	4,154,254	14,081,440	2,526,490	-82.06	2,526,490	
INTERIM FINANCE	2,952,949	7,044,204				
OTHER FUND	155,731	62,164	155,731	150.52	155,731	
NDOC - CORRECTIONAL PROGRAMS	8,639,519	10,535,930	10,326,729	-1.99	10,687,161	3.49
GENERAL FUND	8,678,287	8,805,647	9,126,857	3.65	9,088,048	-4.3
FEDERAL FUND	251,034	700,232				
INTERAGENCY TRANSFER	-207,040	1,028,951	1,198,772	16.50	1,598,013	33.30
OTHER FUND		1,100	1,100		1,100	
REVERSIONS	-82,762					
NDOC - ELY STATE PRISON	32,014,646	41,312,692	31,079,934	-24.77	32,099,634	3.28
GENERAL FUND	29,979,186	30,510,506	30,952,564	1.45	31,979,222	3.32
BALANCE FORWARD	-221,526					
INTERAGENCY TRANSFER	1,328,869	10,691,176	40,372	-99.62	40,372	
INTERIM FINANCE	855,031					
OTHER FUND	73,086	111,010	86,998	-21.63	80,040	-8.00
NDOC - HIGH DESERT STATE PRISON	60,418,550	79,390,595	59,831,132	-24.64	61,608,449	2.97
GENERAL FUND	56,653,250	58,568,801	59,621,786	1.80	61,400,024	2.98
BALANCE FORWARD	-1,279,467					
INTERAGENCY TRANSFER	3,589,272	20,734,995	120,423	-99.42	120,423	
INTERIM FINANCE	1,374,534					
OTHER FUND	80,961	86,799	88,923	2.45	88,002	-1.04

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
NDOC - NORTHERN NEVADA CORRECTIONAL CENTER	30,754,158	41,247,971	30,955,109	-24.95	31,359,688	1.31
GENERAL FUND	30,725,087	30,912,584	30,750,638	-.52	31,150,830	1.30
INTERAGENCY TRANSFER	290,709	10,271,636	144,510	-98.59	144,510	
OTHER FUND	68,682	63,751	59,961	-5.95	64,348	7.32
REVERSIONS	-330,320					
NDOC - NEVADA STATE PRISON	68,402	73,709	72,576	-1.54	72,558	-.02
GENERAL FUND	75,525	73,709	72,576	-1.54	72,558	-.02
REVERSIONS	-7,123					
NDOC - SOUTHERN DESERT CORRECTIONAL CENTER	28,596,624	37,570,998	29,018,776	-22.76	29,834,270	2.81
GENERAL FUND	27,618,811	28,505,636	28,873,874	1.29	29,689,902	2.83
BALANCE FORWARD	-800,401					
INTERAGENCY TRANSFER	619,012	9,013,121	86,345	-99.04	86,645	.35
INTERIM FINANCE	1,108,578					
OTHER FUND	50,624	52,241	58,557	12.09	57,723	-1.42
NDOC - LOVELOCK CORRECTIONAL CENTER	27,057,507	35,962,906	27,874,008	-22.49	28,583,696	2.55
GENERAL FUND	27,226,436	27,414,155	27,642,593	.83	28,353,955	2.57
INTERAGENCY TRANSFER	-201,653	8,407,603	77,906	-99.07	77,906	
OTHER FUND	144,524	141,148	153,509	8.76	151,835	-1.09
REVERSIONS	-111,800					
NDOC - SOUTHERN NEVADA CORRECTIONAL CENTER	216,454	230,700	224,029	-2.89	224,556	.24
GENERAL FUND	233,829	230,700	224,029	-2.89	224,556	.24
INTERAGENCY TRANSFER	-7,564					
REVERSIONS	-9,811					
NDOC - WARM SPRINGS CORRECTIONAL CENTER	12,583,830	17,236,367	12,721,782	-26.19	13,007,660	2.25
GENERAL FUND	12,301,844	12,561,352	12,692,013	1.04	12,978,029	2.25
BALANCE FORWARD	-140,738					
INTERAGENCY TRANSFER	225,253	4,664,504	19,388	-99.58	19,388	
INTERIM FINANCE	189,625					
OTHER FUND	7,846	10,511	10,381	-1.24	10,243	-1.33
NDOC - FLORENCE MCCLURE WOMENS CORRECTIONAL CENTER	19,604,372	24,870,409	18,890,551	-24.04	19,484,426	3.14
GENERAL FUND	17,836,183	18,462,301	18,784,374	1.74	19,438,933	3.48
BALANCE FORWARD	-216,372					
INTERAGENCY TRANSFER	1,558,612	6,340,340	38,523	-99.39	38,523	
INTERIM FINANCE	412,727					
OTHER FUND	13,222	67,768	67,654	-.17	6,970	-89.70
NDOC - CASA GRANDE TRANSITIONAL HOUSING	4,895,874	5,526,273	5,021,057	-9.14	5,102,901	1.63
GENERAL FUND	3,355,736	2,942,328	3,679,009	25.04	3,760,853	2.22
BALANCE FORWARD	-122,210					
INTERAGENCY TRANSFER	132,382	1,141,145	22,137	-98.06	22,137	
INTERIM FINANCE	848,269					
OTHER FUND	681,697	1,442,800	1,319,911	-8.52	1,319,911	

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Source of Funds Summary
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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
NDOC - NORTHERN NEVADA TRANSITIONAL HOUSING	1,407,567	1,748,501	1,377,440	-21.22	1,398,781	1.55
GENERAL FUND	444,071	457,656	551,878	20.59	573,219	3.87
BALANCE FORWARD	-29,915					
INTERAGENCY TRANSFER	76,621	394,115				
INTERIM FINANCE	231,326					
OTHER FUND	685,464	896,730	825,562	-7.94	825,562	
NDOC - STEWART CONSERVATION CAMP	2,201,122	2,713,995	2,118,710	-21.93	2,160,331	1.96
GENERAL FUND	1,838,359	1,881,624	1,951,007	3.69	1,992,628	2.13
BALANCE FORWARD	-121,905					
INTERAGENCY TRANSFER	202,396	701,861	11,512	-98.36	11,512	
INTERIM FINANCE	121,905					
OTHER FUND	160,722	130,510	156,191	19.68	156,191	
REVERSIONS	-355					
NDOC - PIOCHE CONSERVATION CAMP	1,976,236	2,426,675	1,926,237	-20.62	1,979,117	2.75
GENERAL FUND	1,894,498	1,937,711	1,903,878	-1.75	1,956,758	2.78
BALANCE FORWARD	-67,709					
INTERAGENCY TRANSFER	82,551	467,291	4,297	-99.08	4,297	
INTERIM FINANCE	67,709					
OTHER FUND	10,560	21,673	18,062	-16.66	18,062	
REVERSIONS	-11,373					
NDOC - THREE LAKES VALLEY CONSERVATION CAMP	3,154,383	4,015,293	3,172,469	-20.99	3,262,590	2.84
GENERAL FUND	3,022,646	3,115,657	3,150,203	1.11	3,240,324	2.86
BALANCE FORWARD	-135,843					
INTERAGENCY TRANSFER	122,850	885,557	11,436	-98.71	11,436	
INTERIM FINANCE	135,843					
OTHER FUND	11,811	14,079	10,830	-23.08	10,830	
REVERSIONS	-2,924					
NDOC - WELLS CONSERVATION CAMP	1,332,959	1,822,011	1,474,302	-19.08	1,516,160	2.84
GENERAL FUND	1,451,236	1,493,854	1,454,508	-2.63	1,496,366	2.88
INTERAGENCY TRANSFER	-24,251	314,469	4,412	-98.60	4,412	
OTHER FUND	9,270	13,688	15,382	12.38	15,382	
REVERSIONS	-103,296					
NDOC - HUMBOLDT CONSERVATION CAMP	1,472,596	2,083,459	1,580,410	-24.14	1,625,633	2.86
GENERAL FUND	1,499,055	1,539,841	1,560,513	1.34	1,605,736	2.90
INTERAGENCY TRANSFER	4,097	526,823	5,035	-99.04	5,035	
OTHER FUND	8,038	16,795	14,862	-11.51	14,862	
REVERSIONS	-38,594					
NDOC - ELY CONSERVATION CAMP	1,472,251	2,061,451	1,601,872	-22.29	1,646,588	2.79
GENERAL FUND	1,495,969	1,533,511	1,587,434	3.52	1,632,150	2.82
INTERAGENCY TRANSFER	2,858	505,270				
OTHER FUND	11,985	22,670	14,438	-36.31	14,438	
REVERSIONS	-38,561					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
NDOC - JEAN CONSERVATION CAMP	1,813,491	2,353,694	1,866,756	-20.69	1,928,361	3.30
GENERAL FUND	1,758,170	1,813,445	1,851,342	2.09	1,912,899	3.32
BALANCE FORWARD	-26,664					
INTERAGENCY TRANSFER	44,192	528,068	6,384	-98.79	6,384	
INTERIM FINANCE	29,757					
OTHER FUND	8,036	12,181	9,030	-25.87	9,078	.53
NDOC - SILVER SPRINGS CONSERVATION CAMP	4,511	4,471	5,018	12.23	4,971	-.94
GENERAL FUND	4,511	4,471	5,018	12.23	4,971	-.94
NDOC - CARLIN CONSERVATION CAMP	1,361,458	1,762,431	1,509,549	-14.35	1,547,451	2.51
GENERAL FUND	1,413,424	1,453,525	1,498,151	3.07	1,536,105	2.53
INTERAGENCY TRANSFER	-7,757	301,243	4,141	-98.63	4,141	
OTHER FUND	6,143	7,663	7,257	-5.30	7,205	-.72
REVERSIONS	-50,352					
NDOC - TONOPAH CONSERVATION CAMP	1,442,471	1,962,530	1,538,116	-21.63	1,583,895	2.98
GENERAL FUND	1,465,518	1,515,978	1,522,245	.41	1,568,024	3.01
BALANCE FORWARD	-10,899					
INTERAGENCY TRANSFER	63,890	434,458	1,670	-99.62	1,670	
INTERIM FINANCE	10,899					
OTHER FUND	6,972	12,094	14,201	17.42	14,201	
REVERSIONS	-93,909					
NDOC - OFFENDERS' STORE FUND	18,586,008	40,892,245	40,942,411	.12	40,733,927	-.51
BALANCE FORWARD	-2,009,225	21,920,728	21,245,140	-3.08	21,031,729	-1.00
INTERAGENCY TRANSFER	174,651	186,006	138,126	-25.74	138,126	
OTHER FUND	20,420,582	18,785,511	19,559,145	4.12	19,564,072	.03
NDOC - INMATE WELFARE ACCOUNT	6,213,876	5,473,036	6,216,690	13.59	6,457,616	3.88
BALANCE FORWARD	486,396	33,051	25,195	-23.77	1,418	-94.37
INTERAGENCY TRANSFER	4,660,802	4,624,142	5,129,300	10.92	5,393,744	5.16
OTHER FUND	1,066,678	815,843	1,062,195	30.20	1,062,454	.02
NDOC - ONE-SHOT APPROPRIATIONS	3,912,766	1,301,217				
BALANCE FORWARD	3,940,519	1,301,217				
REVERSIONS	-27,753					
NDOC - PRISON INDUSTRY	5,241,677	8,302,060	6,583,890	-20.70	5,861,606	-10.97
BALANCE FORWARD	529,031	1,855,838	1,636,434	-11.82	914,150	-44.14
INTERAGENCY TRANSFER	77,794	217,933	48,000	-77.97	48,000	
OTHER FUND	4,634,852	6,228,289	4,899,456	-21.34	4,899,456	
NDOC - PRISON RANCH	2,111,925	3,975,728	3,195,110	-19.63	3,637,329	13.84
BALANCE FORWARD	-318,586	1,943,271	801,408	-58.76	1,243,627	55.18
OTHER FUND	2,430,511	2,032,457	2,393,702	17.77	2,393,702	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
TOTAL DEPARTMENT OF CORRECTIONS	370,097,065	482,595,178	393,242,853	-18.51	400,777,143	1.92
GENERAL FUND	311,903,286	317,010,548	328,638,137	3.67	336,084,459	2.27
BALANCE FORWARD	-891,823	27,084,771	23,708,177	-12.47	23,190,924	-2.18
FEDERAL FUND	4,337,595	700,232				
INTERAGENCY TRANSFER	17,027,976	98,847,880	9,827,119	-90.06	10,493,980	6.79
INTERIM FINANCE	8,339,152	7,044,204				
OTHER FUND	30,817,624	31,907,543	31,069,420	-2.63	31,007,780	-0.20
REVERSIONS	-1,436,745					
DMV - SYSTEM TECHNOLOGY APPLICATION REDESIGN	1,209,538	17,081,437	18,136,197	6.17	21,100,262	16.34
BALANCE FORWARD	-5,200,959	10,123,766	12,489,059	23.36	15,453,124	23.73
INTERAGENCY TRANSFER	37,393	16,055				
OTHER FUND	6,428,728	6,941,616	5,647,138	-18.65	5,647,138	
REVERSIONS	-55,624					
DMV - DIRECTOR'S OFFICE	5,029,624	5,454,306	4,861,595	-10.87	4,773,284	-1.82
HIGHWAY FUND	3,226,714	3,184,798	2,965,199	-6.90	2,876,447	-2.99
INTERAGENCY TRANSFER	2,203,814	2,259,308	1,886,196	-16.51	1,886,637	.02
OTHER FUND	10,454	10,200	10,200		10,200	
REVERSIONS	-411,358					
DMV - HEARINGS	1,222,355	1,358,457	1,236,382	-8.99	1,243,742	.60
HIGHWAY FUND	1,295,622	1,296,074	1,232,541	-4.90	1,239,901	.60
INTERAGENCY TRANSFER	174,807	58,542				
OTHER FUND	2,979	3,841	3,841		3,841	
REVERSIONS	-251,053					
DMV - AUTOMATION	12,010,260	12,763,583	11,530,487	-9.66	11,687,505	1.36
BALANCE FORWARD	1,014,941	817,932	13,900	-98.30		
HIGHWAY FUND	6,126,964	6,341,950	4,050,344	-36.13	4,220,981	4.21
INTERAGENCY TRANSFER	4,823,915	4,963,632	4,583,446	-7.66	4,583,733	.01
OTHER FUND	1,055,052	640,069	2,882,797	350.39	2,882,791	-0.00
REVERSIONS	-1,010,612					
DMV - ADMINISTRATIVE SERVICES DIVISION	13,516,051	17,201,481	16,750,414	-2.62	17,800,038	6.27
HIGHWAY FUND	7,044,018	8,141,460	9,916,879	21.81	10,947,403	10.39
INTERAGENCY TRANSFER	694,048	510,375	478,906	-6.17	498,006	3.99
OTHER FUND	6,833,619	8,549,646	6,354,629	-25.67	6,354,629	
REVERSIONS	-1,055,634					
DMV - COMPLIANCE ENFORCEMENT	5,095,651	6,082,754	7,113,301	16.94	7,270,299	2.21
HIGHWAY FUND	5,041,135	5,097,494	6,711,821	31.67	6,864,391	2.27
INTERAGENCY TRANSFER	877,294	845,123	333,451	-60.54	337,879	1.33
OTHER FUND	81,109	140,137	68,029	-51.46	68,029	
REVERSIONS	-903,887					
DMV - MOTOR VEHICLE POLLUTION CONTROL	11,647,437	12,880,808	12,855,043	-0.20	12,091,603	-5.94
BALANCE FORWARD	880,721	1,425,239	1,763,362	23.72	1,000,000	-43.29
INTERAGENCY TRANSFER	466,534	413,543				
OTHER FUND	10,300,182	11,042,026	11,091,681	.45	11,091,603	-0.00

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
DMV - CENTRAL SERVICES	10,958,284	12,441,222	11,031,217	-11.33	11,293,085	2.37
GENERAL FUND	135,540	8,072	4,565	-43.45	4,565	
BALANCE FORWARD	29,250	57,750				
HIGHWAY FUND	4,685,993	4,754,939	4,167,558	-12.35	4,422,475	6.12
INTERAGENCY TRANSFER	5,694,137	5,765,184	5,026,132	-12.82	5,016,745	-1.19
OTHER FUND	1,725,684	1,855,277	1,832,962	-1.20	1,849,300	.89
REVERSIONS	-1,312,320					
DMV - LICENSE PLATE FACTORY	3,184,268	5,117,377	4,527,568	-11.53	4,550,231	.50
BALANCE FORWARD	467,569	1,430,461	579,301	-59.50	544,866	-5.94
INTERAGENCY TRANSFER	28,743	17,152				
OTHER FUND	2,687,956	3,669,764	3,948,267	7.59	4,005,365	1.45
DMV - VERIFICATION OF INSURANCE	2,188,257	15,441,287	5,660,558	-63.34	5,660,558	.00
BALANCE FORWARD		500,000	500,000		500,000	
INTERAGENCY TRANSFER	113,346	94,142				
OTHER FUND	12,254,621	14,847,145	5,160,558	-65.24	5,160,558	
REVERSIONS	-10,179,710					
DMV - RECORDS SEARCH	8,767,281	9,836,835	8,470,037	-13.89	8,470,037	.00
BALANCE FORWARD		50,000	50,000		50,000	
INTERAGENCY TRANSFER	99,144	49,414				
OTHER FUND	9,586,744	9,737,421	8,420,037	-13.53	8,420,037	
REVERSIONS	-918,607					
DMV - FIELD SERVICES	53,465,419	64,039,071	53,431,726	-16.56	55,010,359	2.95
GENERAL FUND	35,336	19,732	23,915	21.20	23,915	
HIGHWAY FUND	17,297,698	18,598,138	16,324,751	-12.22	17,903,384	9.67
INTERAGENCY TRANSFER	6,510,627	5,871,600				
OTHER FUND	35,872,961	39,549,601	37,083,060	-6.24	37,083,060	
REVERSIONS	-6,251,203					
DMV - MOTOR CARRIER DIVISION	4,309,921	5,128,580	4,649,550	-9.34	4,729,113	1.71
FEDERAL FUND	495					
HIGHWAY FUND	3,870,931	2,805,267	2,152,720	-23.26	2,232,283	3.70
INTERAGENCY TRANSFER	229,327	95,433	517	-99.46	517	
OTHER FUND	2,234,429	2,227,880	2,496,313	12.05	2,496,313	
REVERSIONS	-2,025,261					
DMV - DIVISION OF MANAGEMENT SERVICES & PROGRAMS	1,478,232	1,756,753	1,444,949	-17.75	1,477,908	2.28
HIGHWAY FUND	1,609,131	1,648,572	1,400,798	-15.03	1,433,757	2.35
INTERAGENCY TRANSFER	145,771	108,181	44,151	-59.19	44,151	
OTHER FUND	325					
REVERSIONS	-276,995					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
TOTAL DEPARTMENT OF MOTOR VEHICLES	134,082,578	186,583,951	161,699,024	-13.34	167,158,024	3.38
GENERAL FUND	170,876	27,804	28,480	2.43	28,480	
BALANCE FORWARD	-2,808,478	14,405,148	15,395,622	6.88	17,547,990	13.98
FEDERAL FUND	495					
HIGHWAY FUND	50,198,206	51,868,692	48,922,611	-5.68	52,141,022	6.58
INTERAGENCY TRANSFER	22,098,900	21,067,684	12,352,799	-41.37	12,367,668	.12
OTHER FUND	89,074,843	99,214,623	84,999,512	-14.33	85,072,864	.09
REVERSIONS	-24,652,264					
DPS - NEVADA OFFICE OF CYBER DEFENSE COORDINATION	497,898	487,796	502,935	3.10	512,888	1.98
GENERAL FUND	529,562	487,796	502,935	3.10	512,888	1.98
INTERAGENCY TRANSFER	79					
REVERSIONS	-31,743					
DPS - DIRECTOR'S OFFICE	3,318,040	3,945,721	4,158,533	5.39	4,201,042	1.02
INTERAGENCY TRANSFER	3,318,040	3,945,721	4,158,533	5.39	4,201,042	1.02
DPS - OFFICE OF PROF RESPONSIBILITY	755,777	830,808	768,891	-7.45	782,452	1.76
INTERAGENCY TRANSFER	755,777	830,808	768,891	-7.45	782,452	1.76
DPS - EVIDENCE VAULT	765,759	696,162	721,536	3.64	722,639	.15
INTERAGENCY TRANSFER	765,759	696,162	721,536	3.64	722,639	.15
DPS - TRAINING DIVISION	2,157,838	1,984,438	2,252,620	13.51	2,288,923	1.61
GENERAL FUND	1,029,577	578,796	1,303,347	125.18	1,325,069	1.67
FEDERAL FUND		11,625				
HIGHWAY FUND	1,214,380	1,221,219	947,498	-22.41	962,079	1.54
INTERAGENCY TRANSFER	9,467	169,287				
OTHER FUND	1,775	3,511	1,775	-49.44	1,775	
REVERSIONS	-97,361					
DPS - FORFEITURES - LAW ENFORCEMENT	156,556	685,476	453,929	-33.78	384,052	-15.39
BALANCE FORWARD	-97,204	316,155	234,608	-25.79	164,731	-29.78
INTERAGENCY TRANSFER	150,000	300,000	150,000	-50.00	150,000	
OTHER FUND	103,760	69,321	69,321		69,321	
DPS - NEVADA HIGHWAY PATROL DIVISION	88,327,962	106,871,165	79,992,488	-25.15	82,382,483	2.99
GENERAL FUND	82,498		60,955		60,955	
BALANCE FORWARD	377,139	412,396				
HIGHWAY FUND	74,949,941	76,511,101	76,411,536	-.13	78,801,531	3.13
INTERAGENCY TRANSFER	14,963,815	27,161,944	654,721	-97.59	654,721	
OTHER FUND	2,989,521	2,785,724	2,865,276	2.86	2,865,276	
REVERSIONS	-5,034,952					
DPS - NHP K-9 PROGRAM	15,776	52,459	69,351	32.20	32,229	-53.53
INTERAGENCY TRANSFER	15,776	52,459	69,351	32.20	32,229	-53.53

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
DPS - HIGHWAY SAFETY GRANTS ACCOUNT	2,786,270	2,552,869	2,397,331	-6.09	2,434,117	1.53
FEDERAL FUND	2,754,682	2,485,705	2,351,474	-5.40	2,386,976	1.51
HIGHWAY FUND	68,120	67,164	45,857	-31.72	47,141	2.80
REVERSIONS	-36,532					
DPS - DIGNITARY PROTECTION	1,241,525	1,176,869	1,255,148	6.65	1,266,451	.90
GENERAL FUND	1,192,184	631,076	1,255,148	98.89	1,266,451	.90
INTERAGENCY TRANSFER	161,756	545,793				
INTERIM FINANCE	15,500					
REVERSIONS	-127,915					
DPS - DIVISION OF PAROLE AND PROBATION	70,965,192	74,926,985	63,063,113	-15.83	65,941,162	4.56
GENERAL FUND	55,641,345	47,177,194	53,960,780	14.38	56,445,518	4.60
BALANCE FORWARD	292,426	2,419,448				
INTERAGENCY TRANSFER	7,394,745	15,511,396	43,793	-99.72	43,793	
OTHER FUND	8,429,490	9,818,947	9,058,540	-7.74	9,451,851	4.34
REVERSIONS	-792,814					
DPS - INVESTIGATION DIVISION	8,212,357	7,728,161	8,555,001	10.70	8,753,907	2.33
GENERAL FUND	6,338,580	5,983,286	6,459,874	7.97	6,563,042	1.60
BALANCE FORWARD	-2,932	2,933				
FEDERAL FUND	94,370	49,131	83,987	70.95	83,987	
HIGHWAY FUND	417,867	423,301	430,005	1.58	440,689	2.48
INTERAGENCY TRANSFER	1,237,864	1,097,167	1,553,679	41.61	1,638,733	5.47
OTHER FUND	201,795	172,343	27,456	-84.07	27,456	
REVERSIONS	-75,187					
DPS - PUBLIC SAFETY ONE-SHOTS	9,156,708	5,974,459				
BALANCE FORWARD	9,156,708	5,974,459				
DPS - STATE EMERGENCY RESPONSE COMMISSION	1,192,750	3,691,834	3,500,756	-5.18	3,441,775	-1.68
BALANCE FORWARD	-40,696	2,268,230	2,135,086	-5.87	2,074,829	-2.82
FEDERAL FUND	125,859	204,402	149,213	-27.00	150,247	.69
HIGHWAY FUND	265,536	262,648	245,594	-6.49	229,865	-6.40
OTHER FUND	901,528	956,554	970,863	1.50	986,834	1.65
REVERSIONS	-59,477					
DPS - FIRE MARSHAL	3,204,323	4,096,066	3,638,209	-11.18	3,647,417	.25
GENERAL FUND	629,332	453,531	100	-99.98	100	
BALANCE FORWARD	-9,013	19,366				
FEDERAL FUND		364,966				
INTERAGENCY TRANSFER	474,996	560,928	441,759	-21.24	438,820	-.67
OTHER FUND	3,009,238	2,697,275	3,196,350	18.50	3,208,497	.38
REVERSIONS	-900,230					
DPS - CIG FIRE SAFE STD & FIREFIGHTER SUPPORT	14,961	153,685	97,381	-36.64	73,540	-24.48
BALANCE FORWARD	-18,541	141,626	18,388	-87.02	40,547	120.51
OTHER FUND	33,502	12,059	78,993	555.05	32,993	-58.23

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
DPS-CENTRAL REP FOR NV RECORDS OF CRIMINAL HISTORY	19,059,533	38,085,427	26,561,809	-30.26	26,350,880	-7.9
GENERAL FUND	269,495	179,688	276,725	54.00	276,725	
BALANCE FORWARD	-1,463,123	13,739,548	6,981,026	-49.19	6,406,898	-8.22
INTERAGENCY TRANSFER	2,325,135	2,660,748	1,470,620	-44.73	1,492,020	1.46
INTERIM FINANCE		2,500,000				
OTHER FUND	17,954,978	19,005,443	17,833,438	-6.17	18,175,237	1.92
REVERSIONS	-26,952					
DPS - RECORDS COMMUNICATIONS AND COMPLIANCE	7,142,193	7,347,966	7,220,441	-1.74	7,414,342	2.69
INTERAGENCY TRANSFER	7,140,910	7,341,341	7,219,158	-1.66	7,413,059	2.69
OTHER FUND	1,283	6,625	1,283	-80.63	1,283	
DPS - CHILD VOLUNTEER BACKGROUND CHECKS TRUST ACCT	15,086		15,086		15,086	.00
GENERAL FUND	15,087		15,086		15,086	
REVERSIONS	-1					
DPS - CAPITOL POLICE	2,947,048	3,263,337	3,197,053	-2.03	3,272,528	2.36
BALANCE FORWARD	-242,399					
INTERAGENCY TRANSFER	3,189,447	3,263,337	3,197,053	-2.03	3,272,528	2.36
DPS - HIGHWAY SAFETY PLAN & ADMIN	3,558,858	6,746,591	3,937,462	-41.64	4,060,959	3.14
FEDERAL FUND	80,176	93,861	86,958	-7.35	90,224	3.76
HIGHWAY FUND	424,423	431,775	363,545	-15.80	380,445	4.65
INTERAGENCY TRANSFER	3,113,186	6,220,955	3,486,959	-43.95	3,590,290	2.96
OTHER FUND	15,775					
REVERSIONS	-74,702					
DPS - TRAFFIC SAFETY	5,995,760	12,073,590	7,084,075	-41.33	7,084,075	.00
FEDERAL FUND	3,570,345	6,337,736	4,531,843	-28.49	4,531,843	
INTERAGENCY TRANSFER	2,425,415	5,735,854	2,552,232	-55.50	2,552,232	
DPS - MOTORCYCLE SAFETY PROGRAM	343,380	1,156,325	1,101,827	-4.71	1,003,761	-8.90
BALANCE FORWARD	-120,871	664,896	456,711	-31.31	358,165	-21.58
OTHER FUND	464,251	491,429	645,116	31.27	645,596	.07
DPS - JUSTICE GRANT	466,427	1,092,315	668,114	-38.84	579,721	-13.23
GENERAL FUND	308,235	273,271	265,700	-2.77	230,181	-13.37
BALANCE FORWARD			336,348			
INTERAGENCY TRANSFER	172,634	100,544	66,066	-34.29	349,540	429.08
OTHER FUND		718,500				
REVERSIONS	-14,442					
DPS - JUSTICE ASSISTANCE ACT	2,166,964	3,972,158	2,005,977	-49.50	1,797,529	-10.39
BALANCE FORWARD	767	5,157	5,157		5,157	
FEDERAL FUND	2,163,408	3,855,150	1,995,312	-48.24	1,786,864	-10.45
INTERAGENCY TRANSFER	99	3,486	2,818	-19.16	2,818	
OTHER FUND	2,690	108,365	2,690	-97.52	2,690	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
DPS - JUSTICE ASSIST GRANT TRUST ACCOUNT	2,344,306	10,963,208	3,963,317	-63.85	2,213,317	-44.15
BALANCE FORWARD	-7,257,374	9,018,283				
FEDERAL FUND	9,550,207	1,934,400	3,926,011	102.96	2,176,011	-44.57
OTHER FUND	51,473	10,525	37,306	254.45	37,306	
DPS - ACCOUNT FOR REENTRY PROGRAMS		5,000	5,000	.00	5,000	.00
OTHER FUND		5,000	5,000		5,000	
DPS - PAROLE BOARD	3,578,481	3,200,539	3,459,404	8.09	3,335,149	-3.59
GENERAL FUND	3,384,302	3,179,686	3,459,404	8.80	3,335,149	-3.59
BALANCE FORWARD	166,610					
INTERAGENCY TRANSFER	67,473	20,853				
REVERSIONS	-39,904					
DPS - DIVISION OF EMERGENCY MANAGEMENT	4,838,563	5,540,114	5,170,542	-6.67	5,298,686	2.48
GENERAL FUND	465,742	403,475	420,005	4.10	426,982	1.66
BALANCE FORWARD	-119,036					
FEDERAL FUND	505,739	669,409	644,385	-3.74	656,836	1.93
INTERAGENCY TRANSFER	3,458,706	3,700,751	3,400,104	-8.12	3,481,800	2.40
INTERIM FINANCE	343,908					
OTHER FUND	183,504	766,479	706,048	-7.88	733,068	3.83
DPS - EMERGENCY MANAGEMENT ASSISTANCE GRANTS	12,093,956	18,362,211	19,610,088	6.80	19,664,477	.28
FEDERAL FUND	12,093,956	17,862,211	19,110,088	6.99	19,164,477	.28
OTHER FUND		500,000	500,000		500,000	
DPS - HOMELAND SECURITY	477,955	482,313	454,361	-5.80	463,047	1.91
GENERAL FUND	171,511	171,439	157,187	-8.31	160,244	1.94
FEDERAL FUND	49,556	48,577	53,691	10.53	54,817	2.10
INTERAGENCY TRANSFER	269,939	262,297	243,483	-7.17	247,986	1.85
REVERSIONS	-13,051					
TOTAL DEPARTMENT OF PUBLIC SAFETY	257,798,202	328,146,047	255,881,778	-22.02	259,423,634	1.38
GENERAL FUND	70,057,450	59,519,238	68,137,246	14.48	70,618,390	3.64
BALANCE FORWARD	622,461	34,982,497	10,167,324	-70.94	9,050,327	-10.99
FEDERAL FUND	30,988,298	33,917,173	32,932,962	-2.90	31,082,282	-5.62
HIGHWAY FUND	77,340,267	78,917,208	78,444,035	-.60	80,861,750	3.08
INTERAGENCY TRANSFER	51,411,018	80,181,831	30,200,756	-62.33	31,066,702	2.87
INTERIM FINANCE	359,408	2,500,000				
OTHER FUND	34,344,563	38,128,100	35,999,455	-5.58	36,744,183	2.07
REVERSIONS	-7,325,263					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
PUBLIC SAFETY						
GENERAL FUND	382,131,612	376,557,590	396,803,863	5.38	406,731,329	2.50
BALANCE FORWARD	-3,093,171	77,127,165	49,889,945	-35.31	50,317,162	.86
FEDERAL FUND	35,326,388	34,647,350	32,932,962	-4.95	31,082,282	-5.62
HIGHWAY FUND	127,538,473	130,785,900	127,366,646	-2.61	133,002,772	4.43
INTERAGENCY TRANSFER	90,546,703	200,211,735	52,380,674	-73.84	53,928,350	2.95
INTERIM FINANCE	8,698,560	9,544,204				
OTHER FUND	156,416,307	171,547,637	154,285,157	-10.06	155,002,762	.47
REVERSIONS	-33,414,272					
TOTAL FOR PUBLIC SAFETY	764,150,600	1,000,421,581	813,659,247	-18.67	830,064,657	2.02
Less: INTER-AGENCY TRANSFER	90,546,703	200,211,735	52,380,674	-73.84	53,928,350	2.95
NET PUBLIC SAFETY	673,603,897	800,209,846	761,278,573	-4.87	776,136,307	1.95

INFRASTRUCTURE

The Infrastructure function of state government comprises those agencies responsible for capital assets of the state, as well as its natural resources. The function includes the Colorado River Commission, Department of Conservation and Natural Resources, Department of Wildlife, Department of Transportation, and the Tahoe Regional Planning Agency.

