

INTRODUCTION

The *Legislative Appropriations Report* is prepared by the Fiscal Analysis Division and is designed to provide a summary of all legislative budgetary and taxation actions taken by the 71st Regular and 17th Special Sessions of the Nevada Legislature. Comparisons are also provided between The Executive Budget recommendations and final legislative actions.

The report contains information on the state's General Fund revenues, depicting the present and projected condition of the General Fund, all capital and park improvement projects, special and "one-shot" appropriations, supplemental appropriations, and budgetary summaries of state agencies broken down by various governmental functions.

The General Fund Revenue and Projections section includes a projected General Fund balance schedule and a schedule of all General Fund revenues, with estimates through the 2001-03 biennium. This section also contains pie charts of actual General Fund dollars by the source of revenue in FY 1999-2000 and budgetary estimates of General Fund revenues by source during the 2001-03 biennium.

The General Fund Appropriations section includes a schedule of all operating appropriations approved by the 2001 Legislature (including the 17th Special Session); a schedule of General Fund supplemental appropriations; a schedule of General Fund appropriations to restore certain funds; a position summary; and listings of capital improvements. This section also contains pie charts of operating appropriations by government function.

The Tax Policy section includes a description of all major tax and revenue legislation approved by the 2001 Legislature (including the 17th Special Session).

The report also contains budget summaries for each major functional area of state government. These summaries include narrative highlights of significant legislative changes to the various budgets and a schedule of funding levels. The functional categories of state government are:

- Constitutional Agencies;
- Education;
- Finance and Administration;
- Commerce and Industry;
- Human Services;
- Public Safety;
- Infrastructure; and
- Special Purpose Agencies.

The report is designed to be as brief as possible, while at the same time provide meaningful information to all interested persons. We have highlighted only major legislative budgetary actions, and we encourage readers to contact us if more detailed information on any item within the report is needed.

**PREPARED BY THE FISCAL ANALYSIS DIVISION
FOR MEMBERS OF THE 71ST NEVADA LEGISLATURE**



MEMBERS OF THE LEGISLATIVE COMMISSION

Assemblyman Richard D. Perkins, Chairman
Assemblywoman Barbara E. Buckley, Vice-Chair
Senator Mark Amodei
Senator Mark A. James
Senator Michael A. Schneider
Senator Dina Titus
Senator Maurice E. Washington
Senator Valerie Wiener
Assemblyman Bernie Anderson
Assemblyman David Brown
Assemblyman David E. Humke
Assemblyman Dennis Nolan

MEMBERS OF THE INTERIM FINANCE COMMITTEE

Senator William J. Raggio, Chairman
Assemblyman Morse Arberry Jr., Vice-Chairman
Senator Bob Coffin
Senator Lawrence E. Jacobsen
Senator Bernice Mathews
Senator Joseph M. Neal, Jr.
Senator William R. O'Donnell
Senator Raymond D. Rawson
Assemblyman Bob Beers
Assemblywoman Barbara K. Cegavske
Assemblywoman Vonne Chowning
Assemblywoman Marcia de Braga
Assemblyman Joseph E. Dini, Jr.
Assemblywoman Chris Giunchigliani
Assemblyman David Goldwater
Assemblyman Lynn Hettrick
Assemblywoman Sheila Leslie
Assemblyman John W. Marvel
Assemblyman David R. Parks
Assemblyman Richard D. Perkins
Assemblywoman Sandra Tiffany



◆ **TABLE OF CONTENTS** ◆

	PAGE
INTRODUCTION	i
GENERAL FUND REVENUE ESTIMATES AND PROJECTED UNAPPROPRIATED	
GENERAL FUND BALANCES	3
STATEMENT OF PROJECTED UNAPPROPRIATED GENERAL FUND BALANCE – FYS 2001-03	4
GENERAL FUND REVENUES – ECONOMIC FORUM – MAY 2001 ESTIMATES	5
NEVADA GENERAL FUND REVENUE – ACTUAL BY SOURCE – FY 1999-2000	7
NEVADA GENERAL FUND REVENUE – ECONOMIC FORUM ADJUSTED – 2001-03 BIENNIUM	8
GENERAL FUND APPROPRIATIONS	9
GENERAL FUND APPROPRIATIONS COMPARISON OF GOVERNOR RECOMMENDED	
VERSUS LEGISLATIVELY APPROVED	12
GENERAL FUND APPROPRIATIONS – 2001 LEGISLATURE – BY FUNCTION	13
LEGISLATURE APPROVED FISCAL YEAR – 2000-2001	14
LEGISLATURE APPROVED 2001-03 BIENNIUM	15
SCHEDULE OF ALL APPROPRIATIONS - 2001 LEGISLATURE	16
HIGHWAY FUND APPROPRIATIONS – 2001 LEGISLATURE	27
CAPITAL IMPROVEMENT PROGRAM – 2001-03 BIENNIUM	29
POSITION SUMMARY	39
SUMMARY OF APPROPRIATIONS AND AUTHORIZATIONS	
2001 LEGISLATURE - ALL FUNDS FUNCTIONAL SUMMARY	41
 TAX POLICY	 45
BACKGROUND	47
LEGISLATION	48
 CONSTITUTIONAL AGENCIES	 53
OFFICE OF THE GOVERNOR	55
WASHINGTON OFFICE	55
HIGH LEVEL NUCLEAR WASTE	55
OFFICE OF CONSUMER HEALTH ASSISTANCE	56
ETHICS COMMISSION	57
LIEUTENANT GOVERNOR	57
ATTORNEY GENERAL	57
ADMINISTRATION ACCOUNT	58
INSURANCE FRAUD CONTROL UNIT	58
MEDICAID FRAUD CONTROL UNIT	59
WORKERS’ COMPENSATION FRAUD UNIT	59
ADVISORY COUNCIL FOR PROSECUTING ATTORNEYS	59
STATE CONTROLLER	59
SECRETARY OF STATE	60
STATE TREASURER	60
NEVADA PREPAID TUITION PROGRAM	61
MILLENNIUM SCHOLARSHIP	61
BOND INTEREST AND REDEMPTION	61

	PAGE
JUDICIAL BRANCH	62
SUPREME COURT	63
PLANNING AND ANALYSIS	63
DISTRICT JUDGES' SALARY	63
JUSTICES', JUDGES' AND SURVIVORS' PENSIONS	64
LEGISLATIVE BRANCH	64
LEGISLATIVE COUNSEL BUREAU	64
SUMMARY OF APPROPRIATIONS AND AUTHORIZATIONS (DETAIL)	65
EDUCATION	71
DEPARTMENT OF EDUCATION	73
DISTRIBUTIVE SCHOOL ACCOUNT	73
CLASS SIZE REDUCTION PROGRAM	78
SPECIAL EDUCATION	78
ELEMENTARY SCHOOL COUNSELORS	79
ADULT HIGH SCHOOL DIPLOMA PROGRAM	79
SCHOOL IMPROVEMENT PROGRAMS	80
SCHOOL-TO-CAREERS	80
EARLY CHILDHOOD EDUCATION AND FAMILY LITERACY	81
OTHER SIGNIFICANT PROGRAM FUNDING INCLUDED IN THE BUDGETS OF THE	
DEPARTMENT OF EDUCATION	81
OTHER BILLS PROVIDING FUNDING TO LOCAL SCHOOL DISTRICTS	82
DEPARTMENT OF EDUCATION – OPERATING BUDGETS	83
COMMISSION ON POST-SECONDARY EDUCATION	85
UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA	86
COMMITTEE TO STUDY THE FUNDING OF HIGHER EDUCATION IN NEVADA,	
S.B. 443 (1999)	86
ADJUSTED BASE BUDGET	87
UTILITY COSTS	87
STUDENT ENROLLMENTS	87
FORMULA FUNDING CALCULATIONS	88
STUDENT CREDIT HOUR CALCULATIONS	88
COMMUNITY COLLEGE INSTRUCTIONAL EQUIPMENT	89
NEW SPACE (OPERATIONS AND MAINTENANCE)	89
SYSTEM COMPUTING SERVICES	89
LAW SCHOOL GROWTH	90
DENTAL SCHOOL	90
GENDER EQUITY	90
PERFORMANCE FUNDING/EPSCOR	91
STUDENT FEES	91
INTERIM REVENUE AUGMENTATIONS	92
NEVADA STATE COLLEGE AT HENDERSON	92
CLASSIFIED AND PROFESSIONAL COLAS	92
BOARD OF REGENTS' REQUESTS	93
LEGISLATURE-INITIATED BUDGET CHANGES	93
TAXONOMY	94
CAPITAL IMPROVEMENT PROJECTS	94
WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION (WICHE)	95

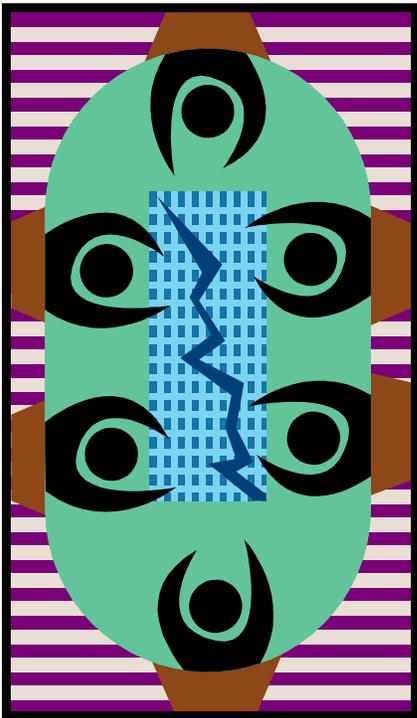
	PAGE
DEPARTMENT OF CULTURAL AFFAIRS.....	95
ADMINISTRATION	96
MUSEUMS AND HISTORY	96
NEVADA STATE LIBRARY	96
NEVADA ARTS COUNCIL	96
SUMMARY OF APPROPRIATIONS AND AUTHORIZATIONS (DETAIL)	97
FINANCE AND ADMINISTRATION.....	107
DEPARTMENT OF ADMINISTRATION	109
BUDGET AND PLANNING DIVISION	109
DIVISION OF INTERNAL AUDITS.....	109
STATE EMPLOYEE SALARY INCREASES	110
INSURANCE AND LOSS PREVENTION.....	110
STATE PRINTING OFFICE	111
STATE MOTOR POOL	111
STATE PURCHASING DIVISION.....	112
DIVISION OF BUILDINGS AND GROUNDS	112
MAIL SERVICES.....	114
STATE PUBLIC WORKS BOARD.....	114
ADMINISTRATIVE SERVICES DIVISION.....	115
HEARINGS DIVISION.....	115
VICTIMS OF CRIME	116
DEPARTMENT OF TAXATION.....	116
DEPARTMENT OF INFORMATION TECHNOLOGY	117
DIRECTOR'S OFFICE	118
PROGRAMMING AND PLANNING DIVISION.....	118
PLANNING AND RESEARCH UNIT	119
COMMUNICATIONS AND COMPUTING DIVISIONS	119
DEPARTMENT OF PERSONNEL.....	120
SUMMARY OF APPROPRIATIONS AND AUTHORIZATIONS (DETAIL)	121
COMMERCE AND INDUSTRY	127
DEPARTMENT OF AGRICULTURE	129
DIVISION OF ADMINISTRATION	129
DIVISION OF PLANT INDUSTRY	129
DIVISION OF MEASUREMENT STANDARDS	130
DIVISION OF LIVESTOCK IDENTIFICATION	130
DIVISION OF ANIMAL INDUSTRY	131
DIVISION OF RESOURCE PROTECTION.....	131
COMMISSION ON MINERAL RESOURCES	132
DIVISION OF MINERALS.....	132
GAMING CONTROL BOARD	132
PUBLIC UTILITIES COMMISSION.....	133
DEPARTMENT OF BUSINESS AND INDUSTRY	134
DIRECTOR'S OFFICE	134
REAL ESTATE DIVISION.....	134
DIVISION OF INSURANCE.....	135
STATE DAIRY COMMISSION.....	136
MANUFACTURED HOUSING DIVISION	136
HOUSING DIVISION	136

	PAGE
DIVISION OF FINANCIAL INSTITUTIONS	137
CONSUMER AFFAIRS DIVISION	138
GOVERNOR’S COMMITTEE ON EMPLOYMENT OF PEOPLE WITH DISABILITIES	138
DIVISION OF INDUSTRIAL RELATIONS	138
NEVADA ATTORNEY FOR INJURED WORKERS	139
TAXICAB AUTHORITY	139
TRANSPORTATION SERVICES AUTHORITY	140
NEVADA ATHLETIC COMMISSION	140
OFFICE OF LABOR COMMISSIONER	141
ECONOMIC DEVELOPMENT AND TOURISM.....	141
COMMISSION ON ECONOMIC DEVELOPMENT	141
MOTION PICTURES	142
COMMISSION ON TOURISM	142
SUMMARY OF APPROPRIATIONS AND AUTHORIZATIONS (DETAIL)	143
HUMAN SERVICES	153
DEPARTMENT OF HUMAN RESOURCES	155
DIRECTOR’S OFFICE	155
HEALTHY NEVADA FUND ADMINISTRATION	156
PURCHASE OF SOCIAL SERVICES	156
FAMILY-TO-FAMILY CONNECTION PROJECT	157
FAMILY RESOURCE CENTERS	157
GRANTS MANAGEMENT UNIT	158
STATE AND COMMUNITY COLLABORATIONS	158
DIVISION OF HEALTH CARE FINANCING AND POLICY	158
NEVADA MEDICAID.....	160
NEVADA CHECK-UP	164
INTERGOVERNMENTAL TRANSFER PROGRAM	165
DIVISION OF MENTAL HEALTH AND DEVELOPMENTAL SERVICES	166
DIVISION ADMINISTRATION	167
NORTHERN NEVADA ADULT MENTAL HEALTH SERVICES	167
LAKE’S CROSSING.....	168
RURAL CLINICS.....	168
SOUTHERN NEVADA ADULT MENTAL HEALTH SERVICES.....	169
DEVELOPMENTAL SERVICES	169
HEALTH DIVISION	170
OFFICE OF HEALTH ADMINISTRATION	170
VITAL STATISTICS.....	170
HEALTH AID TO COUNTIES	170
CONSUMER HEALTH PROTECTION	171
HEALTH FACILITIES HOSPITAL LICENSING.....	171
SEXUALLY TRANSMITTED DISEASE CONTROL PROGRAM.....	171
IMMUNIZATION PROGRAM	172
SPECIAL CHILDREN’S CLINICS.....	172
WOMEN, INFANTS, AND CHILDREN (WIC) PROGRAM	172
BUREAU OF ALCOHOL AND DRUG ABUSE	173
WELFARE DIVISION.....	173
WELFARE ADMINISTRATION	174
WELFARE FIELD SERVICES	175

	PAGE
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)	176
CHILD SUPPORT ENFORCEMENT	180
ASSISTANCE TO AGED AND BLIND.....	181
EMPLOYMENT AND TRAINING.....	181
ENERGY ASSISTANCE.....	183
DIVISION FOR AGING SERVICES.....	183
AGING SERVICES GRANTS	184
SENIOR SERVICES PROGRAM.....	184
ELDER PROTECTIVE SERVICES/HOMEMAKER PROGRAMS	185
SENIOR CITIZENS PROPERTY TAX REBATE.....	185
DIVISION OF CHILD AND FAMILY SERVICES.....	186
CHILDREN AND FAMILY ADMINISTRATION.....	186
UNITY/SACWIS.....	187
CHILD CARE SERVICES BUREAU	187
YOUTH COMMUNITY SERVICES (CHILD WELFARE)	188
VICTIMS OF DOMESTIC VIOLENCE	189
COMMUNITY JUVENILE JUSTICE PROGRAMS (PROBATION SUBSIDIES)	189
JUVENILE ACCOUNTABILITY BLOCK GRANT.....	190
YOUTH ALTERNATIVE PLACEMENT.....	191
JUVENILE CORRECTIONAL FACILITY	191
CALIENTE YOUTH CENTER	192
NEVADA YOUTH TRAINING CENTER	192
YOUTH PAROLE SERVICES.....	192
NORTHERN NEVADA CHILD AND ADOLESCENT SERVICES.....	193
SOUTHERN NEVADA CHILD AND ADOLESCENT SERVICES	194
STATE PUBLIC DEFENDER.....	195
DEPARTMENT OF EMPLOYMENT, TRAINING AND REHABILITATION	195
DETR, ADMINISTRATIVE SERVICES	196
INFORMATION DEVELOPMENT AND PROCESSING AND RESEARCH AND ANALYSIS DIVISIONS	196
EMPLOYMENT SECURITY DIVISION	197
WELFARE TO WORK	198
REHABILITATION DIVISION	198
OFFICE OF COMMUNITY BASED SERVICES	200
SUMMARY OF APPROPRIATIONS AND AUTHORIZATIONS (DETAIL)	201
PUBLIC SAFETY	217
DEPARTMENT OF CORRECTIONS.....	219
RECRUITMENT AND RETENTION EFFORTS FOR CUSTODY STAFF	219
HIGH DESERT STATE PRISON, PHASES I AND II.....	219
HIGH DESERT STATE PRISON, PHASE III	220
CLOSURE OF THE SOUTHERN NEVADA CORRECTIONAL CENTER	220
CLOSURE OF THE SOUTHERN NEVADA RESTITUTION CENTER	220
DECONSOLIDATION OF INSTITUTIONAL/CAMP BUDGET ACCOUNTS	220
DRUG COURT PROGRAM.....	220
INMATE POPULATION PROJECTIONS	221
CAPITAL IMPROVEMENTS	222
OPERATING BUDGETS	222

	PAGE
DEPARTMENT OF MOTOR VEHICLES AND PUBLIC SAFETY.....	226
DEPARTMENT OF MOTOR VEHICLES	227
ADMINISTRATIVE SERVICES.....	228
COMPLIANCE ENFORCEMENT.....	228
FIELD SERVICES.....	228
CENTRAL SERVICES	229
MANAGEMENT SERVICES AND PROGRAMS	230
MOTOR CARRIER.....	230
VERIFICATION OF INSURANCE.....	230
MOTOR VEHICLE POLLUTION CONTROL	231
AUTOMATION UNIT.....	231
DEPARTMENT OF PUBLIC SAFETY	232
PUBLIC SAFETY INFORMATION SERVICES.....	232
CRIMINAL HISTORY REPOSITORY	232
NEVADA HIGHWAY PATROL.....	232
DIVISION OF INVESTIGATIONS.....	233
TRAINING DIVISION	233
OFFICE OF TRAFFIC SAFETY	233
HAZARDOUS MATERIALS TRAINING CENTER.....	234
OFFICE OF CRIMINAL JUSTICE ASSISTANCE	234
DIVISION OF EMERGENCY MANAGEMENT	234
DIVISION OF PAROLE AND PROBATION	234
PAROLE BOARD	235
SUMMARY OF APPROPRIATIONS AND AUTHORIZATIONS (DETAIL)	236
INFRASTRUCTURE.....	245
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES.....	247
DIRECTOR'S OFFICE.....	248
LAKE TAHOE ENVIRONMENTAL IMPROVEMENT PROGRAM.....	248
DIVISION OF ENVIRONMENTAL PROTECTION.....	249
DIVISION OF CONSERVATION DISTRICTS	250
DIVISION OF STATE LANDS.....	250
DIVISION OF FORESTRY.....	251
DIVISION OF WATER PLANNING.....	253
DIVISION OF WILDLIFE.....	253
DIVISION OF STATE PARKS.....	255
TAHOE REGIONAL PLANNING AGENCY (TRPA)	256
COMMISSION FOR THE PRESERVATION OF WILD HORSES	257
COLORADO RIVER COMMISSION.....	257
NEVADA DEPARTMENT OF TRANSPORTATION	259
SUMMARY OF APPROPRIATIONS AND AUTHORIZATIONS (DETAIL)	260
SPECIAL PURPOSE AGENCIES.....	265
PUBLIC EMPLOYEES' RETIREMENT SYSTEM	267
OFFICE OF THE MILITARY	267
NATIONAL GUARD BENEFITS.....	268
OFFICE OF VETERANS' SERVICES.....	268
SOUTHERN NEVADA VETERANS' HOME	269
PUBLIC EMPLOYEES' BENEFITS PROGRAM	269
RETIRED EMPLOYEE GROUP INSURANCE.....	270
SUMMARY OF APPROPRIATIONS AND AUTHORIZATIONS (DETAIL)	272

***GENERAL FUND
PROJECTIONS***



GENERAL FUND REVENUE ESTIMATES AND PROJECTED UNAPPROPRIATED GENERAL FUND BALANCES

The 2001 Legislature adopted the General Fund budget for the 2001-03 biennium as the state's economy continued to grow rapidly, but with General Fund revenues unable to keep pace with that expansion. Although state revenues for the 1999-2001 biennium exceeded the May 1999 projections by \$189 million, the budget outlook for the 2001-03 biennium was constrained by a soft revenue picture that was not expected to keep pace with the increased demands for services, due to population growth and the higher costs associated with providing those services.

State law provides that an Economic Forum, whose membership is from the private sector, must provide a forecast of all state General Fund revenues by December 1 of even-numbered years and a revised forecast by May 1 of odd-numbered years. The Governor's proposed budget was based on the December 2000 forecast, but the legislatively approved budget was based on the Forum's revised May 1, 2001 forecast. The revised forecasts were reduced by \$34.4 million in FY 2000-01 and \$87.1 million in the 2001-03 biennium from the amounts used to support the General Fund spending proposed in The Executive Budget.

As a result of the downward revision in the revenue outlook, the Legislature balanced the budget through a combination of several modest revenue enhancements and reductions in appropriations recommended by the Governor. The revenue enhancements for the 2001-03 biennium total an estimated \$64.8 million, including \$29 million from higher fees on transactions through the Secretary of State, \$27.5 million from an increase in the percentage of the car rental fee provided to the state, and \$8.3 million from an acceleration of the crediting of unclaimed property to the state. A more detailed explanation of revenue changes is found in the Tax Policy section of this report.

The schedules that follow present the projected unappropriated General Fund balance at the close of FY 2000-01, FY 2001-02 and FY 2002-03, and recap the revenue forecasts upon which the 2001-03 budget was based. Including the revenue enhancements, total General Fund revenues are forecast to grow by 6.1 percent and 4.4 percent, respectively, in FY 2001-02 and FY 2002-03. Contributing approximately 38 percent of General Fund revenues, sales tax collections are projected to increase 6.1 percent and 5.8 percent in each year of the biennium. Meanwhile, state gaming taxes, which comprise another 34 percent of the revenue base, are forecast to grow by 3.5 percent in FY 2001-02 and another 3.9 percent in FY 2002-03.

The budget approved by the Legislature projects a General Fund balance of \$120.4 million at the end of the biennium compared to the projected balance of \$106.1 million included in The Executive Budget. In addition to the expected surplus at the end of FY 2002-03, the Legislature maintained the balance in the state "Rainy Day" fund at \$136.3 million to meet future financial emergencies.

**STATEMENT OF PROJECTED UNAPPROPRIATED
GENERAL FUND BALANCE - FISCAL YEARS 2001-03**

	GOVERNOR RECOMMENDS	LEGISLATURE APPROVES
Unappropriated Balance - July 1, 2000	\$ 168,280,733 (a.)	\$ 168,280,733 (a.)
Projected Revenues 2000-01 - Economic Forum Estimate of December 1, 2000/May 1, 2001	\$ 1,750,044,432	\$ 1,715,649,032
Projected Reversions - Distributive School Account 2000-01	\$ 24,000,000	\$ 24,000,000
Projected Reversions - NOMADS 2000-01	\$ 3,500,000	\$ 3,500,000
Projected Reversions - All Other 2000-01	\$ 35,000,000	\$ 35,000,000
Total Funds Available	\$ 1,812,544,432	\$ 1,778,149,032
Less Appropriations:		
1999 Appropriations for FY 2000-01	\$ (1,639,014,901)	\$ (1,639,014,901)
2000-01 One-Shot Appropriations	\$ (7,128,772)	\$ (7,128,772)
FY 1999-00 Appropriations Moved To FY 2000-01	\$ (5,305,679)	\$ (5,305,679)
FY 2000-01 Appropriations Moved To FY 1999-00	\$ 3,455,824	\$ 3,455,824
2000-01 Restore Fund Balances	\$ (14,900,000)	\$ (16,660,000)
2000-01 Supplemental Appropriations	\$ (4,454,533)	\$ (3,662,339)
2000-01 One-Shot Appropriations	\$ (173,985,878)	\$ (141,096,323)
2000-01 Park Improvement Program	\$ (2,093,928)	\$ (1,093,928)
2000-01 Capital Improvement Program	\$ (18,000,000)	\$ (14,000,472)
Total 2000-01 Appropriations	\$ (1,861,427,867)	\$ (1,824,506,590)
Controller's Adjustment	\$ (45,039)	\$ (45,039)
Transfer to Disaster Relief Fund (NRS 353.288/2735)	\$ (2,000,000)	\$ (2,000,000)
Estimated Cost of the 2001 Legislative Session	\$ (11,500,000)	\$ (11,770,000) (b.)
Total Unappropriated Balance - July 1, 2001	\$ 105,852,259	\$ 108,108,136
Estimated Revenue FY 2001-02 - Economic Forum Estimate of May 1, 2001	\$ 1,832,474,518	\$ 1,785,809,918
<i>A.B. 77 - Unclaimed Property - ONE-TIME ACCELERATION</i>		\$ 8,279,686
<i>S.B. 577- Increased Secretary of State Fees</i>		\$ 14,000,000
<i>A.B. 460 - Increased Short-Term Car Rental</i>		\$ 8,032,500
<i>A.B. 460 - Increased Short-Term Car Rental - ONE-TIME ACCELERATION</i>		\$ 4,016,250
<i>S.B. 307 - Increased Licensure Fees - Appraisers</i>		\$ 24,000
Transfer to Disaster Relief Fund (NRS 353.288/2735)	\$ (2,000,000)	\$ (2,000,000)
Estimated Reversions FY 2001-02	\$ 38,920,000	\$ 38,920,000
Total Revenue and Reversions FY 2001-02	\$ 1,869,394,518	\$ 1,857,082,354
Less Appropriations:		
2001-02 One-Time Appropriations	\$ -	\$ (18,250,000)
2001-02 Ongoing Appropriations	\$ (1,869,121,338)	\$ (1,826,553,944)
Total 2001-02 Appropriations	\$ (1,869,121,338)	\$ (1,844,803,944)
Total Unappropriated Balance July 1, 2002	\$ 106,125,439	\$ 120,386,547
Estimated Revenue FY 2002-03 - Economic Forum Estimate of May 1, 2001	\$ 1,910,865,147	\$ 1,870,489,747
<i>S.B. 577- Increased Secretary of State Fees</i>		\$ 15,000,000
<i>A.B. 460 - Increased Short-Term Car Rental</i>		\$ 15,494,500
<i>S.B. 307 - Increased Licensure Fees - Appraisers</i>		\$ 24,000
Transfer to Disaster Relief Fund (NRS 353.288/2735)	\$ (2,000,000)	\$ (2,000,000)
Estimated Reversions FY 2002-03	\$ 81,370,000	\$ 81,370,000
Total Revenue and Reversions FY 2002-03	\$ 1,990,235,147	\$ 1,980,378,247
2002-03 Ongoing Appropriations	\$ (1,977,807,769)	\$ (1,969,730,496)
Total 2002-03 Appropriations	\$ (1,977,807,769)	\$ (1,969,730,496)
Estimated Cost of the 2003 Legislative Session	\$ (11,700,000)	\$ (11,700,000)
Total Unappropriated Balance July 1, 2003	\$ 106,852,817	\$ 119,334,298

(a.) Subject to reconciliation with the 1999-00 Controller's Annual Report; does not include \$136,340,970 in the Stabilization Fund (NRS 353.288).

(b.) Includes \$70,000 for cost of the 17th Special Session.

GENERAL FUND REVENUES - ECONOMIC FORUM - MAY 1, 2001 FORECAST
ACTUALS: FY 1997 THROUGH FY 2000 AND FORECAST: FY 2001 THROUGH FY 2003

DESCRIPTION	FY 1997		FY 1998		FY 1999		FY 2000		MAY 1, 2001 ECONOMIC FORUM FORECAST					
	ACTUAL	%	ACTUAL	%	ACTUAL	%	ACTUAL	%	FY 2001	%	FY 2002	%	FY 2003	%
TAXES														
TOTAL MINING TAXES	\$15,703,138	-25.4%	\$15,797,625	0.6%	\$14,894,647	-5.7%	\$13,446,512	-9.7%	\$12,795,000	-4.8%	\$12,795,000		\$12,795,000	
TOTAL SALES AND USE TAX	\$504,374,537	10.0%	\$525,111,410	4.1%	\$580,194,636	10.5%	\$610,070,856	5.1%	\$642,207,000	5.3%	\$681,382,000	6.1%	\$720,903,000	5.8%
TOTAL GAMING TAX	\$480,199,081	0.4%	\$491,841,979	2.4%	\$534,405,763	8.7%	\$592,335,632	10.8%	\$599,867,000	1.3%	\$620,753,000	3.5%	\$644,658,000	3.9%
CASINO ENTERTAINMENT TAX	\$36,316,362	2.4%	\$39,109,465	7.7%	\$47,874,649	22.4%	\$58,525,658	22.2%	\$63,100,000	7.8%	\$66,886,000	6.0%	\$70,230,000	5.0%
INSURANCE PREMIUM TAX	\$97,290,348	5.3%	\$110,747,684	13.8%	\$116,917,615	5.6%	\$129,333,474	10.6%	\$143,351,000	10.8%	\$152,468,000	6.4%	\$161,587,000	6.0%
LIQUOR TAX*	\$13,588,833	2.5%	\$15,106,543	11.2%	\$14,670,539	-2.9%	\$15,663,964	6.8%	\$15,664,000	0.0%	\$16,056,000	2.5%	\$16,425,000	2.3%
CIGARETTE TAX*	\$38,170,383	5.6%	\$43,353,054	13.6%	\$42,124,234	-2.8%	\$42,220,870	0.2%	\$44,000,000	4.2%	\$45,364,000	3.1%	\$46,770,000	3.1%
OTHER TOBACCO TAX*	\$4,389,398	27.5%	\$5,394,184	22.9%	\$5,358,940	-0.7%	\$5,962,399	11.3%	\$5,527,000	-7.3%	\$5,527,000		\$5,527,000	
JET FUEL TAX	\$52,267													
LAETRILE & GEROVITAL MFG.			\$6,940				\$3,776		\$3,000					
HECC TRANSFER	\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000	
BUSINESS LICENSE FEE	\$318,836	-15.4%	\$455,542	42.9%	\$407,616	-10.5%	\$513,689	26.0%	\$515,000	0.3%	\$515,000		\$515,000	
BUSINESS LICENSE TAX	\$65,047,445	6.8%	\$68,518,135	5.3%	\$71,734,950	4.7%	\$75,924,128	5.8%	\$79,000,000	4.1%	\$82,239,000	4.1%	\$85,611,000	4.1%
TOTAL TAXES	\$1,260,450,628	4.6%	\$1,320,442,561	4.8%	\$1,433,583,589	8.6%	\$1,549,000,957	8.1%	\$1,611,029,000	4.0%	\$1,688,985,000	4.8%	\$1,770,021,000	4.8%
LICENSES														
INSURANCE LICENSES	\$5,308,683	10.9%	\$5,476,156	3.2%	\$5,817,460	6.2%	\$6,484,965	11.5%	\$6,777,000	4.5%	\$7,082,000	4.5%	\$7,591,000	7.2%
BANKING LICENSES	\$25,150	13.0%	\$21,750	-13.5%	\$15,400	-29.2%	\$17,525	13.8%	\$17,250	-1.6%	\$17,250		\$17,250	
MARRIAGE LICENSES	\$590,219	-39.3%	\$586,454	-0.6%	\$585,672	-0.1%	\$616,821	5.3%	\$525,000	-14.9%	\$541,000	3.0%	\$558,000	3.1%
LAS VEGAS COMMERCIAL FILINGS	\$1,247,159	24.9%	\$1,767,731	41.7%	\$1,994,494	12.8%	\$2,553,659	28.0%	\$2,697,000	5.6%	\$3,196,000	18.5%	\$3,787,000	18.5%
COMMERCIAL RECORDINGS	\$15,283,757	7.2%	\$17,047,693	11.5%	\$19,956,814	17.1%	\$22,859,413	14.5%	\$23,637,000	3.4%	\$25,598,000	8.3%	\$27,723,000	8.3%
SECURITIES	\$6,915,791	8.8%	\$7,046,664	1.9%	\$7,409,420	5.1%	\$8,747,204	18.1%	\$9,600,000		\$10,080,000		\$10,584,000	
TOTAL SECRETARY OF STATE	\$1,046,485	8.2%	\$1,040,688	-0.6%	\$1,100,562	5.8%	\$1,083,412	-1.6%	\$1,055,000	-2.6%	\$1,365,000	29.4%	\$1,557,000	14.1%
PRIVATE SCHOOL LICENSES	\$119,121	9.2%	\$129,008	8.3%	\$140,241	8.7%	\$142,461	1.6%	\$143,000	0.4%	\$148,000	3.5%	\$153,000	3.4%
PRIVATE EMPLOYMENT AGENCY	\$25,800	1.6%	\$25,500	-1.2%	\$27,800	9.0%	\$31,500	13.3%	\$35,000	11.1%	\$38,900	11.1%	\$43,300	11.3%
TOTAL REAL ESTATE	\$1,322,611	-7.7%	\$1,454,903	10.0%	\$1,353,498	-7.0%	\$1,518,172	12.2%	\$1,445,800	-4.8%	\$1,578,800	9.2%	\$1,502,800	-4.8%
TOTAL FINANCIAL INSTITUTIONS	\$919,624	2.7%	\$1,187,710	29.2%	\$1,396,433	17.6%	\$1,512,027	8.3%	\$1,830,000	21.0%	\$2,194,000	19.9%	\$2,190,000	-0.2%
ATHLETIC COMMISSION FEES	\$5,569,212	126.2%	\$983,358	-82.3%	\$1,600,478	62.8%	\$2,819,325	76.2%	\$2,200,000	-22.0%	\$1,200,000	-45.5%	\$1,200,000	
TOTAL LICENSES	\$38,373,612	15.3%	\$36,767,615	-4.2%	\$41,398,271	12.6%	\$48,386,482	16.9%	\$49,962,050	3.3%	\$53,038,950	6.2%	\$56,906,350	7.3%

*Reflects 13 months of collections in FY 98.

GENERAL FUND REVENUES - ECONOMIC FORUM - MAY 1, 2001 FORECAST
ACTUALS: FY 1997 THROUGH FY 2000 AND FORECAST: FY 2001 THROUGH FY 2003

DESCRIPTION	FY 1997		FY 1998		FY 1999		FY 2000		MAY 1, 2001 ECONOMIC FORUM FORECAST					
	ACTUAL	%	ACTUAL	%	ACTUAL	%	ACTUAL	%	FY 2001	%	FY 2002	%	FY 2003	%
FEES AND FINES														
REAL ESTATE EXAM FEES	\$272,823	-17.4%												
VITAL STATISTICS FEES	\$420,798	1.6%	\$502,346	19.4%	\$479,452	-4.6%	\$523,226	9.1%	\$543,100	3.8%	\$559,400	3.0%	\$576,200	3.0%
DIVORCE FEES	\$181,648	1.1%	\$183,005	0.7%	\$172,826	-5.6%	\$200,657	16.1%	\$205,000	2.2%	\$211,000	2.9%	\$218,000	3.3%
CIVIL ACTION FEES	\$1,133,161	6.6%	\$1,149,049	1.4%	\$1,139,909	-0.8%	\$1,191,315	4.5%	\$1,033,000	-13.3%	\$1,050,000	1.6%	\$1,068,000	1.7%
INSURANCE FINES	\$870,624	323.2%	\$531,172	-39.0%	\$786,282	48.0%	\$738,251	-6.1%	\$521,700	-29.3%	\$521,700		\$521,700	
TOTAL REAL ESTATE FEES	\$318,868	0.8%	\$442,830	38.9%	\$443,283	0.1%	\$435,547	-1.7%	\$361,100	-17.1%	\$373,700	3.5%	\$385,000	3.0%
SHORT TERM CAR LEASE	\$7,003,352		\$7,771,870	11.0%	\$7,998,221	2.9%	\$8,271,686	3.4%	\$8,270,000	0.0%	\$8,435,000	2.0%	\$8,604,000	2.0%
WATER PLANNING FEES	\$21,752	10.7%	\$17,305	-20.4%	\$21,164	22.3%	\$16,007	-24.4%	\$16,000	0.0%	\$16,000		\$16,000	
STATE ENGINEER SALES	\$1,474,514	-11.9%	\$1,623,045	10.1%	\$1,528,788	-5.8%	\$1,517,864	-0.7%	\$1,532,000	0.9%	\$1,532,000		\$1,532,000	
SUPREME COURT FEES	\$111,925	2.1%	\$224,029	100.2%	\$223,450	-0.3%	\$232,420	4.0%	\$232,400	0.0%	\$232,400		\$232,400	
MISC. FINES/FORFEITURES	\$171,005	92.2%	\$1,157,331	576.8%	\$172,171	-85.1%	\$117,633	-31.7%	\$229,400	95.0%	\$157,000		\$160,400	2.2%
TOTAL FEES AND FINES	\$11,980,470	13.9%	\$13,601,982	13.5%	\$12,971,100	-4.6%	\$13,244,606	2.1%	\$12,943,700	-2.3%	\$13,088,200	1.1%	\$13,313,700	1.7%
CHARGE FOR SERVICES														
LAHONTON SPECIAL USER	\$5,861	-62.7%												
TOTAL CHARGE FOR SERVICES	\$5,861	-99.7%												
USE OF MONEY AND PROPERTY														
LYON COUNTY REPAYMENTS									\$176,604					
OTHER REPAYMENTS	\$321,532	-30.2%	\$765,807	138.2%	\$957,381	25.0%	\$1,146,532		\$1,093,866	-4.6%	\$1,092,356		\$1,090,885	
MARLETTE REPAYMENT	\$2,116	-26.0%	\$2,330	10.1%	\$3,655	56.9%	\$6,338	73.4%	\$10,512	65.9%	\$10,512		\$10,512	
INTEREST INCOME	\$28,600,315	10.7%	\$26,782,509	-6.4%	\$27,675,627	3.3%	\$19,650,375	-29.0%	\$25,396,000	29.2%	\$16,149,000	-36.4%	\$15,668,300	-3.0%
TOTAL USE OF MONEY & PROPERTY	\$28,923,963	9.3%	\$27,550,646	-4.7%	\$28,636,662	3.9%	\$20,803,245	-27.4%	\$26,676,982	28.2%	\$17,251,868	-35.3%	\$16,769,697	-2.8%
OTHER REVENUE														
HOOVER DAM REVENUE	\$300,000		\$300,000		\$300,000		\$300,000		\$300,000		\$300,000		\$300,000	
MISC. SALES AND REFUNDS	\$2,586,851	-22.5%	\$1,664,357		\$3,218,047	93.4%	\$2,446,230	-24.0%	\$1,809,800	-26.0%	\$1,463,300	-19.1%	\$1,481,300	1.2%
COST RECOVERY PLAN	\$4,116,273	-0.9%	\$4,634,614	12.6%	\$4,497,042	-3.0%	\$4,376,469	-2.7%	\$4,376,500	0.0%	\$5,115,600	16.9%	\$5,113,700	0.0%
PETROLEUM INSPECTION FEES	\$481,191	4.8%	\$530,816	10.3%	\$517,803	-2.5%	\$534,777	3.3%	\$551,000	3.0%	\$567,000	2.9%	\$584,000	3.0%
UNCLAIMED PROPERTY	\$5,369,704	-12.0%	\$6,885,748	28.2%	\$5,834,400	-15.3%	\$7,730,573	32.5%	\$8,000,000	3.5%	\$6,000,000	-25.0%	\$6,000,000	
TOTAL OTHER REVENUE	\$12,854,019	-10.4%	\$14,015,535	9.0%	\$14,367,292	2.5%	\$15,388,049	7.1%	\$15,037,300	-2.3%	\$13,445,900	-10.6%	\$13,479,000	0.2%
TOTAL GENERAL FUND REVENUE	\$1,352,588,553	4.7%	\$1,412,378,339	4.4%	\$1,530,956,914	8.4%	\$1,646,823,340	7.6%	\$1,715,649,032	4.2%	\$1,785,809,918	4.1%	\$1,870,489,747	4.7%

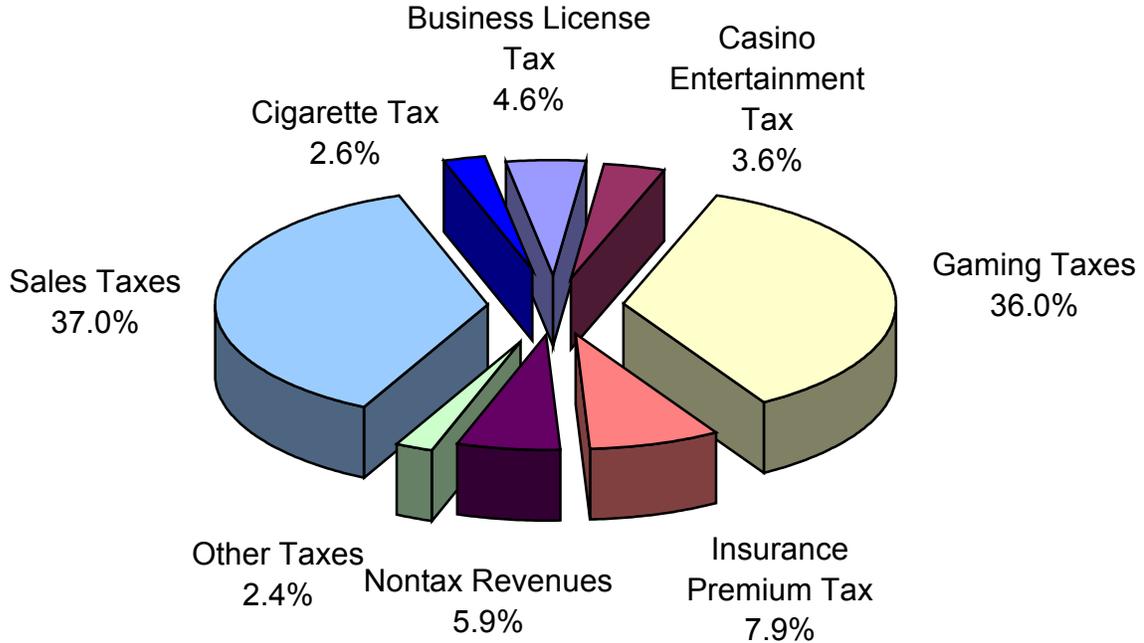
ADJUSTMENTS TO ECONOMIC FORUM FORECAST BASED ON MEASURES APPROVED BY THE 2001 LEGISLATURE

A.B. 77: Unclaimed Property - One-time acceleration from shortening of the time period for declaring property unclaimed	\$8,279,686	
A.B. 460: Short-Term Car Rental Fees - One-time acceleration in FY 2002 from changing payments from annual to quarterly and increase in the rate due to the state in FY 2002 and FY 2003	\$12,048,750	\$15,494,500
S.B. 307: Real Estate License Fees - Increase in appraiser license fees	\$24,000	\$24,000
S.B. 577: Commercial Recording Fees and Other Secretary of State Fees - Increase in commercial recording filing fees and other fees on corporate, LLC, LLP, and other profit and nonprofit busines	\$14,000,000	\$15,000,000
TOTAL ADJUSTMENTS TO ECONOMIC FORUM FORECAST	\$34,352,436	\$30,518,500

TOTAL GENERAL FUND REVENUE FORECAST FOR FY 2002 AND FY 2003: ECONOMIC FORUM MAY 1, 2001 FORECAST WITH ADJUSTMENTS FOR 2001 LEGISLATURE **\$1,820,162,354** **6.1%** **\$1,901,008,247** **4.4%**

NEVADA GENERAL FUND REVENUE

ACTUAL BY SOURCE, FY 1999-2000



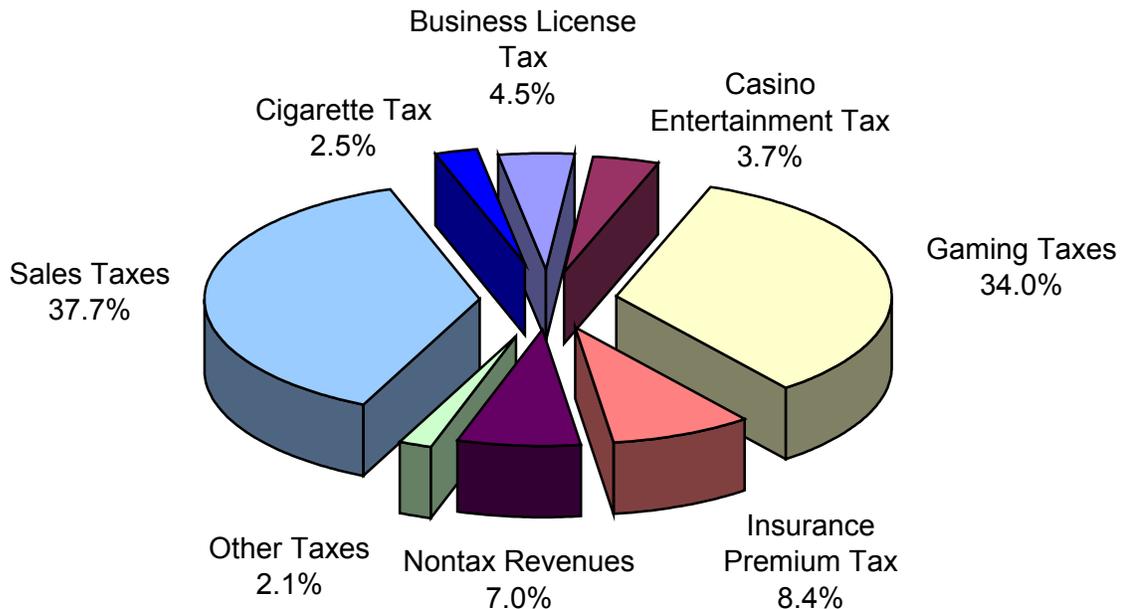
ACTUAL GENERAL FUND REVENUE - FY 1999-2000

	<u>Millions \$'s</u>	<u>% of Total</u>
State Gaming Taxes	\$592.3	36.0%
Casino Entertainment Tax	\$58.5	3.6%
Subtotal Gaming Taxes	\$650.9	39.6%
Sales and Use Taxes	\$610.1	37.0%
Business License Tax	\$76.4	4.6%
Insurance Premium Tax	\$129.3	7.9%
Cigarette Tax	\$42.2	2.6%
Other Taxes		
Mining Tax	\$13.4	0.8%
Liquor Tax	\$15.7	0.9%
Annual Slot Tax Transfer	\$5.0	0.3%
Tobacco & Other Taxes	\$6.0	0.4%
Subtotal Other Taxes	\$40.1	2.4%
Subtotal All Taxes	\$1,549.0	94.1%

	<u>Millions \$'s</u>	<u>% of Total</u>
Nontax Revenues		
Licenses	\$48.4	2.9%
Fees and Fines	\$13.2	0.8%
Charges for Services	\$0.0	0.0%
Use of Money and Property	\$20.8	1.3%
Miscellaneous Revenues	\$15.4	0.9%
Subtotal Nontax Revenues	\$97.8	5.9%
Total General Fund	\$1,646.8	100.0%

NEVADA GENERAL FUND REVENUE

ADJUSTED ECONOMIC FORUM FORECAST, 2001-03 BIENNIUM



ESTIMATED GENERAL FUND REVENUE - 2001-03 BIENNIUM

ADJUSTED* ECONOMIC FORUM MAY 1, 2001 FORECAST

	<u>Millions \$'s</u>	<u>% of Total</u>		<u>Millions \$'s</u>	<u>% of Total</u>
State Gaming Taxes	\$1,265.4	34.0%	Nontax Revenues		
Casino Entertainment Tax	\$137.1	3.7%	Licenses	\$139.0	3.7%
Subtotal Gaming Taxes	\$1,402.5	37.7%	Fees and Fines	\$53.9	1.5%
Sales and Use Taxes	\$1,402.3	37.7%	Charges for Services	\$0.0	0.0%
Business License Tax	\$168.9	4.6%	Use of Money and Property	\$34.0	0.9%
Insurance Premium Tax	\$314.1	8.4%	Miscellaneous Revenues	\$35.2	1.0%
Cigarette Tax	\$92.1	2.5%	Subtotal Nontax Revenues	\$262.2	7.1%
Other Taxes			Total General Fund	\$3,721.2	100.0%
Mining Tax	\$25.6	0.6%			
Liquor Tax	\$32.5	0.8%			
Annual Slot Tax Transfer	\$10.0	0.3%			
Tobacco & Other Taxes	\$11.1	0.3%			
Subtotal Other Taxes	\$79.1	2.0%			
Subtotal All Taxes	\$3,459.0	92.9%			

*Adjusted for Legislative actions that were approved during the 2001 Session.

***GENERAL FUND
APPROPRIATIONS***



GENERAL FUND APPROPRIATIONS

2001 LEGISLATURE

The 2001 Legislature appropriated \$4.0 billion from the General Fund, which was approximately \$69.0 million less than the amount recommended by the Governor in The Executive Budget. The May 1, 2001 revenue forecast by the Economic Forum, which was \$121.4 million less than initially forecast in December 2000, prompted the decrease in appropriations. The 2001 Legislature also approved three General Fund revenue enhancements that are projected to generate approximately \$64.9 million during the 2001-03 biennium.

Appropriations approved by the 2001 Legislature (including the 17th Special Session) include \$3.7 million for FY 2000-01 supplementals, \$174.4 million for special, one-time items and capital improvement projects, \$16.7 million to restore various fund balances, and \$11.8 million for the cost of the 71st Regular and 17th Special Legislative Sessions. The balance of appropriations was made for general operating purposes of state government for fiscal years 2001-02 and 2002-03.

For FY 2001-02, General Fund operating appropriations of \$1.83 billion were approved, which represents an 11.6 percent increase when compared to \$1.64 billion appropriated for FY 2000-01 (including supplementals). For FY 2002-03, operating appropriations of \$1.97 billion were approved, which is a 7.8 percent increase over FY 2001-02 operating appropriations. The overall biennial increase in operating appropriations is 18.3 percent. Ongoing appropriations approved by the 2001 Legislature were approximately \$42.6 million less in FY 2001-02 and \$8.1 million less in FY 2002-03 than the amounts recommended by the Governor. Significant overall increases in spending were approved in various budgets for the Department of Human Services, for pay raises for all state employees and the UCCSN, and for a two percent salary increase for school district personnel in FY 2002-03.

After adjusting for interagency transfers, the total authority for spending for the 2001-03 biennium from revenue sources other than the General Fund is \$6.1 billion. Total spending authorized from all revenue sources, including the General Fund, totals \$9.9 billion. A comparison to the previous biennium would be distorted, since the budget for the Employers Insurance Company of Nevada was included in the budget totals for the 1999-2001 biennium. The Employers Insurance Company of Nevada is now a private entity and not included in budget totals for the 2001-03 biennium.

In approving the new budget, the Legislature reduced General Fund appropriations from the Governor's recommendations in both years of the 2001-03 biennium and allocated certain one-time appropriations in FY 2001-02, rather than FY 2000-01, in order to more closely align expenditures with projected revenues in each year of the 2001-03 biennium. The goal of the Legislature was to match revenues and expenses in FY 2002-03 as closely as possible to avoid creating a structural imbalance for the next Legislature to resolve.

**GENERAL FUND APPROPRIATIONS
2001 LEGISLATURE**

**COMPARISON OF
GOVERNOR RECOMMENDED VERSUS LEGISLATIVELY APPROVED**

	Governor Recommended	Legislature Approved
Fiscal Year 2000-01		
Restore Fund Balances	\$14,900,000	\$16,660,000
Supplemental Appropriations	\$4,454,533	\$3,662,339
Special or One-Time Appropriations	\$173,985,878	\$141,096,323
Park Improvement Program	\$2,093,928	\$1,093,928
Capital Improvements	\$18,000,000	\$14,000,472
Cost of Legislature ¹	\$11,500,000	\$11,770,000
Total Appropriations	<u>\$224,934,339</u>	<u>\$188,283,062</u>
Difference		<u>-\$36,651,277</u>
Fiscal Year 2001-02		
Special or One-Time Appropriations	\$0	\$18,250,000
Operating Appropriations	\$1,280,564,488	\$1,238,432,037
Distributive School Account	\$496,734,231	\$496,299,288
Class Size	\$91,822,619	\$91,822,619
Total Appropriations	<u>\$1,869,121,338</u>	<u>\$1,844,803,944</u>
Difference		<u>-\$24,317,394</u>
Fiscal Year 2002-03		
Special or One-Time Appropriations	\$0	\$0
Operating Appropriations	\$1,368,300,608	\$1,326,744,320
Distributive School Account	\$511,732,366	\$543,255,885
Class Size	\$97,774,795	\$99,730,291
Total Appropriations	<u>\$1,977,807,769</u>	<u>\$1,969,730,496</u>
Difference		<u>-\$8,077,273</u>
CUMULATIVE DIFFERENCE		<u>-\$69,045,944</u>

¹Legislature Approved amount includes \$70,000 for 17th Special Session.

**GENERAL FUND APPROPRIATIONS
2001 LEGISLATURE
BY FUNCTION**

FUNCTION	FY 2000-01	% of Total	FY 2001-02	% of Total	FY 2002-03	% of Total	2001-03 Biennium	% of Total
CONSTITUTIONAL AGENCIES	56,278,659	3.4%	59,973,939	3.3%	62,583,358	3.2%	122,557,297	3.2%
FINANCE & ADMINISTRATION	26,474,608	1.6%	42,176,912	2.3%	54,321,214	2.8%	96,498,126	2.5%
EDUCATION:								
UNIVERSITY SYSTEM	316,610,775	19.3%	346,845,022	19.0%	370,593,608	18.8%	717,438,630	18.9%
KINDERGARTEN TO 12TH GRADE	570,950,611	34.7%	600,919,228	32.9%	654,276,568	33.2%	1,255,195,796	33.1%
OTHER EDUCATION	9,924,081	0.6%	8,933,306	0.5%	9,430,181	0.5%	18,363,487	0.5%
SUBTOTAL EDUCATION	897,485,467	54.6%	956,697,556	52.4%	1,034,300,357	52.5%	1,990,997,913	52.5%
HUMAN SERVICES	408,499,374	24.8%	498,464,092	27.3%	542,936,214	27.6%	1,041,400,306	27.4%
COMMERCE & INDUSTRY	38,746,501	2.4%	39,889,056	2.2%	40,132,785	2.0%	80,021,841	2.1%
PUBLIC SAFETY	190,883,315	11.6%	201,098,317	11.0%	207,387,787	10.5%	408,486,104	10.8%
INFRASTRUCTURE	20,894,719	1.3%	21,282,651	1.2%	21,615,919	1.1%	42,898,570	1.1%
SPECIAL PURPOSE AGENCIES	5,264,452	0.3%	6,971,421	0.4%	6,452,862	0.3%	13,424,283	0.4%
TOTAL	<u>1,644,527,095</u>	<u>100.0%</u>	<u>1,826,553,944</u>	<u>100.0%</u>	<u>1,969,730,496</u>	<u>100.0%</u>	<u>3,796,284,440</u>	<u>100.0%</u>

FY 2000-01 includes Supplemental Appropriations as approved by the 2001 Legislature.

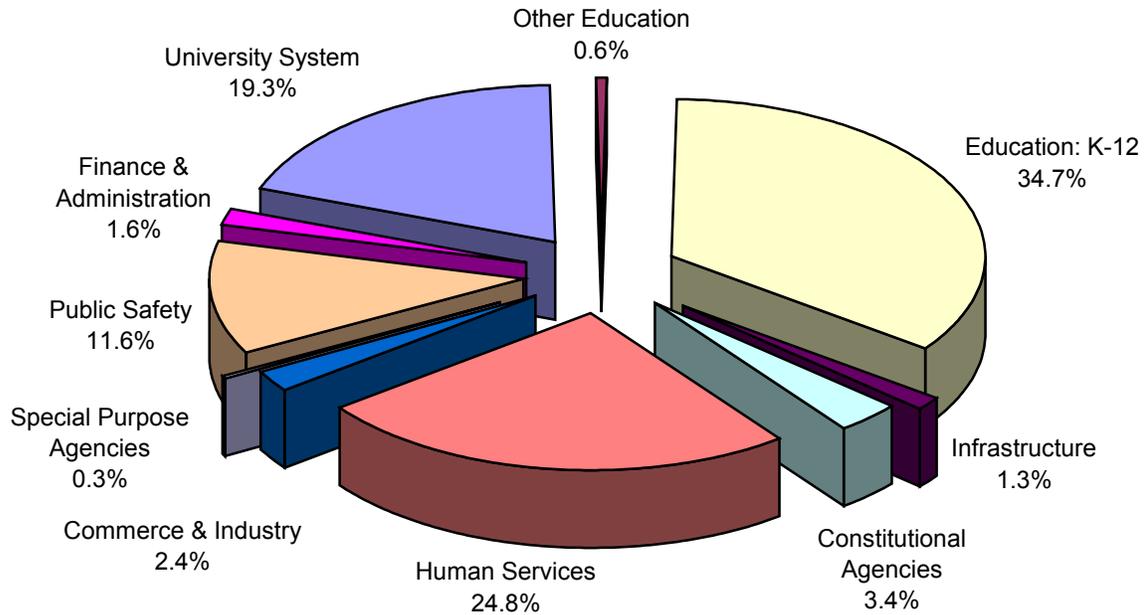
Finance and Administration includes funding from Unclassified Pay Bill and salary increases for State employees.

Education includes salary increases for UCCSN employees.

Commerce and Industry includes credential pay plan for Gaming Control Board employees.

NEVADA GENERAL FUND APPROPRIATIONS

LEGISLATURE APPROVED, FY 2000-01



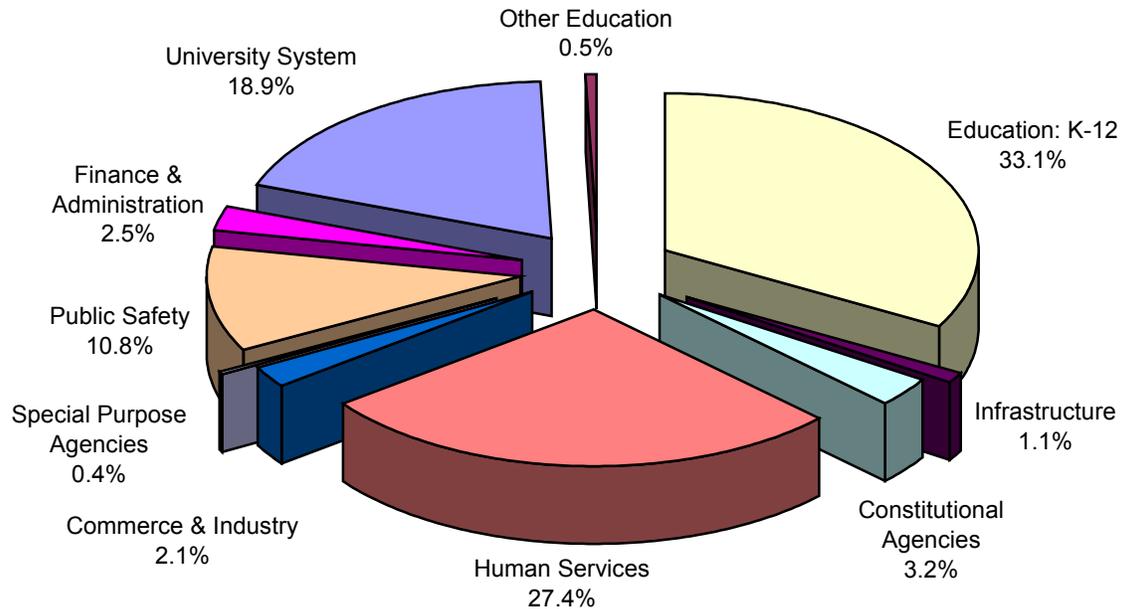
LEGISLATURE APPROVED APPROPRIATIONS - FY 2000-01¹

	<u>FY 2000-01</u>	<u>% of TOTAL</u>
CONSTITUTIONAL AGENCIES	\$ 56,278,659	3.4%
FINANCE & ADMINISTRATION	\$ 26,474,608	1.6%
EDUCATION:		
UNIVERSITY SYSTEM	\$ 316,610,775	19.3%
KINDERGARTEN TO 12TH GRADE	\$ 570,950,611	34.7%
OTHER EDUCATION	\$ 9,924,081	0.6%
SUBTOTAL EDUCATION	\$ 897,485,467	54.6%
HUMAN SERVICES	\$ 408,499,374	24.8%
COMMERCE & INDUSTRY	\$ 38,746,501	2.4%
PUBLIC SAFETY	\$ 190,883,315	11.6%
INFRASTRUCTURE	\$ 20,894,719	1.3%
SPECIAL PURPOSE AGENCIES	\$ 5,264,452	0.3%
TOTAL	\$ 1,644,527,095	100.0%

¹ Includes Supplemental Appropriations Approved by the 2001 Legislature.

NEVADA GENERAL FUND APPROPRIATIONS

LEGISLATURE APPROVED, 2001-03 BIENNIUM



LEGISLATURE APPROVED APPROPRIATIONS - 2001-03 BIENNIUM

	<u>FY 2001-02¹</u>	<u>FY 2002-03</u>	<u>TOTAL</u>	<u>% of TOTAL</u>
CONSTITUTIONAL AGENCIES	\$ 59,973,939	\$ 62,583,358	\$ 122,557,297	3.2%
FINANCE & ADMINISTRATION	\$ 42,176,912	\$ 54,321,214	\$ 96,498,126	2.5%
EDUCATION:				
UNIVERSITY SYSTEM	\$ 346,845,022	\$ 370,593,608	\$ 717,438,630	18.9%
KINDERGARTEN TO 12TH GRADE	\$ 600,919,228	\$ 654,276,568	\$ 1,255,195,796	33.1%
OTHER EDUCATION	\$ 8,933,306	\$ 9,430,181	\$ 18,363,487	0.5%
SUBTOTAL EDUCATION	\$ 956,697,556	\$ 1,034,300,357	\$ 1,990,997,913	52.5%
HUMAN SERVICES	\$ 498,464,092	\$ 542,936,214	\$ 1,041,400,306	27.4%
COMMERCE & INDUSTRY	\$ 39,889,056	\$ 40,132,785	\$ 80,021,841	2.1%
PUBLIC SAFETY	\$ 201,098,317	\$ 207,387,787	\$ 408,486,104	10.8%
INFRASTRUCTURE	\$ 21,282,651	\$ 21,615,919	\$ 42,898,570	1.1%
SPECIAL PURPOSE AGENCIES	\$ 6,971,421	\$ 6,452,862	\$ 13,424,283	0.4%
TOTAL	\$ 1,826,553,944	\$ 1,969,730,496	\$ 3,796,284,440	100.0%

¹ Does not include one-time appropriations in FY 2001-02 of \$18,250,000 approved by the 2001 Legislature.

**GENERAL FUND SUPPLEMENTAL APPROPRIATIONS
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES
2001-03 BIENNIUM**

BILL NUMBER ¹	CHAPTER ¹	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
AB 233	N/A	Department of Administration	Funds anticipated IFS expenses resulting from accounting changes required by GASB 34.	\$295,000			\$0		
AB 234	537	Division of Parole and Probation	For an unanticipated state payroll claim of the Division of Parole and Probation.	\$2,493			\$2,493		
AB 234	537	Parole Board	Funds shortfall in salaries of the Parole Board.	\$0			\$6,500		
AB 235	380	Department of Business and Industry - Athletic Commission	Reimburses the Athletic Commission's Amateur Boxing Program for FY 2000 salary shortfall. Funding provided by the 2001 Legislature was for an anticipated salary shortfall (overtime) in FY 2001 and for one additional Commission Meeting in FY 2001.	\$1,583			\$3,215		
AB 237	194	District Judges' Salaries and Judicial Pension Fund	Funds District Judges' Salaries and Judicial Pensions Fund for shortfall in retirement benefits and pensions for District Judges and widows.	\$125,918			\$109,918		
AB 273	382	State Department of Agriculture	For deposit in the revolving account for agriculture working capital created pursuant to NRS 561.335. This funding will repay the account for a payment made in FY 2000 to fund a shortfall in one of the Department's operating accounts.	\$4,990			\$4,900		
AB 273	382	State Department of Agriculture	Funds terminal annual leave expenses of the Predatory Animal and Rodent Committee.	\$7,045			\$7,045		
AB 273	382	State Department of Agriculture	Funds retirement contributions that were due from the department for the fiscal year ending June 30, 2000 - Agriculture Administration.	\$0			\$6,803		
SB 246	N/A	Office of the Attorney General	For an unanticipated shortfall caused by overestimation of revenues in the Attorney General's Administration account.	\$500,000			\$0		
SB 247	450	Department of Human Resources/Mental Health Institute	Funds anticipated utilities expenses for the new hospital and cost of medications at the Nevada Mental Health Institute.	\$435,950			\$435,950		
SB 247	450	Department of Human Resources/Child and Family Services Division	Funds anticipated expenses of the Division of Child and Family Services (Youth Community Services) for group homes, foster care, Medicare, and subsidized adoptions.	\$2,743,867			\$2,743,867		
SB 248	86	Department of Cultural Affairs	Funds anticipated utilities expenses, personnel costs and purchasing assessment of the Administrative Office. (Director's Office)	\$8,075			\$19,226		
SB 248	86	Department of Cultural Affairs	Funds anticipated utilities expenses of the Historical Society.	\$3,500			\$6,913		
SB 248	86	Department of Cultural Affairs	Funds anticipated utilities expenses of the Las Vegas Museum.	\$2,735			\$7,021		
SB 248	86	Department of Cultural Affairs	Funds anticipated utilities expenses of the Division of Museums and History. (Boulder City Railroad Museum)	\$0			\$1,719		
SB 248	86	Department of Cultural Affairs	Funds anticipated utilities expenses of the Lost City Museum.	\$910			\$424		
SB 248	86	Department of Cultural Affairs	Funds anticipated utilities expenses of the Nevada State Railroad Museum.	\$0			\$488		
SB 249	197	Secretary of State	For an unanticipated shortfall in the money budgeted for salaries and costs for information services.	\$222,508			\$220,786		
SB 250	198	Department of Conservation and Natural Resources/Director's Office	For an unanticipated shortfall in terminal and annual sick leave and other personnel expenses.	\$21,689			\$21,689		
SB 250	198	Department of Conservation and Natural Resources/Division of Water Resources	For an unanticipated shortfall in the money budgeted for expenses related to the U.S.G.S. river and stream gauging, ground water measurement and the South Fork Dam monitoring programs.	\$6,800			\$18,492		
SB 251	199	Department of Education	For a shortfall in money budgeted for contractual obligations for the Terra Nova Tests.	\$71,470			\$38,890		
SB 581	528	WICHE	For a projected shortfall in the personnel services category.	\$0			\$6,000		
TOTAL GENERAL FUND SUPPLEMENTALS				\$4,454,533			\$3,662,339		
DIFFERENCE							-\$792,194		

¹ An S after the bill and chapter number signifies this bill was approved by the 17th Special Session of 2001.

**GENERAL FUND APPROPRIATIONS TO RESTORE FUND BALANCES
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES
2001-03 BIENNIUM**

BILL NUMBER ¹	CHAPTER ¹	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
AB 587	23	State Claims Account	Restores and increases balance from \$1,500,000 to \$2,500,000.	\$2,500,000			\$2,500,000		
AB 588	491	Emergency Account	Restores Fund Balance to \$400,000.	\$400,000			\$160,000		
SB 8S	18S	Interim Finance Contingency Fund	Restores and increases balance from \$8,000,000 to \$9,000,000 -- Legislature increased balance to \$11,000,000.	\$9,000,000			\$11,000,000		
SB 517	114	Reserve for Statutory Contingency Account	Restores and increases balance from \$1,500,000 to \$3,000,000.	\$3,000,000			\$3,000,000		
TOTAL GENERAL FUND APPROPRIATIONS TO RESTORE FUND BALANCES				\$14,900,000			\$16,660,000		
DIFFERENCE							\$1,760,000		

**HIGHWAY FUND APPROPRIATIONS TO RESTORE FUND BALANCES
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES
2001-03 BIENNIUM**

BILL NUMBER ¹	CHAPTER ¹	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
SB 8S	18S	Interim Finance Contingency Fund	Establishes Fund Balance at \$2,000,000 (Historically funding was not provided from Highway Fund to IFC.)	\$2,000,000			\$2,000,000		
TOTAL HIGHWAY FUND APPROPRIATIONS TO RESTORE FUND BALANCES				\$2,000,000			\$2,000,000		
DIFFERENCE							\$0		

¹ An S after the bill and chapter number signifies this bill was approved by the 17th Special Session of 2001.

