

CHAPTER.....

AN ACT relating to state financial administration; revising certain requirements for the proposed budget of the Executive Department of the State Government; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law specifies the contents of the proposed budget of the Executive Department of the State Government. (NRS 353.205) **Section 1** of this bill requires each proposed budget to include certain information regarding long-term performance goals and intermediate objectives of the Executive Department, and requires the posting of certain information on various Internet websites maintained by the State.

Section 2 of this bill clarifies the information that state agencies are required to submit to the Budget Division of the Department of Administration to assist the Budget Division in preparing proposed executive budgets.

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

Section 1. NRS 353.205 is hereby amended to read as follows:
353.205 1. The proposed budget for the Executive Department of the State Government for each fiscal year must be set up in three parts:

(a) Part 1 must consist of a budgetary message by the Governor which ~~outlines the financial policy of the Executive Department of the State Government for the next 2 fiscal years, describing in connection therewith the important features of the financial plan. It must also embrace a~~ **includes:**

(1) A general summary of the long-term performance goals of the Executive Department of the State Government for:

(I) Core governmental functions, including the education of pupils in kindergarten through grade 12, higher education, human services, and public safety and health; and

(II) Other governmental services;

(2) An explanation of the means by which the proposed budget will provide adequate funding for those governmental functions and services such that ratable progress will be made toward achieving those long-term performance goals;

(3) An outline of any other important features of the financial plan of the Executive Department of the State Government for the next 2 fiscal years; and



(4) A general summary of the proposed budget setting forth the aggregate figures of the proposed budget in such a manner as to show the balanced relations between the total proposed expenditures and the total anticipated revenues, together with the other means of financing the proposed budget for the next 2 fiscal years, contrasted with the corresponding figures for the last completed fiscal year and fiscal year in progress. The general summary of the proposed budget must be supported by explanatory schedules or statements, classifying the expenditures contained therein by organizational units, objects and funds, and the income by organizational units, sources and funds.

(b) Part 2 must embrace the detailed budgetary estimates both of expenditures and revenues as provided in NRS 353.150 to 353.246, inclusive. The information must be presented in a manner which sets forth separately the cost of continuing each program at the same level of service as the current year and the cost, by budgetary issue, of any recommendations to enhance or reduce that level of service. Revenues must be summarized by type, and expenditures must be summarized by category of expense. Part 2 must include ~~the~~ :

(1) The identification of each long-term performance goal of the Executive Department of the State Government for:

(I) Core governmental functions, including the education of pupils in kindergarten through grade 12, higher education, human services, and public safety and health; and

(II) Other governmental services,

↪ and of each intermediate objective for the next 2 fiscal years toward achieving those goals.

(2) An explanation of the means by which the proposed budget will provide adequate funding for those governmental functions and services such that those intermediate objectives will be met and progress will be made toward achieving those long-term performance goals.

(3) A mission statement and measurement indicators for each ~~program. It must also include statements~~ department, institution and other agency of the Executive Department of the State Government, which articulate the intermediate objectives and long-term performance goals each such department, institution and other agency is tasked with achieving and the particular measurement indicators tracked for each such department, institution and other agency to determine whether the department, institution or other agency is successful in achieving its intermediate objectives and long-term performance goals, provided in sufficient detail to assist the Legislature in performing



an analysis of the relative costs and benefits of program budgets and in determining priorities for expenditures. If available, information regarding such measurement indicators must be provided for each of the previous 4 fiscal years. If a new measurement indicator is being added, a rationale for that addition must be provided. If a measurement indicator is being modified, information must be provided regarding both the modified indicator and the indicator as it existed before modification. If a measurement indicator is being deleted, a rationale for that deletion and information regarding the deleted indicator must be provided.

(4) *Statements* of the bonded indebtedness of the State Government, showing the requirements for redemption of debt, the debt authorized and unissued, and the condition of the sinking funds . ~~[, and any]~~

(5) *Any* statements relative to the financial plan which the Governor may deem desirable, or which may be required by the Legislature.

(c) Part 3 must include a recommendation to the Legislature for the drafting of a general appropriation bill authorizing, by departments, institutions and agencies, and by funds, all expenditures of the Executive Department of the State Government for the next 2 fiscal years, and may include recommendations to the Legislature for the drafting of such other bills as may be required to provide the income necessary to finance the proposed budget and to give legal sanction to the financial plan if adopted by the Legislature.

2. Except as otherwise provided in NRS 353.211, as soon as each part of the proposed budget is prepared, a copy of the part must be transmitted to the Fiscal Analysis Division of the Legislative Counsel Bureau for confidential examination and retention.

3. Except for the information provided to the Fiscal Analysis Division of the Legislative Counsel Bureau pursuant to NRS 353.211, parts 1 and 2 of the proposed budget are confidential until the Governor transmits the proposed budget to the Legislature pursuant to NRS 353.230, regardless of whether those parts are in the possession of the Executive or Legislative Department of the State Government. Part 3 of the proposed budget is confidential until the bills which result from the proposed budget are introduced in the Legislature. *As soon as practicable after the Governor transmits a proposed budget to the Legislature pursuant to NRS 353.230, the information required to be included in the proposed budget pursuant to subparagraphs (1), (2) and (3) of paragraph*



(b) of subsection 1 must be posted on the Internet websites maintained by the Governor, the Department of Administration and the Budget Division of the Department of Administration.

Sec. 2. NRS 353.210 is hereby amended to read as follows:

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

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

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

~~[(b)]~~ (c) Estimates of their expenditure requirements, together with all anticipated income from fees and all other sources, for the next 2 fiscal years compared with the corresponding figures of the last completed fiscal year and the estimated figures for the current fiscal year.

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

3. The Budget Division of the Department of Administration shall give advance notice to the Fiscal Analysis Division of the Legislative Counsel Bureau of any conference between the Budget Division of the Department of Administration and personnel of other state agencies regarding budget estimates. A Fiscal Analyst of the Legislative Counsel Bureau or his designated representative may attend any such conference.

4. The estimates of expenditure requirements submitted pursuant to subsection 1 must be classified to set forth the data of funds, organizational units, and the character and objects of expenditures, and must include a mission statement and measurement indicators ~~[for each program.]~~ ***in adequate detail to comply with the requirements of subparagraph (3) of paragraph (b) of subsection 1 of NRS 353.205.*** The organizational units may



be subclassified by functions and activities, or in any other manner at the discretion of the Chief.

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

6. Agencies, bureaus, commissions and officers of the Legislative Department, the Public Employees' Retirement System and the Judicial Department of the State Government shall submit to the Chief for his information in preparing the proposed executive budget the budgets which they propose to submit to the Legislature.