General Fund support for Infrastructure recommended by the Governor for the 2021-23 biennium totals \$83.2 million, which is a decrease of 4.4% compared to funding of \$87.0 million for the 2019-21 biennium approved by the 2019 Legislature. The amounts recommended from all funding sources, excluding interagency transfers, total \$2.148 billion for the 2021-23 biennium, which is a 14.2% decrease compared to the 2019-21 biennium approved amount of \$2.504 billion.

COLORADO RIVER COMMISSION

The Colorado River Commission (CRC) was created in 1935 and is responsible for acquiring, managing and protecting Nevada's allocation of hydropower and water resources from the Colorado River (allocated to Nevada by the federal government) for the residents of Nevada. The commission is governed by seven commissioners – four members appointed by the Governor (including the chairperson) and three members appointed by the Board of Directors of the Southern Nevada Water Authority (SNWA). The CRC is supported by an administrative charge on the sale of electric power and water to the commission's customers and the SNWA. Additional revenues are received through the sale of raw water to a number of small water users along the Colorado River and from interest income derived from the investment of funds by the state. The CRC is entirely funded by its customers and does not receive state or federal funds.

A total of four budgets are operated by the CRC. The first, Colorado River Commission, records all personnel costs for commission staff and all the basic activities and functions performed in fulfilling the commission's mandate. The Executive Budget recommends total funding of \$20.0 million over the 2021-23 biennium for this budget – a \$1.8 million increase from the \$18.2 million legislatively approved amount over the 2019-21 biennium.

The Governor recommends cost allocation reimbursement funding of \$117,077 in FY 2022 and \$154,918 in FY 2023 for one new Power Facilities Manager position, added to the Power Delivery project group, to meet the demand of customers and maintain continuity of services in view of approaching retirements of incumbent staff.

The Governor also recommends increasing administrative charges collected by the agency by \$60,000 in FY 2022 and \$65,000 in FY 2023 to fund a contract with a consultant who would support the CRC in its current efforts to restructure the billing process of the CRC.

The Research and Development Account is utilized as a pass-through budget for the costs related to the Lower Colorado River Multi-Species Conservation Program (LCRMSCP) to comply with the Endangered Species Act. This is a 50-year program

implemented in April 2005 to address the biological needs of mammals, birds, fish, amphibians, and reptiles, as well as invertebrates and plants. Nevada has entered a regional partnership with Arizona, California and the U.S. Department of the Interior, as well as various non-federal stakeholders and water and hydroelectric power agencies along the lower Colorado River. The partnership is governed by an interstate cost-sharing agreement in which funding commitments for the costs associated with the non-federal portion of the project are covered. Funding for this budget is provided primarily through administrative charges in accordance with the multi-species funding contracts between the CRC and its water and power customers. The Executive Budget recommends total funding of \$25.9 million over the 2021-23 biennium for the LCRMSCP, the majority of which are prior years' balances that are carried forward.

The Power Delivery Project budget accounts for all costs associated with the CRC's high-voltage power delivery system for the SNWA water delivery system. The budget accounts for all costs of power purchases for water deliveries and for operation and maintenance costs associated with the project. The CRC develops annual operating budgets for the power delivery projects that are reviewed and approved by the SNWA pursuant to contract. Funding is provided through monthly billings to SNWA in accordance with the approved operational budget. The Executive Budget includes \$41.8 million in Power Sales over the 2021-23 biennium.

The Power Marketing budget is used to record purchases and sales of power, debt service related to the Hoover Upgrading Bonds, and operational costs of the Basic Substation project. This budget accounts for all power-related activities except those dedicated to the Southern Nevada Water System and its customers. All hydropower allocations to Nevada administered by the CRC are recorded in this budget. Funding is provided through monthly billings to hydropower customers. The Executive Budget includes \$65.7 million in Power Sales for the 2021-23 biennium.

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

The Department of Conservation and Natural Resources (DCNR) is responsible for ensuring Nevada's natural resources are used, maintained and preserved in a manner that will best serve the citizens of the state. The department comprises the Director's Office and the following divisions: Environmental Protection, Forestry, State Lands, State Parks, Water Resources, Natural Heritage, and Outdoor Recreation. The department also includes the Sagebrush Ecosystem Program, the Conservation Districts Program, the Nevada Tahoe Regional Planning Agency, the Commission on Off-Highway Vehicles, the State Environmental Commission, and the State Historic Preservation Office.

For the entire department, the Governor recommends General Fund appropriations of \$77.5 million over the 2021-23 biennium, a 3.9% decrease from the \$80.7 million approved for the 2019-21 biennium. For the 2021-23 biennium, total funding recommended for the department (excluding interagency transfers) is \$253.5 million, which represents a 1.4% increase over the \$250.0 million approved for the 2019-21 biennium.

STATE HISTORIC PRESERVATION OFFICE

The mission of the State Historic Preservation Office (SHPO) is to encourage the preservation, documentation, and use of cultural resources through programs including preservation of buildings and archeological sites, grant distribution and management, project reviews for federal tax credits, the National and State Registers of Historic Places, and the review of federal actions in the state for planning and public education purposes. Primary sources of funding for the SHPO are federal grants and General Fund appropriations.

The Governor recommends total funding of \$2.9 million over the 2021-23 biennium for the SHPO, which is a 4.1% decrease compared to the \$3.0 million legislatively approved for the 2019-21 biennium. The Governor recommends replacing General Funds of \$75,654 over the biennium with federal grant funding and bond proceeds. Additionally, the Governor recommends transferring a federally-funded Administrative Services Officer and associated operating costs totaling \$200,165 over the biennium from the State Historic Preservation Office budget to the DCNR Administration budget, where the costs would be supported by cost allocation reimbursements, to improve department-wide fiscal support.

ADMINISTRATION

The Director's Office of the Department of Conservation and Natural Resources provides administrative, technical, budgetary, and supervisory support to agencies within the department. The Director's Office is funded with General Fund appropriations along with cost allocation revenues. Total funding for the Director's Office is recommended at \$4.0 million over the 2021-23 biennium, which is a 10.5% increase over the \$3.6 million approved for the 2019-21 biennium. The Governor recommends General Fund appropriations totaling \$2.2 million over the 2021-23 biennium, an increase of 7.4% when compared to the \$2.0 million in General Fund appropriations approved for the 2019-21 biennium.

The Governor recommends holding one position vacant, for General Fund savings of \$94,709 over the biennium. This position was approved during the 2019 session to support the Conservation Bond program (Assembly Bill 84), which the Governor recommends issuing bonds for in the 2021-23 biennium.

CONSERVATION DISTRICTS PROGRAM

The Conservation Districts Program works with Nevada's 28 locally-elected conservation districts, which work to conserve, improve and sustain the state's renewable natural resources, in a statewide conservation program. The mission of the program is to train and assist the districts by providing outreach and technical assistance to landowners in partnership with other local, state and federal agencies, and to promote actively managing and restoring landscapes to achieve sage grouse habitat. The program also provides annual grants to each of the 28 conservation districts and provides support for the State Conservation Commission.

The Governor recommends General Fund appropriations totaling \$967,207 over the 2021-23 biennium, which is a reduction of \$318,355, or 24.8%, when compared to the \$1.3 million approved for the 2019-21 biennium. The Governor recommends reducing annual grants to the state's 28 conservation districts by \$1,000 per district per year (a 20.0% decrease) and reducing sage grouse competitive grants by \$50,000 per year for total General Fund savings of \$156,000 over the biennium. Additionally, the Governor recommends holding one position vacant for a General Fund savings of \$82,120 over the 2021-23 biennium.

COMMISSION ON OFF-HIGHWAY VEHICLES

The Commission on Off-Highway Vehicles (OHVs) promotes the safe and responsible use of recreational off-highway vehicles. The program provides grants to fund OHV-related projects for law enforcement, education, and OHV trail management and development statewide. The program, including the operating costs of the commission, is funded with OHV registration fees collected by the Department of Motor Vehicles.

The Governor recommends total funding of \$6.9 million over the 2021-23 biennium for the Commission on OHVs, which is a 5.1% decrease compared to the \$7.3 million legislatively approved for the 2019-21 biennium. The Governor recommends utilizing reserves to increase OHV Commission Grants by \$792,974 in each year of the 2021-23 biennium, which would result in a total of \$1.5 million in authority each year.

DIVISION OF STATE PARKS

The Division of State Parks plans, develops, and maintains a system of 27 parks and recreational areas for the use and enjoyment of residents and visitors. The division also preserves areas of scenic, historic, and scientific significance in Nevada. The primary funding sources for the division include General Fund appropriations, park user fees and motorboat fuel taxes. The Governor recommends total funding of \$39.0 million for the State Parks budget for the 2021-23 biennium, an increase of 1.7% compared to the \$38.4 million legislatively approved for the 2019-21 biennium. Of the total funding, the Governor recommends General Fund appropriations totaling \$14.4 million, a decrease of 15.5% compared to the \$17.0 million legislatively approved for the 2019-21 biennium.

The Governor recommends additional General Fund appropriations of \$505,832 over the 2021-23 biennium to support ongoing operation and maintenance of Nevada's state parks, including cleaning supplies, utility costs, vehicle and facility maintenance, supplies, and fuel. Due to a reduction in projected revenues, the Governor recommends reducing the funding transferred from the Commission on Tourism, which has supported the State Parks brochure budget and a portion of the agency's seasonal staffing in previous biennia, by \$433,131 in FY 2022 and \$29,708 in FY 2023, which would eliminate funding for the printing of brochures in the upcoming biennium; and replacing \$403,423 of the reduction with General Fund appropriations in FY 2022 to maintain seasonal staffing at the current levels. Additionally, the Governor recommends increasing the sale price of State Parks annual permits and reinstating a surcharge for non-resident visitors to maintain operations and offset General Fund reductions of \$2.0 million over the 2021-23 biennium.

DIVISION OF WATER RESOURCES

The Division of Water Resources conserves, protects, manages, and enhances the water resources of Nevada through appropriation and reallocation of public waters. The division quantifies existing water rights, monitors water usage, distributes water in accordance with court decrees, reviews water availability for new development, reviews the construction and operation of dams, and licenses and regulates well drillers. The Division of Water Resources is primarily funded with General Fund appropriations.

For the 2021-23 biennium, the Governor recommends total funding of \$17.2 million for the Water Resources budget, a decrease of 4.9% when compared to the \$18.1 million legislatively approved for the 2019-21 biennium. Of the total funding, the Governor recommends General Fund appropriations totaling \$14.9 million, a decrease of 8.3% when compared to the \$16.3 million approved for the 2019-21 biennium. The Governor recommends holding three engineering positions vacant for a General Fund savings of \$295,387 over the biennium. In addition, the Governor recommends replacing General Funds of \$618,640 over the 2021-23 biennium with corresponding amounts of water basin revenue.

DIVISION OF FORESTRY

The Division of Forestry is responsible for supervising, managing and coordinating all forestry, watershed, fire prevention, and control work on state and privately-owned lands in Nevada. Additionally, the division provides assistance to county and local fire districts and adopts and enforces fire prevention regulations. Other division programs include cooperative forest management, rural fire protection, resource rehabilitation, and control of insects and diseases in trees. The Governor recommends total funding of \$23.3 million for the Forestry budget for the 2021-23 biennium, an increase of 1.0% compared to the \$23.0 million approved for the 2019-21 biennium. Of the total funding, the Governor recommends General Fund appropriations totaling \$16.0 million for the 2021-23 biennium, an increase of 2.2% compared to the \$15.6 million approved for the 2019-21 biennium.

The Governor recommends four new positions (three Foresters and one Management Analyst), funded with NV Energy contract funds and General Fund appropriations totaling \$744,338 (\$368,290 General Fund) over the 2021-23 biennium to coordinate, plan and implement fuel reduction projects in moderate- to extreme-risk wildfire areas throughout the state. The Governor also recommends transferring a vacant Camp Area Supervisor position from the Conservation Camps budget to the Forestry budget, and reclassifying the position to an Education and Information Officer, to assist the agency in developing, coordinating and presenting forestry education programs (net General Fund reduction of \$16,713 over the 2021-23 biennium).

The Governor recommends FY 2021 General Fund one-shot appropriations of \$666,590 for deferred maintenance projects at Forestry dispatch centers, regional offices and other facilities throughout the state.

FOREST FIRE SUPPRESSION

The Forest Fire Suppression program covers expenses necessary for the protection of life, property, and natural resources from fire, flood and other disasters and emergencies; and for forest health and watershed management required as a result of fire or other emergencies. The program is funded with a combination of General Fund appropriations and reimbursements for firefighting assistance provided on lands outside of the state's jurisdiction. When the volume or severity of fire incidents results in insufficient funds in this budget, funding is available from the State Board of Examiners' Reserve for the Statutory Contingency Account (*Nevada Revised Statutes* [NRS] 353.264), with additional funding available from the Interim Finance Committee's Contingency Account (NRS 353.266).

The Governor recommends total funding of \$25.2 million for the Forest Fire Suppression budget for the 2021-23 biennium, an increase of 21.6% compared to the \$20.7 million approved for the 2019-21 biennium. Of the total funding, the Governor recommends General Fund appropriations totaling \$9.9 million for the 2021-23 biennium, an increase of 8.9% compared to the \$9.1 million approved for the 2019-21 biennium. The increase in overall funding is primarily due to increased costs associated with firefighting personnel and fire incidents.

The Governor also recommends reducing operating supply and field equipment costs for fire suppression work to achieve General Fund savings of \$573,320 over the 2021-23 biennium. Additionally, to support higher-than-budgeted firefighting costs in FY 2021, the Governor recommends a supplemental General Fund appropriation of \$10.0 million.

FORESTRY CONSERVATION CAMPS

The Forestry Conservation Camp program coordinates and supervises labor-intensive work projects performed by inmates from the Nevada Department of Corrections (NDOC). The inmates reside in NDOC conservation camps and work on projects that generate revenue for the state, provide free or reduced-cost labor for state and local agencies, and provide fire suppression resources to the division. Funding sources in this budget consist primarily of General Fund appropriations and revenues received for projects completed by the inmate crews. For the 2021-23 biennium, the Governor recommends total funding of \$18.8 million for the Forestry Conservation Camps, a decrease of 6.6% compared to the \$20.2 million approved for the 2019-21 biennium. Of the total funding, the Governor recommends General Fund appropriations of \$13.4 million, a decrease of 3.9% compared to the \$13.9 million approved for the 2019-21 biennium. The decrease in funding is primarily due to the recommended budget reductions of \$1.2 million (\$780,996 General Fund) over the 2021-23 biennium; the Governor recommends holding 13 positions vacant (11 Crew Supervisor and 2 Camp Area Supervisor positions) through November 2022 and reducing training and uniform allowances for Forestry Conservation Camps personnel.

DIVISION OF STATE LANDS

The Division of State Lands acquires land or interests in land, holds, and disposes of all state lands and interests in lands; maintains state land records; provides land-use planning services; develops policies and plans for the use of lands under federal management; and coordinates various state programs at Lake Tahoe. Programs at Lake Tahoe include the Nevada Tahoe Resource Team, responsible for the Environmental Improvement Program (EIP) and the Tahoe Mitigation Program. The division is primarily funded with General Fund appropriations and transfers from the Tahoe Mitigation Fund and the EIP bond program.

For the 2021-23 biennium, the Governor recommends total funding of \$4.1 million, a decrease of 2.4% when compared to the \$4.2 million legislatively approved for the 2019-21 biennium. Of the total funding, the Governor recommends General Fund appropriations totaling \$3.2 million, a decrease of 4.9% when compared to the \$3.4 million approved for the 2019-21 biennium. The Governor recommends holding one position vacant and reducing information technology and travel costs for General Fund reductions of \$106,205 over the 2021-23 biennium.

DIVISION OF NATURAL HERITAGE

The Nevada Division of Natural Heritage (NDNH) collects information on the locations, biology, and conservation status of all endangered, threatened, sensitive, and at-risk plant and animal species in Nevada and maintains a system of databases, topographical maps, sets priorities for conservation efforts, and provides data to various entities for consideration pertaining to development and conservation activities as mandated by federal laws. The program is funded primarily with Highway Funds transferred from the Nevada Department of Transportation (NDOT) in exchange for data pertinent to NDOT projects, as well as federal funds and fees.

The Governor recommends total funding of \$2.2 million over the 2021-23 biennium for NDNH, which is a 14.5% increase compared to the \$1.9 million legislatively approved for the 2019-21 biennium. The increase is driven primarily by the Governor's recommendation for a \$200,000 General Fund appropriation to support the Nevada climate initiative, for costs associated with developing a means to estimate carbon emissions and sequestration in the state.

DIVISION OF ENVIRONMENTAL PROTECTION

The Division of Environmental Protection (DEP) implements programs authorized and required by state and federal laws and enforces regulations adopted by the State Environmental Commission. The division comprises an Administrative Services office and ten bureaus: Air Pollution Control; Air Quality Planning; Corrective Actions; Federal Facilities; Industrial Site Cleanup; Mining Regulation and Reclamation; Safe Drinking Water; Waste Management; Water Pollution Control; and Water Quality Planning. The DEP is primarily funded with fees and federal funds. The Governor recommends total funding of \$134.7 million over the 2021-23 biennium for the division, an increase of 2.3% compared to the \$131.7 million legislatively approved for the 2019-21 biennium.

To support environmental remediation and mitigation efforts, including continuation of the Anaconda Copper Mine Site cleanup in Lyon County, cleanup efforts associated with the Las Vegas Wash, and additional contract services for emergency and specialized technical assistance and oversight at sites with environmental contamination, including the former Mercury Cleaners dry cleaning facility in Carson City and the former Altair Nanotechnologies facility in Reno, the Governor recommends total funding of \$8.6 million (fees, federal funds) over the 2021-23 biennium.

Additionally, the Governor recommends total funding of \$369,360 (reserves, federal funds) over the 2021-23 biennium to provide additional technical assistance for public drinking water and wastewater systems seeking funding for infrastructure improvements.

The Governor also recommends the addition of two positions within the DEP, including one Administrative Assistant to serve as a central file manager for the Bureau of Corrective Actions and one Environmental Scientist within the Bureau of Air Pollution Control to support the department's annual reporting requirements concerning greenhouse gas emissions in the state, at a total cost of \$347,500 (fees, federal funds) over the 2021-23 biennium.

DIVISION OF OUTDOOR RECREATION

The 2019 Legislature passed, and the Governor approved, Assembly Bill (A.B.) 486, which created the new Division of Outdoor Recreation within the DCNR, as well as the Advisory Board on Outdoor Recreation, to promote outdoor recreation activities and enhance the outdoor recreation economy in the state. The Governor recommends General Fund appropriations of \$1.1 million over the 2021-23 biennium, an increase of 61.0% compared to the \$657,204 approved for the 2019-21 biennium, to support the new division's full staffing and operating costs. The Governor also recommends transferring the Outdoor Education and Recreation Grant Program from the Division of State Parks to the Division of Outdoor Recreation, including the transfer of one existing position and associated costs. The 2019 Legislature passed A.B. 331, which created the program to award grants of money to public and private entities to conduct outdoor education and recreation programs for pupils in the state.

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES BOND PROGRAMS

The Governor recommends the issuance of general obligation bonds totaling \$44.0 million over the 2021-23 biennium for the following conservation and natural resources programs: \$12.0 million for the Lake Tahoe Environmental Improvement Program managed by the Division of State Lands; \$4.0 million for the Commission for Cultural Centers and Historic Preservation grant program managed by the State Historic Preservation Office; \$8.0 million for the Water Infrastructure grant program managed by the Division of Environmental Protection, and \$20.0 million for Conservation Bonds pursuant to A.B. 84 (2019).

CAPITAL IMPROVEMENT PROGRAM PROJECTS

The Governor recommends replacement comfort stations at Valley of Fire State Park, facilities maintenance and Americans with Disabilities Act (ADA) upgrades at Fort Churchill State Park, and trailhead safety improvements at Cathedral Gorge State Park, funded with \$3.9 million (state funds of \$2.1 million) over the 2021-23 biennium. Additionally, the Governor recommends state funds of \$327,254 for office building renovations at the Comstock Historic District office in Virginia City, and state funds of \$5.5 million to construct a heavy equipment shop and renovate an existing building for the Division of Forestry Northern Region Shop in Elko.

DEPARTMENT OF WILDLIFE

The Nevada Department of Wildlife (NDOW) is responsible for protecting, preserving, managing, and restoring wildlife and its habitat for aesthetic, scientific, recreational, and economic benefit to residents and visitors. The department administers, enforces and implements the Nevada Boat Act, including the registration and titling of boats, enforcement of laws and regulations, boating safety education, and development of public access facilities. The department consists of the Director's Office and seven divisions: Data and Technology Services (DATS), Conservation Education, Law Enforcement, Game Management, Fisheries Management, Diversity, and Habitat.

The department is funded primarily from federal programs, licenses and fees, and gifts and donations. The Governor recommends total funding of \$106.9 million in the 2021-23 biennium for the department, which is an increase of \$1.3 million, or 1.2%, when compared to the \$105.6 million approved for the 2019-21 biennium. General Fund appropriations for the department, as recommended by the Governor, total \$2.2 million in the 2021-23 biennium, a reduction of \$363,947, or 14.0%, from the legislatively approved appropriations for the 2019-21 biennium. The reduction is largely due to the Governor's recommendation to replace General Fund appropriations of \$319,962 over the 2021-23 biennium with Sportsmen Revenue transferred from the Wildlife Fund to the Diversity Division.

DIRECTOR'S OFFICE

The Director's Office is responsible for the general administration of the department, including fiscal services and human resources administrative support functions. Additionally, the director serves as secretary to the Board of Wildlife Commissioners, which establishes policy and regulatory guidance for NDOW. Funding for the county advisory boards, which advise the Board of Wildlife Commissioners and the agency on wildlife management issues, is also included in this budget.

The Governor recommends transfer of Sportsmen Revenues from the Wildlife Fund to the Director's Office totaling \$2.1 million over the 2021-23 biennium to fund deferred maintenance and pest control projects at the department's fish hatchery, Wildlife Management Area and office facilities.

DATA AND TECHNOLOGY SERVICES DIVISION

The Data and Technology Services Division is responsible for the business process and support functions of NDOW and the management of the customer service programs. These programs include licensing; boat titling and registration; application hunts, special licenses and permits; land acquisition services; engineering and support for statewide building maintenance, computer and network services; and aviation operations. This budget is primarily funded with federal funds, indirect cost fees charged to NDOW operating budgets and license and fee revenues transferred from the Wildlife Fund.

The Executive Budget recommends replacing seasonal administrative staff with one new full-time Information Technology Professional with the net additional costs funded by cost allocation revenues totaling \$105,169 over the 2021-23 biennium.

CONSERVATION EDUCATION DIVISION

The Conservation Education Division promotes citizen interest, understanding, and involvement in the management of the state's wildlife resources by educating the public about the value of wildlife in Nevada and promoting ethical use of the state's wildlife resources through hunter and angler education programs, wildlife education and marketing programs. The division informs the public through television, radio, Internet, and print media, and provides access to NDOW's programs through the Volunteer Program.

The Governor proposes replacing two seasonal Conservation Aid positions with two full-time Conservation Educator positions to serve as volunteer coordinators at the department's Reno and Las Vegas Offices. The net additional costs totaling \$238,529 over the 2021-23 biennium would be funded through a combination of federal Wildlife Restoration grants (\$155,710) and Sportsmen Revenue (\$82,819) transferred from the Wildlife Fund.

LAW ENFORCEMENT DIVISION

The Law Enforcement Division enforces wildlife and boating safety laws and serves the sporting public while providing a public safety presence. The budget is funded primarily with restricted and unrestricted state license and fee revenues transferred from the Wildlife Fund, and federal funds.

The Governor recommends one new full-time Game Warden position to improve boating enforcement at Lake Tahoe. This recommendation would replace two seasonal Game Warden positions and would result in net savings totaling \$91,779 over the 2021-23 biennium.

GAME MANAGEMENT DIVISION

The Game Management Division is responsible for management, protection, research, and monitoring of wildlife classified as game mammals, upland and migratory game birds, and fur-bearing mammals. The division has four program areas: avian and terrestrial game species management; game wildlife/depredation control and compensation; predator management; and wildlife health and disease monitoring.

The Governor's budget includes the addition of one new Pilot position to the Game Management Division's air operations program, funded with Sportsmen Revenue transfers totaling \$239,373 over the 2021-23 biennium. The new position would provide additional flight hours for wildlife surveys, water guzzler resupply, and assisting with wildfire fighting operations, as needed.

FISHERIES MANAGEMENT DIVISION

The Fisheries Management Division facilitates programs for fisheries throughout Nevada, including programs that are designed to provide the state's angling public with recreational fishing opportunities, and to conserve and protect Nevada's native fish, amphibians, mollusks, and crustaceans. The division also works to prevent and control aquatic invasive species.

The Governor recommends replacing two seasonal Wildlife Area Technicians with two permanent full-time positions. The net additional costs totaling \$57,547 over the 2021-23 biennium would be funded through a combination of federal Sportfish grant revenues (\$41,590) and Aquatic Invasive Species fees (\$15,957) transferred from the Wildlife Fund. The two permanent positions would provide continuity of program skills and knowledge, and improve year-round operations at Lake Mead.

In addition, the Governor recommends replacing a seasonal Wildlife Area Technician at the Alamo inspection station in Lincoln County with a permanent full-time position. The net additional costs totaling \$26,006 over the 2021-23 biennium would be funded through a combination of federal Sportfish grant revenues (\$19,216) and Aquatic Invasive Species fees (\$6,790) transferred from the Wildlife Fund. This permanent position would enable the station to provide year-round, free-of-charge inspection and decontamination services to watercraft users and to operate seven days a week year-round.

NEVADA DEPARTMENT OF TRANSPORTATION

The Nevada Department of Transportation (NDOT) is funded through a combination of federal funds, dedicated state highway user revenues and bond issues. Excluding interagency transfers, The Executive Budget recommends \$1.660 billion in total funding for the department over the 2021-23 biennium. This is an 18.4% decrease when compared to the \$2.034 billion legislatively approved for the 2019-21 biennium, largely due to no bond issuances being recommended by the Governor in the 2021-23 biennium. The Governor's recommendations include state Highway Fund authorizations of \$447.6 million in FY 2022 and \$452.9 million in FY 2023. The Governor projects federal funding of \$378.0 million in each year of the 2021-23 biennium.

The Executive Budget recommends highway construction expenditures totaling \$542.9 million in FY 2022 and \$545.6 million in FY 2023, funded with a combination of federal funds and Highway Fund authorizations. The Governor also recommends Highway Fund authorizations totaling \$3.1 million over the 2021-23 biennium for 26 new positions and associated operating expenditures. These new positions include

15 Student Worker positions that would assist NDOT with the development of its future workforce.

The Executive Budget recommends a one-shot Highway Fund authorization of \$19.4 million and a one-shot General Fund appropriation of \$2.5 million to continue the replacement of the Nevada Shared Radio System. The Governor also recommends Highway Fund authorizations of \$21.0 million over the 2021-23 biennium for maintenance and enhancements of information technology systems used by the department. The Governor further recommends Highway Fund authorizations of \$4.8 million over the 2021-23 biennium to continue the upgrade of the department's fueling system, which consists of fueling sites throughout the state that are used by various state and local governmental agencies.

Over the 2021-23 biennium, The Executive Budget recommends Highway Fund authorizations of \$27.7 million to fund the maintenance, new construction and alterations of department-owned facilities; \$15.8 million for routine replacement of existing, large equipment; and \$8.2 million for new equipment such as computers, office furniture, fleet additions, and shop tools.

TAHOE REGIONAL PLANNING AGENCY

The Tahoe Regional Planning Agency (TRPA) was jointly created by the states of Nevada and California and the United States Congress through the approval of the Tahoe Regional Planning Compact by all three entities. The TRPA provides a leadership and advocacy role in the regional cooperative efforts to preserve, restore and enhance Lake Tahoe's unique natural and human environments. The TRPA exercises environmental controls over water, land, air, wildlife, and development in the Lake Tahoe region. Pursuant to Article VIII of the Tahoe Regional Planning Compact (NRS 277.200), requests for state funds by the TRPA must be apportioned two-thirds from California and one-third from Nevada.

For the 2021-23 biennium, the Governor recommends General Fund appropriations of \$3.4 million in support of the TRPA, a decrease of 8.8% when compared to the \$3.7 million approved for the 2019-21 biennium. The Governor also recommends continuing the transfer of \$419,021 in each year of the 2021-23 biennium from the Department of Motor Vehicles' Motor Vehicle Pollution Control budget to support preservation and improvement of air quality in the Lake Tahoe Basin.