**GENERAL FUND ONE-TIME OR SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES - 2001 LEGISLATURE
2001-03 BIENNIUM**

BILL NUMBER ¹	CHAPTER ¹	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
AB 1S	1S	Department of Human Resources/Division of Child and Family Services	Funds "one-time" costs associated with the integration of State and Local Child Welfare Systems. Funding was recommended by the Governor in AB 512 which was not approved by the 2001 Legislature.	\$0			\$5,166,860		
AB 4S	4S	Judicial Pension Program	Funds establishment of retirement system for district judges. Funding as approved by the Legislature partially funds the accrued liability.	\$14,342,070			\$5,000,000		
AB 183	118	Legislative Fund	For the cost of reproducing older volumes of Nevada Reports that are out of print or of limited supply and for the cost of reproducing volumes of Statutes of Nevada that are in short supply or out of print.	\$73,100			\$73,100		
AB 187	423	Legislative Fund	For additional equipment and software for information systems for the Legislative Counsel Bureau and the Nevada Legislature.	\$760,000			\$700,000		
AB 189	424	Legislative Fund	For maintenance and rehabilitation projects on the Legislative Building, the Sedway Office Building and the parking garage. Funding for upgrade of HVAC system in the older portion of the Legislature Building was deleted by the Legislature.	\$817,740			\$715,700		
AB 209	533	Department of Human Resources/Welfare Division	Funds energy assistance for low-income Nevadans. Funding will increase the number of low-income households served under the Low-Income Energy Assistance (LIHEA) program. Governor recommended \$5 million in AB 590.	\$0			\$4,000,000		
AB 502	N/A	Department of Business and Industry/Real Estate Division	For the development of an automated licensing system for real estate agents.	\$321,039			\$0		
AB 503	438	Department of Business and Industry/Labor Commissioner	Replacement of nine personal computers in the Office of the Labor Commissioner. Governor Recommends was for ten computers.	\$18,320			\$15,867		
AB 504	539	Department of Conservation and Natural Resources	For the State of Nevada's share for carrying out the Truckee River Operating Agreement. Funds will be utilized for costs incurred by the Federal Water Master to plan and develop a water accounting program that will monitor water transactions on the Truckee River system.	\$80,000			\$80,000		
AB 505	485	Department of Conservation and Natural Resources/State Parks	For replacement equipment for the Division of State Parks.	\$537,085			\$329,107		
AB 506	439	Department of Conservation and Natural Resources/State Parks	For minor maintenance, repair and remodeling projects at various State Parks and Recreation areas.	\$593,928			\$593,928		
AB 507	427	Department of Conservation and Natural Resources/State Parks	For the purchase of radios compatible with the high band system implemented by the Department of Motor Vehicles and Public Safety.	\$193,323			\$193,323		
AB 508	486	Department of Conservation and Natural Parks/Water Resources	For new and replacement equipment for the Division of Water Resources.	\$361,090			\$169,411		
AB 508	486	Department of Conservation and Natural Parks/Water Resources	To replenish the Channel Clearance Account in accordance with NRS 532.230 (for stream renovation).	\$0			\$100,000		
AB 509	N/A	Department of Conservation and Natural Parks/Forestry	For a radio connection between the Division of Forestry and the Department of Motor Vehicles and Public Safety.	\$18,216			\$0		
AB 510	487	Department of Conservation and Natural Parks/Forest Fire Suppression	For safety clothing, tools, radios and the repair of two buses for crews at the Caliente Youth Center and a portable generator for the Wells Camp.	\$39,698			\$36,975		
AB 511	540	Department of Conservation and Natural Resources/Tahoe Regional Planning Agency	Funds threshold research on projects directed at improving lake water quality at Lake Tahoe. The 2001 Legislature also provided authority to the TRPA to utilize up to \$200,000 from the interest earned on the proceeds from EIP bonds for threshold research in FY 2003.	\$400,000			\$200,000		

**GENERAL FUND ONE-TIME OR SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES - 2001 LEGISLATURE
2001-03 BIENNIUM**

BILL NUMBER ¹	CHAPTER ¹	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
AB 512	N/A	Department of Human Resources Child and Family Services Division	For the costs associated with the transfer of certain child welfare services to Clark and Washoe County. Funding was approved by the 2001 Legislature in a reduced amount in AB 1S.	\$7,994,650			\$0		
AB 513	541	Department of Human Resources	For the development of four long-term strategic plans relating to health care needs of the residents of Nevada; to ensure the continuum of services for senior citizens (\$100,000), to ensure the availability and accessibility of health care in rural Nevada (\$150,000), to ensure the continuum of services are available for the disabled (\$150,000), and, to develop and implement a sound methodology for the establishment and periodic adjustment of rates paid by the State of Nevada for health care services (\$400,000).	\$1,800,000			\$800,000		
AB 514	440	Interim Finance Committee	For the costs of developing and converting to an electronic application process for the Nevada Check Up program and Medicaid assistance. Funds will be allocated by IFC to the Department of Human Resources which will be used to match an additional \$981,000 in federal funds.	\$500,000			\$500,000		
AB 515	542	Department of Human Resources Health Division	For assistance in the operation of HIV/AIDS clinics in Reno and Las Vegas. Funding will be split between the University Medical Center's HIV Inpatient Unit and Wellness Center in Las Vegas and the Northern Nevada HIV Outpatient Program, Education and Services (HOPE) in Reno.	\$2,000,000			\$1,000,000		
AB 516	441	Department of Human Resources Health Care Financing and Policy Division	For the general fund share of the design, development and implementation of the Medicaid Management Information System (MMIS). This appropriation will be matched with approximately \$17.6 million in federal funds.	\$2,090,840			\$2,090,840		
AB 517	428	Department of Human Resources Child and Family Services Division	For new and replacement furnishings and equipment for the division's statewide administrative offices. Legislature approved operating costs in the agency's budget.	\$167,407			\$117,244		
AB 518	N/A	University and Community College System of Nevada	Funds start-up costs for the new state college at Henderson.	\$1,000,000			\$0		
AB 519	488	Department of Taxation	Funds implementation of Phase II Business Process Re-Engineering (BPR) Project (\$1,300,000), development of a document imaging and scanning system (\$800,000), and enhancement of the Local Government Financial Reporting System (\$75,000).	\$1,300,000			\$2,175,000		
AB 520	543	Department of Administration	For the Governor's Advisory Council on Education Relating to the Holocaust for the continuation of its educational programs.	\$75,000			\$75,000		
AB 521	489	Office of the Governor	To grant to the Nevada Commission for National and Community Service for use as matching money to obtain additional federal funding to continue its programs dedicated to promoting citizen volunteerism.	\$325,000			\$325,000		
AB 522	544	Department of Administration Buildings and Grounds	For minor remodeling of the Grant Sawyer State Office Building (\$84,046) and moving expenses (\$136,354) of various agencies to and from the Grant Sawyer State Office Building.	\$220,400			\$220,400		
AB 523	442	Department of Administration/ Motor Pool Division and Department of Motor Vehicles and Public Safety/Investigation Division	For the purchase of 87 new motor pool vehicles (\$1,749,874) by the State Motor Pool and for the purchase of 14 new vehicles (\$274,012) by the Division of Investigations. An appropriation (\$22,341) was also approved by the 2001 Legislature to the Investigations Division to purchase 1 new vehicle from the Highway Fund.	\$2,046,227			\$2,023,886		

GENERAL FUND ONE-TIME OR SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES - 2001 LEGISLATURE
2001-03 BIENNIUM

BILL NUMBER ¹	CHAPTER ¹	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
AB 524	429	Department of Information Technology	For phase II of the digital microwave upgrade. The 2001 Legislature approved funding for phase IIA of the digital microwave upgrade; includes completion of the digital microwave link between Las Vegas and Ely.	\$9,141,986			\$4,641,986		
AB 525	443	Supreme Court of Nevada	For security system upgrades, a system-wide website and communications infrastructure, and new and replacement equipment. Funding was reduced by the 2001 Legislature as the result of funding some items from Court Administrative Assessments.	\$511,598			\$395,028		
AB 526	444	Department of Taxation	For the purchase of new and replacement office equipment and computer hardware and software.	\$545,726			\$454,173		
AB 527	430	Legislative Fund	Funds new and replacement equipment and various maintenance projects.	\$861,585			\$747,823		
AB 528	N/A	Department of Human Resources Aging Services Division	For a wide area network for the offices in Reno and Las Vegas.	\$19,187			\$0		
AB 529	431	Department of Human Resources Mental Health and Developmental Services Division	To convert the communications system for Rural Clinics' program from analog to digital.	\$279,000			\$236,490		
AB 530	545	Department of Human Resources Welfare Division	For the Welfare Division's telephone system (\$54,572) and for the cost of completing criminal background checks (fingerprinting) on current Welfare Division employees (\$13,315).	\$67,887			\$67,887		
AB 531	432	Department of Human Resources Child and Family Services Division	For two 15-passenger vans, two utility vehicles for use by the landscape and maintenance departments, new chairs, microscopes for the science classroom and replacement televisions for the dormitory units at the Nevada Youth Training Center.	\$73,144			\$73,144		
AB 532	433	Department of Human Resources Child and Family Services Division	For a new telephone system for the Adolescent Treatment Center, two 12-passenger vans and remodeling of client bathrooms in three Family Learning Homes at Northern Nevada Child and Adolescent Services.	\$75,321			\$72,892		
AB 533	434	Department of Business and Industry/Consumer Affairs	For the replacement of ten personal computers in the Consumer Affairs Division.	\$18,320			\$15,150		
AB 590	N/A	Department of Human Resources/Welfare Division	For energy bill assistance for low-income Nevadans. \$4,000,000 was approved by the 2001 Legislature in AB 209.	\$5,000,000			\$0		
AB 596	492	Department of Motor Vehicles and Public Safety/Parole and Probation	For computer upgrades (210) for the Division of Parole and Probation.	\$20,209			\$13,380		
AB 597	493	Department of Motor Vehicles and Public Safety/Parole and Probation	For the purchase of 94 computers, various hardware and software and necessary communications links for the Division of Parole and Probation. Funding for "on-going" circuit costs was approved by the Legislature (\$62,149 per year).	\$412,942			\$306,748		
AB 598	435	Department of Human Resources Child and Family Services Division	For an enhanced health clinic for the Jan Evans Juvenile Justice Center. Funding will be utilized to double the size of the planned clinic which is currently in the design phase.	\$250,000			\$250,000		
AB 599	N/A	Department of Human Resources	For a program to coordinate family resources.	\$500,000			\$0		
AB 603	N/A	Nevada Health Account for Uninsured Nevadans	To promote the availability of health care benefits for uninsured families in this state and to assist families in this state to access essential health care services.	\$5,000,000			\$0		
AB 612	N/A	Revolving Loan Account to Provide Assistance to Certain Rural Health Programs	To provide the initial funding source for the revolving loan account which will be available to rural health care facilities and organizations to assist in the financing of capital expenditures for equipment and facility improvements.	\$1,000,000			\$0		

GENERAL FUND ONE-TIME OR SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES - 2001 LEGISLATURE
2001-03 BIENNIUM

BILL NUMBER ¹	CHAPTER ¹	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
AB 658	495	Department of Administration/Budget Division	For the continuation of the development and roll out of the Integrated Financial System. Funding will provide for the implementation of federal grants management, automated work flow, journal entries, tracking of employee related activities, completing the system of the system roll out to state agencies and expanding the Financial and Human Resources Data Warehouses.	\$12,303,000			\$11,820,380		
SB 2S	12S	Interim Finance Committee	To continue the contractual services for a consultant to carry out a financial analysis model program in each school district and charter schools selected for participation by the Interim Finance Committee. The financial analysis model program will be designed to track expenditures and revenues and to provide uniformity in financial reporting among school districts and charter schools.	\$0			\$304,127		
SB 7S	17S	Department of Motor Vehicles and Public Safety	To fund a share of the cost of the National Crime Information Center's 2000 upgrade, Windows 2000 and public safety database.	\$0			\$562,569		
SB 7S	17S	Peace Officers' Standards and Training Commission	For an analysis of job tasks and a study of physical fitness validation for peace officers.	\$200,000			\$50,000		
SB 8S	18S	Interim Finance Committee	Assist state agencies, including UCCSN, in paying energy (utilities) expenses that exceed the amount that has been appropriated by the Legislature for that purpose.	\$0	\$0		\$3,750,000	\$13,250,000	
SB 8S	18S	Interim Finance Committee	To provide a one-time energy (utilities) pool available to school districts in meeting utility costs which are greater than the amounts budgeted for the 2001-03 biennium.	\$0			\$6,500,000		
SB 9S	19S	Interim Finance Committee	For allocations to existing educational programs that are at risk of termination because of a lack of funding.		\$0			\$5,000,000	
SB 13S	22S	Department of Education	Governor's Recommended funding was to update Nevada Report Card software, for the development of new criterion reference test for pupils in grade 8, and for Limited English Proficient Assessments. Funding approved by the Legislature will provide for the development of new criterion reference test for pupils in grade 8.	\$1,769,375			\$1,106,265		
SB 143	553	Court Administrator for the Second Judicial District	For continuation of the programs for treatment for the abuse of alcohol or controlled substances in the Second Judicial District. Refer to SB 429 for the Governor's recommended funding.	\$0			\$350,000		
SB 143	553	Court Administrator for the Eighth Judicial District	For continuation of the programs for treatment for the abuse of alcohol or controlled substances in the Eighth Judicial District. Refer to SB 430 for the Governor's recommended funding.	\$0			\$700,000		
SB 143	553	The Administrative Office of the Courts	For the establishment of programs for the treatment for the abuse of alcohol or controlled substance abuse in the First, Third, and Ninth Judicial Districts. No funding was recommended by the Governor.	\$0			\$300,000		
SB 174	596	Department of Employment, Training, and Rehabilitation	For per diem allowances and travel expenses of the Advisory Committee on Personal Assistance for Persons with Severe Functional Disabilities as created by this legislation.	\$0			\$10,000		
SB 199	14	Legislative Fund	For the purchase (\$1,025,000) and light renovation (\$553,100) of the Capitol Apartments located at 201 East Sixth Street (Carson City).	\$1,753,100			\$1,578,100		
SB 247	450	Department of Human Resources/Mental Health and Developmental Services Division	For "life-safety" repairs to buildings at the Southern Nevada Adult Mental Health Services facility.	\$0			\$350,000		
SB 427	574	Department of Education	For the training of teachers, textbook resources and information technology.	\$20,000,000			\$0		

**GENERAL FUND ONE-TIME OR SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES - 2001 LEGISLATURE
2001-03 BIENNIUM**

BILL NUMBER ¹	CHAPTER ¹	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
SB 427	574	Department of Education for Distribution to the Commission on Educational Technology	For grants to local school districts to acquire the minimal level of educational technology that is necessary to provide a networked computer for each classroom.	\$0			\$2,500,000		
SB 427	574	Department of Education for Distribution to the Commission on Educational Technology	For grants to local school districts for the repair, replacement or upgrade of computer hardware and software (includes contract maintenance).	\$0			\$5,000,000		
SB 427	574	Department of Education for Distribution to the Commission on Educational Technology	For grants to local school districts for hardware, software and contracting services to provide or enhance technical support to the school districts.	\$0			\$1,250,000		
SB 427	574	Department of Education for Distribution to the Commission on Educational Technology	For grants to local school districts for pilot programs that demonstrate best practices for the uses of educational technology to improve the achievement of pupils.	\$0			\$300,000		
SB 427	574	Department of Education for Distribution to the Commission on Educational Technology	For distribution for KVLX Distance Learning Satellite Service.	\$0			\$400,000		
SB 427	574	Department of Education for Distribution to the Commission on Educational Technology	For grants to the Division of State Library and Archives for licenses to allow school libraries to access and research databases and other on-line resources appropriate for pupils.	\$0			\$500,000		
SB 427	574	Legislative Fund	For use by the Legislative Bureau of Educational Accountability and Program Evaluation to hire a qualified independent consultant to conduct an evaluation of educational technology.	\$0			\$50,000		
SB 427	574	Department of Education	For signing bonuses for new teachers in fiscal year 2002 and 2003.	\$0			\$10,000,000		
SB 428	497	Department of Cultural Affairs	For expenses relating to the continued operation of the Southern Nevada Office of the Nevada Humanities Committee.	\$200,000			\$200,000		
SB 429	N/A	Court Administrator for the Second Judicial District	For continuation of the drug court program in the 2nd Judicial District. Refer to SB 143 for funding approved by the 2001 Legislature.	\$330,000			\$0		
SB 430	N/A	Court Administrator for the Eighth Judicial District	For continuation of the drug court program in the 8th Judicial District. Refer to SB 143 for funding approved by the 2001 Legislature.	\$700,000			\$0		
SB 431	466	Department of Cultural Affairs	For allocation (on a formula basis) for the financial support of public libraries in Nevada for the purchase of materials, software, and technology (\$1,200,000) and for the purchase of new and replacement equipment (\$41,690) for the Nevada State Library and Archives.	\$1,241,690			\$1,241,690		
SB 432	467	Department of Cultural Affairs	For computer and software upgrades and replacements throughout the Department of Cultural Affairs.	\$153,309			\$137,518		
SB 433	498	Department of Cultural Affairs	For the purchase of new and replacement equipment for the Nevada Historical Society (\$3,386), for the Nevada State Museum (\$8,861), and for the Las Vegas Museum (\$27,550).	\$64,297			\$39,797		
SB 434	N/A	Department of Cultural Affairs	For the participation of the Nevada Museum and Historical Society in the planning for the Las Vegas Springs Preserve Project.	\$300,000			\$0		
SB 435	468	Department of Human Resources Mental Health and Developmental Services Division	For new and replacement equipment, maintenance items and new and replacement computer hardware and software at the Nevada Mental Health Institute.	\$450,000			\$439,828		
SB 436	469	Department of Human Resources Mental Health and Developmental Services Division	For new and replacement equipment and new and replacement computer hardware and software for the Rural Regional Center. Funding for "operating" expenses was approved by the 2001 Legislature as an "on-going" cost (\$4,444 per year).	\$35,204			\$24,503		
SB 437	470	National Judicial College	For assistance in securing public and private grants and other funding for support during the 2001-03 biennium.	\$600,000			\$450,000		

**GENERAL FUND ONE-TIME OR SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES - 2001 LEGISLATURE
2001-03 BIENNIUM**

BILL NUMBER ¹	CHAPTER ¹	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
SB 438	471	Louis W. McHardy National College of Juvenile and Family Justice	For assistance in securing public and private grants and other funding for support during the 2001-03 biennium.	\$303,600			\$250,000		
SB 439	472	Department of Human Resources Mental Health and Developmental Services Division	For new and replacement equipment and computer hardware and software at the Desert Regional Center.	\$164,442			\$160,581		
SB 440	473	Department of Human Resources Mental Health and Developmental Services Division	For new and replacement equipment and computer hardware and software at the Sierra Regional Center.	\$137,224			\$120,512		
SB 441	474	Department of Human Resources Mental Health and Developmental Services Division	For new and replacement equipment and computer hardware and software at the Rural Clinics. Funding for "operating" expenses was approved by the 2001 Legislature as an "on-going" cost (\$4,440 per year).	\$177,208			\$154,644		
SB 442	499	Department of Prisons	For replacement equipment at certain facilities. Funding for "operating" expenses was approved by the 2001 Legislature as an "on-going" cost (\$948 per year).	\$1,076,835			\$1,034,239		
SB 443	N/A	Department of Prisons/Prison Industries	For stables for wild horses for prison industries. The 2001 Legislature funded this as a "loan" from Prison Industry to the Prison Dairy.	\$200,000			\$0		
SB 444	500	Department of Public Safety/Division of Parole and Probation	For security upgrades at various Parole and Probation offices. Funding for "operating" expenses was funded by the 2001 Legislature as an "on-going" expense (\$3,720 per year).	\$33,847			\$25,182		
SB 446	501	Department of Human Resources Mental Health and Developmental Services Division	For new and replacement equipment and computer hardware and software for the Division of Mental Health and Developmental Services.	\$90,742			\$78,735		
SB 447	N/A	Department of Conservation and Natural Resources	For new and replacement equipment in the Director's Office.	\$22,815			\$0		
SB 448	475	Department of Conservation and Natural Resources/State Parks	For improvement projects at State Parks. The 2001 Legislature also authorized the use of \$1,000,000 in Room Tax Receipts (transfer from the Division of Tourism).	\$1,500,000			\$500,000		
SB 449	502	Department of Conservation and Natural Parks/Forestry	For replacement equipment for the Division of Forestry.	\$432,966			\$401,693		
SB 450	476	Department of Agriculture	For vehicles and new equipment for the Bureau of Weights and Measures.	\$202,440			\$202,440		
SB 451	N/A	Lifeline Family Education Center	For the continuation of Lifeline's Family Education Center nonprofit pregnancy assistance, educational and vocational training programs.	\$200,000			\$0		
SB 452	N/A	Alliance for the Mentally Ill of Nevada	For expenses relating to training of volunteers, the coordination of the "Family to Family" program and the evaluation of its success and the operation of a toll-free telephone number for persons to call who need help caring for a family member with a serious brain disorder.	\$75,000			\$0		
SB 453	N/A	Department of Human Resources	For marketing efforts and enhancement of subsidies for the provision of prescription drugs and pharmaceutical services to senior citizens.	\$1,000,000			\$0		
SB 454	N/A	Department of Human Resources Mental Health and Developmental Services Division	For implementation of the Business Process Re-Engineering Project for the Division of Mental Health and Developmental Disabilities.	\$300,000			\$0		
SB 455	477	Department of Human Resources Mental Health and Developmental Services Division	For new and replacement equipment, and hardware and software for Lakes Crossing Center.	\$94,600			\$92,100		
SB 456	478	Department of Human Resources Child and Family Services Division	For new and replacement equipment for the Southern Nevada Child and Adolescent Services Juvenile Treatment Facility (Desert Willow).	\$178,458			\$148,150		

**GENERAL FUND ONE-TIME OR SPECIAL APPROPRIATIONS
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES - 2001 LEGISLATURE
2001-03 BIENNIUM**

BILL NUMBER ¹	CHAPTER ¹	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
SB 457	479	Department of Cultural Affairs	For furnishings and equipment to establish a conservation laboratory at the State Library and Archives.	\$40,000			\$40,000		
SB 458	555	Department of Education	For a cost of living bonus of approximately 3 percent for all public employees in local school districts. Governor Recommended provided for a 5% bonus.	\$57,500,000			\$34,000,000		
SB 460	N/A	University and Community College System of Nevada	For the operation of the Harry Reid Center for Environmental Studies at the University of Nevada, Las Vegas.	\$250,000			\$0		
SB 461	480	University and Community College System of Nevada	For new and replacement equipment and associated software in the computing center. Provide for an upgrade to hardware to enhance telephone registration and upgrade and expand network capacity.	\$2,604,063			\$2,523,863		
SB 462	503	Department of Administration Budget and Planning Division	To allow the Silver Haired Legislative Forum to have basic funding support for the biennium	\$5,000			\$5,000		
SB 463	504	Department of Prisons	For maintenance projects at certain facilities. Funding for "operating" expenses was approved by the 2001 Legislature as an ongoing cost (\$10,129 per year).	\$388,553			\$334,376		
SB 464	505	Secretary of State	For various enabling technology projects, for promotional materials for the Commercial Recordings Division, and for new and replacement equipment. Funding for election law re-write (\$250,000), and internet based election projects (\$220,000) was not approved by the 2001 Legislature. Also, promotional materials for commercial recordings was reduced from \$609,500 to \$100,000.	\$1,400,000			\$467,617		
SB 465	556	Adjudication Emergency Account (DCNR/Water Resources)	For the adjudication emergency account created pursuant to NRS 532.200 to restore the balance in the account.	\$0			\$10,000		
SB 477	506	Department of Employment, Training and Rehabilitation / Independent Living State Client Services Program	For assistive devices to help disabled persons maintain an independent living environment. Will enable the Division to meet the immediate needs of 150 clients on waiting list and meet the assistive living needs of an additional 130 clients over the biennium.	\$500,000			\$500,000		
SB 491	576	Opportunity Village Foundation	For the revitalization of the thrift stores that are operated by the Opportunity Village Foundation.	\$250,000			\$200,000		
SB 491	576	Washoe Association for Retarded Citizens	For creation of a pilot program to develop supportive employment and reimbursement models to assist clients in their efforts to find and maintain meaningful, productive employment.	\$0			\$50,000		
SB 494	521	Nevada Protection Account	For protection of the State of Nevada and its residents through funding activities to prevent the location of a federal nuclear waste repository at Yucca Mountain. Funding recommended by the Governor included \$1 million for public information and \$4 million for legal costs. Legislature approved \$4 million for legal costs.	\$5,000,000			\$4,000,000		
SB 587	562	Interim Finance Committee	For allocation to school districts that incur unexpected expenses related to providing health insurance for their employees during the 2001-03 biennium. Funds must not be utilized to negotiate salaries of educational personnel.	\$0			\$13,000,000		
TOTAL GENERAL FUND ONE-TIME AND SPECIAL APPROPRIATIONS²				\$176,079,806	\$0	\$0	\$142,190,251	\$18,250,000	\$0
DIFFERENCE							(\$33,889,555)	\$18,250,000	\$0

¹ An S after the bill and chapter number signifies this bill was approved by the 17th Special Session of 2001.

² Includes funding approved for Park Improvement Program (\$1,093,928).

**GENERAL FUND APPROPRIATIONS - OPERATING AND DSA/CLASS SIZE REDUCTION
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES - OPERATING AND DSA/CLASS SIZE
2001-03 BIENNIUM**

BILL NUMBER ¹	CHAPTER	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
AB 1S	1S	Department of Human Resources/Division of Child and Family Services	For the "ongoing costs" associated with the integration of State and Local Child Welfare Systems. Funding as displayed under "Executive Budget" was included in budget account 3229 in <u>The Executive Budget</u> ; funding approved by the 2001 Legislature was in AB 1S.		\$2,202,835	\$10,686,004		\$1,015,497	\$5,619,610
AB 597	493	Department of Public Safety/Division of Parole and Probation	For communications circuit (ongoing) costs for networking computers; funding recommended by Governor was included in "one-shots".					\$62,149	\$62,149
AB 671	569	Distributive School Account	For continued support of the Class-Size Reduction Program. ²		\$91,822,619	\$97,774,795		\$91,822,619	\$99,730,291
AB 672	570	Statewide	General Fund appropriation for support of civil government. ³		\$1,216,959,651	\$1,275,148,706		\$1,173,632,864	\$1,231,195,182
AB 672	570	Legislative Fund	For preliminary performance audit survey of Clark and Washoe County School Distrets; the purpose of the survey is to identify potential audit issues in those school districts for presentation to the 72nd session of the Legislature.					\$77,716	\$77,174
AB 672	570	Public Employee's Retirement Board	For the administration of the Legislators' Retirement System for the period July 1, 2001, through June 30, 2003.					\$64,888	
AB 672	570	Public Employee's Retirement Board	For actuarial services provided for activites related to the judicial retirement system.					\$20,798	
AB 673	571	Board of Examiners	Paybill - Reimbursement to agencies for salary increases for unclassified personnel. ⁴		\$3,973,683	\$5,916,152		\$3,576,315	\$5,916,152
AB 673	571	Board of Examiners	Paybill - Reimbursement of "unclassified" salary costs for Gaming Control Board staff for "credential pay incentive".		\$177,500	\$177,500		\$400,000	\$400,000
AB 673	571	Board of Examiners	Paybill - Approximate 4% increase and extra step in FY 2002 and an additional aproximate 4% increase in FY 2003 for classified personnel. ⁴		\$16,789,354	\$25,570,489		\$15,110,419	\$23,013,440
AB 673	571	Board of Examiners	Paybill - Reimbursement of salary increases for "classified medical personnel".		\$0	\$0		\$761,274	\$1,131,103
AB 673	571	Board of Examiners	Paybill - An approximate 4% increase and extra step in FY 2002 and an additional approximate 4% increase in FY 2003 for classified employess of the UCCSN. ⁴		\$5,295,098	\$9,076,451		\$4,765,588	\$8,168,806
AB 673	571	UCCSN	Paybill - Increasing the salaries of the professional employees of the University and Community College System of Nevada. ⁵		\$5,081,863	\$10,484,123		\$10,163,726	\$20,968,246
AB 673	571	Legislative Fund	Paybill - An approximate 4% increase and extra step in FY 2002 and an additional approximate 4% increase in FY 2003 for employees of the Legislature.		\$0	\$0		\$1,032,590	\$1,640,385
AB 673	571	Board of Examiners	Paybill - One-grade increase on the classified employee compensation plan for certain adult parole and probation and youth parole personnel and a two-grade increase for certain engineering personnel. Legislature provided increase for adult parole and probation and youth parole personnel. ⁴		\$4,563,259	\$4,650,003		\$4,106,933	\$4,185,003
SB 84	549	Board of Examiners	For a one-grade pay increase on the classified employee compensation plan for all uniformed highway patrol positions.		\$0	\$0		\$17,075	\$18,331
SB 137	552	District Judges' Salary Account	For the salary of an additional judge in the Second Judicial District (\$81,588) and for the salaries of the three additional judges for the Eighth Judicial Distict (\$244,764).			\$0			\$326,352
SB 184	597	District Judges' Salary Account and Supreme Court	For salary increases provided to District and Supreme Court Justices and for the salaries for service on the Law Library Commissions.			\$0			\$253,688

GENERAL FUND APPROPRIATIONS - OPERATING AND DSA/CLASS SIZE REDUCTION
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES - OPERATING AND DSA/CLASS SIZE
2001-03 BIENNIUM

BILL NUMBER ¹	CHAPTER	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
SB 307	600	Department of Business and Industry/Real Estate Division	For investigation of complaints, to conduct audits and perform any other activities necessary to ensure compliance with Title XI of the Financial Institutions Return, Recovery, and Enforcement Act of 1989 (Appraisers).		\$0	\$0		\$22,000	\$22,000
SB 433	498	Department of Cultural Affairs	For creation of a statewide historical monument program to assist the state in the coordination of efforts regarding the variety of state and local historical monuments.		\$0	\$0		\$44,225	\$41,906
SB 436	469	Department of Human Resources Mental Health and Developmental Services Division	For telephone line charges and copier lease costs at the Rural Regional Center; funding recommended by the Governor was included in "one-shots".		\$0	\$0		\$4,444	\$4,444
SB 441	474	Department of Human Resources Mental Health and Developmental Services Division	For telephone line charges and copier lease costs at Rural Clinics; funding recommended by the Governor was included in "one-shots".					\$4,440	\$4,440
SB 442	499	Department of Prisons	Funds ongoing operating expenses; lease of dishwasher for Pioche Conservation Camp; funding recommended by the Governor was included in "one-shots".					\$948	\$948
SB 444	500	Department of Public Safety/Division of Parole and Probation	For monitoring of alarm systems installed in the Ely and district offices in Las Vegas; funding recommended by the Governor was included in "one-shots".					\$3,720	\$3,720
SB 463	504	Department of Prisons	Funds ongoing operating expenses; chlorine supplies for WCC and TCC (\$300 per year per camp); generator maintenance contract for WSCC (\$1,200 per year); generator maintenance contract and HVAC maintenance supplies for NNRC (\$1,360 per year); chlorine supplies and generator maintenance contract for SSCC (\$800 per year); and chlorine supplies for HDSP (\$6,169 per year); funding recommended by the Governor was included in "one-shots".					\$10,129	\$10,129
SB 585	565	Distributive School Account	Provides funding for 2001-03 biennium. ⁶		\$496,734,231	\$511,732,366		\$496,299,288	\$543,255,885
SB 586	586	Nevada Gaming Control Board	Funds operations of agency during 2001-03 biennium.		\$25,046,233	\$26,130,226		\$23,059,287	\$23,220,158
SB 586	586	Nevada Gaming Commission	Funds operations of the Commission during 2001-03 biennium.		\$475,012	\$460,954		\$475,012	\$460,954
TOTAL GENERAL FUND OPERATING AND DSA/CLASS SIZE REDUCTION				\$0	\$1,869,121,338	\$1,977,807,769	\$0	\$1,826,553,944	\$1,969,730,496
DIFFERENCE							\$0	-\$42,567,394	-\$8,077,273

¹ An S after the bill and chapter number signifies this bill was approved by the 17th Special Session of 2001.

² Additional funding in FY 2003 represents the 2% COLA for local school district employees approved by the 2001 Legislature.

³ The General Fund amounts reported in the Executive Budget columns do not reconcile to the amounts noted in the Source of Funds Report by functional area due to the extraction of the pay increase modules.

⁴ For display purposes, the Governor's recommended pay and grade increase amounts were extracted from individual decision modules in The Executive Budget. The Governor's budget did not consolidate pay recommendations.

⁵ The Governor recommended increases of 2 percent per year for professional employees of UCCSN with expenditure flexibility when using formula funding to provide an additional 2 percent of the recommended 4 percent COLA. The Legislature instead funded a full 4 percent annual increase of UCCSN professionals.

⁶ Additional funding in FY 2003 represents the 2% COLA for local school district employees and increases for utility expenses approved by the 2001 Legislature.

**HIGHWAY FUND APPROPRIATIONS
GOVERNOR RECOMMENDS AND LEGISLATURE APPROVES
2001-03 BIENNIUM**

BILL NUMBER ¹	CHAPTER ¹	APPROPRIATED TO	PURPOSE	EXECUTIVE BUDGET			LEGISLATURE APPROVES		
				FY 2001	FY 2002	FY 2003	FY 2001	FY 2002	FY 2003
ONE-TIME APPROPRIATIONS									
AB 175	536	Department of Transportation	For the establishment and maintenance of an emergency system of call boxes located on Interstate Highway No. 15 from the boundary of the State of California to Lake Mead Drive in Clark County, Nevada.	\$0			\$500,000		
AB 523	442	Department of Motor Vehicles and Public Safety - Investigation Division	For the purchase of a motor vehicle for the Investigations Division.	\$0			\$22,341		
AB 592	N/A	Department of Motor Vehicles and Public Safety	Funds installation and software for Law Enforcement Message Switch	\$368,000			\$0		
AB 658	495	Department of Administration - Budget Division	For the continuation of the development and roll out of the Integrated Financial System.	\$2,664,000			\$2,664,000		
SB 7S	17	Department of Motor Vehicles and Public Safety	To fund a share of the cost of the National Crime Information Center's 2000 upgrade, Windows 2000 and the public safety database.	\$0			\$442,019		
SB 476	N/A	Department of Motor Vehicles and Public Safety	For wiring and modular furniture for the Las Vegas Highway Patrol Facility.	\$969,592			\$0		
SB 584	585	State Public Works Board	Funds capital improvement projects.	\$1,560,937			\$1,598,090		
None	N/A	Department of Motor Vehicles and Public Safety	Funds upgrade of Public Safety Network and additional network services.	\$441,925			\$0		
TOTAL HIGHWAY FUND ONE-TIME APPROPRIATIONS				\$6,004,454			\$5,226,450		
DIFFERENCE							-\$778,004		
SUPPLEMENTAL APPROPRIATIONS									
AB 234	537	Department of Motor Vehicles and Public Safety	For an unanticipated shortfall in the money budgeted for new positions in Field Services (IFC Approved during the 1999-01 Interim).	\$1,805,420			\$830,000		
AB 234	537	Department of Motor Vehicles and Public Safety	For an unanticipated shortfall in the money budgeted for new positions in Central Services (IFC Approved during the 1999-01 Interim).	\$230,472			\$230,000		
AB 234	537	Department of Motor Vehicles and Public Safety - Division of Enforcement Compliance	Funds anticipated expenses of Management Services for IFC - approved positions.	\$60,851			\$0		
AB 234	537	Department of Motor Vehicles and Public Safety	For a shortfall caused by an increase in fingerprint expenses and by the payment of terminal leave - Compliance Enforcement.	\$0			\$62,000		
AB 234	537	Department of Motor Vehicles and Public Safety - Hearings Office	For a shortfall caused by the payment of terminal leave - Hearings Office.	\$0			\$15,000		
AB 236	29	Department of Motor Vehicles and Public Safety	For the funding of shortfalls resulting from the 1998 reclassification of personnel.	\$30,884			\$31,015		
TOTAL HIGHWAY FUND SUPPLEMENTAL				\$2,127,627			\$1,168,015		
DIFFERENCE							-\$959,612		
OPERATING APPROPRIATIONS									
AB 641	532	Legislative Fund	For the cost of salaries, per diem and travel expenses and dues for membership in the Multistate Highway Transportation Association.		\$0	\$0		\$7,500	\$7,500
AB 672	570	Statewide	Funds support of civil government. ²		\$97,324,825	\$96,630,052		\$95,429,198	\$94,885,744
AB 673	571	State Board of Examiners	Pay Bill - Reimbursement to agencies for salary increases for unclassified personnel funded from the State Highway Fund. ³		\$222,980	\$305,812		\$222,980	\$305,812
AB 673	571	State Board of Examiners	Pay Bill - An approximate 4% increase and extra step in FY 2002 and an additional approximate 4% increase in FY 2003 for classified personnel. ³		\$8,544,074	\$13,243,230		\$8,544,074	\$13,243,230
AB 673	571	State Board of Examiners	Pay Bill - Two-grade pay increase for certain engineering positions in classified service of the state. ³		\$1,730,449	\$1,751,345		\$1,730,449	\$1,751,345
SB 84	549	State Board of Examiners	Funds increase in level of compensation of all uniformed highway patrol positions by one grade.		\$0	\$0		\$1,098,809	\$1,167,170
SB 586	586	Department of Transportation	Provides authorization for use of state highway funds for operating expenses in FY 2002 and FY 2003. ²		\$271,123,869	\$283,876,933		\$271,041,806	\$284,171,978
TOTAL HIGHWAY FUND OPERATING APPROPRIATIONS				\$0	\$378,946,197	\$395,807,372	\$0	\$378,074,816	\$395,532,779
DIFFERENCE							\$0	-\$871,381	-\$274,593

¹ An S after the bill and chapter number signifies this bill was approved by the 17th Special Session of 2001.

² The Highway Fund amounts reported in the Executive Budget columns do not reconcile to the amounts noted in the Source of Funds Report by functional area due to the extraction of the pay increase modules.

³ For display purposes, the Governor's recommended pay and grade increase amounts were extracted from individual decision modules in The Executive Budget. The Governor's budget did not consolidate pay recommendations.

CAPITAL IMPROVEMENT PROGRAM
2001-03 BIENNIUM

The Capital Improvement Program (CIP) for the 2001-03 biennium, as approved by the 2001 Legislature, totals approximately \$293.7 million, which is approximately \$13.2 million less than was recommended by the Governor. The Capital Improvement Program is funded from the following sources:

FUNDING SOURCE	GOVERNOR RECOMMENDS	PERCENTAGE OF TOTAL	LEGISLATURE APPROVED	PERCENTAGE OF TOTAL
General Fund	\$18,000,000	5.9%	\$14,000,472	4.8%
General Obligation Bonds	\$200,203,753	65.3%	\$196,490,014	66.9%
Highway Funds	\$1,560,937	0.5%	\$1,598,090	0.6%
Special Higher Education Capital Construction	\$5,000,000	1.6%	\$5,000,000	1.7%
Federal Funds	\$5,292,803	1.7%	\$7,110,310	2.2%
Reallocations	\$3,000,000	1.0%	\$2,202,333	0.8%
Donations	\$39,500,000	12.9%	\$33,949,306	11.6%
DETR Agency Funds	\$4,000,000	1.3%	\$4,000,000	1.4%
Bonds Not Paid from Ad Valorem Tax	\$29,282,432	9.6%	\$29,338,566	10.0%
Insurance Settlement Proceeds	\$662,391	0.2%	\$0	0.0%
TOTAL	\$306,502,316	100.0%	\$293,689,091	100.0%

The existing \$0.15 property tax rate will need to be continued in each year of the 2001-03 biennium to support the principal and interest payments on the general obligation bonds that will be issued for new and existing capital improvement projects. Senate Bill No. 584 (the 2001 CIP legislation) authorizes the State Controller to advance temporarily from the state General Fund amounts necessary to facilitate the start of projects that are funded through the issuance of general obligation bonds. The amounts temporarily advanced by the State Controller must be repaid immediately upon the sale of the bonds. The bill authorizes the State Board of Finance to issue the bonds at the time deemed appropriate by the board based on the schedule established for the completion of the projects funded with the proceeds of the bonds.

For the first time, the 2001 CIP legislation prohibits the State Public Works Board from executing a construction contract for a University and Community College System of Nevada (UCCSN) project for which donations must be received until those donated funds are provided to the Board. This provision was added at the request of the Board in response to concerns regarding delays in obtaining donated funds for certain UCCSN projects approved during past legislative sessions.

In addition to approving the various projects included in the 2001 Capital Improvement Program, the 2001 Legislature also voted to increase the total amount of money that may be committed beyond the biennium for all contracts for retrofitting state buildings for energy efficiency. Section 1 of S.B. 584 increased the total amount of money that may be committed beyond the

biennium for such projects from \$5 million to \$15 million. The costs of performing energy retrofit projects are repaid through savings realized in utility bills.

The 2001 Legislature also approved authority for capital improvements for the University and Community College System of Nevada in addition to the projects that were included in the 2001 Capital Improvement Program. Through the enactment of Senate Bill No. 497, the 2001 Legislature authorized the issuance of general obligation bonds totaling not more than \$8.5 million for the purpose of acquiring a portion of the Reno Town Mall or a similar facility to be used by Truckee Meadows Community College. The bill requires the UCCSN to pay to the State Treasurer from the amount appropriated for rent payments for Reno Town Mall and from any other UCCSN sources of money an amount equal to the principal and interest on the bonds if they are issued. Additionally, SB 584 increased the maximum amount of revenue bonds that can be issued by The University of Nevada-Las Vegas (UNLV) or the University of Nevada-Reno (UNR) for capital improvements on their campuses. For UNLV projects, the limit is increased from \$67.5 million to \$106.5 million, and for UNR projects, the limit is increased from \$25.0 million to \$110.5 million. Of the increase for UNR, \$22 million was authorized for the construction of the new campus library (CIP 01-C24). In Senate Bill 496 Great Basin College was also authorized to issue revenue bonds in an amount not to exceed \$3.0 million to acquire and improve student housing and dining facilities and to purchase related equipment and furnishings.

**SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS
2001-03 CIP PROGRAM**

Project #	Project Title	GOVERNOR RECOMMENDS					LEGISLATURE APPROVES				
		GO Bonds	Gen Fund	Highway Fund	Other Funds	Total	GO Bonds	Gen Fund	Highway Fund	Other Funds	Total
CONSTRUCTION PROJECTS											
01-C1	High Desert State Prison, Phase III -- The Legislature approved \$1,762,382 in VOIT/TIS grant funds and \$832,586 in reallocated funds	\$49,000,000	\$0	\$0	\$0	\$49,000,000	\$46,405,032	\$0	\$0	\$2,594,968	\$49,000,000
01-C2	Rehabilitate Southern NV Correctional Center - Combined with CIP 01-M42 and a portion of CIP 01-S1	\$3,792,375	\$0	\$0	\$0	\$3,792,375	\$4,160,424	\$0	\$0	\$0	\$4,160,424
01-C3	Purchase and Renovate EICON Building, Carson City -- EICON building in Las Vegas eliminated from Governor's recommendation -- Legislature funded moving expenses with General Funds and reduced Carson City building cost by \$440,000 per appraisal	\$16,240,000	\$0	\$0	\$0	\$16,240,000	\$5,023,584	\$492,257	\$0	\$26,404	\$5,542,245
01-C4	New Motor Pool Facility, Las Vegas -- IFC to approve location -- Funding approved for additional drive onto Swenson at original proposed location	\$2,867,806	\$0	\$0	\$0	\$2,867,806	\$2,867,797	\$0	\$0	\$0	\$2,867,797
01-C5	Advance Planning for 2003 CIP -- Reduced to 1997 and 1999 funding levels	\$0	\$200,000	\$0	\$0	\$200,000	\$0	\$25,803	\$0	\$124,197	\$150,000
01-C6	Advance Plan Las Vegas Readiness Center, Department of the Military -- Future 71,000 sf facility	\$0	\$75,000	\$0	\$225,000	\$300,000	\$0	\$75,000	\$0	\$225,000	\$300,000
01-C7	Veterans Cemetery Expansion, Phase IV, Boulder City -- Authorized \$300,000 advance from General Fund for start-up costs	\$300,000	\$0	\$0	\$3,322,869	\$3,622,869	\$0	\$0	\$0	\$3,322,869	\$3,322,869
01-C8	Finalize Southern Nevada Veterans' Home, Boulder City	\$1,060,438	\$0	\$0	\$0	\$1,060,438	\$1,060,438	\$0	\$0	\$0	\$1,060,438
01-C9	Special Children's Clinic Addition & Remodel, Reno -- Combined with CIP 01-M18 -- SPWB authorized to use funds remaining in CIP 99-S4B for design	\$2,424,196	\$0	\$0	\$0	\$2,424,196	\$2,182,853	\$0	\$0	\$270,809	\$2,453,662
01-C10	Capitol, Capitol Annex, & Blasdel Building Renovations -- Legislature funded moving expenses funded with General Funds	\$2,318,987	\$0	\$0	\$0	\$2,318,987	\$2,277,092	\$41,895	\$0	\$0	\$2,318,987
01-C11	Partial Remodel of Building #17 at Stewart Facility -- Convert first floor to office space and upgrade mechanical and electrical throughout-- Asbestos abatement funds added by Legislature	\$1,414,469	\$0	\$0	\$0	\$1,414,469	\$1,446,137	\$0	\$0	\$0	\$1,446,137
01-C12	National Guard Rural Armory Renovations -- Elko, Ely, Fallon, Winnemucca, and Yerington - Combined with portion of CIP 01-S6	\$1,973,193	\$0	\$0	\$1,744,934	\$3,718,127	\$2,033,001	\$0	\$0	\$1,800,059	\$3,833,060
01-C13	Convert Warehouse at 628 Belrose for So. NV Records Center -- Project Eliminated -- Governor requested withdrawal	\$500,000	\$0	\$0	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0

**SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS
2001-03 CIP PROGRAM**

Project #	Project Title	GOVERNOR RECOMMENDS					LEGISLATURE APPROVES				
		GO Bonds	Gen Fund	Highway Fund	Other Funds	Total	GO Bonds	Gen Fund	Highway Fund	Other Funds	Total
CONSTRUCTION PROJECTS											
01-C14	Remodel Carson City Court House, Phase II, Attorney General -- Completes project approved by the 1999 Legislature (CIP 99-C4)	\$1,700,000	\$0	\$0	\$0	\$1,700,000	\$1,700,000	\$0	\$0	\$0	\$1,700,000
01-C15	Planning, Design and Utility Infrastructure for Science & Engineering Complex, UNLV -- Estimated cost to complete is \$66 million	\$8,832,152	\$0	\$0	\$0	\$8,832,152	\$8,832,152	\$0	\$0	\$0	\$8,832,152
01-C16	Furnishings/Build-out, Redfield Campus, Phase I, UNR, TMCC, WNCC -- First building for use by UNR	\$2,500,000	\$0	\$0	\$2,500,000	\$5,000,000	\$2,474,412	\$0	\$0	\$2,525,588	\$5,000,000
01-C17	Furnishings/Build-out for Southern Science Center, DRI -- Completes project approved by 1999 Legislature (CIP 99-C38L)	\$0	\$1,211,055	\$0	\$0	\$1,211,055	\$0	\$1,207,127	\$0	\$0	\$1,207,127
01-C18	Furnishings/Build-out of Library & Student Center, WNCC -- Completes project approved by the 1999 Legislature (CIP 99-C17)	\$1,575,000	\$0	\$0	\$0	\$1,575,000	\$1,485,819	\$0	\$0	\$6,764	\$1,492,583
01-C19	Pennington Medical Bldg Furnishings, UNR Medical School -- Completes project funded by the 1999 Legislature (CIP 99-C29L)	\$0	\$2,195,000	\$0	\$0	\$2,195,000	\$0	\$2,102,752	\$0	\$86,774	\$2,189,526
01-C20	Furnishings for Science Building on West Charleston Campus, CCSN -- Completes project approved by the 1999 Legislature (CIP 99-C14)	\$3,502,062	\$0	\$0	\$0	\$3,502,062	\$3,502,062	\$0	\$0	\$0	\$3,502,062
01-C21L	Design Health Sciences / Biotech Building on West Charleston Campus, CCSN -- Governor recommended design and construction -- Legislature funded advance planning through design only	\$20,000,000	\$0	\$0	\$5,000,000	\$25,000,000	\$1,446,720	\$0	\$0	\$14,941	\$1,461,661
01-C22	Phase II of Student Center & Physical Plant, TMCC -- Completes project approved by the 1999 Legislature (CIP 99-C16)	\$11,000,000	\$0	\$0	\$0	\$11,000,000	\$11,000,000	\$0	\$0	\$0	\$11,000,000
01-C23	Wright Hall Addition & Renovation, UNLV -- Advance planning funded by 1999 Legislature (CIP 99-C23L)	\$18,792,181	\$0	\$0	\$0	\$18,792,181	\$19,773,104	\$0	\$0	\$0	\$19,773,104
01-C24	New Campus Library, UNR -- 310,000 sf facility - \$22 million in funding from Revenue Bonds	\$22,000,000	\$0	\$0	\$44,000,000	\$66,000,000	\$22,000,000	\$0	\$0	\$42,449,306	\$64,449,306
01-C25	Academic & Student Services Building, NSC-Henderson -- Costs reduced based on change in location	\$16,000,000	\$0	\$0	\$10,000,000	\$26,000,000	\$13,400,000	\$0	\$0	\$10,000,000	\$23,400,000
01-C26	Advance Plan Student Services Addition and Renovation of Frazier Hall, UNLV -- Estimated cost to complete is \$6.8 million	\$0	\$300,000	\$0	\$0	\$300,000	\$0	\$300,000	\$0	\$0	\$300,000

**SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS
2001-03 CIP PROGRAM**

Project #	Project Title	GOVERNOR RECOMMENDS					LEGISLATURE APPROVES				
		GO Bonds	Gen Fund	Highway Fund	Other Funds	Total	GO Bonds	Gen Fund	Highway Fund	Other Funds	Total
CONSTRUCTION PROJECTS											
01-C27	Rehabilitate State Fish Hatcheries, Phase I -- Legislature also approved the issuance of \$404,023 in additional revenue bonds for repairs that will be made by the Department of Conservation and Natural Resources outside of the CIP Program -- Combined with portion of CIP 01-S6		\$0	\$0	\$3,029,981	\$3,029,981	\$0	\$0	\$0	\$3,096,131	\$3,096,131
01-C28	New Shop Facility, NV State Prison -- Project Eliminated -- approved by IFC with funding from insurance settlement		\$0	\$0	\$662,391	\$662,391	\$0	\$0	\$0	\$0	\$0
01-C29L	Telecommunications Building, CCSN, Cheyenne Campus -- 78,750 sf classroom and lab building	\$0	\$0	\$0	\$0	\$0	\$19,000,000	\$0	\$0	\$1,000,000	\$20,000,000
01-C30L	Transitional "Bridge" Building, UNLV	\$0	\$0	\$0	\$0	\$0	\$5,000,000	\$0	\$0	\$0	\$5,000,000
01-C31L	Advance Planning, Site Preparation, Dental School, UNLV	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$0	\$0	\$0	\$1,000,000
01-C32L	Medical School, Dental Residency Program, Las Vegas -- Office space, clinical space and equipment	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$0	\$0	\$0	\$1,000,000
CONSTRUCTION PROJECTS TOTAL		\$187,792,859	\$3,981,055	\$0	\$70,485,175	\$262,259,089	\$179,070,627	\$4,244,834	\$0	\$67,543,810	\$250,859,271
EMPLOYMENT SECURITY PROJECTS											
01-E1	New 40,000 sf Office Bldg for Employment Security Division, Las Vegas -- Includes \$4 million in agency funds and \$4,242,435 in bonds paid from revenues and rent savings	\$0	\$0	\$0	\$8,252,451	\$8,252,451	\$0	\$0	\$0	\$8,242,435	\$8,242,435
ESD PROJECTS TOTAL		\$0	\$0	\$0	\$8,252,451	\$8,252,451	\$0	\$0	\$0	\$8,242,435	\$8,242,435
MAINTENANCE PROJECTS											
01-M1	Renovate HVAC in East Wing of DMV Building, Carson City	\$0	\$0	\$1,273,881	\$0	\$1,273,881	\$0	\$0	\$1,270,703	\$0	\$1,270,703
01-M2	Repairs to Governor's Mansion and Cook's Residence	\$0	\$540,929	\$0	\$0	\$540,929	\$0	\$539,578	\$0	\$0	\$539,578
01-M3	HVAC Renovations for Buildings 12 & 13 at the Stewart Facility, Carson City	\$0	\$155,202	\$0	\$0	\$155,202	\$0	\$154,815	\$0	\$0	\$154,815
01-M4	Repairs and Improvements at the Sawyer Building, Las Vegas -- Combined with CIP 01-M45	\$0	\$131,398	\$0	\$0	\$131,398	\$0	\$708,036	\$0	\$0	\$708,036
01-M5	Improvements to Clear Creek Facility -- Combined with portions of CIP 01-S1 and CIP 01-S7 -- Legislature added funding for ADA and paving costs	\$0	\$922,525	\$0	\$0	\$922,525	\$0	\$1,435,232	\$0	\$194,215	\$1,629,447
01-M6	Demolish House and Garage at 303 Roop St., Carson City -- Project Eliminated -- Division of Buildings and Grounds requested elimination	\$0	\$49,170	\$0	\$0	\$49,170	\$0	\$0	\$0	\$0	\$0

**SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS
2001-03 CIP PROGRAM**

Project #	Project Title	GOVERNOR RECOMMENDS					LEGISLATURE APPROVES				
		GO Bonds	Gen Fund	Highway Fund	Other Funds	Total	GO Bonds	Gen Fund	Highway Fund	Other Funds	Total
MAINTENANCE PROJECTS											
01-M7	Replace HVAC System Serving Printing Office, Carson City -- Legislature required repayment of costs by agency	\$0	\$206,125	\$0	\$0	\$206,125	\$206,125	\$0	\$0	\$0	\$206,125
01-M8	Exterior Repairs to State Printing Office, Carson City -- Legislature required repayment of costs by agency	\$0	\$206,146	\$0	\$0	\$206,146	\$206,146	\$0	\$0	\$0	\$206,146
01-M9	Expand Shop, Pioche Conservation Camp -- 2,100 sf addition	\$0	\$147,285	\$0	\$0	\$147,285	\$0	\$124,987	\$0	\$21,929	\$146,916
01-M10	Caliente Youth Center Gym Improvements -- New wood floor and lighting upgrades	\$0	\$89,214	\$0	\$0	\$89,214	\$0	\$88,991	\$0	\$0	\$88,991
01-M11	Backflow Preventors & Valves at SNCAS Buildings 7, 8, 11, 12, and 15	\$0	\$105,210	\$0	\$0	\$105,210	\$0	\$104,948	\$0	\$0	\$104,948
01-M12	Replace Chiller and Chilled Water Pumps in Building #7 at SNCAS	\$0	\$129,716	\$0	\$0	\$129,716	\$0	\$129,392	\$0	\$0	\$129,392
01-M13	Replace Housing Unit Door Locks at Caliente Youth Center -- Includes creation of lockable timeout room in each housing unit	\$0	\$93,202	\$0	\$0	\$93,202	\$0	\$87,008	\$0	\$0	\$87,008
01-M14	HVAC Renovations for Multipurpose and Classroom Buildings at Caliente Youth Center	\$0	\$254,226	\$0	\$0	\$254,226	\$0	\$212,947	\$0	\$0	\$212,947
01-M15	Remodel Reception Areas for Security at SNCAS Buildings 7 & 15	\$0	\$174,516	\$0	\$0	\$174,516	\$0	\$174,080	\$0	\$0	\$174,080
01-M16	HVAC Renovations at SNCAS Building # 9	\$0	\$134,029	\$0	\$0	\$134,029	\$0	\$133,694	\$0	\$0	\$133,694
01-M17	Exterior Painting & Block Sealing for SNCAS Buildings 13, 14, 15, & 16, the Pool House, and Desert Willow Treatment Center	\$0	\$181,911	\$0	\$0	\$181,911	\$0	\$181,457	\$0	\$0	\$181,457
01-M18	Finish Basement Floor at Special Children's Clinic, Reno -- Combined with CIP 01-C9	\$0	\$47,695	\$0	\$0	\$47,695	\$0	\$0	\$0	\$0	\$0
01-M19	Scan Alarm Upgrades at Lake's Crossing -- Project to ensure scan alarms in older portion of facility work with scan alarms in portion added through completion of CIP 95-C3.	\$0	\$274,570	\$0	\$0	\$274,570	\$0	\$273,885	\$0	\$0	\$273,885
01-M20	Replace Door Hardware SNAMHS Buildings 2, 3, 3A; Costs for the installation of fire dampers were eliminated because they had been included in previously approved project - Certain plan checking costs were eliminated because not needed	\$0	\$316,819	\$0	\$0	\$316,819	\$0	\$274,385	\$0	\$0	\$274,385
01-M21	Replace Doors at SNCAS Buildings #9, 10, 11, 12, 13, 14, and 15	\$0	\$99,556	\$0	\$0	\$99,556	\$0	\$99,308	\$0	\$0	\$99,308
01-M22	Replace Water Heaters at SNAMHS Building #3 -- Project includes installation of three 100-gallon heaters and two water softeners	\$0	\$87,146	\$0	\$0	\$87,146	\$0	\$86,928	\$0	\$0	\$86,928

**SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS
2001-03 CIP PROGRAM**

Project #	Project Title	GOVERNOR RECOMMENDS					LEGISLATURE APPROVES				
		GO Bonds	Gen Fund	Highway Fund	Other Funds	Total	GO Bonds	Gen Fund	Highway Fund	Other Funds	Total
MAINTENANCE PROJECTS											
01-M23	Lake's Crossing Safety and Security Upgrades - Includes perimeter fencing and repairs to concrete security walls	\$0	\$95,317	\$0	\$0	\$95,317	\$0	\$95,079	\$0	\$0	\$95,079
01-M24	Repair Stucco, Patch & Paint SNAMHS Building #3 -- Plan checking costs deleted from project by Legislature	\$0	\$90,130	\$0	\$0	\$90,130	\$0	\$87,727	\$0	\$0	\$87,727
01-M25	Replace Uninterruptible Power Supply at Computer Facility, Carson City -- Legislature required repayment of costs by agency	\$0	\$313,143	\$0	\$0	\$313,143	\$313,143	\$0	\$0	\$0	\$313,143
01-M26	HVAC Upgrades at Computer Facility, Carson City -- Legislature required repayment of costs by agency	\$0	\$538,974	\$0	\$0	\$538,974	\$538,974	\$0	\$0	\$0	\$538,974
01-M27	Replace Computer Fac. Boiler, Pumps & Piping, Carson City -- Asbestos abatement costs in CIP 01-S6 combined with this project (\$60,000) -- Legislature required repayment of costs by agency	\$0	\$84,252	\$0	\$0	\$84,252	\$174,771	\$0	\$0	\$0	\$174,771
01-M28	Analyze & Upgrade Electrical and A/C Systems at Computer Facility, Carson City -- Legislature required repayment of costs by agency	\$0	\$119,741	\$0	\$0	\$119,741	\$119,741	\$0	\$0	\$0	\$119,741
01-M29	Heating System Renovation at Carlin Conservation Camp -- Prison security/access allowance costs eliminated by Legislature	\$0	\$225,521	\$0	\$0	\$225,521	\$0	\$189,075	\$0	\$0	\$189,075
01-M30	Upgrade Exercise Areas of Units 1-8 at Ely State Prison	\$0	\$202,682	\$0	\$0	\$202,682	\$0	\$202,177	\$0	\$0	\$202,177
01-M31	Rehabilitate Shower Rooms at Northern NV Correctional Center -- Housing Units 1-6 -- Revised cost estimate was provided by SPWB	\$0	\$736,022	\$0	\$0	\$736,022	\$0	\$548,563	\$0	\$0	\$548,563
01-M32	Upgrade Culinary Clipper Room at Northern NV Correctional Center	\$0	\$167,742	\$0	\$0	\$167,742	\$0	\$167,323	\$0	\$0	\$167,323
01-M33	Replace Windows in Housing Units 1-4 at Northern NV Correctional Center -- Completion of project funded by the 1995 Legislature (CIP 95-M25) -- Design costs reduced by Legislature	\$0	\$546,010	\$0	\$0	\$546,010	\$0	\$473,694	\$0	\$0	\$473,694
01-M34	Renovate Temperature Control System at Northern NV Correctional Center	\$0	\$98,937	\$0	\$0	\$98,937	\$0	\$98,690	\$0	\$0	\$98,690
01-M35	Replace Natural Gas Line to Boiler Plant at Nevada State Prison -- Legislature added funds for replacement of existing gas meter	\$0	\$127,347	\$0	\$0	\$127,347	\$0	\$152,213	\$0	\$0	\$152,213
01-M36	Standby Power Generation for Southern Desert Correctional Center -- Project includes connection of SDCC to the back-up power system at High Desert State Prison	\$0	\$599,342	\$0	\$0	\$599,342	\$0	\$597,847	\$0	\$0	\$597,847

**SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS
2001-03 CIP PROGRAM**

Project #	Project Title	GOVERNOR RECOMMENDS					LEGISLATURE APPROVES				
		GO Bonds	Gen Fund	Highway Fund	Other Funds	Total	GO Bonds	Gen Fund	Highway Fund	Other Funds	Total
MAINTENANCE PROJECTS											
01-M37	Replace 2 Vehicle Sallyport Gates at Southern Desert Correctional Center -- Funds project approved but not funded by 1999 Legislature (CIP 99-M31)	\$0	\$225,548	\$0	\$0	\$225,548	\$0	\$224,986	\$0	\$0	\$224,986
01-M38	Upgrade Pedestrian Entrance Area at Southern Desert Correctional Center -- Includes door replacements	\$0	\$53,861	\$0	\$0	\$53,861	\$0	\$53,727	\$0	\$0	\$53,727
01-M39	Renovate HVAC in Multipurpose Building at Warm Springs Correctional Center	\$0	\$309,571	\$0	\$0	\$309,571	\$0	\$308,798	\$0	\$0	\$308,798
01-M40	Sewage Treatment Plant Improvements at Southern NV and Lovelock Correctional Centers and Pioche and Ely Conservation Camps -- Completion of project approved by 1999 Legislature (CIP 99-M27)	\$0	\$368,195	\$0	\$0	\$368,195	\$0	\$367,277	\$0	\$0	\$367,277
01-M41	Replace Perimeter Razor Wire at Southern Desert Correctional Center -- Completion of project approved by 1997 Legislature (CIP 97-M6L)	\$0	\$286,801	\$0	\$0	\$286,801	\$0	\$264,986	\$0	\$21,100	\$286,086
01-M42	Repair Fire Hydrant Assemblies at Southern NV Correctional Center -- Completion of project approved by 1999 Legislature (CIP 99-M28) -- Combined with CIP 01-C2	\$0	\$91,059	\$0	\$0	\$91,059	\$0	\$0	\$0	\$0	\$0
01-M43	Repair Wing Gates, Housing Units 1-7, Southern Desert Correctional Center -- Completion of project approved by 1999 Legislature (CIP 99-M29) -- Project Eliminated -- Sufficient funds remaining in CIP 99-M29	\$0	\$300,768	\$0	\$0	\$300,768	\$0	\$0	\$0	\$0	\$0
01-M44	Restroom and Ceiling Upgrades at Kinkead Building, Carson City	\$0	\$467,892	\$0	\$0	\$467,892	\$0	\$466,725	\$0	\$0	\$466,725
01-M45	Repairs and Improvements at the Sawyer Building - Combined with CIP 01-M4	\$0	\$617,826	\$0	\$0	\$617,826	\$0	\$0	\$0	\$0	\$0
01-M46L	Mold Remediation and Prevention, SNCAS -- Problems became evident during the 2001 legislative session	\$0	\$0	\$0	\$0	\$0	\$1,590,446	\$0	\$0	\$0	\$1,590,446
MAINTENANCE PROJECTS TOTAL		\$0	\$11,013,271	\$1,273,881	\$0	\$12,287,152	\$3,149,346	\$9,108,558	\$1,270,703	\$237,244	\$13,765,851
STATEWIDE PROJECTS											
01-S1	Statewide Roofing Program -- Portion of project costs transferred to CIP 01-M5 and CIP 01-C2	\$1,715,160	\$0	\$0	\$0	\$1,715,160	\$983,382	\$0	\$0	\$282,947	\$1,266,329
01-S2	Statewide ADA Program -- Legislature funded costs of improvements at Highway Patrol office in Reno with highway funds	\$1,000,000	\$0	\$0	\$0	\$1,000,000	\$939,102	\$0	\$40,331	\$20,567	\$1,000,000
01-S3	Statewide Fire Sprinkler Program -- Includes fire detection system upgrades at Ely State Prison	\$1,700,000	\$0	\$0	\$0	\$1,700,000	\$1,580,000	\$0	\$0	\$120,000	\$1,700,000

**SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS
2001-03 CIP PROGRAM**

Project #	Project Title	GOVERNOR RECOMMENDS					LEGISLATURE APPROVES				
		GO Bonds	Gen Fund	Highway Fund	Other Funds	Total	GO Bonds	Gen Fund	Highway Fund	Other Funds	Total
STATEWIDE PROJECTS											
01-S4	Statewide Construction Contingency -- Project Eliminated	\$0	\$2,000,000	\$0	\$0	\$2,000,000	\$0	\$0	\$0	\$0	\$0
01-S5	Statewide Paving Program	\$712,944	\$0	\$287,056	\$0	\$1,000,000	\$712,944	\$0	\$287,056	\$0	\$1,000,000
01-S6	Statewide Asbestos, Lead, IAQ Program -- Portion of project costs transferred to CIP 01-C27, CIP 01-M27, and CIP 01-C12	\$0	\$700,168	\$0	\$0	\$700,168	\$0	\$341,574	\$0	\$0	\$341,574
01-S7	Statewide Underground Storage Tank Removal and Soil Remediation Program -- Portion of project costs transferred to CIP 01-M5	\$282,790	\$305,506	\$0	\$0	\$588,296	\$54,613	\$305,506	\$0	\$153,512	\$513,631
01-S8	Energy Retrofit Projects -- Funded through energy savings achieved through the projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	STATEWIDE PROJECTS TOTAL	\$5,410,894	\$3,005,674	\$287,056	\$0	\$8,703,624	\$4,270,041	\$647,080	\$327,387	\$577,026	\$5,821,534
UCCSN CAMPUS IMPROVEMENT PROJECTS											
01-U1	Campus Improvements, UCCSN System Office	\$100,000	\$0	\$0	\$0	\$100,000	\$100,000	\$0	\$0	\$0	\$100,000
01-U2	Campus Improvements, UNLV	\$3,023,360	\$0	\$0	\$1,592,040	\$4,615,400	\$3,023,360	\$0	\$0	\$1,592,040	\$4,615,400
01-U3	Campus Improvements, UNR	\$4,331,730	\$0	\$0	\$2,468,270	\$6,800,000	\$4,331,730	\$0	\$0	\$2,468,270	\$6,800,000
01-U4	Campus Improvements, CCSN	\$973,590	\$0	\$0	\$385,510	\$1,359,100	\$973,590	\$0	\$0	\$385,510	\$1,359,100
01-U5	Campus Improvements, DRI	\$337,000	\$0	\$0	\$149,500	\$486,500	\$337,000	\$0	\$0	\$149,500	\$486,500
01-U6	Campus Improvements, GBC	\$250,000	\$0	\$0	\$0	\$250,000	\$250,000	\$0	\$0	\$0	\$250,000
01-U7	Campus Improvements, TMCC	\$679,800	\$0	\$0	\$310,200	\$990,000	\$679,800	\$0	\$0	\$310,200	\$990,000
01-U8	Campus Improvements, WNCC	\$304,520	\$0	\$0	\$94,480	\$399,000	\$304,520	\$0	\$0	\$94,480	\$399,000
	UCCSN CAMPUS PROJECTS TOTAL	\$10,000,000	\$0	\$0	\$5,000,000	\$15,000,000	\$10,000,000	\$0	\$0	\$5,000,000	\$15,000,000
TOTAL ALL PROJECTS		\$203,203,753	\$18,000,000	\$1,560,937	\$83,737,626	\$306,502,316	\$196,490,014	\$14,000,472	\$1,598,090	\$81,600,515	\$293,689,091

**LEGISLATURE APPROVED CAPITAL IMPROVEMENT PROGRAM
2001-03 BIENNIUM**

FUNDING BY AGENCY

AGENCY	STATE FUNDING	PERCENTAGE OF STATE FUNDING	OTHER FUNDING	PERCENTAGE OF OTHER FUNDING	TOTAL FUNDING	PERCENTAGE OF TOTAL FUNDING
UCCSN	\$123,524,148	58.68%	\$61,083,373	73.42%	\$184,607,521	62.86%
Department of Prisons	\$54,214,812	25.76%	\$2,616,068	3.14%	\$56,830,880	19.35%
Department of Administration	\$20,808,343	9.89%	\$2,519,932	3.03%	\$23,328,275	7.94%
DETR	\$0	0.00%	\$8,242,435	9.91%	\$8,242,435	2.81%
Office of Veterans' Services	\$1,060,438	0.50%	\$3,322,869	3.99%	\$4,383,307	1.49%
Department of the Military	\$2,108,001	1.00%	\$2,025,059	2.43%	\$4,133,060	1.41%
Depart. of Conservation & Natural Resources	\$124,987	0.06%	\$3,118,060	3.75%	\$3,243,047	1.10%
Department of Information Technology	\$1,146,629	0.54%	\$0	0.00%	\$1,146,629	0.39%
Department of Human Resources	\$5,803,128	2.76%	\$270,809	0.33%	\$6,073,937	2.07%
Office of the Attorney General	\$1,700,000	0.81%	\$0	0.00%	\$1,700,000	0.58%
Department of Museums, Library, & Arts	\$0	0.00%	\$0	0.00%	\$0	0.00%
TOTAL ALL PROJECTS	\$210,490,486	100.00%	\$83,198,605	100.00%	\$293,689,091	100.00%

POSITION SUMMARY

The following table displays the existing and new positions approved by the 2001 Legislature by functional area for the 2001-03 biennium. For comparison purposes, the FY 2000-01 (work program year) total position count is displayed. The total positions for the University and Community College System of Nevada are detailed separately and are included in the grand totals.

For FY 2001-02, excluding the University and Community College System of Nevada, the Legislature eliminated 275.43 positions, thus approving 15,669.96 existing positions, and added 387.32 new positions, resulting in a total of 16,057.28 approved positions.

For FY 2002-03, excluding the University and Community College System of Nevada, the Legislature eliminated 285.19 positions, thus approving 15,660.20 existing positions, and added 438.59 new positions, resulting in a total of 16,098.79 approved positions.

Significant increases in positions approved by the Legislature for the 2001-03 biennium include 121.7 FTE (some of which were created during the 1999-2001 interim) in the Department of Motor Vehicles to continue to maintain window coverage in major metropolitan field offices, address backlogs in the microfilm and data integrity sections, and provide additional programming resources in the Information Technology Division.

As recommended by the Committee to Study the Funding of Higher Education, the Legislature implemented a new formula funding methodology for the budgets of the University and Community College System of Nevada (UCCSN) for the 2001-03 biennium. Unlike previous biennia, the instruction function is no longer funded at 100 percent of the amounts recommended by the formula. Rather, the Legislature uniformly applied the formulas to each function and institution at 81.55 percent of the recommended amounts in FY 2001-02 and 80.29 percent in FY 2002-03. With the initiation of the new formulas, it was not possible to determine the functional distribution of professional and classified positions for the UCCSN at the time the budgets were approved. Position distributions will be included in the UCCSN accountability report that will be provided September 2001.

The total number of positions approved by the Legislature for the operation of state government and the University and Community College System of Nevada for FY 2001-02 is 22,026.28 and for FY 2002-03 is 22,067.79.

**Nevada Legislative Counsel Bureau
Legislatively Approved Position Summary
(Full-Time Equivalency Count)**

	FY 2000-01	Legislatively Approved FY 2001-02			Legislatively Approved FY 2002-03		
	Work Program	Existing	New	Total	Existing	New	Total
Governmental Functions:							
Constitutional Agencies	935.66	937.21	53.49	990.70	937.21	57.49	994.70
Finance and Administration	889.54	864.54	23.00	887.54	861.54	25.00	886.54
Education	282.96	280.21	11.85	292.06	277.96	14.85	292.81
Human Services	4,685.59	4,579.22	118.04	4,697.26	4,574.71	149.31	4,724.02
Commerce and Industry	1,288.04	1,256.84	21.43	1,278.27	1,256.84	21.43	1,278.27
Public Safety	4,878.23	4,793.07	104.49	4,897.56	4,793.07	109.49	4,902.56
Infrastructure	2,569.86	2,564.36	50.00	2,614.36	2,564.36	53.00	2,617.36
Special Purpose Agencies	415.51	394.51	5.02	399.53	394.51	8.02	402.53
Sub-Total	<u>15,945.39</u>	<u>15,669.96</u>	<u>387.32</u>	<u>16,057.28</u>	<u>15,660.20</u>	<u>438.59</u>	<u>16,098.79</u>
University and Community College System							
Professional	3,737.00	3,737.00	14.00	3,751.00	3,737.00	14.00	3,751.00
Classified	<u>2,213.00</u>	<u>2,213.00</u>	<u>5.00</u>	<u>2,218.00</u>	<u>2,213.00</u>	<u>5.00</u>	<u>2,218.00</u>
Sub-Total	<u>5,950.00</u>	<u>5,950.00</u>	<u>19.00</u>	<u>5,969.00</u>	<u>5,950.00</u>	<u>19.00</u>	<u>5,969.00</u>
Total	<u><u>21,895.39</u></u>	<u><u>21,619.96</u></u>	<u><u>406.32</u></u>	<u><u>22,026.28</u></u>	<u><u>21,610.20</u></u>	<u><u>457.59</u></u>	<u><u>22,067.79</u></u>

Note: The Fiscal Analysis Division completed a review of the methodology used to compile the position information included in The Appropriations Report and The Fiscal Report. Due to changes in this methodology, comparisons to prior reports may not yield

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
CONSTITUTIONAL AGENCIES					
GENERAL FUND	56,278,659	62,052,505	59,973,939	65,281,569	62,583,358
BALANCE FORWARD	42,788,187	43,701,521	43,810,856	44,342,894	44,072,256
FEDERAL FUND	3,373,802	3,200,627	2,909,252	3,228,635	3,013,986
HIGHWAY FUND			7,500		7,500
INTER AGENCY TRANSFER	127,550,813	126,522,105	126,794,840	127,129,310	127,915,503
INTERIM FINANCE	73,655				
OTHER FUND	180,181,150	181,021,961	180,266,737	182,744,152	182,169,982
TOTAL CONSTITUTIONAL AGENCIES	410,246,266	416,498,719	413,763,124	422,726,560	419,762,585
Less: INTER AGENCY TRANSFER	127,550,813	126,522,105	126,794,840	127,129,310	127,915,503
NET-CONSTITUTIONAL AGENCIES	282,695,453	289,976,614	286,968,284	295,597,250	291,847,082
FINANCE & ADMINISTRATION					
GENERAL FUND	26,474,608	19,899,891	42,176,912	21,816,839	54,321,214
BALANCE FORWARD	29,399,862	17,608,725	17,386,225	17,127,044	17,900,848
FEDERAL FUND	1,926,985	1,664,617	1,664,617	1,251,567	1,251,567
HIGHWAY FUND	1,579,538	437,338	10,926,551		15,300,387
INTER AGENCY TRANSFER	90,744,964	86,815,191	84,682,707	88,547,796	87,289,120
OTHER FUND	24,160,261	25,564,715	25,786,493	25,703,546	26,866,944
TOTAL FINANCE & ADMINISTRATION	174,286,218	151,990,477	182,623,505	154,446,792	202,930,080
Less: INTER AGENCY TRANSFER	90,744,964	86,815,191	84,682,707	88,547,796	87,289,120
NET-FINANCE & ADMINISTRATION	83,541,254	65,175,286	97,940,798	65,898,996	115,640,960
EDUCATION					
GENERAL FUND	897,485,467	976,779,482	956,697,556	1,023,525,353	1,034,300,357
BALANCE FORWARD	11,334,253	391,638	725,261	365,412	368,867
FEDERAL FUND	152,219,304	144,694,255	146,161,069	145,193,464	144,632,553
INTER AGENCY TRANSFER	8,829,508	7,480,843	8,769,881	7,528,428	8,909,379
INTERIM FINANCE	53,530				
OTHER FUND	271,831,854	282,179,768	289,933,960	300,381,971	305,476,760
TOTAL EDUCATION	1,341,753,916	1,411,525,986	1,402,287,727	1,476,994,628	1,493,687,916
Less: INTER AGENCY TRANSFER	8,829,508	7,480,843	8,769,881	7,528,428	8,909,379
NET-EDUCATION	1,332,924,408	1,404,045,143	1,393,517,846	1,469,466,200	1,484,778,537

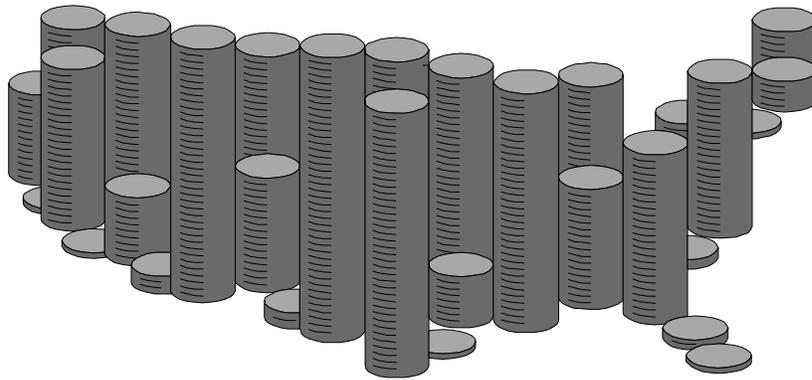
Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
GENERAL FUND	408,499,374	523,300,463	498,464,092	568,072,163	542,936,214
BALANCE FORWARD	128,352,343	66,601,723	76,348,783	53,623,707	54,734,488
FEDERAL FUND	641,692,506	741,859,261	753,986,716	772,918,112	805,048,604
INTER AGENCY TRANSFER	198,385,069	180,307,144	183,831,248	185,339,344	189,289,085
INTERIM FINANCE	975,000				
OTHER FUND	188,800,057	153,670,559	152,288,872	156,034,899	155,356,873
TOTAL HUMAN SERVICES	1,566,704,349	1,665,739,150	1,664,919,711	1,735,988,225	1,747,365,264
Less: INTER AGENCY TRANSFER	198,385,069	180,307,144	183,831,248	185,339,344	189,289,085
NET-HUMAN SERVICES	1,368,319,280	1,485,432,006	1,481,088,463	1,550,648,881	1,558,076,179
COMMERCE & INDUSTRY					
GENERAL FUND	38,746,501	42,704,170	39,889,056	44,336,321	40,132,785
BALANCE FORWARD	26,632,574	25,831,934	26,067,581	24,988,572	22,713,679
FEDERAL FUND	12,182,214	9,714,469	9,755,612	9,656,419	9,642,105
HIGHWAY FUND	1,892,254	1,871,259	1,789,043	1,936,676	1,806,299
INTER AGENCY TRANSFER	9,797,255	13,408,912	13,466,787	13,505,052	13,629,427
OTHER FUND	66,835,114	74,896,733	74,482,329	76,148,594	76,024,017
TOTAL COMMERCE & INDUSTRY	156,085,912	168,427,477	165,450,408	170,571,634	163,948,312
Less: INTER AGENCY TRANSFER	9,797,255	13,408,912	13,466,787	13,505,052	13,629,427
NET-COMMERCE & INDUSTRY	146,288,657	155,018,565	151,983,621	157,066,582	150,318,885
PUBLIC SAFETY					
GENERAL FUND	190,883,315	213,426,755	201,098,317	223,023,532	207,387,787
BALANCE FORWARD	24,253,262	10,417,122	10,214,426	8,758,071	9,806,763
FEDERAL FUND	21,811,482	15,466,407	14,332,139	15,314,982	14,337,629
HIGHWAY FUND	85,997,927	98,808,096	94,309,916	100,637,945	94,246,615
INTER AGENCY TRANSFER	26,188,921	31,273,284	32,471,547	30,049,043	32,795,993
OTHER FUND	64,338,214	66,171,236	68,574,912	68,352,623	71,706,667
TOTAL PUBLIC SAFETY	413,473,121	435,562,900	421,001,257	446,136,196	430,281,454
Less: INTER AGENCY TRANSFER	26,188,921	31,273,284	32,471,547	30,049,043	32,795,993
NET-PUBLIC SAFETY	387,284,200	404,289,616	388,529,710	416,087,153	397,485,461

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
INFRASTRUCTURE					
GENERAL FUND	20,894,719	23,869,282	21,282,651	24,952,927	21,615,919
BALANCE FORWARD	24,740,115	16,363,190	18,780,011	10,648,100	13,745,191
FEDERAL FUND	207,458,499	226,986,442	226,135,043	226,926,004	225,883,378
HIGHWAY FUND	369,907,897	277,829,504	271,041,806	293,232,751	284,171,978
INTER AGENCY TRANSFER	20,228,386	17,372,603	18,026,304	17,868,856	17,188,397
OTHER FUND	135,203,216	411,756,120	418,935,502	533,570,149	540,936,984
TOTAL INFRASTRUCTURE	778,432,832	974,177,141	974,201,317	1,107,198,787	1,103,541,847
Less: INTER AGENCY TRANSFER	20,228,386	17,372,603	18,026,304	17,868,856	17,188,397
NET-INFRASTRUCTURE	758,204,446	956,804,538	956,175,013	1,089,329,931	1,086,353,450
SPECIAL PURPOSE AGENCIES					
GENERAL FUND	5,264,452	7,088,790	6,971,421	6,799,065	6,452,862
BALANCE FORWARD	13,266,825	17,245,196	21,545,196	18,769,794	22,313,356
FEDERAL FUND	12,074,783	6,941,160	7,241,065	7,410,261	7,755,217
INTER AGENCY TRANSFER	157,787,927	140,663,569	156,237,438	154,667,974	174,463,953
OTHER FUND	12,947,952	13,722,231	13,374,223	12,853,988	10,775,449
TOTAL SPECIAL PURPOSE AGENCIE	201,341,939	185,660,946	205,369,343	200,501,082	221,760,837
Less: INTER AGENCY TRANSFER	157,787,927	140,663,569	156,237,438	154,667,974	174,463,953
NET-SPECIAL PURPOSE AGENCIES	43,554,012	44,997,377	49,131,905	45,833,108	47,296,884
STATEWIDE SUMMARY:					
GENERAL FUND	1,644,527,095	1,869,121,338	1,826,553,944	1,977,807,769	1,969,730,496
BALANCE FORWARD	300,767,421	198,161,049	214,878,339	178,623,594	185,655,448
FEDERAL FUND	1,052,739,575	1,150,527,238	1,162,185,513	1,181,899,444	1,211,565,039
HIGHWAY FUND	459,377,616	378,946,197	378,074,816	395,807,372	395,532,779
INTER AGENCY TRANSFER	639,512,843	603,843,651	624,280,752	624,635,803	651,480,857
INTERIM FINANCE	1,102,185				
OTHER FUND	944,297,818	1,208,983,323	1,223,643,028	1,355,789,922	1,369,313,676
TOTAL STATEWIDE	5,042,324,553	5,409,582,796	5,429,616,392	5,714,563,904	5,783,278,295
Less: INTER AGENCY TRANSFER	639,512,843	603,843,651	624,280,752	624,635,803	651,480,857
NET STATEWIDE	4,402,811,710	4,805,739,145	4,805,335,640	5,089,928,101	5,131,797,438

TAX POLICY



TAX POLICY

BACKGROUND

The 2001 Session of the Legislature convened with clouds across the economic horizon. Stock values had been dropping, most severely in the high-tech sector, and various economic indicators were reflecting that a U.S. recession was a strong possibility. In addition, an energy shortage in California threatened to adversely affect the economies of western states.

The Governor's budget was predicated on modest General Fund revenue increases forecasted by the Economic Forum. No General Fund revenue increases were proposed, although the Legislature adopted two non-General Fund revenue enhancements included in The Executive Budget. The first, Assembly Bill 134, increases fraud assessments on insurers. The bill produces about \$359,500 in additional revenue annually, of which \$263,000 is used to fully fund the Attorney General's Insurance Fraud Unit. The remaining additional revenue is used to replace a portion of General Fund support for insurance regulation. The second measure, A.B. 199, doubles the trout stamp fee to \$10. The additional revenue will be used to repay \$3.5 billion in bonds to be issued to rehabilitate fish hatcheries.

The modest General Fund revenue forecast used in The Executive Budget ultimately proved too optimistic. The Economic Forum's May 1 revisions reduced projected General Fund revenues by \$121.4 million during the 2001-03 biennium. After receiving the reduced revenue numbers, the Legislature approved three General Fund revenue enhancements to replace approximately \$64.9 million of that "shortfall" over the biennium.

The bills providing revenue increases include A.B. 77 and S.B. 489, which shorten the period that certain property is considered unclaimed and remitted to the state. These bills are expected to produce an estimated one-time increase in revenues of approximately \$8.3 million in FY 2001-02. Senate Bill 577 was designed to provide an additional \$29 million during the biennium through increases in a variety of fees on business transactions handled through the Secretary of State's office. Finally, A.B. 460 increases the state's share of the car rental fees to a full six percent rate and provides for quarterly rather than annual payment of those fees. This measure is estimated to generate an additional \$27.5 million for the state General Fund this biennium.

Because of concerns over the state's long-term revenue picture, the Legislature approved ACR 1 at the 17th Special Session. This resolution creates a Governor's task force on tax policy during the interim. In addition, a number of bills affecting local government finances were passed during the 2001 Session and the 17th Special Session, including several that contain recommendations from the Legislative Committee Studying the Distribution of Revenue Among Local Governments (S.B. 253 of the 1997 Session). One of those bills, S.B. 557, extends the authority of the committee through June 30, 2005 and renames it the Legislative Committee for Local Government Taxes and Finance to better recognize the committee's areas of study.

In addition to the bills affecting state revenues and local government finances, the Legislature also approved numerous technical tax law changes and continued to revise tax exemptions

in 2001. As the regular and special sessions concluded, state and national economic performance remained sluggish, and the first recession since 1991 was still a possibility.

The most important new laws affecting Nevada’s tax system are detailed in the following legislation section.

LEGISLATION

STATE REVENUE	TECHNICAL CHANGES	TAX EXEMPTIONS	LOCAL GOVERNMENT
AB 77	AB 433	AB 243	AB 361
AB 460	AB 455	AB 639	AB 501
SB 489	AB 656	AB 657	SB 124 ²
SB 577	SB 59	SB 156	SB 125 ²
ACR 1 ¹	SB 64 ²	SB 227 ²	SB 203 ²
	SB 70	SB 273	SB 221
	SB 123 ²	SJR 11 ³	SB 238
	SB 222	SJR 1 ¹	SB 389
	SB 376		SB 425
	SB 381		SB 557 ²
	SB 499		AB 10 ¹
	SB 528		
¹ Approved at the 17 th Special Session. ² Recommended by SB 253 Committee. ³ First approved at 70 th Session.			