Total funding in support of the TRPA from Nevada is recommended at \$2.1 million in each year of the 2021-23 biennium. Given California's recommended funding of \$4.5 million per year, Nevada's recommended funding represents 32.1% of the total TRPA funding compared to California's share for the 2021-23 biennium.

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
INFRASTRUCTURE						
CRC - COLORADO RIVER COMMISSION	5,713,460	9,582,248	9,715,024	1.39	10,260,809	5.62
BALANCE FORWARD	-298,953	2,231,699	2,236,644	.22	2,551,786	14.09
INTERAGENCY TRANSFER	2,985,123	2,716,443	2,868,910	5.61	2,750,307	-4.13
OTHER FUND	3,027,290	4,634,106	4,609,470	-.53	4,958,716	7.58
CRC - RESEARCH AND DEVELOPMENT ACCOUNT	425,556	12,671,651	12,870,206	1.57	13,078,324	1.62
BALANCE FORWARD	-519,376	11,704,256	11,659,377	-.38	11,836,379	1.52
OTHER FUND	944,932	967,395	1,210,829	25.16	1,241,945	2.57
CRC - POWER DELIVERY PROJECT	14,418,757	13,963,595	22,871,476	63.79	21,840,921	-4.51
BALANCE FORWARD	-234,534	1,454,462	1,467,334	.89	1,442,098	-1.72
OTHER FUND	14,653,291	12,509,133	21,404,142	71.11	20,398,823	-4.70
CRC - POWER MARKETING	27,878,801	37,838,970	34,944,200	-7.65	35,588,239	1.84
BALANCE FORWARD	262,545	1,059,958	2,560,645	141.58	2,154,050	-15.88
OTHER FUND	27,616,256	36,779,012	32,383,555	-11.95	33,434,189	3.24
TOTAL COLORADO RIVER COMMISSION	48,436,574	74,056,464	80,400,906	8.57	80,768,293	.46
BALANCE FORWARD	-790,318	16,450,375	17,924,000	8.96	17,984,313	.34
INTERAGENCY TRANSFER	2,985,123	2,716,443	2,868,910	5.61	2,750,307	-4.13
OTHER FUND	46,241,769	54,889,646	59,607,996	8.60	60,033,673	.71
DCNR - ENVIRONMENTAL QUALITY IMPROVEMENT		89,313	89,313	.00	89,113	-.22
BALANCE FORWARD		89,313	89,313		89,113	-.22
DCNR - DIVISION OF OUTDOOR RECREATION	142,428	295,278	526,861	78.43	531,507	.88
GENERAL FUND	208,911	294,048	526,861	79.18	531,507	.88
INTERAGENCY TRANSFER	4,647	1,230				
REVERSIONS	-71,130					
DCNR - ADMINISTRATION	1,929,017	1,679,819	1,922,194	14.43	2,053,888	6.85
GENERAL FUND	976,318	879,238	1,019,734	15.98	1,150,055	12.78
BALANCE FORWARD	205,183					
INTERAGENCY TRANSFER	763,461	797,725	899,547	12.76	900,912	.15
OTHER FUND	2,927	2,856	2,913	2.00	2,921	.27
REVERSIONS	-18,872					
DCNR - DEP STATE ENVIRONMENTAL COMMISSION	55,706	149,725	125,251	-16.35	125,251	.00
INTERAGENCY TRANSFER	16,542	20,863	20,893	.14	20,893	
OTHER FUND	39,164	128,862	104,358	-19.02	104,358	
DCNR - FORESTRY	15,131,679	23,095,678	11,684,198	-49.41	11,567,546	-1.00
GENERAL FUND	7,494,650	7,590,366	8,011,527	5.55	7,942,674	-.86
BALANCE FORWARD	857,553	5,854,031	108,255	-98.15	45,787	-57.70
FEDERAL FUND	1,333,592	3,019,576	1,910,384	-36.73	1,911,148	.04
INTERAGENCY TRANSFER	777,210	6,509,039	1,509,024	-76.82	1,516,447	.49
INTERIM FINANCE	5,000,000					
OTHER FUND	122,609	122,666	145,008	18.21	151,490	4.47
REVERSIONS	-453,935					

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
DCNR - FORESTRY - FIRE SUPPRESSION	20,818,497	10,036,990	12,616,703	25.70	12,612,905	-.03
GENERAL FUND	4,291,199	3,488,359	4,940,049	41.62	4,938,712	-.03
BALANCE FORWARD	925,661	873,769	886,751	1.49	888,088	.15
FEDERAL FUND	257,756	562,623	1,655,804	194.30	1,655,804	
INTERAGENCY TRANSFER	18,499	28,115	9,841	-65.00	9,841	
INTERIM FINANCE	7,990,924	1,352,387				
OTHER FUND	7,334,458	3,731,737	5,124,258	37.32	5,120,460	-.07
DCNR - FORESTRY - CONSERVATION CAMPS	9,463,966	11,833,187	9,398,875	-20.57	9,431,258	.34
GENERAL FUND	6,885,937	6,222,803	6,691,492	7.53	6,674,014	-.26
BALANCE FORWARD	268,823	2,811,723				
INTERAGENCY TRANSFER	148,882	189,567	175,000	-7.68	175,000	
OTHER FUND	2,175,437	2,609,094	2,532,383	-2.94	2,582,244	1.97
REVERSIONS	-15,113					
DCNR - FORESTRY - WILDLAND FIRE PROTECTION PRGM	1,577,486	3,471,581	3,325,798	-4.20	2,933,284	-11.80
GENERAL FUND	50,000		50,000		50,000	
BALANCE FORWARD	-200,030	1,190,852	1,542,836	29.56	1,145,969	-25.72
INTERAGENCY TRANSFER	6,826					
OTHER FUND	1,738,757	2,280,729	1,732,962	-24.02	1,737,315	.25
REVERSIONS	-18,067					
DCNR - FORESTRY - NURSERIES	487,813	1,823,599	1,425,919	-21.81	893,808	-37.32
BALANCE FORWARD	117,620	1,059,050	787,166	-25.67	254,928	-67.61
INTERAGENCY TRANSFER	95,397	127,368	82,256	-35.42	82,330	.09
OTHER FUND	274,796	637,181	556,497	-12.66	556,550	.01
DCNR - STATE PARKS	20,345,212	22,240,378	19,323,505	-13.12	19,715,837	2.03
GENERAL FUND	8,357,919	8,418,273	7,222,012	-14.21	7,133,798	-1.22
BALANCE FORWARD	3,630,145	4,140,442				
FEDERAL FUND	63,283	85,312	82,504	-3.29	84,807	2.79
INTERAGENCY TRANSFER	2,233,132	2,319,987	516,857	-77.72	930,276	79.99
OTHER FUND	6,246,079	7,276,364	11,502,132	58.08	11,566,956	.56
REVERSIONS	-185,346					
DCNR - WATER RESOURCES	9,306,344	9,176,885	8,663,451	-5.59	8,575,653	-1.01
GENERAL FUND	8,259,567	7,575,160	7,519,799	-.73	7,407,558	-1.49
BALANCE FORWARD	275,465	109,425				
FEDERAL FUND	229,758	311,610	177,710	-42.97	177,594	-.07
INTERAGENCY TRANSFER	685,911	789,223	921,942	16.82	946,501	2.66
INTERIM FINANCE		347,467				
OTHER FUND	22,514	44,000	44,000		44,000	
REVERSIONS	-166,871					
DCNR - STATE LANDS	1,892,613	2,015,199	2,034,826	.97	2,063,274	1.40
GENERAL FUND	1,653,292	1,517,445	1,591,185	4.86	1,603,993	.80
INTERAGENCY TRANSFER	186,752	343,986	275,280	-19.97	286,260	3.99
OTHER FUND	135,291	153,768	168,361	9.49	173,021	2.77
REVERSIONS	-82,722					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
DCNR - NEVADA TAHOE REGIONAL PLANNING AGENCY	416	1,575	1,584	.57	1,584	.00
GENERAL FUND	1,831	1,575	1,584	.57	1,584	
REVERSIONS	-1,415					
DCNR - CONSERVATION DISTRICTS PROGRAM	604,405	531,756	463,573	-12.82	503,634	8.64
GENERAL FUND	634,794	531,481	463,573	-12.78	503,634	8.64
INTERAGENCY TRANSFER	3,427	275				
REVERSIONS	-33,816					
DCNR - NEVADA NATURAL HERITAGE	1,134,149	1,535,166	1,197,407	-22.00	998,332	-16.63
GENERAL FUND			200,000			
BALANCE FORWARD	-12,136	38,514				
FEDERAL FUND	192,309	313,174				
INTERAGENCY TRANSFER	941,404	1,098,423	967,420	-11.93	968,345	.10
OTHER FUND	29,987	85,055	29,987	-64.74	29,987	
REVERSIONS	-17,415					
DCNR - ACCOUNT FOR OFF-HIGHWAY VEHICLES (OHV)	846,885	4,392,541	3,782,301	-13.89	3,132,803	-17.17
BALANCE FORWARD	-161,834	3,452,176	2,773,582	-19.66	2,124,084	-23.42
INTERAGENCY TRANSFER	1,008,719	940,365	1,008,719	7.27	1,008,719	
DCNR - DEP ADMINISTRATION	7,266,892	8,708,171	9,343,017	7.29	10,350,664	10.79
BALANCE FORWARD	268,477	582,012	440,481	-24.32	1,293,691	193.70
FEDERAL FUND	2,652,619	3,327,003	3,460,000	4.00	3,460,000	
INTERAGENCY TRANSFER	4,345,796	4,799,156	5,442,536	13.41	5,596,973	2.84
DCNR - DEP AIR QUALITY	7,666,537	10,030,799	10,436,493	4.04	10,576,518	1.34
BALANCE FORWARD	-53,656	1,132,255	1,115,231	-1.50	1,090,139	-2.25
FEDERAL FUND	1,294,381	1,358,366	1,350,366	-.59	1,350,366	
INTERAGENCY TRANSFER	3,167,821	2,826,434	3,306,776	16.99	3,391,922	2.57
OTHER FUND	3,257,991	4,713,744	4,664,120	-1.05	4,744,091	1.71
DCNR - DEP WATER POLLUTION CONTROL	3,561,690	8,147,842	7,607,864	-6.63	6,991,611	-8.10
BALANCE FORWARD	-113,802	4,486,201	3,928,983	-12.42	3,308,685	-15.79
FEDERAL FUND	255,172	255,169	255,172	.00	255,172	
INTERAGENCY TRANSFER	328,529	334,535	307,493	-8.08	311,538	1.32
OTHER FUND	3,091,791	3,071,937	3,116,216	1.44	3,116,216	
DCNR - DEP MATERIALS MNGMT & CORRCTV ACTN	10,223,898	19,891,929	18,477,735	-7.11	16,070,793	-13.03
BALANCE FORWARD	151,062	1,540,004	2,541,285	65.02	2,101,156	-17.32
FEDERAL FUND	3,430,049	4,439,985	3,935,962	-11.35	3,918,156	-.45
INTERAGENCY TRANSFER	47,326					
OTHER FUND	6,595,461	13,911,940	12,000,488	-13.74	10,051,481	-16.24
DCNR - DEP MINING REGULATION/RECLAMATION	3,013,065	6,219,324	5,968,034	-4.04	5,586,590	-6.39
BALANCE FORWARD	44,314	3,349,211	2,998,752	-10.46	2,617,308	-12.72
INTERAGENCY TRANSFER	1,938					
OTHER FUND	2,966,813	2,870,113	2,969,282	3.46	2,969,282	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
DCNR - DEP STATE REVOLVING FUND - ADMIN	3,152,331	4,320,252	4,148,213	-3.98	4,303,157	3.74
BALANCE FORWARD	-137,524	956,726	690,235	-27.85	802,074	16.20
FEDERAL FUND	2,818,821	3,292,890	3,261,787	-.94	3,298,418	1.12
INTERAGENCY TRANSFER	2,760	2,853	3,510	23.03	3,738	6.50
OTHER FUND	468,274	67,783	192,681	184.26	198,927	3.24
DCNR - DEP WATER QUALITY PLANNING	3,338,148	4,731,530	4,027,509	-14.88	3,997,758	-7.4
BALANCE FORWARD	-3	20,575	20,575		20,575	
FEDERAL FUND	2,781,116	3,854,383	3,309,554	-14.14	3,280,504	-.88
INTERAGENCY TRANSFER	557,035	821,572	697,380	-15.12	696,679	-1.10
OTHER FUND		35,000				
DCNR - DEP SAFE DRINKING WATER PROGRAM	4,448,639	5,428,890	5,206,653	-4.09	5,102,159	-2.01
BALANCE FORWARD	140,913	290,114	212,417	-26.78	165,834	-21.93
FEDERAL FUND	685,258	1,141,316	952,000	-16.59	817,000	-14.18
INTERAGENCY TRANSFER	2,680,552	2,958,800	2,705,442	-8.56	2,762,799	2.12
OTHER FUND	941,916	1,038,660	1,336,794	28.70	1,356,526	1.48
DCNR - DEP WATER PLANNING CAP IMPROVEMENT	2,662	15,184	15,409	1.48	14,905	-3.27
BALANCE FORWARD	1,662	14,065	11,899	-15.40	11,213	-5.77
INTERAGENCY TRANSFER			2,510		2,692	7.25
OTHER FUND	1,000	1,119	1,000	-10.63	1,000	
DCNR - DEP INDUSTRIAL SITE CLEANUP	2,180,065	3,398,031	3,114,326	-8.35	3,149,722	1.14
BALANCE FORWARD	613,670	639,106	634,749	-.68	659,933	3.97
INTERAGENCY TRANSFER	18,035					
OTHER FUND	1,548,360	2,758,925	2,479,577	-10.13	2,489,789	.41
DCNR - ACCOUNT TO RESTORE THE SAGEBRUSH ECOSYSTEM	302,487	1,409,583	1,276,402	-9.45	1,197,378	-6.19
BALANCE FORWARD	227,842	1,184,583	1,051,402	-11.24	972,378	-7.52
OTHER FUND	74,645	225,000	225,000		225,000	
DCNR - OFFICE OF STATE HISTORIC PRESERVATION	1,341,087	1,544,745	1,397,071	-9.56	1,494,342	6.96
GENERAL FUND	523,106	487,206	420,695	-13.65	517,966	23.12
FEDERAL FUND	723,542	920,453	830,499	-9.77	830,499	
INTERAGENCY TRANSFER	15,049	72,396	60,000	-17.12	60,000	
OTHER FUND	79,950	64,690	85,877	32.75	85,877	
REVERSIONS	-560					
DCNR - HISTORIC PRES - COMSTOCK HISTORIC DISTRICT	209,846	194,478	209,876	7.92	212,637	1.32
GENERAL FUND	211,692	193,623	209,876	8.39	212,637	1.32
INTERAGENCY TRANSFER	2,993	855				
REVERSIONS	-4,839					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
TOTAL CONSERVATION & NATURAL RESOURCES	130,443,963	166,409,428	147,810,361	-11.18	144,277,911	-2.39
GENERAL FUND	39,549,216	37,199,577	38,868,387	4.49	38,668,132	-.52
BALANCE FORWARD	7,049,405	33,814,147	19,833,912	-41.34	17,590,955	-11.31
FEDERAL FUND	16,717,656	22,881,860	21,181,742	-7.43	21,039,468	-.67
INTERAGENCY TRANSFER	18,058,643	24,982,767	18,912,426	-24.30	19,671,865	4.02
INTERIM FINANCE	12,990,924	1,699,854				
OTHER FUND	37,148,220	45,831,223	49,013,894	6.94	47,307,491	-3.48
REVERSIONS	-1,070,101					
WILDLIFE - DIRECTOR'S OFFICE	7,198,705	9,019,148	8,139,998	-9.75	7,967,093	-2.12
FEDERAL FUND	932,583	2,068,414	737,424	-64.35	742,528	.69
INTERAGENCY TRANSFER	6,234,102	6,949,844	7,370,554	6.05	7,192,545	-2.42
OTHER FUND	32,020	890	32,020	3,497.75	32,020	
WILDLIFE - DATA AND TECHNOLOGY SERVICES	8,222,627	5,189,821	4,789,986	-7.70	4,853,703	1.33
FEDERAL FUND	626,869	667,004	630,023	-5.54	626,869	-.50
INTERAGENCY TRANSFER	7,595,758	4,491,227	4,159,963	-7.38	4,226,834	1.61
OTHER FUND		31,590				
WILDLIFE - CONSERVATION EDUCATION	3,076,835	3,233,077	3,344,710	3.45	3,445,287	3.01
GENERAL FUND	234,227	224,469	234,227	4.35	234,227	
FEDERAL FUND	1,688,958	1,394,488	1,920,072	37.69	1,991,555	3.72
INTERAGENCY TRANSFER	1,163,856	1,614,120	1,183,851	-26.66	1,212,945	2.46
OTHER FUND	6,560		6,560		6,560	
REVERSIONS	-16,766					
WILDLIFE - LAW ENFORCEMENT	6,656,735	8,570,986	7,809,022	-8.89	7,958,956	1.92
GENERAL FUND	57,402		57,402		57,402	
FEDERAL FUND	678,477	1,138,631	678,477	-40.41	678,477	
INTERAGENCY TRANSFER	5,790,387	7,172,490	6,932,674	-3.34	7,082,608	2.16
OTHER FUND	130,469	259,865	140,469	-45.95	140,469	
WILDLIFE - GAME MANAGEMENT	7,646,865	9,178,363	8,293,992	-9.64	8,315,494	.26
GENERAL FUND	84,201	81,748	84,201	3.00	84,201	
FEDERAL FUND	5,883,948	5,485,578	4,977,248	-9.27	4,978,167	.02
INTERAGENCY TRANSFER	1,562,379	3,611,037	3,133,936	-13.21	3,153,896	.64
OTHER FUND	116,337		98,607		99,230	.63
WILDLIFE - FISHERIES MANAGEMENT	9,100,357	9,520,014	9,073,355	-4.69	9,180,968	1.19
GENERAL FUND	150,918	150,918	150,918		150,918	
FEDERAL FUND	5,998,080	6,770,164	6,192,186	-8.54	6,208,943	.27
INTERAGENCY TRANSFER	2,947,243	2,543,708	2,730,251	7.33	2,821,107	3.33
OTHER FUND	4,116	55,224				
WILDLIFE - DIVERSITY DIVISION	1,626,321	2,127,411	1,805,966	-15.11	1,817,602	.64
GENERAL FUND	611,082	260,285	436,940	67.87	441,322	1.00
FEDERAL FUND	993,960	1,216,059	1,176,501	-3.25	1,183,755	.62
INTERAGENCY TRANSFER	1,693	632,305	159,981	-74.70	159,981	
OTHER FUND	32,544	18,762	32,544	73.46	32,544	
REVERSIONS	-12,958					

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
WILDLIFE - HABITAT	10,636,824	12,129,891	10,160,567	-16.24	9,937,847	-2.19
GENERAL FUND	156,332		156,332		156,332	
FEDERAL FUND	8,285,439	7,975,732	7,588,725	-4.85	7,454,330	-1.77
INTERAGENCY TRANSFER	2,031,050	3,904,158	2,263,477	-42.02	2,175,152	-3.90
OTHER FUND	164,003	250,001	152,033	-39.19	152,033	
TOTAL DEPARTMENT OF WILDLIFE	54,165,269	58,968,711	53,417,596	-9.41	53,476,950	.11
GENERAL FUND	1,294,162	717,420	1,120,020	56.12	1,124,402	.39
FEDERAL FUND	25,088,314	26,716,070	23,900,656	-10.54	23,864,624	-1.15
INTERAGENCY TRANSFER	27,326,468	30,918,889	27,934,687	-9.65	28,025,068	.32
OTHER FUND	486,049	616,332	462,233	-25.00	462,856	.13
REVERSIONS	-29,724					
NDOT - BOND CONSTRUCTION	683	161,600,000				
OTHER FUND	683	161,600,000				
NDOT - TRANSPORTATION ADMINISTRATION	751,517,753	923,517,302	831,469,371	-9.97	837,084,423	.68
BALANCE FORWARD	1,035,637	3,333,742				
FEDERAL FUND	344,667,677	392,595,066	378,000,000	-3.72	378,000,000	
HIGHWAY FUND	514,711,028	520,327,957	447,551,732	-13.99	452,933,329	1.20
INTERAGENCY TRANSFER	7,096,912	5,237,130	4,005,047	-23.53	4,054,002	1.22
OTHER FUND	1,519,813	2,023,407	1,912,592	-5.48	2,097,092	9.65
REVERSIONS	-117,513,314					
TOTAL DEPARTMENT OF TRANSPORTATION	751,518,436	1,085,117,302	831,469,371	-23.38	837,084,423	.68
BALANCE FORWARD	1,035,637	3,333,742				
FEDERAL FUND	344,667,677	392,595,066	378,000,000	-3.72	378,000,000	
HIGHWAY FUND	514,711,028	520,327,957	447,551,732	-13.99	452,933,329	1.20
INTERAGENCY TRANSFER	7,096,912	5,237,130	4,005,047	-23.53	4,054,002	1.22
OTHER FUND	1,520,496	163,623,407	1,912,592	-98.83	2,097,092	9.65
REVERSIONS	-117,513,314					
TAHOE REGIONAL PLANNING AGENCY	2,339,236	13,926,315	14,066,332	1.01	14,066,332	.00
GENERAL FUND	1,920,215	1,565,384	1,705,401	8.94	1,705,401	
INTERAGENCY TRANSFER	419,021	419,021	419,021		419,021	
OTHER FUND		11,941,910	11,941,910		11,941,910	
TOTAL TAHOE REGIONAL PLANNING AGENCY	2,339,236	13,926,315	14,066,332	1.01	14,066,332	.00
GENERAL FUND	1,920,215	1,565,384	1,705,401	8.94	1,705,401	
INTERAGENCY TRANSFER	419,021	419,021	419,021		419,021	
OTHER FUND		11,941,910	11,941,910		11,941,910	

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	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
INFRASTRUCTURE						
GENERAL FUND	42,763,593	39,482,381	41,693,808	5.60	41,497,935	-.47
BALANCE FORWARD	7,294,724	53,598,264	37,757,912	-29.55	35,575,268	-5.78
FEDERAL FUND	386,473,647	442,192,996	423,082,398	-4.32	422,904,092	-.04
HIGHWAY FUND	514,711,028	520,327,957	447,551,732	-13.99	452,933,329	1.20
INTERAGENCY TRANSFER	55,886,167	64,274,250	54,140,091	-15.77	54,920,263	1.44
INTERIM FINANCE	12,990,924	1,699,854				
OTHER FUND	85,396,534	276,902,518	122,938,625	-55.60	121,843,022	-.89
REVERSIONS	-118,613,139					
TOTAL FOR INFRASTRUCTURE	986,903,478	1,398,478,220	1,127,164,566	-19.40	1,129,673,909	.22
Less: INTER-AGENCY TRANSFER	55,886,167	64,274,250	54,140,091	-15.77	54,920,263	1.44
NET INFRASTRUCTURE	931,017,311	1,334,203,970	1,073,024,475	-19.58	1,074,753,646	.16

SPECIAL PURPOSE AGENCIES

Special purpose agencies have a specialized function or have a different statutory relationship to the Executive Branch of government than most state agencies. This group includes the Public Employees' Retirement System, which serves both state and local governments, the Public Employees' Benefits Program, the Commission on Ethics, the Office of the Military, the Department of Veterans Services, and the Silver State Health Insurance Exchange. For the 2021-23 biennium, the Department of Sentencing Policy, and the Department of Indigent Defense Services are reflected under this functional area, consistent with the 2019 Legislative Session Appropriations Report.

The Governor recommends General Fund support for special purpose agencies totaling \$11.3 million in FY 2022 and \$11.5 million in FY 2023, or \$22.8 million over the biennium, a net decrease of \$856,032 from the \$23.6 million approved by the 2019 legislature. The net decrease is attributable to the 2019 Legislature's approval of \$1.5 million in General Fund appropriations over the 2019-21 biennium to fund health insurance rate mitigation for non-state, non-Medicare (eligible) retirees enrolled in the Public Employees' Benefits Program (PEBP). For the 2021-23 biennium, the Governor recommends no General Fund appropriations for rate mitigation, consistent with the intent of Senate Bill 552 of the 2017 Legislative Session. Net of interagency transfers, amounts recommended for all funding sources total \$261.4 million in FY 2022 and \$255.0 million in FY 2023.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

The Public Employees' Retirement System (System) provides retirement, disability and death benefits to long-term public employees. The System includes employees of Nevada counties, cities, school districts, state government, and miscellaneous public employers. In addition to administering the retirement funds for regular and police/fire members, the System also administers the Legislators' Retirement System and the Judicial Retirement System.

Nevada Revised Statutes (NRS) 353.246 provides that the System is not subject to the State Budget Act. While the System is required to submit its proposed budget for inclusion in The Executive Budget, the Governor's Office of Finance does not review or make adjustments to the budget submitted by the System.

Per NRS 286.230, the System budget is primarily funded through a monthly per capita fee for each member and benefit recipient. The monthly per capita fees as of June 30, 2020, were \$5.79 for each regular member and benefit recipient and \$6.11 for each police/fire member and benefit recipient.

Based on the actuarial valuation of assets for fiscal year ending June 30, 2020, the actuarial value of assets to accrued liabilities (funded ratio) was 75.7% for regular members and 77.5% for police/fire members. The funded ratios increased from 74.9% for regular members and 76.5% for police/fire members as determined by the actuarial valuation of assets for fiscal year ending June 30, 2019. The actuarial-funded

ratio for the total fund increased from 75.3% for the fiscal year ending June 30, 2019, to 76.1% for the fiscal year ending June 30, 2020.

The Retirement Board approved an actuarial valuation of the System each year to monitor the assets and liabilities associated with the pension plan. Pursuant to NRS 286, contribution rates are set based on the results of even-numbered fiscal year valuations. The actuarial valuation for fiscal year ending June 30, 2020, has been completed and the following increases in the contribution rates for regular and police/fire members are recommended by the actuary and included in The Executive Budget effective July 1, 2021:

<u>Employer-Paid Plan</u>	<u>Regular Members</u>	<u>Police/Fire Members</u>
Current Contribution Rate	29.25%	42.50%
Contribution Rate – 7/1/2021	29.75%	44.00%
Increase in Rate	0.50%	1.50%

<u>Employee/Employer Plan</u>	<u>Regular Members</u>	<u>Police/Fire Members</u>
Current Contribution Rate	15.25%	22.00%
Contribution Rate – 7/1/2021	15.50%	22.75%
Increase in Rate	0.25%	0.75%

The System requests total funding of \$19.7 million over the 2021-23 biennium to continue replacing its existing Pension Administration System. The 2019 Legislature approved \$16.4 million over the 2019-21 biennium to begin replacing this system, and \$1.0 million over the 2019-21 biennium to hire contract workers to assist with the cleanup of data in the existing pension database.

The System requests a total of \$828,435 over the 2021-23 biennium to support two new positions, a Chief Investment Officer and a Chief Administrative Analyst, as well as operating expenditures for the two positions.

OFFICE OF THE MILITARY

The Office of the Military (Office) is responsible for the supervision of the military affairs of the state, which includes both state and federal roles. The primary state mission of the Office is to enlist, organize, arm, equip, and train the state’s militia and National Guard units and to protect the lives and property of the public in times of emergency, disorder and disaster. The primary federal mission is to provide combat-ready reserve forces for the United States Armed Forces to respond to a federal mobilization as directed by the President or Congress. The Adjutant General provides command and control of the Army National Guard and the Air National Guard. Funding for the Office is provided primarily through federal sources and General Fund appropriations.

Excluding the Emergency Management Division that is recommended to be transferred to the Office, The Executive Budget recommends General Fund appropriations for the Office in the amount of \$9.8 million over the 2021-23 biennium, a decrease of \$381,687, or 3.7%, when compared to the General Fund appropriations legislatively approved for the 2019-21 biennium. The Governor recommends federal funds of \$2.6 million, K-12 Funding of \$1.2 million and General Fund reductions of \$190,000 over the 2021-23 biennium to continue the implementation of the Nevada National Guard Youth

Challenge program near Carlin, which was initially approved by the 2019 Legislature. The Governor further recommends General Fund appropriations of \$185,398 over the 2021-23 biennium for one unclassified Psychological Health Manager position.

The Governor recommends 22 projects as part of the Capital Improvement Program for the Office totaling \$82.6 million over the 2021-23 biennium funded with a combination of state funds (\$41.9 million) and federal funds (\$40.7 million). The recommended projects include a building addition to the NV Army National Guard Washoe County Training Center, purchase of a navy operational support center, construction of an aircraft storage hangar and sitework at the Harry Reid Training Center, advanced planning for a general instruction building in North Las Vegas, and security and maintenance upgrades at various National Guard facilities statewide.

Finally, the Governor recommends a one-shot General Fund appropriation of \$612,954 and federal funds of \$826,696 over the 2021-23 biennium for facilities maintenance projects at various Nevada Army National Guard facilities, computer hardware and software equipment replacement, and shop tools/equipment replacement.

DEPARTMENT OF VETERANS SERVICES

The Department of Veterans Services consists of the Office of Veterans Services, the Southern Nevada Veterans Home and the Northern Nevada Veterans Home. The Executive Budget includes total funding, net of interagency transfers, of \$81.7 million for the Department of Veterans Services in the 2021-23 biennium, equating to an increase of \$16.1 million, or 24.5%, compared to the funding approved by the 2019 Legislature of \$65.7 million for the 2019-21 biennium. Of the amount requested for the 2021-23 biennium, General Fund appropriations represent \$6.5 million of the total, which is an increase of \$1.6 million, or 31.4%, over the \$5.0 million in General Fund appropriations approved by the 2019 Legislature for the 2019-21 biennium.

OFFICE OF VETERANS SERVICES

The Office of Veterans Services is responsible for assisting veterans and their families in obtaining services, compensation and government benefits, as well as supervising the operation and maintenance of the Nevada Veterans Memorial Cemeteries located in Boulder City and Fernley. The office also oversees the operation of the 180-bed Southern Nevada State Veterans Home located in Boulder City and the 96-bed Northern Nevada State Veterans Home located in Sparks.

For the 2021-23 biennium, the Governor recommends General Fund appropriations of \$5.8 million for the Office of Veterans Services budget, which represents an increase of \$1.5 million, or 35.5%, compared to the \$4.3 million approved by the 2019 Legislature for the 2019-21 biennium. The Governor recommends total funding of \$10.5 million for the 2021-23 biennium, including federal funds and interagency transfers, which is an increase of \$1.3 million, or 13.8%, compared to the legislatively approved amount of \$9.2 million for the 2019-21 biennium.

The Governor recommends General Fund appropriations of \$68,330 in FY 2022 to replace the phone systems at the Administrative Office, Northern Nevada Veterans Memorial Cemetery and Southern Nevada Veterans Memorial Cemetery.

SOUTHERN NEVADA VETERANS HOME

The Southern Nevada State Veterans Home is a 180-bed, 24-hour skilled nursing facility located in Boulder City. The Southern Nevada veterans home admitted its first residents in August 2002 and provides a wide range of residential and support services to eligible veterans, spouses of veterans, and Gold Star residents (parents who had a child who died while in military service).

The Governor recommends total funding, including federal funds and interagency transfers of \$69.7 million for the Southern Nevada Veterans Home budget for the 2021-23 biennium, an increase of \$19.8 million, or 39.5%, over the amount legislatively approved for the 2019-21 biennium of \$50.0 million.

The Governor recommends Veterans Affairs Per Diem Reimbursement revenue of \$308,240 in FY 2022 to replace worn flooring in the hallways, lobby, offices, and kitchen. The Executive Budget includes reductions to reserve of \$1.5 million in FY 2022 to add a chiller replacement project at the Southern Nevada State Veterans Home in Boulder City, Capital Improvement Program Project 19-M06, due to the failure of one of the home's two chillers, which has required the rental of a temporary chiller. A request for the replacement of the chiller system at the home, including the replacement of the failed chiller and the remaining operable chiller, was approved by the Interim Finance Committee (IFC) on January 27, 2021, to expedite the project; therefore, this recommendation would be duplicative.

NORTHERN NEVADA VETERANS HOME

The Northern Nevada State Veterans Home is a 96-bed, 24-hour skilled nursing facility located in Sparks. The Northern Nevada veterans home opened in December 2018 and provides a wide range of residential and support services to eligible veterans, spouses of veterans and, Gold Star residents (parents who had a child who died while in military service).

The Executive Budget includes total funding, including federal funds and interagency transfers of \$18.9 million for the Northern Nevada Veterans Home budget in the 2021-23 biennium, equating to an increase of \$2.8 million, or 17.2%, compared to the funding approved by the 2019 Legislature of \$16.1 million for the 2019-21 biennium. Of the amount requested for the 2021-23 biennium, General Fund appropriations represent \$715,048 of the total, which is an increase of \$36,338, or 5.4%, over the \$678,710 in General Fund appropriations approved by the 2019 Legislature for the 2019-21 biennium.

CAPITAL IMPROVEMENT PROGRAM PROJECTS

The Executive Budget recommends \$607,271 in state funds and \$3.5 million in other funds for cemetery expansion supplemental funding for the Southern Nevada Veterans Memorial Cemetery in Boulder City, and \$1.6 million in state funds and \$2.6 million in other funds to fund advance planning for the remodel and addition at the Southern Nevada State Veterans Home in Boulder City.

SILVER STATE HEALTH INSURANCE EXCHANGE

The Silver State Health Insurance Exchange (SSHIX) was established pursuant to *Nevada Revised Statutes* (NRS) 695I.200 to create and administer a health insurance exchange to facilitate the purchase and sale of qualified health plans pursuant to the federal Patient Protection and Affordable Care Act and the federal Health Care and Education Reconciliation Act of 2010. The SSHIX is primarily funded from Carrier Premium Fees (CPF) charged to insurance providers of 3.05% of gross monthly health insurance premiums collected for each plan sold on the exchange. In FY 2020, SSHIX transitioned away from the federal health insurance marketplace and now operates as an autonomous state-based exchange.

For the 2021-23 biennium, the Governor recommends reserve reductions totaling \$493,772 to establish four new positions, including one Health Resource Analyst, one Business Process Analyst, one Health Program Specialist, and one Program Officer. The positions would perform services previously provided by the federal Center for Medicaid Services or external vendors and would address increased workloads due to additional insurance carriers joining the exchange.

In addition, The Executive Budget recommends reserve reductions totaling \$1.6 million over the 2021-23 biennium for costs associated with providing additional call center capacity and expanded weekend operating hours during open enrollment; providing year-round enrollment assistance, marketing and outreach activities; and providing the navigator and broker program.

COMMISSION ON ETHICS

The Commission on Ethics (Commission), which consists of eight members pursuant to *Nevada Revised Statutes* (NRS) 281A.200 (four appointed by the Legislative Commission and four appointed by the Governor), is responsible for investigating and adjudicating public complaints involving the ethical conduct of public officers and employees; providing ethical guidance through published opinions; and providing outreach and education to public officers and employees regarding ethics requirements and prohibitions under Nevada law. The Executive Budget recommends total funding of \$1.9 million (\$494,348 in General Fund appropriations and \$1.4 million in County Reimbursements) over the 2021-23 biennium. Total General Fund appropriations are requested to increase by \$3,699 compared to the \$490,649 approved by the 2019 Legislature.

Pursuant to NRS 281A.270, each county whose population is 10,000 or more and each city whose population is 15,000 or more and that is located within such a county shall pay an assessment for the costs incurred by the Commission each biennium in carrying out its functions. The Executive Budget recommends continuing the funding split approved by the 2019 Legislature for the 2019-21 biennium of 26% state support and 74% local government support based on the number of state and local government public officers and employees.

PUBLIC EMPLOYEES' BENEFITS PROGRAM

The Public Employees' Benefits Program (PEBP) provides insurance coverages for state employees, state retirees who are ineligible for Medicare, and their dependents, if the participant chooses to cover dependents. Retirees who are eligible for Medicare receive a contribution they may use toward a health insurance plan of their choosing obtained through the PEBP-sponsored Individual Medicare Market Exchange (operated by Via Benefits). Non-state public agencies can join the program to provide coverage for their employees, retirees, and dependents. Insurance coverages currently provided include health (medical, dental, prescription), life, accidental death and dismemberment, and long-term disability. Accidental death and dismemberment, long-term disability, and life insurance benefits are fully insured by outside carriers. The largest portion of the program is health insurance, which provides medical, dental, and prescription drug coverage. The PEBP benefits plan year (PY) follows the state fiscal year (i.e., July 1 through June 30).

ENROLLMENTS

Total participant enrollment, excluding dependents, for PY 2020 was 44,887, a 1.4% increase over PY 2019. Plan Year 2021 enrollments as of August 1, 2020, are 44,680, or 207 participants less than PY 2020. When dependents are included, PEBP's total enrolled "membership" is approximately 72,000. For PYs 2022 and 2023, overall participant enrollment is budgeted to remain generally flat (-307 or 0.7% decrease) to PY 2021. The net decrease in state participants is primarily due to a decrease in active employees, likely associated with The Executive Budget's recommendations to hold positions vacant as budget savings measures. For non-state participants, the decrease reflects non-Medicare-eligible retirees leaving the program to obtain health insurance elsewhere or deceasing.

Public Employees' Benefits Program Participant Enrollments

PARTICIPANT TYPE	PY 2019 (Actual)	PY 2020 (Actual)	PY 2021 (August 1, 2020)	PY 2022 (Budgeted)	PY 2023 (Budgeted)
STATE PARTICIPANTS					
Actives	26,580	27,045	26,865	26,327	26,327
Non-Medicare Retirees	3,974	4,086	4,132	4,149	4,149
Medicare Retirees	7,256	7,501	7,654	7,960	7,960
Retirees SUBTOTAL	11,230	11,587	11,786	12,109	12,109
TOTAL STATE	37,810	38,632	38,651	38,436	38,436
Change	958	822	19	(215)	0
% Change	2.6%	2.2%	0.0%	-0.6%	0.0%
NON-STATE PARTICIPANTS					
Actives	8	8	8	7	7
Non-Medicare Retirees	1,182	1,008	909	818	818
Medicare Retirees	5,270	5,239	5,112	5,112	5,112
Retirees SUBTOTAL	6,452	6,247	6,021	5,930	5,930
TOTAL NON-STATE	6,460	6,255	6,029	5,937	5,937
Change	(250)	(205)	(226)	(92)	0
% Change	-3.7%	-3.2%	-3.6%	-1.5%	0.0%
TOTAL PARTICIPANTS	44,270	44,887	44,680	44,373	44,373
Change	708	617	(207)	(307)	0
% Change	1.6%	1.4%	-0.5%	-0.7%	0.0%

The largest portion of the program is health insurance, which provides medical, dental, and prescription drug coverage. Most participants (73%) enroll in the self-insured High Deductible Health Plan (HDHP) with healthcare services obtained through a Preferred Provider Organization (PPO) network. Participants who reside in Clark and Nye counties have the option of electing a Health Maintenance Organization (HMO) plan, which is fully insured by Health Plan of Nevada (HPN), rather than the self-funded PPO plan. Beginning with PY 2019, participants who reside in the 15 other counties have the option of enrolling in PEBP's Exclusive Provider Organization (EPO) plan, an "HMO-like" plan that replaced the HMO option for northern and rural residents.

In July 2020, the Board of the Public Employees' Benefits Program (PEBP Board) approved a new statewide, low-deductible PPO health plan to be available July 1, 2021 (PY 2022). PEBP refers to this plan as the "Copay Plan." The Governor's budget includes this new plan option and anticipates 17.2%, or 5,256, of state participants will enroll in the new plan for PYs 2022 and 2023. An additional 75, or 9.1%, of non-state participants are also expected to enroll. Participants enrolled in the HDHP are primarily expected to "migrate" to the new plan. Limited migration is expected to occur from the HMO and EPO plans.

Public Employees' Benefits Program Enrollments By Plan¹
Plan Year 2021 (August 1, 2020) and Plan Years 2022 and 2023 (Projected)

PARTICIPANT TYPE	PY 2021 HDHP (PPO)	PY 2021 HMO South (HPN)	PY 2021 EPO North/Rural	PYs 2022/23 HDHP (PPO)	PYs 2022/23 Copay ² (PPO)	PYs 2022/23 HMO South (HPN)	PYs 2022/23 EPO North/Rural
STATE PARTICIPANTS							
Actives	19,456	3,410	3,999	14,300	4,766	3,342	3,919
Non-Medicare Retirees	3,274	284	574	2,798	490	285	576
TOTAL STATE	22,730	3,694	4,573	17,098	5,256	3,627	4,495
Change	(111)	8	(31)	(5,632)	5,256	(67)	(78)
NON-STATE PARTICIPANTS							
Actives	3	0	4	3	0	0	4
Non-Medicare Retirees	563	215	131	431	75	194	118
TOTAL NON-STATE	566	215	135	434	75	194	122
Change	(56)	(27)	(17)	(132)	75	(21)	(13)
Total Participants By Plan	23,296	3,909	4,708	17,532	5,331	3,821	4,617
Change	(167)	(19)	(48)	(5,764)	5,331	(88)	(91)
% Change	-0.7%	-0.5%	-1.0%	-24.7%		-2.3%	-1.9%
TOTAL PARTICIPANTS			31,913				31,301
Change			(234)				(612)
<small>Note 1: Count of Total Participants differs from totals shown in PEBP Participant Enrollments Table as this table excludes Medicare-eligible retirees who are on the Medicare Exchange: 12,766 in PY 2021 and 13,072 projected for PYs 2022, 2023.</small>							
<small>Note 2: The difference between the 5,331 participants projected to migrate to the Copay plan in PYs 2022 and 2023 and the 5,943 reduction in participants shown for the HDHP, HMO and EPO is the 612 total decrease in projected enrollments.</small>							

Funding for the program is provided by the state's contributions for active and retired employee participants, premiums paid by plan participants, pharmacy rebates, federal Medicare Part D subsidies, and Treasurer's interest. While there is no direct General Fund support in PEBP's budgets, a significant portion of the state's contributions for state active employees and state retirees is funded through accounts supported by General Fund appropriations.

The plan maintains actuarially determined reserves for Incurred But Not Reported (IBNR) and Catastrophic claims. The IBNR reserve provides cash flow should the plan receive claims in excess of available operating cash. The Catastrophic reserve pays for extraordinarily large claims to decrease volatility and avoid disruptions to the rates in the following plan year. The plan also maintains a Health Reimbursement Arrangement (HRA) reserve that serves as a holding account for retiree's unexpended prior year contributions and provides cash flow in the current year. Positive claims experience may result in excess cash, which is placed into the Excess Reserve category.

BUDGETED PLAN REVENUES

For the 2021-23 biennium, the Governor recommends that total plan revenues, net of balance forwards, decrease by \$34.2 million, or -4.3%, to \$762.6 million, when compared to the \$796.8 million in total revenues approved by the 2019 Legislature. State subsidies (contributions) are budgeted to decrease by \$39.6 million, or -6.8%, while state participant premium revenues are budgeted to increase by \$9.3 million, or 7.4%. Consistent with decreased non-state retiree participants, non-state subsidy and participant premium revenues are budgeted to decline a combined \$18.4 million or -27.7% over the 2021-23 biennium.

**Governor Recommended PEBP Program Revenues for the 2021-23 Biennium
Compared to the Legislatively Approved Revenues for the 2019-21 Biennium (in millions, rounded)**

Revenue Type	FY 2020 (Leg. Approved)	FY 2021 (Leg. Approved)	2019-21 Biennium Total	FY 2022 (Gov. Rec.)	FY 2023 (Gov. Rec.)	2021-23 Biennium Total	2021-23 Biennium Difference	% Change
Balance Forward from Previous Year	\$ 146.3	\$ 140.0	\$ 286.3	\$ 126.1	\$ 117.9	\$ 244.0	\$ (42.3)	-14.8%
Medicare Part D Subsidies	\$ 0.6	\$ 0.6	\$ 1.2	\$ 0.1	\$ 0.1	\$ 0.2	\$ (1.0)	-83.3%
HDHP PPO Rx Rebates	\$ 7.2	\$ 7.1	\$ 14.3	\$ 13.8	\$ 13.8	\$ 27.6	\$ 13.3	93.0%
Miscellaneous Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Non-State Participant Premiums	\$ 4.5	\$ 3.6	\$ 8.1	\$ 3.5	\$ 3.7	\$ 7.2	\$ (0.9)	-11.1%
Non-State Subsidies	\$ 29.2	\$ 29.1	\$ 58.3	\$ 20.0	\$ 20.8	\$ 40.8	\$ (17.5)	-30.0%
State Participant Premiums	\$ 61.8	\$ 64.7	\$ 126.5	\$ 65.3	\$ 70.5	\$ 135.8	\$ 9.3	7.4%
State Subsidies	\$ 286.5	\$ 299.1	\$ 585.6	\$ 263.1	\$ 282.9	\$ 546.0	\$ (39.6)	-6.8%
Treasurer's Interest	\$ 1.4	\$ 1.4	\$ 2.8	\$ 2.5	\$ 2.5	\$ 5.0	\$ 2.2	78.6%
TOTALS	\$ 537.5	\$ 545.6	\$ 1,083.1	\$ 494.4	\$ 512.2	\$ 1,006.6	\$ (76.5)	-7.1%
Balance Forward (Totals)	\$ 146.3	\$ 140.0	\$ 286.3	\$ 126.1	\$ 117.9	\$ 244.0	\$ (42.3)	-14.8%
Net of Balance Forward	\$ 391.2	\$ 405.6	\$ 796.8	\$ 368.3	\$ 394.3	\$ 762.6	\$ (34.2)	-4.3%

BUDGETED PLAN CLAIMS EXPENDITURES

The Executive Budget recommends operating expenditures, excluding HRA, IBNR, Catastrophic and Excess reserves, totaling \$376.6 million for FY 2022 and \$389.1 million for FY 2023, or a biennial total of \$765.7 million. Of the total operating expenditures, approximately 98.5% (\$754.0 million) is recommended to cover the medical, prescription, and dental claims costs, and the associated third-party administrative costs for the HDHP, Copay, HMO, and EPO plans. The \$11.7 million balance primarily supports PEBP's personnel (\$5.7 million) and operating costs (\$5.3 million). For each year of the 2021-23 biennium, budgeted expenditures for state participants (active employees and non-Medicare retirees) account for 87.1% of total claims and third-party administrative costs.

Recommended Claims Expenditure Levels: 2021-23 Biennium

Participant Group	FY 2022 (Gov. Rec.)	FY 2023 (Gov. Rec.)	2021-23 Total (Gov. Rec.)	%
State Participant Insurance	\$ 322,446,769	\$ 334,327,274	\$ 656,774,043	87.1%
Non-State Participant Insurance	\$ 11,507,187	\$ 11,952,082	\$ 23,459,269	3.1%
State & Non-State Medicare Retiree Insurance (costs)	\$ 36,829,785	\$ 36,931,354	\$ 73,761,139	9.8%
TOTAL	\$ 370,783,741	\$ 383,210,710	\$ 753,994,451	100.0%

The projected self-insured claims costs are based upon actuarial projections, with adjustments made by the Governor's Office of Finance, and PEBP's enrollment projections.

PLAN OPERATING RESERVES

The Executive Budget continues actuarially recommended increases to the IBNR and Catastrophic reserves linked to PEBP's assumption of the medical and prescription claims liability risk associated with implementing the self-funded EPO plan after eliminating the fully-insured northern/rural HMO plan (Hometown Health) effective PY 2019 (July 1, 2018).

Recommended PEBP Budget Reserves for 2021-2023 Biennium (in millions, rounded)

	FY 2019 Actual	FY 2020 Actual	FY 2021 (Y-T-D)	FY 2022 (Gov. Rec.)	FY 2023 (Gov. Rec.)
HRA Reserve	\$ 31.7	\$ 36.2	\$ 30.6	\$ 26.3	\$ 26.3
IBNR Reserve	\$ 51.8	\$ 58.8	\$ 51.5	\$ 54.1	\$ 57.3
Catastrophic Reserve	\$ 39.9	\$ 24.2	\$ 34.8	\$ 36.6	\$ 38.8
Excess Reserve	\$ 23.0	\$ 6.9	\$ 9.2	\$ 0.9	\$ 0.7
TOTAL RESERVES	\$ 146.4	\$ 126.1	\$ 126.1	\$ 117.9	\$ 123.1

PLAN BENEFITS DESIGN FOR THE 2021-23 BIENNIUM

As with other Executive Branch agencies, PEBP and the PEBP Board were required to submit 12.0% budget reduction scenarios. The Board chose to limit the impact on participant premiums through reducing benefits rather than increasing premiums. However, the Governor's recommended budget reflects a 6.0% reduction over the 2021-23 biennium (-7.8% in FY 2022, -4.3% in FY 2023). Page 278 shows the current PY 2021 benefit levels for each plan, the 12.0% reduced benefit level adopted by the PEBP Board and the PY 2022 and PY 2023 benefit levels recommended in The Executive Budget.

For all four plans (HDHP, Copay, EPO and HMO), the change from a 12.0% to 6.0% reduction was primarily applied to offsetting increases to deductibles, out-of-pocket maximums and partially restoring the life insurance benefit. The Health Savings Account (HSA) contribution provided to HDHP participants was also partially restored. However, funding for the long-term disability benefit is recommended to be eliminated. Additionally, the monthly Health Reimbursement Arrangement (HRA) contribution provided to retirees on the Medicare Exchange is recommended to be reduced to \$11.00 per Year of Service ([YOS] up to 15 years) after being funded at \$13.00 YOS with one-shot funds in FY 2021.

STATE CONTRIBUTIONS PERCENTAGES

The state contribution percentages determine the total state contribution revenue needed in each fiscal year and are the basis for the per participant, per month (PPPM) state contribution for active employees (AEGIS) and the base state contribution for retirees (REGI) as well as the monthly premium paid by participants.

For state active employees, with self-only coverage, the funded contribution percentage is approximately 92.6% for the HDHP plan, approximately 89.8% for the new Copay plan and approximately 80.7% for the EPO/HMO plans. Across all plans and participant tiers,

the state’s contribution for active employees is budgeted at approximately 82.0% in FY 2022 and FY 2023.

For state retirees with self-only coverage, the funded contribution percentage varies by fiscal year, increasing by approximately 1.1% in FY 2023: from 62.2% in FY 2022 to 63.3% in FY 2023 for the HDHP plan, from 60.3% in FY 2022 to 61.4% in FY 2023 for the new Copay plan, and from 54.2% in FY 2022 to 55.2% in FY 2023 for the EPO/HMO plans. Across all plans and participant tiers, the state’s contribution for non-Medicare retirees is budgeted to be 56.2% in FY 2022 and 57.2% in FY 2023.

STATE ACTIVE EMPLOYEES’ GROUP INSURANCE

The Active Employees’ Group Insurance (AEGIS) budget was established by the 2007 Legislature as a mechanism to collect contributions made by each state entity for the benefit of their active employees. The contributions defray a portion of the individual insurance premiums for active employees in state government who participate in PEBP. Assessments on filled positions are charged to all state agencies, boards and commissions, the Legislative and Judicial Branches, the Public Employees’ Retirement System, and the Nevada System of Higher Education.

The PPPM monthly contribution is a composite amount based upon the total number of active employees and dependents enrolled by “tier” (participant only, participant + spouse, participant + family) and plan (HDHP, Copay, HMO or EPO). The AEGIS is assessed on a month basis on each agency’s filled positions. For the 2021-23 biennium, The Executive Budget recommends monthly state contributions of \$727.00 in FY 2022 and \$755.00 in FY 2023.

**Active Employee Group Insurance (AEGIS) PPPM State Contribution:
Governor Recommended AEGIS Contributions for the 2021-23 Biennium**

FY 2018 AEGIS PPPM Contribution	FY 2019 AEGIS PPPM Contribution	FY 2020 AEGIS PPPM Contribution	FY 2021 AEGIS PPPM Contribution	Gov. Rec. FY 2022 AEGIS PPPM Contribution	Gov. Rec. FY 2023 AEGIS PPPM Contribution
\$ 743.00	\$ 740.92	\$ 760.79	\$ 783.30	\$ 727.00	\$ 755.00
% Change	-0.3%	2.7%	3.0%	-7.2%	3.9%

STATE RETIRED EMPLOYEE GROUP INSURANCE

The Retired Employee Group Insurance (REGI) program was designed to defray a portion of health insurance premiums for employees who retire from state service and continue to participate in the state’s group insurance plan. Funding for the program is through payroll assessments to state agencies to cover the costs of the state subsidy of both non-Medicare retiree subsidies as well as Medicare retiree contributions.

The REGI assessment is calculated as a percentage of gross salaries in each budget account. The recommended assessments for the upcoming biennium are 2.17% and 2.18% for FY 2022 and FY 2023, respectively. Both amounts are a decrease from the 2.73% assessed in FY 2021. The table below shows the base state contribution for state non-Medicare retirees which, pursuant to *Nevada Revised Statutes* (NRS) 287.046, equates to the benefit a retiree would receive for 15 Years of Service. This is the state contribution that would be provided to a state, non-Medicare retiree to offset the cost of the monthly premium and is also a composite amount.

**Retired Employee Group Insurance (REGI) Base PPPM State Contribution for
Non-Medicare Retirees (15 Years of Service):
Governor Recommended for the 2021-23 Biennium**

FY 2018 REGI PPPM Contribution	FY 2019 REGI PPPM Contribution	FY 2020 ¹ REGI PPPM Contribution	FY 2021 REGI PPPM Contribution	Gov. Rec. FY 2022 REGI PPPM Contribution	Gov. Rec. FY 2023 REGI PPPM Contribution
\$ 445.03	\$ 451.23	\$ 551.77	\$ 478.15	\$ 471.50	\$ 498.00
% Change	1.4%	22.3%	-13.3%	-1.4%	5.6%

Note 1: FY 2020 REGI PPPM contribution was greater compared to FY 2019 and FY 2021 to fund (one-time) a \$4.4 million shortfall in REGI assessment collections that occurred in FY 2018 and FY 2019. If shortfalls occur, they are funded in the following biennium as the contribution amounts are set on a biennial basis in Session law (e.g., S.B. 550 [2019]).

Nevada Revised Statutes 287.046 provides that retirees who retired prior to January 1, 1994, are entitled to 100% of the base subsidy amount to be applied against the total premium for insurance coverage. For FY 2021, the approved base subsidy was \$478.15. For FY 2022 and FY 2023, The Executive Budget recommends a monthly state contribution of \$471.50 and \$498.00, respectively. Retirees who retired on or after January 1, 1994, but who were hired before January 1, 2010, are entitled to 25% of the base subsidy amount for 5 years of service (YOS) and 7.5% for each additional year of service up to 20 YOS. However, also pursuant to NRS 287.046, retirees who were hired between January 1, 2010, and December 31, 2011, must have 15 or more YOS to obtain the retiree base subsidy for health insurance. Finally, employees initially hired on or after January 1, 2012, do not receive any retiree subsidy, but can utilize the funds accrued in their Health Savings Accounts to pay retiree health premiums.

PLAN INFLATION ADJUSTMENTS

The Governor recommends adjustments for medical, prescription drug and dental inflation (trend) increases over the 2021-23 biennium. “Trend” encompasses both inflation and utilization changes and is based upon actuarial projections with adjustments determined by the Governor’s Office of Finance. The Executive Budget budgets medical inflation at 3.52% and prescription drug inflation of 4.0% in FY 2022, with an additional 3.52% and 4.0% in FY 2023 for medical and pharmaceutical inflation, respectively. Dental inflation is budgeted at 1.75% in each year of the 2021-23 biennium. To fund these increases,

the Governor recommends net increased revenues of \$9.8 million in FY 2022 and \$37.4 million in FY 2023.

PARTICIPANT CASELOAD CHANGES

Based upon projected state employee and retiree enrollment changes, the Governor recommends decreases in state subsidy contributions of \$13.9 million in FY 2022 and \$14.3 million in FY 2023. State participant revenues are also budgeted to decline by \$3.6 million in FY 2022 and \$3.7 million in FY 2023. To fund non-state retiree enrollment changes, The Executive Budget recommends decreases in non-state retiree participant premiums of \$1.6 million in both FY 2022 and FY 2023 along with decreases in non-state subsidy revenue of \$6.5 million in FY 2022 and \$6.7 million in FY 2023.

To fund the projected increase in state and non-state Medicare-eligible retirees enrolled on the PEBP-sponsored Medicare exchange, additional state and non-state participant premiums and state and non-state subsidy revenues totaling \$2.0 million is recommended over the 2021-23 biennium.

NON-STATE RETIREE RATE MITIGATION

To lower monthly premiums for non-state, non-Medicare retirees and require local governments to contribute additional funding in support of their retirees enrolled in PEBP, the 2017 Legislature passed, and the Governor approved, Senate Bill (S.B.) 552, which amended NRS 287.023(4)(b) to align the monthly premium paid by a non-state, non-Medicare retiree with the premium paid by a similarly enrolled (same plan and tier) state, non-Medicare retiree effective July 1, 2017. To allow local governments time to allocate additional funding for higher subsidy costs, S.B. 552 (2017) specified a four-year phase-in period, with the state providing General Fund appropriations to cover the increased local government share as follows: 100.0% in FY 2018, 75.0% in FY 2019, 50.0% in FY 2020, and 25.0% in FY 2021. Effective FY 2022, local governments were to assume 100.0% of the cost.

Consistent with S.B. 552 (2017), the Governor recommends no further General Fund appropriations in the 2021-23 biennium.

ATTACHMENT A
Current Plan Design and 2021-23 PEBP Plan Design Funded in The Executive Budget

Plan Benefits	High Deductible Health Plan (HDHP) PPO			Low Deductible Copay Plan (PPO)			EPO/HMO Plan		
	PY 2021 (Current)	Agency Request w/12% Reduction	Gov.Rec.	PY 2021 (Current)	Agency Request w/12% Reduction	Gov.Rec.	PY 2021 (Current)	Agency Request w/12% Reduction	Gov.Rec.
Deductible (Individual/Family w/Max)	\$1,500/\$3,000 (\$2,800 max)	\$2,000/\$4,000 (\$2,850 max)	\$1,750/\$3,500 (\$2,800 max)	N/A	\$1,000/\$2,000 (\$1,000 max)	\$500/\$1,000 (\$500 max)	\$0	\$500/\$1,000 (\$500 max)	\$150/\$300 (\$150 max)
Out-Of-Pocket Max (Individual/Family w/Max)	\$3,900/\$7,800 (\$6,850 max)	\$6,000/\$12,000 (\$6,000 max)	\$5,000/\$10,000 (\$6,850 max)	N/A	\$6,000/\$12,000 (\$6,000 max)	\$5,000/\$10,000 (\$5,000 max)	\$7,150/\$14,300 (\$7,150 max)	\$6,000/\$12,000 (\$6,000 max)	\$5,000/\$10,000 (\$5,000 max)
Coinsurance (participant pays after deductible until OOP met, then Plan pays 100%)	20%	20%	20%	N/A	20%	20%	N/A	20%	20%
Primary Care Office Visit	Based upon deductible and OOP	Based upon deductible and OOP	Based upon deductible and OOP	N/A	\$30	\$30	\$20	\$25	\$25
Specialist Office Visit	(same)	(same)	(same)	N/A	\$50	\$50	\$40	\$40	\$40
ER Visit	(same)	(same)	(same)	N/A	\$750	\$750	\$500	\$750 (after deductible)	\$750
Urgent Care Visit	(same)	(same)	(same)	N/A	\$80	\$80	\$30	\$50	\$50
Inpatient Hospital Stay	(same)	(same)	(same)	N/A	20% (after deductible)	20%	\$500	\$750 (after deductible)	\$750
Outpatient Surgery	(same)	(same)	(same)	N/A	\$500	\$500	\$350	\$350	\$350
Rx - Generic Prescription	(same)	(same)	(same)	N/A	\$10	\$10	\$10	\$10	\$10
Rx - Formulary	(same)	(same)	(same)	N/A	\$40	\$40	\$40	\$40	\$40
Rx - Non-Formulary	(same)	(same)	(same)	N/A	\$75	\$75	\$75	\$75	\$75
Rx - Specialty	(same)	(same)	(same)	N/A	30% (after deductible)	30% (after deductible)	20% (after deductible)	30% (after deductible)	30% (after deductible)
All Other Services	(same)	(same)	(same)	N/A	20% (after deductible)	20% (after deductible)	Varies	20% (after deductible)	20% (after deductible)
HSA State Contribution	\$700 + \$200 per dependent	\$300	\$600	N/A	N/A	N/A	N/A	N/A	N/A
Other Benefits - All Plans	Current	12% Reduction	Gov. Rec.						
Basic Life Insurance	\$25,000/\$12,500 (active/retiree)	\$10,000/\$5,000 (active/retiree)	\$15,000/\$7,500 (active/retiree)						
Long-Term Disability	60% benefit (max \$7,500 month)	50% benefit (max \$6,250 month)	Eliminated						
Medicare Retiree HRA Contribution	\$13.00 per Year of Service (YOS)	\$11.00 per YOS	\$11.00 per YOS						

DEPARTMENT OF INDIGENT DEFENSE SERVICES

The Department of Indigent Defense Services was created pursuant to Assembly Bill 81 (2019), codified as *Nevada Revised Statutes* (NRS) 180.400. The department is governed by a Board on Indigent Defense Services (Board), consisting of 13 voting members and up to 3 additional non-voting members. The department provides support to counties to develop and maintain quality, cost-effective indigent defense systems that meet the needs of local communities, and the requirements of the Constitution and state law.