STATE REVENUES

For additional information regarding these five state revenue measures, see the Background portion of this Tax Policy section.

Assembly Bill 77 and Senate Bill 489 shorten the period from five years to three years for determining when certain types of property are considered unclaimed and are to be remitted to the Unclaimed Property Division of the Treasurer’s Office.

Assembly Bill 460 requires rental car companies to remit the full six percent rental car fee to the state. Previously, the companies were allowed to keep up to four percent of the fee to offset vehicle registration costs. The bill now provides that the companies may impose an additional 3.5 percent fee to cover those costs. The bill also requires fees to be remitted each quarter rather than at the end of each year.

Senate Bill 577 changes the fees charged to entities that choose to do business in Nevada. The changes include an increase from \$85 to \$165 for filing the initial list of officers, directors and managers of various types of businesses. Fees are increased on filings of certificates and documents concerning procedures such as reinstatement, amendments, dissolution, notice of withdrawal from Nevada by a foreign corporation, original articles of organization for limited liability companies, or registration of certain business entities. Additional fee changes include an increase from \$10 to \$20 for certifying copies of certain documents and from \$15 to \$30 for

executing a certificate of corporate existence. In addition to the fee increases, the bill revises liability provisions pertaining to a stockholder, director or officer of a corporation.

Assembly Concurrent Resolution 1 (17th Special Session) creates the Governor's task force on Nevada's tax policy. The task force consists of six to eight members, including four legislators, and will develop proposals to address the state's need for additional revenue for state programs, stabilize the tax base and reduce Nevada's long-term structural budget deficit.

TECHNICAL CHANGES RELATING TO STATE AND LOCAL TAXES

The bills in this group make technical and administrative changes to the tax laws and have not been designed with the intent to increase or reduce revenues.

Assembly Bill 433 establishes a guideline for assessors to determine the amount of time a non-exempt person or business leases or uses property that is otherwise exempt from taxation.

Assembly Bill 455 enacts the Simplified Sales and Use Tax Administration Act. The bill is a first step in an effort by states to develop a more simple, uniform and fair system of sales and use taxation. The participating states, as embodied in this legislation, are required to establish uniform definitions within tax bases, uniform sourcing rules, and uniform audit procedures, and to simplify exemption administration and rate simplification. A feature of A.B. 455 unrelated to the tax simplification requires a vendor who contracts with the state or a political subdivision to register with the Department of Taxation to collect sales and use taxes regardless of whether or not that vendor has a physical presence in Nevada.

Assembly Bill 656 allows any employer with less than one FTE employee per quarter to submit a request to the Department of Taxation to pay the business license tax annually instead of quarterly.

Senate Bill 59 changes the name of the vehicle privilege tax to the governmental services tax.

Senate Bill 64 allows personal property taxes that are not secured by real property to be paid in four equal installments, if the business has been in existence for at least three years, the personal property taxes exceed \$10,000, and the taxpayer has filed a written statement of personal property with the assessor by July 31. A written request to the county treasurer or county assessor to pay the taxes quarterly is required.

Senate Bill 70 revises provisions that govern the classification of various types of factory-built housing as real property.

Senate Bill 123 requires a municipality to notify other affected governmental entities before submitting a proposal to the county debt management commission to incur general obligation debt or levy a special elective tax, authorizes the commission to establish methods to address several issues related to such proposals, and requires the commission to resolve conflicts between entities and approve, in whole or in part, or reject the increase in property taxes set forth in a proposal.

Senate Bill 222 allows the Nevada Tax Commission to share information related to the business license tax with the governing body of a city, county, town or fair and recreation board.

Senate Bill 376 clarifies a tax exemption for surviving spouses, extends provisions relating to mobile homes to encompass manufactured homes, transfers the collection of special taxes on livestock to the state Department of Agriculture effective July 1, 2004, and requires a county recorder to provide the county assessor with duplicate copies of recordings of various maps, plats and records of survey.

Senate Bill 381 streamlines procedures for the administration and payment of taxes on tobacco products, other than cigarettes. Among other things, the bill vests all responsibility for reporting and record keeping with the wholesale dealer.

Senate Bill 499 eliminates the park marina development fund and expands the permissible uses of money received from the tax on motor vehicle fuel used in watercraft for recreational purposes.

Senate Bill 528 corrects a technical ambiguity in statute regarding the taxability of medical devices provided to a Medicaid or Medicare beneficiary through a contract between a vendor and a governmental entity. The bill provides that the sale of a medical device that is paid for by a governmental entity is exempt from the sales tax regardless of who actually owns and uses the device.

TAX EXEMPTIONS

Five bills in this group add a new tax exemption or expand an existing tax exemption. The other bill, Senate Bill 227, revises various exemptions related to recycling and renewable energy. Of the two proposed constitutional amendments, one authorizes the Legislature to enact a new property tax exemption, while the second establishes an exemption policy for the Legislature.

Assembly Bill 243 provides an exemption from local sales taxes, effective July 1, 2002, for farm machinery and equipment. The bill also submits a question to the voters at the 2002 general election whether to extend the exemption to the two percent state sales and use tax. The exemption covers only major pieces of farm equipment and parts, and excludes all vehicles registered with the Department of Motor Vehicles.

Assembly Bill 639 exempts special fuel used to operate special mobile equipment from the tax on special fuel and authorizes special mobile equipment and farm equipment to be operated on certain highways using dyed special fuel.

Assembly Bill 657 provides an exemption from local sales taxes, effective October 1, 2001, for engines, chassis and other component parts of professional racing vehicles used by a professional racing team. The bill also provides an exemption for the equipment used to transport the vehicles or other equipment associated with professional racing teams or the organizations, such as CART, that sanction professional racing. In addition, the bill submits a question to the voters at the 2002 general election whether to extend these exemptions to the two percent state sales and use tax.

Senate Bill 156 doubles the tax exemptions for war veterans and certain disabled veterans or their surviving spouses over four years. When fully effective on July 1, 2004, the exemption for war veterans will be \$2,000 and the exemption for eligible disabled veterans will be between \$10,000 and \$20,000 depending on the percentage of service-connected disability. In subsequent years, the amounts will be indexed to changes in the Consumer Price Index. The amount of the

exemption can be applied to the assessed valuation of property, the valuation of a vehicle for purposes of the government services tax, or any combination of the two.

Senate Bill 227 modifies various provisions related to existing tax abatements for recycling businesses to conform to the same criteria as other abatements administered by the Commission on Economic Development. The bill also modifies and conforms abatements for facilities that generate electricity from renewable energy.

Senate Bill 273 exempts from local sales taxes the sale or use of a product or system that uses renewable energy to generate electricity. To be exempt, the system has to be an integrated package of components that produces at least 75 percent of the electricity from renewable resources. The exemption is authorized only from January 1, 2002 to June 30, 2003.

Senate Joint Resolution 11 of the 70th Session proposes a constitutional amendment to allow the Legislature to provide for an abatement of the tax or an exemption of part of the assessed value of an owner-occupied, single-family residence to avoid severe economic hardship to the owner. The proposed amendment will be voted on at the 2002 general election.

Senate Joint Resolution 1 (17th Special Session) proposes to amend the Nevada constitution to provide that before the Legislature enacts an exemption from property or sales tax, the proposed exemption must meet one or more of five criteria identified in the resolution. In addition, SJR 1 requires the Legislature to review each property and sales tax exemption at least every six years to determine if it is still valid and that it is being used effectively. The proposed amendment will have to be approved in this form by the 2003 Legislative Session before it can be submitted to the voters at the 2004 general election.

TAX POLICY CHANGES AFFECTING LOCAL GOVERNMENTS

These bills affect the tax policy of local governments. Four of the bills were recommendations of the legislative committee created by S.B. 253 of the 1997 Session.

Assembly Bill 361 establishes uniform dates for the reporting of net proceeds information and the payment of net proceeds taxes by mines and royalty recipients. The bill also establishes uniform dates for the Department of Taxation to report net proceeds information to the Controller and for the Controller to distribute the tax revenues to school districts and local governments.

Assembly Bill 501 includes any property tax rate authorized for school capital projects in the property tax rate used to determine a school district's share of the government services tax that is earmarked for school capital projects.

Senate Bill 124 requires that money from gasoline taxes collected by the state for a city be remitted directly to that city rather than having the money sent to the county for subsequent distribution to the city.

Senate Bill 125 requires local governments to submit fiscal reports electronically to the Department of Taxation and publish a summary of the report in a newspaper of general circulation in the area. Additionally, the bill requires the Committee on Local Government Finance to adopt regulations regarding the electronic fiscal reports.

Senate Bill 203 allows two or more counties to levy a property tax not to exceed five cents per \$100 of assessed valuation to operate a regional facility for public safety, health or criminal justice purposes. The bill allows participating counties to establish an “administrative entity” to operate the facility. The bill further requires the establishment of a separate fund to account for the revenue from the tax and requires the administrative entity to develop a budget for the revenues and expenses of the fund.

Senate Bill 221 authorizes the City of Reno to increase the room tax by a rate of up to 1.5 percent and levy assessments within four city blocks of downtown to pay the costs of convention and visitor facilities to serve the downtown properties.

Senate Bill 238 sets up audit, penalty, due process, refund and lien provisions for the real property transfer tax and establishes a Taxpayers’ Bill of Rights for this tax. In addition to the administrative provisions, S.B. 238 applies the tax to transfers of real property from a government to a private party and eliminates an exemption for the value of loans assumed by the purchaser of the property.

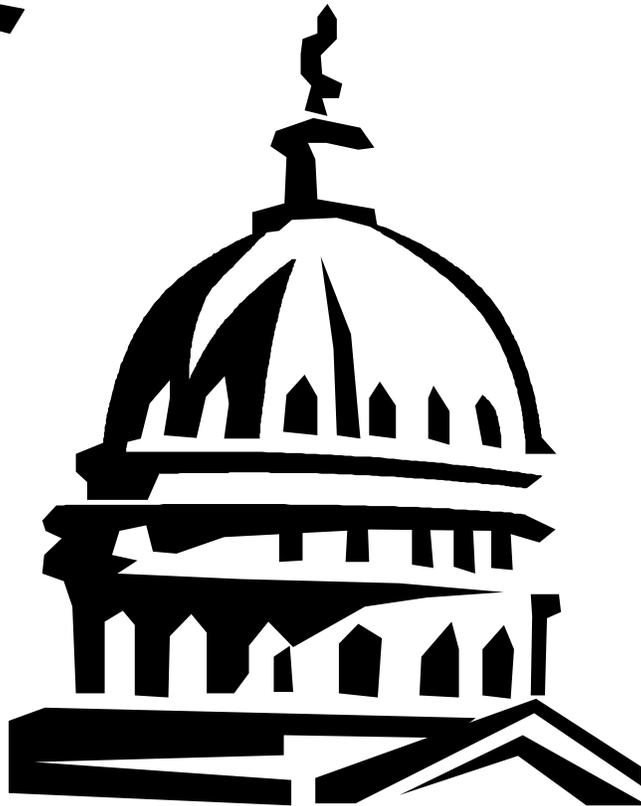
Senate Bill 389 increases from \$85,000 to \$130,000 the maximum amount of revenue from the state two percent tax on aviation fuel allocated to the Civil Air Patrol account each fiscal year. The Civil Air Patrol will receive additional state funding as a result of this bill only if tax revenues increase above current levels.

Senate Bill 425 places certain requirements on a county, city or general improvement district that wishes to expand or take over service from a nongovernmental service provider for the purpose of delivering electric, telephone or telecommunications service. The bill also requires the Legislative Committee for Local Government Taxes and Finance to study the impact on state and local taxes of local governments that expand or acquire certain utility facilities.

Senate Bill 557 revises the formula for the distribution of revenues to counties from a 3.6 cents-per-gallon state-imposed tax on gasoline. The new formula will distribute the revenues based two-thirds on the population of the county and one-third on the road mileage in the county, and guarantees that each county will receive at least the amount of revenue that it received in FY 2000-01. The road mileage for purposes of the formula will include only locally maintained roads. The previous formula included state-maintained road mileage. In addition, the bill renames the legislative committee established by Senate Bill 253 of the 1997 Session as the Committee for Local Government Taxes and Finance and extends its authorization through June 30, 2005.

Assembly Bill 10 (17th Special Session) revises the intracounty distribution of “excess” revenues in the consolidated tax distribution account by allowing population changes to be averaged over five years and by eliminating, over a four-year period, the “one plus” factor that diminished the impact of growth on the distribution of those revenues. The bill also adds \$4 million to the base allocation of the City of Henderson. Finally, the bill requires the technical advisory committee of the renamed Legislative Committee for Local Government Taxes and Finance to study the effects of the revised formula and to report its findings to the legislative committee by October 1, 2002.

**CONSTITUTIONAL
AGENCIENAL**



CONSTITUTIONAL AGENCIES

The “Constitutional Agencies” function encompasses the elected officials of the Executive Branch of government, including the Governor, Lieutenant Governor, Attorney General, Secretary of State, Treasurer and Controller, as well as the Judicial and Legislative Branches of government. For the 2001-03 biennium, General Fund appropriations for the constitutional agencies approved by the Legislature totaled \$122.6 million, which is 10.8 percent greater than the amount approved for the 1999-2001 biennium.

OFFICE OF THE GOVERNOR

The 1999 Legislature approved A.B. 660, which removed the employees of the Governor’s Office from the unclassified state service. The Governor’s staff are termed non-classified employees and their salaries are set by the Governor within the amounts appropriated to the Governor’s Office by the Legislature. The 2001 Legislature approved five new positions to meet the growing demands placed on the Governor’s Office. The Legislature also approved the Governor’s request to transfer the Office of Science, Engineering and Technology from the University and Community College System to the Governor’s Office and provide General Fund support of \$230,081 in FY 2001-02 and \$205,427 in FY 2002-03. General Fund appropriations approved for the Governor’s Office by the 2001 Legislature increased by 32 percent compared to amounts approved for the previous biennium.

WASHINGTON OFFICE

The 1985 Legislature authorized the establishment of a Washington, D.C. office to identify, monitor and provide information on federal issues of high priority to the state of Nevada. The costs of these services, which are provided under contract, are shared by the Commission on Economic Development, Commission on Tourism, and the Nevada Department of Transportation. The Legislature approved continuation of the Washington, D.C. office with funding remaining at the FY 2000-01 level of \$259,300 in each year of the 2001-03 biennium. Distribution of costs between the participating agencies is in proportion to the anticipated services required.

HIGH LEVEL NUCLEAR WASTE

The Nevada Nuclear Waste Project Office was formally established by executive policy in 1983 and by the Nevada State Legislature in 1985, following passage of the federal Nuclear Waste Policy Act of 1982. The legislatively approved budget reflects significant changes in the levels of federal and state funding provided to the office. Federal law provides that the Department of Energy (DOE) must fund the office until such time as Congress changes its statutes. Funding from the DOE for the office in the past several biennia has been significantly reduced from prior levels, requiring supplemental state funding to maintain the office in FY 1998-2001.

Under new funding guidelines established by the federal government, federal funds may only be used for specific scientific research activities and may not be used to support the agency’s

general personnel and operational costs. In light of these new guidelines, the Legislature approved General Fund support for the agency's nuclear waste oversight activities at Yucca Mountain in the amount of \$886,113 in FY 2001-02 and \$881,285 in FY 2002-03. Federal funding for the Nuclear Waste Project Office (NWPO) has been partially reinstated, and the NWPO is scheduled to receive \$5 million over the biennium in support of its scientific oversight activities. Additional funding of \$400,000 per year from the state Highway Fund was approved to address transportation issues relating to the possible transportation of high-level nuclear waste to the Yucca Mountain site.

In addition to the funding provided in the NWPO biennial budget, the Legislature approved S.B. 494, which establishes the Nevada Protection Fund within the Governor's Office. The fund is established by a \$4 million one-shot appropriation. While the appropriation will reside in and be controlled by the Governor's Office, funds will be available to the NWPO, as well as other state agencies, on an as-needed basis. The funding was requested by the Governor primarily to support the state's ongoing legal opposition to the establishment of a federal nuclear waste site at Yucca Mountain.

OFFICE OF CONSUMER HEALTH ASSISTANCE

The Governor's Office of Consumer Health Assistance was created by the 1999 Legislature to provide a single point of contact for consumers and injured workers to assist them in understanding their rights and responsibilities under Nevada law and health care plans, including industrial insurance policies. The mission of the office is to allow all Nevadans access to the information they need regarding their health care concerns and to assist consumers and injured employees in understanding their rights and responsibilities under various health-care plans and policies of industrial insurance.

In accordance with a recommendation of the Governor's Steering Committee to Conduct a Fundamental Review of State Government, The Executive Budget recommended the incorporation of the Office for Hospital Patients of the Department of Business and Industry into this office. The Executive Budget further recommended the elimination of a Program Assistant from that office. The Legislature concurred with these recommendations, bringing the total authorized positions for the combined offices to 10 FTE for the upcoming biennium.

Funding for the operations of the combined office was approved from the following sources:

- General Fund appropriation: \$306,354 in FY 2001-02 and \$310,249 in FY 2002-03 compared to \$301,315 for FY 2000-01 (a combination of General Fund appropriations in the amount of \$251,001 and \$50,314 in budgetary transfers from the Department of Human Resources);
- Allocation from Workers' Compensation and Safety Fund: \$288,301 plus \$109,335 balance forward in FY 2001-02, and \$414,099 in FY 2002-03 for the cost of services provided to injured workers compared to \$325,848 in FY 2000-01;

- Title XIX: \$18,695 in FY 2001-02 and \$18,208 in FY 2002-03 compared to \$14,925 in FY 2000-01; and
- Office for Hospital Patients Revenue: Balance forward of \$65,026 in FY 2001-02 and \$55,887 in FY 2002-03 and assessment revenue of \$125,300 in each year of the biennium.

OFFICE FOR HOSPITAL PATIENTS

The purpose of the Office for Hospital Patients is to keep the cost of hospitalization down by insuring that all patients in Nevada's hospitals receive accurate hospital bills in a timely manner. The office is responsible for reviewing and mediating disputes related to charges for care provided to patients of Nevada's hospitals. The office is funded entirely through annual assessments of major Nevada hospitals.

The 2001 Legislature approved the Governor's recommended 2001-03 budget for the Office for Hospital Patients. The Legislature also passed Senate Bill 573, which transfers the office from the Department of Business and Industry's Consumer Affairs Division to the Office of the Governor, Consumer Health Assistance and Bureau for Hospital Patients.

ETHICS COMMISSION

The 2001 Legislature authorized the continuation of the Ethics Commission's operation at similar levels as those provided during the 1999-2001 biennium. Senate Bill 501 was passed by the 2001 Legislature to eliminate the sunset provision on the Commission Counsel position set forth by Senate Bill 478 of the 1999 Legislative Session. The legislatively approved budget for the Ethics Commission is \$319,242 for FY 2001-02 and \$319,003 for FY 2002-03.

LIEUTENANT GOVERNOR

The Lieutenant Governor serves as acting Governor when the Governor is out-of-state or incapacitated, as the President of the Senate when the Legislature is in session, and as chairperson of the Commission on Economic Development and the Commission on Tourism. The budget of the Lieutenant Governor was approved as requested, with the exception of the recommendation to transfer existing staff from unclassified to non-classified status. The 2001 Legislature retained the staff of the Lieutenant Governor as unclassified positions.

ATTORNEY GENERAL

The Office of the Attorney General serves as legal advisor to nearly all state agencies, boards, and commissions and assists the county district attorneys of the state. The office consists of nine divisions and four fraud units. The four fraud units are the Workers' Compensation Fraud Control Unit, the Medicaid Fraud Control Unit, the Insurance Fraud Control Unit, and the Bureau of Consumer Protection.

ADMINISTRATION ACCOUNT

The Governor's recommended budget for the Attorney General's Administration account included nine new positions. The recommended new positions included 3.5 new Deputy Attorney General positions to provide services to the Division of Financial Institutions, the Tobacco Enforcement Program, the Welfare Division, the Division of Environmental Protection, and the Housing Division. A Management Assistant position was recommended to assist with legal services provided to the Nevada Department of Transportation. Five of the new positions recommended in the Administrative account, including a half-time Deputy Attorney General position, were recommended for the Attorney General's Tobacco Enforcement Program. The program was previously funded in part through a General Fund appropriation and part through a contract with the Federal Food and Drug Administration (FDA). Because the FDA funding was eliminated as a result of a United States Supreme Court decision, The Executive Budget recommended supporting the program through a grant from the Bureau of Alcohol and Drug Abuse and through an allocation from the Fund for a Healthy Nevada.

The Legislature approved all of the new positions that were recommended in The Executive Budget except for the full-time Deputy Attorney General position that was recommended to provide legal services for the Welfare Division. The money committees were informed that the position was needed instead for the Division of Child and Family Services. Due to the proposal to transfer child welfare services in Clark and Washoe counties to the local governments, the Legislature voted not to approve the position. In addition to the positions recommended in The Executive Budget, the Legislature also approved the increase of a part-time Computer Network Specialist position to full-time to provide computer support for other Attorney General budget accounts. The additional costs for the position will be paid from transfers from the Attorney General accounts that receive the additional computer support.

The Legislature also approved Capital Improvement Project (CIP) 01-C14, which provides \$1.7 million to complete the remodel of the old Carson City courthouse building for use by the Office of the Attorney General. The 1999 Legislature approved approximately \$1.7 million to remodel the courthouse building for use by the Office of the Attorney General (CIP 99-C4), but the bids to perform the work exceeded the budget for the project.

INSURANCE FRAUD CONTROL UNIT

The Insurance Fraud Control Unit is responsible for prosecuting insurance fraud crimes in Nevada. The Legislature approved the Governor's recommended increase in the assessments paid by insurers in Nevada to support the costs of the unit. Prior to FY 2001-02, NRS 679B.158 authorized the Commissioner of Insurance to impose an assessment not to exceed \$500 against each insurer authorized to transact insurance or reinsurance in Nevada. The assessment could only be used for Division of Insurance and Attorney General fraud investigations. Assembly Bill 134, which was enacted by the 2001 Legislature, increases the assessment from \$500 to as much as \$2,000 based on a sliding scale of the amount of premiums charged each year by insurers. The increase in the assessment will generate sufficient funding to maintain the operations of the fraud unit during the 2001-03 biennium.

MEDICAID FRAUD CONTROL UNIT

The Medicaid Fraud Control Unit investigates and prosecutes Medicaid provider fraud, cases of patient abuse or neglect, and misappropriations of patient trust funds. Although The Executive Budget did not recommend funding for new positions, the Legislature approved two new Investigator positions based on a recent change in federal law which expands the jurisdiction of the Medicaid Fraud Control Unit. The new law authorizes the unit to investigate and prosecute cases of abuse and neglect in facilities that do not receive Medicaid revenue. The Legislature approved the unit's request to fund 75 percent of the costs for the positions with federal Title XIX funds and 25 percent with recovery revenue. The Legislature also approved the unit's request to reclassify a Deputy Attorney General position to a Senior Deputy Attorney General position.

WORKERS' COMPENSATION FRAUD UNIT

The Workers' Compensation Fraud Unit was established by the 1993 Legislature as part of the overall reform of the industrial insurance system. The unit is responsible for the investigation and prosecution of all fraud committed by employees, employers, or medical providers against insurance companies or self-insured employers. The Legislature approved the Governor's recommended funding for a new Supervising Legal Secretary position for the Workers' Compensation Fraud Unit. The position will be assigned to the unit's office in Reno. The Legislature also approved the unit's request for additional funding for travel, training, and equipment.

ADVISORY COUNCIL FOR PROSECUTING ATTORNEYS

The Advisory Council for Prosecuting Attorneys was created by the 1997 Legislature in Senate Bill 497. The council is responsible for developing a program for training and assisting state and local prosecutors in conducting prosecutions. The Executive Budget for the 2001-03 biennium recommended eliminating all General Fund revenue for the account, except for \$1,765 in FY 2001-02 and \$1,880 in FY 2002-03, and replacing that revenue with revenue generated from assessments that are charged to defendants who plead guilty or who are found guilty of misdemeanors in Nevada's justice courts. The Legislature reduced the General Fund appropriation for the council to \$100 in each year of the biennium and enacted the provisions of Assembly Bill 548 to include the advisory council in the list of agencies authorized to receive justice court assessments.

STATE CONTROLLER

The State Controller maintains the state's accounting system and publishes the state's annual financial statements. The number of positions authorized for the Controller's Office increased by eight positions since the close of the 1999 Session. In April 2000, the Interim Finance Committee authorized two new positions, an Accountant III and a Data Base Management Specialist. A new Management Assistant position was approved by the 2001 Legislature to provide additional clerical assistance for the Controller's Office. Five new positions were approved to provide assistance in implementation and rollout of the Integrated Financial System

(IFS). These five positions were previously funded from a one-shot appropriation approved for the IFS by the 1999 Legislature. General Fund support for the 2001-03 biennium increased 25.1 percent over amounts approved by the 1999 Legislature.

SECRETARY OF STATE

The 2001 Legislature approved General Fund appropriations of approximately \$9.6 million for the 2001-03 biennium, which is \$884,000 less than recommended in The Executive Budget. Appropriations approved by the 2001 Legislature represent a \$1.3 million increase over the \$8.3 million approved by the 1999 Legislature, or a 15.7 percent increase.

In addition to the \$9.6 million, Senate Bill 464 provides General Fund appropriations of \$467,617 for various enabling technology projects, promotional materials for the Commercial Recordings Division, and new and replacement equipment.

The Governor recommended 18 new positions and the transfer of 4 existing positions from the Department of Information Technology (DoIT) to the Secretary of State. The Legislature approved 12 new positions and concurred with the transfer of the 4 existing DoIT positions. Five of the 12 new positions are funded by the General Fund at an approximate cost of \$560,000 over the 2001-03 biennium. The remaining 7 new positions are funded by the Special Services fund at an approximate cost of \$654,000.

Senate Bill 577, as passed by the 2001 Legislature, increases fees for filing certain documents with the Secretary of State. Also, a portion of fees charged by the Secretary of State for special or expedited services is to be deposited in the General Fund. Senate Bill 577 also authorizes transfers of up to \$300,000 in FY 2001-02 and \$250,000 in FY 2002-03 from the Special Services fund for additional personnel, equipment, supplies, office space and other costs as necessary to carry out the provisions of this bill.

STATE TREASURER

The Treasurer is responsible for the receipt and disbursement of all monies in the state. The Treasurer also invests the state's idle cash and administers the state's bond programs, including the Municipal Bond Bank. The Governor recommended, and the Legislature concurred, providing a new position and additional operating funds to support the Allodial Title program approved by the 1997 Legislature. It is anticipated that the program will be fully implemented during the 2001-03 biennium. The Legislature also approved a new Assistant Treasurer position to help manage the growing workload in the Treasurer's Office.

Assembly Bill 554, as passed by the 2001 Legislature, authorized the State Treasurer to develop a college savings plan program to assist Nevadans with saving for their children's education. Other legislative actions included transferring the administration of the Unclaimed Property program from the Department of Business and Industry to the Treasurer's Office.

NEVADA PREPAID TUITION PROGRAM

Senate Bill 271 of the 1997 Legislative Session created the Nevada Prepaid Tuition program within the State Treasurer's Office. During the past two bienniums, a total of \$2,882,249 was appropriated from the state General Fund as a loan to begin the program.

Assembly Bill 554 of the 2001 Legislative Session authorizes the continuation of the program by eliminating the sunset provision set forth in Senate Bill 271 of the 1997 Legislative Session. This legislation also provides that the board of the College Savings Plans of Nevada will oversee the Nevada Prepaid Tuition program. The legislatively approved budget for the Nevada Prepaid Tuition program is \$1,053,761 for FY 2001-02 and \$1,076,652 for FY 2002-03, with a total of \$1,502,676 appropriated from the state General Fund as a loan during the two fiscal years. The State Treasurer assured the 2001 Legislature that his office would not seek additional funding from the state General Fund for this program in the future.

MILLENNIUM SCHOLARSHIP

Senate Bill 496 of the 1999 Legislative Session established the Millennium Scholarship program within the State Treasurer's Office. The legislation requires that 40 percent of the proceeds from tobacco agreements be deposited in a trust fund in an effort to increase the number of students who attend and graduate from Nevada institutions of higher education.

The first recipients of the Millennium Scholarship graduated from high school after May 1, 2000 and enrolled as freshmen at a UCCSN institution in the fall of 2000. The Millennium Scholarship Trust Fund provided approximately \$3.77 million to 4,268 students in the fall 2000 semester and about \$3.15 million to 3,566 students in the spring semester of 2001. Senate Bill 113 of the 2001 Legislative Session expanded the program to provide for the disbursement of the Millennium Scholarship to students of certain additional colleges and universities in Nevada. The legislation also clarified eligibility for students who do not graduate from high school at the time regularly scheduled for their graduation by specifying that a student may apply for the scholarship if he received his high school diploma within five years after he was scheduled to graduate.

The 2001 Legislature augmented the budget for the Millennium Scholarship program by increasing the authorized staff from a total of 3.5 FTE positions to a total of 5.5 FTE positions. The Millennium Scholarship program is completely financed by the Millennium Scholarship Trust Fund and within the two percent administrative cost limit.

BOND INTEREST AND REDEMPTION

The Bond Interest and Redemption Fund provides the funds necessary to redeem debt instruments of the state. The Nevada Constitution limits the state's general obligation debt to two percent of assessed valuation. However, debt issued for the protection and preservation of property or natural resources of the state is not considered for purposes of determining the constitutional debt limit. The state's estimated bonding capacity after deducting general obligations approved by the 2001 Legislature is set forth in the table below.

DEBT LIMIT

	AS OF JUNE 30, 2001
2% of Assessed Valuation	\$1,075,730,871
Bonds Outstanding	(\$749,680,000)
New Bonds – SB 584 (2001 CIP)	(\$196,490,014)
Planned Cultural Affairs Bonds	(\$4,000,000)
DETR Office Building Bonds	(\$4,242,435)
Wildlife Fish Hatchery Bonds	(\$3,500,154)
CCA Refunded Prison Bonds	(\$24,500,000)
Subtotal of New and Outstanding Bonds	(\$982,412,603)
Estimated Remaining Capacity*	\$93,318,268

*Does not include long-term lease obligations and energy retrofit project obligations that may be construed as debt.

The table estimates the bonding capacity based on the issuance of all bonds approved by the 2001 Legislature during FY 2001-02. However, the 2001 CIP legislation (S.B. 584) authorizes the State Board of Finance to sell the general obligation bonds authorized for the 2001 capital improvement program at the time deemed appropriate by the board based on the schedule established for the completion of the capital improvement projects. Additionally, bonds will only be sold after a debt affordability study performed by the State Treasurer indicates that sufficient revenues will be generated from the \$0.15 property tax rate imposed pursuant to S.B. 584 to pay the debt service on the bonds.

Because all of the bonds authorized by the 2001 Legislature will not be issued during FY 2001-02, the remaining bonding capacity will increase as assessed valuations increase during the 2001-03 biennium. Additionally, monthly principal payments will reduce the outstanding debt and increase the remaining debt capacity during the 2001-03 biennium.

JUDICIAL BRANCH

The budgets of judicial agencies are included in The Executive Budget but are not subject to review by the Governor, pursuant to NRS 353.246. The judiciary budgets include the Supreme Court, the Administrative Office of the Courts (AOC), Planning and Analysis, Uniform System of Judicial Records, Judicial Education, Law Library, District Judges' Salary, Retired Justice Duty Fund, Travel and Pension accounts, the Commission on Judicial Selection, the Commission on Judicial Discipline, and the Committee on Judicial Ethics. Judiciary funding is derived from several sources, including General Fund appropriations, court administrative assessments, disqualification fees and miscellaneous revenue.

Pursuant to NRS 176.059, at least 51 percent of the revenue from court administrative assessments collected by the State Treasurer must be distributed to the Administrative Office of the Courts for allocation among the various judicial budgets as follows: 60 percent to the Supreme Court, 18.5 percent to the Administrative Office of the Courts, 9 percent for continuing judicial education, 9 percent for a uniform system of judicial records, and 3.5 percent for retired justices and judges recalled to service. Historically, the amount of administrative assessment revenue distributed to the judiciary has been limited to the legislatively authorized amount.

However, with the passage of S.B. 139 by the 2001 Legislature, 51 percent of the actual collections will be transferred to the judiciary. In addition, S.B. 139 provides that any amount appropriated by the Legislature from the state General Fund for the support or operation of the Supreme Court during a fiscal year must be reduced to the extent that the amount of any administrative assessments distributed to the court administrator for allocation to the Supreme Court pursuant to NRS 176.059 exceeds the amount which is authorized by the Legislature for that fiscal year, and the amount so reduced reverts to the state General Fund upon the close of that fiscal year. The court's share of administrative assessment revenue is projected to be \$6.79 million in FY 2001-02 and \$7.26 million in FY 2002-03.

The General Fund appropriation in support of the judiciary was approved in the amount of \$14.6 million for FY 2001-02, which represents a 1.8 percent increase over FY 2000-01, and \$16.0 million in FY 2002-03, which represents a 9.6 percent increase over FY 2001-02. This increase is primarily attributable to the salary increases approved by the Legislature for district court judges in S.B. 184 and the increase in the number of district court judges in the Second and Eighth Judicial Districts as approved by the 2001 Legislature in S.B. 137 and by the 1999 Legislature in A.B. 38 and S.B. 401.

SUPREME COURT

The Legislature approved the Supreme Court's request for a new Deputy Supervisory Staff Attorney to assist the court clerk in reporting judicial decisions and a Management Analyst III to coordinate a new Court Interpreters Certification Program.

Senate Bill 184, as approved by the 2001 Legislature, increases the annual salary of the Supreme Court Justices from \$107,600 to \$140,000 effective in January 2003. A.B. 4 of the 17th Special Session (A.B. 232 of the 2001 Legislature) creates an actuarially-funded judicial retirement system. The approved budget for the Supreme Court includes funding for these salary increases and for contributions to the new retirement system effective January 2003.

PLANNING AND ANALYSIS

The Legislature approved the request for a new Court Business Analyst to assist the trial courts with their case management systems, and a new Computer Network Specialist to assist the trial courts with their automated systems. However, the Legislature modified the request of the court to finance the Computer Network Specialist with General Funds and instead approved the new position to be funded with administrative assessment revenue in the Uniform System of Judicial Records account.

DISTRICT JUDGES' SALARY

The state provides funding for the salaries of district court judges, while the counties provide funding for support staff, facilities and operating costs. The Legislature approved the addition of one family court judge in the Second Judicial District and two district court judges and one family court judge in the Eighth Judicial District effective January 2003. Funding to support

these additional judges was approved in the amount of \$326,352, which represents funding for these new judges for the last six months of the biennium.

Senate Bill 184, as approved by the 2001 Legislature, increases the annual salary of the district court judges from \$100,000 to \$130,000 effective January 2003. A.B. 4 of the 17th Special Session (A.B. 232 of the 2001 Legislature) creates an actuarially-funded judicial retirement system. The approved budget for the district judges' salaries includes funding for these salary increases and for contributions to the new retirement system effective January 2003.

JUSTICES', JUDGES' AND SURVIVORS' PENSIONS

Assembly Bill 4 of the 17th Special Session (A.B. 232 of the 2001 Legislature) was approved to create an actuarially-funded judicial retirement system. A General Fund appropriation in the amount of \$5,000,000 was approved to partially fund the unfunded accrued liability for judicial pensions. As recommended in The Executive Budget, both the Supreme Court and the District Court Judges account will begin making contributions to the judicial retirement system in January 2003; the new system will begin making pension disbursements at that time.

LEGISLATIVE BRANCH

LEGISLATIVE COUNSEL BUREAU

The Legislative Counsel Bureau (LCB) consists of the Legislative Commission and the Administrative, Audit, Fiscal Analysis, Legal and Research Divisions. The General Appropriations Act includes the operating appropriations for the Legislative Counsel Bureau, as well as the Legislative Interim operations budget. General Fund support for the 2001-03 biennium increased 11.7 percent over amounts approved for operations during the 1999-2001 biennium.

The 2001 Legislature also approved several other appropriation bills for the Legislative Branch, which include:

- Assembly Bill 183 for \$73,100 for reprinting out-of-print Nevada Reports;
- Assembly Bill 187 for \$700,000 to purchase additional information systems hardware and software;
- Assembly Bill 189 for \$715,700 for maintenance and rehabilitation projects for the Legislative Building, the Sedway Office Building and the parking garage;
- Assembly Bill 527 for \$747,823 for replacement equipment and maintenance projects for the LCB; and
- Senate Bill 199 for \$1,578,100 for the purchase and light renovation of the Capitol Apartments located at 201 East Sixth Street (Carson City).

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
CONSTITUTIONAL AGENCIES					
EXECUTIVE BRANCH					
OFFICE OF THE GOVERNOR	1,919,013	2,758,508	2,413,690	2,746,502	2,367,465
GENERAL FUND	1,811,513	2,751,008	2,406,190	2,739,002	2,359,965
BALANCE FORWARD	100,000				
OTHER FUND	7,500	7,500	7,500	7,500	7,500
MANSION MAINTENANCE	306,837	268,072	269,533	336,353	336,415
GENERAL FUND	306,837	268,072	269,533	336,353	336,415
WASHINGTON OFFICE	259,300	259,300	259,300	259,300	259,300
INTER AGENCY TRANSFER	259,300	259,300	259,300	259,300	259,300
HIGH LEVEL NUCLEAR WASTE	4,538,311	4,135,507	3,910,800	4,157,057	3,905,972
GENERAL FUND	1,070,627	1,149,783	886,113	1,171,333	881,285
BALANCE FORWARD	133,968				
FEDERAL FUND	336,209				
INTER AGENCY TRANSFER	2,907,507	2,861,037	2,900,000	2,861,037	2,900,000
OTHER FUND	90,000	124,687	124,687	124,687	124,687
ETHICS COMMISSION	360,384	335,724	319,242	343,460	319,003
GENERAL FUND	359,639	335,616	319,134	343,352	318,895
OTHER FUND	745	108	108	108	108
GOV, OFFICE OF CONSUMER HEALTH ASSI	642,088	911,547	913,011	930,238	923,743
GENERAL FUND	251,001	325,406	306,354	339,832	310,249
BALANCE FORWARD		65,026	174,361	62,874	55,887
INTER AGENCY TRANSFER	50,314				
OTHER FUND	340,773	521,115	432,296	527,532	557,607
LIEUTENANT GOVERNOR	446,966	458,717	434,686	489,121	454,173
GENERAL FUND	446,966	458,717	434,686	489,121	454,173
ATTORNEY GENERAL ADMIN FUND	18,066,016	19,012,097	17,523,493	19,958,771	18,041,811
GENERAL FUND	8,441,422	10,483,300	9,767,901	11,005,011	9,485,575
FEDERAL FUND	2,191,844	411,079		411,079	
INTER AGENCY TRANSFER	6,317,262	7,128,069	7,286,085	7,499,685	8,035,608
INTERIM FINANCE	73,655				
OTHER FUND	1,041,833	989,649	469,507	1,042,996	520,628
SPECIAL FUND	67,858	102,192	102,401	102,192	102,411
GENERAL FUND	67,858	102,192	102,401	102,192	102,411
ATTORNEY GENERAL INSURANCE FRAUD	771,966	915,592	915,592	1,004,866	993,981
BALANCE FORWARD	29,962			89,274	78,389
OTHER FUND	742,004	915,592	915,592	915,592	915,592

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
EXECUTIVE BRANCH					
AG MEDICAID FRAUD	1,415,800	1,680,651	1,803,119	1,762,469	1,920,151
GENERAL FUND	31,016	1,000	1,000	1,000	1,000
BALANCE FORWARD	309,282	323,436	323,436	375,223	333,707
FEDERAL FUND	742,533	847,202	969,670	877,376	1,076,574
INTER AGENCY TRANSFER	101,000	176,097	176,097	175,954	175,954
OTHER FUND	231,969	332,916	332,916	332,916	332,916
AG, VICTIMS OF DOMESTIC VIOLENCE	186,339	2,045,630	2,041,690	2,033,681	2,026,821
BALANCE FORWARD	69,687	44,687	44,687	34,904	31,484
FEDERAL FUND		1,942,346	1,939,582	1,940,180	1,937,412
INTER AGENCY TRANSFER	84,869				
OTHER FUND	31,783	58,597	57,421	58,597	57,925
ATTORNEY GENERAL-WORKERS' COMP FR	2,151,728	2,328,057	2,401,222	2,392,377	2,598,148
BALANCE FORWARD	40,509	37,723	37,723		
INTER AGENCY TRANSFER	2,061,219	2,249,713	2,322,878	2,351,756	2,557,527
OTHER FUND	50,000	40,621	40,621	40,621	40,621
AG OFFICE OF CONSUMER PROTECTION	3,147,297	3,563,534	3,486,703	3,823,892	3,683,398
GENERAL FUND	1,009,402	1,124,100	1,047,269	1,165,280	1,050,388
BALANCE FORWARD	470,358	423,213	423,213	642,391	616,789
INTER AGENCY TRANSFER	1,667,537	1,867,087	1,867,087	1,867,087	1,867,087
OTHER FUND		149,134	149,134	149,134	149,134
AG CRIME PREVENTION	244,339	276,441	261,600	288,878	268,052
GENERAL FUND	239,339	272,150	254,159	284,587	257,461
BALANCE FORWARD					3,150
OTHER FUND	5,000	4,291	7,441	4,291	7,441
ATTORNEY GENERAL TORT CLAIM FUND	5,677,780	6,198,720	6,198,720	6,244,188	6,085,552
BALANCE FORWARD	1,942,733	2,273,569	2,273,569	2,290,202	2,131,566
INTER AGENCY TRANSFER	3,733,270	3,925,060	3,925,060	3,953,895	3,953,895
OTHER FUND	1,777	91	91	91	91
AG EXTRADITION COORDINATOR	670,585	651,165	641,629	656,036	641,530
GENERAL FUND	580,853	562,330	543,738	567,201	538,745
OTHER FUND	89,732	88,835	97,891	88,835	102,785
AG COUNCIL FOR PROSECUTING ATTORNE	157,888	123,541	130,733	127,476	140,392
GENERAL FUND	97,054	1,765	100	1,880	100
BALANCE FORWARD	13,314	13,314	13,314		
FEDERAL FUND	30,000				
OTHER FUND	17,520	108,462	117,319	125,596	140,292
CONTROLLER'S OFFICE	2,970,797	3,562,958	3,424,129	3,735,379	3,539,784
GENERAL FUND	2,781,191	3,562,958	3,424,129	3,735,379	3,539,784
BALANCE FORWARD	189,606				

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
EXECUTIVE BRANCH					
SECRETARY OF STATE	10,051,589	7,794,277	7,188,010	8,407,007	7,757,082
GENERAL FUND	4,476,973	5,031,703	4,675,750	5,512,337	4,984,395
BALANCE FORWARD	569,447				
OTHER FUND	5,005,169	2,762,574	2,512,260	2,894,670	2,772,687
STATE TREASURER	1,523,125	1,739,939	1,740,095	1,689,288	1,732,514
GENERAL FUND	1,012,630	1,039,165	1,039,321	1,001,213	1,044,439
INTER AGENCY TRANSFER	225,000	225,000	225,000	225,000	225,000
OTHER FUND	285,495	475,774	475,774	463,075	463,075
MILLENNIUM SCHOLARSHIP ADMINISTRATI	379,432	548,281	533,881	485,329	475,217
GENERAL FUND		74,000			
OTHER FUND	379,432	474,281	533,881	485,329	475,217
TREASURER HIGHER EDUCATION TUITION	1,082,268	1,103,110	1,053,761	1,128,164	1,076,652
GENERAL FUND	755,768	782,735	731,610	822,162	771,066
OTHER FUND	326,500	320,375	322,151	306,002	305,586
MUNICIPAL BOND BANK REVENUE	79,604,528	79,594,746	79,594,746	79,452,303	79,452,303
BALANCE FORWARD	175,733	175,733	175,733	175,733	175,733
OTHER FUND	79,428,795	79,419,013	79,419,013	79,276,570	79,276,570
MUNICIPAL BOND BANK DEBT SERVICE	80,582,285	80,572,503	80,572,503	80,411,681	80,411,681
BALANCE FORWARD	1,128,490	1,128,490	1,128,490	1,128,490	1,128,490
INTER AGENCY TRANSFER	79,203,795	79,194,013	79,194,013	79,033,191	79,033,191
OTHER FUND	250,000	250,000	250,000	250,000	250,000
BOND INTEREST & REDEMPTION	152,508,078	151,749,677	151,749,677	154,355,155	154,355,155
BALANCE FORWARD	36,129,814	37,709,795	37,709,795	38,120,893	38,120,893
INTER AGENCY TRANSFER	30,843,793	28,538,458	28,538,458	28,811,802	28,811,802
OTHER FUND	85,534,471	85,501,424	85,501,424	87,422,460	87,422,460
UNCLAIMED PROPERTY	551,175	608,837	619,544	633,343	627,620
GENERAL FUND	129,327				
OTHER FUND	421,848	608,837	619,544	633,343	627,620
SUB-FUNCTION RECAP					
EXECUTIVE BRANCH	370,283,772	373,299,323	370,503,510	377,954,506	374,496,326
GENERAL FUND	23,869,416	28,326,000	26,209,388	29,617,235	26,436,346
BALANCE FORWARD	41,302,903	42,194,986	42,304,321	42,919,984	42,676,088
FEDERAL FUND	3,300,586	3,200,627	2,909,252	3,228,635	3,013,986
INTER AGENCY TRANSFER	127,454,866	126,423,834	126,693,978	127,038,707	127,819,364
INTERIM FINANCE	73,655				
OTHER FUND	174,282,346	173,153,876	172,386,571	175,149,945	174,550,542

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
CONSTITUTIONAL AGENCIES					
JUDICIAL BRANCH					
SUPREME COURT	7,569,255	8,806,688	7,905,710	9,425,613	8,227,648
GENERAL FUND	4,272,829	4,750,561	3,795,966	5,088,075	3,832,740
OTHER FUND	3,296,426	4,056,127	4,109,744	4,337,538	4,394,908
DIVISION OF PLANNING & ANALYSIS	381,103	533,189	393,570	554,761	377,613
GENERAL FUND	307,887	533,189	393,570	554,761	377,613
FEDERAL FUND	73,216				
ADMINISTRATIVE OFFICE OF THE COURTS	1,151,094	1,608,755	1,584,265	1,763,662	1,708,220
BALANCE FORWARD	138,060	326,182	326,182	363,735	362,212
OTHER FUND	1,013,034	1,282,573	1,258,083	1,399,927	1,346,008
SUPREME COURT JUSTICES' AND WIDOWS	334,530	341,117	336,786	253,238	175,260
GENERAL FUND	334,530	341,117	336,786	253,238	175,260
LAW LIBRARY	1,118,640	1,286,995	1,241,440	1,324,268	1,255,372
GENERAL FUND	1,107,240	1,275,027	1,229,472	1,312,300	1,243,404
OTHER FUND	11,400	11,968	11,968	11,968	11,968
RETIRED JUSTICE DUTY FUND	282,904	289,405	292,532	325,231	331,705
BALANCE FORWARD	91,247	54,895	54,895	74,306	77,433
OTHER FUND	191,657	234,510	237,637	250,925	254,272
JUDICIAL SELECTION	7,450	4,838	4,838	4,838	4,838
GENERAL FUND	7,450	4,838	4,838	4,838	4,838
JUDICIAL DISCIPLINE	377,632	441,535	410,393	458,890	421,271
GENERAL FUND	377,632	441,535	410,393	458,890	421,271
DISTRICT JUDGES' SALARY	6,957,909	7,364,533	7,364,533	8,916,918	9,399,420
GENERAL FUND	6,957,909	7,364,533	7,364,533	8,916,918	9,399,420
DISTRICT JUDGES' AND WIDOWS' PENSION	981,674	986,693	1,071,159	736,536	554,487
GENERAL FUND	981,674	986,693	1,071,159	736,536	554,487
DISTRICT JUDGES TRAVEL	495,478	612,480	612,480	626,912	624,487
BALANCE FORWARD	284,845	440,880	440,880	455,312	452,887
OTHER FUND	210,633	171,600	171,600	171,600	171,600
JUDICIAL EDUCATION	842,054	891,131	891,022	943,595	933,026
BALANCE FORWARD	349,227	279,955	279,955	283,806	279,184
OTHER FUND	492,827	611,176	611,067	659,789	653,842
UNIFORM SYSTEM OF JUDICIAL RECORDS	1,021,613	1,037,754	1,017,690	875,211	878,294
BALANCE FORWARD	528,786	404,623	404,623	245,751	224,452
OTHER FUND	492,827	633,131	613,067	629,460	653,842

BASN
FISBU514F

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
SUB-FUNCTION RECAP					
JUDICIAL BRANCH	21,521,336	24,205,113	23,126,418	26,209,673	24,891,641
GENERAL FUND	14,347,151	15,697,493	14,606,717	17,325,556	16,009,033
BALANCE FORWARD	1,392,165	1,506,535	1,506,535	1,422,910	1,396,168
FEDERAL FUND	73,216				
OTHER FUND	5,708,804	7,001,085	7,013,166	7,461,207	7,486,440

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
CONSTITUTIONAL AGENCIES					
LEGISLATIVE BRANCH					
LEGISLATIVE COUNSEL BUREAU	18,062,615	18,604,725	19,736,309	18,169,658	19,969,952
GENERAL FUND	17,683,549	17,639,454	18,760,947	17,946,055	19,733,313
BALANCE FORWARD	93,119				
HIGHWAY FUND			7,500		7,500
INTER AGENCY TRANSFER	95,947	98,271	100,862	90,603	96,139
OTHER FUND	190,000	867,000	867,000	133,000	133,000
NEVADA LEGISLATURE INTERIM	378,543	389,558	396,887	392,723	404,666
GENERAL FUND	378,543	389,558	396,887	392,723	404,666
SUB-FUNCTION RECAP					
LEGISLATIVE BRANCH	18,441,158	18,994,283	20,133,196	18,562,381	20,374,618
GENERAL FUND	18,062,092	18,029,012	19,157,834	18,338,778	20,137,979
BALANCE FORWARD	93,119				
HIGHWAY FUND			7,500		7,500
INTER AGENCY TRANSFER	95,947	98,271	100,862	90,603	96,139
OTHER FUND	190,000	867,000	867,000	133,000	133,000

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
CONSTITUTIONAL AGENCIES					
CONSTITUTIONAL AGENCIES					
GENERAL FUND	56,278,659	62,052,505	59,973,939	65,281,569	62,583,358
BALANCE FORWARD	42,788,187	43,701,521	43,810,856	44,342,894	44,072,256
FEDERAL FUND	3,373,802	3,200,627	2,909,252	3,228,635	3,013,986
HIGHWAY FUND			7,500		7,500
INTER AGENCY TRANSFER	127,550,813	126,522,105	126,794,840	127,129,310	127,915,503
INTERIM FINANCE	73,655				
OTHER FUND	180,181,150	181,021,961	180,266,737	182,744,152	182,169,982
TOTAL CONSTITUTIONAL AGEN	410,246,266	416,498,719	413,763,124	422,726,560	419,762,585
LESS: INTER AGENCY TRANSFER	127,550,813	126,522,105	126,794,840	127,129,310	127,915,503
NET-CONSTITUTIONAL AGENCI	282,695,453	289,976,614	286,968,284	295,597,250	291,847,082

EDUCATION



EDUCATION

The education function includes three sub-functions: the Nevada Department of Education (NDE), the University and Community College System of Nevada, and the Department of Cultural Affairs.

Historically, education has been the largest function in the state budget supported by the General Fund, and the 2001 Legislature continued this tradition. Appropriations approved by the 2001 Legislature for educational programs are 52.4 percent of total General Fund expenditures for the 2001-03 biennium.

Total General Fund appropriations for educational programs approved by the 2001 Legislature are approximately \$956.7 million for FY 2001-02 and approximately \$1 billion for FY 2002-03, a combined 12.8 percent increase over total appropriations approved by the previous legislative session.

DEPARTMENT OF EDUCATION

DISTRIBUTIVE SCHOOL ACCOUNT

The elected 11-member State Board of Education, acting through staff of the Department of Education, is responsible for administering the Distributive School Account (DSA). This account is the mechanism by which the state provides financial aid to Nevada's 17 county school districts. Payments (apportionments) from the DSA are determined by a formula called the Nevada Plan, which develops a guaranteed amount of basic support per pupil for each school district in the state. Direct financial aid to public schools (grades K-12) continues to be the largest single General Fund responsibility of Nevada's state government.

Total school district expenditures are estimated to be approximately \$1.87 billion and \$2.01 billion in the first and second years of the 2001-03 biennium, respectively. With the Class Size Reduction program included, the state's share of school district expenditures, which will be paid from the DSA, is budgeted at \$734.9 million in FY 2001-02 and \$794.1 million in FY 2002-03. State support comes from a combination of sources: General Fund appropriations; federal mineral land lease receipts; local school support tax on out-of-state sales which cannot be attributed to a particular county; interest earned on the Permanent School Fund; annual slot tax revenues in excess of \$5 million (less the 20 percent dedicated to the Special Higher Education Capital Construction (SHECC) fund); and estate tax revenue. General Fund appropriations, however, continue to fund approximately 80 percent of the state's responsibility.

Total guaranteed support for school districts, which includes state General Fund appropriations, state "earmarked" revenues (authorizations), local school support tax and 25 cents of the 75-cent property tax levy for school operations, is approximately \$3.2 billion for the 2001-03 biennium, a 13.5 percent increase over the amount approved by the 1999 Legislature. In addition to this guaranteed funding, school districts receive other revenue *outside* the Nevada Plan, such as the 50-cent portion of local property tax, motor vehicle privilege tax, non-categorical federal funds, interest income, tuition and rent.

**DISTRIBUTIVE SCHOOL ACCOUNT
FINAL LEGISLATIVELY APPROVED BUDGET**

	5/30/2001			Governor	Legislatively		Governor	Legislatively
	Actual	Estimated	Agency Req.	Recommends	Approved	Agency Req.	Recommends	Approved
	1999-00	2000-01	2001-02	2001-02	2001-02	2002-03	2002-03	2002-03
Calculation of Basic Support:								
Paid Enrollment (weighted)	315,488.8	330,009.0	344,835.0	344,803.0	344,803.0	360,675.0	360,931.0	360,931.0
Change in Enrollment	4.96%	4.60%	4.49%	4.48%	4.48%	4.59%	4.68%	4.68%
Average Basic Support per Pupil	\$3,802	\$3,802	\$4,315	\$3,896	\$3,897	\$4,528	\$3,896	\$3,991
Total Basic Support	\$1,199,526,708	\$1,254,812,302	\$1,487,833,220	\$1,343,240,829	\$1,343,769,391	\$1,633,034,727	\$1,406,054,185	\$1,440,389,161
On-going Program Funding:								
Class-size Reduction Program	\$82,900,043	\$86,880,711	\$91,403,779	\$91,822,619	\$91,822,619	\$99,586,666	\$97,774,795	\$99,730,291
Special Education Units *	\$62,985,218	\$67,330,199		\$72,014,496	\$72,004,754		\$76,892,469	\$76,868,064
Special Units for Gifted/Talented	\$140,256	\$146,945	\$149,885	\$157,168	\$157,168	\$152,883	\$167,321	\$167,321
Adult High School Diploma	\$12,851,826	\$13,736,786	\$14,594,497	\$14,692,482	\$14,692,482	\$15,662,129	\$15,641,566	\$15,641,566
School Improvement Programs:								
Remediation Programs	\$4,278,000	\$4,300,000	\$4,300,000	\$8,075,629	\$6,750,000	\$4,300,000	\$8,371,199	\$6,750,000
Professional Development	\$3,500,000	\$3,500,000	\$3,500,000	\$5,217,255	\$4,695,530	\$3,500,000	\$6,111,972	\$5,500,775
Student Assessments	\$1,200,000	\$1,200,000	\$1,200,000			\$1,200,000		
NV Early Intervention Program				\$5,000,000	\$4,500,000		\$5,000,000	\$4,500,000
Special Funding:								
Advance of Tax on Net Proceeds	\$3,687,525							
SMART Student Record System	\$2,000,000	\$2,000,000	\$2,024,050			\$2,024,050		
Educational Technology	\$1,526,532	\$1,900,000	\$487,235			\$487,235		
Distance Learning/Satellite Downlink	\$400,000	\$400,000						
State-funded School to Careers	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$500,000	\$1,000,000		
Early Childhood Education Programs	\$500,000	\$500,000	\$4,500,000	\$4,500,000	\$3,500,000	\$4,500,000	\$4,500,000	\$3,500,000
Special Student Services/Counsel	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000
Special Transportation (Lyon Co)	\$44,675	\$44,675	\$44,675	\$44,675	\$44,675	\$44,675	\$44,675	\$44,675
Class-Size Reduction Evaluation			\$330,000			\$330,000		
English Plus--Eng. Language Lrng.			\$625,000			\$625,000		
Bonus Growth Payment	\$43,296							
Eureka County Adjustment	(\$792,419)	(\$1,020,976)						
Non-Traditional Students Adjustment	\$8,261							
Total Requirements	\$1,376,649,921	\$1,437,580,642	\$1,612,842,341	\$1,546,615,153	\$1,543,286,619	\$1,767,297,365	\$1,621,408,182	\$1,653,941,853
Less Local Revenues:								
Local Sch Support Tax	(\$604,132,388)	(\$637,098,000)	(\$653,497,367)	(\$678,194,347)	(\$675,960,978)	(\$679,637,262)	(\$715,495,036)	(\$715,166,715)
25-Cent Property Tax	(\$114,935,803)	(\$124,373,120)	(\$136,315,919)	(\$134,179,849)	(\$132,381,684)	(\$148,584,352)	(\$146,625,318)	(\$144,666,704)
Eureka County Adjustment	\$1,460,611	\$1,527,031						
State Share	\$659,042,341	\$677,636,553	\$823,029,055	\$734,240,957	\$734,943,957	\$939,075,751	\$759,287,828	\$794,108,434
State DSA Revenue:								
General Fund Appropriation	\$545,989,329	\$564,375,448	\$702,317,727	\$588,556,850	\$588,121,907	\$818,364,423	\$609,507,161	\$642,986,176
Annual Slot Tax	\$38,260,686	\$39,492,680	\$38,260,686	\$39,978,440	\$39,978,440	\$38,260,686	\$40,222,309	\$40,222,309
Investment Income	\$3,744,428	\$3,744,428	\$3,744,428	\$3,744,428	\$4,994,428	\$3,744,428	\$3,744,428	\$4,994,428
Mineral Land Lease	\$2,412,306	\$2,412,306	\$2,412,306	\$2,412,306	\$2,412,306	\$2,412,306	\$2,412,306	\$2,412,306
Out-of-State Sales Tax	\$62,402,171	\$65,916,000	\$62,402,171	\$70,048,933	\$69,936,876	\$62,402,171	\$73,901,624	\$73,993,215
Estate Tax Revenue	\$13,891,737	\$16,767,624	\$13,891,737	\$29,500,000	\$29,500,000	\$13,891,737	\$29,500,000	\$29,500,000
Balance From Previous Year		\$7,643,116						
Prior Year Refunds	\$25,991							
Total State Revenue	\$666,726,649	\$700,351,602	\$823,029,055	\$734,240,957	\$734,943,957	\$939,075,751	\$759,287,828	\$794,108,434
Reverted to State General Fund	\$41,192	\$22,715,049						
Balanced Forward to Next Year	\$7,643,116							
Balance	(\$0)	\$0	\$0	\$0	\$0	\$0	(\$0)	\$0
Total Spent per Pupil	\$5,331	\$5,553	N/A	\$5,424	\$5,426	N/A	\$5,464	\$5,559

*Special Education Units: FY 2001-02: 2,402 units @ \$29,977 each; and FY 2002-03: 2,514 units @ \$30,576 each, adjusted for Legislatively Approved FY 2001-02 and FY 2002-03 to reflect actual special education allocation to local school districts as provided by the Department of Education

As noted previously, payments (apportionments) from the DSA are determined by a formula called the Nevada Plan, which develops a guaranteed amount of basic support per pupil for each of the school districts. The amount of basic support guaranteed per pupil for each of the school districts is listed in S.B. 585, the major school funding bill of the 2001 Legislative Session. For FY 2001-02, the amount of guaranteed basic support, which is calculated by a formula that considers geographic characteristics, transportation costs and relative wealth of the districts, averages \$3,897 per pupil but ranges from \$3,052 per pupil in mineral-rich Eureka County to \$7,861 per pupil in remote, rural Esmeralda County. The state, through the DSA, and local school districts, through local school support tax and property tax, share the responsibility for providing the dollars needed to fund the guaranteed basic support.

In addition to guaranteed basic support per pupil, categorical support for special education was added to the Nevada Plan in 1973 and has been expanded by each subsequent Legislature. The DSA also provides state aid for adult high school diploma programs, including those operated within the state's prisons. The 1999 Legislature included the Class Size Reduction program, the largest state-funded categorical program, within the DSA. It previously had been accounted for in a separate trust fund since the program's inception in 1989.

Average basic support per pupil, which is the weighted average of all of the individual school districts' basic support guarantees, remains stable over the 2001-03 biennium, increasing from the legislatively approved amount of \$3,804 in FY 2000-01 to \$3,897 in FY 2001-02 and \$3,991 in FY 2002-03. In addition, total spending per pupil increases from \$5,331 in FY 1999-2000 to \$5,426 in FY 2001-02 and \$5,559 in FY 2002-03. Revenue outside the Nevada Plan increases from \$1,009 per pupil in FY 1999-2000 to \$1,160 per pupil in FY 2001-02.

Senate Bill 585 also includes provisions for a limited adjustment to be made in each school district's guaranteed basic support figure in the second year of the biennium. For FY 2002-03, the estimated aggregate basic support guarantee is based upon an anticipated increase in assessed valuation of 9.3 percent over the prior year. Since actual increases in assessed value will vary among the counties, the bill allows the Department of Education to adjust the property tax portion of the wealth factor within the school funding formula for the second year of the biennium in order to more equally distribute educational dollars throughout the state by using the certified estimate of assessed valuation for each school district for FY 2002-03 prepared by the Department of Taxation on or before April 1, 2002. The adjustment may also take into account each district's actual enrollment in FY 2002-03 and up-to-date estimates of net proceeds of minerals received from mine operators.

One of the most important assumptions upon which the budget for the DSA is based is the anticipated rate of growth in enrollment. To develop enrollment estimates, the Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau work closely with demographers employed by the state and school districts, school district officials, and representatives from business and local governments. For several years, Nevada has led the nation in the rate of growth in school enrollment, but that trend appears to be slowing. Weighted enrollment increased 9.8 percent over the 1999-2001 biennium, to approximately 330,000 pupils. Although Clark County School District's enrollment was 6.6 percent higher in FY 2000-01, 13 of the 17 school districts experienced a decline in enrollment and, with the exception of Eureka County, used the prior year's enrollment count for

apportionment purposes, pursuant to the “hold harmless” provision of NRS 387.1233(2) which buffers school districts from the effects of declining enrollment. S.B. 165, as approved by the 2001 Legislature, expands the “hold harmless” provision to allow for a two-year period (i.e., the largest enrollment number for either of the immediately preceding two school years is utilized for apportioning money from the DSA to the school districts and charter schools in which enrollment has declined). The 2001 Legislature concurred with the enrollment projections contained in The Executive Budget, which anticipated enrollment would increase to 344,803 students in FY 2001-02 (4.48 percent increase) and 360,931 students in FY 2002-03 (4.68 percent increase). The Executive Budget estimated growth will cost approximately \$73.5 million the first year of the biennium and \$138.8 million the second year, but growth in revenues, most notably the local school support tax and property tax, will more than cover the cost of enrollment growth. Operating and equipment costs, as recommended by the Governor and approved by the Legislature, were budgeted to cover additional students and staff and additional square footage of buildings.

To determine the number of classroom teachers needed to handle the increased enrollment, the Budget Division calculated the actual student-teacher ratio in the FY 1999-2000 base year at 19.08:1, and maintained the same student-teacher ratio for each year of the 2001-03 biennium. The 2001 Legislature approved the staffing ratios as recommended by the Governor.

Funding provided through the DSA for the 2001-03 biennium allows for “roll-up costs” of two percent per year (three percent for class size reduction classroom teachers) to cover the cost of school district employees' salary increments for additional years of service or training. Although not recommended in The Executive Budget, additional funding of approximately \$34.7 million was added by the Legislature for an across-the-board two percent salary increase for teachers and other educational personnel of a school district in FY 2002-03. Compensation received by an employee also is impacted by the school district’s financial situation and the outcome of its contract negotiations with employee groups.

The Executive Budget included additional funding for textbooks, library books, instructional supplies and instructional software to handle the growth in enrollment, but no increase was budgeted for inflation above per-pupil amounts spent in the base year. For the 2001-03 biennium, recommended per-pupil amounts for these instructional items are as follows:

INSTRUCTIONAL EXPENSES	ACTUAL YEAR FY 1999-2000	FY 2001-02	FY 2002-03
Textbooks	\$43.43	\$43.43	\$43.43
Library Books	6.45	6.46	6.46
Instructional Supplies	61.61	61.61	61.61
Instructional Software	3.78	3.94	3.94

Additional inflation for utilities amounting to \$2.1 million over the Governor’s recommendation was also approved. Overall, \$5.6 million in the first year and \$12.5 million in the second year of the biennium were added to address school districts’ concerns about increased costs of heat and electricity.

After the Department of Taxation issued its projections of assessed valuation in March 2001 and the Economic Forum projected General Fund revenues in May 2001, revenues earmarked for schools were recalculated. As a result, the 25-cent portion of the property tax was revised to reflect a 6.44 percent projected increase in the assessed valuation in FY 2001-02 (reduced from a 7.3 percent increase in The Executive Budget). Since the 25-cent portion of the property tax is within the DSA and is part of the guaranteed per-pupil basic support, lowering the 25-cent portion required increasing the General Fund requirement by \$1,798,165 in FY 2001-02 and \$1,958,614 in FY 2002-03. The 50-cent portion of the property tax was unchanged. Sales tax projections were revised to reflect the growth rates projected by the Economic Forum. The result was a shortfall in the Local School Support Tax (LSST) for fiscal years 2000-01, 2001-02, and 2002-03 compared to amounts recommended in The Executive Budget, which were based on growth rates estimated by the Economic Forum in December 2000. The out-of-state LSST was also recalculated and estimated to have shortfalls in fiscal years 2000-01 and 2001-02, and a surplus of \$91,591 in FY 2002-03. The net effect on sales tax revenues was a shortfall of \$2,875,887 in FY 2000-01, \$2,345,426 in FY 2001-02, and \$236,730 in FY 2002-03. The FY 2000-01 shortfall was offset with surplus estate tax collections from FY 1999-2000. The fiscal year 2001-02 and 2002-03 shortfalls were replaced with General Fund. In addition, projections in the amount of interest to be earned on the principal in the Permanent School Fund were increased by \$1.25 million per year to \$4,994,428 per year, which reduced the General Fund requirement by the same amount.

Appropriations to the DSA were contained in two bills in the 2001 Session. S.B. 585 appropriates \$1.04 billion over the 2001-03 biennium for general support of schools, and A.B. 671 appropriates \$191.6 million over the biennium for the Class Size Reduction program. For the 2001-03 biennium, the state's responsibility for school funding increases 11.13 percent, and General Fund support increases 10.87 percent over legislatively approved levels for the previous biennium.

Major legislative actions concerning the financial support of Nevada's schools are contained in S.B. 585, the primary school funding bill of the 2001 Session. In addition to General Fund appropriations of \$496.3 million in the first year and \$543.3 million in the second year of the 2001-03 biennium, S.B. 585 authorizes the DSA to receive, and the Department of Education to expend, \$146.8 million in FY 2001-02 and \$151.1 million in FY 2002-03 of other (non-General Fund) revenues for the general support of public education. These other revenues include an annual tax on slot machines, sales tax collected on out-of-state sales, interest earned on the Permanent School fund, revenue from mineral leases on federal land, and estate tax revenue.

The Governor recommended, and the 2001 Legislature approved, continued funding through the DSA of the Class Size Reduction program, Special Education units, the Adult High School Diploma program, and elementary school counselors. Distributing these funds through the per-pupil basic support provides more flexibility to the school districts, but allocations of money for class size reduction and special education units will be calculated as in the past to ensure that school districts with the greatest need receive sufficient money to meet legal requirements. The Legislature's actions concerning each of these four programs and other key provisions of S.B. 585 follow.

CLASS SIZE REDUCTION PROGRAM

Assembly Bill 671, of the 2001 Legislative Session, authorizes the expenditure of \$91,822,619 and \$99,730,291 for support of the Class Size Reduction program in FY 2001-02 and FY 2002-03, respectively. This money will pay for the salaries and benefits of at least 1,866 class size reduction teachers hired to reduce pupil-teacher ratios in the first year of the biennium and 1,949 teachers in the second year. The Class Size Reduction program continues to be incorporated within the DSA, but program expenditures are tracked as a separate expenditure category to highlight the program. Funds are allocated based upon the number of teachers needed in each district to reach the ratios of 16 to 1 in first and second grades and 19 to 1 in third grade.

The Legislature also agreed to extend the flexibility allowed in the use of the third-grade funding to the money budgeted for first and second grades. For the last five years, school districts have been allowed to carry out alternative programs for reducing the ratio of pupils per teacher or to implement remedial programs that have been found to be effective in improving pupil achievement. To use the funds in this manner, school districts are required to receive approval from the Superintendent of Public Instruction of their written plan, evaluate the effectiveness of their program and ensure that the combined ratio of pupils per teacher in the aggregate of kindergarten through grade 3 does not exceed the combined ratio in those grades in school year 1998-99.

The Elko County School District again requested flexibility in using funding for class size reduction to continue a demonstration project, approved by the 1999 Legislature, to maintain pupil-teacher ratios of 22 to 1 in kindergarten through grade 6, in order to eliminate team teaching. The 2001 Legislature approved the district's request to continue the project, and again required an evaluation and report to the 2003 Legislature on the effectiveness of the project in improving pupil achievement.

SPECIAL EDUCATION

Nevada provides state funding for special education on the basis of special education program units, which are defined by NRS 387.1211 as organized instructional units in which a licensed, full-time teacher is providing an instructional program that meets minimum standards prescribed by the State Board of Education. To qualify for a full allocation, a program unit must have operated the full school day (330 minutes) of at least nine of the school months within a school year. Unless a program contains a properly licensed teacher or speech therapist providing instruction to an assigned caseload or class of pupils identified as eligible for special education, it does not qualify as a special education unit.

Senate Bill 585 provides 2,402 units at \$29,977 each in FY 2001-02 and 2,514 units at \$30,576 each in 2002-03. Increases in the number of units reflect the same rates of growth anticipated over the 2001-03 biennium for total school enrollment, and the money provided per unit increases two percent each year for "roll-up costs." Total funding for special education units amounts to \$72,004,754 and \$76,868,064 in the first and second years of the biennium, respectively. As in the past, 40 of the units will be reserved for the State Board of Education to allocate to local school districts facing overcrowded special education classes, high numbers of

children with disabilities or unique situations. For the first time, the Legislature also authorized charter schools to apply directly to the Department of Education for the reserved special education units, with final approval given by the State Board of Education. In addition to the 40 “discretionary” units, the bill adds five units for gifted and talented pupils to participate in programs incorporating educational technology, such as the “StarGATE” astronomy program. Any school district may apply for one or more of these units, which will be awarded by the Superintendent of Public Instruction.

ELEMENTARY SCHOOL COUNSELORS

Assembly Bill 268 of the 1991 Session authorized 23 elementary school counselors to develop programs to prevent drug abuse and reduce the number of dropouts, and in 1995, the Legislature increased the number of counselors from 23 to 50. Each school district received at least one counselor, and the rest were allocated on the basis of elementary student enrollment. The Governor’s budget for the 1999-2001 biennium recommended rolling all funds for elementary school counselors (approximately \$2.3 million per year) into the DSA, the effect of which would have been to increase the per-pupil support by approximately \$7 per pupil. Instead, the 1999 Legislature set a base level of \$50,000 per district for “special student counseling services” as separate, dedicated funding to ensure that small school districts would receive enough money to maintain their programs. Small school districts were concerned that they would not receive enough additional basic support to retain their counselors.

Senate Bill 585 authorizes \$850,000, in each year of the biennium, to be distributed as \$50,000 allocations for each of the 17 school districts. The allocation is to be utilized to support special counseling services for elementary pupils at risk of failure. The remainder of the funds budgeted for counselors is consolidated into the per-pupil support.

ADULT HIGH SCHOOL DIPLOMA PROGRAMS

To fund adult high school diploma programs, including those in prison facilities, the 2001 Legislature budgeted within the DSA \$14,692,482 and \$15,641,566 in the first and second years of the biennium, respectively. The Legislature intends that all funding for adult high school diploma programs (regular and prison programs) be administered by the Workforce Education branch of the Department of Education in order to ensure a more equitable distribution formula for those funds and to better account for expenditures.

The Department of Education requested, and the Legislature approved, funding formula changes that shift General Fund dollars away from prison education programming to the school districts, but attached a sunset clause of June 30, 2003. The Department of Education is required to provide a report to the 2003 Legislature of changes that were implemented and the effects, if any, on prison and school district adult education programming

SCHOOL IMPROVEMENT PROGRAMS

Four school improvement programs that focus on improving the academic achievement of pupils were approved for funding through the DSA. First, \$5.75 million per year was authorized for remedial education programs that have been found to be effective in increasing academic achievement in low-performing schools. This money will be available to schools that are designated as demonstrating need for improvement (i.e., schools that have more than 40 percent of pupils scoring in the bottom quarter in all four subjects included on the state-required norm-referenced test, also known as the TerraNova). In addition, the Legislature expanded this funding to include schools that have been designated as demonstrating adequate achievement, but have more than 40 percent of pupils score in the bottom quarter in at least one of four subjects tested. The 2001 Legislature continues General Fund support of \$1 million per year for approved programs of remediation and/or tutoring for pupils at risk of failure. Programs funded must be conducted before or after school, during the summer, or between sessions in schools with year-round calendars. These funds are available for pupils at any grade level, including those in danger of failing the high school proficiency test or of not being promoted to the next grade.

To help teachers teach to higher academic standards, approximately \$4.7 million in FY 2001-02 and \$5.5 million in FY 2002-03 were approved to continue the operating of four regional professional development programs (RPDPs) in Clark, Elko, Douglas and Washoe County School Districts. Funding for these programs was approved for the first time by the 1999 Legislature in Senate Bill 555. As in the past, an evaluation of the programs will be conducted and results will be reported to the 2003 Legislature.

Funding in the amount of \$4.5 million per year was approved for the new Nevada Early Literacy Intervention Program (NELIP) to train kindergarten through grade 3 teachers on methods to teach fundamental reading skills, including phonetic awareness, phonics, vocabulary, fluency, comprehension, and motivation. As outlined by the Governor and approved by the Legislature, the goal of the program is to ensure that all students are reading at grade level by the end of third grade. Funding for the NELIP is to be directed through the RPDPs described above.

SCHOOL-TO-CAREERS

For the past six years, the Legislature has made appropriations for the state-funded Schools-to-Careers program, which aims to prepare students to work in a highly skilled workforce by providing a rigorous academic background, career guidance and work-based learning opportunities. During the 1995-97 and 1997-99 bienniums, appropriations were made in the amount of \$2 million per year. The 1999 Legislature lowered the amount to \$1 million per year. The 2001 Legislature approved \$500,000 in FY 2001-02 to coincide with the federally funded component of the School-to-Careers program. The state money supplements the federal grant, which expires December 31, 2001. The state money will be distributed among the school districts, charter schools, and institutions of higher education within the state through base-level grants of \$25,000, with the remaining funds allocated on the basis of enrollment.

EARLY CHILDHOOD EDUCATION AND FAMILY LITERACY

To continue the state's efforts to establish early childhood education programs, \$3.5 million is budgeted each year of the 2001-03 biennium, an increase of \$3 million per year, for competitive state grants to school districts and community-based organizations for pre-school/pre-kindergarten programs. The Department of Education is required to submit written annual reports to the Legislature regarding the effectiveness of the early childhood programs.

OTHER SIGNIFICANT PROGRAM FUNDING INCLUDED IN THE BUDGETS OF THE DEPARTMENT OF EDUCATION

PROFICIENCY TESTING

During the 2001 Session, the department estimated a \$1.89 million shortfall for the High School Proficiency Examination (HSPE), which the Governor and Legislature remedied by shifting General Fund dollars from other programs to meet the revised costs for the administration of the state-mandated HSPE. The total proficiency testing budget, which includes funding for the HSPE, the state-required norm-referenced examination for grades 4, 8, and 10, criterion-referenced examinations for grades 3 and 5, and a writing examination for grades 4, 8, and 11, amounts to \$8.1 million for the 2001-03 biennium. This amount does not include the \$1.1 million appropriation for the development of a new criterion-referenced test for pupils in grade 8 discussed below in Senate Bill 13 of the 17th Special Session.

Senate Bill 251, approved by the 2001 Legislature, appropriated \$38,890 for a shortfall in the amount budgeted for contractual obligations for the TerraNova proficiency tests, a nationally-normed, standardized test that measures student performance in reading, language, mathematics and science at grades 4, 8, and 10.

TEACHER CERTIFICATION PROGRAM

The Executive Budget recommended, and the 2001 Legislature approved, funding in the amount of \$150,000 each year for up to 75 teachers to receive reimbursement of up to \$2,000 each for successful completion of the National Teacher Certification Program. This is a significant increase from the appropriation of \$20,000 approved by the 1999 Legislature.

STATEWIDE MANAGEMENT OF AUTOMATED RECORDS TRANSFER (SMART)

The Governor recommended, and the 2001 Legislature approved, a total of \$2.8 million in General Fund dollars to support the SMART program in the 2001-03 biennium. The following was approved by the Legislature:

- SMART replacement equipment in all school districts in the amount of \$697,300 for the 2001-03 biennium;
- The Lyon County conversion from Macschool to PowerSchool (as Macschool will no longer be supported) in the amount of \$165,023 in FY 2001-02;

- Funding for 16 school district SMART administrators and two consultants for direct technical assistance and training in the amount of \$1.4 million for the 2001-03 biennium; and
- Vendor costs of approximately \$470,000.

With regard to funding for SMART replacement equipment and personnel, the Legislature issued a letter of intent as a reminder that the funding approved is one-time in nature to support the SMART program in the 2001-03 biennium and should not be considered an ongoing, continuing responsibility of the state.

CLASSROOM-ON-WHEELS (COW)

The Classroom-on-Wheels (COW) program is a roving preschool for low-income children. The Governor's budget recommended, and the 2001 Legislature approved, funding in the amount of \$301,000 each year for the Classroom-on-Wheels program in the 2001-03 biennium, thereby doubling the funding that was available in the 1999-2001 biennium.

OTHER BILLS PROVIDING FUNDING TO LOCAL SCHOOL DISTRICTS

Senate Bill 427 appropriates \$9.95 million for the 2001-03 biennium to the Department of Education for the Commission on Educational Technology to distribute grants to local school districts for the purchase of computers, software, maintenance contracts, technical support, pilot programs, the KLVX Distance Learning Satellite Service, and for grants to the Division of State Library and Archives of the Department of Cultural Affairs for on-line resources. Another \$50,000 was appropriated to the Legislative Bureau of Educational Accountability and Program Evaluation to hire a consultant to conduct an evaluation of educational technology.

In addition, \$10 million was appropriated to the Department of Education to provide signing bonuses to teachers who are newly hired by school districts for the FY 2001-02 and FY 2002-03 school years. A newly hired teacher may not receive a signing bonus until he or she has taught for a school district in Nevada for at least 30 days. The amount of a bonus paid to each teacher in FY 2001-02 must not exceed \$2,000; in FY 2002-03 the amount paid to each teacher must not exceed \$2,500.

Senate Bill 458 appropriates \$34 million for FY 2001-02 to the Department of Education for a cost-of-living retention bonus of approximately three percent for all local school district employees.

Senate Bill 587 appropriates \$13 million to the Interim Finance Committee to provide allocations to school districts that incur unexpected expenses related to providing health insurance for their employees during the 2001-03 biennium. If a school district finds that it has unexpected expenses related to providing health insurance to its employees during the biennium, the school district may submit a request to the Department of Education for an allocation. The request will be jointly reviewed by the Department of Education, the Budget Division, and the Fiscal Analysis Division, and a recommendation will be submitted to the Board of Examiners. The

Board of Examiners will review the request and recommend an allocation amount to the Interim Finance Committee.

Senate Bill 518 (S.B. 8 of the 17th Special Session) appropriates \$6.5 million to the Interim Finance Committee to establish a one-time energy (utilities) pool to be available to school districts in meeting utility costs which are greater than the amounts budgeted for the 2001-03 biennium. If a school district finds that its utility costs are greater than the amounts budgeted for the biennium, the school district may submit a request to the Department of Education for an allocation from the energy pool. The request will be jointly reviewed by the Department of Education, the Budget Division, and the Fiscal Analysis Division, and a recommendation will be submitted to the Board of Examiners. The Board of Examiners will review the request and recommend an allocation amount to the Interim Finance Committee.

Senate Bill 588 (S.B. 9 of the 17th Special Session) appropriates \$5 million to the Interim Finance Committee for allocations to existing educational programs that are at risk of termination because of a lack of funding. If the administrator of an existing educational program believes that all appropriated monies for the program have been exhausted and the program is at risk of termination because of a lack of funding during the 2001-03 biennium, the administrator may submit a request to the Department of Education for an allocation from the \$5 million pool. The request will be jointly reviewed by the Department of Education, the Budget Division, and the Fiscal Analysis Division, and a recommendation will be submitted to the Board of Examiners. The Board of Examiners will review the request and recommend an allocation amount to the Interim Finance Committee.

Senate Bill 13 of the 17th Special Session appropriates \$1,106,265 to the Department of Education for the development of a new criterion-referenced test for pupils in grade 8. Pursuant to Senate Bill 148 (S.B. 3 of the 17th Special Session), the Department of Education is to conduct a pilot program of the new 8th grade examination or the questions included on the examination in the spring semester of 2002. The examination must be administered to all pupils commencing in the spring semester of 2003; results of this first administration will be used solely to gather information and data concerning the examinations.

DEPARTMENT OF EDUCATION - OPERATING BUDGETS

When the budgets were closed by the 2001 Legislature, 122.02 FTE positions and 122.77 FTE positions were authorized for the first and second years of the biennium, respectively. This represents an increase of 8.01 FTE positions and 9.5 FTE positions over the legislatively approved positions for the first and second years of the 1999-2001 biennium.

During the 1999 Legislative Session, the School-to-Careers budget was developed to eliminate staff over the 1999-2001 biennium, as a phase-down of the federal program. Unexpectedly, federal funding was continued for another year and the Interim Finance Committee approved increased staffing levels to allow for continued operation of the program. Because federal funding for this program expires December 31, 2001, the 2001 Legislature reduced the Assistant Director and the Management Assistant positions from full-time to a .75 FTE and a .50 FTE position, respectively, in FY 2001-02. The Grants and Programs Analyst position was eliminated on June 30, 2001. Both of the remaining positions will be eliminated at the end of

FY 2001-02 to align with the expiration of the federal funding for this program, after which the department will have 90 days for “cleaning-up” and “closing out.”

Due to the termination of the Job Training Partnership Act (JTPA) on June 30, 2000, a Grants and Projects Analyst position was eliminated.

New positions recommended in the Governor’s budget and approved by the 2001 Legislature includes an Administrative Services Officer to assume primary responsibility for oversight of the Distributive School Account (DSA). This position will analyze the DSA processes from building the biennial budget to running the basic support per student determination formula, as well as make decisions that will impact the per-student amounts that each school district and charter school will receive for operation of their schools. The DSA Administrator was specifically identified as the person who will implement several of the recommendations in the department’s revised response to the Legislative Counsel Bureau Audit Division’s *Analysis of Instructional Costs and Materials Available to Students Audit Report*, including updating the *Nevada Financial Accounting Handbook for Local Educational Agencies, August 1979*.

In response to the increase in the number of charter schools and the level of assistance required, both in the initial application process and for ongoing support, the charter school consultant position was increased from a half-time to a full-time position.

The Governor’s budget recommended adding a Management Analyst and a Computer Systems Programmer position for the transition from SMART contract services to Department of Education staff. The Legislature approved the Computer Systems Programmer position for FY 2002-03, but did not approve the Management Analyst position because the SMART system in Clark County School District will not be fully implemented until March 2003. It appears unlikely that a statewide report through SMART will be produced in the 2001-03 biennium. The Computer Systems Programmer will maintain and make modifications to NDE SMART software, and be responsible for accommodating state and/or federal data reporting changes and system improvements.

The 2001 Legislature also approved an elementary and secondary consultant position to coordinate all aspects of the K-8 criterion-referenced testing (CRT) program and work with department staff, school districts, and the Regional Professional Development Programs regarding the use of 3rd, 5th and 8th grade CRT results to improve teaching and learning.

The Governor’s budget recommended, and the Legislature approved, two additional auditor positions in order to meet the statutory mandates to audit all school districts, including charter schools. One of the new auditor positions will be assigned to charter schools, and the other will focus on class-size reduction and adult and prison education program audits, as well as provide support for the annual audit count of students for apportionment. This position will also audit funding for statewide remedial education programs, including funding for schools in need of improvement; in addition, this position will audit the Regional Professional Development Programs. A .50 FTE Management Assistant position was approved to provide technical support to the audit staff.

An Information Systems Specialist position was approved to provide technical support for the department's network operating systems, personal computers and workstations, as well as technical support to users, including school district personnel electronically transmitting data for the SMART program, the Food and Nutrition program and the Teacher Licensure program. In addition, an Accounting Clerk position was approved to meet accounting needs for a travel desk and bill paying.

Two half-time Grants and Projects Analyst positions and a .25 FTE Management Assistant position that were approved by the Budget Division as temporary during the interim were approved as permanent positions by the 2001 Legislature. In addition, one of the Grants and Projects Analyst positions will be increased to full-time, provided the department can identify an appropriate federal funding source to pay the salary costs. The additional .50 FTE component is to be utilized as a grants writer position.

Decreased federal funding affected several positions that either had to be transferred or eliminated. Rather than eliminate two half-time positions in FY 2002-03, a Federal and Related Programs Consultant and a Management Assistant funded by federal GOALS 2000, the Legislature approved the transfer of the two positions to another budget account to be funded by federal Title I in FY 2002-03. Similarly, a decrease in federal Title IV funding resulted in a transfer of a Management Assistant position, to be funded by the Nutrition Education budget.

The Governor's budget recommended, and the 2001 Legislature approved, the transfer of the .50 FTE Deputy Superintendent of Finance and Accounting and the 1.0 FTE Planning, Research, and Evaluation Consultant from the Support Services budget to the Education State Programs budget. The Support Services budget is supported by indirect costs assessed against other budget accounts for administrative services. Since neither of these positions is eligible for federal indirect cost recovery, it was determined that these positions should not be paid from a pool where all receipts, state and federal, are derived from an indirect cost recovery process and pooled to pay administrative costs.

The 2001 Legislature approved several changes, as recommended by the Governor, to the Department of Education's budgets to simplify accounting. The Executive Budget recommended consolidation of the budget for out-of-district placements of handicapped children with the federal special education budget. The Executive Budget also recommended directly allocating the General Fund portion of indirect costs to the Support Services budget to eliminate the need for journal vouchering General Fund indirect costs and alleviate cash flow problems early in the fiscal year. In addition, the Governor's budget recommended the transfer and consolidation of salaries and costs of less than full-time equivalent positions into a new Staffing Services budget account.

COMMISSION ON POSTSECONDARY EDUCATION

The Commission on Postsecondary Education (CPE) provides consumer protection for Nevadans through its oversight of the private postsecondary educational institutions operating in Nevada. The commission is responsible for licensing and inspecting private postsecondary institutions, approving public and private postsecondary institutions for training programs supported by the U.S. Veterans Administration, and for resolving student complaints. The commission manages a

Student Indemnification Account that was created by the 1995 Legislature to reimburse students for damages received from the closure of licensed, postsecondary institutions. The seven-member commission is appointed by the Governor and is assisted by a four-member staff.

The 2001 Legislature approved the Governor's recommended 2001-03 budget for the Commission on Postsecondary Education. In addition, the Legislature passed Senate Bill 237, which removes the commission from the Department of Education and makes the commission an independent agency. No additional costs were projected by the agency in becoming an independent agency.

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA (UCCSN)

The University and Community College System of Nevada (UCCSN) comprises the Chancellor's Office; the University of Nevada, Reno (UNR); the University of Nevada, Las Vegas (UNLV); the Nevada State College at Henderson (NSCH); Western Nevada Community College (WNCC); Great Basin College (GBC); Truckee Meadows Community College (TMCC); the Community College of Southern Nevada (CCSN); and the UNR School of Medicine, UNLV Law School, UNLV Dental School and Desert Research Institute (DRI). The UCCSN budgets are primarily formula-driven and are presented by functional areas, including instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, and scholarships. The UCCSN is governed by the Board of Regents. Senate Bill 14 of the 17th Special Session expanded the Board from 11 to 13 members effective January 2003.

The 2001 Legislature approved a total of \$1.027 billion in funding for the 2001-03 biennium - an increase of \$131.8 million, or 14.7 percent, over the \$894.8 million approved by the 1999 Legislature. The total includes \$717.4 million in General Fund appropriations, \$75.0 million in estate tax revenues, and \$234.2 million in student fees, tuition and other UCCSN revenues. At the request of the Board of Regents, the 2001 Legislature added language in the Authorizations Act (S.B. 586) that establishes a \$1.0 million estate tax emergency fund to assist the UCCSN campuses that encounter difficulty in responding to enrollment growth. The UCCSN must obtain prior approval from the Interim Finance Committee prior to obligating any of the money in this fund. The emergency fund was not included in The Executive Budget.

The Executive Budget allocated roughly 19.5 percent of available General Fund appropriations to the UCCSN in FY 2001-02 and 19.8 percent in FY 2002-03. For the biennium, the UCCSN General Fund allocation was 19.7 percent. The legislatively approved budget allocates approximately 19.0 percent of available General Fund appropriations to the UCCSN in FY 2001-02 and 18.8 percent in FY 2002-03. For the biennium, the approved allocation is 18.9 percent.

COMMITTEE TO STUDY THE FUNDING OF HIGHER EDUCATION, S.B. 443 (1999)

During the 1999-2001 interim, the Committee to Study the Funding of Higher Education (CSFHE), commissioned by S.B. 443 of the 1999 Session, compared the existing method of funding higher education in Nevada with methods used in other states and determined whether those methods would be appropriate and useful in Nevada. The committee built upon

independent consultant reports, staff working group efforts, and the equity study completed by the UCCSN to develop new formulas that are both flexible and equitable for all UCCSN institutions. The committee agreed that uniform application of the new formulas to each institution, regardless of the percentage funded, would result in equitable distribution of available funding. Both the Governor and the Legislature used the new funding formulas as the foundation for formulating and approving the UCCSN budgets for the 2001-03 biennium.

ADJUSTED BASE BUDGET

The 2001 Legislature approved the continuation of the \$5.88 million per year of estate tax funding for equity adjustments provided by the 1999 Legislature, which are now part of the UCCSN adjusted base budgets. The Legislature relocated the base funding for the former equity funding from the Special Projects account to the appropriate campus budgets (UNLV, CCSN, TMCC, and WNCC).

UTILITY COSTS

During budget hearings, UCCSN projected there would be system-wide utility funding shortfalls of approximately \$5.57 million in FY 2001-02 and \$6.68 million in FY 2002-03. The 2001 Legislature approved a \$17 million appropriation to the Interim Finance Contingency Fund to assist state agencies and the UCCSN in paying for increased energy (utility) bills during the 2001-03 biennium. This funding was initially approved in S.B. 518 and subsequently re-approved in Senate Bill 8 of the 17th Special Session. The \$17 million appropriation was not in the Governor's recommended budget.

STUDENT ENROLLMENTS

As recommended by the CSFHE, student FTE projections are based on a weighted three-year rolling average rather than system-generated projections. With the exception of UNR and Great Basin College, re-projected enrollments for FY 2001-02 and FY 2002-03 were substantially lower than the enrollments used in calculating the Governor's recommended budget. The table below provides a summary of actual and projected enrollments and compares the Governor's recommended enrollments to the revised projections approved by the Legislature:

	FY 00	FY 01	FY 02	FY 02	FY 02	FY 03	FY 03	FY 03
CAMPUS	ACTUAL	ACTUAL	GOV REC	LEG. APPR	DIFF.	GOV REC	LEG. APPR	DIFF.
UNR	9,581	10,172	10,049	10,607	558	10,292	11,060	768
UNLV	15,301	15,473	16,676	15,926	(750)	17,406	16,392	(1,014)
CCSN	14,222	14,309	17,209	15,247	(1,962)	18,929	16,247	(2,682)
TMCC	4,654	4,766	5,138	4,918	(220)	5,398	5,075	(323)
WNCC	2,061	2,060	2,195	2,081	(114)	2,265	2,102	(163)
GBC	1,236	1,321	1,388	1,395	7	1,444	1,474	30
NSC	0	0	0	0	0	1,000	1,000	0
Totals	47,055	48,101	52,655	50,174	(2,481)	56,734	53,350	(3,384)

FORMULA FUNDING CALCULATIONS

Using the formulas developed by the CSFHE, The Executive Budget recommended formula funding at 85.75 percent of the calculated amounts in FY 2001-02 and 84.59 percent in FY 2002-03. The revised FTE and headcount projections developed subsequent to the submittal of The Executive Budget yielded General Fund reductions of \$17.5 million and UCCSN revenue reductions of \$7.3 million for the 2001-03 biennium (at the 85.75 and 84.59 percent formula levels).

FORMULA REDUCTION SCENARIO/HOLD HARMLESS

During budget deliberations, the UCCSN and Governor's staff developed a reduction scenario that cut formula funding percentages below the amounts recommended in The Executive Budget, but added the General Fund appropriations needed to bring cost-of-living adjustments (COLAs) for UCCSN professional positions to a full four percent per year. The 2001 Legislature adopted the plan that reduced formula funding from 85.75 percent to 81.55 percent in FY 2001-02 and from 84.59 percent to 80.29 percent in FY 2002-03 (4.2 and 4.3 percent reductions, respectively, compared to the Governor's recommended amounts). The revisions reduced formula funding by \$19.6 million in FY 2001-02 and \$21.8 million in FY 2002-03, for a total reduction of \$41.4 million for the biennium. Conversely, the revised plan added General Fund appropriations for COLAs of \$5.1 million in FY 2001-02 and \$10.5 million in FY 2002-03 at an additional cost of \$15.6 million for the biennium. The net General Fund reductions associated with the revisions are \$14.5 million in FY 2001-02 and \$11.3 million in FY 2002-03, for a total General Fund reduction of \$25.8 million for the biennium.

The CSFHE recommended inclusion of a hold harmless provision, for a period not to exceed two biennia, when institutions are funded at less than 100 percent of the formula. The hold harmless provision allows individual institutions to retain their base funding levels when the formula recommendations fall below the base amount. The Executive Budget did not include hold harmless funding because the formulas did not fall below the base amount. However, using a broad interpretation of the base funding clause to include the base plus other adjustments such as inflation, new space, and COLAs, the revised enrollment figures and formula percentage reductions generated substantial hold harmless amounts. As requested by the Board of Regents on May 10, 2001, the Legislature approved the addition of estate tax revenues totaling \$6.92 million in FY 2001-02 and \$6.76 million in FY 2002-03 to fund hold harmless provisions for UNLV, CCSN, TMCC and WNCC.

STUDENT CREDIT HOUR CALCULATIONS

The UCCSN agency request and The Executive Budget converted student credit hours (SCH) into full-time equivalent (FTE) students for UNR and UNLV at a uniform rate rather than at the conversion factors established by the CSFHE. The result was an over-count of undergraduate students and an under-count of graduate students at the universities and a substantial under-funding of formula costs. To resolve the SCH/FTE conversion problem, the 2001 Legislature increased General Fund appropriations by \$1.85 million in FY 2001-02 and \$1.59 million in FY 2002-03.

COMMUNITY COLLEGE INSTRUCTIONAL EQUIPMENT

The CSFHE recommended that equipment funding should be included in the instructional budget and funded on a continuing basis. For the community colleges, the committee suggested that ongoing equipment be funded at a rate of \$3,500 per existing faculty FTE position. The equipment funds are used for faculty workstation replacement, instructional start-up packages and instructional equipment replacement. The UCCSN agency request and The Executive Budget excluded funding for existing part-time positions. The 2001 Legislature added General Fund appropriations of \$2.12 million in FY 2001-02 and \$2.09 million in FY 2002-03 for community college instructional equipment.

NEW SPACE (OPERATIONS AND MAINTENANCE)

The Executive Budget included General Fund appropriations of \$5.5 million in FY 2001-02 and \$8.1 million in FY 2002-03 to support operating and maintenance (O&M) costs for new space added during the 2001-03 biennium. Subsequent to the submittal of The Executive Budget, there were numerous changes to the schedules upon which new space funding recommendations were made. Anticipated occupancy dates were delayed and square footage estimates reduced, resulting in new space cost savings. Conversely, the UCCSN agency requested budgets included new space omissions that resulted in cost increases. For the 2001-03 biennium, the Legislature reduced General Fund appropriations for new space O&M by a net of \$1.44 million when compared to the amounts recommended by the Governor.

RECHARGE REVENUES

The Executive Budget displayed O&M recharge revenues at UNR for new building space. However, General Fund appropriations were not recommended in the other UNR area budgets that support the recharge distribution. The Legislature added \$1.71 million in General Fund appropriations during the 2001-03 biennium to fund O&M recharges at UNR.

NEW SPACE RENTAL/SPACE ACQUISITION

The 2001 Legislature approved \$653,494 in FY 2001-02 and \$659,896 in FY 2002-03 for new space rental for System Administration, GBC and TMCC. A majority of the new rental funding is provided to TMCC for new office, classroom and program space funding. Senate Bill 497 (2001) authorizes the issuance of general obligation bonds of not more than \$8.5 million for the purpose of acquiring the Reno Town Mall facilities for use by TMCC. The bill specifies that UCCSN will pay, to the State Treasurer, the amount appropriated for Reno Town Mall rent payments and, from other money of the UCCSN, an amount equal to the principal and interest to repay the bond.

SYSTEM COMPUTING SERVICES (SCS)

The 2001 Legislature approved a \$2.5 million one-shot General Fund appropriation for UCCSN's System Computing Services (Senate Bill 461 - 2001). Funding will provide hardware and software upgrades in support of the Student Information System (SIS) and the Human

Resource/Financial System, replacement equipment to support telephone registration, and upgrades to network capacity.

The Legislature also approved ongoing funding totaling \$1.13 million in FY 2001-02 and \$1.52 million in FY 2002-03 to accommodate growth in administrative processing and software applications; to increase network capacity; to improve the reliability and security of the network; and to investigate new telecommunication technologies to ensure efficient system-wide implementation. The funding provides for one new Database Administrator, four new Digital Network Technicians and one new Program Assistant.

Beyond technology capacity, the Legislature approved an additional \$213,950 in FY 2001-02 and \$439,129 in FY 2002-03 to fund anticipated cost increases for software licensing agreements and hardware maintenance. The Legislature also approved General Fund appropriations of \$614,347 per year to fund maintenance and connectivity costs that were previously funded through National Science Foundation and Computer Information Science and Engineering grants.

LAW SCHOOL GROWTH

The Legislature approved \$841,262 in FY 2001-02 and \$1.06 million in FY 2002-03 in the UNLV Law School budget to add a total of nine professional faculty and classified support positions for anticipated enrollment growth. Annual average resident and non-resident FTE enrollment is projected to grow from FY 1999-2000's actual of 424 FTE to 655 FTE in FY 2002-03.

DENTAL SCHOOL

The Governor recommended \$722,167 in FY 2001-02 and \$2.84 million in FY 2002-03 to fund dental school initiatives. In the first year of the biennium, the Governor funded the entire increase with dental practice revenue, while second-year increases were funded with dental practice and tuition revenues. UNLV reported the minimum level of state support needed to operate the dental school is \$1.41 million in FY 2001-02 and \$2.12 million in FY 2002-03 (\$3.52 million for the biennium). On May 10, 2001, the Board of Regents approved a proposal to provide \$3.52 million in estate tax funds to support the dental school operations. The 2001 Legislature approved the estate tax increase as recommended by the Board of Regents.

GENDER EQUITY

The Governor recommended General Fund appropriations of \$1.075 million in FY 2001-02 and \$1.083 million in FY 2002-03 to improve Title IX compliance in support of female athletes. The Executive Budget reflected a distribution of \$725,000 in FY 2001-02 and \$732,876 in FY 2002-03 to UNLV's intercollegiate athletics program and \$350,000 per year to UNR's intercollegiate athletics program.

The 2001 Legislature approved UCCSN's amended request to redistribute the gender equity funding to reflect equal funding allocations for UNR and UNLV. Each campus will receive \$537,500 in FY 2001-02 and \$541,438 in FY 2002-03. At UNR, the funds will be used to add a

new softball program, increase scholarships for current women's sports, and provide additional support positions for women's athletics. At UNLV, the funding will be used to add women's golf in FY 2001-02 and will also provide for additional support staff in the areas of athletic training, sports information, medical relations, and clerical assistance.

PERFORMANCE FUNDING/EPSCOR

Consistent with the recommendation of the CSFHE, the Governor recommended an estate tax allocation of \$3.0 million in FY 2002-03 for performance funding. The 2001 Legislature denied performance funding because a comprehensive plan was not provided that specified how the proposed funding would be allocated. However, the Legislature approved the Board of Regents' revised request that redirected the \$3.0 million of recommended estate tax revenues to EPSCoR match (\$1.5 million per year).

STUDENT FEES

The 2001 Legislature approved resident fee and non-resident tuition increases of more than three percent per year at each institution as proposed by the UCCSN Regents and recommended by the Governor. The Legislature also approved the UCCSN amended proposal to increase non-resident tuition beyond the amounts recommended by the Governor for FY 2002-03. It is anticipated that the additional increase will generate \$1.5 million systemwide; therefore, General Fund appropriations were reduced correspondingly. A summary of the approved student fees is as follows:

Type of Institution/Fee	Approved FY 2000-01	Leg Appr FY 2001-02	Percent Change	Leg Appr FY 2002-03	Percent Change
Community Colleges					
Resident	\$42.50/credit	\$44.00/credit	3.5%	\$45.50/credit	3.4%
Upper Div (GBC)	\$58.00/credit	\$60.00/credit	3.5%	\$62.00/credit	3.3%
Non-Resident	\$4,150/year	\$4,290/year	3.4%	\$4,430/year	3.3%
Nevada State College					
Resident	N/A	\$60.00/credit	N/A	\$62.00/credit	3.3%
Graduate	N/A	\$77.00/credit	N/A	\$80.00/credit	3.9%
Non-Resident	N/A	\$5,750/year	N/A	\$5,940/year	3.3%
Universities					
Resident	\$74.00/credit	\$ 76.50/credit	3.4%	\$ 79.00/credit	3.3%
Graduate	\$100.00/credit	\$103.50/credit	3.5%	\$107.00/credit	3.4%
Non-Resident	\$6,980/year	\$7,215/year	3.4%	\$7,785/year	7.9%

The 2001 Legislature approved the allocation of \$1.00 of each university increase (\$2.00 for the biennium) to the capital improvement budget and \$0.50 of each community college increase (\$1.00 for the biennium) to the general improvement budget. Projects that will be funded with these additional revenues include: faculty labs at UNLV; student equipment and software at GBC; instructional equipment and enhanced student services at CCSN; enhanced child development center and student services at WNCC; enhanced student services at TMCC; and library revenue bond payments at UNR.

LAW SCHOOL TUITION

The Executive Budget included no law school tuition increases for the 2001-03 biennium. Law school full-time resident and non-resident tuitions were established at \$7,000 and \$14,000, respectively, in FY 1998-99 with no changes during the 1999-2001 biennium. The 2001 Legislature increased UNLV Law School tuition by 3.5 percent in FY 2002-03 commensurate with other UCCSN fee increases which resulted in additional fee revenues of \$87,088 and a corresponding reduction in General Fund appropriations.

INTERIM REVENUE AUGMENTATIONS

The 2001 Legislature maintained the policy authorizing campuses that exceed legislatively-approved student enrollment revenues to seek Interim Finance Committee authority to use excess revenues to address the impact of higher-than-budgeted student enrollment. To assist the UCCSN in addressing the impact of anticipated utility cost increases, and as an alternative to seeking supplemental appropriations, the Legislature approved a proposal by the Board of Regents to expand the policy to other sources of revenue, such as indirect cost recovery and investment income, effective for FY 2000-01 only.

NEVADA STATE COLLEGE AT HENDERSON (NSCH)

The Governor's budget included several funding components to support the creation and operation of a new state college in Henderson, including \$1.0 million in one-shot start-up funds in FY 2001-02; \$7.3 million in formula funding in FY 2002-03 (\$5.9 million in General Fund appropriations and \$1.4 million in UCCSN revenues); and a total of \$26.0 million in the capital improvement program to construct a classroom/student services building (\$16.0 million state funding and \$10.0 million in donations).

The 2001 Legislature supported the NSCH campus but reduced funding for instructional and related costs to a total of \$4.44 million in FY 2002-03 (\$3.75 million General Fund, \$0.69 million UCCSN revenue). The state's portion of the CIP program was reduced from \$16.0 million to \$13.4 million. The Legislature did not approve the Governor's recommendation for \$1.0 million in start-up funds. NSCH's first classes will begin Fall 2002 with an estimated enrollment of 500 FTE students rather than the 1,000 FTE students included in The Executive Budget.

CLASSIFIED AND PROFESSIONAL COLAS

The 2001 Legislature approved \$4.8 million in FY 2001-02 and \$8.2 million in FY 2002-03 for classified employee COLA increases of four percent per year and the addition of one step to the classified pay plan effective FY 2001-02. The approved amounts represent 90 percent of the total appropriations recommended by the Governor.

The Governor recommended General Fund appropriations of \$5.09 million in FY 2001-02 and \$10.49 million in FY 2002-03 to provide funding for two percent of a four percent COLA for professional, part-time, graduate assistant and teacher assistant positions in each year of the biennium. As a component of the General Fund reduction plan proposed by the Governor and

UCCSN and approved by the Legislature, General Fund appropriations of \$5.1 million in FY 2001-02 and \$10.5 million in FY 2002-03 were added to bring the professional COLAs to a full four percent per year.

BOARD OF REGENTS' REQUESTS

In addition to the Emergency Fund, hold harmless and dental school funding previously noted, the 2001 Legislature approved additional estate tax-funded items requested by the Board of Regents but not included in The Executive Budget:

- Law School Clinic: The American Bar Association's (ABA) accreditation requirements provide that a law school must offer substantial skills-training opportunities. In connection with granting provisional accreditation to the Boyd Law School, the ABA reviewed the clinic plan that the Regents proposed to fund and implement with estate tax. The Legislature approved \$656,600 in FY 2001-02 and \$743,400 in FY 2002-03 for the law school clinic.
- GBC Baccalaureate (Ongoing): The 2001 Legislature approved an additional \$130,000 per year beyond the amounts in The Executive Budget to continue and sustain the three ongoing baccalaureate programs at Great Basin College. The additional funding will be used for classified support for the professional studies program, library support and books for the three programs, and support in the financial aid and controller's office.

LEGISLATURE-INITIATED BUDGET CHANGES

The Legislature added General Fund appropriations for the following additional items that were not included in the Governor's recommended budget.

- End of Life Issues: The Center for Health Policy and Ethics, End of Life Issues Outreach program is currently funded through a grant from the Robert Wood Johnson Foundation. The grant will terminate effective December 31, 2001. The Legislature appropriated \$253,500 in FY 2001-02 and \$493,200 in FY 2002-03 to fund a total of 4.0 professional FTE and 2.0 classified FTE to support the end of life program.
- School of Medicine Residency: The 2001 Legislature appropriated \$334,417 in each year of the biennium to provide the funding necessary to fully cover the costs of the University of Nevada School of Medicine General Practice Residency.
- UNLV Radio Station: The UNLV radio station currently receives no state-funded operating support. The 2001 Legislature added General Fund appropriations of \$97,821 per year to support the UNLV radio station.
- Basque Studies: The Legislature appropriated \$152,158 in FY 2002-03 to provide continued support and growth for the Center for Basque Studies and to fund 2.0 FTE professional researcher positions and a full-time student support position.

TAXONOMY

The legislative money committees noted the inconsistency among the UCCSN institutions in the method employed to classify courses within the instructional formula matrix. Student-to-faculty ratios are driven in part by the cost classifications. An analysis completed by the UCCSN revealed duplication and inconsistencies between universities and colleges by subject area, instructional level, and course cost. However, UCCSN did not wish to implement changes to the funding mechanism without substantive research and a thorough understanding of the financial implications. The money committees issued a letter of intent directing the UCCSN to develop a consistent course cost classification system (taxonomy) during the interim, with quarterly reports on the progress of the analysis commencing in January 2002.

CAPITAL IMPROVEMENT PROJECTS

The Legislature approved \$184.6 million for UCCSN capital improvements for the 2001-03 biennium that includes \$169.6 million for planning, construction and furnishings and \$15.0 million for statewide campus maintenance projects. The improvements are funded with \$119.9 million in general obligation bonds, \$55.9 million in other funds such as donations and revenue bonds, \$5.0 million from the Special Higher Education Capital Construction Fund (SHECC), \$3.6 million in General Fund appropriations and \$134,067 in reallocated funds.

Major projects recommended by the Governor and approved by the 2001 Legislature include the following:

- \$8.8 million for planning, design and utility infrastructure for a new 230,000 square-foot science and engineering complex on the UNLV campus;
- \$1.5 million for the design of a new health sciences and biotech building on CCSN's West Charleston campus;
- \$11.0 million for phase II of the student center and physical plant at TMCC;
- \$19.8 million for a 56,000 square-foot addition and renovations to Wright Hall on the UNLV campus;
- \$64.5 million for the design and construction of a new 310,000 square-foot library at UNR; and
- \$23.4 million for the design and construction of the first building for the Nevada State College at Henderson campus.

The 2001 Legislature approved funding for several projects that were not included in the Governor's capital improvement program, including:

- \$20.0 million to construct a new telecommunications building on CCSN's Cheyenne campus;
- \$1.0 million for advance planning and site preparation for the UNLV dental school;
- \$1.0 million to fund additional office and clinic space for the UNR Medical School's dental residency program in Las Vegas; and

- \$5.0 million to design and construct a building to connect the current engineering building at UNLV with White Hall. The building will serve temporarily as the university's dental school and will be used for other classroom space upon completion of the permanent dental school.

The capital improvement bill (S.B. 584) increases the maximum amount of revenue bonds that can be issued by UNLV and UNR. At UNLV, the limit is increased from \$67.5 million to \$106.5 million and at UNR, the limit is increased from \$25.0 million to \$110.5 million. In a separate bill (S.B. 496) authority is established for Great Basin College to issue revenue bonds in an amount not to exceed \$3.0 million. This authority will enable Great Basin to acquire and improve student housing and dining facilities and to purchase related equipment and furnishings.

WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION (WICHE)

In 1959, the Nevada Legislature approved Nevada's participation as a member of the Western Interstate Commission for Higher Education (WICHE) to provide assistance to students seeking education in various professional and graduate fields of study not offered by higher education institutions within the state. The 1997 Nevada Legislature expanded the mission of WICHE to include the Health Care Access Program (HCAP). This program provides funds and educational opportunities to students in exchange for a two-year practice obligation to serve the medically under-served population of the state. The 1999 Nevada Legislature expanded the mission of the HCAP program by approving, for the first time, funding for in-state physical therapy slots. Historically, funding has not been continued for professions when an educational program for that profession is offered within Nevada.

The 2001 Legislature approved continued funding for in-state physical therapy slots and, for the first time, approved funding for nursing and mental health slots. Funding for nursing and mental health slots begins in the second year of the biennium; the slots can either be filled at an in-state or out-of-state institution.

Due to the discovery of a significantly higher reserve than anticipated in FY 2000-01, the 2001 Legislature was able to reduce the total General Fund appropriation recommended by the Governor by \$362,773 in FY 2001-02 and by \$22,300 in FY 2002-03. In addition, beginning in FY 2002-03, the Legislature approved the Governor's recommendation to eliminate a reserve in the WICHE Loan and Stipend account.

With regard to the administrative budget for WICHE, the 2001 Legislature augmented the Governor's recommended amounts for in-state travel to allow for increased advertisement of WICHE throughout Nevada.

DEPARTMENT OF CULTURAL AFFAIRS

The 2001 Legislature, with passage of S.B. 541, changed the name of the Department of Museums, Library and Arts to the Department of Cultural Affairs. The 1993 Legislature approved the creation of the department, which includes the Director's Office, the Division of Museums and History, the Division of Historic Preservation, and the Nevada Arts Council.

At the request of the Governor, the General Fund appropriations for the Department of Cultural Affairs were reduced by \$1,245,200 in FY 2001-02 and \$1,305,597 in FY 2002-03 by increasing the funding to be transferred from the Commission on Tourism. As a result, Tourism funds finance 20 percent of the Director's Office, 65 percent of the State Museum in Carson City, and 80 percent of the Railroad Museums' budgets.

CULTURAL AFFAIRS ADMINISTRATION

The 2001 Legislature approved funding for a new Personnel Analyst II position for the department, plus \$17,000 each year for department-wide training. With passage of S.B. 428, the 2001 Legislature appropriated \$200,000 for the support of the Nevada Humanities Committee, which allowed for the reduction of \$9,000 each year from the Cultural Affairs Administration budget.

MUSEUMS AND HISTORY

As approved, the Museums and History Division's budget reflects the reorganization of fiscal staff plus the consolidation of all railroad operations into the State Railroad Museum budget. The State Railroad Museum budget now reflects the costs of operating the Carson City Railroad Museum, the Ely Railroad Depot, and the Boulder City Railroad.

STATE HISTORIC PRESERVATION

The 2001 Legislature added a half-time position and created a statewide Monument Coordinator to oversee the state and local historical recognition programs.

NEVADA STATE LIBRARY

In closing the budget for the Nevada State Library, the 2001 Legislature added funding inflation increases for the purchase of books and publications.

NEVADA ARTS COUNCIL

Continued funding of \$75,000 each year was approved to continue funding art programs expanded by the 1999 Legislature, with approval of a \$150,000 one-shot appropriation approved in A.B. 703.

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
EDUCATION					
DEPARTMENT OF EDUCATION					
EDUCATION STATE PROGRAMS	2,232,851	2,568,340	2,376,611	2,610,572	2,346,639
GENERAL FUND	2,171,196	2,454,067	2,262,338	2,517,870	2,253,937
BALANCE FORWARD	59,155				
INTER AGENCY TRANSFER		83,637	83,637	87,702	87,702
OTHER FUND	2,500	30,636	30,636	5,000	5,000
STUDENT INCENTIVE GRANTS	402,591	407,573	524,288	406,212	526,116
BALANCE FORWARD	306				
FEDERAL FUND	111,970	111,970	149,921	111,970	149,921
INTER AGENCY TRANSFER	290,315	295,603	374,367	294,242	376,195
OTHER STATE EDUC PROGRAMS	2,007,870	3,901,314	3,426,447	2,911,398	2,911,498
GENERAL FUND	709,251	3,901,307	3,426,440	2,911,391	2,911,491
BALANCE FORWARD	1,267,543				
OTHER FUND	31,076	7	7	7	7
EDUCATION SUPPORT SERVICES	1,548,874	1,954,679	1,907,379	1,964,965	1,950,283
GENERAL FUND		959,856	959,856	985,348	985,348
BALANCE FORWARD	54,305	54,305	54,305	31,714	31,714
INTER AGENCY TRANSFER	1,494,569	940,518	893,218	947,903	933,221
EDUCATION OF HANDICAPPED PERSONS -	901,945				
GENERAL FUND	398,946				
BALANCE FORWARD	166,469				
FEDERAL FUND	336,530				
TEACHER EDUCATION AND LICENSING	900,588	986,133	980,098	894,064	887,437
GENERAL FUND	771	100	100	100	100
BALANCE FORWARD	104,013	19,728	19,728	19,728	19,728
INTER AGENCY TRANSFER		43,488	43,488	45,588	45,588
OTHER FUND	795,804	922,817	916,782	828,648	822,021
OCCUPATIONAL EDUCATION	7,157,583	6,848,025	6,830,523	6,861,913	6,836,151
GENERAL FUND	369,945	343,823	326,321	357,711	331,949
BALANCE FORWARD	3,230				
FEDERAL FUND	6,784,408	6,504,202	6,504,202	6,504,202	6,504,202
NDE CONTINUING EDUCATION	2,977,343	2,629,138	2,634,292	2,632,876	2,635,381
GENERAL FUND	469,263	461,405	458,513	465,143	459,602
BALANCE FORWARD	1,011				
FEDERAL FUND	2,492,978	2,167,733	2,175,779	2,167,733	2,175,779
INTER AGENCY TRANSFER	14,091				

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPARTMENT OF EDUCATION					
NUTRITION EDUCATION PROGRAMS	50,260,529	44,292,259	44,304,533	47,630,504	47,621,548
GENERAL FUND	254,565	245,572	230,355	257,344	234,909
BALANCE FORWARD	60,500				
FEDERAL FUND	49,921,412	44,020,243	44,060,956	47,345,522	47,372,820
INTER AGENCY TRANSFER	24,052	26,444	13,222	27,638	13,819
NDE SCHOOL TO CAREERS	2,616,376	2,850,000	2,850,000		
BALANCE FORWARD	20,000				
FEDERAL FUND	2,596,376	2,850,000	2,850,000		
DISCRETIONARY GRANTS - RESTRICTED	2,332,127	2,234,427	2,285,927	2,234,427	2,285,927
BALANCE FORWARD	1,267				
FEDERAL FUND	2,330,860	2,234,427	2,285,927	2,234,427	2,285,927
SCHOOL HEALTH EDUCATION - AIDS	231,594	227,591	227,591	227,591	227,591
FEDERAL FUND	227,592	227,591	227,591	227,591	227,591
INTER AGENCY TRANSFER	4,002				
IMPROVING AMERICA'S SCHOOLS - TITLE I	26,563,549	25,338,023	25,740,844	25,338,023	25,740,844
BALANCE FORWARD	1,639				
FEDERAL FUND	26,561,910	25,338,023	25,740,844	25,338,023	25,740,844
IMPROVING AMERICA'S SCHOOLS - TITLES	4,091,560	3,758,513	4,662,008	3,758,505	4,662,000
BALANCE FORWARD	9,706				
FEDERAL FUND	4,081,854	3,758,513	4,662,008	3,758,505	4,662,000
INDIVIDUALS WITH DISABILITIES (IDEA)	37,628,906	37,417,234	37,417,701	37,418,690	37,419,179
GENERAL FUND		342,472	342,939	342,472	342,961
BALANCE FORWARD	61,411				
FEDERAL FUND	37,567,495	37,041,466	37,041,466	37,041,466	37,041,466
INTER AGENCY TRANSFER		33,296	33,296	34,752	34,752
PROFICIENCY TESTING	3,419,310	3,331,191	4,562,560	3,575,525	3,538,944
GENERAL FUND	1,928,093	3,331,023	4,562,392	3,575,357	3,538,776
BALANCE FORWARD	227,687				
INTER AGENCY TRANSFER	1,200,000				
INTERIM FINANCE	53,530				
OTHER FUND	10,000	168	168	168	168
DRUG ABUSE EDUCATION	1,782,274	1,721,192	1,721,192	1,721,192	1,721,192
BALANCE FORWARD	35,082				
FEDERAL FUND	1,726,170	1,721,192	1,721,192	1,721,192	1,721,192
INTER AGENCY TRANSFER	21,022				
COMMISSION ON POSTSECONDARY EDUCATION	338,134	327,215	305,886	341,029	309,138
GENERAL FUND	273,134	249,396	228,067	263,210	231,319
FEDERAL FUND	65,000	77,819	77,819	77,819	77,819

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPARTMENT OF EDUCATION					
DISTRIBUTIVE SCHOOL ACCOUNT	707,406,220	734,240,957	734,943,957	759,287,828	794,108,434
GENERAL FUND	564,375,447	588,556,850	588,121,907	609,507,161	642,986,176
BALANCE FORWARD	7,643,116				
FEDERAL FUND	2,910,624	2,412,306	2,412,306	2,412,306	2,412,306
OTHER FUND	132,477,033	143,271,801	144,409,744	147,368,361	148,709,952
DISCRETIONARY GRANTS - UNRESTRICTED	10,366,400	12,062,723	12,085,730	12,062,723	10,071,403
BALANCE FORWARD	63,759				
FEDERAL FUND	10,302,641	12,062,723	12,085,730	12,062,723	10,071,403
NDE, STAFFING SERVICES		491,165	491,165	512,399	512,399
INTER AGENCY TRANSFER		491,165	491,165	512,399	512,399
SUB-FUNCTION RECAP					
DEPARTMENT OF EDUCATION	865,166,624	887,587,692	890,278,732	912,390,436	946,312,104
GENERAL FUND	570,950,611	600,845,871	600,919,228	621,183,107	654,276,568
BALANCE FORWARD	9,780,199	74,033	74,033	51,442	51,442
FEDERAL FUND	148,017,820	140,528,208	141,995,741	141,003,479	140,443,270
INTER AGENCY TRANSFER	3,048,051	1,914,151	1,932,393	1,950,224	2,003,676
INTERIM FINANCE	53,530				
OTHER FUND	133,316,413	144,225,429	145,357,337	148,202,184	149,537,148

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
EDUCATION					
UNIVERSITY & COMMUNITY COLLEGE SYSTEM					
UCCSN SYSTEM ADMINISTRATION	2,948,564	3,187,130	3,131,502	3,314,510	3,202,181
GENERAL FUND	2,665,094	2,903,660	2,848,032	3,031,040	2,918,711
OTHER FUND	283,470	283,470	283,470	283,470	283,470
UCCSN - SPECIAL PROJECTS	25,245,306	23,695,676	19,627,443	26,686,816	19,833,884
GENERAL FUND	541,654	1,197,281	1,172,430	1,188,420	1,170,393
OTHER FUND	24,703,652	22,498,395	18,455,013	25,498,396	18,663,491
UNIVERSITY PRESS	639,647	656,324	652,850	677,443	662,519
GENERAL FUND	638,931	656,324	652,850	677,443	662,519
INTER AGENCY TRANSFER	716				
BUSINESS CENTER NORTH	1,745,005	1,871,026	1,793,429	1,965,486	1,829,949
GENERAL FUND	1,724,099	1,871,026	1,793,429	1,965,486	1,829,949
INTER AGENCY TRANSFER	20,906				
BUSINESS CENTER SOUTH	1,472,870	1,552,666	1,501,056	1,627,357	1,533,717
GENERAL FUND	1,461,408	1,552,666	1,501,056	1,627,357	1,533,717
INTER AGENCY TRANSFER	11,462				
UNIVERSITY OF NEVADA - RENO	105,951,240	117,877,210	113,377,271	122,733,224	115,985,430
GENERAL FUND	76,894,015	88,949,587	82,187,718	92,805,361	82,878,049
INTER AGENCY TRANSFER	4,030,677	3,835,538	3,835,538	3,713,611	3,713,611
OTHER FUND	25,026,548	25,092,085	27,354,015	26,214,252	29,393,770
SCHOOL OF MEDICAL SCIENCES	18,475,841	19,117,590	19,624,586	19,815,051	19,980,863
GENERAL FUND	15,786,919	16,424,364	16,931,360	17,082,868	17,248,680
INTER AGENCY TRANSFER	30,923				
OTHER FUND	2,657,999	2,693,226	2,693,226	2,732,183	2,732,183
INTERCOLLEGIATE ATHLETICS - UNR	1,744,159	2,163,003	2,311,210	2,237,680	2,353,047
GENERAL FUND	1,490,117	1,913,003	2,061,210	1,987,680	2,103,047
INTER AGENCY TRANSFER	4,042				
OTHER FUND	250,000	250,000	250,000	250,000	250,000
STATEWIDE PROGRAMS - UNR	4,893,790	5,128,213	5,538,688	5,336,784	6,031,208
GENERAL FUND	4,876,708	5,128,213	5,538,688	5,336,784	6,031,208
INTER AGENCY TRANSFER	17,082				
UCCSN HEALTH LABORATORY AND RESEA	1,945,408	1,932,227	1,895,019	2,032,546	1,941,267
GENERAL FUND	1,194,457	1,370,727	1,333,519	1,454,201	1,362,922
FEDERAL FUND	98,695				
INTER AGENCY TRANSFER	20,820				
OTHER FUND	631,436	561,500	561,500	578,345	578,345

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
UNIVERSITY & COMMUNITY COLLEGE SYSTEM					
UNIVERSITY OF NEVADA - LAS VEGAS	130,166,379	145,830,497	135,766,856	154,243,784	140,300,576
GENERAL FUND	84,907,664	98,154,968	87,690,495	103,020,013	88,028,986
INTER AGENCY TRANSFER	413,970				
OTHER FUND	44,844,745	47,675,529	48,076,361	51,223,771	52,271,590
DENTAL SCHOOL-UNLV	4,730,000	1,429,188	1,439,843	3,565,471	3,587,222
OTHER FUND	4,730,000	1,429,188	1,439,843	3,565,471	3,587,222
INTERCOLLEGIATE ATHLETICS - UNLV	1,771,763	2,557,969	2,330,833	2,644,571	2,375,466
GENERAL FUND	1,519,239	2,307,969	2,080,833	2,394,571	2,125,466
INTER AGENCY TRANSFER	2,524				
OTHER FUND	250,000	250,000	250,000	250,000	250,000
UNLV LAW SCHOOL	6,343,615	7,373,775	7,917,808	7,805,477	8,329,902
GENERAL FUND	4,055,121	4,862,302	4,749,735	5,292,852	4,986,789
INTER AGENCY TRANSFER	6,475				
OTHER FUND	2,282,019	2,511,473	3,168,073	2,512,625	3,343,113
STATEWIDE PROGRAMS - UNLV	690,767	723,420	804,823	754,394	820,584
GENERAL FUND	689,074	723,420	804,823	754,394	820,584
INTER AGENCY TRANSFER	1,693				
AGRICULTURE EXPERIMENT STATION	7,175,548	7,472,947	7,290,668	7,775,602	7,436,701
GENERAL FUND	5,954,664	6,190,103	6,007,824	6,492,758	6,153,857
FEDERAL FUND	1,198,300	1,282,844	1,282,844	1,282,844	1,282,844
INTER AGENCY TRANSFER	22,584				
COOPERATIVE EXTENSION SERVICE	7,264,711	7,524,231	7,347,542	7,875,543	7,533,628
GENERAL FUND	5,567,564	5,838,521	5,661,832	6,170,882	5,828,967
FEDERAL FUND	1,141,918	1,134,763	1,134,763	1,137,185	1,137,185
INTER AGENCY TRANSFER	20,331				
OTHER FUND	534,898	550,947	550,947	567,476	567,476
SYSTEM COMPUTING CENTER	11,753,976	14,645,576	14,324,070	15,516,988	15,153,589
GENERAL FUND	11,712,362	14,645,576	14,324,070	15,516,988	15,153,589
INTER AGENCY TRANSFER	41,614				
DESERT RESEARCH INSTITUTE	3,154,077	4,809,071	4,595,145	4,902,846	4,605,461
GENERAL FUND	2,498,390	4,160,585	3,946,659	4,254,360	3,956,975
INTER AGENCY TRANSFER	7,201				
OTHER FUND	648,486	648,486	648,486	648,486	648,486
GREAT BASIN COLLEGE	10,513,398	12,269,312	11,706,561	12,855,337	12,091,048
GENERAL FUND	7,904,517	9,722,426	9,058,140	10,196,099	9,306,132
INTER AGENCY TRANSFER	38,453				
OTHER FUND	2,570,428	2,546,886	2,648,421	2,659,238	2,784,916

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
UNIVERSITY & COMMUNITY COLLEGE SYSTEM					
WESTERN NEVADA COMMUNITY COLLEGE	15,581,434	16,421,575	15,646,557	17,148,376	16,193,451
GENERAL FUND	12,913,823	13,977,358	12,560,574	14,564,348	12,678,786
INTER AGENCY TRANSFER	53,028				
OTHER FUND	2,614,583	2,444,217	3,085,983	2,584,028	3,514,665
COMMUNITY COLLEGE OF SOUTHERN NEV	66,345,057	77,582,187	71,525,233	85,387,922	73,780,342
GENERAL FUND	48,137,045	57,432,825	46,870,825	63,034,821	48,547,191
INTER AGENCY TRANSFER	219,433				
OTHER FUND	17,988,579	20,149,362	24,654,408	22,353,101	25,233,151
TRUCKEE MEADOWS COMMUNITY COLLEGE	28,412,130	31,497,901	30,703,436	33,206,035	31,614,514
GENERAL FUND	21,965,580	24,971,936	22,090,102	26,171,440	22,333,004
INTER AGENCY TRANSFER	102,201				
OTHER FUND	6,344,349	6,525,965	8,613,334	7,034,595	9,281,510
NATIONAL DIRECT STUDENT LOAN PROGR	77,842	49,504	49,504	49,504	49,504
GENERAL FUND	77,842	49,504	49,504	49,504	49,504
NEVADA STATE COLLEGE AT HENDERSON				7,283,787	4,441,031
GENERAL FUND				5,921,787	3,747,531
OTHER FUND				1,362,000	693,500
UCCSN Salary Adjustment Account	1,434,488		14,929,314		29,137,052
GENERAL FUND	1,434,488		14,929,314		29,137,052
SUB-FUNCTION RECAP					
UNIVERSITY & COMMUNITY COLLEGE SY:	460,477,015	507,368,218	495,831,247	547,442,534	530,804,136
GENERAL FUND	316,610,775	365,004,344	346,845,022	390,991,457	370,593,608
FEDERAL FUND	2,438,913	2,417,607	2,417,607	2,420,029	2,420,029
INTER AGENCY TRANSFER	5,066,135	3,835,538	3,835,538	3,713,611	3,713,611
OTHER FUND	136,361,192	136,110,729	142,733,080	150,317,437	154,076,888

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
EDUCATION					
WICHE PROGRAM					
W.I.C.H.E. ADMINISTRATION	265,224	298,494	290,341	302,914	290,120
GENERAL FUND	265,224	298,494	290,341	302,914	290,120
W.I.C.H.E. LOAN & STIPEND	1,549,093	1,527,517	1,498,367	1,516,800	1,494,500
GENERAL FUND	763,153	721,527	358,754	753,404	731,104
BALANCE FORWARD	270,587	224,661	558,284	182,067	182,067
OTHER FUND	515,353	581,329	581,329	581,329	581,329
SUB-FUNCTION RECAP					
WICHE PROGRAM	1,814,317	1,826,011	1,788,708	1,819,714	1,784,620
GENERAL FUND	1,028,377	1,020,021	649,095	1,056,318	1,021,224
BALANCE FORWARD	270,587	224,661	558,284	182,067	182,067
OTHER FUND	515,353	581,329	581,329	581,329	581,329

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
EDUCATION					
DEPARTMENT OF CULTURAL AFFAIRS					
CULTURAL AFFAIRS ADMINISTRATION	406,153	559,676	527,470	591,736	545,944
GENERAL FUND	306,822	445,644	395,915	477,095	412,917
BALANCE FORWARD	20,340				
INTER AGENCY TRANSFER	78,991	114,032	131,555	114,641	133,027
STATE HISTORIC PRESERVATION OFFICE	650,817	691,749	725,436	720,175	745,942
GENERAL FUND	269,443	283,008	317,414	292,836	319,305
BALANCE FORWARD	120				
FEDERAL FUND	305,964	328,726	328,007	343,577	342,875
INTER AGENCY TRANSFER	75,290	80,015	80,015	83,762	83,762
COMSTOCK HISTORIC DISTRICT	90,872	93,473	90,752	99,345	94,472
GENERAL FUND	90,872	93,473	90,752	99,345	94,472
MUSEUMS AND HISTORY	705,197	895,712	263,605	998,428	266,588
GENERAL FUND	231,783	308,113	263,605	320,930	266,588
BALANCE FORWARD	457,681				
INTER AGENCY TRANSFER	15,733	587,599		677,498	
NEVADA HISTORICAL SOCIETY	651,281	673,715	653,359	712,731	680,317
GENERAL FUND	576,608	583,804	563,448	616,556	584,142
INTER AGENCY TRANSFER		82,411	82,411	88,675	88,675
OTHER FUND	74,673	7,500	7,500	7,500	7,500
STATE MUSEUM, CARSON CITY	1,547,509	1,569,275	1,507,165	1,648,913	1,554,180
GENERAL FUND	1,197,596	1,241,818	160,043	1,309,406	143,183
BALANCE FORWARD	22,600				
FEDERAL FUND	31,836	12,000	12,000	12,000	12,000
INTER AGENCY TRANSFER	10,000	189,606	1,209,271	201,656	1,273,146
OTHER FUND	285,477	125,851	125,851	125,851	125,851
NEVADA STATE RAILROAD MUSEUM	863,042	939,943	1,525,627	984,317	1,649,324
GENERAL FUND	410,245	452,262	164,518	478,426	177,839
INTER AGENCY TRANSFER	332,705	421,384	1,294,812	439,594	1,405,188
OTHER FUND	120,092	66,297	66,297	66,297	66,297
MUSEUM & HISTORICAL SOCIETY - LV	882,009	937,615	891,956	983,031	913,627
GENERAL FUND	872,927	926,127	857,199	971,543	877,122
INTER AGENCY TRANSFER			21,057		22,805
OTHER FUND	9,082	11,488	13,700	11,488	13,700
LOST CITY MUSEUM	324,510	368,018	352,288	388,454	363,807
GENERAL FUND	248,858	283,605	279,153	301,381	288,012
INTER AGENCY TRANSFER	11,278	43,146	31,868	45,806	34,528
OTHER FUND	64,374	41,267	41,267	41,267	41,267

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

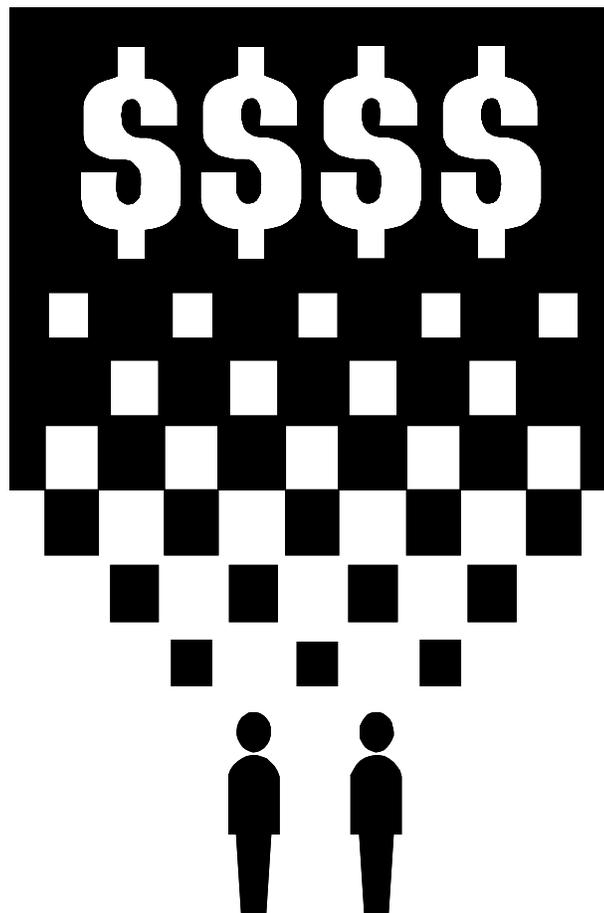
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPARTMENT OF CULTURAL AFFAIRS					
NEVADA STATE LIBRARY	3,914,656	3,996,863	3,900,568	4,067,557	3,931,906
GENERAL FUND	2,762,203	3,193,292	3,096,997	3,257,321	3,121,670
BALANCE FORWARD	358,276				
FEDERAL FUND	789,182	800,394	800,394	807,059	807,059
OTHER FUND	4,995	3,177	3,177	3,177	3,177
NEVADA STATE LIBRARY - LITERACY	213,407	195,407	191,308	204,258	193,651
GENERAL FUND	110,207	125,471	121,372	134,322	123,715
FEDERAL FUND	41,000	20,000	20,000	20,000	20,000
INTER AGENCY TRANSFER	62,200	49,936	49,936	49,936	49,936
NEVADA STATE LIBRARY-CLAN	690,274	469,590	467,311	477,035	475,197
BALANCE FORWARD	181,220				
FEDERAL FUND	100,000	100,000	100,000	100,000	100,000
INTER AGENCY TRANSFER	67,125	101,025	101,025	101,025	101,025
OTHER FUND	341,929	268,565	266,286	276,010	274,172
ARCHIVES AND RECORDS	595,938	580,689	550,536	609,251	563,375
GENERAL FUND	551,069	577,389	547,236	605,951	560,075
BALANCE FORWARD	32,141				
FEDERAL FUND	8,689	1,420	1,420	1,420	1,420
OTHER FUND	4,039	1,880	1,880	1,880	1,880
MICROGRAPHICS AND IMAGING	795,619	817,169	817,169	867,423	870,878
BALANCE FORWARD	93,373	92,944	92,944	131,903	135,358
OTHER FUND	702,246	724,225	724,225	735,520	735,520
NEVADA ARTS COUNCIL	1,964,676	1,955,171	1,924,490	1,989,290	1,937,848
GENERAL FUND	1,267,071	1,395,240	1,426,559	1,429,359	1,439,917
BALANCE FORWARD	117,716				
FEDERAL FUND	485,900	485,900	485,900	485,900	485,900
INTER AGENCY TRANSFER	62,000	62,000		62,000	
OTHER FUND	31,989	12,031	12,031	12,031	12,031
SUB-FUNCTION RECAP					
DEPARTMENT OF CULTURAL AFFAIRS	14,295,960	14,744,065	14,389,040	15,341,944	14,787,056
GENERAL FUND	8,895,704	9,909,246	8,284,211	10,294,471	8,408,957
BALANCE FORWARD	1,283,467	92,944	92,944	131,903	135,358
FEDERAL FUND	1,762,571	1,748,440	1,747,721	1,769,956	1,769,254
INTER AGENCY TRANSFER	715,322	1,731,154	3,001,950	1,864,593	3,192,092
OTHER FUND	1,638,896	1,262,281	1,262,214	1,281,021	1,281,395

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
EDUCATION					
EDUCATION					
GENERAL FUND	897,485,467	976,779,482	956,697,556	1,023,525,353	1,034,300,357
BALANCE FORWARD	11,334,253	391,638	725,261	365,412	368,867
FEDERAL FUND	152,219,304	144,694,255	146,161,069	145,193,464	144,632,553
INTER AGENCY TRANSFER	8,829,508	7,480,843	8,769,881	7,528,428	8,909,379
INTERIM FINANCE	53,530				
OTHER FUND	271,831,854	282,179,768	289,933,960	300,381,971	305,476,760
TOTAL EDUCATION	1,341,753,916	1,411,525,986	1,402,287,727	1,476,994,628	1,493,687,916
LESS: INTER AGENCY TRANSFER	8,829,508	7,480,843	8,769,881	7,528,428	8,909,379
NET-EDUCATION	1,332,924,408	1,404,045,143	1,393,517,846	1,469,466,200	1,484,778,537

FINANCE AND ADMINISTRATION



FINANCE AND ADMINISTRATION

The function of “Finance and Administration” includes those Executive Branch agencies that generally control, coordinate, assist and provide services to other agencies and programs in state government. It includes the Department of Administration, Department of Taxation, Department of Information Technology and the Department of Personnel. In the 2001-03 biennium, General Fund appropriations for the finance and administration function, approved by the 2001 Legislature, total \$96.5 million. However, if funding approved for state employee salary increases is not included, state agencies within the Finance and Administration function were approved for \$38.7 million in General Fund appropriations over the 2001-03 biennium. This represents a 5.2 percent decrease from the appropriations approved for the 1999-2001 biennium, exclusive of salary adjustment funds.

DEPARTMENT OF ADMINISTRATION

BUDGET AND PLANNING DIVISION

The Budget and Planning Division provides budgetary oversight and coordinated planning for state agencies. The division’s primary duties are preparation and presentation of The Executive Budget, as well as providing staff support to the State Board of Examiners and Governor’s Commission on Sentencing. The pre-audit section reviews claims for payment of expenses authorized by legislative appropriation or authorization for compliance with the State Administrative Manual.

As a result of the continuing rollout of the Integrated Financial System (IFS), the 2001 Legislature approved the Governor’s recommendation to transfer six positions from the pre-audit section to the Division of Internal Audits to function in a post-audit environment. A Budget Analyst IV position was approved to allow budget accounts assigned to supervising analysts to be assigned to subordinate analysts, allowing supervising analysts to function more as team leaders and trainers. As a result of the passage of Assembly Bill 569 exempting occupational licensing boards from the Budget Act, the Legislature also approved the elimination of a Management Analyst III position. A Public Service Intern II position was also approved to assist with special projects and the statistical abstract report and perform budget analyst duties in preparing The Executive Budget.

DIVISION OF INTERNAL AUDITS

The 1999 Legislature approved Senate Bill 550 creating the Division of Internal Audits that was incorporated within the Office of Financial Management, Training and Controls. S.B. 550 also created the Executive Branch Audit Committee, which adopts division policies and procedures, approves the division’s audit plan, and approves the audit reports prepared by the division. The Executive Branch Audit Committee members include the Governor (Chairman), Lieutenant Governor, Secretary of State, State Treasurer, State Controller, Attorney General, and one member representative of the general public appointed by the Governor. The division began its audit operations in November 1999.

The 2001 Legislature approved General Fund appropriations of \$1.8 million in FY 2001-02 and \$1.9 million in FY 2002-03 to support 24 full-time positions, including 6 pre-audit accounting positions transferred from the Budget Division to the Division of Internal Audits.

STATE EMPLOYEE SALARY INCREASES

Assembly Bill 673, as passed by the 2001 Legislature, grants classified employees across-the-board salary increases of four percent in each year of the 2001-03 biennium as recommended by the Governor. An additional step was added to the classified pay schedule, providing an additional salary increase for qualifying long-time employees. A special one-grade salary increase was approved, effective July 1, 2001, for correctional officers, adult parole and probation officers, and youth parole counselors. A two-grade increase was also approved for the engineer and Public Works Board building inspector positions effective July 1, 2001. In addition, Senate Bill 84 grants a one-grade increase to all uniformed highway patrol positions effective July 1, 2001.

In general, the 2001 Legislature approved salary increases for unclassified employees of nine percent effective July 1, 2001, with an additional four percent effective July 1, 2002. Some additional unclassified salary adjustments were granted for certain positions to compensate for increases in responsibilities and duties, to maintain adequate salary levels to ensure employment of qualified individuals, and to eliminate compaction problems with subordinate classified positions.

The Executive Budget included funding for salary increases to state employees within each budget account. To deal with falling revenue projections, the Governor and legislative leadership outlined a number of actions to reduce General Fund appropriations during the 2001-03 biennium. One of these actions included eliminating the salary increase funding from each budget account and pooling the funds necessary to finance salary increases for state employees. This pooling of funds allowed the Legislature to reduce the appropriation necessary to finance the salary increases by 10 percent.

INSURANCE AND LOSS PREVENTION

The primary objective of the Insurance and Loss Prevention Division is to identify potential sources of loss to property, employees and the general public; develop programs to reduce loss; and develop the appropriate balance between loss (self-insurance) and insured losses.

The Interim Finance Committee approved the consolidation of the State Employees Workers' Compensation account into the Insurance and Loss Prevention account during the 1999-2001 interim. The 2001 Legislature approved the Governor's recommendation to implement a new type of workers' compensation insurance plan, effective January 2001, which requires a large deductible in lieu of a retrospective rating plan. Under the new plan, basic insurance and claims administration fees are lower and greater medical fee discounts are negotiated. The premiums for FY 2001-02 and FY 2002-03 for state agencies will be \$1.28 and \$1.59 per \$100 of gross salary, respectively. This is a substantial decrease from FY 1999-2000 and FY 2000-01 rates of \$2.01 and \$1.93, respectively.

STATE PRINTING OFFICE

The State Printing Office provides printing and reproduction services for state agencies and is funded from payments for work completed. Rates are established based upon direct labor, material, and overhead costs. The Printing Division employs union employees in printing trade positions and administrative and other positions that are in the state classified system.

The 1999 Legislature approved the Governor's recommendation to add a satellite quick-print operation in Las Vegas. Due to problems associated with the equipment vendor, the satellite office was not opened during the 1999-2001 biennium. The Printing Office indicated the equipment problems have been corrected, and the 2001 Legislature authorized funding to open the Las Vegas quick-print office. One existing Offset Supervisor position will be transferred to Las Vegas to run the operation. The Legislature also approved reserve funding of \$160,000 for a 25-inch Heidelberg two-color printing press to replace an existing press that is 28 years old and has printed over 102 million sheets.

The 2001 Legislature approved two capital improvement projects totaling \$412,271 (01-M7 and 01-M8) that will replace the Printing Office's HVAC system and provide for exterior building repairs to the Carson City facility. The Printing Office will be required to repay the cost of these projects over a 20-year period commencing July 1, 2003.

STATE MOTOR POOL

The Motor Pool Division is responsible for administration of the state's vehicle fleet. State agencies have access to vehicles in Carson City, Reno and Las Vegas. Service and maintenance of the vehicles are provided at the three facilities. Funding for the division is generated primarily from vehicle rental charges. The 2001 Legislature approved an increase of 1.5 cents per mile for all vehicles rented by state agencies in the upcoming biennium.

The Executive Budget recommended funding for the operation and depreciation of 102 additional motor pool vehicles. Assembly Bill 523, as amended and approved by the 2001 Legislature, provided a one-time appropriation of \$2 million to fund the acquisition of the 102 vehicles over the 2001-03 biennium. The Legislature also approved the Governor's recommendation to replace 59 motor pool vehicles in FY 2001-02 and 47 vehicles in FY 2002-03. The total cost of the 106 replacement vehicles is approximately \$1.9 million for the 2001-03 biennium. Funding for the replacement vehicles is provided through accumulated depreciation, which is built into the rates charged to agencies using motor pool vehicles.

The 2001 Legislature approved Capital Improvement Project 01-C4 in the amount of \$2.9 million to fund a new motor pool facility to be located near McCarran Airport in Las Vegas. The State Public Works Board shall obtain approval for the siting and location of the facility from the Interim Finance Committee, or the Legislature if in session, before expending any funds. The Motor Pool Division will be required to repay the new facility costs over a 20-year period beginning July 1, 2003.

STATE PURCHASING DIVISION

The Purchasing Division's primary responsibility is to assist state agencies and political subdivisions in the efficient procurement of quality supplies, equipment and services at reasonable costs. Services provided include: provision of master contracts for open-market commodity purchases; writing, bidding and evaluating requests for proposals for state agencies; contract negotiation and drafting assistance; maintenance of fixed assets inventory; administration of federal surplus property; disposal of excess state property; and distribution of USDA food stocks.

The Purchasing Division is primarily funded through assessments to state agencies and local governments utilizing the division's services. During the 1999-2001 interim, the Legislative Committee for the Fundamental Review of Base Budgets recommended the Purchasing Division develop an assessment methodology that more equitably assesses commodity and service purchases, using more than one year's activity as a basis for assessment, and implement the methodology for the 2001-03 biennial budget. As a result, the 2001 Legislature approved The Executive Budget recommendation of a new assessment methodology based upon a historical dollar volume of both commodities and services purchased.

The Legislature also approved the consolidation of the Surplus Property account into the main Purchasing account. The Purchasing Division will continue to maintain separate accounting and budget tracking, while eliminating the administrative cost of maintaining a small, stand-alone budget account.

Assembly Bill 605, as approved by the 2001 Legislature, authorizes the Purchasing administrator to expend no more than \$150,000 per year from the Purchasing fund for costs associated with establishing the Nevada Mall Project. The Nevada Mall Project is designed to be a web-based password-protected shopping mall for office and industrial supplies, tools, and equipment, allowing local governments and state agencies convenience in meeting their purchasing requirements. An agency will be able to access and direct-order from various on-line vendor catalogs that have entered into open-term contracts with the state. The Purchasing Division will be required to obtain Interim Finance Committee approval of its business plan for the Nevada Mall Project prior to proceeding with development.

DIVISION OF BUILDINGS AND GROUNDS

The Division of Buildings and Grounds provides physical maintenance and housekeeping for most state-owned and leased buildings. The Capitol Police Division of the Department of Public Safety provides building security for certain agencies. Buildings and Grounds recovers the security cost as part of the rent charged and pays the Department of Public Safety for the service. The primary source of funding for the division is rent charged to state agencies for the use of state-owned building space. Budgeted rent collections total \$11.8 million in FY 2001-02 and \$12.0 million in FY 2002-03.

Rental rates for state agencies will be increased significantly in the 2001-03 biennium as recommended by the Governor. The table below sets forth the rents per square foot established for the biennium as compared to FY 2000-01:

	FY 2000-01	FY 2001-02	FY 2002-03
No Security	\$.62	\$.87	\$.85
Contract Security	\$.74	\$1.01	\$1.01
Capitol Police	\$.79	\$1.05	\$1.04

The 2001 Legislature approved \$1,044,543 in FY 2001-02 and \$700,927 in FY 2002-03 for building maintenance and renovation projects. The Governor recommended \$1,069,869 in FY 2001-02, but the Legislature eliminated \$25,326 for projects that were also included in the 2001 Capital Improvement Program.

CLEAR CREEK YOUTH CENTER

The Clear Creek Youth Center near Carson City was built by the federal government as a Job Corps Center. In 1970, the state of Nevada obtained a special use permit to operate the center as a state facility. In February 1988, transfer of the center to state ownership was completed. The center provides meeting space for community groups and organizations such as the Boy Scouts of America, Nevada Girls State, and Rite of Passage.

The 2001 Legislature approved the Governor's recommended budget for the center. Although the Division of Buildings and Grounds indicated during the legislative session that the Governor may recommend transfer of the facility to the Division of State Parks, a delay in the completion of a business plan for the center as a state park resulted in the Governor and the Legislature deciding not to transfer the center to the Division of State Parks during the 2001-03 biennium.

MARLETTE LAKE WATER SYSTEM

The Division of Buildings and Grounds is responsible for the administration of the Marlette Lake water system. The objectives of the system are to preserve and protect the sources of water, to provide adequate supplies of water, to maintain the system in a condition that will ensure dependable supplies of water, and to sell water at equitable rates. The system is funded through raw water sales to Carson City, Storey County and 17 state agencies.

The budget approved by the 2001 Legislature is based on the division's elimination of the Carson water treatment plant budget and the transfer of all remaining revenue and expenditure authority to the Marlette Lake budget. The elimination of the treatment plant budget was the result of a contract with Carson City for the purchase of water that no longer requires the Division of Buildings and Grounds to treat water from Marlette Lake. The contract with Carson City provides that the state will lease its water tank to Carson City and, after June 30, 2000, the city will purchase a minimum of 525,600,000 gallons of raw water from the state at the rate of \$0.20 cents per thousand gallons. The state has agreed to purchase treated water from the city at a rate of \$0.85 per thousand gallons and to pay a monthly water service charge to Carson City in an amount equal to the charge to other commercial users using the same meter size.

MAIL SERVICES

The state Mail Services section provides mail service to most state agencies in Carson City, Reno, and Las Vegas. Services include incoming and outgoing mail, certified mail, United Parcel Service (UPS), express overnight mail, and interoffice mail delivery and pick-up. The Mail Services section provides a folding and inserting service in the Reno/Carson City area. An administrative assessment of 20 percent of postage cost is charged to agencies using the division's services.

The Executive Budget recommended \$228,248 to replace current mailroom equipment and computers, including \$125,000 for a six-station folder/insert machine and \$30,000 for an interdepartmental mail and shipping system. The 2001 Legislature reduced the request by \$30,000 to eliminate the interdepartmental mail and shipping system in response to the agency's analysis that the system was not economical for interdepartmental mail only.

STATE PUBLIC WORKS BOARD

The State Public Works Board consists of seven members. Prior to the 2001-03 biennium, the Director of the Department of Administration served as chairman, and six other members were appointed by the Governor to terms of four years. Through the enactment of Assembly Bill 428, the 2001 Legislature required that the chairman of the board be elected from the appointed members of the board. The board is responsible for developing the recommended Capital Improvement Program (CIP), the advance planning, design, and construction of the projects included in the CIP, and the provision of architectural and engineering services to all state agencies.

The 2001 Legislature approved a Capital Improvement Program of approximately \$293.7 million for the board to administer. A detailed explanation of the recommended and approved Capital Improvement Program for the 2001-03 biennium is included in the General Fund Appropriations section of this report.

The legislatively approved budget for the 2001-03 biennium continues the operation of the agency through two budgets: Public Works (an administrative account funded through a General Fund appropriation) and Public Works Inspection (funded primarily through assessments against the various CIP projects). The 2001 Legislature approved the Governor's recommendation to transfer seven accounting positions (two in the Administration account and five in the Inspection account) to the Administrative Services Division of the Department of Administration to increase the efficiency and quality of accounting services provided in the Department of Administration.

The 2001 Legislature approved the Governor's recommended funding for the Public Works administrative budget with only minor and technical adjustments. The money committees considered eliminating the Facility Audit program that was approved by the 1997 Legislature, but voted to continue the program in the base budget. The program was approved to provide an analysis of the condition of all state buildings and includes three full-time positions.

In the Inspection budget, the 2001 Legislature approved the Governor's recommendation to increase two half-time Management Assistant positions to full-time in order to provide adequate

administrative support for the board's professional staff. The Legislature also voted to approve \$263,912 in FY 2001-02 and \$280,822 in FY 2002-03 for three new positions and various other expenditures to improve project management and coordination. The Governor recommended \$736,580 in FY 2001-02 and \$677,508 in FY 2002-03 for five new positions and other expenditures designed to improve project management and coordination. The Legislature approved three new Project Manager positions, but did not approve an additional Project Manager position and a new Management Analyst position that were recommended by the Governor.

In addition to the expenditures recommended in The Executive Budget, the 2001 Legislature also approved \$86,476 in FY 2001-02 and \$87,658 in FY 2002-03 to provide additional two-grade salary increases for all of the board's Inspector positions. The board reported to the money committees that numerous vacancies existed and that the positions were difficult to fill because the local governments were paying higher salaries for Inspector positions. The turnover in Inspector positions was noted as a contributing factor to many of the cost overruns and delays that were experienced on capital improvement projects during the 1999-2001 biennium. The raise was approved for 19 Inspector positions and was in addition to the salary increases that were approved for all classified positions.

ADMINISTRATIVE SERVICES DIVISION

The Administrative Services Division provides services to the divisions within the Department of Administration, including accounts payable, personnel, payroll, billing, financial reporting, budgeting, contract administration and management analysis. The division also provides fiscal services to the Office of the Governor, the Board of Examiners, the Commission for Women, and the Ethics Commission. The division is funded through administrative assessments to benefiting agencies.

The 2001 Legislature approved the Governor's recommendation to transfer seven accounting positions from the Public Works Board, and an additional accounting position from the Victims of Crime budget. These position transfers complete the consolidation of the Department of Administration's accounting function into the division.

HEARINGS DIVISION

The Hearings Division is responsible for adjudicating contested workers' compensation claims for the Employers Insurance Company of Nevada, formerly the State Industrial Insurance System, and self-insured employers. Beginning July 1, 1999, this duty was expanded to include private insurance companies with the implementation of a three-way workers' compensation insurance system in Nevada. The division also conducts hearings in Victims of Crime cases and for various state agencies pursuant to interagency agreements.