The department also includes the State Public Defender, authorized under NRS 180.010, which represents adult and juvenile indigent criminal defendants when a court appoints the office as counsel. The office is also responsible for appeals for state prison inmates whose habeas corpus post-conviction petitions have been denied. The Executive Budget recommends total funding of \$7.7 million (\$4.9 million in General Fund appropriations) over the 2021-23 biennium.

DEPARTMENT OF SENTENCING POLICY

The 2019 Legislature approved the establishment of the Department of Sentencing Policy through the passage of Assembly Bill (A.B.) 80, codified as *Nevada Revised Statutes* (NRS) 176.01323. The department supports the 24-member Sentencing Commission, which provides legislative bodies with data-driven proposed legislation and recommendations on matters relating to elements of the system of criminal justice, which can affect certain sentences. The department is responsible for collecting data to track and assess outcomes resulting from the enactment of A.B. 236 (2019). The department submits a comprehensive report to the Governor and Legislature not later than January 1 of each odd-numbered year that includes recommendations for changes to sentencing and proposed legislation. The department is primarily funded through General Fund appropriations.

The Executive Budget recommends General Fund appropriations for the department in the amount of \$1.0 million over the 2021-23 biennium, an increase of \$120,495, or 13.5%, when compared to the General Fund appropriations of \$892,803 approved for the 2019-21 biennium.

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
SPECIAL PURPOSE AGENCIES						
PERS - PUBLIC EMPLOYEES' RETIREMENT SYSTEM	12,594,204	12,999,010	25,187,635	93.77	23,920,240	-5.03
BALANCE FORWARD		200,000	200,000		200,000	
OTHER FUND	12,594,204	12,799,010	24,987,635	95.23	23,720,240	-5.07
TOTAL PUBLIC EMPLOYEES' RETIREMENT SYSTEM	12,594,204	12,999,010	25,187,635	93.77	23,920,240	-5.03
BALANCE FORWARD		200,000	200,000		200,000	
OTHER FUND	12,594,204	12,799,010	24,987,635	95.23	23,720,240	-5.07
MILITARY	20,623,555	36,663,055	28,893,926	-21.19	29,273,511	1.31
GENERAL FUND	4,802,541	4,384,706	4,685,038	6.85	4,822,211	2.93
FEDERAL FUND	16,978,240	31,883,430	23,613,888	-25.94	23,856,300	1.03
INTERAGENCY TRANSFER	140,895	394,919	595,000	50.66	595,000	
REVERSIONS	-1,298,121					
MILITARY EMERGENCY OPERATIONS CENTER	323,798	681,077	670,306	-1.58	668,427	-.28
BALANCE FORWARD	-69,322	287,957	338,916	17.70	336,583	-.69
INTERAGENCY TRANSFER	393,120	393,120	331,390	-15.70	331,844	.14
MILITARY - STATE ACTIVE DUTY	705,297	3,208,413	830,000	-74.13	830,000	.00
INTERAGENCY TRANSFER	705,297	3,208,413	830,000	-74.13	830,000	
MILITARY - ADJUTANT GENERAL'S SPECIAL ARMORY ACCT		57,873	64,218	10.96	70,563	9.88
BALANCE FORWARD		51,528	57,873	12.31	64,218	10.96
OTHER FUND		6,345	6,345		6,345	
MILITARY NATIONAL GUARD BENEFITS	56,889	57,818	57,818	.00	57,818	.00
GENERAL FUND	57,818	57,818	57,818		57,818	
REVERSIONS	-929					
MILITARY PATRIOT RELIEF FUND	70,596	194,013	113,953	-41.27	113,953	.00
GENERAL FUND	73,408	113,376	113,376		113,376	
BALANCE FORWARD	-4,311	80,377				
OTHER FUND	1,499	260	577	121.92	577	
TOTAL OFFICE OF MILITARY	21,780,135	40,862,249	30,630,221	-25.04	31,014,272	1.25
GENERAL FUND	4,933,767	4,555,900	4,856,232	6.59	4,993,405	2.82
BALANCE FORWARD	-73,633	419,862	396,789	-5.50	400,801	1.01
FEDERAL FUND	16,978,240	31,883,430	23,613,888	-25.94	23,856,300	1.03
INTERAGENCY TRANSFER	1,239,312	3,996,452	1,756,390	-56.05	1,756,844	.03
OTHER FUND	1,499	6,605	6,922	4.80	6,922	
REVERSIONS	-1,299,050					
NDVS - OFFICE OF VETERANS SERVICES	4,443,274	4,785,715	5,201,003	8.68	5,323,390	2.35
GENERAL FUND	2,359,585	2,182,273	2,869,671	31.50	2,959,693	3.14
FEDERAL FUND	1,635,190	2,127,736	1,610,709	-24.30	1,634,334	1.47
INTERAGENCY TRANSFER	449,778	475,704	717,716	50.87	726,456	1.22
OTHER FUND	2,907	2	2,907	145,250. 00	2,907	
REVERSIONS	-4,186					

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
NDVS - SOUTHERN NEVADA VETERANS HOME ACCOUNT	21,468,685	30,658,905	31,503,892	2.76	38,214,758	21.30
BALANCE FORWARD	-2,665,880	7,932,612	3,156,431	-60.21	6,561,727	107.88
FEDERAL FUND	13,974,856	12,166,445	16,241,742	33.50	18,340,257	12.92
INTERAGENCY TRANSFER	5,504,278	5,512,094	7,388,465	34.04	8,560,145	15.86
OTHER FUND	4,655,431	5,047,754	4,717,254	-6.55	4,752,629	.75
NDVS - NORTHERN NEVADA VETERANS HOME ACCOUNT	15,188,348	7,078,349	8,438,712	19.22	10,447,413	23.80
GENERAL FUND	334,727	342,803	351,881	2.65	363,167	3.21
BALANCE FORWARD	909,984		798,976		2,559,715	220.37
FEDERAL FUND	3,352,567	5,776,800	5,663,997	-1.95	5,797,202	2.35
INTERAGENCY TRANSFER	494	6,314				
INTERIM FINANCE	1,157,052					
OTHER FUND	10,115,056	952,432	1,623,858	70.50	1,727,329	6.37
REVERSIONS	-681,532					
TOTAL VETERANS SERVICES	41,100,307	42,522,969	45,143,607	6.16	53,985,561	19.59
GENERAL FUND	2,694,312	2,525,076	3,221,552	27.58	3,322,860	3.14
BALANCE FORWARD	-1,755,896	7,932,612	3,955,407	-50.14	9,121,442	130.61
FEDERAL FUND	18,962,613	20,070,981	23,516,448	17.17	25,771,793	9.59
INTERAGENCY TRANSFER	5,954,550	5,994,112	8,106,181	35.24	9,286,601	14.56
INTERIM FINANCE	1,157,052					
OTHER FUND	14,773,394	6,000,188	6,344,019	5.73	6,482,865	2.19
REVERSIONS	-685,718					
SILVER STATE HEALTH INSURANCE EXCHANGE ADMIN	18,066,304	21,076,085	18,853,472	-10.55	17,424,645	-7.58
BALANCE FORWARD	4,979,679	5,574,917	6,669,227	19.63	5,484,085	-17.77
INTERAGENCY TRANSFER	244,556	936,000				
OTHER FUND	12,842,069	14,565,168	12,184,245	-16.35	11,940,560	-2.00
TOTAL SILVER STATE HEALTH INSURANCE EXCHANGE	18,066,304	21,076,085	18,853,472	-10.55	17,424,645	-7.58
BALANCE FORWARD	4,979,679	5,574,917	6,669,227	19.63	5,484,085	-17.77
INTERAGENCY TRANSFER	244,556	936,000				
OTHER FUND	12,842,069	14,565,168	12,184,245	-16.35	11,940,560	-2.00
ETHICS - COMMISSION ON ETHICS	864,155	906,507	947,315	4.50	929,561	-1.87
GENERAL FUND	245,698	243,891	249,835	2.44	244,513	-2.13
BALANCE FORWARD	11,527	23,159	56,412	143.59	56,412	
INTERAGENCY TRANSFER	644					
OTHER FUND	610,378	639,457	641,068	.25	628,636	-1.94
REVERSIONS	-4,092					
TOTAL COMMISSION ON ETHICS	864,155	906,507	947,315	4.50	929,561	-1.87
GENERAL FUND	245,698	243,891	249,835	2.44	244,513	-2.13
BALANCE FORWARD	11,527	23,159	56,412	143.59	56,412	
INTERAGENCY TRANSFER	644					
OTHER FUND	610,378	639,457	641,068	.25	628,636	-1.94
REVERSIONS	-4,092					

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
PEBP - NON-STATE RETIREE RATE MITIGATION	999,147	458,176				
GENERAL FUND	1,035,547	458,176				
REVERSIONS	-36,400					
PEBP - RETIRED EMPLOYEE GROUP INSURANCE	43,941,684	54,561,062	39,042,057	-28.44	42,356,861	8.49
INTERAGENCY TRANSFER	43,881,808	54,521,149	38,982,181	-28.50	42,296,985	8.50
OTHER FUND	59,876	39,913	59,876	50.02	59,876	
PEBP - ACTIVE EMPLOYEES GROUP INSURANCE	248,649,045	247,981,120	224,094,336	-9.63	240,586,733	7.36
BALANCE FORWARD	129,055	3,455,133	3,455,133			
INTERAGENCY TRANSFER	248,367,646	244,233,715	220,486,859	-9.72	240,434,389	9.05
OTHER FUND	152,344	292,272	152,344	-47.88	152,344	
PEBP - PUBLIC EMPLOYEES BENEFITS PROGRAM	391,551,503	550,860,767	494,484,451	-10.23	512,168,787	3.58
BALANCE FORWARD	-4,264,895	154,541,329	126,144,914	-18.37	117,906,023	-6.53
FEDERAL FUND	115,842	150,000	115,842	-22.77	115,842	
INTERAGENCY TRANSFER	379,026,532	380,574,329	352,009,740	-7.51	377,932,967	7.36
OTHER FUND	16,674,024	15,595,109	16,213,955	3.97	16,213,955	
TOTAL PUBLIC EMPLOYEES' BENEFITS PROGRAM	685,141,379	853,861,125	757,620,844	-11.27	795,112,381	4.95
GENERAL FUND	1,035,547	458,176				
BALANCE FORWARD	-4,135,840	157,996,462	129,600,047	-17.97	117,906,023	-9.02
FEDERAL FUND	115,842	150,000	115,842	-22.77	115,842	
INTERAGENCY TRANSFER	671,275,986	679,329,193	611,478,780	-9.99	660,664,341	8.04
OTHER FUND	16,886,244	15,927,294	16,426,175	3.13	16,426,175	
REVERSIONS	-36,400					
DEPARTMENT OF INDIGENT DEFENSE SERVICES	670,112	1,432,551	946,372	-33.94	962,024	1.65
GENERAL FUND	730,732	900,208	946,372	5.13	962,024	1.65
BALANCE FORWARD	-525,036	525,036				
INTERAGENCY TRANSFER		7,307				
INTERIM FINANCE	525,036					
REVERSIONS	-60,620					
PUBLIC DEFENDER	2,834,120	2,941,134	2,876,838	-2.19	2,895,006	.63
GENERAL FUND	1,937,657	1,524,461	1,477,852	-3.06	1,481,390	.24
FEDERAL FUND	36,198	36,176	36,198	.06	36,198	
INTERAGENCY TRANSFER		13,083				
OTHER FUND	1,349,889	1,367,414	1,362,788	-.34	1,377,418	1.07
REVERSIONS	-489,624					

Nevada Legislative Counsel Bureau
Source of Funds Summary
2021-23 Fiscal Report

	2019-2020 Actual	2020-2021 Work Program	2021-2022 GOVERNOR RECOMMENDS	% Change	2022-2023 GOVERNOR RECOMMENDS	% Change
TOTAL DEPARTMENT OF INDIGENT DEFENSE SERVICES	3,504,232	4,373,685	3,823,210	-12.59	3,857,030	.88
GENERAL FUND	2,668,389	2,424,669	2,424,224	-0.02	2,443,414	.79
BALANCE FORWARD	-525,036	525,036				
FEDERAL FUND	36,198	36,176	36,198	.06	36,198	
INTERAGENCY TRANSFER		20,390				
INTERIM FINANCE	525,036					
OTHER FUND	1,349,889	1,367,414	1,362,788	-0.34	1,377,418	1.07
REVERSIONS	-550,244					
DEPARTMENT OF SENTENCING POLICY	183,877	438,988	504,206	14.86	509,092	.97
GENERAL FUND	404,492	390,172	504,206	29.23	509,092	.97
FEDERAL FUND		45,208				
INTERAGENCY TRANSFER		3,608				
REVERSIONS	-220,615					
TOTAL DEPARTMENT OF SENTENCING POLICY	183,877	438,988	504,206	14.86	509,092	.97
GENERAL FUND	404,492	390,172	504,206	29.23	509,092	.97
FEDERAL FUND		45,208				
INTERAGENCY TRANSFER		3,608				
REVERSIONS	-220,615					
SPECIAL PURPOSE AGENCIES						
GENERAL FUND	11,982,205	10,597,884	11,256,049	6.21	11,513,284	2.29
BALANCE FORWARD	-1,499,199	172,672,048	140,877,882	-18.41	133,168,763	-5.47
FEDERAL FUND	36,092,893	52,185,795	47,282,376	-9.40	49,780,133	5.28
INTERAGENCY TRANSFER	678,715,048	690,279,755	621,341,351	-9.99	671,707,786	8.11
INTERIM FINANCE	1,682,088					
OTHER FUND	59,057,677	51,305,136	61,952,852	20.75	60,582,816	-2.21
REVERSIONS	-2,796,119					
TOTAL FOR SPECIAL PURPOSE AGENCIES	783,234,593	977,040,618	882,710,510	-9.65	926,752,782	4.99
Less: INTER-AGENCY TRANSFER	678,715,048	690,279,755	621,341,351	-9.99	671,707,786	8.11
NET SPECIAL PURPOSE AGENCIES	104,519,545	286,760,863	261,369,159	-8.85	255,044,996	-2.42

APPENDIX

Report of the State of Nevada Economic Forum

*Forecast of Future State Revenues
December 3, 2020*

STATE OF NEVADA
ECONOMIC FORUM



FORECAST OF FUTURE
STATE REVENUES

December 3, 2020

THE STATE OF NEVADA ECONOMIC FORUM

Craig Billings, Chair
Linda Rosenthal, Vice Chair
Marvin Leavitt
Jennifer Lewis
Frank Streshley



December 3, 2020

The Honorable Steve Sisolak
Governor of Nevada
Capitol Building
Carson City, Nevada 89701-4747

Dear Governor Sisolak:

Enclosed is the Economic Forum's report on future state revenues prepared pursuant to *Nevada Revised Statutes* 353.228. This report includes a description of the purpose of the Economic Forum, the methodology employed in arriving at the estimated General Fund revenues, economic assumptions and the final revenue projections. As required by statute, the Economic Forum plans to revisit these projections on or before May 1, 2021, to determine if any adjustment is necessary.

Note that the attached forecast and report were approved on December 3, 2020, in accordance with the provisions of NRS 353.228; however, because the meeting was held virtually in compliance with Sections 2 through 9, inclusive, of Chapter 2, *Statutes of Nevada 2020*, 32nd Special Session, pages 9 through 11, no signatures were obtained.

Respectfully submitted,

Craig Billings, Chair
State of Nevada Economic Forum

Linda Rosenthal, Vice Chair

Marvin Leavitt

Jennifer Lewis

Frank Streshley

Enclosure

THE STATE OF NEVADA ECONOMIC FORUM

Craig Billings, Chair
Linda Rosenthal, Vice Chair
Marvin Leavitt
Jennifer Lewis
Frank Streshley



December 3, 2020

Members of the 81st Legislature
Legislative Building
Capitol Complex
Carson City, Nevada 89701-4747

Dear Nevada Legislator:

Enclosed is the Economic Forum's report on future state revenues prepared pursuant to *Nevada Revised Statutes* 353.228. This report includes a description of the purpose of the Economic Forum, the methodology employed in arriving at the estimated General Fund revenues, economic assumptions and the final revenue projections. As required by statute, the Economic Forum plans to revisit these projections on or before May 1, 2021, to determine if any adjustment is necessary.

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Respectfully submitted,

Craig Billings, Chair
State of Nevada Economic Forum

Linda Rosenthal, Vice Chair

Marvin Leavitt

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Frank Streshley

Enclosure

**REPORT TO THE GOVERNOR
AND THE LEGISLATURE ON
FUTURE STATE REVENUES**

December 3, 2020

Senate Bill (S.B.) 23 (1993) provided for the creation of an Economic Forum to forecast State General Fund revenues. The Forum, a panel of five representatives from the private sector with backgrounds in economics, business, and taxation, is required to adopt an official forecast of unrestricted General Fund revenues for the biennial budget cycle. A seven-member Technical Advisory Committee made up of Executive and Legislative Branch staff members as well as a representative of local government was also created in S.B. 23 to provide assistance and resources to the Forum.

The Forum must submit its forecast to the Governor and the Legislature by December 3 of each even-numbered year, and any revisions by May 1 of each odd-numbered year; however, if either of these dates falls on a weekend or a holiday, the Forum must submit its forecast no later than the second business day following these dates. The Governor must use the December forecast in developing The Executive Budget submitted to the Legislature, and the Legislature uses the May forecast in developing the legislatively approved General Fund budget during session.

This report includes the December 3, 2020, forecast of unrestricted General Fund revenues for Fiscal Years 2021, 2022, and 2023.

Methodology and Procedures

Based on the provisions of Assembly Bill 332 (2011), the Forum is required to hold two additional informational meetings during each biennium to consider current economic indicators and update the status of actual General Fund revenues compared to the most

recent revenue estimates made by the Forum. These two informational meetings of the Forum were held on December 10, 2019, and June 10, 2020. These interim meetings allowed the Forum to receive regular updates on current economic conditions and the outlook for the state's economy while also tracking the actual FY 2019 and FY 2020 revenues against the Forum's May 2019 forecast. During these meetings, the Forum reviewed various economic indicators and received a series of presentations from Legislative Counsel Bureau staff and several Executive Branch agencies, including the Department of Taxation; Department of Employment, Training and Rehabilitation; and the Gaming Control Board.

Governor Sisolak appointed the five members of the Economic Forum in 2020 for a two-year term. These appointments include two members nominated by the leadership of the Senate and Assembly. The Forum has since held public meetings three times on October 15, 2020, November 10, 2020, and December 3, 2020, to complete its assigned responsibilities and duties regarding the approval of forecasts of unrestricted General Fund revenues for Fiscal Years 2021, 2022, and 2023.

The first meeting of the Forum on October 15, 2020, was devoted to organizing and reviewing the assigned tasks; reviewing the accuracy of forecasts prepared in December 2018 and May 2019; and determining a course of action for future meetings. The Forum also reviewed historical taxable sales and gaming market statistics and received presentations relating to the effect of the COVID-19 pandemic on Nevada relating to federal coronavirus relief money, the real estate market, economic development, the tourist and convention/trade show market, and the state's insurance markets.

During the November 10, 2020, meeting, the Forum received presentations on the outlook for the national, state, and local economies. Daniel White, Economist, Moody's Analytics (an economic consulting firm under contract with the state), provided a national, regional and Nevada economic outlook; and David Schmidt, Chief Economist, Nevada Department of Employment, Training and Rehabilitation, provided an update to Nevada's

employment and unemployment outlook. The Forum additionally received presentations and outlooks from representatives of Nevada's retail, real estate, and gaming industries.

At the meeting of the Forum on November 10, 2020, the Budget Division of the Governor's Office of Finance (Budget Division) and the Fiscal Analysis Division of the Legislative Counsel Bureau (Fiscal Analysis Division) provided preliminary projections and economic analysis for seven major General Fund revenues. The Department of Taxation and the Gaming Control Board also provided projections and analysis concerning the major revenues for which they are responsible to collect. In addition to the state agency information, the Forum received forecasts of gaming percentage fees and sales taxes from Moody's Analytics. The Forum also received forecasts of all non-major General Fund revenues developed by the Technical Advisory Committee for the Forum's review and consideration.

The Economic Forum reviewed the forecast information and requested that any updated forecasts and information be provided at the meeting on December 3, 2020. At that time, the Forum directed the Technical Advisory Committee to prepare forecasts for non-major revenues based on projections by individual state agencies, the Budget Division, and the Fiscal Analysis Division.

At the December 3, 2020, meeting, the Forum received revised forecasts and economic analysis from the Budget Division, Fiscal Analysis Division, Department of Taxation, Gaming Control Board, Moody's Analytics, and the Technical Advisory Committee, which were used to produce the binding forecast of all unrestricted General Fund revenue. A copy of the Economic Forum's official December 3, 2020, forecast is provided in the attached table. A final meeting of the Forum will be scheduled during the 81st Legislative Session, on or before May 1, 2021, to make any necessary revisions to the December 3, 2020, forecast.

Economic Review

By December 2019, the U.S. economy had its 126th straight month of expansion following the end of the Great Recession in June 2009, which had shattered the previous record for longest expansion of the U.S. economy by six months. At the end of the same month, health officials in Wuhan, Hubei Province, China were reporting a cluster of pneumonia cases caused by a novel coronavirus. The first known case of this virus outside of China was confirmed in Thailand on January 13, 2020, and by the end of January, confirmed cases had been detected around the world, including in the United Kingdom, Canada, and the United States.

By the end of March, more than 100,000 confirmed cases of this novel coronavirus – now referred to as COVID-19 – had been reported in the United States. The U.S. State Department had begun to advise citizens to avoid international travel, and international travel to or from certain countries had already begun being restricted. Furthermore, state and local governments across the country – including the state of Nevada – had begun “stay-at-home” quarantines and other restrictions within their jurisdictions in order to limit proximate contact between individuals in a bid to slow the spread of the virus.

Although states began reopening their economies by the end of the spring, the virus continued to spread, with more than 2 million cases reported in the U.S. by mid-June, 5 million cases by early August, and 7 million cases by the last week of September. During that last week of September, the U.S. also passed 200,000 deaths related to the virus.

By the time of the presidential election on November 3, 2020, nearly 10 million cases of COVID-19 had been confirmed in the U.S, with more than 100,000 new cases confirmed per day at that point. This pace would only continue into November, with the 11 millionth case being recorded on November 15. And by that point, the expansion in the U.S. economy was long over – the National Bureau of Economic Research had announced several months prior that the prior economic expansion had ended in

February, scarcely two months after the announcement of the pneumonia cluster in Wuhan.

In Nevada, Governor Sisolak declared a state of emergency relating to the growing pandemic on March 12, 2020, activating the state's Emergency Operations Center and establishing a team to coordinate the response to COVID-19. By March 18, the Governor had ordered all gaming establishments to cease operations; by March 20, all non-essential businesses had been ordered to close; and by March 31, Nevadans were being ordered to stay in their residences unless it was necessary to leave to receive or provide essential services or engage in certain outdoor activities.

On May 7, Governor Sisolak announced that the state had met the criteria necessary to move into Phase 1 of the state's reopening plan beginning on Saturday, May 9. Though Nevadans were still encouraged to stay at home as much as possible and wear masks when in public, certain businesses and activities previously deemed to be non-essential, such as barber shops and hair salons, dine-in service in restaurants, and in-store sales in cannabis dispensaries were allowed again with specific restrictions. Retail businesses, for example, were allowed to operate at no more than 50% of the establishment's allowed occupancy under Phase 1.

On May 29, it was announced that the state would move into Phase 2 of the state's reopening plan, which allowed the Gaming Control Board to implement plans to safely reopen casinos beginning on June 4. This phase also allowed for the opening of bars that do not serve food, gyms and other fitness facilities; salons that provide aesthetic skin services; movie theaters; bowling alleys; and certain other businesses that were previously closed under Phase 1 at a 50% capacity limit. Additionally, Phase 2 allowed for certain social gatherings, such as church services, weddings, and funerals, to occur with specific capacity limits and other restrictions, and live entertainment events, such as sporting events and concerts, could also be held without spectators, subject to approval by the Gaming Control Board, the Nevada State Athletic Commission, or the Department of Business and Industry, as applicable.

On July 8, the Legislature was called into the first of two special sessions that would be held over the summer to deal with the effects of the pandemic. During the 31st Special Session (the first of the two special sessions), in addition to actions taken to cut state government budgets, the Legislature approved several measures that would provide an additional \$147.1 million in revenue for the State General Fund in FY 2021, including requiring that certain Governmental Services Tax revenue dedicated to the State Highway Fund instead be deposited in the State General Fund, requiring an advance payment of Net Proceeds of Minerals Tax for calendar year 2021 to be paid in FY 2021, and requiring the Department of Taxation to run a tax amnesty program for a 90-day period in FY 2021 to allow persons with unpaid tax liabilities to pay those liabilities to the state with no penalties or interest assessed.

In response to the growing number of COVID-19 cases both nationally and in the state of Nevada, Governor Sisolak, on November 23, chose yet again to restrict certain activities, requiring capacity limits of 25% in casinos, restaurants, gyms, convention and trade shows, entertainment venues, and other areas. Though this action did not go so far as to fully shut down businesses that previously were allowed to open under Phases 1 and 2, the capacity limits required under Governor Sisolak's action provide further uncertainty for the state's economy heading into the holiday season.

In the U.S., GDP growth had been fairly stable at the beginning of the last half of the decade – 1.7% growth in 2016 and 2.3% growth in 2017 – with further growth of 3.0% in 2018, due in large part to the 2017 federal tax cuts and increased federal spending as a result of the 2018 budget agreement. However, towards the end of 2018 and going into 2019, analysts and pundits were starting to believe that the continued growth in the economy – at more than ten years of expansion following the Great Recession – would eventually end at some point in the near term.

The effects of tariffs imposed by the Trump administration beginning in 2017 – and the retaliation with which said tariffs were met by other nations, particularly China – had the effect of slowing exports and creating uncertainty among businesses who were now more

reluctant to invest in their own businesses. Additionally, the government shutdown of 2018-19 temporarily reduced demand, adding to the uncertainty and reducing spending in certain sectors in 2019.

Despite these actions, though, 2019 was yet another year of growth in the economy, with real GDP increasing by 2.2% in 2019. Similarly, personal income – which had grown in 2017 and 2018 by 4.9% and 5.3%, respectively – also was growing, albeit at a lower rate of 3.9%.

Due to historically low unemployment rates – the national unemployment rate reached a post-recession low of 3.5% in November 2019 and held at that rate through the end of the year – the wage component of personal income maintained strength in 2019, growing by 4.7% after growing by 4.7% and 5.0% in 2017 and 2018, respectively. Additionally, after several years of trending below 63.0%, the civilian labor force participation rate began to climb again towards the end of 2019, registering at or above 63.0% for each of the last six months of 2019.

TABLE 1. ANNUAL GROWTH IN ECONOMIC INDICATORS
CALENDAR YEARS 2014-2019

	2014	2015	2016	2017	2018	2019
<u>U.S.</u>						
Gross Domestic Product	4.4%	4.1%	2.8%	4.3%	5.5%	4.0%
Real GDP	2.5%	3.1%	1.7%	2.3%	3.0%	2.2%
Employment (Total Nonfarm)	1.9%	2.1%	1.8%	1.6%	1.6%	1.4%
Personal Income	5.7%	4.9%	2.8%	4.9%	5.3%	3.9%
Wage Growth	5.1%	5.1%	2.9%	4.7%	5.0%	4.7%
Consumer Price Inflation	1.6%	0.1%	1.3%	2.1%	2.4%	1.8%
Fuels & Utilities	4.2%	-1.9%	-0.5%	3.7%	1.8%	0.4%
Housing Starts	7.8%	10.6%	6.3%	2.6%	3.4%	3.8%
Oil (\$ per barrel)	\$93	\$49	\$43	\$51	\$65	\$57
<u>Nevada</u>						
Gross Domestic Product	2.9%	6.7%	4.7%	5.5%	6.7%	5.3%
Real GDP	0.8%	4.2%	2.8%	3.6%	4.2%	2.7%
Employment (Total Nonfarm)	3.5%	3.5%	3.2%	3.2%	3.2%	2.5%
Personal Income	7.2%	8.6%	4.1%	7.0%	7.0%	4.1%
Wage Growth	5.1%	5.8%	5.5%	5.4%	7.1%	5.2%
Housing Starts	19.7%	8.3%	20.3%	9.7%	-2.0%	4.2%
Las Vegas Visitors	3.7%	2.9%	1.5%	-1.7%		

Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Census Bureau, Nevada Department of Employment, Training and Rehabilitation, Las Vegas Convention and Visitors Authority

To stimulate the economy during and after the Great Recession, the Federal Reserve engaged in several rounds of quantitative easing, purchasing more than \$4 trillion in bonds and other securities between 2008 and 2014. Subsequent to these actions, the Federal Reserve's Open Markets Committee raised the federal funds rate – the rate at which banks may borrow money from the Federal Reserve – a total of nine times between December 2015 and December 2018. These actions would hold the inflation rate relatively stable through the last half of the decade – the Consumer Price Index, after increasing by only 1.3% in 2016, increased by 2.1% in 2017, by 2.4% in 2018, and by 1.8% in 2019.

Total nationwide employment, which passed the pre-recession peak of 138.4 million jobs by May of 2014, continued a slow but steady increase into the latter half of the decade, passing 140 million jobs by November 2015 and reaching 150 million jobs by January of 2019. The 10 million jobs added in that period of just over three years was reflected in annual growth of 1.8% in 2016, or an average of 210,000 jobs added per month, and 1.6% per year in 2017 and 2018, or an average of 188,000 jobs and 192,000 jobs added per month in 2017 and 2018, respectively. By 2019, this growth in employment was slowing even further, with only 1.9% growth, or an average of 170,000 new jobs per month, for that calendar year.

Similarly, wage growth was steady in the U.S. in the latter half of the last decade, with growth in wages of 4.7% in 2017, 5.0% in 2018, and 4.7% in 2019 due in large part to unemployment rates falling to their lowest point in the last 50 years. Personal incomes also experienced steady growth during that period, increasing by 4.9% in 2017 and 5.3% in 2018, but only increasing by 3.9% in 2019. Transfer payments, which had grown by at least 7.0% per year in both 2014 and 2015 due to Medicaid expansion and health insurance subsidies resulting from the rollout of the Affordable Care Act, grew by only 0.8% in 2016, but began tracking closer to total personal income growth in subsequent years, increasing by 4.6% in 2017, 5.1% in 2018, and 3.7% in 2019.

The steady growth in the economy seen nationwide during the last several years of the decade could also be seen in Nevada during that period. Total employment, for example, increased in the state by 3.2% in 2017 and 2018, but increased by only 2.5% in 2019. Wages during this period also increased in Nevada, with growth of 5.4% in 2017, 7.1% in 2018, and 6.2% in 2019.

While much of the economy fared well during this period, the tourist industry in Southern Nevada did not see similar results. As reported by the Las Vegas Convention and Visitors Authority, there were 42.9 million visitors to Las Vegas in 2016, but in 2017, this total had fallen to 42.2 million due in large part to the negative effects of the October 1, 2017, shooting on the Las Vegas Strip. The negative effects would be felt in 2018, with a decrease in visitors that year to 42.1 million; however, by 2019, the number of tourists would rise to 42.5 million – below the record-high level in 2015, but well above the two previous years since that record was set.