Funding for the division comes from the Workers Compensation and Safety Fund. The 2001 Legislature approved the division's budget as recommended by the Governor for the continuation of 45 existing positions and related operating expenses with no major enhancements.

The 2001 Legislature approved the establishment of a reserve in the Hearings Division account, thereby eliminating the separate Workers' Compensation Hearings Reserve account. The reserve may be accessed by the division, with Interim Finance Committee approval, to fund unforeseen changes in caseload activity.

VICTIMS OF CRIME

The Victims of Crime program compensates Nevada residents who are innocent victims of violent crimes committed in the state. The 2001 Legislature approved Senate Bill 282 amending NRS 217.200, eliminating compensation limits for loss of earnings that are reasonably incurred as a result of a victim's total or partial incapacity, and eliminating limits for funeral expenses that are reasonably incurred as the result of the death of a victim. The Legislature also issued a letter of intent to the Victims of Crime program to identify potential sources of federal or other funds to provide assistance to programs, such as the Attorney General's Domestic Violence Council and the Nevada Network Against Domestic Violence, in conducting public service announcements.

DEPARTMENT OF TAXATION

The Department of Taxation is responsible for administration of most of the tax laws of the state of Nevada, as well as the Local Government Budget Act and the Senior Citizens' Property Tax Assistance Act. In FY 1999-2000, gross revenue collected by the Department of Taxation was \$2,951,359,726, an increase of \$234,327,702, or 8.6 percent, over FY 1998-99 revenues. The state General Fund received 30.6 percent of these revenue collections, 58.1 percent was distributed to local governments, and the remainder went to other distributions, such as the state Highway Fund, state Distributive School Account, state Debt Service Fund, and other endowment and trust funds.

The total budget for the Department of Taxation for FY 2001-02 is \$14.9 million, a 6.2 percent decrease compared to \$15.8 million authorized for FY 2000-01, and \$15.2 million for FY 2002-03, a 2.1 percent increase. General Fund support increased 2.6 percent, from \$13.1 million in FY 2000-01 to \$13.4 million in FY 2001-02, and an additional 8.8 percent to \$14.6 million in FY 2002-03. The legislatively approved budget includes the transfer of four Information Systems Specialists from the Department of Information Technology (DoIT) as part of the Governor's recommended program in The Executive Budget to decentralize computer programming and computer technician services. The Executive Budget recommended, and the 2001 Legislature approved, the transfer of the Senior Citizens Property Tax Assistance program to the Department of Human Resources, Aging Services Division, effective October 1, 2001.

The 1999 Legislature passed Assembly Bill 584 transferring responsibility for the collection of taxes and fees imposed on certain motor fuels from the Department of Taxation to the Department of Motor Vehicles, effective January 1, 2002. Due to the cost allocation methodology used to determine the motor fuel administrative fees, the transfer of this program requires an increase in the General Fund appropriation of \$740,421 in FY 2001-02 and \$1,461,962 in FY 2002-03 to offset the loss of operating funds.

Assembly Bill 519, as approved by the 2001 Legislature, provides a one-time General Fund appropriation of \$2,175,000 to the Department of Taxation for the development and implementation of three information technology projects. The funding will be allocated as follows:

1. \$1,300,000 to allow the renewal of Phase II–System Requirements for the development of a new revenue management computer system to replace the current ACES system, as recommended in the business process re-engineering study. Funding for Phase II was approved during the 1999 Session, but was placed on hold in early 2000 due to the director’s concerns about the potential impact of recommendations from the Governor’s fundamental review and an internal reorganization of the requirements for the new computer system. Funding for this project was recommended by the Governor and included in The Executive Budget.
2. \$800,000 to develop and implement a document imaging and scanning system to process the department’s various tax forms and the electronic acquisition of the information on these tax forms into the department’s computer system. The funding for this project was recommended by the Governor, but was not included in The Executive Budget.
3. \$75,000 to enhance the reporting of local government financial information. S.B. 125, as approved by the 2001 Legislature, transfers the responsibility for the collection and reporting of local government financial information from the Fiscal Analysis Division of the Legislative Counsel Bureau to the Department of Taxation. This funding will enable the department to modify the program to allow the financial information to be collected electronically from the local government entities. S.B. 125 was introduced on behalf of the Interim Study Concerning Distribution Among Local Governments of Revenue from State and Local Taxes.

The 2001 Legislature approved A.B. 526, requested by the Governor, providing the Department of Taxation a one-time appropriation of \$545,726 to purchase new and replacement office equipment and computer hardware and software during the 2001-03 biennium.

DEPARTMENT OF INFORMATION TECHNOLOGY

The Department of Information Technology (DoIT) consists of the Communications and Computing Divisions (Computing, Data Communications, Telecommunications, and Communications), the Programming and Planning Division, the Planning and Research Unit and the Director’s Office. Major issues addressed by the 2001 Legislature in approving the department’s 2001-03 biennial budget included: status of the state’s mainframe computing capacity; revision of the department’s billing rates and billing system; decentralization of DoIT’s applications programmers; transfer of funding responsibility for Master Service Agreement (MSA) contractors from DoIT to the respective agencies; request for the addition of 21 new positions and over \$1 million for investment in the department’s Web development infrastructure; and a request for a significant increase in funding to support the department’s new training goals.

The department testified in its budget hearings that the state's mainframe computing capacity situation had sufficiently stabilized and that additional mainframe computing capacity would most likely not be required during the 2001-03 biennium. Based on the information provided by the department, the 2001 Legislature did not approve the Governor's recommendation for approximately \$2.3 million in upgrades to the state's existing mainframe computing capacity. The department was in full concurrence with the Legislature's recommendations.

In addition to the major budgetary issues presented in The Executive Budget and addressed by the 2001 Legislature, passage and approval of Assembly Bill 524 provides approximately \$4.6 million for the completion of Phase IIA of the state's microwave upgrade project that was originally established by the 1997 Legislature, which approved \$5.6 million to complete Phase I of the microwave upgrade project. The 1999 Legislature extended the reversion date of the microwave upgrade appropriation made by the 1997 Legislature. However, no additional funding was appropriated by the 1999 Legislature for the microwave upgrade project.

DIRECTOR'S OFFICE

The Director's Office oversees the operations of the DoIT divisions and furnishes financial management, billing and clerical support. On behalf of state agencies within the Executive Branch, the Director's Office performs procurement and contracts for information systems and services. Funding is provided through assessments to DoIT's divisions and units.

The 2001 Legislature approved funding for the department to hire a consultant to restructure the mechanism by which the department recovers the cost of operations from its users. The Legislature also added funding to retain the services of the contractor for two years to assist the department in monitoring the new system and with updating its annual cost allocation plan. In addition, the Legislature approved the department's plan to restructure its administrative and financial unit. The department's purpose for the request is to implement a functional change within the Director's Office that will allow DoIT to better manage its billing and accounting functions. The plan consists of segregating its accounts receivable and accounts payable functions and inserting an additional level of management oversight. This reorganization of functional responsibilities is designed to allow the department to devote the appropriate level of resources and management control needed to correct some of the systemic problems that have been experienced with its financial management group.

The 2001 Legislature concurred with The Executive Budget recommendation to reclassify and transfer the NOMADS project executive position to the Director's Office budget from the Application Design and Programming budget, BA 1365. The department indicated the newly assigned software executive would oversee all software development projects for the Department of Human Resources (DHR), the Welfare Division, the Division of Mental Health and Developmental Services (MH/DS), and the Division of Child and Family Services (DCFS). The department indicated that the software executive will be 100 percent funded by charges to DHR.

PROGRAMMING AND PLANNING DIVISION

The Programming and Planning Division provides programmer support for the development and maintenance of computer applications for agencies within state government. Two major budget

initiatives were proposed and approved by the 2001 Legislature for this budget. The Governor recommended that payments to MSA vendors be paid directly by the agencies employing the contractor rather than pass through DoIT. The Legislature concurred with the Governor's recommendation, with the stipulation that the initiative be implemented as a pilot program. Under the pilot program, DoIT will continue to be responsible for managing and overseeing MSA contractor activities and for qualifying all state MSA contractors. The Legislature also requested that the department provide quarterly program status reports to the Interim Finance Committee. The effect of this action results in elimination of approximately \$12.6 million in annual MSA pass-through funding from the department's budget. Since the associated funding is a pass-through to DoIT, there is no net effect on DoIT's rates or operational budget.

The 2001 Legislature also approved the department's plan to establish a pilot program to evaluate DoIT's proposal to decentralize its applications programming functions. The program consists of transferring direct administrative and managerial control of 21 dedicated applications and programming positions from DoIT to the respective agencies. The agencies selected to participate in the program include the Department of Taxation (4 programmers), DCFS' Project UNITY (12 programmers), Secretary of State (3 programmers), and the Department of Personnel, which gains direct control of 2 data entry personnel. The Legislature requested that the department monitor and evaluate the program over the course of the biennium and forward its results to the Interim Finance Committee on a quarterly basis. The information provided will be used by the 2003 Legislature to determine whether the program should be continued, expanded, or terminated.

The 2001 Legislature also provided funding to the department for the addition of a quality assurance position and the reclassification of the NOMADS project executive, as discussed above in the Director's Office.

PLANNING AND RESEARCH UNIT

The Planning and Research Unit provides various services to state agencies, including planning support, development and maintenance of computer standards, information services training and computer security. The 2001 Legislature approved the addition of three new positions, a dedicated Capacity Planner and two Project Managers, to support the division's planning unit. The Legislature also approved the addition of one Computer System Technician to help the unit address increased service demand, and the reclassification of its planner and planning manager.

COMMUNICATIONS AND COMPUTING DIVISIONS

The Communications and Computing Divisions consist of the department's Computing, Data Communications, Telecommunications, and Communications Divisions. These divisions perform a variety of functions, including management and operation of the state's mainframes; administration of statewide microwave and mobile communications; installation and maintenance of a majority of the state's personal computers, LAN and WAN Web-based development and maintenance; and telecommunications support. Funding for the division is derived from billing for services provided.

During the 2001 Legislative Session, DoIT stressed its concern over the state's rapid increase in demand for Web-based development and services. In response, the Legislature authorized expansion of the department's Web development capabilities. The Legislature approved the addition of four new Web development positions and approximately \$1 million in funding for the purchase of additional Web development computing equipment and data storage capacity. The Legislature also approved \$511,222 in funding for additional mainframe storage and backup capacity. Maintenance contracts for the department's R-25 Enterprise Server and the computer facility's air conditioning system were also approved.

The 2001 Legislature also approved a total of 15 new positions (7 in Computing, 4 in Data Communications, 2 in Telecommunications and 2 in Communications); over \$1.5 million in communications infrastructure upgrades, mostly comprising of upgrades and expansion of the state's SilverNet data communications network; and \$172,128 for additional training.

In addition to the funding approved in The Executive Budget, S.B. 584 (capital improvement bill) authorizes the use of approximately \$1.15 million in general obligation bond funding to replace the department's uninterruptible power supply at its computer facility, upgrade the facility's HVAC system, replace the facility's boiler, and conduct a cost study that will quantify resources needed to upgrade the facility's electrical and air conditioning system.

DEPARTMENT OF PERSONNEL

The legislatively approved budget for the Department of Personnel in FY 2001-02 of \$8.4 million is a 5.6 percent increase over the FY 2000-01 work program budget of \$8.0 million. The department's budget in FY 2002-03 totals \$8.7 million, which reflects a 3.4 percent increase over FY 2001-02. This budget is funded by uniform assessments to all state agencies for personnel and payroll services. The budget reflects a decrease in the personnel assessment from 0.94 percent of budgeted employee gross salaries in FY 2000-01 to 0.90 percent for each year of the 2001-03 biennium. The payroll assessment was increased from the FY 2000-01 rate of 0.22 percent to a rate of 0.25 percent in FY 2001-02 and 0.24 percent in FY 2002-03.

To address the 2001 Legislature's concern about the possibility of identity theft resulting from the use of social security numbers on timesheets, the Legislature approved redirecting \$54,660 of the amount recommended for staff overtime in The Executive Budget for contract services to eliminate the usage of social security numbers on timesheets.

The 2001 Legislature approved two new positions as recommended in The Executive Budget, a Management Assistant to provide clerical support in the Las Vegas office and a Program Assistant to provide user assistance in the continued development and application of the new payroll and human resources system. In addition, the Legislature approved the Governor's recommendation to transfer two information technology positions from the Department of Information Technology to the Personnel Department in lieu of the Department of Personnel contracting with the Department of Information Technology for these services. These actions bring the total number of positions to 83.5 FTE for the 2001-03 biennium.

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
FINANCE & ADMINISTRATION					
DEPARTMENT OF ADMINISTRATION					
HIGHWAY FUND SALARY ADJUSTMENT	705,314		10,497,503		15,300,387
BALANCE FORWARD	11,700				
HIGHWAY FUND	693,614		10,497,503		15,300,387
BUDGET AND PLANNING	3,171,878	2,955,569	2,766,799	3,141,069	2,912,995
GENERAL FUND	2,940,054	2,692,350	2,503,580	2,864,815	2,636,741
INTER AGENCY TRANSFER	230,824	263,167	263,167	276,202	276,202
OTHER FUND	1,000	52	52	52	52
GENERAL FUND SALARY ADJUSTMENT	8,111,226		23,554,941		34,245,698
GENERAL FUND	8,111,226		23,554,941		34,245,698
DIVISION OF INTERNAL AUDIT	1,440,863	1,858,138	1,779,389	2,028,837	1,907,435
GENERAL FUND	1,440,863	1,858,138	1,779,389	2,028,837	1,907,435
MERIT AWARD BOARD	5,000	5,000	5,000	5,000	5,000
GENERAL FUND	5,000	5,000	5,000	5,000	5,000
CLEAR CREEK YOUTH CENTER	280,639	283,870	273,399	294,088	279,471
GENERAL FUND	84,885	96,209	87,897	106,427	93,963
OTHER FUND	195,754	187,661	185,502	187,661	185,508
DEFERRED COMPENSATION COMMITTEE	84,164	95,029	95,029	113,359	113,785
BALANCE FORWARD	53,121	54,755	54,755	73,085	73,511
OTHER FUND	31,043	40,274	40,274	40,274	40,274
ADMIN - ADMINISTRATIVE SERVICES	940,254	1,367,887	1,373,485	1,438,554	1,541,856
BALANCE FORWARD	116,550	117,515	117,515	114,205	211,401
INTER AGENCY TRANSFER	823,704	1,250,372	1,255,970	1,324,349	1,330,455
INSURANCE & LOSS PREVENTION	17,201,178	15,563,203	15,563,203	17,760,290	17,660,001
BALANCE FORWARD	6,163,163	5,180,424	5,180,424	4,555,665	4,455,376
INTER AGENCY TRANSFER	10,817,681	10,199,017	10,199,017	13,020,863	13,020,863
OTHER FUND	220,334	183,762	183,762	183,762	183,762
INDIGENT ACCIDENT ACCOUNT	13,547,331	8,340,176	8,703,216	8,572,346	9,449,944
BALANCE FORWARD	5,545,063				
OTHER FUND	8,002,268	8,340,176	8,703,216	8,572,346	9,449,944
INDIGENT SUPPLEMENTAL ACCOUNT	6,032,851	5,238,750	5,480,776	5,393,530	5,978,595
BALANCE FORWARD	1,081,081				
OTHER FUND	4,951,770	5,238,750	5,480,776	5,393,530	5,978,595
PRINTING OFFICE	5,670,627	5,527,511	5,545,512	5,574,873	5,708,186
BALANCE FORWARD	541,929	731,082	731,082	671,810	787,122
INTER AGENCY TRANSFER	5,128,303	4,796,319	4,814,320	4,902,953	4,920,954
OTHER FUND	395	110	110	110	110

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPARTMENT OF ADMINISTRATION					
PRINTING OFFICE EQUIPMENT PURCHASE	309,877	310,129	310,084	435,237	434,514
BALANCE FORWARD	127,945	70,078	70,078	210,337	210,747
INTER AGENCY TRANSFER	181,632	239,751	239,706	224,600	223,467
OTHER FUND	300	300	300	300	300
MOTOR POOL	3,698,630	3,852,455	3,958,955	3,858,467	4,188,508
BALANCE FORWARD	301,831	398,698	398,698	130,907	354,448
INTER AGENCY TRANSFER	3,282,932	3,314,231	3,420,731	3,588,034	3,694,534
OTHER FUND	113,867	139,526	139,526	139,526	139,526
MOTOR POOL VEHICLE PURCHASE	1,995,969	1,434,579	1,413,999	1,920,823	1,840,679
BALANCE FORWARD	617,536	1,628	1,628	428,350	407,770
INTER AGENCY TRANSFER	1,295,454	1,337,771	1,317,191	1,397,293	1,337,729
OTHER FUND	82,979	95,180	95,180	95,180	95,180
PURCHASING	2,789,336	2,732,291	2,732,291	2,621,475	2,850,426
BALANCE FORWARD	948,421	580,093	580,093	379,875	608,826
INTER AGENCY TRANSFER	1,838,700	2,042,226	2,042,226	2,131,628	2,131,628
OTHER FUND	2,215	109,972	109,972	109,972	109,972
PURCHASING - EQUIPMENT PURCHASE	158,417	159,342	158,313	145,993	150,786
BALANCE FORWARD	101,351	143,584	143,584	124,034	132,236
INTER AGENCY TRANSFER	57,066	15,758	14,729	21,959	18,550
SURPLUS PROPERTY	164,351				
BALANCE FORWARD	29,871				
INTER AGENCY TRANSFER	47,011				
OTHER FUND	87,469				
COMMODITY FOOD PROGRAM	4,616,830	3,545,062	3,545,062	3,254,056	3,299,815
BALANCE FORWARD	862,293	725,050	725,050	434,044	479,803
FEDERAL FUND	368,015	400,351	400,351	400,351	400,351
INTER AGENCY TRANSFER	140,330	103,460	103,460	103,460	103,460
OTHER FUND	3,246,192	2,316,201	2,316,201	2,316,201	2,316,201
BUILDINGS & GROUNDS	11,562,218	13,300,212	13,115,341	13,655,925	13,780,185
BALANCE FORWARD	1,057,252	774,916	552,416	1,130,629	1,026,111
INTER AGENCY TRANSFER	10,500,066	12,507,732	12,545,361	12,507,732	12,736,510
OTHER FUND	4,900	17,564	17,564	17,564	17,564
MAIL SERVICES	6,375,721	6,078,634	6,102,119	6,090,290	6,207,143
BALANCE FORWARD	438,235	377,057	377,057	388,713	482,081
INTER AGENCY TRANSFER	5,937,486	5,701,577	5,725,062	5,701,577	5,725,062
MAIL SERVICES - EQUIPMENT PURCHASE	156,356	244,410	242,866	219,111	244,832
BALANCE FORWARD	73,213	156,356	156,356	121,162	149,971
INTER AGENCY TRANSFER	83,143	88,054	86,510	97,949	94,861

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPARTMENT OF ADMINISTRATION					
MARLETTE LAKE	417,369	448,560	448,560	470,051	479,504
BALANCE FORWARD	93,105	116,243	116,243	137,734	147,187
OTHER FUND	324,264	332,317	332,317	332,317	332,317
DEPT OF ADMINISTRATION - HEARINGS DIV	3,157,858	3,798,117	3,702,850	3,789,470	3,738,673
INTER AGENCY TRANSFER	3,153,858	3,791,290	3,696,023	3,782,643	3,731,846
OTHER FUND	4,000	6,827	6,827	6,827	6,827
VICTIMS OF CRIME	4,348,942	4,715,954	4,715,954	4,756,961	4,738,717
BALANCE FORWARD	322,368	256,894	256,894	620,665	602,421
FEDERAL FUND	1,552,000	1,264,266	1,264,266	851,216	851,216
INTER AGENCY TRANSFER	194,075				
OTHER FUND	2,280,499	3,194,794	3,194,794	3,285,080	3,285,080
PUBLIC WORKS ADMINISTRATION	835,429	896,660	843,315	931,238	855,207
GENERAL FUND	835,429	896,660	843,315	931,238	855,207
PUBLIC WORKS INSPECTION	3,305,424	4,304,877	3,945,313	4,294,677	4,065,309
BALANCE FORWARD	92,453				
OTHER FUND	3,212,971	4,304,877	3,945,313	4,294,677	4,065,309
SUB-FUNCTION RECAP					
DEPARTMENT OF ADMINISTRATION	101,084,052	87,056,415	120,873,274	90,765,720	141,977,651
GENERAL FUND	13,417,457	5,548,357	28,774,122	5,936,317	39,744,044
BALANCE FORWARD	18,578,481	9,684,373	9,461,873	9,521,215	10,129,011
FEDERAL FUND	1,920,015	1,664,617	1,664,617	1,251,567	1,251,567
HIGHWAY FUND	693,614		10,497,503		15,300,387
INTER AGENCY TRANSFER	43,712,265	45,650,725	45,723,473	49,081,242	49,346,121
OTHER FUND	22,762,220	24,508,343	24,751,686	24,975,379	26,206,521

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
FINANCE & ADMINISTRATION					
DEPARTMENT OF TAXATION					
DEPARTMENT OF TAXATION	15,830,729	15,873,728	14,894,142	16,585,116	15,214,020
GENERAL FUND	13,057,151	14,351,534	13,402,790	15,880,522	14,577,170
BALANCE FORWARD	400,000				
FEDERAL FUND	6,970				
HIGHWAY FUND	885,924	437,338	429,048		
INTER AGENCY TRANSFER	99,720	52,057	51,070		
OTHER FUND	1,380,964	1,032,799	1,011,234	704,594	636,850
SUB-FUNCTION RECAP					
DEPARTMENT OF TAXATION	15,830,729	15,873,728	14,894,142	16,585,116	15,214,020
GENERAL FUND	13,057,151	14,351,534	13,402,790	15,880,522	14,577,170
BALANCE FORWARD	400,000				
FEDERAL FUND	6,970				
HIGHWAY FUND	885,924	437,338	429,048		
INTER AGENCY TRANSFER	99,720	52,057	51,070		
OTHER FUND	1,380,964	1,032,799	1,011,234	704,594	636,850

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
FINANCE & ADMINISTRATION					
DEPARTMENT OF INFORMATION SERVICES					
DoIT DIRECTOR'S OFFICE	1,452,414	1,728,741	1,903,202	1,762,751	1,937,836
BALANCE FORWARD	123,333	123,333	123,333	115,214	116,678
INTER AGENCY TRANSFER	1,329,081	1,605,408	1,779,869	1,647,537	1,821,158
DoIT PLANNING & RESEARCH UNIT	1,525,926	1,952,638	1,864,436	2,008,175	1,853,141
BALANCE FORWARD	337,830	390,787	390,787	335,115	325,601
INTER AGENCY TRANSFER	1,188,096	1,561,851	1,473,649	1,673,060	1,527,540
DoIT APPLICATION DESIGN & DEVELOPMEI	18,261,961	7,082,007	7,112,206	6,950,564	6,948,381
BALANCE FORWARD	2,152,633	2,152,633	2,152,633	1,920,786	1,912,558
INTER AGENCY TRANSFER	16,109,328	4,929,374	4,959,573	5,029,778	5,035,823
DoIT COMPUTING DIVISION	16,407,583	17,380,923	15,203,966	15,867,126	14,382,383
BALANCE FORWARD	5,679,658	2,676,045	2,676,045	2,505,472	2,503,386
INTER AGENCY TRANSFER	10,727,925	14,704,878	12,527,921	13,361,654	11,878,997
DoIT DATA COMMUNICATIONS & TECHNICA	5,373,449	5,302,153	5,182,837	4,972,148	4,899,311
BALANCE FORWARD	518,906	518,906	518,906	520,990	508,443
INTER AGENCY TRANSFER	4,854,543	4,783,247	4,663,931	4,451,158	4,390,868
DoIT TELECOMMUNICATIONS	3,035,838	3,492,715	3,492,715	3,482,391	3,473,091
BALANCE FORWARD	303,589	303,589	303,589	410,562	401,262
INTER AGENCY TRANSFER	2,732,249	3,189,126	3,189,126	3,071,829	3,071,829
DoIT COMMUNICATIONS	1,633,901	1,871,115	1,846,685	1,771,877	1,746,366
BALANCE FORWARD	248,794	248,794	248,794	225,825	215,068
INTER AGENCY TRANSFER	1,385,107	1,622,321	1,597,891	1,546,052	1,531,298
SUB-FUNCTION RECAP					
DEPARTMENT OF INFORMATION SERVICE	47,691,072	38,810,292	36,606,047	36,815,032	35,240,509
BALANCE FORWARD	9,364,743	6,414,087	6,414,087	6,033,964	5,982,996
INTER AGENCY TRANSFER	38,326,329	32,396,205	30,191,960	30,781,068	29,257,513

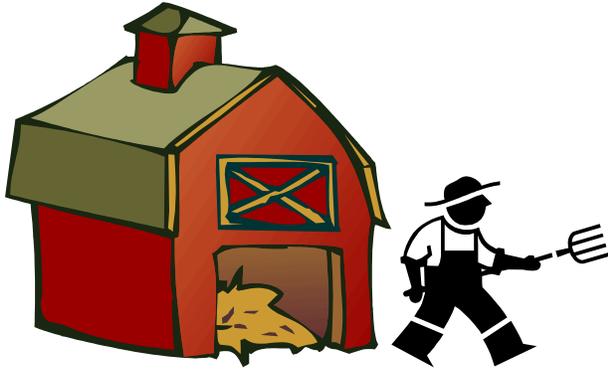
Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

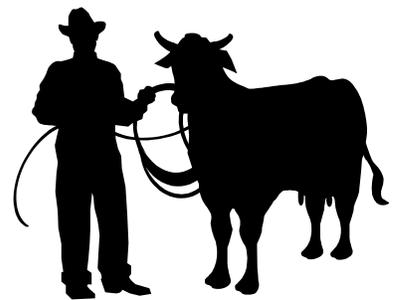
	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
FINANCE & ADMINISTRATION					
DEPARTMENT OF PERSONNEL					
PERSONNEL	8,002,630	8,448,664	8,448,664	8,514,357	8,731,333
BALANCE FORWARD	1,049,150	822,385	822,385	918,796	1,135,772
INTER AGENCY TRANSFER	6,936,403	7,602,706	7,602,706	7,571,988	7,571,988
OTHER FUND	17,077	23,573	23,573	23,573	23,573
STATE UNEMPLOYMENT COMPENSATION	1,677,735	1,801,378	1,801,378	1,766,567	1,766,567
BALANCE FORWARD	7,488	687,880	687,880	653,069	653,069
INTER AGENCY TRANSFER	1,670,247	1,113,498	1,113,498	1,113,498	1,113,498
SUB-FUNCTION RECAP					
DEPARTMENT OF PERSONNEL	9,680,365	10,250,042	10,250,042	10,280,924	10,497,900
BALANCE FORWARD	1,056,638	1,510,265	1,510,265	1,571,865	1,788,841
INTER AGENCY TRANSFER	8,606,650	8,716,204	8,716,204	8,685,486	8,685,486
OTHER FUND	17,077	23,573	23,573	23,573	23,573

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
FINANCE & ADMINISTRATION					
FINANCE & ADMINISTRATION					
GENERAL FUND	26,474,608	19,899,891	42,176,912	21,816,839	54,321,214
BALANCE FORWARD	29,399,862	17,608,725	17,386,225	17,127,044	17,900,848
FEDERAL FUND	1,926,985	1,664,617	1,664,617	1,251,567	1,251,567
HIGHWAY FUND	1,579,538	437,338	10,926,551		15,300,387
INTER AGENCY TRANSFER	90,744,964	86,815,191	84,682,707	88,547,796	87,289,120
OTHER FUND	24,160,261	25,564,715	25,786,493	25,703,546	26,866,944
TOTAL FINANCE & ADMINISTRATION	174,286,218	151,990,477	182,623,505	154,446,792	202,930,080
LESS: INTER AGENCY TRANSFER	90,744,964	86,815,191	84,682,707	88,547,796	87,289,120
NET-FINANCE & ADMINISTRATION	83,541,254	65,175,286	97,940,798	65,898,996	115,640,960



COMMERCE AND INDUSTRY



COMMERCE AND INDUSTRY

The Commerce and Industry function of state government includes those agencies responsible for licensing or regulating various businesses and financial activities operating within the state, as well as agencies responsible for the promotion of commerce and industry within Nevada. These agencies include the Department of Business and Industry, Department of Agriculture, Gaming Control Board, Public Service Commission, Commission on Economic Development and Commission on Tourism. In the 2001-03 biennium, General Fund appropriations approved by the Legislature for the Commerce and Industry function total approximately \$80.0 million, which is a 3.4 percent increase from the amounts approved for the 1999-2001 biennium.

DEPARTMENT OF AGRICULTURE

The Executive Budget for the 2001-03 biennium recommended the consolidation of most of the department's non-General Fund accounts into accounts that receive General Fund appropriations. The 2001 Legislature did not approve the consolidation of most of the accounts that were recommended for consolidation; however, the Legislature approved the consolidation of the High School Rodeo Association account with the department's Administration account and the consolidation of the Apiary Inspection account with the Plant Industry account. The Legislature also combined the Garlic and Onion Research and Promotion account with the Alfalfa Promotion account.

DIVISION OF ADMINISTRATION

The Division of Administration is responsible for providing administrative and budgetary oversight to the various divisions, bureaus, and programs administered by the Department of Agriculture. The employees of the division also administer the United States Department of Agriculture Mediation Program.

The 2001 Legislature approved the implementation of the department's cost allocation plan to fund the administrative costs of the department. The plan was the result of a letter of intent issued by the 1999 Legislature. The implementation of the cost allocation plan resulted in a reduction of General Fund support for the division totaling \$256,426 in FY 2001-02 and \$241,791 in FY 2002-03.

DIVISION OF PLANT INDUSTRY

The Division of Plant Industry is responsible for various regulatory programs, including licensing and regulating nursery sales outlets and proclaiming and enforcing interstate and intrastate quarantines against agricultural commodities and packing materials that may be infected with disease or may have been exposed to infestation with parasites, weed seeds, or insect pests. The activities of the division are funded primarily through fees, federal grants, and an appropriation from the state General Fund.

The Legislature approved the Governor's recommendation to continue two new positions that were approved by the Interim Finance Committee during FY 2000-01. The positions will

conduct inspections of nurseries and landscaping companies in southern Nevada and assist with new licensing requirements for the pesticide industry. The positions will assist the department in its efforts to ensure that invasive weeds and pests do not destroy the agricultural industry in Nevada.

DIVISION OF MEASUREMENT STANDARDS

The Division of Measurement Standards consists of the Bureau of Petroleum Technology and the Bureau of Weights and Measures. The division adopts and enforces standards for motor vehicle fuel quality, tests all commercial weighing and measuring devices to determine that they are accurate, and inspects packaged goods to determine that the stated amounts, sizes, and weights are correct.

The 2001 Legislature approved the Governor's recommended funding for the purchase of vehicles and equipment for the Bureau of Weights and Measures. The Legislature also approved Senate Bill 450, which makes an appropriation totaling \$202,440 to replace two petroleum testing vehicles, a petroleum test trailer, and devices used to test gasoline, diesel fuel, and propane.

DIVISION OF LIVESTOCK IDENTIFICATION

The Division of Livestock Identification is responsible for protecting livestock owners from the loss of their animals. The division is responsible for recording all livestock brands and handling the transfer of recorded brands, inspecting livestock brands when livestock are moved from a livestock district, and investigating all reports of theft and other livestock crimes. Additionally, the division is responsible for administering the stray horse management program, including the adoption and processing facility in Carson City.

The 2001 Legislature approved the Governor's recommendation for a new full-time Microbiologist position to assist with the department's Food Safety and Quality Assurance program. The position will expand the department's educational programs regarding food quality and safety and assist livestock owners in certifying that their animals meet new requirements imposed by livestock marketers as a result of the recent incidence of Mad Cow disease. The Legislature also approved the Governor's recommendation to eliminate a Management Assistant position and to replace that position with a new full-time Program Officer position to collect the livestock head tax, which is one of the revenue sources used to support the division's activities. Currently, the head tax is collected by the county assessors, and this responsibility was transferred to the department.

The 2001 Legislature also approved the Governor's recommendation to conduct a new program to patrol highways throughout Nevada and to inspect agricultural materials and livestock at various designated points. The materials will be inspected to ensure that they are free from invasive pests, noxious weeds, and disease. The Governor had recommended increasing a part-time position in the Livestock Inspection account to full time and to transfer that position and three other positions from that account to the Administration account to conduct the new program. Although the Legislature approved the use of the four positions to conduct the new

program, the positions were transferred to the department's Plant Industry account rather than the Administration account as recommended by the Governor.

DIVISION OF ANIMAL INDUSTRY

The Division of Animal Industry 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. Services are provided through the division's diagnostic laboratories in Reno and Elko. The employees of the division evaluate specimens to determine the cause, effect, and a method for control of animal diseases that may have an adverse economic impact or an adverse impact on public health.

The 2001 Legislature did not approve the Governor's recommendation to fund a new position to manage a Wild-Horse Gentling program in cooperation with the Department of Corrections. Instead the Legislature approved funding of the position in the Prison Industry program as an employee of the Department of Corrections. As recommended in The Executive Budget, approximately 85 percent of the costs for the position would have been funded through a General Fund appropriation, while the remaining costs would have been funded through the sale of stray horses. As approved by the Legislature, the position will be funded entirely through the Prison Industry program. The Horse-Gentling program uses prison inmates to tame and care for stray horses rounded up from the Virginia Range.

DIVISION OF RESOURCE PROTECTION

The Division of Resource Protection, which consists of the State Predatory Animal and Rodent Committee, is responsible for cooperating with the United States Department of Agriculture to control predatory animals, crop-destroying birds, and rodents. The agency is responsible for providing the public with assistance in the control and prevention of damages and diseases caused by wildlife.

The 2001 Legislature approved the Governor's recommended 2001-03 budget for the State Predatory Animal and Rodent Committee with technical adjustments and the issuance of a letter of intent regarding the costs of a contract with the federal government. During FY 2000-01, a state position was eliminated by the department and converted to a federal position because the position requires biological knowledge and experience, and the agency believed advertising and hiring the position through the federal program would provide a greater field of applicants with those qualifications. The costs of the federal position are currently funded through a contract with the department. The money committees voted to issue a letter of intent directing the department to ensure that the costs for the contract never exceed the costs to hire a state position to perform the duties currently performed by the federal position. The Legislature also approved a half-time Management Assistant II position, recommended by the Governor, to provide clerical support for the agency.

COMMISSION ON MINERAL RESOURCES

DIVISION OF MINERALS

The Division of Minerals is responsible for the regulation of the drilling and construction of oil, gas, and geothermal wells. The agency also administers the Mine Reclamation Bond Pool and the Abandoned Mine program. The division is funded primarily through the collection of fees imposed on the mining industry. The 1999 Legislature removed the Division of Minerals from the Department of Business and Industry and placed it under the exclusive authority of the Commission on Mineral Resources.

The 2001 Legislature approved the Governor's recommended 2001-03 budget for the Division of Minerals with only minor technical adjustments. The Legislature approved the Governor's recommendation for two seasonal interns and associated equipment and operating supplies to secure abandoned mines throughout Nevada. The Legislature also approved funding to purchase a new truck for use in closing abandoned mine sites.

GAMING CONTROL BOARD

The Gaming Control Board budget supports the activities of the Gaming Control Board and the Nevada Gaming Commission. The agency is responsible for regulating Nevada's gaming industry through a tiered system which includes the Nevada Gaming Commission, which has final authority; the Gaming Control Board, which functions as a recommending body; and the Gaming Policy Committee, which functions as an advisory body. The Gaming Control Board is organized into the following divisions: Audit, Tax and License, Investigations, Corporate Securities, Enforcement, Electronic Services and Administration.

The 2001 Legislature approved a total of \$48.0 million in General Fund appropriations for the 2001-03 biennium, an increase of 4.8 percent above the 1999-2001 biennium appropriation of \$45.8 million. The increase in General Fund support is exclusive of salary adjustments. The 2001 Legislature approved the Governor's recommendation for \$1.9 million per year to increase salaries for 341 professional unclassified positions and reclassify 20 positions with funding from the Gaming Control Board Investigation fund. The approved salary increases are in addition to the across-the-board salary increases for unclassified positions of nine percent in FY 2001-02 and four percent in FY 2002-03 recommended by the Governor and approved by the 2001 Legislature.

The 2001 Legislature also approved the Governor's recommendation to increase funding for the credential pay program from \$177,500 to \$400,000 in each year of the biennium. Of that amount, \$222,500 is funded from the board's Investigation fund. This program provides up to \$5,000 annually for employees of the Gaming Control Board who are CPA's, attorneys licensed to practice in Nevada, or individuals who have earned a higher education degree in engineering, electrical engineering or computer science.

The 2001 Legislature approved the Governor's recommendation establishing a separate budget for the Gaming Commission. The budget supports the salary, operating, and travel costs for the five commission members and two new staff positions: a Senior Research Specialist and a

Program Assistant III position. The two new staff positions will provide support to the Gaming Commission in establishing gaming policy for the state, especially in the area of Internet gaming, and will perform a comprehensive review of gaming regulations.

PUBLIC UTILITIES COMMISSION

The Public Utilities Commission (PUC) is responsible for overseeing the regulation of public utilities in Nevada, including railroad, telecommunication, electric, natural gas, water, and sewer services. In addition, the PUC is responsible for facilitating the state's transition to deregulation and a competitive marketplace in the electric utility industry. The operations of the PUC are funded through the regulatory assessment (or mil tax), which allows the PUC to assess and collect up to a maximum of 3.5 mils (one mil = 1/10 of a cent) on gross utility operating revenues. The PUC also assesses and collects up to a maximum of 0.75 mil from regulated utilities, which is transferred in total to the Attorney General's Office to fund the operations of the Office of Consumer Protection.

For the 2001-03 biennium, the Legislature approved a total of \$22.8 million for the PUC's budget, an increase of 4.7 percent above the 1999-2001 biennium amount of \$21.8 million. Of the total, \$3.7 million is budgeted to transfer to the Attorney General's Office to fund the operations of the Office of Consumer Protection. To fund the daily operations of the PUC, the approved budget is based upon collecting 2.5 mils of gross utility operating revenues from regulated utilities.

The 2001 Legislature approved the elimination of four positions as a result of the PUC's August 2000 staff reorganization: an Administrative Services Officer II, a Small Utilities Manager, and two Utility Rate and Tariff Specialists. As a result of the passage of Assembly Bill 369, the Legislature did not approve the Governor's recommendation to eliminate two Financial Analyst positions. Assembly Bill 369 repeals the provisions of Nevada Revised Statutes that provided for the opening of competitive electric markets and reinstates the traditional regulation of electric utilities, including general rate cases and deferred energy filings. A.B. 369 also prohibits the sale of electric utilities' generating assets prior to July 1, 2003; places restrictions on mergers and acquisitions involving electric utilities; and deems the Comprehensive Energy Plan (CEP), filed by Nevada Power and Sierra Pacific Power Companies, withdrawn.

Assembly Bill 661 was adopted by the 2001 Legislature and signed by the Governor July 17, 2001, pursuant to an order of the Nevada Supreme Court. A.B. 661 allows certain large customers to leave the existing utility system; authorizes electric utilities to develop generation resources with non-utility enterprises; creates a task force and associated trust fund for Renewable Energy and Energy Conservation; and increases the Public Utilities Commission from three members to five members effective October 1, 2003. A.B. 661 also creates the Fund for Energy Assistance and Conservation, to be funded through a universal energy charge based upon each kilowatt-hour of electricity and therm of gas sold at the retail level. The fund will be administered in conjunction with the Welfare and Housing Divisions to assist low-income consumers with power bill payments and energy conservation, weatherization, and energy efficiency needs.

DEPARTMENT OF BUSINESS AND INDUSTRY

The Department of Business and Industry administers several state agencies with a wide range of responsibilities that promote and regulate businesses within the state. The department oversees the activities of the Consumer Affairs Division, Manufactured Housing Division, Division of Insurance, Real Estate Division, Division of Financial Institutions, Housing Division, and Division of Industrial Relations. The department also includes the Dairy Commission, the Governor's Committee on the Employment of People with Disabilities, the Office of Labor Commissioner, the Employee Management Relations Board, the Taxicab Authority, the Transportation Services Authority, the Athletic Commission, the State Energy Office, and the Office of the Attorney for Injured Workers.

As recommended by the Governor, the 2001 Legislature approved the transfer of the Division of Unclaimed Property and the Office for Hospital Patients from the Department of Business and Industry. The Division of Unclaimed Property was transferred to the Office of the Treasurer, and the Office for Hospital Patients was transferred to the Governor's Office and is included in the Governor's Office of Consumer Health Assistance.

DIRECTOR'S OFFICE

The Director's Office of the Department of Business and Industry is responsible for providing administrative and budgetary oversight to the divisions, agencies, and commissions that constitute the department. The office includes the Office for Business Finance and Planning, which is primarily responsible for administering the Industrial Revenue Bond program. The Director's Office is funded through a General Fund appropriation, a transfer from the Industrial Development Revenue Bond program, and assessments that are paid by the agencies that make up the department.

The 2001 Legislature approved the budget for the Director's Office as recommended by the Governor, with only technical adjustments and minor reductions in in-state and out-of-state travel expenditures. As recommended by the Governor, the transfer from the Industrial Revenue Bond program to the Director's Office was increased \$50,000 in each year of the 2001-03 biennium as a result of the Las Vegas monorail project. The increased transfer from the bond program is necessary to reimburse the Director's Office for the costs associated with overseeing the bond issuance and the continuation of the monorail project.

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 is also responsible for 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 and General Funds. The division includes the Office of the Ombudsman for Owners in Common-Interest Communities, which was created by the 1997 Legislature. The Ombudsman assists in processing claims related to the residential property within common-interest communities that are submitted for mediation or arbitration. The Ombudsman also assists owners in common-interest communities in understanding their rights and responsibilities

as set forth in statute and the governing documents of their associations. The Office of the Ombudsman is funded through fees imposed on common-interest communities.

Although the Governor recommended a “one-time” appropriation of \$321,039 to replace the current licensing system, developed in 1980, with a new automated real estate licensing system, the division requested that the recommended appropriation be withdrawn. This request was made and approved by the 2001 Legislature to allow for additional planning time to obtain more accurate cost estimates for a system that will meet the future needs of the division.

Title XI federal regulations were revised in January 2001, requiring the Commission of Appraisers to investigate and resolve complaints within 12 months. In order to assist the commission in meeting this new requirement, the 2001 Legislature passed Senate Bill 307, which authorizes the division up to \$22,000 in each year of the biennium to employ or contract for the services of professional consultants to investigate complaints and conduct audits. In order to allow for sufficient funding, the bill increases fees for appraisers by \$40. As a result of the revised federal mandates, the Legislature also approved funding to increase a .51 FTE Administrative Aide position to a 1.0 FTE position to assist the appraisal section of the division with the increase in workload.

Because the budget for the Office of the Ombudsman for Owners in Common-Interest Communities was closed with a reserve balance almost three times the total operating costs for the agency, the Legislature requested that the agency review the reserve during the interim to determine if the per-unit fee of \$3.00 should be reduced.

DIVISION OF INSURANCE

The Insurance Division is charged with protecting the rights of consumers and the public in transactions with the insurance industry. The division regulates and licenses insurance agents, brokers, and other professionals to ensure the insurance market is free of misleading, unfair, and monopolistic business practices.

The 2001 Legislature approved the 2001-03 budget for the Division of Insurance substantially as recommended by the Governor, which included the addition of four new positions to help the division comply with federal regulations and meet state obligations as directed in the Nevada Revised Statutes. The Legislature also provided funding for a Chief position in the division’s Health Insurance Portability and Accountability Act (HIPAA) group that was inadvertently omitted from the Governor’s budget.

Assessment authority provided to the Attorney General’s (AG) Office by Assembly Bill 134 will provide an additional \$96,475 per year in insurance fraud assessment funding to the Insurance Division to cover costs associated with the anticipated increase in insurance fraud investigations initiated by the AG’s Office. The additional funding provided by A.B. 134 serves to reduce the division’s General Fund need by a corresponding amount.

STATE DAIRY COMMISSION

The State Dairy Commission is responsible for licensing and regulating product distributors and enforcing price stabilization and marketing plans for various dairy products. The agency is funded through license fees and assessments on regulated dairy products. The dairy products currently regulated by the commission include yogurt, cottage cheese, butter, ice cream, and ice cream mixes. The three-member commission is appointed by the Governor and is assisted by a 14-member staff.

The 2001 Legislature approved the Governor's recommendation for the State Dairy Commission's budget with technical adjustments. In addition, the Legislature passed Senate Bill 505, which transfers all duties and regulations of the Dairy Inspection Program to the State Dairy Commission; this program was formerly based in the Health Division. Yearly operating estimates for this program total \$246,047 in FY 2001-02 and \$245,078 in FY 2002-03. Funding for this program will be generated by reinstatement of dairy product assessments on all fluid milk and fluid cream products distributed in Nevada.

MANUFACTURED HOUSING DIVISION

The Manufactured Housing Division is responsible for ensuring that manufactured and mobile homes, travel trailers, commercial coaches, and manufactured buildings are constructed and installed in a safe and structurally sound manner. The division is also responsible for licensing persons who work in the manufactured housing industry; for issuing certificates of title for manufactured homes and commercial coaches; and for investigating and resolving landlord/tenant and consumer product complaints. Additionally, the division administers the mobile home lot rent subsidy program as well as the division's continuing education program.

The 2001 Legislature approved the budget for the Manufactured Housing Division principally as recommended by the Governor, with only slight modifications to the division's information services request. Based on the division's 1999-2001 revenue projection, the 1999 Legislature approved four new positions and approved funding for a new licensing system. Revenue projections were not realized during the 1999-2001 biennium, and it became necessary for the division to undertake significant cost-cutting measures, including the deletion of one position. In addition to the cost-cutting measures initiated by the division, the Governor recommended significant increases in the fees the division is authorized to charge.

HOUSING DIVISION

The Housing Division of the Department of Business and Industry is self-funded and promotes the creation and maintenance of affordable housing in Nevada. The division also administers the Low-Income Housing Trust Fund and the Department of Energy Weatherization program.

The Governor recommended, and the 2001 Legislature approved, a transfer of a homeless grant, which was previously administered by the Welfare Division, to the Housing Division. The Legislature also approved funding for the second phase of a study on the need for specialty housing in Nevada. In addition, the Legislature approved issuance of \$600,000 in revenue bonds in each year of the biennium to assist school districts in recruiting teachers by offering

lower-than-market-rate home loans to teachers in critical areas, such as special education, math, and science.

With passage of Senate Bill 552 during the 2001 Legislative Session, the Housing Division was given expanded power and flexibility to provide needed loans, and the division was exempted from the State Purchasing Act. The Housing Division will continue to remain a state agency in the Department of Business and Industry. The provisions created by S.B. 552 expire on July 1, 2003.

DIVISION OF FINANCIAL INSTITUTIONS

This Division of Financial Institutions is responsible for the licensure and regulation of all state-chartered financial institutions, including banks, savings and loans, credit unions, and mortgage companies. The account is funded entirely through an appropriation from the General Fund. Supervision, examination, and licensing fees collected by the division are deposited in the General Fund in an amount that is sufficient to reimburse the General Fund for the appropriation. The division also administers the Investigations account, which is funded by fees primarily for applications for new licensees and changes of control of existing licensees. This account provides a means to perform investigations of applications for licensing of financial institutions and special investigations related to those institutions. The division also administers a fee-funded audit account that is used to conduct independent audits and examinations of financial institutions.

The 2001 Legislature approved General Fund appropriations of approximately \$4 million for the 2001-03 biennium, which is approximately \$271,000 less than the amount recommended in The Executive Budget. Appropriations approved by the 2001 Legislature represent an approximate \$621,000 increase over the \$3.4 million approved by the 1999 Legislature, or an 18.2 percent increase.

The Executive Budget recommended funding of approximately \$253,000 for replacement computer equipment from the Investigations account. Instead, the 2001 Legislature approved funding of approximately \$115,000 for the equipment from the Financial Institutions account. The Governor also recommended the elimination of one Financial Examiner position and funding for two new Program Assistant II positions. The Legislature concurred with the elimination of one Financial Examiner position, but only approved one new Program Assistant II position.

Assembly Bill 324, as passed by the 2001 Legislature, revises various provisions regarding the regulation of mortgage brokers and mortgage agents. This bill requires brokers and agents to attend certain courses of continuing education; authorizes the Commissioner of Financial Institutions to increase certain fees for brokers in certain circumstances; requires brokers to register their agents with the division on an annual basis; and requires agents to pay an annual registration fee.

CONSUMER AFFAIRS DIVISION

The Consumer Affairs Division is responsible for investigating deceptive trade practices, administering the restitution account, educating consumers regarding deceptive trade practices, and regulating various organizations and services that solicit consumers. The division consists of 20 employees and is funded entirely through an appropriation from the state General Fund.

In addition to the Governor's recommended funding for the division, the 2001 Legislature also passed Assembly Bill 533, which makes an appropriation to the Department of Business and Industry in the amount of \$15,150 for 10 replacement computers in the Consumer Affairs Division.

GOVERNOR'S COMMITTEE ON EMPLOYMENT OF PEOPLE WITH DISABILITIES

The Governor's Committee on the Employment of People with Disabilities is responsible for providing technical assistance to employers in implementing the provisions of the Americans with Disabilities Act (ADA), advocating for the rights of people with disabilities, and promoting public awareness concerning the employment of people with disabilities. The agency also serves as a resource for the business community regarding the special needs of people with disabilities.

The 2001 Legislature approved the 2001-03 budget for the Committee on the Employment of People with Disabilities as recommended by the Governor. Funding for the committee's operation during the 2001-03 biennium increased only slightly and was determined to be sufficient to support the committee's new functional directive resulting from the implementation of the 1998 Workforce Investment Act (WIA) and the establishment of a system of employer-driven Workforce Investment Boards, which work cooperatively with client/employee-driven service providers. In response to changes resulting from the implementation of WIA, the Governor's Fundamental Review of Base Budgets process produced recommendations that realign the committee's primary function from an employee-based emphasis of services to an employer-based emphasis, stressing training and education of employers in providing employment to the disabled. Previously, the committee emphasized employee advocacy and assistance services; the committee will now act more as a "link" or "liaison" between Nevada employers and employment service organizations for employing the disabled.

DIVISION OF INDUSTRIAL RELATIONS

The Division of Industrial Relations is responsible for promoting the health and safety of Nevada's workforce and for ensuring injured workers receive all benefits to which they are entitled. The division is comprised of five sections funded through four budget accounts: administration and industrial insurance regulation, which are combined in the division's administrative account; occupational safety and health enforcement; safety consultation and training; and mine safety and training. The programs of the division are funded primarily from assessments of workers' compensation insurers and federal grants from the U.S. Department of Labor.

Effective July 1, 1999, a three-way (3-Way) workers' compensation insurance system in Nevada was implemented. Under 3-Way, the division is responsible for activity relating to the verification of workers' compensation insurance coverage, or "proof of coverage," and the monitoring of timely and accurate delivery of benefits to injured workers by all insurers, including private insurance companies. The 2001 Legislature approved the Governor's recommendation to eliminate a Management Assistant III position in the industrial insurance regulation/administration section (IIRS), resulting from a staff reorganization and long-term vacancy. The Legislature also eliminated five positions from IIRS in response to the agency's analysis that the workload resulting from the implementation of the 3-Way program did not materialize to the level anticipated. Two Compliance Investigator II positions and three Program Assistant positions were eliminated.

The occupational safety and health enforcement section (OSHES) is responsible for enforcing the health and safety standards outlined in the Nevada Occupational Safety and Health Act. The 2001 Legislature eliminated an Industrial Hygienist III position as a result of a long-term vacancy in the Elko office and the agency's analysis that determined there is insufficient workload to maintain a full-time position in Elko. OSHES will utilize staff from the Reno office to serve the Elko area.

The safety consultation and training section is charged with assisting employers in developing written workplace safety programs and identifying and correcting unsafe working conditions, as well as coordinating a statewide multi-media safety campaign. The 2001 Legislature concurred with the Governor's recommendation to reduce funding for the state's wide-based multi-media safety advertising campaign from \$425,000 to \$100,000 per year. The agency indicated it had difficulty in determining the impact and effectiveness of the wide-based program. The agency will modify the program to target specific industries to improve awareness of workplace safety issues. The Legislature also approved the Governor's recommendation to eliminate a Management Assistant I position as a result of a staff reorganization and long-term vacancy.

NEVADA ATTORNEY FOR INJURED WORKERS

The Nevada Attorney for Injured Workers (NAIW) represents injured workers in their efforts to obtain denied workers' compensation benefits upon appointment by the Appeals Officer of the Department of Administration. The NAIW also provides advice to claimants regarding their rights before the Hearings Officer and with vocational rehabilitation "buy out" offers. The budget of the NAIW is funded through a transfer from the Workers' Compensation and Safety Fund supported by assessments of workers' compensation insurers.

The 2001 Legislature approved the Governor's recommendation for replacement equipment, including computers, fax machines, and a transcriber. The Legislature also approved funding for new equipment, including a system enhancement project to update the current database for the agency's case management system, as well as for software licenses and telephone units.

TAXICAB AUTHORITY

The Taxicab Authority regulates the taxicab industry in Clark County. The agency determines the number of taxicabs authorized for each certified company, manages the driver permitting

program, ensures taxicab safety and operating standards, determines the fares to be charged, and participates in criminal investigations in conjunction with other law enforcement agencies. The agency's daily operations are 100 percent self-funded, primarily through the collection of a 15-cent charge on every taxicab trip, and driver's permits and licensing fees.

For the 2001-03 biennium, the Legislature approved a total of \$10.5 million to fund the operations of the agency, an increase of 38.6 percent above 1999-2001 biennium funding of \$7.6 million. The 2001 Legislature approved the Governor's recommendation to continue funding for 20,000 coupon books for the Senior Ride program administered by the Division of Aging Services.

The 2001 Legislature approved eight new positions to maintain the agency's responsibilities in the expanding Las Vegas taxicab industry. A Senior Investigator position was approved to supervise staff during the early evening hours and weekends. Three new Field Investigators (one per shift) were approved to address increases in the number of taxicab accidents and customer complaints during the last four years. Two new Vehicle Inspector positions were approved to address a 34 percent increase in taxicab medallions issued in the past two years to maintain quarterly vehicle inspections. Finally, two new Program Analysts were added due to the increasing number of driver's license transactions processed by the Taxicab Authority. The new positions are funded through taxicab ride and medallion growth in the industry. The Legislature eliminated two Airport Control Officer positions that had never been filled. Staffing for the Taxicab Authority increases from 54 FTE positions to a total of 60 FTE positions in the 2001-03 biennium.

TRANSPORTATION SERVICES AUTHORITY

The Transportation Services Authority's (TSA) 20 full-time equivalent (FTE) employees are responsible for the statewide regulation of transportation service operators, including the operators of limousines, charter buses, tow trucks, household-goods carriers, and taxicab operators in all counties except Clark County. The 1999 Legislature approved the Governor's recommendation to increase the agency's appropriation from the Highway Fund to a total of \$3.6 million during the 1999-2001 biennium, resulting primarily from the elimination of the temporary revenue transfer from the Taxicab Authority totaling \$366,617 in each year of the 1999-2001 biennium. The 2001 Legislature approved the Governor's recommendation to continue Highway Fund appropriations totaling \$3.6 million in the 2001-03 biennium.

NEVADA ATHLETIC COMMISSION

The Nevada Athletic Commission and the Medical Advisory Board are funded through the Athletic Commission's budget account. The commission is responsible for supervising and regulating all contests and exhibitions of unarmed combat, including boxing, wrestling and kickboxing. Additionally, the commission licenses and regulates persons who conduct, hold, or give contests and exhibitions for unarmed combat where an admission fee is charged. The Medical Advisory Board is responsible for preparing the standards for the physical and mental examination of contestants and advising the commission regarding the physical or mental fitness of a contestant when requested to do so by the commission. A surcharge for each ticket sold for

admission to a professional boxing or wrestling contest, match, or exhibition is deposited to the account to be used to award grants to organizations which promote amateur boxing contests or exhibitions in Nevada. All other fees collected by the commission are deposited to the state General Fund.

The 2001 Legislature approved the Governor's recommended 2001-03 budget for the Nevada Athletic Commission. In addition to the Governor's recommendations for the commission, the Legislature approved funding for a pick-up service for bank deposits made by the agency.

OFFICE OF LABOR COMMISSIONER

The Office of Labor Commissioner is responsible for enforcing claims for wages and is funded entirely through a General Fund appropriation. The 2001 Legislature approved the Governor's recommended 2001-03 budget for the office. The Governor's recommendations included significant salary increases for the Labor Commissioner, Deputy Labor Commissioner, and Chief Assistant Labor Commissioner positions, in addition to the salary increases that were recommended for all unclassified positions in The Executive Budget.

ECONOMIC DEVELOPMENT AND TOURISM

The Commission on Economic Development includes the Division of Motion Pictures, the Rural Community Development Program, and the Procurement Outreach Program. The Commission on Tourism includes the *Nevada Magazine*.

COMMISSION ON ECONOMIC DEVELOPMENT

The Commission on Economic Development is organized to promote Nevada's business opportunities and to assist companies interested in relocating and expanding their operations in Nevada. The Commission on Economic Development is funded primarily with General Fund appropriations. The 2001 Legislature approved the recommendations in The Executive Budget, which included no new positions in any of the commission's budgets.

The 2001 Legislature approved an increase in General Fund appropriations of 1.2 percent, from \$6.67 million in the 1999-2001 biennium to \$6.75 million in the 2001-03 biennium. The Legislature also approved the Governor's recommendation to fund \$25,000 per year as the state's contribution toward satisfying a \$150,000 match requirement in its application for a State Environmental Initiative Grant from the US-Asia Environmental Partnership. The grant supports international public-private partnerships aimed at achieving the long-term transfer of state environmental experience, policy, technology, and goods and services to target Asian countries. The commission estimates Nevada environmental companies should realize \$2.5 million in new export sales within two years of grant expiration. The budget continues the Train Employees Now Program (TEN) in the amount of \$1 million over the biennium. TEN provides training dollars as an incentive to qualified companies to relocate or expand their business in the state.

MOTION PICTURES

The Office of Motion Pictures was created to promote and support the use of Nevada cities and locales in the production of motion pictures, television shows and other video products. Funding for the budget is provided primarily from room tax collections transferred from the Commission on Tourism. The 2001 Legislature approved budget increased by 6.3 percent, from \$715,493 in FY 2000-01 to \$760,614 in FY 2001-02, and an additional 2.7 percent to \$781,446 in FY 2002-03, which included increases in out-of-state travel and staff training costs.

COMMISSION ON TOURISM

The Commission on 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. Tourism is funded by a 3/8 share of the one percent statewide room tax established by the 1983 Legislature. Room tax receipts are projected to increase 4.5 percent per year, from \$11.9 million in FY 2000-01 to \$12.4 million in FY 2001-02 and \$13.0 million in FY 2002-03.

The 2001 legislatively approved budget includes funding for three new Development Specialist positions to mitigate the effects of the California gaming initiative and to free-up advertising and marketing funds by conducting certain efforts in-house. The new positions will assist in the Rural Grants program, oversee the Nevada RV Contest, maintain the commission's Internet website, and compile statistics and monitor, analyze and report on the effects of the existing and proposed marketing campaigns. The 2001 Legislature also approved increasing promotional and marketing expenditures an additional \$2.5 million over the 2001-03 biennium and additional funding for the rural match program from \$1.25 million to \$1.5 million in FY 2002-03. The Legislature approved continued transfers of room tax funds to the Washington, D.C. Office and the Department of Wildlife, and approved the Governor's amended recommendation to increase transfers by \$2.55 million to the Department of Cultural Affairs and \$1.18 million to the Division of State Parks during the 2001-03 biennium to support activities related to promotion of tourism in Nevada. The 2001 Legislature also approved a \$1.3 million transfer of room tax funds in FY 2001-02 to the Division of State Parks for one-time improvement projects resulting from projected increases in lodging tax receipts.

NEVADA MAGAZINE

Nevada Magazine is the major publication of the Commission on Tourism. *Nevada Magazine* is financed through subscriptions, advertising revenue, and newsstand sales, as well as calendar and other merchandise sales. The 2001 Legislature approved the Governor's recommendation to eliminate an Administrative Aid and Student Worker position as a result of long-term vacancies. The Legislature also approved an additional transfer of funds for the magazine to design and produce various in-house Commission on Tourism publications, such as the Visitors Guide and Travel Planner and the Governor's Recognition Awards.

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
COMMERCE & INDUSTRY					
DEPT OF BUSINESS & INDUSTRY					
B&I, BUSINESS AND INDUSTRY ADMINISTR.	809,867	934,514	898,853	972,709	947,395
GENERAL FUND	214,893	206,093	186,906	213,667	193,808
INTER AGENCY TRANSFER	594,974	728,421	711,947	759,042	753,587
B&I COMMON INTEREST COMMUNITIES	667,668	906,725	906,725	1,179,189	1,162,039
BALANCE FORWARD	427,366	408,168	408,168	633,013	615,863
OTHER FUND	240,302	498,557	498,557	546,176	546,176
B&I, INDUSTRIAL DEVELOPMENT BONDS	881,356	1,228,169	870,106	1,376,654	934,033
BALANCE FORWARD	595,351	644,501	644,501	792,986	703,202
OTHER FUND	286,005	583,668	225,605	583,668	230,831
B&I, MANUFACTURED HOUSING	1,278,485	1,362,918	1,362,918	1,326,815	1,360,624
BALANCE FORWARD	317,298	216,481	216,481	180,378	214,187
FEDERAL FUND	50,400	24,939	24,939	24,939	24,939
OTHER FUND	910,787	1,121,498	1,121,498	1,121,498	1,121,498
B&I, MFG HOUSING EDUCATION/RECOVER	751,423	714,537	714,537	671,988	675,622
BALANCE FORWARD	653,601	613,112	613,112	570,563	574,197
OTHER FUND	97,822	101,425	101,425	101,425	101,425
B&I, MOBILE HOME PARKS	217,014	244,209	244,209	271,124	271,602
BALANCE FORWARD	60,166	88,824	88,824	115,739	116,217
OTHER FUND	156,848	155,385	155,385	155,385	155,385
B&I, MOBILE HOME LOT RENT SUBSIDY	661,701	643,111	643,111	539,610	539,854
BALANCE FORWARD	262,975	252,453	252,453	148,952	149,196
OTHER FUND	398,726	390,658	390,658	390,658	390,658
B&I, CONSUMER AFFAIRS	1,116,004	1,249,195	1,204,197	1,291,609	1,221,080
GENERAL FUND	1,116,004	1,249,195	1,204,197	1,291,609	1,221,080
B&I, GOVERNOR'S COMMITTEE TO HIRE H/	234,511	250,705	238,211	261,678	242,710
GENERAL FUND	234,511	250,705	238,211	261,678	242,710
B&I, REAL ESTATE ADMINISTRATION	2,143,375	2,412,286	2,353,398	2,466,859	2,387,368
GENERAL FUND	1,353,730	1,159,804	1,188,681	1,196,577	1,202,631
BALANCE FORWARD		206,655		206,655	
INTER AGENCY TRANSFER	10,000	20,000	39,949	20,000	39,949
OTHER FUND	779,645	1,025,827	1,124,768	1,043,627	1,144,788
B&I, REAL ESTATE EDUCATION AND RESE/	802,426	696,412	763,942	549,837	719,558
BALANCE FORWARD	481,158	467,206	467,206	320,631	408,544
INTER AGENCY TRANSFER	321,268	229,206	296,736	229,206	311,014
B&I, REAL ESTATE RECOVERY ACCOUNT	409,160	412,240	412,240	421,524	423,840
BALANCE FORWARD	50,000	50,000	50,000	47,684	50,000
OTHER FUND	359,160	362,240	362,240	373,840	373,840

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPT OF BUSINESS & INDUSTRY					
B&I, REAL ESTATE INVESTIGATIVE FUND	5,458	1,156	1,156	1,156	1,156
OTHER FUND	5,458	1,156	1,156	1,156	1,156
B&I, FINANCIAL INSTITUTIONS	1,868,471	2,102,181	2,078,746	2,215,503	2,006,875
GENERAL FUND	1,853,261	2,095,146	2,052,217	2,208,458	1,980,329
OTHER FUND	15,210	7,035	26,529	7,045	26,546
B&I, FINANCIAL INSTITUTIONS INVESTIGAT	914,382	935,618	916,118	666,706	913,494
BALANCE FORWARD	667,096	688,332	688,332	419,420	685,708
OTHER FUND	247,286	247,286	227,786	247,286	227,786
B&I, FINANCIAL INSTITUTIONS AUDIT	79,812	80,301	87,966	75,427	86,234
BALANCE FORWARD	9,707	10,196	10,196	5,322	8,464
OTHER FUND	70,105	70,105	77,770	70,105	77,770
B&I, HOUSING DIVISION	8,032,307	9,073,186	9,065,838	9,128,662	9,075,560
BALANCE FORWARD	259,456	56,811	56,811	101,303	49,770
FEDERAL FUND	2,926,689	3,000,638	3,000,638	3,000,638	3,000,638
OTHER FUND	4,846,162	6,015,737	6,008,389	6,026,721	6,025,152
B&I, LOW INCOME HOUSING TRUST FUND	9,687,474	10,858,171	10,858,171	11,820,503	11,812,396
BALANCE FORWARD	6,668,311	7,162,482	7,162,482	8,124,814	8,116,707
OTHER FUND	3,019,163	3,695,689	3,695,689	3,695,689	3,695,689
B&I, WEATHERIZATION	438,926	475,048	588,917	474,147	588,465
BALANCE FORWARD	22,274	20,699	20,699	19,798	20,247
FEDERAL FUND	410,993	448,690	562,559	448,690	562,559
INTER AGENCY TRANSFER	5,659	5,659	5,659	5,659	5,659
B&I, INSURANCE REGULATION	3,748,196	4,081,652	4,053,486	4,275,467	4,198,474
GENERAL FUND	2,819,238	2,604,876	2,553,221	2,713,333	2,641,228
BALANCE FORWARD		7,704	7,704	7,704	7,704
INTER AGENCY TRANSFER	649,272	1,006,721	1,030,210	1,092,079	1,087,191
OTHER FUND	279,686	462,351	462,351	462,351	462,351
B&I, INSURANCE EXAMINERS	3,613,444	3,717,533	3,717,533	3,559,188	3,494,346
BALANCE FORWARD	832,259	852,338	852,338	658,993	594,151
OTHER FUND	2,781,185	2,865,195	2,865,195	2,900,195	2,900,195
B&I, INSURANCE RECOVERY	226,398	293,710	293,710	293,710	293,710
BALANCE FORWARD	40,000	40,000	40,000	40,000	40,000
OTHER FUND	186,398	253,710	253,710	253,710	253,710
B&I, INSURANCE EDUCATION & RESEARCH	750,888	597,231	691,571	430,680	548,190
BALANCE FORWARD	516,575	293,521	387,861	126,970	244,480
INTER AGENCY TRANSFER	234,313	303,710	303,710	303,710	303,710
B&I, NAT. ASSOC. OF INSURANCE COMMIS:	56,147	59,524	59,524	41,584	40,072
BALANCE FORWARD	33,677	36,124	36,124	18,184	16,672
OTHER FUND	22,470	23,400	23,400	23,400	23,400

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPT OF BUSINESS & INDUSTRY					
B&I, INSURANCE COST STABILIZATION	263,548	263,243	263,243	214,694	227,499
BALANCE FORWARD	105,542	111,413	111,413	62,864	75,669
OTHER FUND	158,006	151,830	151,830	151,830	151,830
B&I, COMMISSION FOR HOSPITAL PATIENT	201,306				
BALANCE FORWARD	81,206				
OTHER FUND	120,100				
B&I, SELF INSURED - WORKERS COMPENS.	509,765	452,225	447,014	469,264	474,980
OTHER FUND	509,765	452,225	447,014	469,264	474,980
B&I, INDUSTRIAL RELATIONS	5,774,309	6,324,545	5,998,066	6,482,623	6,156,193
OTHER FUND	5,774,309	6,324,545	5,998,066	6,482,623	6,156,193
B&I, OCCUPATIONAL SAFETY & HEALTH EI	5,591,069	6,047,269	5,933,281	6,267,641	6,188,335
FEDERAL FUND	800,760	877,067	949,317	877,067	949,317
OTHER FUND	4,790,309	5,170,202	4,983,964	5,390,574	5,239,018
B&I, SAFETY CONSULTATION AND TRAININ	2,206,085	2,075,767	2,078,464	2,138,614	2,146,066
FEDERAL FUND	394,100	791,900	700,900	791,900	647,150
OTHER FUND	1,811,985	1,283,867	1,377,564	1,346,714	1,498,916
B&I, MINE SAFETY & TRAINING	1,070,804	1,183,917	1,180,681	1,211,003	1,208,752
FEDERAL FUND	154,980	164,129	164,129	164,129	164,129
OTHER FUND	915,824	1,019,788	1,016,552	1,046,874	1,044,623
B&I, NV ATTORNEY FOR INJURED WORKER	2,023,322	2,418,671	2,432,354	2,501,534	2,525,032
INTER AGENCY TRANSFER	2,023,322	2,418,671	2,432,354	2,501,534	2,525,032
B&I, TRANSPORTATION SERVICES AUTHOF	1,944,408	1,930,232	1,848,016	1,995,649	1,865,272
HIGHWAY FUND	1,892,254	1,871,259	1,789,043	1,936,676	1,806,299
OTHER FUND	52,154	58,973	58,973	58,973	58,973
B&I, DAIRY COMMISSION	1,254,448	1,261,157	1,261,157	1,199,360	1,110,716
BALANCE FORWARD	305,355	304,900	304,900	243,103	154,459
OTHER FUND	949,093	956,257	956,257	956,257	956,257
B&I, LABOR COMMISSIONER	1,136,899	1,230,725	1,134,805	1,279,155	1,158,571
GENERAL FUND	1,135,746	1,230,251	1,134,331	1,278,681	1,158,097
OTHER FUND	1,153	474	474	474	474
B&I, EMPLOYEES MANAGEMENT RELATION	131,297	159,148	148,148	163,405	148,029
GENERAL FUND	128,297	156,239	145,241	160,493	145,117
OTHER FUND	3,000	2,909	2,907	2,912	2,912
B&I, TAXICAB AUTHORITY	4,928,604	5,212,463	5,431,446	4,454,470	5,107,613
BALANCE FORWARD	1,326,004	1,468,565	1,468,565	710,572	994,732
OTHER FUND	3,602,600	3,743,898	3,962,881	3,743,898	4,112,881

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPT OF BUSINESS & INDUSTRY					
B&I, ENERGY CONSERVATION	554,286	665,989	671,710	605,516	611,953
FEDERAL FUND	377,431	489,134	494,855	428,661	435,098
INTER AGENCY TRANSFER	176,855	176,855	176,855	176,855	176,855
B&I, PETROLEUM OVERCHARGE REBATE	762,407	620,100	620,100	469,396	469,396
BALANCE FORWARD	752,407	585,552	585,552	443,245	443,245
OTHER FUND	10,000	34,548	34,548	26,151	26,151
B&I, CAPTIVE INSURERS	31,900	19,500	37,000	26,700	64,200
BALANCE FORWARD	1,500	7,900	7,900	13,500	31,000
INTER AGENCY TRANSFER		2,500	20,000	3,500	23,500
OTHER FUND	30,400	9,100	9,100	9,700	9,700
B&I, ATHLETIC COMMISSION	410,863	424,627	409,803	434,985	412,580
GENERAL FUND	284,765	324,627	309,803	334,985	312,580
BALANCE FORWARD	45,609				
OTHER FUND	80,489	100,000	100,000	100,000	100,000
B&I TRANSPORTATION SERVICES AUTHOR	280,275	248,661	248,661	268,388	268,388
BALANCE FORWARD	191,645	203,661	203,661	223,388	223,388
OTHER FUND	88,630	45,000	45,000	45,000	45,000
SUB-FUNCTION RECAP					
DEPT OF BUSINESS & INDUSTRY	68,470,488	73,868,571	73,169,132	74,494,726	74,088,272
GENERAL FUND	9,140,445	9,276,936	9,012,808	9,659,481	9,097,580
BALANCE FORWARD	14,706,538	14,797,598	14,685,283	14,235,781	14,537,802
FEDERAL FUND	5,115,353	5,796,497	5,897,337	5,736,024	5,783,830
HIGHWAY FUND	1,892,254	1,871,259	1,789,043	1,936,676	1,806,299
INTER AGENCY TRANSFER	4,015,663	4,891,743	5,017,420	5,091,585	5,226,497
OTHER FUND	33,600,235	37,234,538	36,767,241	37,835,179	37,636,264

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
COMMERCE & INDUSTRY					
DEPARTMENT OF AGRICULTURE					
AGRI WEIGHTS & MEASURES	1,014,466	1,283,587	1,205,389	1,221,204	1,188,816
GENERAL FUND	72,022	385,661	311,568	427,651	272,022
BALANCE FORWARD	39,527			-126,983	
FEDERAL FUND	6,900				
INTER AGENCY TRANSFER	224,756	176,637	172,532	174,247	170,505
OTHER FUND	671,261	721,289	721,289	746,289	746,289
AGRI, ADMINISTRATION	714,672	1,381,004	731,426	1,458,740	745,028
GENERAL FUND	500,259	579,224	332,124	610,241	333,550
BALANCE FORWARD	88,389	232,078		274,589	
FEDERAL FUND	32,985	36,119	29,478	36,119	29,478
INTER AGENCY TRANSFER	83,039	474,328	369,413	478,536	381,589
OTHER FUND	10,000	59,255	411	59,255	411
AGRI, GARLIC & ONION RESEARCH	169,873		129,836		133,666
BALANCE FORWARD	125,873		63,003		66,833
OTHER FUND	44,000		66,833		66,833
AGRI, PLANT INDUSTRY	1,641,199	3,889,553	1,841,767	4,262,165	1,896,188
GENERAL FUND	1,046,369	1,244,352	1,221,624	1,296,095	1,274,447
BALANCE FORWARD	19,671	659,037	20,400	973,934	12,136
FEDERAL FUND	135,480	455,786	13,343	455,786	13,343
INTER AGENCY TRANSFER			66,260		70,150
OTHER FUND	439,679	1,530,378	520,140	1,536,350	526,112
AGRI, GAS POLLUTION STANDARDS	599,541	697,864	639,628	553,092	532,946
BALANCE FORWARD	297,849	293,438	293,438	248,813	254,744
INTER AGENCY TRANSFER	301,692	404,426	346,190	304,279	278,202
AGRI, AGRICULTURE REGISTRATION/ENFO	1,144,855		1,317,579		1,395,321
BALANCE FORWARD	261,972		399,953		477,695
FEDERAL FUND	329,000		342,150		342,150
OTHER FUND	553,883		575,476		575,476
AGRI, RURAL REHABILITATION TRUST FUN	252,477		289,430		316,368
BALANCE FORWARD	192,397		232,078		259,016
OTHER FUND	60,080		57,352		57,352
AGRI, LIVESTOCK INSPECTION	1,221,240	1,711,139	1,292,884	1,862,255	1,203,682
BALANCE FORWARD	451,853	458,519	458,519	596,804	356,486
INTER AGENCY TRANSFER	26,517	28,196	28,196	28,196	28,196
OTHER FUND	742,870	1,224,424	806,169	1,237,255	819,000
AGRI, APIARY INSPECTION	27,428				
BALANCE FORWARD	23,204				
OTHER FUND	4,224				

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPARTMENT OF AGRICULTURE					
AGRI, VETERINARY MEDICAL SERVICES	788,615	859,925	756,947	878,727	763,144
GENERAL FUND	704,044	825,953	733,475	844,755	739,672
FEDERAL FUND	15,000				
INTER AGENCY TRANSFER	36,914				
OTHER FUND	32,657	33,972	23,472	33,972	23,472
AGRI, PREDATORY ANIMAL & RODENT CONTROL	817,353	812,765	797,305	819,896	803,697
GENERAL FUND	631,386	629,991	610,093	635,582	614,777
BALANCE FORWARD	10,715				
INTER AGENCY TRANSFER	151,244	140,000	140,000	140,000	140,000
OTHER FUND	24,008	42,774	47,212	44,314	48,920
AGRI, ALFALFA PROMOTION ACCOUNT	36,553				
BALANCE FORWARD	17,550				
OTHER FUND	19,003				
AGRI, NOXIOUS WEED & INSECT CONTROL	51,827		49,182		45,224
BALANCE FORWARD	39,239		41,577		37,619
OTHER FUND	12,588		7,605		7,605
AGRI GRADE & ID OF AGRICULTURAL PRODUCTS	278,383		409,529		417,374
BALANCE FORWARD	15,464		12,687		20,532
FEDERAL FUND	40,734		70,509		70,509
OTHER FUND	222,185		326,333		326,333
AGRI, NEVADA JUNIOR LIVESTOCK SHOW	37,341	38,006	36,850	39,735	36,937
GENERAL FUND	37,341	38,006	36,850	39,735	36,937
AGRI, HIGH SCHOOL RODEO ASSOCIATION	20,000				
GENERAL FUND	20,000				
SUB-FUNCTION RECAP					
DEPARTMENT OF AGRICULTURE	8,815,823	10,673,843	9,497,752	11,095,814	9,478,391
GENERAL FUND	3,011,421	3,703,187	3,245,734	3,854,059	3,271,405
BALANCE FORWARD	1,583,703	1,643,072	1,521,655	1,967,157	1,485,061
FEDERAL FUND	560,099	491,905	455,480	491,905	455,480
INTER AGENCY TRANSFER	824,162	1,223,587	1,122,591	1,125,258	1,068,642
OTHER FUND	2,836,438	3,612,092	3,152,292	3,657,435	3,197,803

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
COMMERCE & INDUSTRY					
GAMING CONTROL BOARD					
GAMING CONTROL BOARD	27,356,556	31,887,811	29,945,865	32,971,804	30,106,736
GENERAL FUND	22,993,816	25,401,233	23,459,287	26,485,226	23,620,158
INTER AGENCY TRANSFER	4,251,140	6,374,978	6,374,978	6,374,978	6,374,978
OTHER FUND	111,600	111,600	111,600	111,600	111,600
GAMING CONTROL BOARD INVESTIGATION	6,291,227	9,494,038	9,494,038	9,494,338	9,494,338
BALANCE FORWARD	2,000	2,000	2,000	2,000	2,000
OTHER FUND	6,289,227	9,492,038	9,492,038	9,492,338	9,492,338
GAMING COMMISSION		475,012	475,012	460,954	460,954
GENERAL FUND		475,012	475,012	460,954	460,954
SUB-FUNCTION RECAP					
GAMING CONTROL BOARD	33,647,783	41,856,861	39,914,915	42,927,096	40,062,028
GENERAL FUND	22,993,816	25,876,245	23,934,299	26,946,180	24,081,112
BALANCE FORWARD	2,000	2,000	2,000	2,000	2,000
INTER AGENCY TRANSFER	4,251,140	6,374,978	6,374,978	6,374,978	6,374,978
OTHER FUND	6,400,827	9,603,638	9,603,638	9,603,938	9,603,938
PUBLIC UTILITIES COMMISSION					
PUBLIC UTILITIES COMMISSION	12,910,511	12,066,414	12,066,414	10,992,129	10,773,547
BALANCE FORWARD	3,956,620	3,373,566	3,373,566	2,299,781	2,081,199
FEDERAL FUND	107,857	140,795	140,795	140,795	140,795
INTER AGENCY TRANSFER	40,000	114,464	114,464	114,464	114,464
OTHER FUND	8,806,034	8,437,589	8,437,589	8,437,089	8,437,089
SUB-FUNCTION RECAP					
PUBLIC UTILITIES COMMISSION	12,910,511	12,066,414	12,066,414	10,992,129	10,773,547
BALANCE FORWARD	3,956,620	3,373,566	3,373,566	2,299,781	2,081,199
FEDERAL FUND	107,857	140,795	140,795	140,795	140,795
INTER AGENCY TRANSFER	40,000	114,464	114,464	114,464	114,464
OTHER FUND	8,806,034	8,437,589	8,437,589	8,437,089	8,437,089

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
COMMERCE & INDUSTRY					
ECONOMIC DEVELOPMENT & TOURISM					
COMMISSION ON ECONOMIC DEVELOPME	3,659,016	3,584,782	3,489,396	3,578,669	3,468,713
GENERAL FUND	3,326,476	3,479,662	3,384,276	3,473,549	3,363,593
BALANCE FORWARD	222,540				
OTHER FUND	110,000	105,120	105,120	105,120	105,120
MOTION PICTURES	715,493	763,140	760,614	783,767	781,446
BALANCE FORWARD	10,498				
INTER AGENCY TRANSFER	614,995	673,140	670,614	693,767	691,446
OTHER FUND	90,000	90,000	90,000	90,000	90,000
RURAL COMMUNITY DEVELOPMENT	6,953,990	3,301,496	3,277,317	3,321,473	3,280,997
GENERAL FUND	126,585	157,239	138,101	170,057	141,700
BALANCE FORWARD	569,733				
FEDERAL FUND	6,043,850	2,907,118	2,902,000	2,914,277	2,902,000
OTHER FUND	213,822	237,139	237,216	237,139	237,297
PROCUREMENT OUTREACH PROGRAM	452,589	538,835	483,618	556,193	487,175
GENERAL FUND	147,758	210,901	173,838	232,995	177,395
FEDERAL FUND	295,055	318,154	300,000	313,418	300,000
OTHER FUND	9,776	9,780	9,780	9,780	9,780
COMMISSION ON TOURISM	15,964,980	16,767,421	17,727,301	17,490,536	16,085,506
BALANCE FORWARD	4,448,442	4,707,584	5,176,963	4,894,285	2,976,682
INTER AGENCY TRANSFER	36,295				
OTHER FUND	11,480,243	12,059,837	12,550,338	12,596,251	13,108,824
NEVADA MAGAZINE	2,472,555	2,665,418	2,660,475	2,674,057	2,667,092
BALANCE FORWARD	51,172	136,261	136,261	170,900	168,878
INTER AGENCY TRANSFER		116,000	116,000	90,000	90,000
OTHER FUND	2,421,383	2,413,157	2,408,214	2,413,157	2,408,214
SUB-FUNCTION RECAP					
ECONOMIC DEVELOPMENT & TOURISM	30,218,623	27,621,092	28,398,721	28,404,695	26,770,929
GENERAL FUND	3,600,819	3,847,802	3,696,215	3,876,601	3,682,688
BALANCE FORWARD	5,302,385	4,843,845	5,313,224	5,065,185	3,145,560
FEDERAL FUND	6,338,905	3,225,272	3,202,000	3,227,695	3,202,000
INTER AGENCY TRANSFER	651,290	789,140	786,614	783,767	781,446
OTHER FUND	14,325,224	14,915,033	15,400,668	15,451,447	15,959,235

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

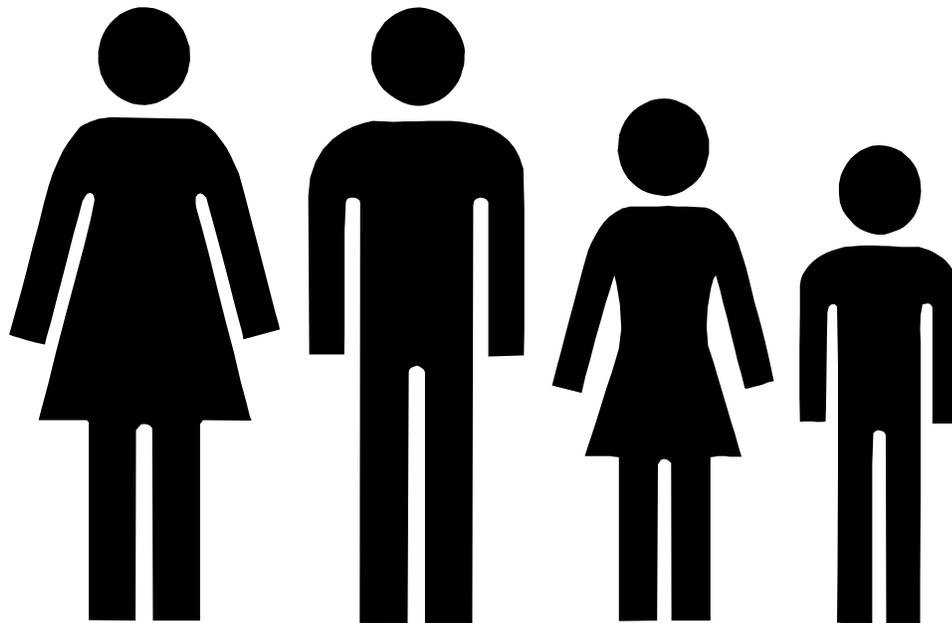
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
COMMERCE & INDUSTRY					
MINERALS					
MINERALS	1,066,281	1,049,896	1,085,616	987,672	1,062,765
BALANCE FORWARD	263,977	230,450	230,450	168,226	194,919
FEDERAL FUND	60,000	60,000	60,000	60,000	60,000
INTER AGENCY TRANSFER	15,000	15,000	50,720	15,000	63,400
OTHER FUND	727,304	744,446	744,446	744,446	744,446
MINERALS-BOND RECLAMATION	956,403	1,290,800	1,317,858	1,669,502	1,712,380
BALANCE FORWARD	817,351	941,403	941,403	1,250,442	1,267,138
OTHER FUND	139,052	349,397	376,455	419,060	445,242
SUB-FUNCTION RECAP					
MINERALS	2,022,684	2,340,696	2,403,474	2,657,174	2,775,145
BALANCE FORWARD	1,081,328	1,171,853	1,171,853	1,418,668	1,462,057
FEDERAL FUND	60,000	60,000	60,000	60,000	60,000
INTER AGENCY TRANSFER	15,000	15,000	50,720	15,000	63,400
OTHER FUND	866,356	1,093,843	1,120,901	1,163,506	1,189,688

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
COMMERCE & INDUSTRY					
COMMERCE & INDUSTRY					
GENERAL FUND	38,746,501	42,704,170	39,889,056	44,336,321	40,132,785
BALANCE FORWARD	26,632,574	25,831,934	26,067,581	24,988,572	22,713,679
FEDERAL FUND	12,182,214	9,714,469	9,755,612	9,656,419	9,642,105
HIGHWAY FUND	1,892,254	1,871,259	1,789,043	1,936,676	1,806,299
INTER AGENCY TRANSFER	9,797,255	13,408,912	13,466,787	13,505,052	13,629,427
OTHER FUND	66,835,114	74,896,733	74,482,329	76,148,594	76,024,017
TOTAL COMMERCE & INDUSTRY	156,085,912	168,427,477	165,450,408	170,571,634	163,948,312
LESS: INTER AGENCY TRANSFER	9,797,255	13,408,912	13,466,787	13,505,052	13,629,427
NET-COMMERCE & INDUSTRY	146,288,657	155,018,565	151,983,621	157,066,582	150,318,885

HUMAN SERVICES



HUMAN SERVICES

Human Services consists of all functions that provide services directly to individuals and the general public. It includes the Department of Human Resources, consisting of the Division of Aging Services, Welfare Division, Division of Mental Health and Developmental Services, Health Division, Child and Family Services Division, and Division of Health Care Financing and Policy, and the Department of Employment, Training and Rehabilitation, which includes the Rehabilitation Division and the Employment Security Division. This function also includes the Office of the Public Defender, Office of Equal Rights and the Indian Affairs Commission. In the 2001-03 biennium, General Fund appropriations approved by the Legislature for the Human Services function total \$1.04 billion, a 33.2 percent increase over the \$781.7 million appropriated for the 1999-2001 biennium.

DEPARTMENT OF HUMAN RESOURCES (DHR)

DIRECTOR'S OFFICE

The Director's Office is responsible for coordinating all departmental programs, the oversight of the department's budgets, and for providing technical assistance to the various divisions. Currently, seven budget accounts are directly administered by the office, including: DHR Administration; Title XX-Purchase of Social Services Block Grant; Community Services Block Grant; Family-to-Family Connection Program; Family Resource Centers; State and Community Collaborations (formerly known as Chapter I-Special Education); and the Healthy Nevada Fund Administration budget, which was approved by the Interim Finance Committee on April 13, 2000.

The Executive Budget recommended the deletion of all revenue and expenditures associated with the MAXIMUS revenue maximization contract for the 2001-03 biennium. MAXIMUS recoveries are enhanced federal revenues and retroactive collections of federal revenue that are recovered with assistance from the MAXIMUS firm. The Legislature closed this budget by approving the addition of \$500,000 of MAXIMUS federal recovery revenue in each year of the biennium to be transferred to the Bureau of Alcohol and Drug Abuse's budget for the continuation of adolescent substance abuse treatment programs. The Legislature also authorized an additional \$250,000 per year in MAXIMUS revenue to be directed towards a pilot program for seriously mentally ill and homeless adults in Southern Nevada. The money committees also issued a letter of intent to the Director's Office which does not allow any expenditures to be made for either adolescent substance abuse treatment programs or for a pilot program for seriously mentally ill homeless adults until the MAXIMUS revenue is earned and deposited in the respective budget accounts established for those purposes.

The Legislature did not approve any of the eight new positions recommended in The Executive Budget and did not approve the recommended reclassification of an Administrative Services Officer IV position to an unclassified Deputy Director. In lieu of the reclassification, the Legislature approved a one-grade salary increase for the position. The Legislature also approved several one-time General Fund appropriations for the department. Assembly Bill 513, of the 2001 Legislative Session, appropriates \$800,000 for the development of four long-term strategic

plans concerning the health care needs of the citizens of Nevada. The four areas include: services for senior citizens, health care services in rural Nevada, services for persons with disabilities, and rates paid by the state of Nevada for contracted health and human services.

HEALTHY NEVADA FUND ADMINISTRATION

This is a relatively new program approved by the Interim Finance Committee on April 13, 2000 to administer various programs enumerated in A.B. 474 as passed by the 1999 Legislature. Those programs include: the senior prescription program, grants to improve the health of children and disabled persons, and grants to reduce tobacco use. The funding source is a transfer from the Treasurer's Office of tobacco settlement funds received by the state of Nevada. The Healthy Nevada Fund receives 50 percent of tobacco settlement funds received by the state. All allocations of funds must be approved by the Task Force for the Fund for a Healthy Nevada.

The Executive Budget recommended a total of \$11,378,825 for FY 2001-02 and \$11,385,029 for FY 2002-03, which represented an approximate 2.8 percent increase over the FY 2000-01 work program amount of \$11,072,161. The budget also recommended the transfer of program costs and grant funds for the reduction of tobacco use and for health improvements for children and the disabled, as well as the transfer of an existing Management Analyst II and Auditor II to a new Grants Management Unit budget. The Grants Management Unit was not approved, and the Legislature restored the existing positions and the reduction of tobacco use funds and funds for health improvements for children and the disabled to this budget. The Legislature made several minimal adjustments in the amounts recommended for assessments payable to the Department of Information Technology and approved total expenditure authority of \$11,388,302 in FY 2001-02 and \$11,396,206 in FY 2002-03.

The 2001 Legislature also approved Senate Bill 539, which, among other changes, revised the eligibility and cost-sharing requirements in the Senior Rx program for persons who are eligible for assistance from the program. Co-payments are limited to \$10 for generic drugs and \$25 for certain non-generic drugs. The bill also increases the administrative allowance for the fund's administration by the Department of Human Resources from two percent to three percent of the amount anticipated to be deposited into the fund during a fiscal year.

PURCHASE OF SOCIAL SERVICES

The Director's Office of the Department of Human Resources also administers the Purchase of Social Services Program, which awards Title XX Social Services Block Grant funds to both state and non-state agencies to fund qualifying social services programs. The Executive Budget recommended that this budget be eliminated and that all program costs and grant expenditures be transferred to a new Grants Management Unit. The Grants Management Unit was not approved, and the Legislature restored the Purchase of Social Services budget. The budget also recommended a transfer in, from the Welfare Division, of approximately \$1.9 million in Temporary Assistance to Needy Families (TANF) revenue in each year of the biennium to assist in relieving the department's projected reduction in Title XX funds. The TANF regulations currently allow up to 4.25 percent of the TANF Block Grant be transferred to Title XX in federal FY 2001. The Legislature approved the recommended transfer of TANF revenue.

The Legislature also increased the Title XX revenue authority recommended in the budget by approximately \$1.1 million in each year of the biennium to \$11,086,782 to equal the latest actual federal fiscal year 2001 grant award to Nevada. Of the Title XX increase, \$1 million in each year was added to state agency budget accounts, which in turn reduced the General Fund appropriation by \$1 million per year. Additionally, the Legislature increased Title XX support to non-state agencies by \$131,515 in FY 2001-02 and \$131,603 in FY 2002-03.

FAMILY-TO-FAMILY CONNECTION PROJECT

This program was initially recommended in the 1997-99 Executive Budget and was approved by the 1997 Legislature to provide assistance to families with newborns with positive parenting, optimal child development, healthy family structures and community support. The Executive Budget recommended the elimination of this budget account and the transfer of program costs and grant expenditures to a new Grants Management Unit budget. The Grants Management Unit was not approved, and the Legislature restored the Family-to-Family Connection budget. The Legislature did approve the recommendation to eliminate \$505,089 in Child Care Development funds in each year of the biennium and transfer four existing Child Development Specialist positions from this budget to the Welfare Division's Child Care Assistance and Development program budget account. The positions will continue to provide assistance to the Family-to-Family Connection program.

The Executive Budget also recommended, in conjunction with the proposed transfer of the program to the Grants Management Unit, that grant expenditures be reduced from approximately \$2.2 million per year in the 1999-2001 biennium to \$627,489 per year in the 2001-03 biennium. The money committees did not approve that recommendation and were able to increase grant funds available to local infant support districts from the \$627,489 per year recommended in The Executive Budget to \$1,306,726 in FY 2001-02 and \$1,356,042 in FY 2002-03. The approved grant amounts allow the program to continue to maintain the 13 Infant Support Districts statewide and the approximately 23 New Baby Centers (NBC's) located in those districts.

In closing this budget, the money committees also recommended that the Infant Support Districts consider directly pursuing additional funding sources such as TANF and Child Care Development funds, and that they also consider the further development and implementation of sliding fee scales to supplement their revenue sources.

FAMILY RESOURCE CENTERS

The Family Resource Centers program was established during the 1995-97 biennium through the passage of Senate Bill 405 by the 1995 Legislature. The program's intent is to develop centers in certain neighborhoods that are determined to be in need of social and economic assistance and social programs. Family Resource Centers provide a wide array of services where families may obtain an assessment of their eligibility for social services and/or referrals to obtain social services from other agencies or organizations. The Executive Budget recommended that this budget account be eliminated and that all program costs and grant expenditures be transferred to a new Grants Management Unit. As noted earlier, the Grants Management Unit was not approved, and the Legislature restored the Family Resource Centers budget account.

The Legislature approved General Fund support for the program of \$1,450,841 in FY 2001-02 and \$1,453,163 in FY 2002-03. Total funding approved to continue grants to local Family Resource Centers is \$1,302,722 in FY 2001-02 and \$1,301,445 in FY 2002-03, similar to the amount of \$1.3 million available in each year of the 1999-2001 biennium. The approved funding will continue to support 40 existing centers statewide. The money committees also issued a letter of intent to the Director's Office that continues the requirement that the department provide an annual written report to the Interim Finance Committee concerning the expenditure of all funds utilized to support the program during the preceding fiscal year.

GRANTS MANAGEMENT UNIT

The Grants Management Unit, which was not approved by the 2001 Legislature, was a new budget account that was proposed due to a recommendation from the Governor's Steering Committee to Conduct a Fundamental Review of State Government. The purpose of the new budget account, according to The Executive Budget, was to develop a structured, coordinated and consistent system for awarding, managing, evaluating and tracking pass-through funding to other entities. The new account totaled slightly over \$31 million (approximately \$2.5 million in General Fund and \$28.5 million in federal and other funds) in each year of the 2001-03 biennium. In addition, the account was proposed to consolidate funding from the following existing programs: Title XX Purchase of Social Services, Family-to-Family Connection, Family Resource Centers, Community Services Block Grant, Children's Trust Account, Domestic Violence Grants, and Healthy Nevada grants. The Legislature did not approve the creation of the Grants Management Unit and restored all existing budget accounts and programs that were recommended to transfer into the new budget account.

STATE AND COMMUNITY COLLABORATIONS

Programs within this budget include Part C of the Individuals with Disabilities Education Act (IDEA), which provides early intervention services to all eligible infants and toddlers with disabilities and their families, and the Even Start Statewide Family Literacy initiative for the purpose of planning and implementing statewide family literacy initiatives. The budget is funded primarily by federal funds and contains no direct General Fund appropriation. The agency requested, and the Legislature approved, the restoration and continuance of the federal Head Start grant at \$100,000 per year, which also includes the continuance of 1.51 FTE positions. The Legislature also approved the recommendations in The Executive Budget to transfer 6.55 existing FTE positions to the Division of Child and Family Services for the HAPPY, First Step and Infant Enhancement direct services programs, and 2.51 FTE existing positions to the Health Division's Special Children's Clinic budget.

DIVISION OF HEALTH CARE FINANCING AND POLICY

The mission of the Division of Health Care Financing and Policy is to purchase and ensure the provision of quality health care services, including Medicaid, to low-income Nevadans in the most efficient manner; to promote access to health care at an affordable cost to the taxpayers of Nevada; to restrain the growth of health care costs; and to review Medicaid and other state health care programs to determine potential federal revenue maximization.

The division is responsible for administering the Medicaid program, the Nevada Check-Up program, the Disproportionate Share (DSH) and Intergovernmental Transfer (IGT) programs, federal maximization efforts, and the state's health care cost containment and data collection activities.

Overall, the 2001 Legislature approved approximately \$1.83 billion in total funding for the division for the 2001-03 biennium, an increase of approximately \$3.2 million when compared to the total funding recommended by the Governor. The funding approved to operate the division includes General Fund support in the amount of approximately \$534.7 million for the 2001-03 biennium, a decrease of approximately \$12 million when compared to the General Fund support recommended by the Governor. When compared to the 1999-2001 biennium, the 2001 Legislature approved an increase of approximately \$201.9 million in General Fund support to operate the division for the 2001-03 biennium, which represents an increase of approximately 60 percent. The primary reasons for the significant increase approved by the Legislature in General Fund support are as follows: a reduction in the availability of Intergovernmental Transfer revenue used to offset General Fund support in the Medicaid and Nevada Check-Up programs; projected caseload increases for the Medicaid and Check-Up programs; rate increases for all Medicaid providers; the approval of several new initiatives recommended by the Governor; and the expansion of several existing Medicaid waivers.

The money committees endorsed the division's proposals to begin implementing many of the recommendations outlined in the Business Process Re-engineering (BPR) study that will move the division to an organizational environment referred to as Value Purchasing. To assist the division with implementing the organizational changes, the Legislature approved eight of nine new positions recommended by the Governor for the division's administrative budget. To offset a portion of the additional costs for the new positions approved, the Legislature approved the Governor's recommendation to eliminate eight existing positions in the Medicaid budget. The new positions approved include three Administrative Services Officer positions for administration and infrastructure support, three Management Analysts for the rate development unit, one Personnel Technician for processing personnel transactions and coordinating recruitment and examining, and one Accounting Specialist for payroll.

To support the division's transition toward a Value Purchasing model, the 2001 Legislature, with passage of Assembly Bill 516, approved a one-time General Fund appropriation in the amount of \$2,090,840 for the design, development and implementation of the Medicaid Management Information System (MMIS). The 1999 Legislature approved funding to initiate the functional requirements study for the MMIS system and the Pharmacy Point of Sale (POS) system. The division has contracted with a private company to conduct the functional requirements study, which is federally mandated in order to qualify for federally enhanced funding for the MMIS system's development (90/10 funding) and ongoing operational costs (75/25 funding). The projected cost to fully implement the MMIS system is \$25.6 million, and the state share is estimated at approximately \$2.56 million. The division intends to transfer an existing MMIS system and modify it as necessary to meet specific program requirements that may be unique to Nevada Medicaid. It is anticipated that the design, development and implementation stages for the MMIS system will be completed by May 2004, with the system fully operational by the summer of 2004.

The Executive Budget recommended, and the Legislature approved, merging the Health Resources and Cost Review budget into the division's administrative budget. The Health Resources and Cost Review budget is used as a pass-through account for the following:

- To collect assessments against hospitals with a bed capacity of 200 or more to be used to pay for the assessed hospital's biannual audit;
- To collect any penalties levied against hospitals with more than 100 beds that have not met their annual indigent care requirement; and
- To account for miscellaneous revenue collected by the division to reimburse the University Center for Public Data Research for data analysis, research and special projects.

NEVADA MEDICAID

Medicaid is the state-administered program for medical assistance established in 1965 with passage of Title XIX of the Social Security Act. The Medicaid program purchases or provides medical services for persons who meet certain eligibility criteria. Federal law specifies minimum eligibility categories and service requirements. States may elect to provide services to optional eligibility groups; Nevada has adopted both optional services and optional eligibility groups. The Medicaid eligibility categories include the following:

- Temporary Assistance for Need Families (TANF) and TANF medical-only cases. These are families that meet the eligibility requirements for TANF.
- Child Health Assurance Program (CHAP). CHAP covers pregnant women and children, including the unborn, in families that are above the TANF income limits but under the poverty limits for CHAP. CHAP covers children age 6 and under in families at 133 percent of poverty, and children born after September 30, 1983 (up to age 18) at 100 percent of poverty. CHAP pregnant women above the TANF limits receive pregnancy-related services only.
- Medical Assistance to the Aged, Blind and Disabled (MAABD). The MAABD program provides coverage for the following: SSI recipients or aged, blind or disabled individuals deemed to be SSI eligible; individuals who are patients in a nursing facility or hospital who are aged, blind or disabled; disabled children who require a level of care in a medical facility, but can be cared for at home (i.e. Katie Beckett); home and community based waiver clients; Qualified Medicare Beneficiaries (QMBs); Special Low Income Medicare Beneficiaries (SLMBs); other Medicare-related beneficiaries; and emergency assistance for ineligible non-citizens.
- Child Welfare. These are recipients of adoption assistance or foster care Title IV-E of the Social Security Act.

The 2001 Legislature approved approximately \$513 million in General Fund support for the Medicaid program over the 2001-03 biennium, an increase of approximately \$181.8 million, or 54.9 percent, when compared to the 1999-2001 biennium. The increase in General Fund support approved by the Legislature is approximately \$10.6 million less than the amount recommended by the Governor. Approximately \$7 million of the approved reduction in General Fund support was based on budgeting a higher federal match participation (FMAP) rate for FY 2002-03. To ensure the Medicaid program is adequately funded, the Legislature approved language in the General Appropriations Act that would allow the division to request a supplemental appropriation to fund medical expenditures if the increase in the FMAP rate does not materialize.

The significant increase in the amount of General Fund support approved by the Legislature will offset a decline in the amount of Intergovernmental Transfer revenue projected to be available to fund Medicaid expenditures; provide for projected caseload growth; provide for the projected Medicaid caseload to be housed at the new Veteran’s Home facility; provide for rate increases for all Medicaid providers; provide for several new initiatives, which include eliminating the assets test for pregnant women and children and implementing the Breast and Cervical Cancer Prevention and Treatment program; and provide for the expansion of several existing home and community based waivers.

Medicaid Caseloads

The 2001 Legislature approved approximately \$318.8 million (\$80.7 million in state funds) over the 2001-03 biennium for the increased costs associated with caseload growth and for mandatory provider rate increases. As is customary during the legislative session, Medicaid caseloads are re-projected in March. The March projections indicated that Medicaid caseload attributed to the TANF and CHAP populations were higher when compared to the caseload projections used in constructing The Executive Budget. Additionally, the medical payment costs for these two recipient groups had been underestimated. To address these shortfalls, the Legislature approved approximately \$2.9 million in additional state funds for the upcoming biennium.

Medicaid caseloads are projected to increase by 22.5 percent in FY 2001-02 over the FY 1999-2000 actual and by 6.1 percent in FY 2002-03 over the FY 2001-02 projection (see table below). The number of individuals eligible for the Medicaid program is projected to increase to over 133,000 recipients per month by FY 2002-03.

	FY 1999-2000	FY 2000-01 (EST.)	FY 2001-02 (EST.)	FY 2002-03 (EST.)
Recipients	102,490*	116,665*	125,524*	133,142*
% Change	-----	13.8%	7.6%	6.1%

*Average Monthly Medicaid Caseload

Discretionary Rate Increases

The 2001 Legislature approved discretionary rate increases for all Medicaid providers in the amount of approximately \$81.8 million (\$40.9 million in state funds) over the 2001-03 biennium. The rate increases approved (see table below) were based on the preliminary findings from the consultant retained to study the soundness of the current payment and rate-setting methodologies

used by the division and to develop recommendations to improve the equitableness of the rates Medicaid currently pays to participating providers. The rate increases approved by the Legislature differ from the mix of rates recommended by the Governor and are significantly more expensive, primarily because the rate increases included in The Executive Budget were under-funded. The rate increases approved are effective October 1, 2001 and July 1, 2002.

PROVIDER	FY 2001-02		FY 2002-03	
	GOV REC	LEG APPR	GOV REC	LEG APPR
Dental	3.7	3.7	3.7	3.7
Vision	3.9	3.9	3.9	3.9
Hospital-in	10.4	8.43	5.2	2.35
Hospital-out	6.7	1.25	6.7	6.7
Physician	3.7	1.25	3.7	3.7
LTC	9.6	21.65	4.8	4.35
MH/MR	9.6	9.6	4.8	4.8
All Others	3.5	0	3.5	5.39

New Initiatives

The 2001 Legislature approved approximately \$6.3 million (\$2.7 million in state funds) for FY 2002-03 to fund two new initiatives recommended by the Governor, the elimination of the assets test for the Child Health Assurance Program (CHAP), and the implementation of the Breast and Cervical Cancer Prevention and Treatment program. As a budget savings measure due to the revenue shortfall, the Legislature approved delaying implementation of these two initiatives until July 2002. The delay will save approximately \$3 million in state funds in the Medicaid budget over the 2001-03 biennium.

The assets test is an existing requirement for determining Medicaid eligibility for pregnant women and children enrolling in the CHAP program. The Legislature received considerable testimony that the assets test is widely considered an enrollment barrier and is potentially a reason families fail to complete the Medicaid eligibility process. It is anticipated that eliminating the assets test will promote early access to prenatal care and is projected to significantly increase Medicaid caseload.

The Breast and Cervical Cancer Prevention and Treatment Act of 2000 was recently passed by Congress and is an optional program that states can adopt as part of their Medicaid state plan. The act permits states to provide full Medicaid benefits to all uninsured women under the age of 65 with breast and/or cervical cancer or pre-cancerous conditions diagnosed through the Centers for Disease Control's National Breast and Cervical Cancer Early Detection program. States exercising the option receive an enhanced federal match from the federal government to provide Medicaid eligibility to this new group. The Legislature felt that funding the treatment services for breast and cervical cancer was an essential element for successful cancer prevention and control.

Expansion of Medicaid Waivers

The 2001 Legislature approved approximately \$9 million (\$4.4 million in state funds) over the 2001-03 biennium to expand several existing home and community based waivers for caseload growth and to reduce the existing waiting lists for services. The following briefly recaps the enhancements approved:

1. A total of \$335,990 (\$167,692 in state funds) for FY 2001-02 and \$2,327,603 (\$1,136,917 in state funds) for FY 2002-03 was approved to add 160 new slots for the Community Home-Based Initiatives Program (CHIP). The new slots will be added on a quarterly basis beginning in January 2002 (40 slots for FY 2001-02 and an additional 120 slots for FY 2002-03). The new slots are for caseload growth and to reduce the existing waiting list for services.
2. A total of \$290,193 (\$144,835 in state funds) for FY 2001-02 and \$693,552 (\$338,543 in state funds) for FY 2002-03 was approved to add 100 new slots in each fiscal year for the Adult Group Care Waiver. The Adult Group Care Waiver allows Medicaid-eligible seniors to live in group facilities by providing supplemental services in a group care home. The eligibility criteria for the waiver will be increased to 300 percent of the SSI income level to establish consistency between all Medicaid waivers. The funding approved should enable more individuals the opportunity to choose a less-restrictive living environment compared to nursing home care.
3. A total of \$1,146,516 (\$572,303 in state funds) for FY 2001-02 and \$4,203,475 (\$2,053,186 in state funds) for FY 2002-03 was approved to add a total of 180 new slots (90 slots each fiscal year) for the Physically Disabled Waiver program. An additional seven new positions were approved to provide case management services and assessment of care determinations. The 180 new slots approved by the 2001 Legislature, in addition to the 60 slots authorized by the 1999 Legislature, should eliminate the existing waiting list for services.

The expansion approved for these three waiver programs is in addition to a significant increase in new slots also approved by the 2001 Legislature for the Mental Retardation Waiver administered by the Division of Mental Health and Developmental Services. The expansion of new slots will ensure that individuals wishing to access waiver services and existing waiting lists are being proactively addressed and places the state in a solid position for addressing the intent of the Olmstead decision.

Other Issues

The 2001 Legislature approved the Governor's recommendation to eliminate 13 existing positions in the Medicaid budget to offset the cost of new positions recommended in the division's administration and Medicaid budgets. In addition, the Legislature approved approximately \$1.6 million (federal/state) in each fiscal year of the 2001-03 biennium to allow the division to contract for certain services previously performed by Medicaid staff. The services include prior authorization requests, level of care determinations and pre-admission

screening and annual resident reviews. Savings realized from the manner in which personal care attendant services are administered will offset a majority of the costs for the contract services. The new positions approved for the Medicaid budget include a Management Analyst to monitor the financial operations of managed care providers participating in the managed care program; a Medicaid Services Specialist to provide quality care assurance for the managed care program; a Social Welfare Program Specialist to monitor out-of-state Medicaid providers and placements; and two clerical support positions.

The 2001 Legislature approved funding to implement the Pharmacy Point of Sale (POS) system previously authorized by the 1999 Legislature. The POS system processes pharmaceutical claims much quicker than the normal claims processing through the division's fiscal agent. Therefore, a much higher percentage of pharmacy claims will be paid during the fiscal year the claim was incurred. The funding approved in FY 2001-02 will provide for the projected upfront expenditures for processing pharmacy claims quicker, while the savings anticipated once the system is on-line in FY 2002-03 accounts for the difference in costs for processing claims by the fiscal agent versus the POS system. The division anticipates the POS system will be implemented in May 2002 as the first phase of an integrated MMIS system.

The 2001 Legislature also approved three new technology positions to support the implementation of the MMIS and POS systems and to manage the systems once implemented. The technology positions approved include a Database Manager to work with the MMIS development contractor and two Computer Network Technicians to provide network support.

NEVADA CHECK-UP

The Balanced Budget Act of 1997 created the State Children's Health Insurance Program (SCHIP) under Title XXI of the Social Security Act to enable states to initiate and expand health care coverage targeted for low-income uninsured children. States were allowed flexibility to provide health care coverage by: (1) expanding coverage under the Medicaid program; (2) establishing insurance coverage; or (3) some combination of these two strategies. SCHIP provides enhanced federal match funding to states that receive federal approval of a state plan specifically delineating how SCHIP funding would be used to increase health care coverage for low-income children. The state plan for Nevada Check-Up was approved in August 1998 and enrollment in the program began in October 1998.

The Nevada Check-Up program is designed as a stand-alone program. The program covers children ages birth through 18 years of age from families with incomes up to 200 percent of poverty. The Check-Up program's benefit package mirrors the medical benefits and services available to Medicaid clients. All medical services are provided under a managed care arrangement with participating HMOs in Clark and Washoe counties. The medical services provided in areas of the state where an HMO network does not exist are reimbursed on a fee-for-service basis. Quarterly premiums ranging from \$10 to \$50 are charged to eligible families based on the family's income level as a percent of poverty. The Legislature approved the Nevada Check-Up program as currently designed with no significant changes to the current eligibility criteria, coverage limits or services.

The caseload for the Nevada Check-Up program for the 2001-03 biennium is projected to continue growing at double-digit rates. The average monthly caseload for the Nevada Check-Up program is projected to increase by approximately 37 percent to 20,431 children for FY 2001-02 over FY 2000-01, and by another 16.9 percent to 23,887 children for FY 2002-03 (see table below). The projected increase in average monthly caseload for the upcoming biennium is slightly less than the projected caseloads used in constructing The Executive Budget, due to more recent caseload history made available to the money committees during their review of the Nevada Check-Up program. It is anticipated that some children currently enrolled in the Nevada Check-Up program will become eligible for Medicaid once the elimination of the assets test for the CHAP program takes effect in July 2002.

To support the projected caseload growth, the 2001 Legislature approved total funding in the amount of \$62.4 million (\$29.5 for FY 2001-02 and \$32.9 million for FY 2002-03), which includes approximately \$21 million in state funds ((\$10 million for FY 2001-02 and \$11 million for FY 2002-03) for the 2001-03 biennium. The Legislature approved a significant increase in use of state funds for the required match for federal Title XXI funds due to the reduction in the availability of Intergovernmental Transfer revenues that were used almost exclusively as the state match for the 1999-2001 biennium.

FY 2000-01 (PROJ)	FY 2001-02 (PROJ)	% INCREASE	FY 2002-03	% INCREASE
14,955	20,431	36.6 %	23,887	16.9%

INTERGOVERNMENTAL TRANSFER PROGRAM

The Intergovernmental Transfer program collects monies primarily from public hospitals and counties pursuant to NRS 422.380 through NRS 422.390. The monies collected are utilized to help fund medical expenditures in the Medicaid program and in previous fiscal years' medical expenditures in the Nevada Check-Up program and associated administrative costs. Additionally, the Intergovernmental Transfer program, in conjunction with funding approved for Disproportionate Share (DSH), helps to fund indigent medical costs incurred by participating entities.

The Executive Budget proposed to continue the Intergovernmental Transfer program for the 2001-03 biennium as designed and approved by the 1999 Legislature for the 1999-2001 biennium. For the 1999-2001 biennium, the Intergovernmental Transfer program generated approximately \$36.8 million in additional funds, of which approximately \$21 million was distributed to participating public entities and \$15.8 million was retained by the state to offset Medicaid costs.

With passage of Senate Bill 377 by the 2001 Legislature, a number of modifications to the Intergovernmental Transfer program will be made over the upcoming biennium. The major modifications included in S.B. 377 are as follows:

- Allows private hospitals to receive DSH payments under certain circumstances;
- Increases the amount of DSH payments by \$25,000 for several small rural hospitals for each fiscal year;
- Ensures a minimum payment of \$50,000 for three small public hospitals that currently do not receive DSH payments; and
- Requires the Department of Human Resources to continue the study of the Intergovernmental and DSH programs for the 2001-03 biennium.

The modifications to the Intergovernmental Transfer program as a result of S.B. 377 and the ability to increase DSH payments for the upcoming biennium will provide an increase in the state's benefit from approximately \$15.8 million to \$17.1 million in FY 2001-02 and to \$17.2 million for FY 2002-03. The Legislature approved using most of the increased benefit to help offset Medicaid expenditures. The benefit to participating entities will increase from approximately \$21 million to approximately \$23 million for each fiscal year of the 2001-03 biennium. Additionally, the Legislature authorized \$60,000 each fiscal year of the upcoming biennium for the division to retain consultant support to assist with the study of the Intergovernmental Transfer and DSH programs as required by S.B. 377.

The reserve balances in the Intergovernmental Transfer budget will continue to decline as a result of the extensive use of Intergovernmental Transfer revenues over the past several fiscal years to fund Medicaid and Nevada Check-Up expenditures and over the 2001-03 biennium to fund Medicaid expenditures. The Intergovernmental Transfer reserve will be reduced to approximately \$14 million at the end of FY 2002-03 based on the authorized level of utilization for the upcoming biennium. The availability of this revenue source to fund Medicaid expenditures will be significantly reduced for the 2003-05 biennium.

With passage of Senate Bill 321, the 2001 Legislature approved a transfer of \$500,000 from the Intergovernmental Transfer budget to replenish the Institutional Care Fund. The Institutional Care Fund was established by the 1997 Legislature and serves as a revenue pool to assist financially strapped counties with their portion of Medicaid long-term care costs. Replenishing the Institutional Care Fund ensures that the county's responsibility for financing Medicaid long-term care costs jointly shared by the state and the counties remains viable. Historically, the Institutional Care Fund has been replenished with a \$300,000 transfer from the Intergovernmental Transfer budget. The \$200,000 increase in the amount of the transfer was approved at the request of the Nevada Association of Counties (NACO) since more rural counties have to access the fund more frequently and for increased amounts of financial assistance.

DIVISION OF MENTAL HEALTH AND DEVELOPMENTAL SERVICES

The Division of Mental Health and Developmental Services (MHDS) is responsible for the development, administration, coordination and evaluation of state treatment and training programs for mentally ill and mentally retarded citizens. The division consists of the following

programs and facilities: Nevada Mental Health Institute, also known as Northern Nevada Adult Mental Health Services; Southern Nevada Adult Mental Health Services; Lake's Crossing Facility for Mentally Disordered Offenders; Rural Clinics; Desert Regional Center; Sierra Regional Center; Rural Regional Center; and the Family Preservation Program.

The 1999 Legislature, with passage of Assembly Bill 305, changed the name of the Division of Mental Health and Mental Retardation to the Division of Mental Health and Developmental Services. Total funding for the division increases 14.4 percent in FY 2001-02 over the FY 2000-01 level and increases an additional 6.75 percent in FY 2002-03. General Fund support for the division during the 2001-03 biennium increases by \$21.9 million, which represents a 13.6 percent increase over amounts appropriated during the 1999-2001 biennium.

DIVISION ADMINISTRATION

In recognition of concerns raised by the legislative auditor of the division's revenue collection activities, the Legislature added a new Revenue Officer for Northern Nevada Adult Mental Health Services, Rural Clinics, and Southern Nevada Adult Mental Health Services. The new position will supervise billing and accounts receivable functions.

The Legislature was also concerned that funding relative to services provided by MOJAVE Mental Health Services, which provides treatment to Medicaid-eligible clients, was not being credited as part of the state's commitment of the delivery of mental health services. The Legislature approved a change in the payment of Medicaid funds to MOJAVE, whereby the payments will no longer flow directly to MOJAVE, but will be reflected in the Northern and Southern Nevada Adult Mental Health Services budgets and the Northern and Southern Nevada Child and Adolescent Services budgets, which refer clients to MOJAVE. The Legislature also issued a letter of intent to the Director of the Department of Human Resources to allow other groups to apply to provide services to Medicaid-eligible clients and to begin the process to allow other provider groups to provide targeted case management services. Included in the approved budget was funding of \$100,000 in each year of the biennium for the statewide suicide prevention hotline.

With passage of S.B. 491, \$200,000 was appropriated to Opportunity Village for revitalization of their thrift stores, and \$50,000 was appropriated to Washoe Association for Retarded Citizens for creation of a pilot program to develop supportive employment to assist clients in finding and maintaining meaningful employment. During the 17th Special Session, the Legislature passed S.B. 6, which allows for the establishment of a mental health court in district courts. The bill allows courts to defer sentencing for criminal conviction of a misdemeanor and refer the individual to mental health court where a program will be developed to maintain the person in the community with necessary support services.

NORTHERN NEVADA ADULT MENTAL HEALTH SERVICES

With passage of S.B. 450 by the 2001 Legislature, the name of the Nevada Mental Health Institute was changed to Northern Nevada Adult Mental Health Services.

The 2001 Legislature was aware that the Nevada Mental Health Institute's inpatient census was averaging below 40 clients, even though the facility was staffed for 50 clients. Because construction of the new hospital requires staffing in two separate 40-bed units, the Legislature worked with the administration and reduced the inpatient staffing to 40 beds, but used a portion of the savings to enhance other programs. The Legislature authorized the movement of 7.67 FTE positions to the Psychiatric Emergency Services (PES) unit to allow that program to operate seven days a week, 24 hours a day, which is similar to the PES program operating in southern Nevada.

The Legislature also provided new funding of \$507,600 in FY 2001-02 and \$676,800 in FY 2002-03 to move 12 chronically mentally ill clients from the inpatient hospital to intensive supported living arrangements in the community.

Senate Bill 247 provided a \$435,950 supplemental appropriation for additional utility and medication costs. The 2001 Legislature also passed S.B. 435, which provided a one-shot appropriation of \$439,828 for new and replacement equipment and computer hardware and software.

LAKE'S CROSSING

Lake's Crossing Center is Nevada's only forensic facility, whose mission is to provide statewide forensic mental health services in a secure facility to mentally disordered offenders who are referred from the court system. The agency also provides evaluation and assistance to some city and county jail facilities in the state through a contract arrangement.

The Legislature provided full funding for the capacity of 48 inpatient beds and adjacent revenues to cover the costs of providing staff services to the local jail facilities. With passage of S.B. 455, the 2001 Legislature appropriated \$92,100 for new and replacement equipment and computer hardware and software at Lake's Crossing.

The procedures for sanity evaluations were changed with passage of A.B. 582, which results in an annual savings of \$88,400.

RURAL CLINICS

The Rural Clinics program is charged with meeting the mental health needs of both adults and children in rural Nevada, with approximately 26 percent of the cases being children or adolescents.

The Legislature supported a request from the Governor to replace \$698,025 in General Fund support in each year of the biennium with TANF federal funds. The Legislature approved the addition of 11.5 positions to support caseload growth in the division's rural offices. New positions include 3.25 for Douglas, 1.5 for Carson City, .50 for Mesquite, 1.5 for Pahrump, 2 for Elko, 1 for Ely, .50 for Fallon, 1.25 for Lyon. In addition, 3 positions were approved for administrative support in the Carson City Office. The Assembly Committee on Ways and Means issued a letter of intent to the Director of the Department of Human Resources not to transfer

recommended new positions needed by rural offices to support a new proposed crisis response team affiliated with Carson Tahoe Hospital. With passage of S.B. 441, the 2001 Legislature appropriated \$163,524 for new and replacement equipment and computer hardware and software at the rural clinics.

SOUTHERN NEVADA ADULT MENTAL HEALTH SERVICES

The Governor proposed, and the Legislature agreed to support, a reduction in the inpatient capacity at Southern Nevada Adult Mental Health Services from 86 beds to 78 beds and to reallocate the funding to support additional residential beds in the community. Due to the success of treating clients with newer and safer medications and the ongoing growth in caseload, additional funding for medications was required. Funding for medications increases from \$6 million in FY 1999-2000 to over \$8.9 million in FY 2001-02 (a 49 percent increase) and to over \$10.9 million in FY 2002-03. The budget supports funding for a total of 609 community residential beds, of which 228 are SLAs (supplemental living arrangements).

Senate Bill 247 includes an appropriation of \$350,000 for needed construction repairs in the hospital building at Southern Nevada Adult Mental Health Services.

DEVELOPMENTAL SERVICES

The three regional developmental budgets—Sierra, Desert, and Rural—had a number of enhancements supported by the Governor to meet waiting lists and caseload demands. The Legislature supported the Governor's recommendations for the regional development centers and approved total funding of approximately \$123.0 million during the 2001-03 biennium, which represents a 25.6 percent increase from amounts approved for the 1999-2001 biennium. General Fund support approved by the Legislature for the 2001-03 biennium totaled \$66.5 million, which represents a 22.4 percent increase over amounts approved for the 1999-2001 biennium.

The budgets, as approved, move 12 clients from the northern region and 6 clients from the southern region into the community and phase in growth to serve 654 additional clients. The Legislature also supported a rate increase for community providers, including residential and community training centers. As approved, funding was allocated to provide a rate increase of 3 percent in FY 2001-02 and 1.7 percent in FY 2002-03 at a cost of \$2.3 million, of which \$1.5 million is from the General Fund.

With the increased General Fund support of \$3.9 million over the biennium to support 654 additional clients, a total of 3,242 clients are budgeted to be served, with 681 served in northern Nevada, 2,150 served in southern Nevada, and 411 served in rural Nevada. Included in the number of clients served are 1,116 clients in community residential placements, with 296 served in northern Nevada, 653 in southern Nevada, and 157 in rural Nevada. The three regional Developmental Services agencies will be increasing TANF funding from the Welfare Division for services, with over \$1 million requested and recommended in the three budgets.

HEALTH DIVISION

The State Health Division administers seven bureaus to protect the health of Nevadans and visitors to the state. The division operates under the guidance of a seven-member, Governor-appointed State Board of Health to enforce health laws and regulations, promote public health education, investigate the causes of disease, and provide direct public health services in Nevada's rural counties.

In total, the 2001 Legislature approved a status quo budget for the Health Division, which includes \$197.2 million in funding for the 2001-03 biennium. As approved by the Legislature, the budget provides an increase of \$15.6 million, or 8.6 percent, over the amount approved by the 1999 Legislature. A combination of revenue sources was approved to fund the division's biennial budget, including \$33.2 million in General Fund appropriations, \$98.1 million in federal funds, and \$65.9 million in other revenue sources.

OFFICE OF HEALTH ADMINISTRATION

The Office of Health Administration provides support functions for the entire Health Division, including the State Board of Health. Programs include administration, central business management, accounting and personnel, and the division's health planning function. The Executive Budget recommended, and the Legislature approved, the transfer of six information technology positions from other Health Division budget accounts into this account. These positions are funded entirely through the division's cost allocation plan.

The Legislature approved the Governor's recommendation for a \$100,000 General Fund appropriation each year of the biennium to support a rural mammography program intended to make mammography screenings more accessible in the rural areas.

VITAL STATISTICS

Although it was not included in The Executive Budget, the Legislature approved the division's request to transfer the State Biostatistician from this account to the Health Administration account where the position will be funded through indirect costs. However, the Legislature did not approve the division's request to utilize savings identified in Maternal Child Health Block Grant funding to create a new position, but rather redirected the savings toward the reinstatement of two Public Service Intern positions that had been proposed for elimination in the Special Children's Clinics.

HEALTH AID TO COUNTIES

A combination of General Fund appropriations and revenues transferred from the Department of Motor Vehicles Pollution Control account provides pass-through funding to the district health departments of Washoe and Clark counties. The 1999 Legislature increased the per-capita rate from \$0.55 to \$0.80. As recommended in The Executive Budget, the 2001 Legislature maintained the per-capita rate of \$0.80 for the upcoming biennium. The General Fund appropriation in this account is \$1,316,655 for FY 2001-02 and \$1,357,815 for FY 2002-03,

which represents approximately 90 percent of the funding in this account, with the remaining portion coming from the Pollution Control account.

Through a letter of intent, the Legislature requested that the budget for the 2003-05 biennium include a recommendation to raise the per-capita rate to \$1.10 (the rate that existed prior to 1992) and to fund that amount with 75 percent General Fund appropriation and 25 percent support from the Pollution Control account.

CONSUMER HEALTH PROTECTION

The Consumer Health Protection program is responsible for public health engineering, public health sanitation, and the control of food, drugs, and cosmetics. The public health engineering section reviews plans for subdivisions, public buildings, and sewage disposal systems. With the passage of S.B. 505 by the 2001 Legislature, the responsibility for inspection of all dairy-related facilities was transferred from this account to the Dairy Commission of the Department of Business and Industry.

HEALTH FACILITIES HOSPITAL LICENSING

The recommended budget for the Health Facilities Hospital Licensing program included increases in federal and fee revenue exceeding \$1.5 million each year. Since the Health Division was unable to provide specific details for a proposed fee increase necessary to support these increases, the 2001 Legislature approved the budget as recommended by the Governor. The Legislature also issued a letter of intent requiring the Health Division to report to the Interim Finance Committee at the first meeting in FY 2001-02 to advise the committee as to the details related to the fee increase and, further, to report quarterly on the status of revenues, expenditures and reserves in this account.

SEXUALLY TRANSMITTED DISEASE (STD) CONTROL PROGRAM

The mission of the STD program is to prevent and reduce the prevalence of all sexually transmitted diseases in Nevada. The program focuses on five principal elements, which include:

- HIV prevention;
- HIV/AIDS surveillance and sero-prevalence monitoring;
- HIV/AIDS comprehensive care services;
- Tracking of other reportable sexually transmitted diseases; and
- Planning and community organization for HIV prevention and care services.

The Executive Budget recommended, and the Legislature approved, the continuation of General Fund support of \$1.6 million in each year of the biennium for the purchase of AIDS medications, including protease inhibitors.

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 occurrence and transmission of diseases. State-supplied vaccines are provided free of charge to all physicians, hospitals, and clinics that agree to meet the requirements of the program.

The Legislature approved the transfer of \$200,000 in funding from Title XX each year of the upcoming biennium and was thus able to reduce the General Fund appropriation in that amount and maintain state General Fund support of approximately \$1.1 million in each year of the biennium for purchasing the existing childhood series of immunizations. The state funds, in conjunction with the federal direct assistance grant, are used to meet the annual vaccine needs of the state.

As a precautionary measure, the Legislature approved a letter of intent to allow the division to approach the Interim Finance Committee for a Contingency Fund allocation in the event vaccine usage increases or if the annual federal direct assistance grant is not sufficient to provide for the existing childhood series of immunizations. In addition, the letter of intent requires the division to approach the Interim Finance Committee prior to implementing any modifications to the existing immunization program.

SPECIAL CHILDREN'S CLINICS

The Special Children's Clinics in Las Vegas and Reno serve as regional centers providing comprehensive family-centered, community-based, multi-disciplinary early intervention treatment and follow-up services. The clinics provide services to families with children, from birth to age three, who have been diagnosed as developmentally delayed in the areas of cognition, communication, physical development, social/emotional development, and adaptive skills. In addition, the clinics provide services to children who are at risk of becoming developmentally delayed, or may be suspected as developmentally delayed.

While the Governor's recommended budget included the elimination of 10.5 FTE Public Service Intern positions at the Special Children's Clinics, the Legislature was able to restore two of these positions through funding saved from the transfer of the Biostatistician position from the Vital Statistics account to the Health Administration account.

WOMEN, INFANTS AND CHILDREN (WIC) PROGRAM

The purpose of the WIC program is to improve the nutritional health status of low-income women, infants, and young children to age five during their critical periods of growth and development. The program is 100 percent federally funded and provides supplemental food packages, nutrition education, and referral services to a variety of community resources.

The 2001 Legislature approved the Governor's recommendation for a status quo budget for the WIC program in the upcoming biennium. For the biennium, the division projects the monthly average number of clients served to increase to 40,800, from a monthly average of 39,131 in

FY 1999-2000. Waiting lists are not anticipated to materialize as a result of the increased client activity.

BUREAU OF ALCOHOL AND DRUG ABUSE

The Bureau of Alcohol and Drug Abuse (BADA) is the designated single state agency for purposes of applying for and expending the federal Substance Abuse Prevention and Treatment Block Grant issued through the Substance Abuse and Mental Health Services Administration. The bureau plans and coordinates statewide substance abuse services delivery and provides technical assistance to programs and other state agencies, but does not provide direct substance abuse prevention or treatment services.

In support of the continuation of the adolescent substance abuse treatment program outlined in A.B. 181 of the 1999 Legislature, the 2001 Legislature approved the addition of \$500,000 in each year of the biennium in MAXIMUS revenue to be used for this purpose. A letter of intent was issued to ensure that funding for this program was not obligated for expenditure until received in this account, thereby not jeopardizing any other existing programs.

WELFARE DIVISION

The Welfare Division is responsible for administering the delivery of cash grants and food stamps, enforcing child support, administering employment and training programs for welfare recipients, distributing child-care funding, and determining eligibility for Nevada's Medicaid program.

Overall, the 2001 Legislature approved approximately \$442.1 million in total funding for the Welfare Division for the 2001-03 biennium, an increase of \$31.7 million when compared to the total funding recommended by the Governor. The increased funding represents federal TANF and child-care block grant funds that were not included in The Executive Budget (see sections pertaining to TANF and Employment and Training). The funding approved for the division includes General Fund support in the amount of \$113.7 million for the 2001-03 biennium, a decrease of approximately \$4.7 million when compared to the General Fund support recommended by the Governor. A majority of the decrease in General Fund support is based on changes to the cost allocation plan used to reimburse the Department of Information Technology (DoIT), which significantly reduced the Welfare Division's share of facility and programming costs. The changes to the cost allocation plan for DoIT were recommended by the Administration.

With passage of Assembly Bill 514, the 2001 Legislature approved a \$500,000 one-time appropriation to implement an Internet web-based application process to various assistance programs administered by the Welfare Division and the Division of Health Care Financing and Policy. The assistance programs that are planned to be part of the web-based application process include Medicaid, Nevada Check-Up, TANF, and Food Stamps. The web-based application process will enable various agencies, such as hospitals, long-term care facilities, health centers and advocacy centers, to make direct electronic application to these assistance programs. It is anticipated the appropriation will be used as match to an additional \$981,000 in federal funds,

for a total of \$1,481,000. Since the total costs for the web-based application process are not known, the Welfare Division must present a fully documented implementation and business plan to the Interim Finance Committee (IFC) for its approval. If approval from the IFC is received, the Welfare Division will have authority to access up to the maximum amount of the one-time appropriation to begin the implementation process.

WELFARE ADMINISTRATION

The Welfare Administration budget supports the administrative staff and resources for providing oversight to the various division programs. The budget supports the following functions: Administration and Personnel; Administrative Services (finance and accounting, budget and statistics, program review and the division's quality control functions); Program and Field Operations (benefits and support, eligibility and payments, investigations and recovery, employment and training, and child care); Nevada Operations of Multi-Automated Data System (NOMADS); and Data Development.

The 2001 Legislature approved approximately \$28.5 million over the 2001-03 biennium for NOMADS and several small system initiatives (FY 2001-02 - \$15.1 million and FY 2002-03 - \$13.4 million). A majority of the funding will be used to reimburse the Department of Information Technology (DoIT) for computer facility usage and programming support and \$2.7 million each fiscal year for contractor support. In addition, the Legislature endorsed the division's request to use the resources approved in excess of operations and maintenance to address three areas to modernize the NOMADS system. First, the resources approved will be used to address the backlog of critical work items that will improve the performance of NOMADS. Second, the application development environment for NOMADS will be transitioned to a product that is current technology and vendor supported. And third, the Welfare Division, in conjunction with the local district attorney offices, will begin moving certain NOMADS applications off the mainframe to client servers. It is anticipated that over time the migration off the mainframe to client servers will reduce processing costs and allow greater user flexibility.

The federal representatives from the Office of Child Support Enforcement (OCSE) completed the federal certification review of NOMADS in early January 2001. At the completion of the visit, the division was notified the NOMADS project would receive federal certification and the penalties that Nevada was assessed would be lifted. Formal certification has been received, and the division will be reimbursed 90 percent of the penalties that were assessed, or approximately \$3.6 million. The funding that will be released to the state will be reverted to the General Fund.

The 2001 Legislature approved the Welfare Division's request, which was not included in the Governor's budget, to restart implementation of the Online Automation Self-Sufficiency Information System (OASIS). The OASIS project will automate the case management of the Self-Sufficiency Grant and NEON cases; track and report on TANF recipients' participation in employment and training programs; track and monitor TANF recipients' compliance with their personal responsibility plans; and provide an automated means through which cases can be referred from one service area to another. The implementation process for the OASIS project, which had been approved by the 1999 Legislature, had been placed on hold during the interim

due to concerns with development costs, the project's implementation approach and the likelihood the project could not be completed before the close of the fiscal year. The Legislature approved funding for the restart proposal using the TANF High Performance Bonus in the amount of \$2.2 million, which was awarded to the division for being one of the top ten performing states for moving welfare clients to work. Development will take approximately one year.

The 2001 Legislature approved an additional \$1.8 million (50/50 state/federal) over the 2001-03 biennium to continue implementation of the Electronic Benefit Transfer (EBT) system for issuing food stamps as mandated by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). A majority of the additional funding approved will be used to cover the increased cost for issuing food stamps via an EBT system versus the current issuance process. States are required to implement the EBT system by October 1, 2002. The Welfare Division is using a private company as the implementation and service delivery contractor.

The Legislature approved a total of nine new positions in the Welfare Administration and Welfare Field Services budgets for the implementation and continued operation of the EBT system. To help offset a portion of the additional cost for the new positions, as well as the additional cost for implementing the EBT system, the Legislature approved the Governor's recommendation to eliminate a total of 11 existing positions in the Welfare Administration (two existing positions) and Welfare Field Services (nine existing positions) budgets.

Other significant budget issues approved by the Legislature for the 2001-03 biennium include:

- Adding one new position for disaggregated data reporting and the elimination of an existing position to offset the new position's costs;
- Providing an additional \$74,000 for each fiscal year of the 2001-03 biennium for the division's training budget;
- Authorizing approximately \$127,000 (no state funds) to conduct a study and develop alternatives to duplicate application processing among state, local and non-profit entities; and
- Allocating approximately \$678,000 over the biennium for new and replacement equipment. A majority of the equipment funding recommended is to replace existing computer hardware and software.

WELFARE FIELD SERVICES

The Welfare Field Services budget provides for the salaries, operating expenses and support costs for the staff that determine eligibility for the various programs administered by the Welfare Division. The programs are designed to enable people in need to become self-supporting, thereby reducing long-term dependency on public assistance. The programs include Temporary

Assistance for Needy Families (TANF), Food Stamps, employment and support services, and Medical Assistance to the Aged, Blind and Disabled.

The 2001 Legislature approved 28 of the 31 new positions recommended by the Governor and approved the elimination of 9 existing positions, for a net increase of 19 new positions over the 2001-03 biennium. Six of the new positions approved will be responsible for implementing the EBT system in the division's largest district offices. Additionally, the Legislature approved the transfer of 52 existing positions from the Employment and Training budget to the Welfare Field Services budget to organizationally isolate all child-care expenditures within that budget.

The Legislature approved 17 new Eligibility Worker positions for the additional caseload anticipated for two initiatives designed to promote early access to prenatal care. The first initiative eliminates the assets test, an existing requirement for determining Medicaid eligibility for the Child Health Assurance Program (CHAP). The assets test requirement is considered an enrollment barrier and potentially a reason families fail to complete the Medicaid application process. Eliminating the assets test requirement is projected to increase the Medicaid caseload eligible for the CHAP program. The elimination of the assets test creates an opportunity to expedite case processing for pregnant women, which is the second initiative approved by the Legislature. The goal with the additional new positions is to process applications and make a Medicaid eligibility determination for pregnant women within seven days. As a budget savings measure due to revenue shortfalls, the Legislature approved delaying the implementation of these two initiatives until July 2002. The delay will save approximately \$1.8 million in state funds in the Welfare Field Services and Medicaid budgets over the 2001-03 biennium.

The Legislature approved five new quality control positions for the Belrose, Owens, Charleston, Henderson and Reno district offices. The quality control positions will be responsible for implementing field initiatives designed to keep case processing error rates in check and for ensuring, through a retrospective quality review process, that data input into the NOMADS system by eligibility workers is accurate. The Legislature approved eliminating six existing positions in the Employment and Training budget in exchange for the additional quality control staff.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) replaced the Aid to Families with Dependent Children (AFDC) program, an open-ended federal entitlement, with the Temporary Assistance for Needy Families (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 these services. TANF has provided states the flexibility to design their own self-sufficiency programs for welfare recipients in conformance with the capped funding, time limitations on program eligibility and work requirements. The 1997 Legislature, with passage of A.B. 401 and S.B. 356, enacted legislation to conform state law to the PRWORA requirements and authorized a number of welfare reform initiatives unique to Nevada. The TANF program requires work in exchange for time-limited assistance. TANF is intended to provide assistance to needy families so dependent children can be cared for in their

own home or in the home of a relative by furnishing financial assistance on a temporary basis. Families and individuals meeting eligibility criteria are provided services and assistance to promote self-sufficiency, assure a minimum standard of living and preserve the family unit. TANF is also designed to prevent and reduce the incidence of out-of-wedlock pregnancies and encourage the formation of maintenance of two-parent families.

The TANF block grant is allocated between the Welfare Division's Welfare Administration, Welfare Field Services, TANF and Employment and Training budgets. The TANF block grant funds are also allocated to other divisions within the Department of Human Resources to support TANF-eligible programs. The PRWORA legislation requires states to continue contributing state funds equal to 80 percent of the amount spent in FFY 1994 on welfare programs consolidated into TANF. The maintenance of effort (MOE) provisions require Nevada to continue to spend approximately \$27.2 million in state funds each fiscal year on welfare-related programs. The 80 percent MOE can be reduced to 75 percent for each fiscal year if work participation rates are met. Although the Welfare Division has met or exceeded the work participation requirements in past years, the Legislature approved retaining the state's contribution at the 80 percent MOE level in the event difficulties are experienced in meeting future requirements which are stricter. The Legislature also approved the Governor's recommendation to isolate a majority of the state MOE within the TANF budget (\$24.6 million), with the exception of approximately \$2.6 million, which will be retained in the Employment and Training budget. In the past, the state MOE has been located not only in the TANF budget, but also in the Welfare Administration, Welfare Field Services, and Employment and Training budgets. The change will make it easier to account for the state's MOE in one budget account.

TANF Funding

During the construction of The Executive Budget, it appeared Congress was seriously considering the reduction of the TANF block grant allocation to states by 10 percent. Although Congress ultimately did not reduce the TANF block grant allocation, The Executive Budget was constructed under this assumption. Additionally, The Executive Budget did not include supplemental funding in the TANF budget for the 2001-03 biennium that has previously been awarded to Nevada for having been designated as a state with high population growth. Although the supplemental TANF funding for states with high population growth was not included in the President's budget, it appears likely that Congress will reallocate this source of funding, which would be available for FY 2001-02. The Legislature, in consideration of the changes occurring at the federal level, approved augmenting the TANF budget by approximately \$8 million for FY 2001-02 and by approximately \$4 million for FY 2002-03. The augmentation will account for the total amount of the annual TANF block grant award in addition to supplemental TANF funding if re-authorized by Congress. A majority of the additional TANF funds will be placed in the TANF "rainy day" reserve.

TANF Caseloads

Since the beginning of FY 2000-01, the TANF caseload has averaged approximately 1,000 recipients per month higher than the caseloads recommended in The Executive Budget for FY 2001-02 and FY 2002-03. The projections provided during the legislative session indicated

the TANF caseload increases were a trend that would continue over the 2001-03 biennium (see table below). Additionally, the cost per TANF case is increasing due to changes to the TANF caseload mix which now includes a much higher proportion of more costly non-needy relative caretakers compared to the TANF population as a whole. Based on these caseload dynamics, the Legislature approved increasing the TANF cash assistance category by approximately \$2.4 million for FY 2001-02 and by approximately \$2.6 million for FY 2002-03 to cover the projected caseload growth and additional costs for the changes in TANF caseload mix. The Legislature authorized the use of the TANF “rainy day” reserve to cover the additional costs.

Legislatively Approved TANF Caseload

FISCAL YEAR	GOV REC*	LEG APPROVED*	DIFF +/-*
FY 2001-02	16,692	17,818	1,126
FY 2002-03	16,712	18,431	1,719

*Average monthly recipients

TANF Cash Grants

The 2001 Legislature approved the Governor’s recommendation to increase the cash grant level for families with ill, incapacitated or disabled member/s who cannot participate in work-related activities. The cash grant increase is intended to enable these families to care for their children in their own homes. Information provided by the division indicates TANF recipients who are disabled or care for a disabled family member usually have exceptional expenses, such as special clothing or food, not covered by existing programs. The cash grant will be increased by \$187 over two years effective in January. Based on projections from the division, the cash grant increase will apply to 525 TANF recipients per month for FY 2001-02 and 543 TANF recipients per month for FY 2002-03. The Legislature concurred with the Governor’s recommendation to retain the TANF cash grant for all other recipients at the existing levels, which is \$348 (three-person household) for recipients not receiving subsidized housing and \$272 (three-person household) for recipients receiving subsidized housing.

New Initiatives

The 2001 Legislature approved several new initiatives for the upcoming biennium to be funded with TANF block grant funds. The initiatives approved are as follows:

1. The Legislature, with passage of Assembly Bill 15, approved establishing the Kinship Care program. The Kinship Care program is designed to provide a non-needy relative caretaker with assistance in establishing guardianship of a relative child and provides for a higher monthly cash grant for the care of the child without having to go through the legal process of obtaining the child. The intent of the Kinship Care program is to establish a permanent placement for the child. The Kinship Care program will provide a monthly payment to the guardian, financial assistance in obtaining guardianship, payment of fingerprint checks, access to non-profit support systems, and assistance with child care, transportation and respite care. The projected cost for the Kinship Care program is approximately \$860,000 in FY 2001-02 and \$2.3 million in FY 2002-03.

2. The Legislature approved approximately \$500,000 in FY 2002-03 to fund the Self-Sufficiency Grant program that was previously approved by the 1999 Legislature; implementation has been delayed pending the development of the OASIS system. The Self-Sufficiency Grant program is designed to provide a one-time grant payment to meet a family's immediate need until a stable income flow is received.
3. The Legislature approved approximately \$330,000 in each year of the 2001-03 biennium to subsidize the employment of TANF recipients placed in clerical positions within the various divisions of the Department of Human Resources. The division plans to pay the subsidy for a four-month period and will actively market the client for non-subsidized employment. The subsidy program will count toward the PRWORA work participation rate requirements.
4. The Legislature approved the Governor's recommendation to use TANF block grant funds for initiatives designed to prevent and reduce out-of-wedlock births and to encourage the formation and maintenance of two-parent families, which are two goals set forth in PRWORA for the TANF program. The Legislature has not previously approved funding for these two goals. Although the Legislature felt the initiatives recommended were worthwhile, the Governor's request was reduced from \$2 million to \$1 million primarily because the proposals to implement the initiatives had not been fully developed. The Legislature encouraged the division to document the results of the programs implemented during the interim to determine their effectiveness. Depending on their effectiveness, enhanced funding could be supported during the 2003-05 biennium.
5. The Legislature approved the Governor's recommendation to transfer TANF block grant funds in the amount of \$2.7 million for FY 2001-02 and \$2.9 million for FY 2002-03 to the Health Division and the Division of Mental Health and Developmental Services to support programs and/or services that are TANF-eligible. The approved transfers will allow each respective division to expand TANF-eligible services that would have required General Fund support if not for the availability of TANF funds. The approved transfers are in addition to transfers historically made to the Division of Child and Family Services to support TANF-eligible programs such as emergency assistance, placement prevention and family preservation.

New Employees Of Nevada (NEON)

The 2001 Legislature approved the transfer of the NEON program from the Employment and Training budget to the TANF budget as an organizational change designed to isolate all child-care related expenditures in one budget.

The Legislature authorized a total of \$4.6 million over the 2001-03 biennium to meet stricter work participation rates as mandated by PRWORA. PRWORA requires adults in families receiving assistance (unless exempted) to participate in countable work activities that are federally defined. States must also achieve minimum work participation rates for both TANF and TANF two-parent families.

The work participation rate required by PRWORA for TANF families is 50 percent, effective October 2002, and will remain at this level for both fiscal years of the 2001-03 biennium. In addition to the work participation rate, the adult in a single-parent household must attend at least 30 hours per week of countable work activities. The work participation rate required for TANF two-parent families is 90 percent. In addition to the work participation rate, one or both adults in a TANF two-parent family must attend a total of 35 hours per week of countable work activities.

CHILD SUPPORT ENFORCEMENT

The Child Support Enforcement program was established in 1975 as Title IV, Part D of the Social Security Act. In Nevada, the Child Support Enforcement program is administered by the Welfare Division and jointly operated through cooperative agreements with the county district attorneys. The Child Support Enforcement budget is funded with a portion of the child support collections the state is allowed to retain, which are used to match federal Title IV-D funds. The federal government financially supports the Child Support Enforcement program with a standard 66 percent reimbursement rate for most program expenditures and a 90 percent rate for the cost of genetic testing to determine parentage. The state and counties contribute a 34 percent match for administering the program. The state share of collections supports all non-federal expenditures in the Child Support Enforcement budget. There are no state General Funds in the Child Support Enforcement budget.

Over the past several fiscal years, the state share of collections has declined significantly, primarily because of the significant declines in TANF caseload and new federal laws that have redirected more of the monies collected to the families owed child support. To remain within budget, the Welfare Division has enacted several measures during the current biennium. The measures include transferring the cost for the \$75 child support disregard payment from the Child Support Enforcement budget to the TANF budget, transferring positions which could be supported with TANF block grant funds to the Welfare Field Services budget, and implementing a reduction in force which eliminated 45 existing positions. Even with implementing these cost reduction measures, the amount of the state share of collections projected for the 2001-03 biennium will be insufficient to cover the costs of administering the program.

To make up for the projected shortfall in the state share of collections, The Executive Budget recommended establishing three separate cost recovery fees to be collected and shared evenly with the county partners. Two of the cost recovery fees proposed by the Administration can be established by regulation and entail assessing a charge for the collection of extraordinary remedies when the resources from the Child Support Lien Registry and the Financial Institution Data Match (FIDM) are used to collect child support. The third cost recovery fee recommended by the Administration increases the processing fee for establishing wage assignments and would require changes to the current statutes.

The Legislature approved establishing the budget authority for the division to collect cost recovery fees in the Child Support Enforcement budget; however, the legislation proposed by the Administration to increase the processing fees for establishing wage assignments was not approved. It is not possible at this time to determine the potential impact on the Child Support Enforcement budget. However, without the ability to collect the wage assignment fee, the Child

Support Enforcement budget may face a revenue shortfall for the upcoming biennium if the collection of other cost recovery fees established by regulation are less than budgeted or if the state share of child support collections does not increase.

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 state-run assistance programs for the aged, blind and disabled and established uniform payment amounts. The Social Security Administration (SSA) 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 (AGCF) 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.

The Legislature approved General Fund support for the aged and blind budget in the amount of \$12.1 million over the 2001-03 biennium, an increase of approximately \$1.1 million when compared to the 1999-2001 biennium. The increase approved will cover the additional costs for projected caseload and the additional processing fee assessed by the SSA for determining eligibility and administering the issuance of state supplemental payments. The Legislature did not approve 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. However, each group will be eligible for the annual SSI cost-of-living increase in January of each fiscal year. The money committees, in a letter of intent, requested that the Welfare Division report to the Interim Finance Committee prior to implementing the annual federal SSI cost-of-living increase. This will allow the Interim Finance Committee an opportunity to review and fully understand the criteria the division uses when determining how to best implement the annual SSI cost-of-living increase.

EMPLOYMENT AND TRAINING

The mission of the Employment and Training program is to case manage and provide employment, education, training, support services and child care to categorically eligible individuals. These services are designed to assist individuals in becoming and remaining self-sufficient, thereby reducing long-term dependency on public assistance.

The Executive Budget recommended, and the Legislature approved, numerous organizational changes designed to isolate only child-care expenditures within the Employment and Training budget. The organizational changes approved include the transfer of 52 existing positions to the Welfare Field Services budget and the transfer of the NEON program to the TANF budget. The organizational changes will allow for all child-care related expenditures to be accounted for separately. The Legislature also approved renaming the Employment and Training budget the Child-Care Assistance and Development budget.

The Legislature approved approximately \$65.4 million in child-care funding for the 2001-03 biennium, an increase of approximately \$9 million when compared to the amounts

recommended in The Executive Budget. The increase accounts for significantly greater amounts of child-care funding available for FY 2000-01 and for projected increases for the upcoming biennium that were not known at the time The Executive Budget was constructed. The child-care funding approved includes approximately \$18.7 million in state General Funds.

The Legislature, based on recommendations from the Welfare Division, approved using a majority of the additional child-care funding to serve families with children considered at risk. The at-risk families are non-TANF eligible clients who are job searching during their application period or who are at risk of losing their jobs due to lack of assistance with child-care costs. Based on the amount of child-care funding available, the division does not anticipate waiting lists for child-care services for the upcoming biennium for any of the programs currently administered. The division anticipates that the available child-care funding will serve approximately 13,600 children per month in FY 2001-02 and approximately 14,500 children per month in FY 2002-03.

The Legislature also approved several new initiatives proposed by the Welfare Division which have not been previously funded. The initiatives approved include providing approximately \$2.1 million over the 2001-03 biennium to establish a tiered reimbursement system for child-care providers. The funding approved will be used in the following manner:

- Approximately \$527,000 will be used as improvement grants to child-care providers for the purpose of providing quality improvements to facilities to meet accreditation standards. The condition of the grant requires that the child-care provider link the request to quality outcomes and provide follow-up results.
- Approximately \$100,000 will be used to cover the cost of the Accreditation Self-Study Guide and Accreditation Validation. The financial support is designed to encourage child-care facilities to become accredited.
- Approximately \$1.5 million will be used to provide increased child-care payments to providers who meet higher levels of quality care. The criteria for meeting higher levels of reimbursement have not been established. However, the criteria will include standards that recognize higher levels of training for child-care staff, staffing ratios that promote better quality care and higher salaries for more qualified child-care staff.

On issues related to staffing, the Legislature approved re-establishing four existing Child Development Specialist positions that The Executive Budget eliminated in the Family-to-Family Connection budget. The positions were re-established using child-care funds and will continue to provide technical assistance to child-care centers and family-care providers. The Legislature also approved one new Quality Control Specialist position to audit billings from child-care providers. The significant growth in the child-care program justified the new position. The Legislature also approved The Executive Budget's recommendation to eliminate six existing Employment and Training-related positions to offset the cost of five new positions approved in the Welfare Field Services budget. The significant reduction in TANF caseloads justified the elimination of these positions.

ENERGY ASSISTANCE

The Low-Income Housing Energy Assistance (LIHEA) program is designed to help eligible Nevada citizens maintain heating and cooling in their homes during the winter and summer months. The LIHEA program provides a one-time heating payment for eligible households in central and northern Nevada. In southern Nevada, the payment is split between a winter heating payment and a summer cooling payment. Funding for the program is provided by the federal LIHEA block grant that is appropriated to states on an annual basis.

For years, funding for the LIHEA program has remained stagnant and Congress has targeted the program for possible elimination on numerous occasions. However, due to the significant rise in energy costs, Congress has appropriated additional funding for the LIHEA block grant for federal FY 2000-01 and has increased the availability of emergency funds to help states assist low-income households facing substantial increases in home heating fuel prices.

The 2001 Legislature, with passage of Assembly Bill 209, approved a one-time appropriation in the amount of \$4 million for the Welfare Division to increase the number of households served under the LIHEA program. The Welfare Division estimates the one-time appropriation will provide LIHEA benefits to an additional 6,600 eligible households for each fiscal year of the upcoming biennium, which is in addition to the 8,600 households currently served. This assumes the appropriation is split evenly at \$2 million per fiscal year and is based on an average benefit payment of \$304. Additionally, the Welfare Division will expand the application period from 8 to 12 months to be more responsive to participating households.

Assembly Bill 661 approved by the 2001 Legislature creates the Fund for Energy Assistance and Conservation to be funded through a universal energy charge at the retail level. The fund will be administered by the Welfare Division in conjunction with the Housing Division and used to assist low-income consumers with their power bills, energy conservation, weatherization and energy efficiency needs. The legislation creates a permanent funding source for these programs, which will produce an estimated \$10 million annually.

DIVISION FOR AGING SERVICES

The Aging Services Division represents Nevadans age 60 and older and serves as their primary advocate. The division administers state and federal dollars that fund senior services through a statewide network of grantees. The division also administers the Community Home-Based Initiatives Program (CHIP), the Adult Group Care Waiver program, and the Homemaker program, which provide services to enable frail elderly persons at risk of nursing home placement to remain in their homes or choose a less restrictive alternative.

Overall, the 2001 Legislature approved approximately \$66.8 million in total funding for the division for the 2001-03 biennium, an increase of approximately \$28.3 million, or 78.3 percent, when compared to the total funding legislatively approved for the 1999-2001 biennium. The funding approved for the division includes General Fund support in the amount of \$15.8 million for the 2001-03 biennium, an increase of \$8.2 million, or 106.8 percent, when compared to the legislatively approved General Fund support for the 1999-2001 biennium. Most of the increased

funding is attributable to the \$11.5 million in tobacco settlement monies, together with the \$8.3 million from the transfer of the Senior Citizens' Property Tax Rebate program, which was approved for transfer to the Aging Services Division by the 2001 Legislature.