Housing

For the last half of the last decade, single-family home sales in the U.S. remained fairly stable, with the decade ending at approximately 4,750,000 existing single-family units selling in the U.S. in 2019. It appeared that, going into 2020, the growth in single-family sales would continue, with year-over-year sales increasing by 5.7% in the first quarter of 2020. The significant shutdowns in the economy caused by the pandemic beginning in late March would have their effects, causing sales to decrease by 16.9% in the second quarter. However, as the economy started to reopen in the summer months, home sales picked up, increasing by 14.0% in the third quarter.

The availability of housing – which has become more and more constrained in recent years – would also continue to be an issue entering 2020. By the fourth quarter of 2019, the nationwide housing supply was at 3.67 months, which was the lowest availability seen since the U.S. Census Bureau began keeping this statistic in 1982. The first quarter availability would continue to fall to just over 3.40 months, before climbing again to 3.84 months in the second quarter, as nationwide sales fell due to the effects of the

pandemic. The rush to purchase homes in the third quarter continued, as availability fell to a new low of 2.62 months by the end of September.

The median existing single-family home price, which hit an all-time high of nearly \$280,000 nationwide in the fourth quarter of 2019, continued its climb in the first quarter of 2020 to nearly \$287,000, due in part to the continued constraints in supply as well as drastic decreases in interest rates in early 2020. Though decreased demand resulting from the pandemic pushed the price back down into the \$280,000 range in the second quarter of 2020, the increased demand, coupled in part with historically low interest rates, pushed the median home price to \$306,000 in the third quarter, the first time this price metric had crossed the \$300,000 barrier. Continued downward pressure on interest rates – in particular, the Federal Reserve Bank’s decision to hold the Federal Funds Rate at or near zero until at least the end of 2022 – may only continue to encourage homebuying and, in turn, result in increased prices for the next couple of years.

The number of new single-family home completions in 2019 was slightly more than 900,000, which is the highest amount for any year since the end of the Great Recession, but still lower than the number of completions seen in 1992. The upward climb for completions continued in the first quarter of 2020, increasing by 4.2% compared to the first quarter of 2019. As with the other segments of the housing market, though, completions decreased by 1.3% in the second quarter due to the effects of the pandemic, completions increased by 2.5% in the third quarter once the immediate economic effects of the pandemic passed.

TABLE 2: SELECTED U.S. HOUSING MARKET STATISTICS
CALENDAR YEARS 2014 - 2019

	2014	2015	2016	2017	2018	2019
New Housing Completions (% change)	15.7%	9.4%	9.7%	8.7%	3.3%	5.8%
Sales of New Single-Family Homes (% change)	2.3%	14.1%	12.0%	9.3%	0.7%	10.5%
Median Existing Single-Family Home Price (% change)	5.8%	6.8%	5.6%	5.9%	4.8%	4.9%
Sales of Existing Single-Family Homes (% change)	-3.1%	6.6%	4.3%	1.7%	-3.4%	0.4%
Total Mortgage Originations (% change)	-31.2%	32.4%	21.3%	-13.6%	-4.5%	27.8%
Total Mortgage Loans Delinquent (% change)	1.1%	-3.3%	-4.0%	0.9%	-0.8%	0.9%
Total Foreclosures Started (% change)	-30.1%	-8.0%	-21.3%	-15.9%	-4.9%	-10.9%
Supply of Existing Single-Family Homes (Months)	5.23	4.82	4.34	3.90	3.95	3.87

Sources: National Association of Realtors, Standard and Poor's, U.S. Census Bureau, Federal Reserve Board, Mortgage Bankers' Association

Nevada's housing market was not unlike the U.S. housing market as a whole, showing weakness during the first half of 2020 as a result of the pandemic. Existing single-family home sales, which reached a level of slightly more than 68,000 units in 2019, increased by 11.1% in the first quarter of 2020 before falling by 29.6% in the second quarter. The post-pandemic recovery of the housing market, with increased sales due in part to historically low interest rates, has revived concerns about the supply of homes, with a current supply of approximately 1.5 months in Southern Nevada and a supply of closer to 1 month in Northern Nevada.

At the end of 2019, home prices in Nevada had reached levels not seen statewide since 2005. The pandemic, despite the effect on sales in the second quarter, has not had effects on prices – as measured by the Case-Shiller Index, home prices in the second quarter of 2020 were 2.8% higher than were seen at the end of 2019, and 1.0% higher than the prices seen in the first quarter. However, with the pandemic causing effects on employment and the economy in general, growing concerns regarding the ability of homeowners to pay their mortgages, coupled with continued increases in prices, has led to potential risks for increases in delinquencies and foreclosures that may soften prices in the next couple of years. Moody's Analytics forecasts that, by the end of 2020, prices in Nevada will slightly decrease by 0.2%, bringing the average home price in Nevada by the end of this year to the levels seen in the second quarter of 2005.

There were a total of nearly 14,000 single-family home completions in 2019, with no signs of homebuilding drastically slowing down in the first quarter of 2020, which was down only 0.5% compared to the first quarter of 2019. The second quarter, like other portions of the housing market, was a different story, with completions down 5.1% compared to the second quarter of 2019. Owing in part to a recovery in the third quarter, with completions increasing by 19.8% compared to the same quarter in 2019, Moody's Analytics forecasts that the total number of completions in 2020 will be essentially flat compared to the total registered in 2019.

Inflation

After nine separate actions by the Federal Reserve's Open Markets Committee to increase the federal funds rate – the rate at which banks may borrow money from the Federal Reserve Bank – between December 2015 and December 2018, the Open Market Committee spent 2019 attempting to ease monetary policy by voting to reduce this rate on three separate occasions. These actions were taken, according to the Committee, to “foster maximum employment and price stability” – specifically, to maintain a target inflation rate of 2.0%. The Consumer Price Index (CPI), in 2019, ended up increasing by 1.8%.

In March of 2020, in reaction to the pandemic, the Open Markets Committee took the step to reduce the Federal Funds Rate twice – the first time on March 3 by 0.50%, and the second time on March 15 by a full percentage point – to a target rate of between 0.00% and 0.25%, matching the rate that was established during the Great Recession between December 2008 and December 2015. The inflation rate reacted to the pandemic as well, dropping by 0.90% in the second quarter compared to the first quarter – the largest quarter-to-quarter drop in the inflation rate since the fourth quarter of 2008.

In June, Federal Reserve Board Chairman Jerome Powell was quoted in a news conference as saying, “We’re not thinking about raising rates. We’re not even thinking about *thinking about* raising interest rates.” The Federal Reserve signaled at the time that interest rates would likely be held at or near zero until at least 2022, citing the

outbreak and its continued risks to the economic outlook in the U.S. As the economy has begun to recover to some extent from the shutdowns seen in the second quarter, due in part to the trillions of dollars injected into the economy through the CARES Act and other federal relief programs, the CPI, through the first three quarters of 2020, has increased by 1.3%. With a projected increase of only 0.4% in the fourth quarter, Moody's forecasts that the CPI will increase by 1.2% for calendar year 2020. Moody's is forecasting the CPI to increase by 1.8 % in 2021, 2.7% in 2022, and 2.6% in 2023.

Employment

Nationally, employment had been increasing through February 2020 and the unemployment rate reached a low of 3.5%, for the first time in September 2019 and then again in February 2020, matching the lowest rate since 1969. In March 2020, as many state and local governments began enacting stay-at-home orders to slow the spread of the coronavirus, the unemployment rate increased to 4.4% and nearly 1.4 million jobs were lost. As businesses deemed non-essential were suddenly forced to close, millions of workers were laid off or furloughed, pushing the unemployment rate to 14.7% in April 2020, representing its highest level and the largest month to month increase since the Bureau of Labor Statistics (BLS) started recording the monthly rate in 1948. Since that time, the unemployment rate has declined for six consecutive months to reach 6.9% in October 2020, representing 11.1 million unemployed. Despite these improvements, the October unemployment rate and the number of unemployed remained nearly twice the levels observed in February 2020.

In March and April 2020, the U.S. economy lost more than 22.0 million jobs due to the pandemic. The leisure and hospitality industry, which lost 8.3 million jobs, and retail, which lost 2.4 million jobs, were among the sectors most impacted due to social distancing initiatives and capacity restrictions combined with the fear of contracting the virus when traveling, shopping, dining, attending events or otherwise meeting in large groups.

As the stay-at-home orders were lifted and business began to reopen nationwide, more than 50.0% of the jobs lost in March and April were recovered during May through August 2020. In May, 2.7 million jobs were added back followed by another 4.8 million

jobs in June. However, the number of jobs added back in each month since June has been declining with 1.8 million and 1.5 million jobs added back in July and August, respectively. The pace of job growth slowed further to 672,000 jobs added in September and 638,000 jobs added in October 2020 as employment in the U.S remained at 10.1 million jobs or 6.6% below the February 2020 level.

According to the Bureau of Labor Statistics, nearly 9.2 million jobs have been lost between October 2019 and October 2020. The jobs lost during that period occurred across all industry sectors with the largest private sector declines occurring in the leisure and hospitality sector (3.3 million jobs lost); the education and health services sector (1.1 million jobs lost); the professional and business services sector (1.0 million jobs lost); the trade, transportation, and utilities sector (999,000 jobs lost); the manufacturing sector (579,000 jobs lost); the other services sector (402,000 jobs lost); and the information sector (233,000 jobs lost). A smaller number of jobs have been lost in the construction sector (196,000 jobs lost) and the financial sector (76,000 jobs lost). While the 113,000 jobs lost in the mining sector ranks among the lower range of jobs lost compared to other industries, the figure represents a 15.4% decline for the industry, second only to the 19.9% decline observed in the leisure and hospitality industry.

Between October 2019 and October 2020, the government sector has lost more than 1.1 million jobs. The bulk of the decline in public sector jobs during this time period is attributable to local governments (925,000 jobs lost) and state governments (340,000 jobs lost); however, federal employment actually increased during this period (149,000 jobs gained).

Like the national trend, Nevada's unemployment rate fell to historically low levels at the end of 2019, and the January 2020 rate of 3.6% was the lowest on record for the state and matched the U.S. unemployment rate for the first time in more than a decade. In January 2020, only 15 states had an unemployment rate lower than Nevada's 3.6% rate.

Although Nevada's unemployment rate would nearly double from 3.6% in January and February to 6.9% in March, the full impact of having all non-essential businesses shut down in mid-March would not be reflected in the unemployment rate until April 2020 when Nevada experienced the highest unemployment rate ever recorded by any state at 30.1%. Similar to the U.S., Nevada's unemployment rate has also declined during each month since April to reach 12.0% in October 2020, comparable to the level observed in 2012 coming out of the Great Recession.

For comparison to the U.S., from October 2019 to October 2020, Nevada's total nonfarm employment has declined by 117,200 jobs or 8.2% with job losses occurring across nearly all major industry sectors. The most significant private sector declines are in leisure and hospitality (50,200 jobs lost); professional and business services (19,300 jobs lost); and trade, transportation, and utilities (18,100 jobs lost). A smaller number of jobs have been lost in education and health services (4,400 jobs lost); information (2,200 jobs lost); construction (2,000 jobs lost); financial activities (1,500 jobs lost) and manufacturing (1,400 jobs lost). The government sector reported a decline of 15,100 jobs during the period. Local governments had a decline of 14,500 jobs and the state lost 2,200 jobs over that period. However, federal government employment increased by 1,600 jobs over that period. The only major private sector industry that gained jobs during this period was mining (1,600 jobs gained).

Consumer Spending

Throughout the economic expansion, consumers have been a major driving force, with spending growth exceeding economic growth for much of the last six years. After increasing by 3.8% in 2016, consumer spending growth increased to an average of 4.7% during 2017 and 2018 due in part to the federal tax cuts in 2017. After falling to 3.8% in the first quarter of 2019, consumer spending growth stabilized at 4.0% during each of the last three quarters of 2019.

The concept of stability, with respect to consumer spending or essentially any measure of economic activity, of course changed significantly beginning in the first quarter of 2020 as the impact of the pandemic became more apparent. Real GDP growth slowed to 0.3% in the first quarter followed by a 9.0% decline in the second quarter, while consumer spending growth slowed to 1.9% in the first quarter before registering a 9.7% decline in the second quarter.

The initial declines in the second quarter of 2020 were primarily driven by reduced expenditures on services, which declined by 12.5%, but expenditures on both durable and nondurable goods were also negatively impacted, decreasing by 3.8% and 3.3%, respectively. The personal consumption expenditures most impacted during this period included recreation services (50% decline), gasoline and other energy goods (45.4% decline), transportation services (40.3% decline), and food services and accommodations (38.3% decline). Factors contributing to these declines reflect the fact that many consumers were physically unable to spend due to the stay-at-home orders that caused stores, restaurants, hotels, entertainment venues and other establishments to be shut down. Many consumers also faced economic uncertainty caused by the fear of or actually being laid off or furloughed from their job, requiring those individuals to reduce spending on discretionary items.

Additionally, the amount of personal income saved by Americans, which averaged 7.6% in 2019, increased to 9.6% in the first quarter of 2020 followed by an unprecedented increase to 25.7% in the second quarter, as spending options were limited and the level of economic uncertainty continued to build.

As businesses opened up and economic activity resumed, real GDP improved in the third quarter, but remained 2.9% below the third quarter of 2019. Consumer spending also improved between the second and third quarters, but remained 1.7% below the third quarter of 2019. Compared to the same period in 2019, spending on durable and nondurable goods increased by 12.9% and 3.7%, respectively, while spending on services was still down by 5.6%.

In Nevada, much of the demand for consumer spending is driven by visitors, particularly those visiting Las Vegas. In 2019, 42.5 million visitors to Las Vegas were reported by the Las Vegas Convention and Visitors' Authority (LVCVA), or more than 3.5 million per month, which was a 1.0% gain compared to 2018. January and February of 2020 showed promise, with growth of 3.9% and 4.5%, respectively, compared to the same months in 2019; however, following the shutdown of casinos by Governor Sisolak in mid-March, visitor counts plummeted with just over 1.5 million visitors recorded for March (a 58.6% decrease), only 106,900 visitors in April (a 97.0% decrease), and 151,300 visitors in May (a 95.9% decrease).

The partial reopening of casinos beginning on June 4, with 50.0% capacity controls put in place by the Gaming Control Board, allowed for some return of visitors to Las Vegas, with 1,065,100 visitors reported for June (a 70.5% decrease compared to June 2019). The numbers reported in more recent months have increased from that June level; however, even in October, the most recent month reported by the LVCVA, the visitor count of just under 1.9 million, a 49.4% decrease compared to October 2019, is comparable to visitor counts seen in Las Vegas in early 1993.

General Fund Revenue Forecast – Fiscal Years 2021, 2022, and 2023

At the December 3, 2020, meeting, the Economic Forum took into consideration presentations made at the meeting on November 10, 2020. These presentations included the Nevada employment outlook made by David Schmidt from the Nevada Department of Employment, Training and Rehabilitation and the U.S. and Nevada general economic outlook by Daniel White from Moody's Analytics. The Forum also took into consideration the economic outlooks used to derive the General Fund revenue forecasts made by the Budget Division, the Department of Taxation, the Gaming Control Board, Moody's Analytics, and the Fiscal Analysis Division.

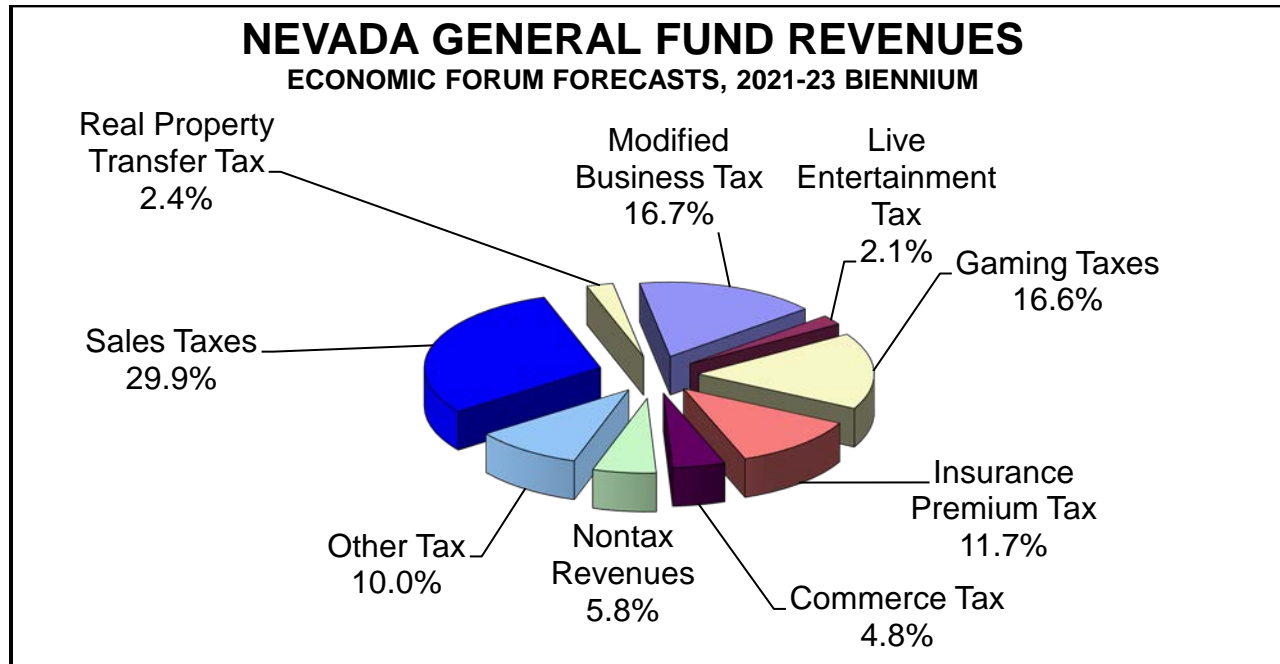
(Exhibits presented to the Economic Forum at its meetings are available from the Fiscal Analysis Division upon request, or on the Legislative Counsel Bureau's website: <https://www.leg.state.nv.us/App/InterimCommittee/REL/Interim2019/Committee/1596/Overview>.)

Based on consideration of the information that was provided to the Forum at these meetings, and additionally taking into account the current uncertainty regarding the provision by Congress of additional federal stimulus relating to the pandemic or the timing regarding availability of a vaccine for the COVID-19 virus, the following forecast was approved at the December 3, 2020, meeting.

Total Nevada General Fund revenues, before the application of any tax credits approved by the Legislature, are forecast at \$4.197 billion for FY 2022 and \$4.484 billion for FY 2023. The 2021-2023 biennial total of \$8.681 billion is 5.2% higher than the current revised estimate for FY 2021 and the actual collections for FY 2020 of \$8.251 billion for the 2019-2021 biennium.

As you will note in the chart below, gaming taxes are forecast to provide 16.6% of all General Fund revenues during the 2021-23 biennium, an increase from the 14.8% now estimated for the current biennium. Sales tax collections are forecast to provide 29.9% of all General Fund revenues during the 2021-23 biennium, a decrease from the 30.2% currently estimated for the 2019-21 biennium. Modified business tax collections are

forecast to provide 16.7% of all General Fund revenues during the 2021-23 biennium, a decrease from the 16.8% currently estimated for the 2019-21 biennium.



More detailed information on specific revenues in addition to gaming, sales, and modified business taxes is available in the accompanying table.

Sales Tax

Sales tax collections are forecast to reach \$1.227 billion in FY 2021, a 2.9% decrease from FY 2020 levels. Sales taxes are expected to increase by 2.4% in FY 2022 and increase by 6.4% in FY 2023. These forecasts result in projected total sales tax receipts of \$2.592 billion during the 2021-23 biennium.

Gaming Percentage Fee Tax

Total gaming percentage fee tax revenues are forecast to reach \$548.3 million in FY 2021, a decrease of 11.5% from actual FY 2020 collections. From this base, the tax is estimated to increase by 21.7% in FY 2022 and increase by 8.2% in FY 2023 to yield revenues of \$1.389 billion for the General Fund during the 2021-23 biennium.

Modified Business Tax

Total modified business tax revenues, before the effect of the credit that may be taken against this tax by persons who pay the commerce tax, are forecast to reach \$678.6 million in FY 2021, a decrease of 3.7% from actual FY 2020 collections. Modified business taxes are estimated to increase by 3.9% in FY 2022, and are estimated to increase by 5.6% in FY 2023, which results in total revenues of \$1.449 billion for the General Fund during the 2021-23 biennium.

Collections for the modified business tax are additionally estimated to be reduced by \$45.8 million in FY 2021, \$43.4 million in FY 2022, and \$45.2 million in FY 2023, as a result of the commerce tax credit allowed against the modified business tax. The commerce tax credit is discussed in greater detail in the Commerce Tax subsection below.

Insurance Premium Tax

Total insurance premium tax revenues are forecast to reach \$479.2 million in FY 2021, an increase of 4.5% from actual FY 2020 collections. From this base, the tax is estimated to increase by 3.6% in FY 2022 and increase by 4.4% in FY 2023 to yield revenues of \$1.015 billion for the General Fund during the 2021-23 biennium.

Live Entertainment Tax

Total live entertainment tax revenues from gaming and nongaming establishments are forecast to reach \$6.2 million in FY 2021, a decrease of 93.2% from actual FY 2020 collections. From this base, the tax is estimated to increase by 937.8% in FY 2022 and increase by 84.0% in FY 2023 to yield revenues of \$182.9 million for the General Fund during the 2021-23 biennium.

Real Property Transfer Tax

Total real property transfer tax revenues are forecast to reach \$106.5 million in FY 2021, an increase of 6.2% from actual FY 2020 collections. From this base, the tax is estimated to decrease by 1.0% in FY 2022 and decrease by 0.3% in FY 2023 to yield revenues of \$210.6 million for the General Fund during the 2021-23 biennium.

Commerce Tax

Total commerce tax revenues are forecast to reach \$191.9 million in FY 2021, a decrease of 6.4% from actual FY 2020 collections. From this base, the tax is estimated to increase by 4.7% in FY 2022 and increase by 7.7% in FY 2023 to yield revenues of \$417.6 million for the General Fund during the 2021-23 biennium.

As approved by the Legislature during the 2015 Session, taxpayers who have a commerce tax liability in a preceding fiscal year are entitled to take a credit of up to 50.0% of that liability against the modified business tax in the current fiscal year. Based on the actual FY 2020 commerce tax collections of \$205.0 million, actual and projected revenue based on FY 2020 taxable activity but not collected until FY 2021, and historical usage of these credits against the modified business tax, the commerce tax credit is estimated at \$45.8 million in FY 2021.

The commerce tax credit is estimated to be \$43.4 million in FY 2022 and \$45.2 million in FY 2023, which yields total commerce tax credits of \$88.6 million taken against the modified business tax during the 2021-23 biennium.

Tax Credit Programs

Total credits from all other tax credit programs authorized by the Legislature are forecast to reduce General Fund revenues by \$23.6 million in FY 2021, \$37.7 million in FY 2022, and \$46.7 million in FY 2023. The total forecast of \$84.3 million in tax credits for the 2021-2023 biennium results in a reduction in General Fund revenue of \$19.1 million compared to the \$65.2 million in tax credits estimated for the 2021-23 biennium, based on the actual credits taken in FY 2020 and the revised estimates for FY 2021. This increase is primarily attributable to the renewal of the tax credits for the New Markets Jobs Act program approved by the Legislature during the 2019 Session, as well as the approval of additional tax credits for eligible affordable housing projects approved during the 2019 Session.

Total General Fund Revenues

Total Nevada General Fund revenues, after the application of all tax credits, are forecast at \$4.116 billion for FY 2022 and \$4.392 billion for FY 2023. The 2021-2023 biennial total of \$8.508 billion is 5.2% higher than the current revised estimate for FY 2021 and the actual collections for FY 2020 of \$8.089 billion for the 2019-2021 biennium. This results in an estimated \$418.0 million increase in total General Fund revenues between the 2019-2021 biennium and the 2021-2023 biennium.

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018		FY 2019		FY 2020		ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
	ACTUAL	% Change	ACTUAL	% Change	ACTUAL	% Change	FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
TAXES												
MINING TAX												
3064 Net Proceeds of Minerals [2-16][3-16][1-21]	\$63,522,196	151.5%	\$50,336,904	-20.8%	\$57,157,296	13.5%	\$130,207,000	127.8%	\$57,321,000	-56.0%	\$54,913,000	-4.2%
3245 Centrally Assessed Penalties	\$1		\$17,164		\$1,684		\$0		\$0		\$0	
TOTAL MINING TAXES AND FEES	\$63,522,196	151.4%	\$50,354,067	-20.7%	\$57,158,980	13.5%	\$130,207,000	127.8%	\$57,321,000	-56.0%	\$54,913,000	-4.2%
SALES AND USE												
3001 Sales & Use Tax [1-19][1-20]	\$1,142,799,766	4.8%	\$1,235,124,279	8.1%	\$1,214,701,336	-1.7%	\$1,178,675,000	-3.0%	\$1,206,567,000	2.4%	\$1,283,341,000	6.4%
3002 State Share - LSST [4-16][1-19][1-20]	\$11,091,996	4.6%	\$11,937,036	7.6%	\$11,770,188	-1.4%	\$11,492,000	-2.4%	\$11,764,000	2.4%	\$12,513,000	6.4%
3003 State Share - BCCR [1-19][1-20]	\$4,996,610	5.6%	\$5,318,926	6.5%	\$5,254,882	-1.2%	\$5,157,000	-1.9%	\$5,279,000	2.4%	\$5,615,000	6.4%
3004 State Share - SCCRT [1-19][1-20]	\$17,481,048	5.6%	\$18,611,557	6.5%	\$18,387,225	-1.2%	\$18,048,000	-1.8%	\$18,476,000	2.4%	\$19,651,000	6.4%
3005 State Share - PTT [1-19][1-20]	\$12,857,082	15.5%	\$13,704,137	6.6%	\$13,825,825	0.9%	\$13,571,000	-1.8%	\$13,893,000	2.4%	\$14,777,000	6.4%
TOTAL SALES AND USE	\$1,189,226,502	4.9%	\$1,284,695,935	8.0%	\$1,263,939,457	-1.6%	\$1,226,943,000	-2.9%	\$1,255,979,000	2.4%	\$1,335,897,000	6.4%
GAMING - STATE												
3041 Percent Fees - Gross Revenue: <u>Before Tax Credits</u>	\$757,790,502	3.7%	\$752,165,675	-0.7%	\$619,269,825	-17.7%	\$548,333,000	-11.5%	\$667,051,000	21.7%	\$721,954,000	8.2%
<u>Tax Credit Programs:</u>												
Film Transferrable Tax Credits [TC-1]	\$0		-\$1,519,656		-\$337,637		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	-\$73,831,822		-\$41,943,604		-\$21,912,501		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	-\$355,000		\$0		-\$300,000		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$74,186,822		-\$43,463,260		-\$22,550,138		\$0		\$0		\$0	
Percent Fees - Gross Revenue: <u>After Tax Credits</u>	\$683,603,680	-0.7%	\$708,702,415	3.7%	\$596,719,687	-15.8%	\$548,333,000	-8.1%	\$667,051,000	21.7%	\$721,954,000	8.2%
3032 Pari-mutuel Tax	\$3,200	-6.0%	\$3,228	0.9%	\$3,379	4.7%	\$0	-100.0%	\$3,400	0.0%	\$3,500	2.9%
3181 Racing Fees	\$8,723	-12.2%	\$7,459	-14.5%	\$9,286	24.5%	\$0	-100.0%	\$9,300	0.0%	\$9,500	2.2%
3247 Racing Fines/Forfeitures	\$0		\$500		\$0		\$0		\$0		\$0	
3042 Gaming Penalties	\$415,429	-80.7%	\$22,214,808	5247.4%	\$176,184	-99.2%	\$700,000	297.3%	\$700,000	0.0%	\$700,000	0.0%
3043 Flat Fees-Restricted Slots [2-20]	\$8,270,489	1.2%	\$8,317,777	0.6%	\$8,073,138	-2.9%	\$7,582,000	-6.1%	\$7,763,000	2.4%	\$8,332,000	7.3%
3044 Non-Restricted Slots [2-20]	\$10,496,064	-1.4%	\$10,416,168	-0.8%	\$10,223,380	-1.9%	\$9,356,000	-8.5%	\$9,562,000	2.2%	\$10,361,000	8.4%
3045 Quarterly Fees-Games	\$6,390,520	-0.8%	\$6,266,332	-1.9%	\$5,439,293	-13.2%	\$5,567,000	2.3%	\$5,692,000	2.2%	\$6,045,000	6.2%
3046 Advance License Fees	\$1,000,375	-4.1%	\$1,434,605	43.4%	\$1,173,154	-18.2%	\$2,449,000	108.8%	\$3,615,000	47.6%	\$600,000	-83.4%
3048 Slot Machine Route Operator	\$32,000	-4.5%	\$32,000	0.0%	\$32,000	0.0%	\$31,500	-1.6%	\$31,500	0.0%	\$31,500	0.0%
3049 Gaming Info Systems Annual	\$36,000	0.0%	\$30,000	-16.7%	\$42,000	40.0%	\$30,000	-28.6%	\$30,000	0.0%	\$30,000	0.0%
3028 Interactive Gaming Fee - Operator	\$500,000	0.0%	\$500,000	0.0%	\$500,000	0.0%	\$500,000	0.0%	\$500,000	0.0%	\$500,000	0.0%
3029 Interactive Gaming Fee - Service Provider	\$56,000	1.8%	\$53,000	-5.4%	\$13,000	-75.5%	\$14,000	7.7%	\$15,000	7.1%	\$16,000	6.7%
3030 Interactive Gaming Fee - Manufacturer	\$100,000	0.0%	\$100,000	0.0%	\$75,000	-25.0%	\$75,000	0.0%	\$75,000	0.0%	\$75,000	0.0%
3033 Equip Mfg. License	\$291,520	6.0%	\$291,480	0.0%	\$286,510	-1.7%	\$286,000	-0.2%	\$288,000	0.7%	\$288,500	0.2%
3034 Race Wire License	\$4,439	-63.3%	\$3,977	-10.4%	\$5,059	27.2%	\$1,800	-64.4%	\$1,800	0.0%	\$1,700	-5.6%
3035 Annual Fees on Games	\$119,782	-1.2%	\$114,088	-4.8%	\$132,153	15.8%	\$152,000	15.0%	\$137,200	-9.7%	\$122,200	-10.9%
TOTAL GAMING - STATE: BEFORE TAX CREDITS	\$785,515,041	3.3%	\$801,951,098	2.1%	\$645,453,361	-19.5%	\$575,077,300	-10.9%	\$695,474,200	20.9%	\$749,069,900	7.7%
<u>Tax Credit Programs</u>	<u>-\$74,186,822</u>		<u>-\$43,463,260</u>		<u>-\$22,550,138</u>		<u>\$0</u>		<u>\$0</u>		<u>\$0</u>	
TOTAL GAMING - STATE: AFTER TAX CREDITS	\$711,328,219	-0.9%	\$758,487,838	6.6%	\$622,903,223	-17.9%	\$575,077,300	-7.7%	\$695,474,200	20.9%	\$749,069,900	7.7%
LIVE ENTERTAINMENT TAX (LET)												
3031G Live Entertainment Tax-Gaming [5-16]	\$100,863,918	-1.4%	\$105,613,998	4.7%	\$72,175,787	-31.7%	\$1,082,000	-98.5%	\$45,450,000	4100.6%	\$94,831,000	108.6%
3031NG Live Entertainment Tax-Nongaming [5-16]	\$24,544,887	-9.0%	\$25,642,344	4.5%	\$19,159,947	-25.3%	\$5,123,000	-73.3%	\$18,947,000	269.8%	\$23,666,000	24.9%
TOTAL LET	\$125,408,805	-3.0%	\$131,256,342	4.7%	\$91,335,734	-30.4%	\$6,205,000	-93.2%	\$64,397,000	937.8%	\$118,497,000	84.0%
COMMERCE TAX												
Commerce Tax [6-16]	\$201,926,513	2.1%	\$226,770,333	12.3%	\$204,983,790	-9.6%	\$191,937,000	-6.4%	\$201,028,000	4.7%	\$216,605,000	7.7%
TRANSPORTATION CONNECTION EXCISE TAX												
Transportation Connection Excise Tax [7-16]	\$21,773,229	-5.7%	\$30,216,771	38.8%	\$19,868,720	-34.2%	\$13,782,000	-30.6%	\$15,989,000	16.0%	\$28,578,000	78.7%
CIGARETTE TAX												
3052 Cigarette Tax [8-16][3-20]	\$160,664,759	-11.1%	\$164,392,540	2.3%	\$156,694,742	-4.7%	\$147,653,000	-5.8%	\$144,554,000	-2.1%	\$141,863,000	-1.9%

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
 ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
 ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	%	FY 2019 ACTUAL	%	FY 2020 ACTUAL	%	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
							FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
TAXES - CONTINUED												
MODIFIED BUSINESS TAX (MBT)												
MBT - NONFINANCIAL BUSINESSES (MBT-NFI) [9-16][10-16] [11-16][12-16][4-20]												
3069 MBT - Nonfinancial: <u>Before Tax Credits</u>	\$604,038,466	5.3%	\$644,970,150	6.8%	\$646,338,474	0.2%	\$614,260,000	-5.0%	\$639,594,000	4.1%	\$676,514,000	5.8%
Commerce Tax Credits [13-16]	<u>-\$57,111,521</u>		<u>-\$44,539,863</u>		<u>-\$49,894,345</u>							
MBT - Nonfinancial: <u>After Commerce Tax Credits</u>	\$546,926,945	3.1%	\$600,430,287	9.8%	\$596,444,129	-0.7%	\$614,260,000	3.0%	\$639,594,000	4.1%	\$676,514,000	5.8%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$15,925,154		-\$12,064,773		-\$11,069,828		\$0		\$0		\$0	
College Savings Plan Tax Credits [TC-6]	\$0		-\$731		\$0		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	<u>-\$15,925,154</u>		<u>-\$12,065,504</u>		<u>-\$11,069,828</u>		\$0		\$0		\$0	
MBT - Nonfinancial: <u>After Tax Credit Programs</u>	<u>\$531,001,790</u>	<u>1.0%</u>	<u>\$588,364,782</u>	<u>10.8%</u>	<u>\$585,374,301</u>	<u>-0.5%</u>	<u>\$614,260,000</u>	<u>4.9%</u>	<u>\$639,594,000</u>	<u>4.1%</u>	<u>\$676,514,000</u>	<u>5.8%</u>
MBT - FINANCIAL BUSINESSES (MBT-FI) [12-16][4-20]												
3069 MBT - Financial: <u>Before Tax Credits</u>	\$29,088,764	4.2%	\$29,919,524	2.9%	\$35,412,610	18.4%	\$40,502,000	14.4%	\$40,631,000	0.3%	\$42,443,000	4.5%
Commerce Tax Credits [13-16]	<u>-\$633,954</u>		<u>-\$329,401</u>		<u>-\$875,623</u>							
MBT - Financial: <u>After Commerce Tax Credits</u>	\$28,454,810	3.6%	\$29,590,123	4.0%	\$34,536,987	16.7%	\$40,502,000	17.3%	\$40,631,000	0.3%	\$42,443,000	4.5%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$50,000		\$0		-\$230,000		\$0		\$0		\$0	
College Savings Plan Tax Credits [TC-6]	\$0		\$0		\$0		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	<u>-\$50,000</u>		<u>\$0</u>		<u>-\$230,000</u>		\$0		\$0		\$0	
MBT - Financial: <u>After Tax Credit Programs</u>	<u>\$28,404,810</u>	<u>3.6%</u>	<u>\$29,590,123</u>	<u>4.2%</u>	<u>\$34,306,987</u>	<u>15.9%</u>	<u>\$40,502,000</u>	<u>18.1%</u>	<u>\$40,631,000</u>	<u>0.3%</u>	<u>\$42,443,000</u>	<u>4.5%</u>
MBT - MINING BUSINESSES (MBT-MINING) [11-16][4-20]												
3069 MBT - Mining: <u>Before Tax Credits</u>	\$22,508,221	1.6%	\$22,520,260	0.1%	\$22,992,626	2.1%	\$23,852,000	3.7%	\$24,561,000	3.0%	\$25,358,000	3.2%
Commerce Tax Credits [13-16]	<u>-\$71,092</u>		<u>-\$100,486</u>		<u>-\$70,648</u>							
MBT - Mining: <u>After Commerce Tax Credits</u>	\$22,437,129	1.5%	\$22,419,773	-0.1%	\$22,921,979	2.2%	\$23,852,000	4.1%	\$24,561,000	3.0%	\$25,358,000	3.2%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	\$0		\$0		\$0		\$0		\$0		\$0	
College Savings Plan Tax Credits [TC-6]	\$0		\$0		\$0		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	<u>\$0</u>		<u>\$0</u>		<u>\$0</u>		\$0		\$0		\$0	
MBT - Mining: <u>After Tax Credit Programs</u>	<u>\$22,437,129</u>	<u>1.5%</u>	<u>\$22,419,773</u>	<u>-0.1%</u>	<u>\$22,921,979</u>	<u>2.2%</u>	<u>\$23,852,000</u>	<u>4.1%</u>	<u>\$24,561,000</u>	<u>3.0%</u>	<u>\$25,358,000</u>	<u>3.2%</u>

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	%	FY 2019 ACTUAL	%	FY 2020 ACTUAL	%	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
							FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
TAXES - CONTINUED												
TOTAL MBT - NEI, FI. & MINING												
TOTAL MBT: BEFORE TAX CREDITS	\$655,635,451	5.1%	\$697,409,933	6.4%	\$704,743,710	1.1%	\$678,614,000	-3.7%	\$704,786,000	3.9%	\$744,315,000	5.6%
TOTAL COMMERCE TAX CREDITS [13-16]	-\$57,816,568		-\$44,969,750		-\$50,840,616		-\$45,774,000		-\$43,362,000		-\$45,227,000	
TOTAL MBT: AFTER COMMERCE TAX CREDITS	\$597,818,883	3.1%	\$652,440,183	9.1%	\$653,903,094	0.2%	\$632,840,000	-3.2%	\$661,424,000	4.5%	\$699,088,000	5.7%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$15,975,154		-\$12,064,773		-\$11,299,828		-\$11,400,000		-\$6,655,000		-\$6,655,000	
College Savings Plan Tax Credits [TC-6]	\$0		-\$731		\$0		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$15,975,154		-\$12,065,504		-\$11,299,828		-\$11,400,000		-\$6,655,000		-\$6,655,000	
TOTAL MBT: AFTER TAX CREDIT PROGRAMS	\$581,843,729	1.1%	\$640,374,679	10.1%	\$642,603,266	0.3%	\$621,440,000	-3.3%	\$654,769,000	5.4%	\$692,433,000	5.8%
INSURANCE TAXES												
3061 Insurance Premium Tax: Before Tax Credits [1-16]	\$417,497,362	8.8%	\$442,123,385	5.9%	\$458,514,238	3.7%	\$479,199,000	4.5%	\$496,540,000	3.6%	\$518,271,000	4.4%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Nevada New Markets Job Act Tax Credits [TC-3]	-\$23,234,613		-\$19,610,979		-\$7,775,281		-\$1,809,713		-\$24,000,000		-\$24,000,000	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$23,234,613		-\$19,610,979		-\$7,775,281		-\$1,809,713		-\$24,000,000		-\$24,000,000	
Insurance Premium Tax: After Tax Credit Programs	\$394,262,749	10.0%	\$422,512,406	7.2%	\$450,738,957	6.7%	\$477,389,287	5.9%	\$472,540,000	-1.0%	\$494,271,000	4.6%
3062 Insurance Retailatory Tax	\$170,507	-5.7%	\$309,525	81.5%	\$378,126	22.2%	\$344,300	-8.9%	\$349,300	1.5%	\$354,400	1.5%
3067 Captive Insurer Premium Tax	\$1,267,234	17.6%	\$1,266,281	-0.1%	\$1,244,273	-1.7%	\$1,255,000	0.9%	\$1,293,000	3.0%	\$1,335,000	3.2%
TOTAL INSURANCE TAXES: BEFORE TAX CREDITS	\$418,935,102	8.8%	\$443,699,191	5.9%	\$460,136,638	3.7%	\$480,798,300	4.5%	\$498,182,300	3.6%	\$519,960,400	4.4%
TAX CREDIT PROGRAMS	-\$23,234,613		-\$19,610,979		-\$7,775,281		-\$1,809,713		-\$24,000,000		-\$24,000,000	
TOTAL INSURANCE TAXES: AFTER TAX CREDITS	\$395,700,489	10.0%	\$424,088,212	7.2%	\$452,361,356	6.7%	\$478,988,587	5.9%	\$474,182,300	-1.0%	\$495,960,400	4.6%
REAL PROPERTY TRANSFER TAX (RPTT)												
3055 Real Property Transfer Tax	\$103,390,400	23.1%	\$101,045,306	-2.3%	\$100,266,873	-0.8%	\$106,507,000	6.2%	\$105,460,000	-1.0%	\$105,143,000	-0.3%
GOVERNMENTAL SERVICES TAX (GST)												
3051 Governmental Services Tax [14-16][2-18][5-20][2-21]	\$20,252,358	-47.5%	\$21,489,134	6.1%	\$21,307,879	-0.8%	\$94,266,000	342.4%	\$23,703,000	-74.9%	\$24,295,000	2.5%
OTHER TAXES												
3113 Business License Fee [15-16]	\$109,297,773	4.2%	\$110,336,678	1.0%	\$103,062,659	-6.6%	\$101,355,000	-1.7%	\$102,461,000	1.1%	\$104,681,000	2.2%
3050 Liquor Tax	\$44,194,634	0.7%	\$44,790,598	1.3%	\$42,312,940	-5.5%	\$38,917,000	-8.0%	\$40,896,000	5.1%	\$42,473,000	3.9%
3053 Other Tobacco Tax [6-20]	\$16,496,006	12.3%	\$18,099,022	9.7%	\$23,200,047	28.2%	\$30,011,000	29.4%	\$31,552,000	5.1%	\$32,838,000	4.1%
4862 HECC Transfer	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%
3068 Branch Bank Excise Tax	\$2,745,343	-1.4%	\$2,802,489	2.1%	\$2,608,720	-6.9%	\$2,590,000	-0.7%	\$2,562,000	-1.1%	\$2,535,000	-1.1%
Tax Amnesty [3-21]							\$14,000,000		\$0		\$0	
TOTAL TAXES: BEFORE TAX CREDITS	\$3,923,984,113	4.6%	\$4,134,309,440	5.4%	\$3,902,074,250	-5.6%	\$3,843,862,600	-1.5%	\$3,949,344,500	2.7%	\$4,226,663,300	7.0%
TOTAL COMMERCE TAX CREDITS [13-16]	-\$57,816,568		-\$44,969,750		-\$50,840,616		-\$45,774,000		-\$43,362,000		-\$45,227,000	
TOTAL TAXES: AFTER COMMERCE TAX CREDITS	\$3,866,167,545	4.3%	\$4,089,339,690	5.8%	\$3,851,233,634	-5.8%	\$3,798,088,600	-1.4%	\$3,905,982,500	2.8%	\$4,181,436,300	7.1%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		-\$1,519,656		-\$337,637		-\$10,000,000		-\$4,000,000		-\$6,000,000	
Economic Development Transferrable Tax Credits [TC-2]	-\$73,831,822		-\$41,943,604		-\$21,912,501		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	-\$355,000		\$0		-\$300,000		-\$350,000		\$0		\$0	
Nevada New Markets Job Act Tax Credits [TC-3]	-\$23,234,613		-\$19,610,979		-\$7,775,281		-\$1,809,713		-\$24,000,000		-\$24,000,000	
Education Choice Scholarship Tax Credits [TC-5]	-\$15,975,154		-\$12,064,773		-\$11,299,828		-\$11,400,000		-\$6,655,000		-\$6,655,000	
College Savings Plan Tax Credits [TC-6]	\$0		-\$731		\$0		-\$2,500		-\$2,500		-\$2,500	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		-\$3,000,000		-\$10,000,000	
Total - Tax Credit Programs	-\$113,396,589		-\$75,139,743		-\$41,625,247		-\$23,562,213		-\$37,657,500		-\$46,657,500	
TOTAL TAXES: AFTER TAX CREDITS	\$3,752,770,956	3.2%	\$4,014,199,946	7.0%	\$3,809,608,386	-5.1%	\$3,774,526,387	-0.9%	\$3,868,325,000	2.5%	\$4,134,778,800	6.9%

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
 ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
 ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018		FY 2019		FY 2020		ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
	ACTUAL	% Change	ACTUAL	% Change	ACTUAL	% Change	FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
LICENSES												
3101 Insurance Licenses	\$21,002,623	7.5%	\$21,928,437	4.4%	\$23,569,572	7.5%	\$24,898,000	5.6%	\$25,587,000	2.8%	\$26,690,000	4.3%
3120 Marriage License	\$342,192	-6.2%	\$331,666	-3.1%	\$267,159	-19.4%	\$178,900	-33.0%	\$223,000	24.7%	\$214,600	-3.8%
SECRETARY OF STATE												
3105 UCC	\$1,942,182	5.6%	\$2,408,248	24.0%	\$3,057,329	27.0%	\$3,414,000	11.7%	\$2,714,000	-20.5%	\$2,731,000	0.6%
3129 Notary Fees	\$556,389	1.4%	\$523,925	-5.8%	\$464,366	-11.4%	\$494,800	6.6%	\$516,500	4.4%	\$521,000	0.9%
3130 Commercial Recordings [16-16]	\$77,057,113	3.3%	\$76,200,543	-1.1%	\$72,629,712	-4.7%	\$71,594,000	-1.4%	\$72,284,000	1.0%	\$73,383,000	1.5%
3131 Video Service Franchise	\$5,050	48.5%	\$27,900	452.5%	\$2,950	-89.4%	\$3,500	18.6%	\$3,500	0.0%	\$3,500	0.0%
3121 Domestic Partnership Registry Fee	\$0		\$47,497		\$33,998	-28.4%	\$34,000	0.0%	\$34,000	0.0%	\$34,000	0.0%
3152 Securities	\$29,322,672	3.6%	\$29,879,214	1.9%	\$30,131,586	0.8%	\$31,494,000	4.5%	\$31,805,000	1.0%	\$32,066,000	0.8%
TOTAL SECRETARY OF STATE	\$108,883,405	3.4%	\$109,087,327	0.2%	\$106,319,941	-2.5%	\$107,034,300	0.7%	\$107,357,000	0.3%	\$108,738,500	1.3%
3172 Private School Licenses	\$214,155	0.6%	\$220,294	2.9%	\$194,318	-11.8%	\$213,500	9.9%	\$225,600	5.7%	\$231,000	2.4%
3173 Private Employment Agency	\$15,500	14.0%	\$18,600	20.0%	\$19,700	5.9%	\$20,600	4.6%	\$21,600	4.9%	\$22,700	5.1%
REAL ESTATE												
3161 Real Estate License [17-16]	\$2,469,797	5.3%	\$2,705,756	9.6%	\$2,533,241	-6.4%	\$2,470,000	-2.5%	\$2,551,000	3.3%	\$2,594,000	1.7%
3162 Real Estate Fees	\$1,670	-51.6%	\$1,800	7.8%	\$1,650	-8.3%	\$1,800	9.1%	\$1,800	0.0%	\$1,800	0.0%
TOTAL REAL ESTATE	\$2,471,467	5.2%	\$2,707,556	9.6%	\$2,534,891	-6.4%	\$2,471,800	-2.5%	\$2,552,800	3.3%	\$2,595,800	1.7%
3102 Athletic Commission Fees [18-16]	\$6,016,432	87.0%	\$4,333,982	-28.0%	\$4,021,180	-7.2%	\$259,000	-93.6%	\$3,333,000	1186.9%	\$4,000,000	20.0%
TOTAL LICENSES	\$138,945,774	6.1%	\$138,627,862	-0.2%	\$136,926,762	-1.2%	\$135,076,100	-1.4%	\$139,300,000	3.1%	\$142,492,600	2.3%
FEES AND FINES												
3203 Divorce Fees	\$164,198	-4.7%	\$158,760	-3.3%	\$144,113	-9.2%	\$121,500	-15.7%	\$129,700	6.7%	\$125,700	-3.1%
3204 Civil Action Fees	\$1,249,463	-2.9%	\$1,286,607	3.0%	\$1,226,220	-4.7%	\$1,013,000	-17.4%	\$1,192,000	17.7%	\$1,190,000	-0.2%
3242 Insurance Fines	\$676,092	-40.7%	\$482,053	-28.7%	\$390,033	-19.1%	\$396,700	1.7%	\$396,700	0.0%	\$396,700	0.0%
3242LC Investigative Recovery Costs - Labor Commission					\$18,000		\$19,900	10.6%	\$20,600	3.5%	\$21,300	3.4%
3103MD Medical Plan Discount Reg. Fees	\$0		\$1,500		\$0		\$0		\$0		\$0	
REAL ESTATE FEES												
3107IOS IOS Application Fees	\$7,780	15.4%	\$6,880	-11.6%	\$6,600	-4.1%	\$6,800	3.0%	\$6,900	1.5%	\$7,000	1.4%
3165 Land Co Filing Fees [19-16]	\$24,575	-0.5%	\$27,925	13.6%	\$19,400	-30.5%	\$23,300	20.1%	\$25,000	7.3%	\$25,000	0.0%
3169 Real Estate Reg Fees	\$12,275	71.7%	\$9,725	-20.8%	\$14,450	48.6%	\$13,200	-8.7%	\$11,500	-12.9%	\$11,500	0.0%
4741 Real Estate Exam Fees	\$601,757	27.5%	\$587,174	-2.4%	\$442,139	-24.7%	\$594,000	34.3%	\$599,300	0.9%	\$604,600	0.9%
3178 Real Estate Accred Fees	\$109,295	6.2%	\$115,250	5.4%	\$100,475	-12.8%	\$106,800	6.3%	\$107,600	0.7%	\$108,500	0.8%
3254 Real Estate Penalties	\$102,131	7.1%	\$104,900	2.7%	\$83,050	-20.8%	\$91,700	10.4%	\$91,700	0.0%	\$91,700	0.0%
3190 A.B. 165, Real Estate Inspectors	\$60,150	4.6%	\$58,374	-3.0%	\$62,730	7.5%	\$61,300	-2.3%	\$61,300	0.0%	\$61,300	0.0%
TOTAL REAL ESTATE FEES	\$917,963	18.7%	\$910,228	-0.8%	\$728,844	-19.9%	\$897,100	23.1%	\$903,300	0.7%	\$909,600	0.7%
3066 Short Term Car Lease	\$55,601,611	6.0%	\$57,304,945	3.1%	\$45,208,997	-21.1%	\$36,624,000	-19.0%	\$43,133,000	17.8%	\$47,007,000	9.0%
3103AC Athletic Commission Licenses/Fines	\$117,035	0.4%	\$139,525	19.2%	\$135,750	-2.7%	\$168,000	23.8%	\$120,000	-28.6%	\$135,000	12.5%
3150 Navigable Water Permit Fees [3-18]	\$61,185		\$65,000	6.2%	\$65,000	0.0%	\$65,000	0.0%	\$65,000	0.0%	\$65,000	0.0%
3205 State Engineer Sales [4-18]	\$3,860,659		\$3,886,601	0.7%	\$3,731,855	-4.0%	\$3,770,000	1.0%	\$3,770,000	0.0%	\$3,770,000	0.0%
3206 Supreme Court Fees	\$229,445	13.4%	\$252,460	10.0%	\$205,770	-18.5%	\$227,600	10.6%	\$233,800	2.7%	\$235,900	0.9%
3115 Notice of Default Fee	\$806,743	-11.4%	\$591,061	-26.7%	\$487,642	-17.5%	\$400,000	-18.0%	\$537,500	34.4%	\$500,000	-7.0%
3271 Misc Fines/Forfeitures [5-18]	\$2,764,378	14.5%	\$3,495,166	26.4%	\$1,671,151	-52.2%	\$1,750,000	4.7%	\$2,250,000	28.6%	\$2,500,000	11.1%
TOTAL FEES AND FINES	\$66,448,771	11.7%	\$68,573,906	3.2%	\$54,013,376	-21.2%	\$45,452,800	-15.8%	\$52,751,600	16.1%	\$56,856,200	7.8%

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	%	FY 2019 ACTUAL	%	FY 2020 ACTUAL	%	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
							FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
USE OF MONEY AND PROP												
OTHER REPAYMENTS												
4403 Forestry Nurseries Fund Repayment (05-M27)	\$20,670		\$20,670		\$20,670		\$20,670		\$20,670		\$20,670	
4408 Comp/Fac Repayment	\$23,744		\$13,032		\$13,032		\$13,032		\$13,032		\$13,032	
4408 CIP 97-C26, Capitol Complex Conduit System, Phase I	\$62,542		\$62,542		\$0		\$0		\$0		\$0	
4408 CIP 97-S4H, Advance Planning Addition to Computer Facility	\$9,107		\$9,107		\$0		\$0		\$0		\$0	
4408 EITS Repayment - State Microwave Communications System [1-18]	\$57,900		\$57,900		\$57,900		\$57,900		\$266,915		\$266,915	
4408 EITS Repayment - Cyber Security Resource Enhancement [2-19]			\$124,406		\$201,079		\$178,351		\$124,406		\$0	
4408 EITS Repayment - Wide-Area Network Upgrade [3-19]			\$499,724		\$499,724		\$499,724		\$223,808		\$0	
4408 EITS Repayment - Enterprise Cloud Application [1-22]					\$0		\$0		\$448,209		\$448,209	
4408 EITS Repayment - Firewall Replacement [2-22]					\$0		\$0		\$679,792		\$679,792	
4409 Motor Pool Repay - LV	\$125,000		\$125,000		\$125,000		\$125,000		\$125,000		\$125,000	
TOTAL OTHER REPAYMENTS	\$298,963	18.7%	\$912,381	205.2%	\$917,405	0.6%	\$894,677	-2.5%	\$1,901,832	112.6%	\$1,553,618	-18.3%
INTEREST INCOME												
3290 Treasurer	\$9,146,057	155.6%	\$18,212,970	99.1%	\$20,026,728	10.0%	\$7,136,000	-64.4%	\$4,296,000	-39.8%	\$6,069,000	41.3%
3291 Other	\$115,117	163.2%	\$206,181	79.1%	\$177,821	-13.8%	\$22,500	-87.3%	\$42,500	88.9%	\$55,000	29.4%
TOTAL INTEREST INCOME	\$9,261,175	155.6%	\$18,419,152	98.9%	\$20,204,550	9.7%	\$7,158,500	-64.6%	\$4,338,500	-39.4%	\$6,124,000	41.2%
TOTAL USE OF MONEY & PROP	\$9,560,138	146.7%	\$19,331,533	102.2%	\$21,121,955	9.3%	\$8,053,177	-61.9%	\$6,240,332	-22.5%	\$7,677,618	23.0%
OTHER REVENUE												
3059 Hoover Dam Revenue	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%	\$300,000	0.0%
MISC SALES AND REFUNDS												
4794 GST Commissions and Penalties / DMV [20-16]							\$0		\$0		\$0	
3047 Expired Slot Machine Wagering Vouchers	\$9,482,546	8.4%	\$10,372,316	9.4%	\$10,821,026	4.3%	\$7,952,000	-26.5%	\$8,360,000	5.1%	\$9,635,000	15.3%
3107 Misc Fees [3-18]	\$497,111	31.6%	\$418,804	-15.8%	\$410,057	-2.1%	\$443,200	8.1%	\$443,200	0.0%	\$443,200	0.0%
3109 Court Admin Assessments [21-16][6-18][7-20]	\$1,551,956		\$1,672,413	7.8%	\$0		\$0		\$0		\$0	
3114 Court Administrative Assessment Fee	\$2,095,971	1.4%	\$2,144,139	2.3%	\$1,831,501	-14.6%	\$1,657,000	-9.5%	\$2,005,000	21.0%	\$2,109,000	5.2%
3168 Declare of Candidacy Filing Fee	\$35,075	81.7%	\$36,842	5.0%	\$20,405	-44.6%	\$23,300	14.2%	\$35,000	50.2%	\$23,300	-33.4%
3202 Fees & Writs of Garnishments	\$1,740	-1.4%	\$6,500	273.6%	\$1,295	-80.1%	\$1,000	-22.8%	\$1,300	30.0%	\$1,200	-7.7%
3220 Nevada Report Sales	\$4,895	16.3%	\$11,265	130.1%	\$3,450	-69.4%	\$6,900	100.0%	\$7,500	8.7%	\$7,500	0.0%
3222 Excess Property Sales	\$3,400	-7.7%	\$9,516	179.9%	\$6,446	-32.3%	\$6,100	-5.4%	\$6,100	0.0%	\$6,100	0.0%
3240 Sale of Trust Property	\$864	-91.2%	\$3,511	306.3%	\$573	-83.7%	\$600	4.7%	\$900	50.0%	\$900	0.0%
3243 Insurance - Misc	\$397,998	8.5%	\$354,889	-10.8%	\$364,448	2.7%	\$364,800	0.1%	\$364,800	0.0%	\$364,800	0.0%
3274 Misc Refunds	\$51,085	-96.6%	\$37,467	-26.7%	\$30,139	-19.6%	\$34,300	13.8%	\$34,300	0.0%	\$34,300	0.0%
3276 Cost Recovery Plan [7-18][8-20]	\$9,839,249	-3.7%	\$10,438,523	6.1%	\$10,588,533	1.4%	\$10,981,630	3.7%	\$10,206,992	-7.1%	\$9,803,603	-4.0%
TOTAL MISC SALES & REF	\$23,961,888	2.7%	\$25,506,185	6.4%	\$24,077,873	-5.6%	\$21,470,830	-10.8%	\$21,465,092	0.0%	\$22,428,903	4.5%
3255 Unclaimed Property	\$26,723,929	3.3%	\$20,964,747	-21.6%	\$31,198,989	48.8%	\$27,387,000	-12.2%	\$27,317,000	-0.3%	\$27,245,000	-0.3%
TOTAL OTHER REVENUE	\$50,985,818	3.0%	\$46,770,931	-8.3%	\$55,576,862	18.8%	\$49,157,830	-11.5%	\$49,082,092	-0.2%	\$49,973,903	1.8%
TOTAL GENERAL FUND REVENUE: BEFORE TAX CREDITS	\$4,189,924,613	4.8%	\$4,407,613,671	5.2%	\$4,169,713,203	-5.4%	\$4,081,602,507	-2.1%	\$4,196,718,524	2.8%	\$4,483,663,621	6.8%
TOTAL COMMERCE TAX CREDITS [13-16]	-\$57,816,568		-\$44,969,750		-\$50,840,616		-\$45,774,000		-\$43,362,000		-\$45,227,000	
TOTAL GENERAL FUND REVENUE: AFTER COMMERCE TAX CREDITS	\$4,132,108,045	4.5%	\$4,362,643,921	5.6%	\$4,118,872,587	-5.6%	\$4,035,828,507	-2.0%	\$4,153,356,524	2.9%	\$4,438,436,621	6.9%
TAX CREDIT PROGRAMS:												
FILM TRANSFERRABLE TAX CREDITS [TC-1]	\$0		-\$1,519,656		-\$337,637		-\$10,000,000		-\$4,000,000		-\$6,000,000	
ECONOMIC DEVELOPMENT TRANSFERRABLE TAX CREDITS [TC-2]	-\$73,831,822		-\$41,943,604		-\$21,912,501		\$0		\$0		\$0	
CATALYST ACCOUNT TRANSFERRABLE TAX CREDITS [TC-4]	-\$355,000		\$0		-\$300,000		-\$350,000		\$0		\$0	
NEVADA NEW MARKET JOBS ACT TAX CREDITS [TC-3]	-\$23,234,613		-\$19,610,979		-\$7,775,281		-\$1,809,713		-\$24,000,000		-\$24,000,000	
EDUCATION CHOICE SCHOLARSHIP TAX CREDITS [TC-5]	-\$15,975,154		-\$12,064,773		-\$11,299,828		-\$11,400,000		-\$6,655,000		-\$6,655,000	
COLLEGE SAVINGS PLAN TAX CREDITS [TC-6]	\$0		-\$731		\$0		-\$2,500		-\$2,500		-\$2,500	
AFFORDABLE HOUSING TRANSFERRABLE TAX CREDITS [TC-7]	\$0		\$0		\$0		\$0		-\$3,000,000		-\$10,000,000	
TOTAL- TAX CREDIT PROGRAMS	-\$113,396,589		-\$75,139,743		-\$41,625,247		-\$23,562,213		-\$37,657,500		-\$46,657,500	
TOTAL GENERAL FUND REVENUE: AFTER TAX CREDITS	\$4,018,711,456	3.6%	\$4,287,504,178	6.7%	\$4,077,247,340	-4.9%	\$4,012,266,294	-1.6%	\$4,115,699,024	2.6%	\$4,391,779,121	6.7%

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
 ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
 ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	%	FY 2019 ACTUAL	%	FY 2020 ACTUAL	%	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
							FY 2021 FORECAST	Change	FY 2022 FORECAST	Change	FY 2023 FORECAST	Change

NOTES:

FY 2016: Note 1 represents legislative actions approved during the 28th Special Session in September 2014.

[1-16] Assembly Bill 3 (28th S.S.) limits the amount of the home office credit that may be taken against the Insurance Premium Tax to an annual limit of \$5 million, effective January 1, 2016. The home office credit is eliminated pursuant to this bill, effective January 1, 2021.