The 1999 Legislature appropriated \$1,333,994 for rural senior programs for the 1999-2001 biennium to provide social services and nutrition services for seniors. The Executive Budget recommended, and the 2001 Legislature approved, funding at the same level in the 2001-03 biennium to continue state support of rural senior centers at the 1989 "hold harmless" level.

The 2001 Legislature approved the Governor's recommendation for a new Long-Term Care Ombudsman position to investigate allegations of abuse, neglect, and exploitation in long-term facilities. In addition, the Legislature approved four administrative positions: a Personnel Technician; a Management Analyst for budget analysis; a Management Analyst to assist with policy, planning, and analysis; and a Computer Systems Technician for the Carson City/Reno/Elko offices.

AGING SERVICES GRANTS

The Aging Services Grants budget supports the Independent Living Grants program. All funding is provided from tobacco settlement monies. The Independent Living Grants enhance the independent living of older Nevadans through respite care and relief for caregivers, transportation options and care in the home to enable older persons to remain at home rather than in institutional placement.

The 2001 Legislature approved the Governor's recommendation for \$4.2 million in increased funding each year from tobacco settlement monies for independent living grants and to fund an Auditor position. Tobacco settlement monies also were approved to fund Social Worker positions and a Program Assistant position in other Aging Services' budgets. Total funding from tobacco settlement monies was approved in the amount of approximately \$5.7 million in each year of the 2001-03 biennium.

A letter of intent from the money committees directs the division to look to revenue sources other than tobacco settlement monies in future biennia rather than transferring tobacco settlement monies through the Aging Services Grants budget account to other Aging Services budgets to fund positions and ongoing programs.

SENIOR SERVICES PROGRAM

The 2001 Legislature supported the Governor's recommendations to fund caseload growth and substantially expand the CHIP program at a cost of \$4.1 million over the 2001-03 biennium. A combination of Medicaid and tobacco settlement monies will be utilized to fund caseload growth of an additional 331 clients per month and to address the waiting lists for Medicaid-eligible clients. To support the additional caseload, the Legislature approved five Social Worker and two support positions.

The Legislature also approved The Executive Budget recommendation to fund an expansion in the Adult Group Care Waiver program for two Social Workers and a Program Assistant to increase the number of seniors by 100 who can be placed in a less restrictive and less expensive level of care as an alternative to institutionalization. The expansion in the Adult Group Care Waiver program is to be funded with Medicaid funding in the amount of \$232,593 for the 2001-03 biennium.

ELDER PROTECTIVE SERVICES (EPS)/HOMEMAKER PROGRAMS

The Elder Protective Services program provides protective services to prevent and remedy abuse, neglect, exploitation and isolation of elderly persons 60 years and older. Services may include investigation, evaluation, counseling, arrangement and referral for other services, and assistance. Elder Protective Services provides alternative solutions for seniors at risk of neglect who otherwise may have to be institutionalized.

The Homemaker program provides in-home services for older persons and disabled adults to avoid institutionalization. Services include homemaking tasks, grocery shopping, errands, and stand-by assistance for bathing. All recipients receive case management services.

The 2001 Legislature concurred with the Governor's recommendation to fund a new Social Worker position for the Las Vegas office from tobacco settlement monies. In addition, the Legislature approved as permanent a Social Worker position temporarily approved by the Interim Finance Committee, also to be funded by tobacco settlement monies. The division estimated that adding these positions and increasing funding for services will enable homemaker services to be provided to an additional 200 elderly participants. Funding, as recommended by the Governor and approved by the Legislature, was increased by \$415,947 for the 2001-03 biennium.

SENIOR CITIZENS' PROPERTY TAX REBATE

The Senior Citizens' Property Tax Assistance program provides relief to eligible senior citizens who are carrying an excessive residential burden in relation to their income and to those senior citizens who, through rent payments, pay a disproportionate amount of their income for property taxes.

As part of the Governor's fundamental review process, The Executive Budget recommended the transfer of the Senior Citizens' Property Tax Rebate program from the Department of Taxation to the Department of Human Resources, Aging Services Division, effective October 1, 2001. The Governor also recommended funding for enhancements which would have doubled the cost of the program. The Legislature approved the transfer, but did not approve the proposed enhancements to the program based on discussions between the Governor and leadership of the Legislature on possible ways to save General Fund dollars as a result of the Economic Forum's revised revenue outlook.

The total legislatively approved budget for this program is \$3.96 million for FY 2001-02 and \$4.33 million for FY 2002-03, a 6.5 percent and 9.5 percent increase over FY 2000-01 amounts,

respectively. Approximately \$335,000 and \$718,000 above the FY 2000-01 amounts were approved for FY 2001-02 and FY 2002-03, respectively, to provide adequate support for the anticipated demographic growth of the program during the 2001-03 biennium.

DIVISION OF CHILD AND FAMILY SERVICES

The Division of Child and Family Services (DCFS), created by legislation approved during the 1991 Legislative Session, provides a wide array of services to children and adolescents and is organized into three distinct geographical regions: northern region, southern region, and the rural region. Services provided on a statewide basis can be grouped into four areas: Child Welfare Services, Children's Mental Health Services, Juvenile Correctional Services, and Licensing. Child Welfare Services consists of adoptions, crisis intervention and child protection assessments, and case management services to families with children at risk of abuse and/or neglect. Foster care and family preservation assessments and services are also included.

The money committees made numerous adjustments to the budgets within the Division of Child and Family Services, which resulted in a net reduction in General Fund support of approximately \$14.7 million over the 2001-03 biennium to \$136,799,515, compared to the Governor's recommendation of \$151,525,588. However, of this amount, \$4,684,111 consisted of cost-of-living and salary adjustment funds that were removed from individual budget accounts and placed in a separate budget account to be administered by the Board of Examiners and the Department of Administration. The net General Fund reduction due to legislative adjustments was \$10,041,962 over the 2001-03 biennium.

CHILDREN AND FAMILY ADMINISTRATION

This account is the central administrative account of DCFS and contains the unclassified Administrator; the division's four unclassified Deputy Administrators; central fiscal, accounting and personnel staff; and the caseworker staff for child welfare, foster care and adoption programs. The 2001 Legislature approved several adjustments in this budget account and reduced the General Fund appropriation by \$1,894,083 over the 2001-03 biennium. The adjustments include cost-of-living and salary adjustments that were removed and placed in a separate budget account, and a net reduction of \$933,933 due primarily to revised Department of Information Technology (DoIT) assessments and the adjustment of in-state travel and non-state-owned rent costs.

The 2001 Legislature did not approve the Governor's recommendation to increase and remodel office space in the Belrose office building in Las Vegas. The Legislature passed Assembly Bill 1 during the 17th Special Session, which provides for the integration of state and local child welfare systems. As the Belrose building may be vacated during the integration of services, both the division and the Legislature did not feel it would be prudent to expend a total of \$382,588 for the expansion and remodel of the office space.

The Legislature also restored an existing Social Welfare Program Specialist II position that had been eliminated in the adjusted base budget. The position was initially added by the 1999 Legislature (S.B. 288) for a Child Welfare Pilot Project between the division and Washoe

County. The Budget Division and Washoe County both requested that the position be restored. The Legislature also approved A.B. 517, which provides a \$117,244 one-time General Fund appropriation to the division for the purchase of furnishings and equipment. The Legislature did not approve the transfer of the federal Victims of Crime and Family Violence Grant programs that were recommended to transfer to the Grants Management Unit in the Department of Human Resources Director's Office. The Grants Management Unit was not approved and the federal grant programs were restored in this budget account.

UNITY/ SACWIS

This budget represents the division's compliance with a federal mandate to automate foster care and adoption information systems. The SACWIS (Statewide Adoption and Child Welfare Information System) project, now referred to as UNITY (Unified Nevada Information Technology for Youth), began in FY 1994-95 with business process re-engineering (BPR) and culminated with implementation of the system in FY 2001. The budget is funded approximately 50 percent General Fund and 50 percent federal Title IV-E.

The Legislature approved several adjustments, which reduced General Fund support by a total of \$555,340 over the 2001-03 biennium. The adjustments primarily consisted of reductions to the Department of Information Technology cost allocation assessment amounts and reductions to computer hardware costs based on revised prices obtained from the State Purchasing Division. The approved adjusted base budget continues funding for 15 FTE existing positions and provides for the continuing operation of the system during the 2001-03 biennium. The Legislature also approved the recommendation to transfer in 12 FTE Information Systems Specialist positions from DoIT to support the UNITY system as part of a pilot decentralization program. No new funding was required, as this expense was previously paid to DoIT and will now fund the positions directly in this account.

CHILD CARE SERVICES BUREAU

The Child Care Services Bureau licenses and monitors child-care facilities and foster homes through the development and enforcement of appropriate licensing standards to ensure the health, safety and proper treatment of children receiving out-of-home care. The Child Care Services Bureau is responsible for licensing and monitoring child-care facilities caring for five or more children not licensed by local entities. Jurisdiction is statewide and includes all rural counties, the incorporated areas of Clark County and designated federal, state or county programs for children. Facilities include child-care centers, pre-schools, group-care homes, institutions and outdoor youth programs. The Interstate Compact on Placement of Children ensures suitable interstate placement of children and appropriate post-placement services.

The 2001 Legislature approved this budget substantially as recommended by the Governor, which includes seven new positions effective October 1, 2001 and associated costs to accommodate a projected increase in foster care licensing activity. The new positions include five Social Worker II positions, a Licensing Supervisor and a Management Assistant II. The Adoption and Safe Families Act requires that relatives receiving foster care payments for IV-E eligible children be licensed as foster parents.

YOUTH COMMUNITY SERVICES (CHILD WELFARE)

This budget contains funding for the placement costs of children in the division's care because of abuse, neglect or behavioral/emotional problems. Adoption subsidies are also paid from this account to adoptive parents of special needs children. The 2001 Legislature closed this budget by making several revenue adjustments, resulting in a decrease in General Fund support of \$508,530 in FY 2001-02 and \$744,345 in FY 2002-03. The adjustments were based primarily on a revised revenue analysis completed by the division and on the addition of \$150,000 in each year of Title XX revenue. The Legislature also eliminated \$12,888,839 in General Fund support from this budget, which was recommended by the Governor to implement the recommendations of the A.C.R. 53 Interim Subcommittee to Study the Integration of State and Local Child Welfare Systems in Nevada (1999 Legislative Session). The 17th Special Session of the Legislature instead passed A.B. 1 (A.B. 343 of the 2001 regular session), discussed below, to implement those recommendations.

The Legislature also approved several significant enhancements recommended in the budget by the Governor, including \$5,025,960 over the biennium for a projected increase of 775 subsidized adoption cases. Additionally, \$9,142,094 was approved over the biennium in foster care rate increases and adoption subsidy payment increases. Foster care rates, which include clothing allowances and school supplies, paid to foster parents for children 0 to 11 years of age will increase from \$13.28 per day to \$19.50 per day (46.8 percent increase), and for children 12 years and older, from \$16.33 per day to \$22.50 per day (37.8 percent increase). The adoption subsidy rate will increase 42 percent from \$345 per month to \$490 per month. Total legislatively approved expenditure authority in the 2001-03 biennium for this budget is \$108.4 million, compared to the legislatively approved expenditure authority for the 1999-2001 biennium of approximately \$84.1 million.

The Legislature also approved several pieces of legislation that affect the child welfare system. The most significant legislation was Assembly Bill 1 of the 17th Special Session, which provides for the implementation of the final recommendations of the A.C.R. 53 Interim Subcommittee on the Integration of State and Local Child Welfare Systems. Currently, the State Division of Child and Family Services (DCFS) provides foster care and adoption services in Clark and Washoe counties and the total array of child welfare services, from initial child protective services to adoption, in the rural counties. This is commonly referred to as a bifurcated service delivery system. The integration proposal would gradually transfer DCFS responsibilities for providing foster care and adoption services to Clark and Washoe counties during the 2001-03 biennium. The division will maintain the provision of all child welfare services in the rural counties.

Assembly Bill 1 also creates a legislative committee which will review progress reports from DCFS regarding the integration of child welfare services and from mental health consortiums in Clark and Washoe counties and for all counties whose population is less than 100,000. Each consortium is charged with studying mental health services for emotionally disturbed children in their respective jurisdictions. The consortiums are to prepare a recommended plan assessing mental health services provided and make recommendations for improvements to the delivery of services and how those services could be funded.

The bill also contains funding for the implementation of the integration model. A General Fund appropriation of \$5,166,860 is included for one-time costs associated with the transfer of certain child welfare services. Additionally, \$1,015,497 in General Fund support is included for FY 2001-02 and \$5,619,610 in FY 2002-03 for ongoing costs to implement the integration of services. The legislation creates a new budget account entitled "Child Welfare Integration" that has been established solely for the isolation of costs related to the integration of child welfare services. The integration model provides for immediate attention to the Clark County automation system to meet federal requirements for an adoption and child welfare information reporting system. The transfer of child welfare responsibilities in Washoe County will begin in April 2002 and in Clark County in October 2002.

The 2001 Legislature also passed Senate Bill 247, which provides a \$2,743,867 General Fund supplemental appropriation to the division for the anticipated cost of child welfare placement services through the remainder of FY 2000-01. Assembly Bill 94 makes various changes to fees charged for services provided by county recorders. The bill also requires county recorders to charge and collect an additional fee to assist persons formerly in foster care and also creates an account for that purpose. The Legislature also passed A.C.R. 10, which urges the Department of Human Resources to determine the feasibility of amending the state plan for Medicaid to create a new Medicaid eligibility group for young adults who have "aged out" of foster care.

VICTIMS OF DOMESTIC VIOLENCE

This budget is funded by the collection of \$15 for each marriage license sold in the state. The program grants funds to non-profit agencies on a statewide basis to provide direct services to victims of domestic violence including shelter, crisis phone access, emergency assistance, advocacy, hospital accompaniment and counseling. There are no positions in this budget. The Executive Budget recommended that this account be eliminated and transferred to the Grants Management Unit in the Human Resources Director's Office. The Legislature did not approve the Grants Management Unit and restored this budget account. The Executive Budget also recommended two percent of the marriage license revenue be made available for administrative costs for the program; no action was taken on Assembly Bill 583, which proposed this change. In addition, the Legislature eliminated the Administrative Reserve category and restored the funding to the Reserve category to be made available for grants. Total legislatively approved revenue and expenditure authority for this budget is approximately \$2.8 million in FY 2001-02 and \$3.0 million in FY 2002-03.

COMMUNITY JUVENILE JUSTICE PROGRAMS (PROBATION SUBSIDIES)

This budget serves as a pass-through for funds that are distributed to local judicial districts in accordance with the stated purpose of reducing the need for committing youthful offenders to state correctional institutions by strengthening and improving local supervision of youth placed on probation by the juvenile and district courts of the state. Federal Office of Juvenile Justice and Delinquency Prevention (OJJDP) and state General Funds are distributed to local judicial districts.

The 2001 Legislature approved the budget as recommended by the Governor, which includes the continuation of General Fund support and OJJDP funds totaling \$724,250 in each year of the 2001-03 biennium for the Community Corrections Block Grant program originally approved by the 1997 Legislature. The funding is distributed to local judicial districts and was initially recommended to address the issue of overcrowding and detention backup in local county detention centers first encountered by the 1997 Legislature. The funding is to be used for county programs that ultimately reduce the commitment of juveniles to state juvenile correctional facilities. The Legislature issued a letter of intent requesting that the division continue to report semi-annually to the Interim Finance Committee on the use of the grant funds by judicial districts in designing and implementing programs on the local level that reduce or limit commitments to the state's juvenile training centers.

The Legislature also approved the Governor's recommendation to transfer in three existing federal grant programs and three existing positions from the Youth Parole budget (101-3263). The grant programs include federal OJJDP administrative funds to support three FTE positions (Social Welfare Program Chief I, Management Assistant III and Program Officer I), as well as related support costs. The two remaining federal programs are the Title V Prevention Grant and the Challenge Grant, both of which flow through the budget to local jurisdictions for juvenile programs. The Legislature also approved A.B. 598, which provides a \$250,000 one-time General Fund appropriation to the Jan Evans Juvenile Justice Center for an enhanced health clinic. The facility will be constructed and operated by Washoe County.

JUVENILE ACCOUNTABILITY BLOCK GRANT

This is a relatively new budget account established in FY 1998-99 to accept the Office of Juvenile Justice and Delinquency Prevention's (OJJDP) Juvenile Accountability Incentive Block Grant. The grant requires that 75 percent of the funds be passed through to Nevada's judicial districts for programs that reduce juvenile delinquency. A total of 15 percent of the grant is discretionary and historically has been transferred to the Summit View Youth Correctional Facility budget (101-3148) to assist in the cost of operations. The remaining 10 percent of the grant is retained in this budget to fund the continuance of 2.51 FTE positions and related costs.

The 2001 Legislature approved an increase in the federal Juvenile Accountability Incentive Block Grant (JAIBG) of \$144,200 in each year of the 2001-03 biennium to reflect the most recent FFY 2001 grant award of \$2,309,400. The result adds \$21,630 in each year to the Summit View Youth Correctional Facility, which results in a reduction of General Fund support by the same amount in that budget. The pass-through to judicial districts was increased by \$108,150 in each year of the biennium, and the remaining balance of \$14,420 was placed in the Reserve category.

The Legislature also approved the budget by increasing the transfer to the Summit View Youth Correctional Facility by \$324,780 in discretionary funds. This action resulted in a decrease in General Fund support of \$324,780 in that budget. The budget is technically a year behind in spending, because the federal government does not award the funds until the last day of the federal fiscal year. The agency placed the 15 percent discretionary portion, \$324,780, in a

Reserve category in FY 2000-01, which was utilized to reduce General Fund support in the 2001-03 biennium.

YOUTH ALTERNATIVE PLACEMENT

This budget primarily contains funding for payments to the China Spring Youth Camp in Douglas County and the Spring Mountain Youth Camp in Clark County. County participation fee revenue collection authority is also contained in this account and represents fees assessed to and collected from all counties except Clark for the operation of the China Spring Youth Camp.

The 2001 Legislature closed this budget by reducing the amount recommended for the new Aurora Pines Girls' Facility proposed for the China Spring Youth Camp. The 1999 Legislature passed S.B. 560, which provided a \$2.8 million General Fund appropriation to Douglas County for improvements to and expansion of the China Spring Youth Camp, including a new 24-bed female juvenile dormitory, a new 40-bed male juvenile dormitory, the construction of an administration building, and improvements to the septic system.

The opening of the Aurora Pines facility is projected to be delayed until July 1, 2002, and will initially have a 16-bed capacity instead of 24 beds. The funding need, as estimated by China Spring, is \$43,787 in FY 2001-02 and \$657,473 in FY 2002-03. These estimates resulted in a reduction of General Fund support of \$181,064 in FY 2001-02 and \$102,017 in FY 2002-03, with county participation funds being reduced by \$310,558 in FY 2001-02 and \$174,977 in FY 2002-03. The Legislature also increased the budget for the existing China Spring Youth Camp program by \$220,612 over the biennium for projected salary-related costs. The General Fund portion of the increase is \$81,251 and the increased county participation fees total \$139,361.

JUVENILE CORRECTIONAL FACILITY

This budget account contains funding for contract payments to Youth Services International, the private operator of the new Summit View Youth Correctional Center, a secure male juvenile correctional facility for serious and chronic offenders located near Nellis Air Force Base. The 96-bed facility opened on schedule on June 1, 2000. The Legislature closed this budget by increasing support from the federal Juvenile Accountability Incentive Block Grant (JAIBG), budget account 101-3262, by a total of \$368,040 over the biennium. The Legislature also aligned contract monitor expenses with the contract services charge revenue item, which is collected from the contractor operating the facility. The net result of the adjustments resulted in a decrease of General Fund support of \$183,308 in FY 2001-02 and \$185,821 in FY 2002-03. The Summit View facility is budgeted for full occupancy of 96 beds in both years of the 2001-03 biennium. The approved per-diem rate payable to the contractor per bed day is approximately \$122 for FY 2001-02 and \$124 for FY 2002-03.

The 2001 Legislature also passed S.B. 232, which requires the division to collect information on the economic background of youth referred to the juvenile justice system and requires local probation departments to determine whether children of racial or ethnic minorities and children from economically disadvantaged homes are receiving disparate treatment in the juvenile justice

system. The legislation was the result of a recommendation made by the 1999 A.C.R. 13 Interim Subcommittee on the Study of the Juvenile Justice System in Nevada.

CALIENTE YOUTH CENTER

The Caliente Youth Center is a 24-hour residential treatment facility for female and male youth between 12 and 18 years of age who have been adjudicated delinquent by the state of Nevada's district courts. The coeducational facility has a maximum capacity of 140 youth (80 boys and 60 girls) and provides educational and remedial programs, counseling services, rehabilitative training and recreational activities.

The 2001 Legislature approved this budget substantially as recommended in The Executive Budget, which continues 68 existing positions and includes \$15,936 for replacement laundry operations equipment. The Legislature also approved three state-funded capital improvement projects for the center:

- Project 01-M10 for \$88,991 for new wood flooring and break-resistant lighting in the gymnasium;
- Project 01-M13 for \$87,008 to replace housing unit door locks and to create a "timeout" room proposed in each housing unit; and
- Project 01-M14 for \$212,947 to replace the heating and air conditioning equipment serving the multi-purpose room and classroom buildings. The current heating and air conditioning equipment is approximately 30 years old.

NEVADA YOUTH TRAINING CENTER

The Nevada Youth Training Center at Elko is a 24-hour residential treatment facility for male youth between 12 and 18 years of age who have been adjudicated delinquent by the state of Nevada's district courts. At capacity, the center can accommodate 160 youth and provides educational and remedial programs, counseling services, rehabilitative training and recreational activities.

The Legislature approved this budget substantially as recommended in The Executive Budget and reduced General Fund support by \$90,000 in each year of the biennium due to the addition of the same amount in Title XX Social Services Block Grant revenue. The approved budget continues 98 existing FTE positions. The Legislature also approved A.B. 531, which provides a \$73,144 one-time General Fund appropriation to the agency for the purchase of two 15-passenger vans, two utility vehicles for the landscape and maintenance departments, residential furniture, and classroom equipment.

YOUTH PAROLE SERVICES

Youth Parole Services provides supervision, counseling, residential and aftercare services to youth (male and female) released from the Nevada Youth Training Center at Elko, the Caliente Youth Center, the China Spring Youth Camp (state commitments), youth committed to out-of-state programs and delinquent youth who require inpatient mental health treatment.

Offices are maintained in Las Vegas, Reno, Fallon and Elko. The agency also works with county agencies to improve services for pre-delinquent offenders to ensure proper treatment and effective services.

The 2001 Legislature approved this budget primarily as recommended by the Governor, which includes the continuation of 36.02 FTE positions. The Governor recommended, and the Legislature approved, the transfer of three existing FTE staff and several flow-through federal grant programs from this budget to the Juvenile Justice Programs budget account (101-1383). No new positions were recommended in the budget. The Legislature initiated and approved a one-grade salary increase for Youth Parole Counselors to assist in the recruitment and retention of those positions.

The Legislature also approved continuation of funding for the Transitional Community Reintegration (TCR) program recommended by the Governor at \$1,135,027 in FY 2001-02 and \$1,134,979 in FY 2002-03. This program was added by the 1997 Legislature and continued by the 1999 Legislature as an alternative program to assist in relieving overcrowding in both local juvenile detention facilities and state-operated training centers.

NORTHERN NEVADA CHILD AND ADOLESCENT SERVICES

Northern Nevada Child and Adolescent Services provides residential and other treatment services to children and youth who suffer emotional, behavioral, developmental and social problems. Programs for Washoe County, Carson City and northern Nevada rural counties include outpatient counseling, day treatment, intensive treatment homes and inpatient services.

The Legislature approved this budget substantially as recommended in The Executive Budget and reduced General Fund support by \$125,000 in each year of the 2001-03 biennium by the addition of \$125,000 in each year of Title XX Social Services Block Grant funds. The Legislature also approved the recording mechanism designed to account for payments made to Mojave Mental Health Services for clients referred from Northern Nevada Child and Adolescent Services. This adjustment will allow for the display of Medicaid expenditures made on behalf of clients referred to Mojave. The adjustment for payments to Mojave totals \$283,981 in FY 2001-02 and \$289,661 in FY 2002-03.

No new positions were recommended in the budget; however, the approved budget reflects the continuation of 87.25 existing FTE positions and also the transfer in of 4.02 existing FTE positions from the remaining portions of the Infant Enhancement program (2.51 FTE) and the Home Activity Program for Parents and Youngsters (HAPPY) (1.51 FTE) from the State and Community Collaborations (Chapter I-Special Education) account in the Department of Human Resources, Director's Office. The 2001 Legislature also approved A.B. 532, which provides a \$72,892 one-time General Fund appropriation for a new phone system, two new vans and the remodel of several client bathrooms.

SOUTHERN NEVADA CHILD AND ADOLESCENT SERVICES

Southern Nevada Child and Adolescent Services provides residential care and other treatment services for children and youth who suffer from emotional, behavioral, developmental and social problems. Programs include outpatient counseling, day treatment, intensive treatment homes and inpatient services.

The Legislature approved the budget primarily as recommended by the Governor. General Fund support was reduced by \$100,000 over the biennium due to the addition of \$100,000 in Title XX Social Services Block Grant funds. The Legislature also approved the recording mechanism designed to account for payments made to Mojave Mental Health Services for clients referred from Southern Nevada Child and Adolescent Services. This adjustment will allow for the display of Medicaid expenditures made on behalf of clients referred to Mojave. The adjustment for payments to Mojave totals \$570,407 in FY 2001-02 and \$581,816 in FY 2002-03. The Legislature also approved the transfer in of 2.53 FTE existing positions for the First Step Program from the State and Community Collaborations (Chapter I-Special Education) account in the Department of Human Resources, Director's Office.

The Legislature also approved 5.51 FTE new positions that were recommended in The Executive Budget for the agency's fiscal unit. The positions were granted to improve the collection of federal revenues. The Governor also recommended, and the Legislature approved, nine new FTE staff for the 56-bed Desert Willow Treatment Center, which was approved by the 1995 Legislature and became operational in September 1998. Recent surveys by the Joint Commission on Accreditation of Healthcare Organizations and the State Health Division indicated there was insufficient staffing at the facility. Uncorrected, this could have potentially led to the loss of Medicaid certification and the inability to collect Medicaid funds. The 14.51 FTE new positions are funded entirely with increased federal revenue. No additional General Fund support was recommended.

Similar to the 1997-99 biennium, the agency has continued to experience problems in staffing and operating the on-campus family learning homes. During budget hearings, the money committees learned that only four of seven homes were open, with a capacity of 22 beds. Additionally, potentially harmful mold had been found in five of the homes. The Legislature considered several options before recommending that no changes be made to the Governor-recommended budget. Instead, the Legislature approved a letter of intent requesting that the agency report quarterly to the Interim Finance Committee on the status of the family learning homes, including any changes in staffing and the treatment model, and also remediation efforts of the mold problem.

The 2001 Legislature also approved S.B. 456, which provides a \$148,150 one-time General Fund appropriation to the agency for replacement furniture and equipment, new computers and building maintenance projects. The Legislature also approved several state-funded capital improvement projects for the agency, including:

- Project 01-M11 for \$104,948 to install backflow preventors and valves on several campus buildings;
- Project 01-M12 for \$129,392 to replace air conditioning chillers in building # 7;
- Project 01-M15 for \$174,080 to remodel reception areas in buildings #7 and #15;
- Project 01-M16 for \$133,694 for HVAC renovations in building #9;
- Project 01-M17 for \$181,457 for exterior painting and block sealing on several campus buildings; and
- Project 01-M21 for \$99,308 to replace doors in several campus buildings.

The Legislature approved project 01-M46L to be financed with \$1,590,446 in general obligation bonds for mold remediation and prevention efforts in various campus buildings.

STATE PUBLIC DEFENDER

The Office of the State Public Defender represents indigent adults and juveniles who are criminal defendants when a court, pursuant to NRS 171.188 or NRS 62.085, appoints the office as counsel. The office currently provides services for Carson City, Eureka, Humboldt, Lincoln, Pershing, Storey and White Pine Counties. The ten remaining counties provide their own public defender services through a county public defender or by contracting with a private attorney to provide those services. The office also handles appeals for state prison inmates whose habeas corpus post-conviction petitions have been denied.

The Office of the State Public Defender currently maintains its central office in Carson City and has regional offices in Ely and Winnemucca. The office is funded through a combination of General Funds and reimbursements from the counties that use the services of the office. Each county's share of the costs for the office is based on the services rendered to that county and the state share is based on the costs of prison cases, post-conviction cases, and appellate and administrative functions of the office.

As a result of recommendations made in a July 2000 legislative audit of the Office of the State Public Defender, the Governor recommended, and the Legislature approved, funding for out-of-state travel to ensure investigative expenditures are properly accounted for, as well as for a complete automated management information system to help promote efficient operations and compliance with reporting requirements. The Legislature also approved the recommendations of the Governor, with technical adjustments, to provide funding to cover increased costs for the payment of court-ordered post-conviction relief claims, as well as to replace computers and printers.

DEPARTMENT OF EMPLOYMENT, TRAINING AND REHABILITATION

The Department of Employment, Training and Rehabilitation (DETR) is comprised of four functional divisions: Employment Security, Equal Rights, Information Development and Processing, and Rehabilitation, as well as the DETR Director's Office and Administrative Services.

The department is responsible for providing employment, training, and rehabilitation services that meet the needs of Nevada's citizens, employers, employees and job seekers, to maximize independence, self-sufficiency and participation in the workforce. The primary funding sources for the department are federal funds from the U.S. Departments of Labor, Education, and Health and Human Services; the Social Security Administration; a surcharge of .05 percent on wages paid by Nevada employers to Nevada employees; and interest and forfeitures of employer contributions.

The 2001 Legislature approved the 2001-03 biennial budget for the department as recommended by the Governor with only minor adjustments or modifications. The Legislature appropriated approximately \$13.8 million in General Funds, an increase of 12.2 percent, and \$230.5 million in federal and other funds, an increase of approximately 10.3 percent, for all programs of the department during the 2001-03 biennium when compared to amounts approved for the 1999-2001 biennium. The Legislature provided an increase of \$809,446 in state General Funds to match approximately \$3.0 million in additional federal Title I, Section 110 funds for rehabilitation clients served by the Vocational Rehabilitation and Services to the Blind budgets.

The Legislature approved the final close-out of the State Job Training Office (SJTO), and the establishment and transfer of the department's Technical Monitoring and Assistance (TAM) unit to the department's Employment Security Division by approving S.B. 502. The TAM replaces the SJTO as defined under the structure of the new federal Workforce Investment Act (WIA) of 1998.

DETR, ADMINISTRATIVE SERVICES

The Administrative Services budget was initially established and approved by the 1995 Legislature in an effort to centralize the department's financial management, human resources, and office administrative support services. In continuation of the department's effort to centralize its department-wide administrative services, the 2001 Legislature approved the consolidation of DETR's two administrative budgets, the Director's Office and Administrative Services, into a single budget account. All staff and funding and operational resources existing under DETR's Director's Office are transferred to this budget account in whole.

INFORMATION DEVELOPMENT AND PROCESSING AND RESEARCH AND ANALYSIS DIVISIONS

The Data Processing Bureau is responsible for the department's application development, as well as the DETR communications network, and hardware and software inventory for over 850 personal computers. The Research and Analysis Bureau (RAB) is responsible for the development and dissemination of labor market information, which includes labor force, employment, occupational and general economic and demographic data. The bureau is also responsible for operating the Nevada Career Information System, which provides computerized occupational and career information to the state's school districts and service providers.

The 2001 Legislature approved the bureaus' 2001-03 budget substantially as recommended by the Governor with little modification. The Executive Budget included the addition of an Economist II position in the RAB budget to help the department meet new data collection, analysis and reporting requirements resulting from the implementation of the 1998 Workforce

Investment Act. Since the information gathered and analyzed by the new position will support data requirements of both the RAB and the Employment Security Division (ESD), the Legislature approved funding for the new position to be split evenly between the two budget accounts.

In addition, the Legislature authorized additional funding authority of \$68,498 to the RAB and an additional \$944,642 to the Information Processing and Development budget over the 2001-03 biennium to upgrade the information technology infrastructure and database systems. Funding authority was also provided to expand Internet utilities and resources available for access by local workforce investment boards.

EMPLOYMENT SECURITY DIVISION

The Employment Security Division (ESD) is responsible for programs that pay unemployment insurance (UI) benefits, collect UI premiums, and match job seekers with employers. The division also oversees the claimant/employer appeals process and provides training through the Claimant Employment Program. In the division's administrative account, the 2001 Legislature approved funding of approximately \$95.8 million during the 2001-03 biennium, an increase of 50.4 percent from the \$63.7 million approved for the 1999-2001 biennium. The increase recommended in the budget includes \$24.3 million in funding authority to absorb the staff, functions, and responsibilities of the Technical Assistance and Monitoring Unit (formerly the State Job Training Office); \$147,401 to fund 50 percent of a new Economist II position (50 percent of the associated cost for this position will be provided through the Research and Analysis budget); and approximately \$1.3 million to update and expand the division's information technology and internet infrastructure, including updating the division's telephonic claims filing system.

In addressing a \$3.3 million shortfall in Nevada's FY 2000-01 Unemployment Insurance Grant from the federal government, the 2001 Legislature approved the use of reserves from the department's ESD Special Fund as a one-time stop-gap measure to fund equipment and program needs that would have otherwise gone unfunded.

EMPLOYMENT SECURITY SPECIAL FUND

The Employment Security Special Fund derives its revenue from interest and forfeitures of employer contributions (UI taxes), which may be used to cover expenditures for which federal funds have been requested but not yet received, to pay administrative costs of the division which may not be charged against federal grants, and for capital improvements. The 2001 Legislature approved the ESD Special Fund budget as recommended by the Governor with few modifications. Expenditure authority includes \$686,092 to fund one-time costs associated with the division's development and implementation of a fully automated redesign of the Nevada's Unemployment Insurance adjudication process; approximately \$2.2 million to complete development of Phase II of Nevada's UI contribution system; and \$2.0 million to fund, in part, the design and construction of a new administration building in Las Vegas. Based on the information presented to the money committees by the department, the projected reserve balance for the ESD Special Fund is estimated to be reduced from its FY 2000-01 ending fund balance of approximately \$7.0 million to approximately \$2.21 million by the end of FY 2002-03. The

department testified that the ending fund balance currently projected is sufficient to meet the planned intent of the fund.

CLAIMANT EMPLOYMENT PROGRAM

The Claimant Employment Program is funded through a surcharge of .05 percent of wages paid and may be used only for re-employment services and training programs to enhance the skills of unemployed Nevadans. The Legislature approved an increase of \$2.1 million, or 10.5 percent, as recommended by the Governor for the 2001-03 biennium when compared to funding provided during the 1999-2001 biennium. Recommended increases are primarily provided to address the department's projected caseload growth over the biennium, which is estimated to grow at approximately five percent per year.

WELFARE TO WORK

Congress, with passage of the Balanced Budget Act of 1997, approved the Welfare to Work (WtW) program administered by the federal Department of Labor. The WtW grant was designed as an adjunct source of federal funding to specifically assist states in creating job opportunities and transitional employment assistance for the hardest to employ recipients of TANF and non-custodial parents with significant employment barriers. Nevada's WtW grant award for federal fiscal year (FFY) 1998 was approximately \$3.38 million and for FFY 1999 approximately \$3.1 million and requires a two-for-one match (\$2 federal funds for \$1 state funds). States are required to pass through 85 percent of the available funding to the Local Workforce Investment Boards (formerly known as Private Industry Councils) who broker services to eligible clients.

The Legislature concurred with The Executive Budget recommendation to transfer the WtW program to the Department of Employment, Training and Rehabilitation (DETR), which was a recommendation proposed as part of the Governor's Fundamental Review of State Government. In late December 2000, Congress authorized an extension for states to expend federal WtW grant funds; however, Congress did not allocate additional funding. Depending on the fiscal year in which the WtW grant was awarded, states are authorized to expend federal WtW funds through federal fiscal year 2004. Nevada's program was set to expire in February 2002, which is the reason The Executive Budget does not include funding for FY 2002-03. According to information provided by the Welfare Division, sufficient state funds have been appropriated to the WtW budget (for the current biennium) to leverage the maximum amount of federal WtW funds available to Nevada at this time (assuming the state match that has been budgeted is spent). With the recent extension authorized by Congress and the possibility that not all federal WtW funds will be spent in the fiscal year appropriated, in approving the transfer of the WtW budget, the Legislature provided the department with the authority to balance forward unexpended and unobligated funding to the second year of the biennium, if necessary.

REHABILITATION DIVISION

The Rehabilitation Division is comprised of three bureaus: Vocational Rehabilitation, Services to the Blind and Visually Impaired, and Disability Adjudication. The division is also responsible for the state Vocational Assessment Centers, the Client Assistance Program, the Nevada

Developmental Disabilities Program, and several community-based services programs for the disabled.

REHABILITATION ADMINISTRATION

The Governor recommended, and the Legislature approved, the transfer of the Chief of the Office of Community Based Services (OCBS) position and all associated operating costs from the Rehabilitation Administration budget account to the OCBS budget. This position, formerly the Chief of Research, Planning and Program Development, was reclassified to its current status in 1993 to conduct a variety of client service programs currently funded through the division's OCBS and Developmental Disabilities budget accounts. Under the provisions of federal OMB Circular A-87, the position, as currently defined, cannot be financed through indirect costs, which is how the Rehabilitation Administration account is funded. Thus, the position is transferred to the OCBS budget and the cost of the position will be shared proportionately between the OCBS and Developmental Disabilities budget accounts.

BUREAU OF VOCATIONAL REHABILITATION

The Bureau of Vocational Rehabilitation (BVR) provides services to individuals whose physical and/or mental disability is a substantial barrier to employment. The 2001 Legislature concurred substantially with the Governor's recommendations for this budget with only minor adjustments. Included in the funding authority provided is approximately \$3.7 million in additional funding (\$3.0 million federal Section 110 funds and \$700,444 in matching state General Fund) to support the department's projected increase in available Section 110 funding of 6.11 percent per year. The Legislature also approved the addition of a Public Service Intern position to assist the bureau in developing solutions to its personnel (rehabilitation counselors) retention problems.

The 2001 Legislature approved the transfer of the division's Vocational Assessment Centers (VAC) back into the BVR budget. The Governor recommended that the VAC be returned to the BVR budget because the unit was not able to sufficiently generate an adequate level of operating revenues without reverting to non-fee based support (Section 110 funding) from BVR.

BUREAU OF SERVICES TO THE BLIND AND VISUALLY IMPAIRED

The Bureau of Services to the Blind and Visually Impaired (BSBVI) provides a full range of services to persons who are blind, deaf/blind, and/or severely visually impaired to assist them in achieving social and economic independence. The bureau administers vocational rehabilitation, independent living services for the elderly blind, low vision clinical services in the Las Vegas area, therapeutic recreational services in the Northern part of the state, and a Life Skills Training program. The bureau also administers the Business Enterprise program statewide.

The 2001 Legislature approved \$525,004 in federal Section 110 funding and \$109,002 in matching General Fund to address the department's projected annual growth rate of 6.11 percent in available Section 110 funding over the biennium. The Legislature also approved the use of \$189,484 over the biennium from the bureau's Blind Gift Fund for a new Rehabilitation Coordinator II position. The position will work directly with the Clark County School District

and be responsible for implementing and managing a new pilot program designed to assist school-age children who are blind or visually impaired. The program will be totally funded by resources from the Blind Gift Fund, and no state or federal dollars are planned to be used to support the program at this time.

OFFICE OF COMMUNITY BASED SERVICES

The Office of Community Based Services (OCBS) operates and manages seven state programs: Personal Assistant Services, Traumatic Brain Injury, Assistive Technology Program, Medicaid Waiver Services, Telecommunications Services, Independent Living, and Deaf Resource Centers. The OCBS provides program oversight, administration, grants management, monitoring, funds distribution, state/federal reporting, planning, and administrative services in the development and implementation of these programs.

While the Governor recommended no new programs for the 2001-03 biennium, he did recommend a three percent increase in the Personal Care Attendant reimbursement rate. The Legislature believed that the funding recommended for caseload growth in the Governor's budget for Personal Care Attendant services would not be adequate to meet the minimum funding requirements represented in the department's growth projections for these services. Therefore, the Legislature appropriated an additional \$272,190 in General Funds over the biennium to enable the OCBS to match the level of reimbursement being provided by Medicaid for similar services.

A major issue that was recommended in the Governor's budget but not approved by the Legislature was the proposal to transfer the OCBS budget, along with DETR's Developmental Disabilities budget account, from DETR to the Department of Human Resources. The proposal was presented by the OCBS and supported by the Governor in an effort to consolidate and improve Nevada's process for delivering needed services to the disabled. However, input from the disabled community and federal oversight agencies persuaded representatives from both DETR and the Department of Human Services to withdraw their proposal to allow time to more thoroughly research and analyze appropriate and needed changes to the state's welfare and social services system with respect to Nevada's disabled community. As a result of this action, the OCBS and Developmental Disabilities budget account remain with DETR and, in response to the need to review the issue of social services to the disabled community, the Legislative Commission established a committee to conduct an interim study of Nevada's programs and policies for providing services to persons with disabilities. The committee will also study the feasibility of establishing a single state agency to coordinate services provided to persons with disabilities.

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
HUMAN RESOURCES - DIRECTORS OFFICE					
DHR ADMINISTRATION	4,112,026	1,289,245	1,281,556	1,520,734	1,299,654
GENERAL FUND	784,414	1,289,245	773,191	1,520,734	791,198
BALANCE FORWARD	752,612				
FEDERAL FUND	2,575,000		500,000		500,000
INTER AGENCY TRANSFER			8,365		8,456
HR FAMILY RESOURCE CENTERS	1,442,681		1,450,841		1,453,163
GENERAL FUND	1,442,681		1,450,841		1,453,163
HR, PURCHASE OF SOCIAL SERVICES	11,849,231		13,015,111		13,020,615
FEDERAL FUND	10,949,068		11,086,782		11,086,782
INTER AGENCY TRANSFER	900,163		1,928,329		1,933,833
HR, COMMUNITY SVCS BLOCK GRANT	2,635,393		2,830,048		2,830,048
FEDERAL FUND	2,635,393		2,830,048		2,830,048
HR, FAMILY TO FAMILY CONNECTION	2,804,907		1,531,856		1,590,953
GENERAL FUND	2,299,809		1,431,856		1,490,953
INTER AGENCY TRANSFER	505,098		100,000		100,000
HR, STATE AND COMMUNITY COLLABORATI	2,990,970	2,678,419	2,840,279	2,489,544	2,654,914
GENERAL FUND	90,210				
FEDERAL FUND	2,839,249	2,678,419	2,778,419	2,489,544	2,589,544
INTER AGENCY TRANSFER	61,511		61,860		65,370
HEALTHY NEVADA FUND	11,072,161	11,378,825	11,388,302	11,385,029	11,396,206
BALANCE FORWARD	8,854				
OTHER FUND	11,063,307	11,378,825	11,388,302	11,385,029	11,396,206
HR, GRANTS MANAGEMENT UNIT		31,045,965		31,306,250	
GENERAL FUND		2,587,549		2,478,167	
FEDERAL FUND		16,063,590		16,063,728	
INTER AGENCY TRANSFER		8,392,397		8,403,942	
OTHER FUND		4,002,429		4,360,413	
SUB-FUNCTION RECAP					
HUMAN RESOURCES - DIRECTORS OFFIC	36,907,369	46,392,454	34,337,993	46,701,557	34,245,553
GENERAL FUND	4,617,114	3,876,794	3,655,888	3,998,901	3,735,314
BALANCE FORWARD	761,466				
FEDERAL FUND	18,998,710	18,742,009	17,195,249	18,553,272	17,006,374
INTER AGENCY TRANSFER	1,466,772	8,392,397	2,098,554	8,403,942	2,107,659
OTHER FUND	11,063,307	15,381,254	11,388,302	15,745,442	11,396,206

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
HEALTH CARE FINANCING & POLICY					
HEALTH CARE FINANCING & POLICY	2,750,984	3,986,495	3,222,282	4,117,122	3,320,126
GENERAL FUND	552,770	719,038	303,448	764,101	313,472
FEDERAL FUND	1,055,229	1,905,214	1,556,591	1,982,882	1,636,515
INTER AGENCY TRANSFER	396,994				
OTHER FUND	745,991	1,362,243	1,362,243	1,370,139	1,370,139
HEALTH RESOURCES COST REVIEW	207,399				
BALANCE FORWARD	165				
OTHER FUND	207,234				
HR, HCF&P, NEVADA MEDICAID, TITLE XIX	637,299,816	752,126,496	742,173,356	803,824,233	825,072,445
GENERAL FUND	173,450,870	250,480,522	241,744,350	273,165,140	271,327,819
BALANCE FORWARD	1,821,205				
FEDERAL FUND	347,849,919	409,356,699	404,933,708	437,264,193	457,377,511
INTER AGENCY TRANSFER	95,264,385	71,300,000	74,427,887	71,300,000	73,769,344
OTHER FUND	18,913,437	20,989,275	21,067,411	22,094,900	22,597,771
HCF&P INTERGOVERNMENTAL TRANSFER	145,205,888	104,387,804	103,407,158	93,420,047	88,051,778
BALANCE FORWARD	86,767,849	43,055,561	43,055,561	33,087,804	28,269,270
OTHER FUND	58,438,039	61,332,243	60,351,597	60,332,243	59,782,508
HR, HCF&P, NEVADA CHECK-UP PROGRAM	21,849,462	29,615,274	29,487,182	32,982,211	32,948,878
GENERAL FUND	441,210	10,206,687	10,042,447	11,353,786	10,966,434
FEDERAL FUND	13,874,756	18,956,033	18,728,292	21,086,366	21,146,513
INTER AGENCY TRANSFER	6,880,774				
OTHER FUND	652,722	452,554	716,443	542,059	835,931
SUB-FUNCTION RECAP					
HEALTH CARE FINANCING & POLICY	807,313,549	890,116,069	878,289,978	934,343,613	949,393,227
GENERAL FUND	174,444,850	261,406,247	252,090,245	285,283,027	282,607,725
BALANCE FORWARD	88,589,219	43,055,561	43,055,561	33,087,804	28,269,270
FEDERAL FUND	362,779,904	430,217,946	425,218,591	460,333,441	480,160,539
INTER AGENCY TRANSFER	102,542,153	71,300,000	74,427,887	71,300,000	73,769,344
OTHER FUND	78,957,423	84,136,315	83,497,694	84,339,341	84,586,349

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
HEALTH DIVISION					
HR, HEALTH ALCOHOL TAX PROGRAM	846,985	1,048,012	908,526	1,182,898	990,008
BALANCE FORWARD	201,220	201,219	138,245	336,105	196,619
OTHER FUND	645,765	846,793	770,281	846,793	793,389
HR, OFFICE OF HEALTH ADMINISTRATION	2,366,296	2,969,744	3,156,941	3,032,146	3,229,769
GENERAL FUND	387,844	482,966	469,090	488,209	468,366
BALANCE FORWARD	8,778				
FEDERAL FUND	1,108,923	1,310,162	1,267,051	1,320,150	1,276,392
INTER AGENCY TRANSFER	96,344	390,472	447,883	405,285	466,472
OTHER FUND	764,407	786,144	972,917	818,502	1,018,539
HR, VITAL STATISTICS	847,215	910,425	775,663	938,299	779,450
GENERAL FUND	470,708	511,371	437,952	534,271	441,141
FEDERAL FUND	140,146	158,482	86,119	163,456	86,119
OTHER FUND	236,361	240,572	251,592	240,572	252,190
HR, CANCER CONTROL REGISTRY	432,139	417,461	417,461	472,342	472,342
BALANCE FORWARD	12,237	34,063	34,063	63,331	63,331
FEDERAL FUND	331,278	284,510	284,510	310,123	310,123
OTHER FUND	88,624	98,888	98,888	98,888	98,888
HR, HEALTH AID TO COUNTIES	1,412,116	1,507,638	1,461,937	1,554,078	1,507,638
GENERAL FUND	1,318,048	1,416,915	1,316,655	1,463,355	1,357,815
INTER AGENCY TRANSFER	94,068	90,723	145,282	90,723	149,823
HR, CONSUMER HEALTH PROTECTION	2,804,184	3,041,542	2,946,047	3,170,063	3,049,801
GENERAL FUND	855,983	1,175,777	1,085,482	1,239,853	1,124,791
FEDERAL FUND	962,859	883,214	883,214	917,478	917,478
OTHER FUND	985,342	982,551	977,351	1,012,732	1,007,532
HR, RADIOLOGICAL HEALTH	951,915	960,469	944,247	994,471	971,530
GENERAL FUND	239,127	240,312	208,953	247,289	221,676
FEDERAL FUND	196,781	174,697	180,986	185,279	184,733
INTER AGENCY TRANSFER	189,358	214,009	202,290	222,392	210,474
OTHER FUND	326,649	331,451	352,018	339,511	354,647
HR, HEALTH RADIOACTIVE & HAZARDOUS	10,858,245	11,244,543	11,232,782	11,608,468	11,604,170
BALANCE FORWARD	10,473,514	10,518,789	10,518,789	10,882,714	10,890,177
OTHER FUND	384,731	725,754	713,993	725,754	713,993
HR, HEALTH FACILITIES HOSPITAL LICENSING	4,669,071	5,139,480	5,138,984	5,271,715	5,277,519
BALANCE FORWARD	388,493	290,205	290,205	26,723	26,723
FEDERAL FUND	1,318,772	1,472,492	1,472,492	1,557,218	1,557,218
INTER AGENCY TRANSFER	400,000				
OTHER FUND	2,561,806	3,376,783	3,376,287	3,687,774	3,693,578

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HEALTH DIVISION					
HR, COMMUNITY HEALTH SERVICES	2,277,343	2,251,052	2,271,611	2,330,026	2,343,330
GENERAL FUND	289,527	296,297	207,865	309,684	254,032
BALANCE FORWARD	26,015				
FEDERAL FUND	1,068,116	800,364	863,127	841,108	879,860
INTER AGENCY TRANSFER		219,766	219,766	230,040	230,040
OTHER FUND	893,685	934,625	980,853	949,194	979,398
HR, HEALTH COMMUNICABLE DISEASE CO	3,758,488	3,509,710	3,507,239	3,549,102	3,542,685
GENERAL FUND	885,239	869,522	800,940	873,377	803,268
BALANCE FORWARD	24,635				
FEDERAL FUND	2,848,614	2,640,188	2,706,299	2,675,725	2,739,417
HR, FAMILY PLANNING PROJECT	790,628	1,013,095	922,274	1,109,281	923,017
BALANCE FORWARD	86,041	96,089	96,089	173,955	88,832
FEDERAL FUND	350,869	499,872	525,710	518,192	533,710
OTHER FUND	353,718	417,134	300,475	417,134	300,475
HR, SEXUALLY TRANSMITTED DISEASE CO	9,854,459	8,889,627	8,882,845	8,930,264	8,920,155
GENERAL FUND	1,629,230	1,604,755	1,569,392	1,605,882	1,576,915
FEDERAL FUND	7,975,543	7,284,872	7,313,453	7,324,382	7,343,240
INTER AGENCY TRANSFER	-50,314				
OTHER FUND	300,000				
HR, IMMUNIZATION PROGRAM	3,405,966	3,339,192	3,276,719	3,309,745	3,237,949
GENERAL FUND	1,151,114	1,318,884	1,118,884	1,261,104	1,061,104
BALANCE FORWARD	1,066				
FEDERAL FUND	2,253,786	2,020,308	1,957,835	2,048,641	1,976,845
INTER AGENCY TRANSFER			200,000		200,000
HR, MATERNAL CHILD HEALTH SERVICES	4,758,596	3,986,729	3,979,383	4,064,730	4,047,225
GENERAL FUND	1,669,503	1,383,055	1,278,551	1,364,935	1,228,137
BALANCE FORWARD	77,349				
FEDERAL FUND	1,905,307	1,448,569	1,545,727	1,536,444	1,655,737
OTHER FUND	1,106,437	1,155,105	1,155,105	1,163,351	1,163,351
HR, SPECIAL CHILDREN'S CLINIC	5,516,103	6,287,319	6,227,289	6,478,150	6,335,159
GENERAL FUND	4,267,295	4,528,229	4,295,787	4,607,220	4,327,267
FEDERAL FUND	439,679	449,038	575,136	460,654	597,616
INTER AGENCY TRANSFER		558,317	558,317	565,913	565,913
OTHER FUND	809,129	751,735	798,049	844,363	844,363
HR, WIC FOOD SUPPLEMENT	27,146,218	27,447,330	27,338,967	27,497,091	27,388,374
BALANCE FORWARD	294,677	27,206	27,206	27,206	27,206
FEDERAL FUND	19,027,446	19,294,300	19,185,937	19,344,061	19,235,344
OTHER FUND	7,824,095	8,125,824	8,125,824	8,125,824	8,125,824

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HEALTH DIVISION					
HR, EMERGENCY MEDICAL SERVICES	713,299	827,499	703,045	846,227	718,722
GENERAL FUND	670,863	791,747	676,259	810,475	691,936
BALANCE FORWARD	9,001	6,400	6,400	6,400	6,400
INTER AGENCY TRANSFER	10,530				
OTHER FUND	22,905	29,352	20,386	29,352	20,386
HR HEALTH ALCOHOL & DRUG REHABILITATION	14,365,232	12,669,892	13,133,616	12,655,719	13,109,377
GENERAL FUND	3,164,462	3,104,918	3,075,984	3,111,570	3,072,480
BALANCE FORWARD	339,866	6,659		6,659	
FEDERAL FUND	10,179,137	9,536,815	9,536,132	9,515,990	9,515,397
INTER AGENCY TRANSFER	500,000		500,000		500,000
OTHER FUND	181,767	21,500	21,500	21,500	21,500
HR HEALTH ALERT NETWORK	271,932	381,116	439,774	390,799	452,965
BALANCE FORWARD	3,590				
FEDERAL FUND	268,342	381,116	439,774	390,799	452,965
HR, HEALTH PUBLIC HEALTH TOBACCO FUNDS	300,813	312,664	312,664	315,632	315,632
OTHER FUND	300,813	312,664	312,664	315,632	315,632
SUB-FUNCTION RECAP					
HEALTH DIVISION	98,347,243	98,154,539	97,978,014	99,701,246	99,216,817
GENERAL FUND	16,998,943	17,724,748	16,541,794	17,917,224	16,628,928
BALANCE FORWARD	11,946,482	11,180,630	11,110,997	11,523,093	11,299,288
FEDERAL FUND	50,375,598	48,638,999	48,823,502	49,109,700	49,262,194
INTER AGENCY TRANSFER	1,239,986	1,473,287	2,273,538	1,514,353	2,322,722
OTHER FUND	17,786,234	19,136,875	19,228,183	19,636,876	19,703,685

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
AGING SERVICES					
HR, AGING OLDER AMERICANS ACT	9,176,173	10,206,452	10,057,662	10,557,021	10,341,067
GENERAL FUND	2,488,585	2,812,475	2,655,245	2,929,365	2,711,870
BALANCE FORWARD	53,675				
FEDERAL FUND	5,944,691	6,535,524	6,562,001	6,749,088	6,775,565
INTER AGENCY TRANSFER	523,645	663,921	645,884	685,356	660,420
OTHER FUND	165,577	194,532	194,532	193,212	193,212
HR, SENIOR SERVICES PROGRAM	9,449,987	9,921,051	9,844,850	11,441,964	11,411,894
GENERAL FUND	1,054,623	1,062,507	1,056,412	1,092,473	1,083,840
BALANCE FORWARD	54,924				
INTER AGENCY TRANSFER	8,246,946	8,125,696	8,073,720	9,387,951	9,389,349
OTHER FUND	93,494	732,848	714,718	961,540	938,705
HR, EPS/HOMEMAKER PROGRAMS	2,530,790	2,599,457	2,693,718	2,602,802	2,709,301
GENERAL FUND	556,636	14,633	12,819	14,633	13,303
BALANCE FORWARD	161,257				
INTER AGENCY TRANSFER	1,812,897	2,383,526	2,432,946	2,373,429	2,432,764
OTHER FUND		201,298	247,953	214,740	263,234
HR, AGING SERVICES GRANTS	4,671,040	5,734,443	5,734,443	5,720,988	5,720,988
OTHER FUND	4,671,040	5,734,443	5,734,443	5,720,988	5,720,988
SENIOR CITIZENS' PROPERTY TAX ASSIST/	3,717,387	7,687,073	3,957,809	8,268,736	4,332,475
GENERAL FUND	2,670,503	7,615,189	3,957,809	8,268,736	4,332,475
BALANCE FORWARD	71,884	71,884			
INTERIM FINANCE	975,000				
SUB-FUNCTION RECAP					
AGING SERVICES	29,545,377	36,148,476	32,288,482	38,591,511	34,515,725
GENERAL FUND	6,770,347	11,504,804	7,682,285	12,305,207	8,141,488
BALANCE FORWARD	341,740	71,884			
FEDERAL FUND	5,944,691	6,535,524	6,562,001	6,749,088	6,775,565
INTER AGENCY TRANSFER	10,583,488	11,173,143	11,152,550	12,446,736	12,482,533
INTERIM FINANCE	975,000				
OTHER FUND	4,930,111	6,863,121	6,891,646	7,090,480	7,116,139

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
DIVISION OF MENTAL HEALTH AND DEVELOPMENTA					
HR, MHDS ADMINISTRATION	2,009,736	2,223,269	2,121,736	2,292,488	2,144,351
GENERAL FUND	1,775,705	2,111,819	2,031,897	2,183,555	2,055,879
BALANCE FORWARD	98,080				
FEDERAL FUND	105,751				
INTER AGENCY TRANSFER	30,200	111,450	89,839	108,933	88,472
HR, NEVADA MENTAL HEALTH INSTITUTE	18,550,435	19,197,752	18,610,426	20,021,663	19,274,822
GENERAL FUND	15,280,522	16,052,222	14,996,959	16,855,359	15,465,465
FEDERAL FUND	390,377	303,013	303,013	303,013	303,013
INTER AGENCY TRANSFER	1,193,580	1,537,202	1,909,878	1,571,564	2,080,156
OTHER FUND	1,685,956	1,305,315	1,400,576	1,291,727	1,426,188
HR, FACILITY FOR THE MENTAL OFFENDEF	5,019,414	5,437,376	5,081,137	5,665,720	5,203,846
GENERAL FUND	4,875,021	5,234,591	4,865,197	5,462,935	4,984,420
OTHER FUND	144,393	202,785	215,940	202,785	219,426
HR, RURAL CLINICS	7,276,953	8,148,932	7,958,306	8,687,611	8,442,881
GENERAL FUND	5,184,382	4,859,507	4,619,130	5,286,439	4,959,600
BALANCE FORWARD	4,660				
FEDERAL FUND	674,616	667,490	667,490	705,352	705,352
INTER AGENCY TRANSFER	540,226	1,646,894	1,667,886	1,689,256	1,737,027
OTHER FUND	873,069	975,041	1,003,800	1,006,564	1,040,902
HR, SOUTHERN NEVADA ADULT MENTAL H	30,333,521	35,854,007	39,429,277	38,761,344	42,022,344
GENERAL FUND	26,963,074	30,743,824	29,623,669	33,309,226	31,731,184
FEDERAL FUND	487,817	913,281	913,281	976,612	976,612
INTER AGENCY TRANSFER	617,232	2,212,495	6,651,164	2,457,896	7,035,475
OTHER FUND	2,265,398	1,984,407	2,241,163	2,017,610	2,279,073
HR, SOUTHERN FOOD SERVICE	1,230,709	1,234,942	1,221,402	1,266,726	1,253,219
INTER AGENCY TRANSFER	1,230,709	1,234,942	1,221,402	1,266,726	1,253,219
HR, SIERRA REGIONAL CENTER	17,020,715	18,463,866	18,436,347	19,182,319	19,275,513
GENERAL FUND	9,461,858	10,460,435	10,333,495	10,940,211	10,700,883
INTER AGENCY TRANSFER	7,037,681	7,560,398	7,644,819	7,799,075	8,116,597
OTHER FUND	521,176	443,033	458,033	443,033	458,033
HR, DESERT REGIONAL CENTER	30,272,948	35,227,340	35,376,208	38,412,446	39,002,384
GENERAL FUND	16,798,771	18,684,275	18,597,818	20,618,088	20,459,820
INTER AGENCY TRANSFER	12,301,033	15,351,391	15,516,716	16,602,684	17,280,890
OTHER FUND	1,173,144	1,191,674	1,261,674	1,191,674	1,261,674
HR, FAMILY PRESERVATION PROGRAM	753,244	617,626	617,626	617,626	617,626
GENERAL FUND	753,244	617,626	617,626	617,626	617,626

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DIVISION OF MENTAL HEALTH AND DEVELOPMENTA					
HR, RURAL REGIONAL CENTER	4,560,450	5,008,973	5,080,595	5,618,900	5,796,392
GENERAL FUND	2,699,683	2,961,330	2,995,743	3,345,024	3,405,397
INTER AGENCY TRANSFER	1,654,036	1,818,294	1,855,503	2,044,527	2,161,646
OTHER FUND	206,731	229,349	229,349	229,349	229,349
HR, MENTAL HEALTH INFORMATION SYSTE	374,964	450,159	432,669	432,593	406,001
GENERAL FUND	374,964	378,102	360,782	365,211	337,512
INTER AGENCY TRANSFER		72,057	71,887	67,382	68,489
SUB-FUNCTION RECAP					
DIVISION OF MENTAL HEALTH AND DEVE	117,403,089	131,864,242	134,365,729	140,959,436	143,439,379
GENERAL FUND	84,167,224	92,103,731	89,042,316	98,983,674	94,717,786
BALANCE FORWARD	102,740				
FEDERAL FUND	1,658,561	1,883,784	1,883,784	1,984,977	1,984,977
INTER AGENCY TRANSFER	24,604,697	31,545,123	36,629,094	33,608,043	39,821,971
OTHER FUND	6,869,867	6,331,604	6,810,535	6,382,742	6,914,645

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
WELFARE DIVISION					
HR, WELFARE ADMINISTRATION	25,519,294	26,656,164	25,960,493	27,276,670	24,595,445
GENERAL FUND	6,595,530	7,801,000	6,467,025	8,098,973	6,609,825
BALANCE FORWARD	3,888,250				231,538
FEDERAL FUND	13,289,121	16,184,211	16,947,321	16,484,059	15,173,821
INTER AGENCY TRANSFER	1,741,393	2,414,637	2,289,831	2,408,465	2,295,088
OTHER FUND	5,000	256,316	256,316	285,173	285,173
HR, WELFARE/TANF	56,706,410	74,807,255	83,679,629	70,543,540	77,232,445
GENERAL FUND	13,504,517	24,607,122	24,607,122	24,607,122	24,607,122
BALANCE FORWARD	2,294				
FEDERAL FUND	43,199,599	50,200,133	59,072,507	45,936,418	52,625,323
HR, CHILD SUPPORT ENFORCEMENT PROC	7,825,989	7,174,281	7,178,040	7,432,585	7,436,890
BALANCE FORWARD	206,266				
FEDERAL FUND	5,074,330	4,656,446	4,658,927	4,802,474	4,805,315
INTER AGENCY TRANSFER	2,539,838		1,278		1,464
OTHER FUND	5,555	2,517,835	2,517,835	2,630,111	2,630,111
HR, ASSISTANCE TO AGED AND BLIND	5,602,421	6,009,006	5,948,653	6,208,371	6,170,992
GENERAL FUND	5,602,421	6,009,006	5,948,653	6,208,371	6,170,992
HR, WELFARE FIELD SERVICES	35,117,332	40,992,835	39,972,249	43,320,604	42,133,873
GENERAL FUND	17,195,922	10,992,856	10,210,319	11,510,794	10,511,709
BALANCE FORWARD	552,980				
FEDERAL FUND	13,040,140	23,039,755	23,060,576	24,239,525	24,263,459
INTER AGENCY TRANSFER	4,328,290	6,960,224	6,701,354	7,570,285	7,358,705
HR, EMPLOYMENT AND TRAINING	30,478,167	28,210,203	38,988,054	28,248,746	35,855,852
GENERAL FUND	10,300,236	9,323,994	9,301,526	9,337,489	9,313,094
BALANCE FORWARD	486,767		6,211,430		3,073,801
FEDERAL FUND	19,684,964	18,886,209	23,475,098	18,911,257	23,468,957
INTER AGENCY TRANSFER	6,200				
HR, ENERGY ASSISTANCE - WELFARE	3,500,979	2,077,405	4,342,890	2,075,444	3,207,632
BALANCE FORWARD	18		2,266,653		1,133,326
FEDERAL FUND	3,500,961	2,077,405	2,076,237	2,075,444	2,074,306
HR, CHILD SUPPORT FEDERAL REIMBURSE	64,892,950	18,792,398	18,772,001	20,563,196	20,592,235
BALANCE FORWARD	1,275,832				
FEDERAL FUND	17,045,729	18,792,398	18,772,001	20,563,196	20,592,235
OTHER FUND	46,571,389				
SUB-FUNCTION RECAP					
WELFARE DIVISION	229,643,542	204,719,547	224,842,009	205,669,156	217,225,364
GENERAL FUND	53,198,626	58,733,978	56,534,645	59,762,749	57,212,742
BALANCE FORWARD	6,412,407		8,478,083		4,438,665

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
SUB-FUNCTION RECAP					
WELFARE DIVISION	229,643,542	204,719,547	224,842,009	205,669,156	217,225,364
FEDERAL FUND	114,834,844	133,836,557	148,062,667	133,012,373	143,003,416
INTER AGENCY TRANSFER	8,615,721	9,374,861	8,992,463	9,978,750	9,655,257
OTHER FUND	46,581,944	2,774,151	2,774,151	2,915,284	2,915,284

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
CHILD & FAMILY SERVICES					
HR, C&FS - JUVENILE CORRECTIONAL FAC	4,741,678	5,492,091	5,788,662	5,556,413	5,692,592
GENERAL FUND	4,359,163	5,106,613	5,057,268	5,168,542	5,118,691
BALANCE FORWARD					162,390
INTER AGENCY TRANSFER	324,915	324,780	671,190	324,780	346,410
OTHER FUND	57,600	60,698	60,204	63,091	65,101
HR, CHILDREN AND FAMILY ADMINISTRATI	22,446,028	24,094,758	25,857,246	24,997,435	26,679,236
GENERAL FUND	6,775,587	8,296,890	7,412,747	8,842,260	7,832,320
BALANCE FORWARD	1,151				
FEDERAL FUND	11,826,313	11,686,459	14,621,891	12,039,435	15,020,916
INTER AGENCY TRANSFER	3,493,427	3,815,644	3,526,843	3,817,241	3,527,501
OTHER FUND	349,550	295,765	295,765	298,499	298,499
HR, UNITY/SACWIS	7,945,108	6,319,382	5,710,716	5,484,844	5,022,286
GENERAL FUND	4,855,685	3,123,267	2,811,766	2,705,689	2,461,850
FEDERAL FUND	3,089,423	3,196,115	2,898,950	2,779,155	2,560,436
HR, CHILD CARE SERVICES	1,132,053	1,486,717	1,462,332	1,538,946	1,516,396
GENERAL FUND	365,326	497,724	474,965	523,939	499,502
BALANCE FORWARD	54,723				
FEDERAL FUND	219,651	493,968	492,342	519,982	521,869
OTHER FUND	492,353	495,025	495,025	495,025	495,025
HR, YOUTH ALTERNATIVE PLACEMENT	1,925,979	2,194,522	1,673,847	2,593,651	2,303,522
GENERAL FUND	1,080,485	1,114,486	839,716	1,261,530	1,071,670
BALANCE FORWARD	103,676				
OTHER FUND	741,818	1,080,036	834,131	1,332,121	1,231,852
HR, NEVADA YOUTH TRAINING CENTER	5,961,023	6,359,383	6,067,764	6,618,716	6,172,802
GENERAL FUND	5,309,571	5,971,700	5,588,288	6,230,830	5,693,123
BALANCE FORWARD	12,887				
INTER AGENCY TRANSFER	638,565	387,683	479,476	387,886	479,679
HR, YOUTH PAROLE SERVICES	4,873,744	4,412,561	4,298,391	4,534,909	4,361,356
GENERAL FUND	4,046,598	4,391,709	4,277,539	4,514,057	4,340,504
BALANCE FORWARD	113				
FEDERAL FUND	424,090				
INTER AGENCY TRANSFER	385,106				
OTHER FUND	17,837	20,852	20,852	20,852	20,852
HR, YOUTH COMMUNITY SERVICES	45,423,538	54,990,640	52,754,793	66,487,271	55,686,292
GENERAL FUND	21,943,117	27,501,919	24,790,554	37,479,712	26,049,363
BALANCE FORWARD	403,975	411,269	411,269	378,228	378,228
FEDERAL FUND	5,767,335	9,269,209	9,815,355	10,079,534	10,613,873
INTER AGENCY TRANSFER	16,915,682	16,984,916	16,914,288	17,726,470	17,821,501
OTHER FUND	393,429	823,327	823,327	823,327	823,327

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
CHILD & FAMILY SERVICES					
HR, CALIENTE YOUTH CENTER	4,505,716	4,569,886	4,375,965	4,687,436	4,403,744
GENERAL FUND	4,174,432	4,390,014	4,196,093	4,507,564	4,223,872
INTER AGENCY TRANSFER	322,135	179,872	179,872	179,872	179,872
OTHER FUND	9,149				
HR, CFS JUVENILE JUSTICE PROGRAMS	1,827,344	2,194,990	2,194,990	2,194,990	2,194,990
GENERAL FUND	757,219	729,490	729,490	729,490	729,490
BALANCE FORWARD	30,713				
FEDERAL FUND	1,039,412	1,465,500	1,465,500	1,465,500	1,465,500
HR, CHILDREN'S TRUST ACCOUNT	1,623,269		1,326,534		1,560,868
BALANCE FORWARD	681,526		579,630		813,964
FEDERAL FUND	255,714		161,581		161,581
OTHER FUND	686,029		585,323		585,323
HR, CHILD WELFARE TRUST	1,545,814	1,433,097	1,433,097	1,526,255	1,526,255
BALANCE FORWARD	363,855	369,476	369,476	462,634	462,634
OTHER FUND	1,181,959	1,063,621	1,063,621	1,063,621	1,063,621
HR, CHILD ABUSE AND NEGLECT	237,865	269,320	269,320	269,320	269,320
BALANCE FORWARD	245				
FEDERAL FUND	237,620	269,320	269,320	269,320	269,320
HR, SOUTHERN NEVADA CHILD & ADOLESCENT SERVICES	15,733,495	18,094,569	18,046,960	18,797,194	18,463,143
GENERAL FUND	5,692,332	6,423,783	5,755,767	7,134,555	6,168,688
FEDERAL FUND	1,810,012	2,190,238	2,190,238	2,175,828	2,175,828
INTER AGENCY TRANSFER	8,194,273	9,267,873	9,888,280	9,274,136	9,905,952
OTHER FUND	36,878	212,675	212,675	212,675	212,675
HR, NORTHERN NEVADA CHILD & ADOLESCENT SERVICES	5,490,162	6,248,533	6,300,892	6,486,914	6,419,514
GENERAL FUND	1,804,060	2,326,426	1,969,804	2,553,399	2,071,338
FEDERAL FUND	275,902	209,966	209,966	209,966	209,966
INTER AGENCY TRANSFER	3,287,014	3,593,914	4,002,895	3,605,322	4,019,983
OTHER FUND	123,186	118,227	118,227	118,227	118,227
HR, VICTIMS OF DOMESTIC VIOLENCE	2,991,026		2,837,476		2,960,403
BALANCE FORWARD	506,084		506,084		629,011
OTHER FUND	2,484,942		2,331,392		2,331,392
HR, DCFS - JUVENILE ACOUNTABILITY BLC	2,463,193	2,240,459	2,709,439	2,358,858	2,517,160
BALANCE FORWARD	2,463,193		324,780	118,399	132,501
FEDERAL FUND		2,165,200	2,309,400	2,165,200	2,309,400
OTHER FUND		75,259	75,259	75,259	75,259
HR, CHILD WELFARE INTEGRATION			1,015,497		5,619,610
GENERAL FUND			1,015,497		5,619,610

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
SUB-FUNCTION RECAP					
CHILD & FAMILY SERVICES	130,867,035	140,400,908	144,123,921	154,133,152	153,369,489
GENERAL FUND	61,163,575	69,874,021	64,919,494	81,651,567	71,880,021
BALANCE FORWARD	4,622,141	780,745	2,191,239	959,261	2,578,728
FEDERAL FUND	24,945,472	30,945,975	34,434,543	31,703,920	35,308,689
INTER AGENCY TRANSFER	33,561,117	34,554,682	35,662,844	35,315,707	36,280,898
OTHER FUND	6,574,730	4,245,485	6,915,801	4,502,697	7,321,153
OTHER HUMAN RESOURCES					
INDIAN AFFAIRS COMMISSION	112,069	123,785	115,391	128,129	119,931
GENERAL FUND	112,069	123,785	115,391	128,129	119,931
HR, PUBLIC DEFENDER	1,635,130	2,002,706	1,943,379	2,039,784	1,961,304
GENERAL FUND	806,817	1,053,363	1,000,395	1,069,403	993,292
OTHER FUND	828,313	949,343	942,984	970,381	968,012
SUB-FUNCTION RECAP					
OTHER HUMAN RESOURCES	1,747,199	2,126,491	2,058,770	2,167,913	2,081,235
GENERAL FUND	918,886	1,177,148	1,115,786	1,197,532	1,113,223
OTHER FUND	828,313	949,343	942,984	970,381	968,012

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
DETR - DIRETOR'S OFFICE					
DETR DIRECTOR'S OFFICE	1,149,609				
BALANCE FORWARD	16,964				
INTER AGENCY TRANSFER	1,132,645				
DETR ADMINISTRATIVE SERVICES	2,260,430	3,650,901	3,639,661	3,817,451	3,807,316
BALANCE FORWARD	155,920	37,415	37,415	37,415	47,595
INTER AGENCY TRANSFER	2,104,510	3,613,486	3,602,246	3,780,036	3,759,721
DETR, INFORMATION DEVELOPMENT AND I	5,309,344	5,642,524	5,886,556	5,791,392	6,055,432
BALANCE FORWARD		20,451	20,451	16,858	16,858
FEDERAL FUND	70,243	88,618	88,618	88,328	88,328
INTER AGENCY TRANSFER	5,157,772	5,500,849	5,744,881	5,653,600	5,917,640
OTHER FUND	81,329	32,606	32,606	32,606	32,606
DETR, RESEARCH & ANALYSIS	2,755,546	2,895,756	2,882,847	3,002,509	2,983,620
BALANCE FORWARD	378,456	370,924	370,924	360,924	360,924
FEDERAL FUND	1,678,048	1,645,968	1,633,059	1,717,059	1,698,170
INTER AGENCY TRANSFER	699,042	873,864	873,864	919,526	919,526
OTHER FUND		5,000	5,000	5,000	5,000
DETR, EQUAL RIGHTS COMMISSION	1,261,784	1,393,419	1,326,540	1,455,586	1,355,844
GENERAL FUND	795,008	925,878	858,999	988,045	888,303
FEDERAL FUND	463,200	463,200	463,200	463,200	463,200
OTHER FUND	3,576	4,341	4,341	4,341	4,341
DETR, ONE STOP CAREER CENTERS	353,947				
BALANCE FORWARD	6,536				
FEDERAL FUND	347,411				
SUB-FUNCTION RECAP					
DETR - DIRETOR'S OFFICE	13,090,660	13,582,600	13,735,604	14,066,938	14,202,212
GENERAL FUND	795,008	925,878	858,999	988,045	888,303
BALANCE FORWARD	557,876	428,790	428,790	415,197	425,377
FEDERAL FUND	2,558,902	2,197,786	2,184,877	2,268,587	2,249,698
INTER AGENCY TRANSFER	9,093,969	9,988,199	10,220,991	10,353,162	10,596,887
OTHER FUND	84,905	41,947	41,947	41,947	41,947

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
REHABILITATION DIVISION					
DETR, REHABILITATION ADMINISTRATION	525,455	492,379	428,299	516,698	450,068
BALANCE FORWARD	16,137	16,137	16,137	16,137	16,137
INTER AGENCY TRANSFER	509,318	476,242	412,162	500,561	433,931
DETR, DEVELOPMENTAL DISABILITIES	618,571	528,571	528,439	528,246	529,255
GENERAL FUND	138,634	119,587	119,455	119,262	120,271
FEDERAL FUND	479,937	408,984	408,984	408,984	408,984
DETR, COMMUNITY BASED SERVICES	9,839,060	4,968,786	5,071,037	5,058,317	5,163,854
GENERAL FUND	2,001,016	2,060,886	2,195,091	2,104,127	2,241,937
BALANCE FORWARD	800,534	895,701	895,701	941,672	941,672
FEDERAL FUND	601,335	629,023	629,023	629,023	629,023
INTER AGENCY TRANSFER	4,972,342	31,954		32,273	
OTHER FUND	1,463,833	1,351,222	1,351,222	1,351,222	1,351,222
DETR, VOCATIONAL REHABILITATION	12,962,593	13,353,617	13,286,338	14,099,499	14,006,722
GENERAL FUND	2,330,203	2,581,646	2,533,209	2,740,075	2,670,268
BALANCE FORWARD	322,787	224,657	224,657	224,657	224,657
FEDERAL FUND	10,309,603	10,378,174	10,363,257	10,965,627	10,950,507
OTHER FUND		169,140	165,215	169,140	161,290
DETR, DISABILITY ADJUDICATION	7,433,820	7,938,370	7,923,121	8,282,204	8,264,300
FEDERAL FUND	7,433,820	7,938,370	7,923,121	8,282,204	8,264,300
DETR, SERVICES TO THE BLIND & VISUALL	3,759,476	3,784,881	3,748,281	3,971,349	3,922,418
GENERAL FUND	954,948	977,743	948,165	1,020,773	978,208
BALANCE FORWARD	9,422				
FEDERAL FUND	2,795,106	2,699,638	2,693,707	2,844,127	2,838,116
OTHER FUND		107,500	106,409	106,449	106,094
DETR, BLIND BUSINESS ENTERPRISE PROC	3,104,090	2,076,766	2,076,766	1,858,896	1,858,742
BALANCE FORWARD	1,840,613	977,397	977,397	759,527	759,373
OTHER FUND	1,263,477	1,099,369	1,099,369	1,099,369	1,099,369
DETR, CLIENT ASSISTANCE PROGRAM	130,614	143,654	143,354	153,883	151,970
FEDERAL FUND	130,614	143,654	143,354	153,883	151,970
DETR, VOCATIONAL ASSESSMENT CENTEF	2,257,181				
BALANCE FORWARD	351,659				
OTHER FUND	1,905,522				
SUB-FUNCTION RECAP					
REHABILITATION DIVISION	40,630,860	33,287,024	33,205,635	34,469,092	34,347,329
GENERAL FUND	5,424,801	5,739,862	5,795,920	5,984,237	6,010,684
BALANCE FORWARD	3,341,152	2,113,892	2,113,892	1,941,993	1,941,839
FEDERAL FUND	21,750,415	22,197,843	22,161,446	23,283,848	23,242,900
INTER AGENCY TRANSFER	5,481,660	508,196	412,162	532,834	433,931

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
EMPLOYMENT SECURITY DIVISION					
DETR, EMPLOYMENT SECURITY - SPECIAL	9,874,086	8,674,242	8,674,242	5,574,701	5,641,153
BALANCE FORWARD	8,692,046	7,364,242	7,364,242	4,264,701	4,331,153
OTHER FUND	1,182,040	1,310,000	1,310,000	1,310,000	1,310,000
DETR, CAREER ENHANCEMENT PROGRAM	10,751,345	10,716,082	10,716,082	11,141,761	11,160,271
BALANCE FORWARD	1,534,463	1,605,979	1,605,979	1,431,658	1,450,168
OTHER FUND	9,216,882	9,110,103	9,110,103	9,710,103	9,710,103
DETR, EMPLOYMENT SECURITY	34,538,338	47,205,319	47,314,881	48,468,149	48,527,510
BALANCE FORWARD	116,986				
FEDERAL FUND	33,134,377	44,544,933	44,698,405	45,918,906	46,054,252
INTER AGENCY TRANSFER	1,195,506	1,997,256	1,961,165	1,885,817	1,817,883
OTHER FUND	91,469	663,130	655,311	663,426	655,375
DETR, WELFARE TO WORK	6,044,657	2,351,157	2,988,371		
GENERAL FUND		233,252	226,720		
BALANCE FORWARD	1,333,625				
FEDERAL FUND	4,711,032	2,117,905	2,761,651		
SUB-FUNCTION RECAP					
EMPLOYMENT SECURITY DIVISION	61,208,426	68,946,800	69,693,576	65,184,611	65,328,934
GENERAL FUND		233,252	226,720		
BALANCE FORWARD	11,677,120	8,970,221	8,970,221	5,696,359	5,781,321
FEDERAL FUND	37,845,409	46,662,838	47,460,056	45,918,906	46,054,252
INTER AGENCY TRANSFER	1,195,506	1,997,256	1,961,165	1,885,817	1,817,883
OTHER FUND	10,490,391	11,083,233	11,075,414	11,683,529	11,675,478

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
HUMAN SERVICES					
HUMAN SERVICES					
GENERAL FUND	408,499,374	523,300,463	498,464,092	568,072,163	542,936,214
BALANCE FORWARD	128,352,343	66,601,723	76,348,783	53,623,707	54,734,488
FEDERAL FUND	641,692,506	741,859,261	753,986,716	772,918,112	805,048,604
INTER AGENCY TRANSFER	198,385,069	180,307,144	183,831,248	185,339,344	189,289,085
INTERIM FINANCE	975,000				
OTHER FUND	188,800,057	153,670,559	152,288,872	156,034,899	155,356,873
TOTAL HUMAN SERVICES	1,566,704,349	1,665,739,150	1,664,919,711	1,735,988,225	1,747,365,264
LESS: INTER AGENCY TRANSFER	198,385,069	180,307,144	183,831,248	185,339,344	189,289,085
NET-HUMAN SERVICES	1,368,319,280	1,485,432,006	1,481,088,463	1,550,648,881	1,558,076,179



PUBLIC SAFETY

PUBLIC SAFETY

The Public Safety function includes the Department of Prisons, the Department of Motor Vehicles and the Department of Public Safety. The latter department includes the State Fire Marshal, Emergency Management, Parole and Probation, and the Parole Board. In the 2001-03 biennium, General Fund appropriations approved by the Legislature for the Public Safety function total \$408.5 million, a 10.1 percent increase over the amount approved for the 1999-2001 biennium.