FY 2016: Notes 2 through 21 represent legislative actions approved during the 2015 Legislative Session.

- [2-16] S.B. 483 extends the June 30, 2015, sunset (approved in S.B. 475 (2013)) by one year to June 30, 2016, on the Net Proceeds of Minerals (NPM) tax, which continues the payment of taxes in the current fiscal year based on the estimated net proceeds for the current calendar year with a true-up against actual net proceeds for the calendar year in the next fiscal year. The one-year extension of the sunset is estimated to yield \$34,642,000 in FY 2016. There is no estimated tax payment in FY 2017 with the one-year extension of the prepayment of NPM taxes.
- [3-16] S.B. 483 extends the June 30, 2015, sunset (approved in S.B. 475 (2013)) by one-year to June 30, 2016, that eliminates health and industrial insurance deductions allowed against gross proceeds to determine net proceeds for the purpose of calculating the Net Proceeds of Minerals (NPM) tax liability. These deduction changes are effective for the NPM tax payments due in FY 2016. The health and industrial insurance deduction changes are estimated to generate \$4,221,000 in additional revenue in FY 2016.
- [4-16] S.B. 483 makes the 0.35% increase in the Local School Support Tax (LSST) permanent. The 0.35% increase generates additional revenue from the 0.75% General Fund Commission assessed against LSST proceeds before distribution to school districts in each county, which is estimated to generate \$1,387,300 in FY 2016 and \$1,463,400 in FY 2017.
- [5-16] S.B. 266 makes changes to the structure of the tax base and tax rate for the Live Entertainment Tax (LET) in NRS Chapter 368A that is administered by the Gaming Control Board for live entertainment at licensed gaming establishments and the Department of Taxation for live entertainment provided at non-gaming establishments. Under existing law, the tax rate is 10% of the admission charge and amounts paid for food, refreshments, and merchandise, if the live entertainment is provided at a facility with a maximum occupancy of less than 7,500 persons, and 5% of the admission charge only, if the live entertainment is provided at a facility with a maximum occupancy equal to or greater than 7,500 persons. S.B. 266 removes the occupancy threshold and establishes a single 9% tax rate on the admission charge to the facility only. The tax rate does not apply to amounts paid for food, refreshments, and merchandise unless that is the consideration required to enter the facility for the live entertainment. S.B. 266 adds the total amount of consideration paid for escorts and escort services to the LET tax base and makes these activities subject to the 9% tax rate. The bill provides that the exemption from the LET for certain nonprofit organizations applies depending on the number of tickets sold and the type of live entertainment being provided. S.B. 266 establishes an exemption for the following: 1.) the value of certain admissions provided on a complimentary basis; 2.) a charge for access to a table, seat, or lounge or for food, beverages, and merchandise that are in addition to the admission charge to the facility; and 3.) certain license and rental fees of luxury suites, boxes, or similar products at a facility with a maximum occupancy of more than 7,500 persons. The provisions of S.B. 266 also make other changes to the types of activities that are included or excluded from the tax base as live entertainment events subject to the 9% tax rate. The provisions of S.B. 266 are effective October 1, 2015. The amounts shown reflect the estimated net change from the provisions of S.B. 266 on the amount of the LET collected from the portion administered by the Gaming Control Board and the Department of Taxation separately and the combined impact. The changes to the LET are estimated to reduce LET-Gaming collections by \$19,165,000 in FY 2016 and by \$26,551,000 in FY 2017, but increase LET-Nongaming collections by \$15,483,000 in FY 2016 and \$25,313,000 in FY 2017. The combined net effect on total LET collections is estimated to be reduction of \$3,682,000 in FY 2016 and \$1,238,000 in FY 2017.
- [6-16] S.B. 483 establishes the Commerce Tax as an annual tax on each business entity engaged in business in the state whose Nevada gross revenue in a fiscal year exceeds \$4,000,000 at a tax rate based on the industry in which the business is primarily engaged. The Commerce Tax is due on or before the 45th day immediately following the fiscal year taxable period (June 30th). Although the Commerce Tax collections are received after the June 30th end of the fiscal year tax period, the proceeds from the Commerce Tax will be accrued back and accounted for in that fiscal year, since that fiscal year is not officially closed until the third Friday in September. The Commerce Tax provisions are effective July 1, 2015, for the purpose of taxing the Nevada gross revenue of a business, but the first tax payment will not be made until August 14, 2016, for the FY 2016 annual taxable business activity period.
- [7-16] A.B. 175 requires the collection of an excise tax by the Nevada Transportation Authority or the Taxicab Authority, as applicable, on the connection of a passenger to a driver affiliated with a transportation network company, a common motor carrier of passengers, or a taxicab equal to 3% of the fare charged to the passenger. The excise tax becomes effective on passage and approval (May 29, 2015) for transportation network companies and August 28, 2015, for common motor carrier and taxicab companies. The first \$5,000,000 in tax proceeds from each biennium are required to be deposited in the State Highway Fund and the estimate for FY 2016 reflects this requirement.
- [8-16] S.B. 483 increases the cigarette tax per pack of 20 by \$1.00 from 80 cents per pack (10 cents to Local Government Distribution Fund, 70 cents to State General Fund) to \$1.80 per pack (10 cents to Local Government Distribution Fund, \$1.70 to State General Fund), effective July 1, 2015. The \$1.00 per pack increase is estimated to generate \$96,872,000 in FY 2016 and \$95,391,000 in FY 2017.
- [9-16] S.B. 483 permanently changes the structure and tax rate for the Modified Business Tax on General Business (nonfinancial institutions) by exempting quarterly taxable wages (gross wages less allowable health care expenses) paid by an employer to employees up to and including \$50,000 per quarter and taxable wages exceeding \$50,000 per quarter are taxed at 1.475%. The taxable wages exemption threshold was \$85,000 per quarter for FY 2014 and FY 2015 with a 1.17% tax rate on quarterly taxable wages exceeding \$85,000, based on S.B. 475 (2013). These provisions in S.B. 475 were scheduled to sunset effective June 30, 2015, at which time the tax rate would have been 0.63% on all taxable wages per quarter. The provisions in S.B. 483 are effective July 1, 2015. The estimated net increase in MBT-NFI tax collections from the 1.475% tax rate on quarterly taxable wages exceeding \$50,000 compared to the Economic Forum May 1, 2015, forecast, based on the 0.63% tax rate on all quarterly taxable wages before accounting for the estimated impact of any other legislatively approved changes to the MBT-NFI is \$268,041,000 for FY 2016 and \$281,443,000 for FY 2017.
- [10-16] A.B. 389 deems the client company of an employee leasing company to be the employer of the employees it leases for the purposes of NRS Chapter 612 (unemployment compensation). Under these provisions, the wages of employees leased from employee leasing companies by client companies will no longer be reported on an aggregated basis under the employee leasing company. The wages of the employees will now be reported on a disaggregated basis under each client company. Instead of the \$50,000 quarterly exemption applying to the employee leasing company, it will now apply to each client company. These provisions are effective October 1, 2015. The wages paid to employees being reported on a disaggregated basis for each client company versus an aggregated basis for the employee leasing company is estimated to reduce MBT-NFI collections by \$2,758,000 in FY 2016 and \$3,861,000 in FY 2017.
- [11-16] S.B. 483 requires businesses subject to the Net Proceeds of Minerals (NPM) tax in NRS Chapter 362 to pay a 2.0% tax on all quarterly taxable wages paid by the employer to the employees, which is identical to the Modified Business Tax (MBT) paid by financial institutions under NRS Chapter 363A. These provisions are effective July 1, 2015. This change is estimated to reduce MBT-NFI tax collections by \$10,884,000 in both FY 2016 and FY 2017. The mining companies paying the 2% tax rate on all taxable wages are estimated to generate \$17,353,000 in both FY 2016 and FY 2017 for the MBT-Mining. This change is estimated to yield a net increase in General Fund revenue of \$6,469,000 in both FY 2016 and FY 2017.
- [12-16] S.B. 103 exempts from the definition of "financial institution" in NRS Chapter 363A any person who is primarily engaged in the sale, solicitation, or negotiation of insurance, which makes such a person subject to the Modified Business Tax on General Business (nonfinancial institutions) in NRS Chapter 363B at 1.475% on quarterly taxable wages exceeding \$50,000 and not the 2.0% tax on all quarterly taxable wages. These provisions are effective July 1, 2015. MBT-FI is estimated to be reduced by \$891,000 in FY 2016 and \$936,000 and the MBT-NFI is estimated to be increased by \$278,000 in FY 2016 and \$291,000 in FY 2017. The net decrease in General Fund revenue is estimated to be \$613,000 in FY 2016 and \$645,000 in FY 2017.
- [13-16] S.B. 483 provides for a credit against a business's Modified Business Tax (MBT) due during the current fiscal year not to exceed 50% of the Commerce Tax paid by the business for the preceding fiscal year. The credit can be taken against any or all of the four quarterly MBT payments for the current fiscal year, but any amount of credit not used cannot be carried forward and used in succeeding fiscal years. The total estimated Commerce Tax credits against the MBT are estimated to be \$59,913,000 in FY 2017, but this estimated credit amount was not allocated separately to the MBT-NFI, MBT-FI, and MBT-Mining.

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
							FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
[14-16]	S.B. 483 requires 100% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2016. In FY 2017, 50% of the proceeds will be allocated to the State General Fund and 50% to the State Highway Fund. Under S.B. 483, 100% of the additional revenue generated from the GST 10% depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2018 and going forward permanently.											
[15-16]	S.B. 483 makes the \$100 increase in the Business License Fee (BLF) from \$100 to \$200 permanent for the initial and annual renewal, that was scheduled to sunset on June 30, 2015, (as approved in A.B. 475 (2013)) for all types of businesses, except for corporations. The initial and annual renewal fee for corporations, as specified in S.B. 483, is increased from \$200 to \$500 permanently. These provisions are effective July 1, 2015. The changes to the BLF are estimated to generate additional General Fund revenue of \$63,093,000 in FY 2016 and \$64,338,000 in FY 2017 in relation of the Economic Forum May 1, 2015, forecast with all business types paying a \$100 annual fee.											
[16-16]	S.B. 483 permanently increases the fee for filing the initial and annual list of directors and officers by \$25 that is required to be paid by each business entity organizing under the various chapters in Title 7 of the NRS, effective July 1, 2015. The \$25 increase in the initial and annual list filing fee is estimated to increase Commercial Recordings Fee revenue by \$2,751,000 in FY 2016 and \$2,807,000 in FY 2017.											
[17-16]	A.B. 475 changes the initial period from 24 to 12 months and the renewal period from 48 to 24 months for a license as a real estate broker, broker-salesperson, or salesperson and also changes the period for other licenses from 48 to 24 months, effective July 1, 2015. Existing licenses issued before July 1, 2015, do not need to be renewed until the expiration date required under statute prior to July 1, 2015. This change in the licensing period is estimated to reduce Real Estate License Fee revenue by \$1,693,400 in FY 2016 and \$1,404,200 in FY 2017.											
[18-16]	A.B. 476 increases the current 6% license fee on the gross receipts from admission charges to unarmed combat events, that is dedicated to the State General Fund, by 2% to 8% with 75% of the proceeds from the 8% fee deposited in the State General Fund and 25% retained by the Athletic Commission to fund the agency's operations. A.B. 476 repeals the two-tiered fee based on the revenues from the sale or lease of broadcast, television and motion picture rights that is dedicated to the State General Fund. A.B. 476 allows the promoter of an unarmed combat event a credit against the 8% license fee equal to the amount paid to the Athletic Commission or organization sanctioned by the Commission to administer a drug testing program for unarmed combatants. These provisions are effective June 9, 2015, based on the passage and approval effective date provisions of A.B. 476. These changes are estimated to reduce Athletic Commission Fee revenue by \$600,000 in both FY 2016 and FY 2017.											
[19-16]	A.B. 478 increases certain fees relating to application or renewals paid by developers for exemptions from any provisions administered by the Real Estate Division of the Department of Business and Industry, and requires that all fees collected for this purpose be kept by the Division, effective July 1, 2015. This requirement for the Division to keep these fees is estimated to reduce Real Estate Land Company filing fees by approximately \$152,600 in FY 2016 and \$153,300 in FY 2017.											
[20-16]	A.B. 491 (2013) required the proceeds from the commission retained by the Department of Motor Vehicles from the amount of Governmental Services Tax (GST) collected and any penalties for delinquent payment of the GST to be transferred to the State General Fund in FY 2015 only. A.B. 491 specified that the amount transferred shall not exceed \$20,813,716 from commissions and \$4,097,964 from penalties in FY 2015. A.B. 490 amended the commissions amount to \$23,724,000 and the penalties amount to \$5,037,000. This results in an estimated net increase in General Fund revenue of \$3,849,320 in FY 2015 from GST Commissions and Penalties.											
[21-16]	Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2016 and FY 2017.											
FY 2018: Note 1 represents legislative actions approved during the 2015 Legislative Session.												
[1-18]	Section 51 of S.B. 514 allows the Division of Enterprise Information Technology Services of the Department of Administration to use revenues from intergovernmental transfers to the State General Fund for the repayment of special appropriations that were made to the Division for the replacement of the state's microwave communications system. The legislatively approved repayment from the Division to the State General Fund is \$57,900 per year between FY 2018 and FY 2021, with increased repayments between FY 2022 and FY 2028.											
FY 2018: Notes 2 through 7 represent legislative actions approved during the 2017 Legislative Session.												
[2-18]	A.B. 486 requires 25% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2018 and FY 2019, with the remaining 75% deposited in the State Highway Fund. Under A.B. 486, 100% of the additional revenue generated from the GST 10% depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2020 and going forward permanently. Estimated to generate \$19,367,000 in FY 2018 and \$19,573,500 in FY 2019.											
[3-18]	S.B. 512 removes fees for the issuance of certain permits relating to the usage of piers, docks, buoys, or other facilities on navigable bodies of water in this state from NRS 322.120, and instead requires that the State Land Registrar of the Division of State Lands of the Department of Conservation and Natural Resources establish these fees by regulation, effective July 1, 2017. The bill requires that the first \$65,000 of the proceeds from these permit fees be deposited in the State General Fund in each fiscal year, with any proceeds in excess of \$65,000 to be used by the State Land Registrar to carry out programs to preserve, protect, restore, and enhance the natural environment of the Lake Tahoe Basin.											
[4-18]	S.B. 514 requires that certain fees collected by the State Engineer of the Division of Water Resources of the Department of Conservation and Natural Resources relating to services for the adjudication and appropriation of water be deposited in the State General Fund. Estimated to generate \$3,467,000 per year in FY 2018 and FY 2019.											
[5-18]	S.B. 515 requires that certain penalties received by the Securities Division of the Secretary of State's Office be deposited in the State General Fund, instead of the Secretary of State's Office's operating budget, effective July 1, 2017. Estimated to generate \$117,256 per fiscal year in FY 2018 and FY 2019.											
[6-18]	Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2018 and FY 2019. Estimated to generate \$1,328,228 in FY 2018 and \$1,080,780 in FY 2019.											
[7-18]	Adjustment to the Statewide Cost Allocation amount included in the Legislature Approves budget after the May 1, 2017, approval of the General Fund revenue forecast by the Economic Forum.											
FY 2019: Notes 1 through 3 represent legislative actions approved during the 2017 Legislative Session.												
[1-19]	Senate Bill 415 (2017) required the submission of a question on the November 2018 General Election ballot seeking approval to amend the Sales and Use Tax Act of 1955 to provide an exemption from the State 2% sales and use tax for certain feminine hygiene products. This ballot question was approved by the voters and, therefore, the sales tax exemption for these products will be effective January 1, 2019, until December 31, 2028.											
[2-19]	S.B. 415 also provides that if the ballot question is approved by the voters, identical exemptions for these products from the Local School Support Tax and other state and local taxes would become effective January 1, 2019, and would also expire on December 31, 2028. These exemptions will reduce the amount of the commission that is kept by the Department of Taxation and deposited in the State General Fund for collection of these taxes.											
[2-19]	Section 39 of A.B. 518 provides General Fund appropriations of \$497,625 in FY 2018 and \$306,690 in FY 2019 to the Division of Enterprise Information Technology Services of the Department of Administration to enhance the state's cyber security resources. The legislatively approved repayment of these appropriations is 25 percent of the amounts appropriated per year, beginning in FY 2019 (for the FY 2018 appropriation) and in FY 2020 (for the FY 2019 appropriation).											
[3-19]	Section 40 of A.B. 518 provides a General Fund appropriation of \$1,998,895 in FY 2018 to the Division of Enterprise Information Technology Services of the Department of Administration to increase the bandwidth and connectivity of the State's wide area network. The legislatively approved repayment of this appropriation is 25 percent of the amount appropriated per year, beginning in FY 2019.											

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	%	Change	FY 2019 ACTUAL	%	Change	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
							FY 2021 FORECAST	%	Change	FY 2022 FORECAST	%	Change

FY 2020: Notes 1 through 8 represent legislative actions approved during the 2019 Legislative Session.

- [1-20] A.B. 445 requires a marketplace facilitator, defined as a person who facilitates the sale of tangible personal property by a marketplace seller in the state of Nevada, to collect and remit sales and use taxes on certain sales that are facilitated on behalf of the marketplace seller, effective October 1, 2019. Estimated to generate \$16,459,000 in FY 2020 and \$21,945,000 in FY 2021 for the State 2% rate. This requirement is also estimated to increase collections for the General Fund Commissions by \$668,000 in FY 2020 (LSST: \$160,000; BCCRT: \$72,000; SCCRT: \$252,000; PTT: \$184,000) and \$892,000 in FY 2021 (LSST: \$214,000; BCCRT: \$96,000; SCCRT: \$336,000; PTT: \$246,000).
- [2-20] S.B. 535 removes the requirement that an amount equal to \$2 per slot machine collected from quarterly restricted and non-restricted slot machine fees be allocated to the Account to Support Programs for the Prevention and Treatment of Problem Gambling. Estimated to generate \$1,303,100 in FY 2020 (Non-restricted: \$1,149,400; Restricted: \$153,700) and \$1,298,800 in FY 2021 (Non-restricted: \$1,143,900; Restricted: \$154,900).
- [3-20] A.B. 535 increases the existing license fee on wholesale dealers of cigarettes, which is currently distributed between the State General Fund and local governments, and establishes new license fees for manufacturers, wholesale dealers of other tobacco products, and tobacco retailers. This bill requires all license fee proceeds to be retained by the Department of Taxation to administer and enforce the cigarette and OTP statutes. This action to require the license fees on wholesale dealers of cigarettes to be retained by the Department is estimated to reduce General Fund revenue by less than \$10,000 per year in FY 2020 and FY 2021; thus, no adjustment is made to the forecast.
- [4-20] S.B. 551 permanently repeals the provisions requiring the Modified Business Tax (MBT) tax rates on nonfinancial institutions (MBT-NFI), financial institutions (MBT-FI), and mining companies (MBT-Mining) to be reduced by the Department of Taxation if actual collections from these taxes, in combination with collections from the Commerce Tax and Branch Bank Excise Tax and tax credits taken against the MBT, are more than 4% above the Economic Forum's May forecast in any even-numbered fiscal year.
- As a result of the passage of this bill, the rates for the MBT-NFI, which was to be reduced to 1.378% for all taxable wages in excess of \$50,000 per calendar quarter, and the MBT-FI and MBT-Mining, which were to be reduced to 1.853% for all taxable wages, effective July 1, 2019, will remain at the current rates of 1.475% (for the MBT-NFI) and 2% (for the MBT-FI and MBT-Mining), on and after that date. Estimated to generate \$48,166,000 in FY 2020 (MBT-NFI: \$44,101,000; MBT-FI: \$2,335,000; MBT-Mining: \$1,730,000) and \$49,998,000 in FY 2021 (MBT-NFI: \$45,827,000; MBT-FI: \$2,420,000; MBT-Mining: \$1,751,000).
- [5-20] S.B. 541 requires 25% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund on a permanent basis, effective July 1, 2019. The remaining 75% portion of these proceeds are to be deposited in the State Highway Fund. Estimated to generate \$21,954,000 in FY 2020 and \$22,321,000 in FY 2021.
- [6-20] S.B. 263 specifies that alternative nicotine products and vapor products, including e-cigarettes and their components, are subject to the 30 percent wholesale tax on other tobacco products, effective January 1, 2020. Estimated to generate \$3,699,000 in FY 2020 and \$7,931,000 in FY 2021.
- [7-20] Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2020 and FY 2021. Estimated to generate \$351,220 in FY 2020 and \$270,166 in FY 2021.
- [8-20] Adjustment to the Statewide Cost Allocation amount included in the Legislatively Approved budget after the May 1, 2019, approval of the General Fund revenue forecast by the Economic Forum.

FY 2021: Notes 1 through 3 represent legislative actions approved during the 31st Special Session (July 2020).

- [1-21] S.B. 3 requires the advance payment on the net proceeds of minerals (NPM) tax in FY 2021 based on the estimated net proceeds for the current calendar year 2021. This additional NPM tax payment in FY 2021 is estimated to generate \$54,500,000 from the General Fund portion of the tax due on the estimated net proceeds for calendar year 2021 based on the consensus estimate prepared by the Department of Taxation, Budget Division, and the Fiscal Analysis Division. The provisions of S.B. 3 also apply to FY 2022 and FY 2023, but the NPM tax reverts back to the former method (tax due based on actual mining activity from the preceding calendar year) of taxing net proceeds on July 1, 2023.
- [2-21] S.B. 3 requires 100% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2021 only. Beginning in FY 2022, the distribution reverts to 75% of the additional revenue generated from the GST 10% depreciation schedule change deposited in the State Highway Fund and 25% deposited in the State General Fund, as approved in S.B. 541 (2019). Estimated to generate an additional \$71,346,000 in FY 2021 for the State General Fund, based on the consensus estimate prepared by the Budget Division and the Fiscal Analysis Division.
- [3-21] A.B. 535 increases the existing license fee on wholesale dealers of cigarettes, which is currently distributed between the State General Fund and local governments, and establishes new license fees for manufacturers, wholesale dealers of other tobacco products, and tobacco retailers. This bill requires all license fee proceeds to be retained by the Department of Taxation to administer and enforce the cigarette and OTP statutes. This action to require the license fees on wholesale dealers of cigarettes to be retained by the Department is estimated to reduce General Fund revenue by less than \$10,000 per year in FY 2020 and FY 2021; thus, no adjustment is made to the forecast.

FY 2022: Notes 1 and 2 represent legislative actions approved during the 2019 Legislative Session.

- [1-22] Section 1 of A.B. 512 provides a General Fund appropriation of \$2,138,800 in FY 2020 to the Division of Enterprise Information Technology Services of the Department of Administration for the implementation of an enterprise cloud electronic mail and business productivity application. The legislatively approved repayment of this appropriation is 25 percent of the amount appropriated per year, beginning in FY 2022.
- [2-22] Section 2 of A.B. 512 provides a General Fund appropriation of \$4,186,202 in FY 2020 to the Division of Enterprise Information Technology Services of the Department of Administration for the replacement of firewalls. The legislatively approved repayment of this appropriation is 25 percent of the amount appropriated per year, beginning in FY 2022.

TAX CREDIT PROGRAMS APPROVED BY THE LEGISLATURE

- [TC-1] Pursuant to S.B. 165 (2013), the Governor's Office of Economic Development (GOED) could issue up to \$20 million per fiscal year for a total of \$80 million for the four-year pilot program in transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. The provisions of the film tax credit program were amended in S.B. 1 (28th Special Session (2014)) to reduce the total amount of the tax credits that may be approved by GOED to a total of \$10 million.
- Pursuant to A.B. 492 (2017), a total of \$10 million per year in film tax credits may be awarded by GOED beginning in FY 2018, in addition to any remaining amounts from S.B. 1 of the 28th Special Session (2014). Any portion of the \$10 million per fiscal year that is not approved by GOED may be carried forward and made available during the next or any future fiscal year. The amounts shown for FY 2021, FY 2022, and FY 2023 are based on information provided by GOED.

**GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING**

DESCRIPTION	FY 2018 ACTUAL	%	FY 2019 ACTUAL	%	FY 2020 ACTUAL	%	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST												
							FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change							
[TC-2] Pursuant to S.B. 1 (28th Special Session (2014)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$12,500 for each qualified employee employed by the participants in the project, to a maximum of 6,000 employees, plus 5 percent of the first \$1 billion of new capital investment in the State made collectively by the participants in the qualifying project, plus an additional 2.8 percent of the next \$2.5 billion in new capital investment in the State made collectively by the participants in the project. The amount of credits approved by GOED may not exceed \$45 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$195 million. The forecast is \$0 per fiscal year for FY 2021, FY 2022, and FY 2023, because the entirety of the \$195 million in transferrable tax credits that could be authorized pursuant to S.B. 1 have been awarded and used.																			
Pursuant to S.B. 1 (29th Special Session (2015)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$9,500 for each qualified employee employed by the participants in the project, to a maximum of 4,000 employees. The amount of credits approved by GOED may not exceed \$7.6 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$38 million. Because there are currently no eligible projects under this program, the forecast for these tax credits is \$0 per fiscal year for FY 2021, FY 2022, and FY 2023.																			
[TC-3] Pursuant to S.B. 357 (2013), the Nevada New Markets Jobs Act allows insurance companies to receive a credit against the tax imposed on insurance premiums in exchange for making qualified equity investments in community development entities, particularly those that are local and minority-owned. A total of \$200 million in qualified equity investments may be certified by the Department of Business and Industry. In exchange for making the qualified equity investment, insurance companies are entitled to receive a credit against the Insurance Premium Tax in an amount equal to 58 percent of the total qualified equity investment that is certified by the Department. The credits may be taken in increments beginning on the second anniversary date of the original investment, based on a percentage of the qualified investment, as follows: 2 years after the investment is made: 12%; 3 years after the investment is made: 12%; 4 years after the investment is made: 12%; 5 years after the investment is made: 11%; and 6 years after the investment is made: 11%. Under the provisions of S.B. 357, the insurance companies were allowed to begin taking tax credits in the third quarter of FY 2015. The amounts shown for FY 2019 and FY 2020 reflect estimates of the amount of tax credits that will be taken in each fiscal year based on information provided by the Department of Business and Industry and the Department of Taxation. Pursuant to A.B. 446 (2019), an additional \$200 million in qualified equity investments may be certified by the Department of Business and Industry, effective July 1, 2019, with a total of \$116 million of credits that may be taken based on the increment percentages originally approved in S.B. 357 (2013). However, pursuant to A.B. 446, no credits may be taken against the Insurance Premium Tax before July 1, 2021 (FY 2022).																			
[TC-4] S.B. 507 (2015) authorizes the Governor's Office of Economic Development (GOED) to approve transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax to new or expanding businesses to promote the economic development of Nevada. As approved in S.B. 507, the total amount of transferrable tax credits that may be issued is \$500,000 in FY 2016, \$2,000,000 in FY 2017, and \$5,000,000 for FY 2018 and each fiscal year thereafter. The amounts shown are the estimate based on the maximum amount that can be issued in each fiscal year. A.B. 1 of the 29th Special Session (2015) reduced the total amount of transferrable tax credits that may be issued by GOED to zero in FY 2016, \$1 million in FY 2017, \$2 million per year in FY 2018 and FY 2019, and \$3 million in FY 2020. For FY 2021 and future fiscal years, the amount of credits that may be issued by GOED remains at \$5 million per year.																			
[TC-5] A.B. 165 (2015) allows taxpayers who make donations of money to certain scholarship organizations to receive a dollar-for-dollar credit against the taxpayer's liability for the Modified Business Tax (MBT). The total amount of credits that may be approved by the Department of Taxation (Department) is \$5 million in FY 2016, \$5.5 million in FY 2017, and 110 percent of the total amount of credits authorized in the previous year, for all subsequent fiscal years. The amounts shown reflect the estimate based on the assumption that the total amount authorized for each fiscal year will be donated to a qualified scholarship organization and taken as credits against the MBT. S.B. 555 (2017) authorized an additional \$20 million in credits against the MBT under this program in Fiscal Year 2018 beyond those that were authorized in FY 2018 based on the provisions of A.B. 165 (2015). Any amount of the \$20 million in credits that is not approved by the Department may be issued in future fiscal years. The forecast for FY 2019 is based on the amount of this \$20 million that was awarded in FY 2018, but not used against the MBT in that fiscal year, plus the maximum amount of annual credits allowed based on the statutory formula adopted in A.B. 165 (2015). The forecasts for FY 2020 and FY 2021 are based on the maximum amount of annual credits allowed based on the statutory formula in A.B. 165 only. A.B. 458 (2019) permanently eliminated the 10 percent increase in the amount of credits that may be authorized in each year, capping the total amount that may be authorized in each year at \$6,655,000 beginning in FY 2020. The bill additionally clarified that the \$6,655,000 limit per year applies to the combined credits that may be taken under both chapters of the MBT (Chapters 363A and 363B), rather than as a separate limit for each chapter. S.B. 551 (2019) authorized an additional \$4,745,000 in credits against the MBT (Chapters 363A and 363B combined) under this program per year in FY 2020 and FY 2021 beyond those that were authorized in those years based on the provisions of A.B. 458 (2019). Any amount of the \$4,745,000 million in credits that is not approved by the Department in each fiscal year may be issued in future fiscal years. The forecast for FY 2021 is based on the maximum amount of \$6,655,000 allowed pursuant to A.B. 458 (2019) plus the additional \$4,745,000 per year authorized under S.B. 551 (2019), plus any amounts previously approved by the Department but not yet taken against the tax.																			
[TC-6] S.B. 412 (2015) provides a tax credit against the Modified Business Tax (MBT) to certain employers who match the contribution of an employee to one of the college savings plans offered through the Nevada Higher Education Prepaid Tuition Program and the Nevada College Savings Program authorized under existing law. The amount of the tax credit is equal to 25 percent of the matching contribution, not to exceed \$500 per contributing employee per year, and any unused credits may be carried forward for 5 years. The provisions relating to the Nevada College Savings Program are effective January 1, 2016, and the Higher Education Prepaid Tuition Program are effective July 1, 2016. The amounts shown are estimates based on information provided by the Treasurer's Office on enrollment and contributions for the college savings plans.																			
[TC-7] S.B. 448 (2019) authorizes the Housing Division of the Department of Business and Industry (Division) to approve a total of \$40 million of transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. Under the provisions of S.B. 448, the Division may award up to \$10 million in transferable tax credits per year to persons who develop affordable housing projects in Nevada over the four years of the pilot program, but may award an additional \$3 million in credits in any fiscal year if the issuance of the credits is necessary for the development of additional affordable housing projects in the state. If the Division approves any credits in excess of \$10 million in a fiscal year, the amount to be awarded in the next fiscal year must be reduced by the amount in excess of \$10 million that was issued in the previous fiscal year. If the Division does not issue all of the \$10 million in credits authorized in a fiscal year, that amount is carried forward and may be issued in a subsequent fiscal year.																			