DEPARTMENT OF CORRECTIONS

The 2001 Legislature appropriated approximately \$337.8 million from the General Fund to the Nevada Department of Corrections for the 2001-03 biennium. Appropriations approved by the 2001 Legislature represent an approximate \$34.4 million increase over the \$303.4 million approved by the 1999 Legislature, or an 11.3 percent increase. Senate Bill 4, as approved by the 17th Special Session, changed the name from the Department of Prisons to the Department of Corrections.

In addition to the \$337.8 million, the 2001 Legislature approved a General Fund appropriation of \$1.03 million in Senate Bill 442 for replacement equipment at certain facilities. The Legislature also approved Senate Bill 463, which provides an appropriation of \$334,376 for maintenance projects at certain facilities.

RECRUITMENT AND RETENTION EFFORTS FOR CUSTODY STAFF

In their efforts to recruit and retain custody staff, the 1999 Legislature passed Senate Bill 353, which provided \$1.22 million from the state General Fund for a one-grade increase in pay for custody classifications effective January 1, 2001. Included in this bill was a provision directing the Department of Personnel to conduct an occupational study of custody positions in the Department of Prisons and report its findings to the 2001 Nevada Legislature. Findings from the study resulted in an additional one-grade pay increase for custody staff, which was included in the Governor's recommended budget and approved by the Legislature at an approximate cost of \$6.2 million for the 2001-03 biennium (A.B. 673).

HIGH DESERT STATE PRISON, PHASES I AND II

The legislatively approved budget in 1999 was predicated on Phases I and II of the High Desert State Prison (HDSP) opening September 1, 2000. Instead, opening was "phased in" through the month of September. Upon opening, the HDSP became the intake center and regional medical center for male inmates in southern Nevada. It also consolidated the bakery function from the Southern Desert Correctional Center (SDCC) and the canine units from SDCC and SNCC. Unit 8b, the last unit in Phase II, is projected to open July 2002, adding 126 beds for a total of 2,016 beds.

HIGH DESERT STATE PRISON, PHASE III

Capital improvement projects recommended by the Governor and approved by the 2001 Legislature include funding of \$49 million (01-C1) for Phase III for HDSP. Phase III, the final phase, includes four housing units (1,008 beds), an industry building, a gym, additional high mast lighting, additional culinary equipment, upgrades to the wastewater treatment facility, and a fourth emergency generator. According to the department's Male Long Range CIP Projection Report dated May 2, 2001, construction for Phase III will begin in July 2003. The department currently estimates it will need the beds at this facility in September 2004.

CLOSURE OF THE SOUTHERN NEVADA CORRECTIONAL CENTER

The Southern Nevada Correctional Center (SNCC) closed in September 2000, with the staff and inmates being transferred to the High Desert State Prison. Two staff remain at SNCC in a caretaker capacity to perform basic maintenance functions. The 2001 Legislature approved General Fund support of \$440,167 in fiscal year 2001-02 and \$452,521 in fiscal year 2002-03 for upkeep and maintenance of SNCC during its closure. The department's Male Long Range CIP Projection Report dated May 2, 2001 proposes to reopen this 613-bed facility as a male intake center in August 2003. To facilitate reopening of the institution, the Governor recommended, and the 2001 Legislature approved, CIP 01-C2 (\$4.2 million) to rehabilitate the institution.

CLOSURE OF THE SOUTHERN NEVADA RESTITUTION CENTER

The Governor recommended, and the Legislature approved, the closure of the 60-bed Southern Nevada Restitution Center (SNRC). The closure became effective January 2001.

DECONSOLIDATION OF INSTITUTIONAL/CAMP BUDGET ACCOUNTS

The Governor recommended consolidation all institutional/camp accounts into one budget account. This would have eliminated the department's need to transfer monies between budget accounts, while allowing for flexibility throughout the prison system. The 2001 Legislature did not approve the consolidation and recommended the budgets be returned to their "pre-consolidation" status. As an alternative, the 2001 Legislature modified the language in the Appropriations Act (Assembly Bill 672) to allow the department greater flexibility for transfers of funding between budget accounts, up to the current limits allowed within budgets, without first obtaining the approval of IFC (NRS 353.220).

DRUG COURT PROGRAM

The Prison Early Release Drug Court program was scheduled to sunset on June 30, 2001. As approved by the 2001 Legislature, Assembly Bill 574 reestablishes the Drug Court program in Clark and Washoe Counties. During each fiscal year of the 2001-03 biennium, this program is expected to transfer up to 150 nonviolent inmates, who are within two years of their release, from the Department of Corrections into supervision by the drug courts in Las Vegas and Reno for intense counseling, training and drug testing. The Department of Corrections' budgeted inmate population was not reduced for the 150 inmates. Funding for this program is dependent on a federal grant received by the courts. A modification to The Executive Budget was approved by the 2001 Legislature, whereby the cash match for the Drug Court program was included in the

Parole and Probation Division's budget as opposed to receiving a transfer from the Department of Corrections. The Legislature approved the elimination of the duplicated funding in the Director's Office budget.

INMATE POPULATION PROJECTIONS

The department's budget is primarily driven by the projected number of inmates to be housed. The Executive Budget provided funding for housing an average of 10,340 inmates in FY 2001-02 and 10,817 in FY 2002-03. The budget, as approved by the 2001 Legislature, will provide for housing an average of 10,466 inmates in FY 2001-02 and 11,023 in FY 2002-03. This revision to the inmate population was the result of a re-projection of the inmate population by the Institute on Crime, Justice and Corrections at the George Washington University in March 2001.

The department's biennial plan, as provided to the 2001 Legislature (Model 2001-01, dated April 12, 2001 based on the Institute's March 2001 re-projection), included information indicating where the inmates are to be housed during the 2001-03 biennium. The following schedule summarizes the plan (based on annual averages) as provided by the department and approved by the Legislature:

INSTITUTION/FACILITY	EMERGENCY THRESHOLD AS OF 6-30-03	ACTUAL FY 2000	*APPROVED FY 2000-01	LEG APPROVED **	
				FY 2001-02	FY 2002-03
Southern Nevada Correctional Center (a)	0	592	102	0	0
Warm Springs Correctional Center	510	490	505	502	509
Northern Nevada Correctional Center (b)	1267	1220	1284	1211	1228
Nevada State Prison (c)	739	843	730	727	861
Southern Desert Correctional Center (d)	1458	1554	1421	1358	1436
Ely State Prison	1008	1006	999	992	1007
Lovelock Correctional Center (e)	1372	1280	1394	1489	1580
So Nevada Women's Correctional Facility (f)	500	552	420	516	547
High Desert State Prison (g)	2016	0	1583	1860	2026
Stewart Conservation Camp	240	232	240	240	240
Pioche Conservation Camp	194	175	194	194	194
Indian Springs Conservation Camp	228	226	228	228	228
Wells Conservation Camp	150	139	150	150	150
Humboldt Conservation Camp	150	136	150	150	150
Ely Conservation Camp	150	140	150	150	150
Jean Conservation Camp (h)	240	170	240	212	224
Silver Springs Conservation Camp	112	114	119	99	105
Carlin Conservation Camp	150	134	150	150	150
Tonopah Conservation Camp	150	111	150	150	150
Northern Nevada Restitution Center	88	84	88	88	88
Southern Nevada Restitution Center (I)	0	48	60	0	0
Total	10,722	9,246	10,357	10,466	11,023
Change			1,111	109	557

* As approved by the 1999 Legislature; the FY 2000-01 actual annual average was 9,700.

** The Legislature Approved for FY 2001-02 provides for an annual average growth of 766.

Assumptions:

- (a) SNCC was closed September 2000 with the opening of HDSP.
- (b) NNCC - includes the Regional Medical Facility (RMF), with 112 beds (10 designated for women). Unit #6 housing females, effective November 2000, with 60 beds. Female intake occurs at this location.
- (c) NSP - adds 211 beds above emergency capacity (739 to 950) effective December 2002 and remains through the end of the biennium.
- (d) SDCC - adds 60 beds above emergency capacity (1458 to 1518) effective October 2002 and remains through the end of the biennium.
- (e) LCC - adds 210 beds above emergency capacity (1372 to 1582) effective November 2001 and remains through the end of the biennium.
- (f) SNWCF - adds 50 beds above emergency capacity (500 to 550) effective January 2003 and remains through the end of the biennium.
- (g) HDSP - Unit 8b opens July 2002, adding 126 beds. Adds 152 beds above emergency capacity (2016 to 2168) effective June 2003 and remains through the end of the biennium.
- (h) JCC - converted to a female facility September 2000.
- (i) SNRC closed effective January 2001.

CAPITAL IMPROVEMENTS

Capital improvements approved by the 2001 Legislature for the department total \$56.8 million (does not include statewide programs for roofing, ADA, fire sprinklers, paving and underground storage tank removal). Descriptions of the projects, including the amounts recommended by the Governor and approved by the 2001 Legislature, are provided in the table below:

PROJECT	DESCRIPTION	GOVERNOR RECOMMENDED	LEGISLATURE APPROVED
01- C1	High Desert State Prison, Phase III	\$49,000,000	\$49,000,000
01- C2	Rehabilitate SNCC – includes 01-M42	\$3,792,375	\$4,160,424
01-C28	New shop facility at NSP – IFC approved with insurance funds	\$662,391	\$0
01-M29	Heating system renovation at Carlin Conservation Camp	\$225,521	\$189,075
01-M30	Upgrade exercise areas of units 1-8 at ESP	\$202,682	\$202,177
01-M31	Rehabilitate shower rooms at NNCC	\$736,022	\$548,563
01-M32	Upgrade culinary clipper room at NNCC	\$167,742	\$167,323
01-M33	Replace windows in housing units 1-4 at NNCC	\$546,010	\$473,694
01-M34	Renovate temperature control system at NNCC	\$98,937	\$98,690
01-M35	Replace natural gas line to boiler plant at NSP	\$127,347	\$152,213
01-M36	Coordinate standby power for SDCC with standby power system installed for HDSP	\$599,342	\$597,847
01-M37	Replace vehicle sally port gates at SDCC	\$225,548	\$224,986
01-M38	Upgrade pedestrian entrance area at SDCC	\$53,861	\$53,727
01-M39	Renovate HVAC in multipurpose building at WSCC	\$309,571	\$308,798
01-M40	Sewage treatment plant improvements at SNCC, LCC, PCC and ECC	\$368,195	\$367,277
01-M41	Replace perimeter razor wire at SDCC	\$286,801	\$286,086
01-M42	Repair fire hydrant assemblies at SNCC – combined with 01-C2	\$91,059	\$0
01-M43	Repair wing gates in housing units 1-7 at SDCC – eliminated by Board – sufficient funds in 99-M29	\$300,768	\$0
	Total All Projects	\$57,794,172	\$56,830,880

OPERATING BUDGETS

- Director's Office: In the Director's Office budget, the 2001 Legislature approved the Governor's recommendation to add eight new positions at a cost of \$566,441 for the 2001-03 biennium. The new positions include one Management Assistant I and one Training Officer I for the Training Section; one Purchasing Technician II and one

Management Assistant II for the Purchasing Section; one Locksmith II to maintain locking systems at northern institutions/facilities; one Management Analyst IV to assist the Assistant Director of Operations; and two Management Assistant I positions to provide clerical support for the Equal Employment Opportunity Officers.

The Governor recommended, and the 2001 Legislature approved, additional funding of \$57,696 for each year of the 2001-03 biennium for enhanced travel and training. Technological advancements recommended in The Executive Budget and approved by the Legislature include funding for statewide Internet access and expansion and development of the Nevada Criminal Information System. Also, funding of \$38,302 in fiscal year 2001-02 was recommended by the Governor and approved by the Legislature for the department to pursue accreditation by the American Correctional Association (ACA) for the Lovelock Correctional Center and the Ely State Prison. The 2001 Legislature did not approve funding for accreditation as recommended by the Governor in FY 2002-03, as the department advised funding was only necessary in the first year of the biennium. The Legislature concurred with the Governor's recommendation to relocate the Director's Office and a portion of the administrative staff from state-owned to commercial space.

The Governor recommended funding of \$125,000 for each fiscal year for extraordinary or emergency maintenance needs at institutions and facilities. The 2001 Legislature approved funding of \$92,000 per fiscal year and issued a letter of intent requiring the department to establish criteria for the use of the funds and to provide status reports to IFC explaining the use of and ending balance of the funds. Funding approved by the Legislature was based on the actual cost of emergency maintenance needs identified by the department in FY 1999-2000.

- Medical Division: To fulfill its mission, the Medical Division operates infirmaries and dental clinics and provides mental health outpatient services at all department institutions. Mental health inpatient services are provided at the regional medical facility (RMF) located at Northern Nevada Correctional Center (NNCC) in Carson City and Southern Desert Correctional Center (SDCC) located in Indian Springs. A private company, Correctional Medical Services (CMS), provides health care services at Ely State Prison (ESP) and Ely Conservation Camp (ECC) under contract to the department. Health care services at the Southern Nevada Women's Correctional Facility (SNWCF) are also privatized as part of the department's operating contract with Corrections Corporation of America (CCA).

The Governor's recommended "inmate-driven" costs for the Medical Division for the 2001-03 biennium are significantly less than the amount budgeted for the 1999-2001 biennium: \$1,054.78 per inmate budgeted for FY 1999-2000 and \$1,098.23 per inmate budgeted for fiscal year 2000-01, as compared to \$706 per inmate in each year of the 2001-03 biennium, as recommended by the Governor in The Executive Budget. In response to inquiries on this subject, the department advised that the medical inmate drivens should be sufficient, with the exception of new requirements resulting from the passage of the Federal Needlestick and Safety Prevention Law effective August 1, 2001. In response to concerns expressed by the department on this issue, the 2001 Legislature

provided funding in the amount of \$8,829 per year as requested by the department, which was not included in The Executive Budget.

Adjustments, as approved by the 2001 Legislature, provide for additional funding of \$87,087 in FY 2001-02 and \$166,209 in FY 2002-03. Of these amounts, \$44,080 and \$103,835 are funded from the General Fund in Fiscal Years 2001-02 and 2002-03, respectively. No pay increases were recommended by the Governor for the “classified medical” personnel employed by the department (physicians, psychiatrists, and dentists). There are approximately 22.1 FTE’s employed by the department that fall into this employment category. Funding for these positions is not reflected in this budget account; however, the Legislature approved approximately \$244,000 in fiscal year 2001-02 and \$363,000 in fiscal year 2002-03 for the cost of the pay increases for these positions in Assembly Bill 673 (nine percent in FY 2001-02 and an additional four percent in FY 2002-03).

Based on the revised inmate population projections provided by George Washington University on March 22, 2001 (increase of an average of 125 inmates in FY 2002 and an average of 205 in FY 2003) and the department’s biennial plan dated April 12, 2001, the 2001 Legislature approved additional funding over what was recommended in The Executive Budget for “inmate-driven” costs in the amount of \$114,298 in fiscal year 2002 and \$151,355 in fiscal year 2003.

The 2001 Legislature also approved the following as recommended in The Executive Budget:

- Conversion of 7 Correctional Nurses to 35 “per-diem “ nurses. In requesting this conversion, the Department of Corrections advised they would utilize the positions to create a “pool” to provide needed medical coverage during periods when full-time nurses are on sick leave and vacation or when higher care levels dictate the need. The cost of the per-diem nurses would be funded in the payroll category; each existing 1.0 FTE nurse would be converted to 7 part-time nurses, for a total of 35 part-time nurses.
- Funding for the addition of two Correctional Nurses to provide seven-day-a-week medical services for the female inmates housed at the Jean Conservation Camp.
- Elimination of 2.26 FTEs deemed by the NDOP as no longer being necessary for the operation of the Medical Division. Included are .25 Mid-Level Medical Practitioner at NSP, .51 Psychologist at WSCC, 1.0 Psychologist at HDSP, and .50 Psychiatrist at HDSP.
- Reclassification of 14 positions.
- Transfer of five Correctional Officers (as reclassified from Forensic Specialists) from the Medical Care budget to the budget for Northern Nevada Correctional Center to provide additional custody officer staffing at the Regional Medical Facility on the “day shift.”

- Nevada State Prison: The Nevada State Prison (NSP) is projected to add 211 beds above emergency capacity (739 to 950) effective December 2002 and remain above emergency capacity through the end of the biennium (six months). The Executive Budget did not fund additional custody staff for NSP to operate above emergency capacity. The 2001 Legislature approved funding of \$127,630 for three new Correctional Officers and one new Correctional Caseworker effective October 2002 through June 2003 to cover the time period NSP is projected to operate above emergency capacity. These four positions sunset effective June 30, 2003.
- Southern Desert Correctional Center: The Governor recommended, and the 2001 Legislature approved, the establishment of a Therapeutic Community program at the Southern Desert Correctional Center (SDCC) similar to that offered to offenders in the north at the Warm Springs Correctional Center. The 2001 Legislature concurred with the Governor's recommendation to eliminate 13 existing Correctional Officer positions and create 11 new positions, which consist of 2 Correctional Case Worker Specialist III's, 2 Management Assistant II's, 1 Rehabilitation Program Supervisor, and 6 Substance Abuse Counselors. The Governor recommended General Fund dollars as the 25 percent cash match for the program in southern Nevada. The Legislature instead approved funding for the cash match requirement from the Inmate Welfare fund, which is consistent with the program in northern Nevada.

The 2001 Legislature concurred with the Governor's recommendation to provide funding of \$220,937 in FY 2001-02 for start-up costs for the Youthful Offender program established at the Southern Desert Correctional Center in December 2000. This program is designed to address the needs of the youthful offender, ages 14-21.

The Executive Budget recommended, and the 2001 Legislature approved, transferring the Boot Camp program from the Indian Springs Conservation Camp (ISCC) to the Southern Desert Correctional Center (SDCC). The seven existing positions operating the program temporarily at the High Desert State Prison (one Senior Correctional Officer and six Correctional Officers) were eliminated. The remaining Lieutenant position and the operating budget were transferred to SDCC to continue the management of the regimental discipline program.

The department has indicated the Boot Camp program will be housed in unit 7 with the Youthful Offender program. The 2001 Legislature reduced the custody staff recommended for unit 7 from ten to seven positions and transferred the remaining three custody staff in unit 7 to the High Desert State Prison to partially fill the staffing needed in unit 8 (this unit was inadvertently not funded for staff in The Executive Budget). A modification to The Executive Budget approved by the Legislature transferred 11 custody staff from unit 1 at SDCC to unit 8 at HDSP to complete the staffing need. The 14 positions transferred to HDSP will be eliminated at SDCC effective January 1, 2002 and added to HDSP effective May 1, 2002.

- High Desert State Prison: The Executive Budget recommended base funding of \$120,694 per year for fuel oil but did not include inflationary increases for the High Desert State Prison. The department anticipates an average cost of \$632,796 per year for

fuel oil. The 2001 Legislature approved \$512,102 per year (\$1.02 million for the biennium) beyond the amounts included in The Executive Budget to fund fuel oil costs at this facility. Additionally, The Executive Budget did not include funding for property and contents insurance for this facility. In response, the Legislature added \$73,695 in fiscal year 2001-02 and \$75,450 in FY 2002-03 for property and contents insurance. Also, the Legislature concurred with the Governor's recommendation for one Equipment Mechanic III position for the auto shop. Lastly, the Legislature transferred 14 custody staff from SDCC to HDSP to fill the staffing need in unit 8, which is projected to open July 2002. This unit was inadvertently not funded for staff in The Executive Budget. The 14 positions will be effective May 1, 2002.

- Lovelock Correctional Center: The Lovelock Correctional Center (LCC) is expected to operate 210 beds above emergency capacity (1,372 to 1,582) effective November 2001 through the end of the biennium. The department did not request, nor did The Executive Budget recommend, a Correctional Caseworker Specialist for LCC for this time period (the ratio is 125 inmates to one caseworker). The 2001 Legislature approved funding of \$82,226 for a Correctional Caseworker Specialist with a start date of October 2001 to allow for one month of training. The position sunsets effective June 30, 2003. Also, the Legislature approved funding to add a new chaplain position that was not included in The Executive Budget.

DEPARTMENT OF MOTOR VEHICLES AND PUBLIC SAFETY

The 2001 Legislature approved the split of the Department of Motor Vehicles and Public Safety into two departments effective July 1, 2001 (S.B. 481). The Department of Motor Vehicles comprises the existing divisions of Field Services, Central Services, Compliance Enforcement, Management Services and Programs, Information Technology and a newly created Office of the Director and Administrative Services Division. The Department of Public Safety is comprised of the existing divisions of Administrative Services, Investigations, Highway Patrol, Emergency Management, State Fire Marshal, Parole and Probation, Capitol Police and Training.

The following supplemental or special appropriations were recommended in The Executive Budget and approved by the 2001 Legislature:

BILL NO.	DESCRIPTION	GOV. REC.	LEG. APPR
AB 234	Parole & Probation supplemental for payroll stale claim – General Fund (FY 01)	\$2,493	\$2,493
AB 234	Field Services supplemental for unanticipated shortfall in the money budgeted for new positions – Highway Fund (FY 01)	\$1,805,420	\$830,000
AB 234	Central Services supplemental for unanticipated shortfall in the money budgeted for new positions – Highway Fund (FY 01)	\$230,472	\$230,000
AB 234	Parole Board supplemental for a shortfall in salaries – General Fund (FY 01)	\$0	\$6,500
AB 234	Management Services supplemental for unanticipated shortfall in the money budgeted for new positions – Highway Fund (FY 01)	\$60,851	\$0
AB 234	Compliance Enforcement supplemental for increased fingerprint expenses and terminal leave payment – Highway Fund (FY 01)	\$0	\$62,000
AB 234	Hearings supplemental for terminal leave payments – Highway Fund (FY 01)	\$0	\$15,000
AB 236	Registration Division (Compliance Enforcement) supplemental for shortfalls resulting from the 1998 reclassification of personnel – Highway Fund (FY 01)	\$30,884	\$31,015

BILL NO.	DESCRIPTION	GOV. REC.	LEG. APPR
AB 523	Nevada Division of Investigation special appropriation for the purchase of replacement vehicles – General Fund (Gov Rec appropriation to Motor Pool)	\$296,353	\$274,012
AB 523	Nevada Division of Investigation special appropriation for the purchase of a replacement vehicle – Highway Fund (Gov Rec appropriation to Motor Pool from General Fund)	\$0	\$22,341
SB 7S	Public Safety Technology special appropriation for the cost of NCIC 2000 upgrade, Windows 2000 and the Public Safety database – Highway Fund	\$809,925	\$442,019
SB 7S	Public Safety Technology special appropriation for the cost of NCIC 2000 upgrade, Windows 2000 and the Public Safety database – General Fund	\$0	\$562,569
AB 596	Parole & Probation for computer upgrades – General Fund	\$20,209	\$13,380
AB 597	Parole & Probation for computer hardware and software – General Fund *	\$412,942	\$431,046
SB 444	Parole & Probation for remodeling costs and an alarm system – General Fund **	\$33,847	\$32,622

* Includes ongoing maintenance costs of \$62,149 per year.

** Includes ongoing expenses of \$3,720 per year.

The Legislature approved the creation of a new Director's Office budget account for the Department of Motor Vehicles with a new Director position to provide management and oversight and six positions transferred from the consolidated Director's Office budget account. The transferred positions include: a Deputy Director, two Public Information Officers, one Auditor and two Management Assistants. Special language was included in the Appropriations Act (A.B. 672) and the Authorizations Act (S.B. 586) to allow transfers between budgets in the respective departments to implement any modifications to the organizational structure based on the recommendation of the Governor and approval of the Interim Finance Committee. Modifications to the organizational structure must be submitted by the department and recommended by the Governor no later than January 1, 2002. The Senate Committee on Finance issued a letter of intent for the departments to report quarterly on the status of the split.

The department implemented a plan developed by an independent contractor to allocate costs for the central administrative budgets of the Director's Office, Administrative Services and Internal Affairs based on direction by the 1999 Legislature. The 2001 Legislature approved an amended allocation plan proposed by the Governor subsequent to submittal of The Executive Budget, using a modified approach for each department. In the Department of Public Safety, the approved plan fully allocates costs from the Director's Office, Administrative Services Division and Internal Affairs budget accounts to all other Public Safety budget accounts in the department. The approved plan for the Department of Motor Vehicles allocates the portion of the costs in the Director's Office and Administrative Services accounts that support the activities of the Pollution Control and the Salvage Wreckers/Body Shops programs. Highway Fund appropriations represent the remainder of funding in the Motor Vehicle Director's Office and Administrative Services accounts, consistent with other programs within the Department of Motor Vehicles.

DEPARTMENT OF MOTOR VEHICLES

The Department of Motor Vehicles includes those functions previously found in the Motor Vehicles branch of the consolidated department. Those functions include vehicle registration, drivers' licensing, motor carrier licensing, special fuel tax reporting, regulatory enforcement, emissions control and verification of insurance. Pursuant to Assembly Bill 584 approved during

the 1999 Legislative Session, beginning January 1, 2002, the Department of Motor Vehicles begins collecting gasoline tax. Total funding for the Department of Motor Vehicles, excluding one-shots and supplemental appropriations approved by the 2001 Legislature, is outlined below:

FUNDING SOURCE	ACTUAL FY 1999-2000	WORK PROGRAM FY 2000-01	LEG APPR FY 2001-02	% CHANGE	LEG APPR FY 2002-03	% CHANGE
Federal Funds	\$0	\$0	\$0	0.00%	\$0	0.00%
General Funds	\$15,346	\$15,346	\$15,031	-2.05%	\$15,031	0.00%
Highway Funds	\$21,318,323	\$33,396,803	\$43,447,774	30.10%	\$43,993,332	1.26%
Other	\$42,766,808	\$41,392,715	\$36,989,611	-10.64%	\$38,348,371	3.67%
Total	\$64,100,477	\$74,804,864	\$80,452,416	7.55%	\$82,356,734	2.37%

ADMINISTRATIVE SERVICES

The Administrative Services Division provides accounting, personnel, budgeting, travel, warehousing and inventory services. The 2001 Legislature approved the creation of a new Administrative Services budget account to provide administrative support to the Department of Motor Vehicles, staffed with a new Administrative Services Officer IV position and 42 other positions transferred from the consolidated Administrative Services Division budget account.

The 2001 Legislature approved the Governor's recommendation to transfer direct costs from the consolidated Administrative Services budget account to other budgets where these costs are attributed. The allocation of direct costs from the Administrative Services Division has been approved previously by the 1997 and 1999 Legislatures. The transfer approved by the 2001 Legislature completes the distribution of direct costs from the Administrative Services account.

COMPLIANCE ENFORCEMENT

The Compliance Enforcement Division is responsible for investigations, operational review, emission control compliance and motor carrier licensing. The 2001 Legislature approved the Governor's recommendation to add two Compliance Enforcement Investigators to conduct compliance reviews of schools for driving, driving under the influence (D.U.I.), traffic safety and commercial drivers. The department indicated these new positions would relieve field positions from performing these duties.

FIELD SERVICES

The Field Services Division provides direct customer services for drivers, vehicle owners and operators.

In February 2000, the department received approval from the Interim Finance Committee (IFC) to add 57 positions (48 in Field Services, 7 in Central Services and 2 in Management Services) to address increased demand from citizens and losses in productivity experienced from the implementation of the Project Genesis system in September 1999. With the additional resources, the Governor targeted a goal of not more than a one-hour wait in the major metropolitan field offices. In December 2000, the IFC approved an additional 64 part-time positions requested by the agency to address periods of reduced window coverage during the day in the major metropolitan field offices. In order to maintain service delivery times, the 2001 Legislature

approved the continuation of all positions previously approved through IFC action over the course of calendar year 2000. Funding for the continuation of 16 part-time positions for the Reno Galletti office was placed in reserve since that office has consistently achieved the Governor's goal of a one-hour wait or less. The department may approach the IFC to move funding from reserve to use these positions in Reno or other locations.

The 2001 Legislature approved the Governor's recommendation to add two Program Officer III positions at the Henderson and Carson City field offices to perform general administrative and management responsibilities pertaining to facility security, maintenance and revenue collection and accountability.

Historically, the Pollution Control account includes positions that perform field office duties in return for the aggregate time spent by field technicians reviewing an emission certificate when a citizen registers a vehicle in Clark or Washoe County. In February 2000, the Interim Finance Committee approved the transfer of nine positions, who perform field office duties, from the Pollution Control account. The 2001 Legislature approved the Governor's recommendation to fund these positions from the Highway Fund rather than the Pollution Control account. The department indicated that implementation of new technology eliminates time spent by the field technician in reviewing information on the emission certificate.

The 2001 Legislature approved the Governor's recommendation to fund the purchase of bilingual automated testing equipment to replace testing equipment purchased 10 years ago when the federal government mandated the Commercial Driver's License (CDL) program. Funding provides testing equipment at the Henderson and Donovan offices in Las Vegas and the Reno (Galletti), Carson City, Sparks CDL, Elko and Winnemucca offices.

CENTRAL SERVICES

The Central Services Division provides alternative services for transacting business such as mail-in, Internet and telephone transactions for drivers' license and registration renewals, the production of license plates, and the safekeeping of records. As mentioned previously, the 2001 Legislature approved the Governor's recommendation to continue seven positions added by the IFC in February 2000 to increase staffing levels for renewal-by-mail and title processing.

The 2001 Legislature approved the Governor's recommendation to add eight Microfilm Operator positions and one Program Assistant position to address increased and ongoing demand for new documents that need to be transferred to microfilm. The Legislature also approved the Governor's amendment to increase funding by \$315,933 to outsource filming for backlogged documents to the Micrographics and Imaging Division within the Department of Cultural Affairs. In approving the positions, the Legislature delayed the start date to October 1, 2001 to allow for recruitment and hiring.

To address the backlog of documents requiring data entry, the 2001 Legislature approved the Governor's recommendation to add nine Data Entry Operators and one Program Assistant to address increased and ongoing demand for documents that require computer entry. Based on additional review, the Governor submitted an amendment to sunset five of the positions coinciding with the elimination of the backlog after one year. In approving the positions, the Legislature delayed the start date to October 1, 2001 to allow for recruitment and hiring.

MANAGEMENT SERVICES AND PROGRAMS

The Management Services and Programs Division is responsible for the development of policies and procedures, regulations, draft legislation, training, surveys, forms, the development of requests for proposals and project management. As mentioned previously, the 2001 Legislature approved the continuation of two positions approved by the IFC in February 2000 dedicated to training other Motor Vehicles Branch employees.

The 2001 Legislature approved the addition of five new positions recommended by the Governor to provide additional support in the vehicle, driver and business program areas.

In response to an increase in costs associated with new digitized photo technology anticipated to come on line in the spring of 2002, the Legislature eliminated the \$1 cap on photo license fees and provided the department the authority to establish the fee by regulation, up to the actual cost of the photo (S.B. 578). The department indicated that the cost of the photo is anticipated to increase from \$0.94 to \$2.072.

In order to consolidate administrative functions within the Department of Motor Vehicles, the 2001 Legislature approved the Governor's recommendation to transfer 11 positions to the Motor Vehicles Administrative Services Division.

MOTOR CARRIER

The Motor Carrier Bureau of the Compliance Enforcement Division collects special fuel taxes, registration fees and privilege taxes for vehicles in excess of 26,000 pounds. As noted previously, beginning January 1, 2002, the Department of Motor Vehicles assumes responsibility for administration of the gasoline tax program (A.B. 584, 1999). The 2001 Legislature approved the Governor's recommendation to transfer three positions from the Department of Taxation and add five new positions, including one Tax Administrator, three Auditors and one Program Assistant, to administer the program. Funding for the cost of administration is allocated from the fixed level of funding that will continue from the county option tax and a pro-rata share of Highway Funds, administration fees for county gas tax collections and the transfers for the collection of the petroleum cleanup fee. The Legislature noted that funding from the county option tax funds the majority of direct program expenses based on estimated collections. Because of this, the Legislature issued a letter of intent to have the department identify expenses related to the program over the next biennium and to submit a plan for funding expenses related to the gas tax program in the 2003-05 biennial budget.

Funding for the continued development of the motor fuel tracking system was approved by the Legislature from the Highway Fund. The Legislature also approved the Governor's proposal to begin accepting motor carrier registrations and fuel tax payments over the Internet.

VERIFICATION OF INSURANCE

The department administers the program for verification of insurance for motor vehicles registered in Nevada. Insurance companies are required to report changes in insured coverage to the department. The department then follows up with correspondence to registered owners if insurance is not found on a motor vehicle. The program is funded by fees collected to reinstate

suspended vehicle registrations. The 2001 Legislature approved a reduction in the statutory reserve required in the Verification of Insurance account from \$1.0 million to \$500,000 (S.B. 578). The department indicated in testimony that a \$500,000 reserve is sufficient to meet the funding needs of the program.

MOTOR VEHICLE POLLUTION CONTROL

The Compliance Enforcement Division is responsible for assisting with efforts to improve air quality in counties whose population is 100,000 or more through the administration of the Motor Vehicle Emission Control (inspection and maintenance, or I/M) program. The Executive Budget reflected a decline in the amount of the reserve from \$1.6 million in FY 2000-01 to \$500,000 in FY 2001-02 and FY 2002-03. In response to the declining reserve and external demands from the fund, the Governor submitted, and the 2001 Legislature approved, an amendment to The Executive Budget to eliminate excess reserve grant funding in FY 2002 totaling \$1.1 million. This action, along with a reduction in the intra-agency cost allocation by approximately \$400,000 each year, elimination in the transfer to Field Services of approximately \$400,000 for the support of transferred positions, and increases in the transfer to the Division of Environmental Protection of approximately \$70,000 each year, results in budgeted reserve levels of \$1.8 million at the end of FY 2001-02 and \$2.0 million at the end of FY 2002-03.

AUTOMATION UNIT

The Automation Unit provides data processing, programming and technical personal computer support for the Department of Motor Vehicles. To support the Project Genesis system, the 2001 Legislature approved the Governor's recommendation to continue 3 positions from the Project Genesis development team and to add 11 new Information System Specialists. A major factor driving the need for additional programming resources relates to the time devoted by programming staff to correct data corruption errors made during data input. As a result of time diverted from programming to time spent correcting data corruption errors, the department estimates that each member of its programming staff provides 1,000 hours of productive programming time. By comparison, the Department of Information Technology budgets at 1,450 hours of productive programming time in its rate model when assessing the need for additional resources. The 2001 Legislature was concerned about the lower productivity levels and their effect on the resources required to maintain the system. In response to this concern, the Legislature issued a letter of intent to have the department report semi-annually on progress toward solving data corruption problems and resolving top priority tickets. In addition, the Legislature approved the positions with the understanding that they will be reconsidered by the 2003 Legislature.

In December 2000, the department received IFC approval to add a Webmaster position to maintain and develop the department's Website. The 2001 Legislature approved the continuation of the position over the next biennium.

The 2001 Legislature approved the Governor's recommendation to add \$200,000 each year for contract programming and system support needs. The Legislature placed the amounts of \$47,200 in FY 2001-02 and \$161,600 in FY 2002-03 in reserve, with direction that the department should approach the IFC to receive authority to spend the remaining amounts once specific projects are identified.

DEPARTMENT OF PUBLIC SAFETY

The Department of Public Safety consists of the Nevada Highway Patrol, Nevada Division of Investigations Capitol Police, Office of Traffic Safety, Fire Marshal, Division of Emergency Management, Division of Parole and Probation and the Parole Board. The following total funding for the Department of Public Safety, excluding one-shots and supplemental appropriations, was approved by the Legislature:

FUNDING SOURCE	ACTUAL FY 1999- 2000	WORK PROGRAM FY 2000-01	LEG APPR FY 2001-02	% CHANGE	WORK PROGRAM FY 2002-03	% CHANGE
Federal Funds	\$16,851,427	\$21,424,454	\$13,528,342	-36.86%	\$13,533,921	0.04%
General Funds	\$30,300,158	\$34,192,324	\$34,956,237	2.23%	\$35,694,447	2.11%
Hwy Funds	\$50,659,823	\$52,601,124	\$50,862,142	-3.30%	\$50,253,283	-1.20%
Other	\$28,099,548	\$32,602,331	\$36,249,940	11.19%	\$36,191,506	-0.16%
Total	\$125,910,956	\$140,820,233	\$135,596,661	-3.71%	\$135,673,157	0.06%

PUBLIC SAFETY INFORMATION SERVICES

This budget account centralizes computer-related operations within the Public Safety budgets to achieve program integrity. Transfers from user agencies in the Department of Public Safety provide funding for this account. The 2001 Legislature provided funding to upgrade existing communication circuits by increasing bandwidth and connecting the office statewide to criminal justice, motor vehicles and administrative computer systems. A new Computer Network Technician was approved to expand the facility and help-desk coverage for the graveyard shift. Funding is provided entirely from a General Fund appropriation to the Department of Motor Vehicles Automation budget.

CRIMINAL HISTORY REPOSITORY

The Criminal History Repository maintains a record of all persons arrested in Nevada for crimes that meet the reporting criteria, supports a state wants/warrants system, processes background checks for the sale of handguns in accordance with federal regulations (Brady Bill), and performs fingerprint checks. The 2001 Legislature approved the Governor's recommendation to transfer the sex offender registry program (5.0 FTE) from the Division of Parole and Probation and fund the expenses from administrative court assessments. The transfer eliminates redundancy between the Repository and Parole and Probation for records search, maintenance and the dissemination of registration information. As a way to consolidate the management of data processing resources, the Legislature approved the transfer of two Information Systems Specialists (previously approved to support the Civil Name Check program) to the Public Safety Information Services budget account. The 2001 Legislature also approved the transfer of administrative court assessments from the Highway Patrol budget account to reflect access costs for statewide use of the law enforcement message switch in one budget account.

NEVADA HIGHWAY PATROL

The 2001 Legislature approved the Governor's recommendation to add five new positions to support additional equipment and mountaintop sites associated with the VHF high-band communications system. In their justification for the additional positions, the agency indicated

that communications staff of the Highway Patrol support radio equipment department-wide. The Legislature approved funding authority in lieu of Highway Funds of \$141,694 in FY 2001-02 and \$144,985 in FY 2002-03 to allow the Highway Patrol to charge for the actual costs of equipment repairs to non-Highway Fund budget accounts. The 2001 Legislature approved the consolidation of the Highway Patrol and Hazardous Materials accounts; however, operating expenses of the Hazardous Materials account were placed in a separate category to better identify program expenses. Highway Fund appropriations of \$3.5 million in FY 2001-02 and \$2.3 million in FY 2002-03 were approved for replacement equipment. The 2001 Legislature also approved an additional pay raise of one grade for uniformed Highway Patrol positions (Senate Bill 84).

DIVISION OF INVESTIGATIONS

The Nevada Division of Investigations (NDI) provides criminal and controlled substance investigation services to state, county and local law enforcement agencies on request. The Legislature approved the Governor's recommendation to eliminate the vehicle auto theft unit (VIPER). The agency indicated that local law enforcement would primarily be responsible for auto theft investigations.

A Program Assistant III position was approved to assist with the reconciliation of payroll and to process the collection of forfeitures and seizures. The Governor recommended the replacement of 15 vehicles for NDI through the State Motor Pool Division by appropriating General Funds to the Motor Pool Division for the purchase of the vehicles. To reduce General Fund costs for ongoing vehicle rental expenses provided in the NDI budget, the 2001 Legislature redirected appropriations from the Motor Pool Division to NDI in the amount of \$274,012 from the General Fund and \$22,341 from the Highway Fund for the replacement of vehicles (A.B. 523).

TRAINING DIVISION

The Training Division was approved by the 1999 Legislature to provide basic academy and continuing education training to law enforcement personnel within the department. The 2001 Legislature approved the Governor's recommendation to fund the Training Division primarily with Highway Funds to reflect the majority of academy participation from the Highway Patrol. A General Fund appropriation of \$37,480 was approved each year based on an annual estimate of 10 Parole and Probation cadets trained in-house. The department plans to use the state community college system as an additional source of academy training when timing and location dictate.

OFFICE OF TRAFFIC SAFETY

The Office of Traffic Safety includes the Traffic Safety pass-through accounts, Highway Safety Plan and Administration, Bicycle/Pedestrian Safety and the Motorcycle Safety program. The 2001 Legislature approved a new Grant and Project Analyst position to relieve the workload for other positions and allow time to apply for additional federal funds. The Legislature also approved the continuation of the Traffic Records Manager position with federal funds.

HAZARDOUS MATERIALS TRAINING CENTER

The Hazardous Materials Training Center receives funding from fees charged at the Beatty dumpsite and hazardous materials permit fees. Information provided by the Division of Environmental Protection indicated Beatty dumpsite fees would continue at the FY 1999-2000 level of \$343,292 in each year of the 2001-03 biennium. Based on consistent support from Beatty dumpsite fees, the 2001 Legislature eliminated General Funds totaling \$171,549 in FY 2001-02 and \$228,589 in FY 2002-03. General Fund appropriations of \$1,000 remain in the account each year to allow access to the Interim Finance Contingency Fund if an unexpected downturn in revenues occurs. The Legislature issued a letter of intent to authorize Deputy State Fire Marshals from the hazardous materials program to conduct fire and life safety inspections typically conducted by personnel from the State Fire Marshal budget account.

OFFICE OF CRIMINAL JUSTICE ASSISTANCE

The Office of Criminal Justice Assistance was designated as the “State Administrative Agency” by the Governor and the U.S. Department of Justice to obtain, administer and sub-grant programs. The 2001 Legislature approved the Governor’s amendment to add two positions funded from the Byrne Memorial Grant to administer the Federal Excess Property program and Law Enforcement Equipment Purchase program, also known as “FALCONS NEST.” The Legislature issued a letter of intent to have the agency report quarterly to the IFC regarding the status of the program.

DIVISION OF EMERGENCY MANAGEMENT

The 2001 Legislature agreed with the Governor’s recommendation to combine the Emergency Management Assistance program account into the main Emergency Management account. The Emergency Management Assistance program administers the pass-through of 100 percent federal grant funds to local emergency response entities, and will now be administered in a separate category in the main Emergency Management account. The 2001 Legislature also approved the Governor’s recommendation to increase a half-time Communications Systems Specialist position to a full-time position. The Communications Systems Specialist supports the state’s emergency communications network that includes federal and local emergency responders. The 2001 Legislature did not approve Senate Bill 306, which would have transferred Emergency Management from the Department of Public Safety to the Governor’s Office.

DIVISION OF PAROLE AND PROBATION

The mission of the Division of Parole and Probation is to protect the public through effective supervision and monitoring of parolees and probationers and to provide objective sentencing recommendations to the courts for persons convicted of felonies or gross misdemeanors. An increase in the General Fund appropriation for the Division of Parole and Probation was approved in the amount of \$1.9 million, or 7.5 percent, in FY 2001-02 when compared to FY 1999-2000, and an additional \$0.9 million, or 3.2 percent, in FY 2002-03 when compared to FY 2001-02. Total funding for the division was approved at \$30 million in FY 2001-02 and \$30.9 million in FY 2002-03.

Historically, the number of parolees and probationers supervised by the division has driven the number of personnel in the budget for the Division of Parole and Probation. However, during the last biennium, the division experienced difficulty in attracting and retaining personnel in the authorized positions. For this reason, the division did not request, the Governor did not recommend, nor did the Legislature approve, any additional positions for caseload growth for the 2001-03 biennium. In an effort to assist the division with its recruiting and retention efforts, the 2001 Legislature did approve a one-grade increase for sworn officers for the upcoming biennium as recommended by the Governor. In addition, to assist with the efficiency of the sworn officers, the Legislature approved funding for personal computers for each sworn position and funding to provide a vehicle for each sworn officer whose caseload requires the use of a vehicle. A letter of intent was issued directing the division to refrain from purchasing new vehicles for vacant positions until such time as those positions are filled.

The 2001 Legislature approved the recommendation in The Executive Budget to eliminate two sworn positions and utilize the savings to conduct a pilot project for the privatization of the Pre-Sentence Investigation Reports. However, legislation to authorize privatization was not enacted, so this funding remains available in the division's budget in the event the division is able to fill all authorized positions, is in need of additional positions, and is then successful with a request to restore these positions.

The Executive Budget recommended that the operation of the Sex Offender Registry program, as created by Senate Bill 325 of the 1997 Session and operated by the Division of Parole and Probation, be transferred to the Criminal History Repository. The 2001 Legislature concurred with this recommendation.

PAROLE BOARD

The full-time Parole Board was established under Chapter 213 of NRS to provide parole hearings and conduct revocation hearings for persons accused of violating parole. The board consists of six members and a chairman, all of whom are appointed by the Governor. An unclassified secretary and seven classified personnel assist the board with office and administrative functions. To assist the board in meeting hearing requirements, NRS 213.133 permits the board to appoint and utilize hearing representatives who hear, consider and act upon applications, subject to the final approval of a majority of the members of the board.

Total General Fund appropriations for the Parole Board were approved at \$1,115,374 in FY 2001-02 and \$1,102,652 in FY 2002-03. The increase over the FY 2000 actual costs of \$977,702 provides funding for additional travel and hearings due to the shift in inmate population with the opening of the High Desert State Prison, additional office space rental, training, technology improvements, and intra-agency cost allocations.

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
PUBLIC SAFETY					
DEPARTMENT OF PRISONS					
DOP DIRECTOR'S OFFICE	9,720,640	11,849,443	11,146,162	12,018,051	11,065,165
GENERAL FUND	6,668,658	11,260,020	10,563,455	11,425,454	10,478,742
BALANCE FORWARD	21,363				
FEDERAL FUND	120		411,079		411,079
INTER AGENCY TRANSFER	2,938,152	512,685	94,890	515,859	98,606
OTHER FUND	92,347	76,738	76,738	76,738	76,738
PRISON MEDICAL CARE	33,972,948	31,921,583	31,302,499	32,882,682	32,005,932
GENERAL FUND	32,055,728	30,153,312	29,491,221	31,049,378	30,110,254
INTER AGENCY TRANSFER	1,561,822	1,540,444	1,576,421	1,596,626	1,648,779
OTHER FUND	355,398	227,827	234,857	236,678	246,899
PRISON WAREHOUSE FUND	7,946,458	8,641,028	8,641,028	8,895,702	8,895,702
GENERAL FUND		156,763		153,670	
INTER AGENCY TRANSFER	7,946,458	8,484,265	8,641,028	8,742,032	8,895,702
OFFENDERS' STORE FUND	13,079,682	12,461,120	13,284,219	12,728,689	14,082,975
BALANCE FORWARD	1,676,805	1,540,611	1,540,611	1,283,304	1,714,390
INTER AGENCY TRANSFER		35	35	35	35
OTHER FUND	11,402,877	10,920,474	11,743,573	11,445,350	12,368,550
DESTITUTE PRISONERS' ACCOUNT	14,156	13,872	13,872	14,464	14,464
BALANCE FORWARD	13,401	13,106	13,106	13,697	13,697
OTHER FUND	755	766	766	767	767
INMATE WELFARE ACCOUNT	4,223,674	3,484,614	3,955,960	3,778,846	4,418,992
BALANCE FORWARD	478,589	571,676	571,676	744,909	661,452
FEDERAL FUND	386,908	392,718	392,718	392,629	392,629
INTER AGENCY TRANSFER	2,954,435	2,022,672	2,490,174	2,119,847	2,836,841
OTHER FUND	403,742	497,548	501,392	521,461	528,070
SOUTHERN NEVADA CORRECTIONAL CEN1	3,578,320		440,167		452,521
GENERAL FUND	1,833,800		440,167		452,521
INTER AGENCY TRANSFER	1,735,000				
OTHER FUND	9,520				
WARM SPRINGS CORRECTIONAL CENTER	6,242,050		6,469,822		6,714,773
GENERAL FUND	6,227,430		6,460,301		6,705,121
OTHER FUND	14,620		9,521		9,652
SOUTHERN NEVADA WOMEN'S CORRECTIC	6,758,625		10,860,850		11,640,640
GENERAL FUND	6,670,217		10,727,572		11,501,047
INTER AGENCY TRANSFER	15,885		44,922		47,621
OTHER FUND	72,523		88,356		91,972

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPARTMENT OF PRISONS					
NORTHERN NEVADA CORRECTIONAL CENT	13,918,652		14,221,179		14,663,177
GENERAL FUND	13,547,397		13,876,578		14,303,757
OTHER FUND	371,255		344,601		359,420
NEVADA STATE PRISON	12,167,074		12,637,065		13,225,800
GENERAL FUND	12,113,209		12,571,613		13,152,553
OTHER FUND	53,865		65,452		73,247
SOUTHERN DESERT CORRECTIONAL CENT	14,920,879		15,424,316		15,360,075
GENERAL FUND	14,779,247		14,914,287		14,914,841
INTER AGENCY TRANSFER			368,139		293,334
OTHER FUND	141,632		141,890		151,900
ELY STATE PRISON	19,268,770		19,793,223		20,404,872
GENERAL FUND	19,241,756		19,756,228		20,366,691
OTHER FUND	27,014		36,995		38,181
HIGH DESERT STATE PRISON	15,266,715		20,974,291		22,271,367
GENERAL FUND	16,745,016		20,834,018		22,123,655
INTER AGENCY TRANSFER	-1,735,000				
OTHER FUND	256,699		140,273		147,712
LOVELOCK CORRECTIONAL CENTER	15,760,616		16,214,382		17,086,528
GENERAL FUND	15,779,533		16,140,404		17,009,361
INTER AGENCY TRANSFER	-72,837				
OTHER FUND	53,920		73,978		77,167
RESTITUTION CENTER-NORTH	759,777		787,684		802,939
GENERAL FUND	278,944		288,634		303,889
INTER AGENCY TRANSFER	4,959				
OTHER FUND	475,874		499,050		499,050
RESTITUTION CENTER-SOUTH	741,173				
GENERAL FUND	416,376				
INTER AGENCY TRANSFER	5,754				
OTHER FUND	319,043				
STEWART CONSERVATION CAMP	1,154,955		1,196,429		1,229,092
GENERAL FUND	1,096,666		1,136,683		1,169,346
OTHER FUND	58,289		59,746		59,746
PIOCHE CONSERVATION CAMP	1,186,531		1,190,358		1,209,331
GENERAL FUND	1,160,270		1,163,139		1,182,112
OTHER FUND	26,261		27,219		27,219
INDIAN SPRINGS CONSERVATION CAMP	1,605,964		1,136,071		1,132,830
GENERAL FUND	1,595,541		1,126,522		1,123,281
OTHER FUND	10,423		9,549		9,549

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPARTMENT OF PRISONS					
WELLS CONSERVATION CAMP	893,980		915,228		925,716
GENERAL FUND	880,271		901,137		911,625
OTHER FUND	13,709		14,091		14,091
HUMBOLDT CONSERVATION CAMP	909,566		944,344		961,442
GENERAL FUND	894,357		928,019		945,117
OTHER FUND	15,209		16,325		16,325
ELY CONSERVATION CAMP	906,720		942,804		949,338
GENERAL FUND	893,669		929,239		935,773
OTHER FUND	13,051		13,565		13,565
JEAN CONSERVATION CAMP	1,111,514		1,162,466		1,208,697
GENERAL FUND	1,096,717		1,153,650		1,199,141
OTHER FUND	14,797		8,816		9,556
SILVER SPRINGS CONSERVATION CAMP	881,147		919,852		945,224
GENERAL FUND	869,243		908,289		933,066
OTHER FUND	11,904		11,563		12,158
CARLIN CONSERVATION CAMP	924,869		956,233		972,863
GENERAL FUND	911,444		942,092		958,722
OTHER FUND	13,425		14,141		14,141
TONOPAH CONSERVATION CAMP	932,276		888,587		912,480
GENERAL FUND	920,156		873,801		897,694
OTHER FUND	12,120		14,786		14,786
PRISON INDUSTRY	7,987,206	6,838,404	6,892,988	7,288,393	7,199,120
BALANCE FORWARD	1,034,926	1,879,550	1,879,550	2,030,887	1,842,221
INTER AGENCY TRANSFER	116,878	96,959	116,959	102,583	152,583
OTHER FUND	6,835,402	4,861,895	4,896,479	5,154,923	5,204,316
PRISON DAIRY	1,013,087	1,399,601	1,640,101	1,300,370	1,499,508
BALANCE FORWARD	351,469	371,110	371,110	179,879	368,517
INTER AGENCY TRANSFER			230,000		
OTHER FUND	661,618	1,028,491	1,038,991	1,120,491	1,130,991
CORRECTIONAL FACILITIES		135,856,294		142,930,848	
GENERAL FUND		134,102,888		141,202,359	
INTER AGENCY TRANSFER		322,869		267,844	
OTHER FUND		1,430,537		1,460,645	
SUB-FUNCTION RECAP					
DEPARTMENT OF PRISONS	197,848,024	212,465,959	204,952,180	221,838,045	212,251,563
GENERAL FUND	156,675,645	175,672,983	166,127,049	183,830,861	171,678,309
BALANCE FORWARD	3,576,553	4,376,053	4,376,053	4,252,676	4,600,277
FEDERAL FUND	387,028	392,718	803,797	392,629	803,708
INTER AGENCY TRANSFER	15,471,506	12,979,929	13,562,568	13,344,826	13,973,501

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
PUBLIC SAFETY					
DEPARTMENT OF MOTOR VEHICLES					
DMV, COMPLIANCE ENFORCEMENT	2,259,526	1,591,667	1,428,376	1,516,459	1,375,514
BALANCE FORWARD	517				
HIGHWAY FUND	2,222,581	1,556,016	1,390,303	1,480,189	1,335,615
INTER AGENCY TRANSFER	36,428	35,651	38,073	36,270	39,899
DMV, CENTRAL SERVICES	10,950,841	10,064,588	8,971,352	10,266,016	9,020,229
BALANCE FORWARD	3,296,446				
HIGHWAY FUND	6,216,102	8,791,571	7,809,000	8,805,129	7,825,797
INTER AGENCY TRANSFER	519,578	53,157	200,470	52,771	203,604
OTHER FUND	918,715	1,219,860	961,882	1,408,116	990,828
DMV - MANAGEMENT SERVICES	4,687,490	6,183,509	5,292,949	6,368,506	5,436,382
BALANCE FORWARD	19,500				
HIGHWAY FUND	3,481,917	5,885,303	4,901,587	5,275,371	5,027,359
INTER AGENCY TRANSFER	479,791	334,192	391,362	334,192	409,023
OTHER FUND	706,282	-35,986		758,943	
DMV, HEARINGS	726,232	825,282	782,178	866,284	800,408
HIGHWAY FUND	723,656	821,222	778,118	862,224	796,348
OTHER FUND	2,576	4,060	4,060	4,060	4,060
DMV, AUTOMATION	6,342,517	7,547,377	7,404,182	7,748,688	7,607,902
HIGHWAY FUND	5,824,251	7,370,817	7,227,622	7,572,128	7,431,342
INTER AGENCY TRANSFER	110,320	154,513	154,513	154,513	154,513
OTHER FUND	407,946	22,047	22,047	22,047	22,047
DMV, FIELD SERVICES	25,198,681	30,948,574	28,800,921	32,343,132	29,555,377
GENERAL FUND	15,346	15,031	15,031	15,031	15,031
BALANCE FORWARD	26,189				
HIGHWAY FUND	12,891,748	16,851,291	13,801,701	18,245,849	14,169,919
INTER AGENCY TRANSFER	1,121,887				
OTHER FUND	11,143,511	14,082,252	14,984,189	14,082,252	15,370,427
DMV, PROJECT GENESIS	3,130,485				
BALANCE FORWARD	2,801,450				
HIGHWAY FUND	229,035				
OTHER FUND	100,000				
DMV, RECORDS SEARCH	6,102,483	5,726,985	6,237,756	5,727,185	6,423,383
BALANCE FORWARD	50,000	50,000	50,000	50,000	50,000
OTHER FUND	6,052,483	5,676,985	6,187,756	5,677,185	6,373,383
DMV, MOTOR CARRIER	2,325,058	3,291,883	3,023,111	3,496,384	3,191,006
HIGHWAY FUND	1,807,513	2,807,823	2,190,514	2,631,790	2,183,931
INTER AGENCY TRANSFER	-33,147	52,058	12,714	104,115	1,740
OTHER FUND	550,692	432,002	819,883	760,479	1,005,335

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPARTMENT OF MOTOR VEHICLES					
DMV, VERIFICATION OF INSURANCE	4,273,161	4,814,324	4,814,324	4,928,753	4,428,753
BALANCE FORWARD	1,000,000	1,000,000	1,000,000	1,000,000	500,000
OTHER FUND	3,273,161	3,814,324	3,814,324	3,928,753	3,928,753
DMV, MOTOR VEHICLE POLLUTION CONTRI	8,301,065	7,019,767	6,817,071	5,907,987	7,160,206
BALANCE FORWARD	3,209,723	1,781,126	1,578,430	500,000	1,752,219
OTHER FUND	5,091,342	5,238,641	5,238,641	5,407,987	5,407,987
DMV, SALVAGE WRECKERS/BODY SHOPS	507,325	537,483	537,483	520,392	520,177
BALANCE FORWARD	327,640	386,543	386,543	369,452	369,237
OTHER FUND	179,685	150,940	150,940	150,940	150,940
DMV, ADMINISTRATIVE SERVICES		6,140,141	5,380,745	6,222,723	5,756,293
HIGHWAY FUND		2,015,884	4,417,185	2,778,569	4,175,885
INTER AGENCY TRANSFER		2,805,221	143,287	2,877,938	135,459
OTHER FUND		1,319,036	820,273	566,216	1,444,949
DMV, DIRECTOR'S OFFICE		521,906	961,968	538,144	1,081,104
HIGHWAY FUND		130,069	931,744	129,497	1,047,136
INTER AGENCY TRANSFER		391,837	30,224	408,647	33,968
SUB-FUNCTION RECAP					
DEPARTMENT OF MOTOR VEHICLES	74,804,864	85,213,486	80,452,416	86,450,653	82,356,734
GENERAL FUND	15,346	15,031	15,031	15,031	15,031
BALANCE FORWARD	10,731,465	3,217,669	3,014,973	1,919,452	2,671,456
HIGHWAY FUND	33,396,803	46,229,996	43,447,774	47,780,746	43,993,332
INTER AGENCY TRANSFER	2,234,857	3,826,629	970,643	3,968,446	978,206
OTHER FUND	28,426,393	31,924,161	33,003,995	32,766,978	34,698,709

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
PUBLIC SAFETY					
DEPARTMENT OF PUBIC SAFETY					
PUBLIC SAFETY, HIGHWAY SAFETY GRANT	734,488	658,996	686,512	658,819	688,820
BALANCE FORWARD	21,587				
FEDERAL FUND	712,901	658,996	686,512	658,819	688,820
DIRECTOR'S OFFICE - PUBLIC SAFETY	2,146,904	1,861,698	1,399,366	1,813,237	1,465,677
GENERAL FUND	51,043				
HIGHWAY FUND	2,063,578				
INTER AGENCY TRANSFER	32,283	1,861,466	1,399,134	1,813,005	1,465,445
OTHER FUND		232	232	232	232
PUBLIC SAFETY - INTERNAL AFFAIRS	221,347	254,017	260,361	254,426	261,708
GENERAL FUND	68,151	2		-14,089	
HIGHWAY FUND	153,196	-2	5,790	-21,438	6,053
INTER AGENCY TRANSFER		254,017	254,571	289,953	255,655
EMERGENCY RESPONSE COMMISSION	841,825	982,277	1,078,395	893,397	1,095,137
BALANCE FORWARD	295,519	356,297	356,297	268,435	365,842
FEDERAL FUND	122,030	78,995	78,995	78,995	78,995
HIGHWAY FUND	94,915	99,095	195,213	98,077	202,410
INTER AGENCY TRANSFER	15,000				
OTHER FUND	314,361	447,890	447,890	447,890	447,890
PUBLIC SAFETY, JUSTICE GRANT	288,225	331,177	5,451,645	344,051	5,460,113
GENERAL FUND	70,171	82,793	80,097	86,014	81,014
BALANCE FORWARD	407				
INTER AGENCY TRANSFER	217,647	248,384	5,341,680	258,037	5,349,894
OTHER FUND			29,868		29,205
PUBLIC SAFETY, DRUG COMMISSION	132,807	139,889	82,920	140,863	79,046
GENERAL FUND	38,906	61,200	56,786	60,957	53,931
BALANCE FORWARD	216				
INTER AGENCY TRANSFER	93,685	78,689	26,134	79,906	25,115
PUBLIC SAFETY, JUSTICE ASSISTANCE AC	13,250,372	10,758,017	8,918,443	10,758,017	8,930,944
GENERAL FUND	21,606				
BALANCE FORWARD	52,353				
FEDERAL FUND	13,176,413	10,758,017	8,918,443	10,758,017	8,930,944
PUBLIC SAFETY - ADMINISTRATIVE SERVICE	7,328,986	2,172,050	1,633,474	1,773,928	1,610,904
GENERAL FUND	79,728				
BALANCE FORWARD	914,261				
HIGHWAY FUND	5,624,223				
INTER AGENCY TRANSFER		2,172,050	1,633,474	1,773,928	1,610,904
OTHER FUND	710,774				

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPARTMENT OF PUBIC SAFETY					
PUBLIC SAFETY TECHNOLOGY DIVISION	3,975,950	5,491,319	4,546,039	4,580,896	4,673,953
BALANCE FORWARD	60,971				
INTER AGENCY TRANSFER	3,914,979	5,491,319	4,546,039	4,580,896	4,673,953
PUBLIC SAFETY - CAPITOL POLICE	1,590,964	1,684,542	1,684,771	1,710,906	1,712,663
INTER AGENCY TRANSFER	1,590,964	1,684,542	1,684,771	1,710,906	1,712,663
PUBLIC SAFETY, HIGHWAY PATROL	50,136,565	51,476,351	49,802,512	51,790,953	49,342,506
GENERAL FUND	51,047	36,388	36,388	36,388	36,388
BALANCE FORWARD	5,624,246				
HIGHWAY FUND	42,994,664	50,972,815	49,140,340	51,285,415	48,772,147
INTER AGENCY TRANSFER	282,979	58,275	58,275	60,277	60,277
OTHER FUND	1,183,629	408,873	567,509	408,873	473,694
PUBLIC SAFETY, HAZARDOUS MATERIALS	878,265				
HIGHWAY FUND	858,877				
OTHER FUND	19,388				
PUBLIC SAFETY, CRIMINAL HISTORY REPO	6,786,311	8,658,341	8,654,499	8,952,550	9,190,305
BALANCE FORWARD	309,560	198,376	198,376	202,768	347,259
INTER AGENCY TRANSFER	87,524				
OTHER FUND	6,389,227	8,459,965	8,456,123	8,749,782	8,843,046
PS, DIGNITARY PROTECTION	557,041	625,586	621,738	631,761	615,342
GENERAL FUND	557,041	625,586	621,738	631,761	615,342
PUBLIC SAFETY, FORFEITURES - LAW ENF	1,978,885	1,924,346	1,924,346	1,952,758	1,617,873
BALANCE FORWARD	1,214,545	1,410,315	1,410,315	1,438,727	1,103,842
OTHER FUND	764,340	514,031	514,031	514,031	514,031
PUBLIC SAFETY, DIVISION OF INVESTIGATI	5,182,804	6,307,527	5,999,487	5,924,745	5,534,314
GENERAL FUND	4,961,125	5,661,437	5,404,975	5,704,133	5,309,855
BALANCE FORWARD	2,074				
HIGHWAY FUND	212,896	215,909	219,591	218,171	222,018
INTER AGENCY TRANSFER	6,709	427,740	372,480		
OTHER FUND		2,441	2,441	2,441	2,441
PUBLIC SAFETY, NARCOTICS CONTROL	1,386,826	1,539,117	1,543,752	1,605,993	1,613,676
GENERAL FUND		512,879		579,755	
FEDERAL FUND	37,765	14,238	14,238	14,238	14,238
INTER AGENCY TRANSFER	1,349,061	1,012,000	1,529,514	1,012,000	1,599,438
PUBLIC SAFETY, HIGHWAY SAFETY PLAN §	824,236	882,205	885,671	854,004	853,873
GENERAL FUND		32,682		6,047	
BALANCE FORWARD	52,691				
FEDERAL FUND	69,343	72,859	76,701	72,783	78,933
HIGHWAY FUND	101,468	186,775	176,318	206,819	148,515
INTER AGENCY TRANSFER	600,734	589,889	632,652	568,355	626,425

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
DEPARTMENT OF PUBIC SAFETY					
PUBLIC SAFETY, TRAFFIC SAFETY	1,717,590	1,713,372	1,713,342	1,563,373	1,713,342
BALANCE FORWARD	3,987				
FEDERAL FUND	1,713,603	1,713,372	1,713,342	1,563,373	1,713,342
PUBLIC SAFETY, BICYCLE SAFETY PROGR.	247,653	177,078	186,845	137,287	193,898
BALANCE FORWARD	102,152	47,421	47,421	7,630	50,291
OTHER FUND	145,501	129,657	139,424	129,657	143,607
PUBLIC SAFETY, MOTORCYCLE SAFETY PF	403,263	414,354	397,734	466,459	380,559
BALANCE FORWARD	190,766	162,270	162,270	138,399	139,177
OTHER FUND	212,497	252,084	235,464	328,060	241,382
PUBLIC SAFETY, PAROLE AND PROBATION	29,255,705	31,868,658	30,046,651	33,197,128	30,916,600
GENERAL FUND	26,329,006	28,739,643	27,056,386	30,068,113	27,926,335
BALANCE FORWARD	174,208				
INTER AGENCY TRANSFER	218,493	138,750		138,750	
OTHER FUND	2,533,998	2,990,265	2,990,265	2,990,265	2,990,265
PUBLIC SAFETY, PAROLE BOARD	996,937	1,170,654	1,115,374	1,180,223	1,102,652
GENERAL FUND	996,937	1,170,654	1,115,374	1,180,223	1,102,652
EMERGENCY MANAGEMENT ASSISTANCE I	679,407				
FEDERAL FUND	679,407				
HAZARDOUS MATERIALS TRAINING CENTE	1,249,485	1,321,168	1,224,786	1,326,054	1,222,593
GENERAL FUND	198,792	172,549	1,000	229,589	1,000
BALANCE FORWARD	476,745	222,822	222,822	170,668	220,629
FEDERAL FUND	80,000				
INTER AGENCY TRANSFER	20,000	368,392	368,392	368,392	368,392
OTHER FUND	473,948	557,405	632,572	557,405	632,572
PUBLIC SAFETY, FIRE MARSHAL	1,778,883	1,944,068	1,974,322	1,877,638	1,893,940
GENERAL FUND	1,000	1,000		1,000	
BALANCE FORWARD	355,017	425,899	425,899	359,316	307,990
INTER AGENCY TRANSFER		81,213	91,220	81,366	96,125
OTHER FUND	1,422,866	1,435,956	1,457,203	1,435,956	1,489,825
PUBLIC SAFETY, EMERGENCY MANAGEME	5,410,892	2,362,941	2,558,684	2,379,376	2,559,099
GENERAL FUND	431,461	585,729	518,573	603,248	530,450
BALANCE FORWARD	93,939				
FEDERAL FUND	4,832,992	1,777,212	2,040,111	1,776,128	2,028,649
INTER AGENCY TRANSFER	52,500				
PUBLIC SAFETY, TRAINING DIVISION	837,617	1,163,707	1,204,992	1,078,656	943,620
GENERAL FUND	336,310	56,199	64,920	4,501	37,480
HIGHWAY FUND	497,307	1,103,508	1,124,890	1,070,155	902,140
OTHER FUND	4,000	4,000	15,182	4,000	4,000

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
SUB-FUNCTION RECAP					
DEPARTMENT OF PUBIC SAFETY	140,820,233	137,883,455	135,596,661	137,847,498	135,673,157
GENERAL FUND	34,192,324	37,738,741	34,956,237	39,177,640	35,694,447
BALANCE FORWARD	9,945,244	2,823,400	2,823,400	2,585,943	2,535,030
FEDERAL FUND	21,424,454	15,073,689	13,528,342	14,922,353	13,533,921
HIGHWAY FUND	52,601,124	52,578,100	50,862,142	52,857,199	50,253,283
INTER AGENCY TRANSFER	8,482,558	14,466,726	17,938,336	12,735,771	17,844,286
OTHER FUND	14,174,529	15,202,799	15,488,204	15,568,592	15,812,190

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
PUBLIC SAFETY					
PUBLIC SAFETY					
GENERAL FUND	190,883,315	213,426,755	201,098,317	223,023,532	207,387,787
BALANCE FORWARD	24,253,262	10,417,122	10,214,426	8,758,071	9,806,763
FEDERAL FUND	21,811,482	15,466,407	14,332,139	15,314,982	14,337,629
HIGHWAY FUND	85,997,927	98,808,096	94,309,916	100,637,945	94,246,615
INTER AGENCY TRANSFER	26,188,921	31,273,284	32,471,547	30,049,043	32,795,993
OTHER FUND	64,338,214	66,171,236	68,574,912	68,352,623	71,706,667
TOTAL PUBLIC SAFETY	413,473,121	435,562,900	421,001,257	446,136,196	430,281,454
LESS: INTER AGENCY TRANSFER	26,188,921	31,273,284	32,471,547	30,049,043	32,795,993
NET-PUBLIC SAFETY	387,284,200	404,289,616	388,529,710	416,087,153	397,485,461

INFRASTRUCTURE



INFRASTRUCTURE

The Infrastructure function of state government includes those agencies responsible for capital assets of the state as well as its natural resources. This function includes the Department of Transportation, the Colorado River Commission and the Department of Conservation and Natural Resources. In the 2001-03 biennium, General Fund appropriations approved by the Legislature for the Infrastructure function total \$42.9 million, which represents no change in the appropriation approved for the 1999-2001 biennium.

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES (DCNR)

The Department of Conservation and Natural Resources 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 Divisions of Forestry, Wildlife, State Parks, Environmental Protection, State Lands, Conservation Districts, and Water Resources. The department includes the Nevada Tahoe Regional Planning Agency, the State Environmental Commission, the Nevada Natural Heritage Program, and the Commission for the Preservation of Wild Horses. Budgetary support is provided to the Tahoe Regional Planning Agency.

For the 2001-03 biennium, the Governor recommended General Fund appropriations of \$48.8 million for DCNR. The Legislature appropriated \$42.9 million, representing a 1.0 percent decrease compared to the previous biennium's appropriation. The most significant modifications made by the Legislature to the Governor's General Fund recommendations include increased transfers from the Commission on Tourism to support State Parks and increased NDOT project revenues in the Forestry Honor Camp budgets (which correspondingly reduce General Fund appropriations). Total authorizations from all funding sources, excluding interagency transfers, are \$94.1 million in FY 2001-02 and \$93.5 million in FY 2002-03.

During the 17th Special Session, the Nevada Legislature approved Assembly Bill 9 (A.B. 615 from the regular session), which provides that at the general election to be held November 5, 2002, a proposal be submitted to the voters of the state to issue \$200 million of general obligation bonds to protect, preserve and obtain the benefits of property and natural resources of the state. The bond allocation includes:

- \$27.0 million to the Division of State Parks to acquire property, renovate parks and support capital improvements;
- \$27.5 million to the Division of Wildlife to acquire property and wildlife habitat and to develop, renovate and improve facilities for fish and wildlife habitat;
- \$25.0 million to the Las Vegas Springs Preserve in Clark County for planning, development, design and construction, and to support infrastructure and wildlife habitat;
- \$10.0 million to Clark County to develop a county regional wetlands park at the Las Vegas Wash, to acquire and develop land and water rights, and to provide recreational facilities;

- \$35.0 million to the Department of Cultural Affairs to plan, design and construct a museum and to create exhibits at the Las Vegas Springs Preserve;
- \$10.0 million to Washoe County to enhance and restore the Truckee River corridor; and
- \$65.5 million to DCNR, administered by the Division of State Lands, to make grants to various entities.

Assembly Bill 9 specifies that the Legislature shall levy such tax as necessary to pay the principal and interest on the bonds.

CONSERVATION AND NATURAL RESOURCES ADMINISTRATION, DIRECTOR'S OFFICE

The DCNR Director's Office provides administrative, technical, budgetary and supervisory support to agencies within the department. Nevada Division of Forestry (NDF) accounting and purchasing functions are located within the Director's Office. The office is funded primarily through General Fund appropriations, along with nominal cost allocation revenues.

The 2001 Legislature approved the Governor's recommendation to add four new positions to the Director's Office, including one new Administrative Services Officer (ASO) I position to assist the Director's office and NDF with daily fiscal operations; one new Accounting Clerk I position to provide accounting and fire billing support to the Forestry Division's Western Region; and two new Account Clerk positions to replace two inmate clerks previously assigned to the Director's Office. The Director's Office is unable to continue using inmate labor because it is not possible to restrict access to personnel information in the performance of their daily activities.

The Legislature also approved the Governor's recommendation to transfer a Management Assistant position from Water Planning to the Director's Office to provide clerical services to the Assistant Director and the Water Planning Advisory Board. Other costs associated with the Water Planning Advisory Board are also transferred from Water Planning to the Director's Office.

The Director's Office budget historically has paid the salary and fringe benefit costs for the Natural Resource Planner (Environmental Scientist), while administratively, the position was assigned to the Division of Water Planning. As recommended by the Governor, the Legislature transferred operating and related costs associated with development of the Natural Resources Plan from the disbanded Water Planning Division to the Director's Office.

LAKE TAHOE ENVIRONMENTAL IMPROVEMENT PROGRAM

In 1997, a series of meetings was held, which has been referred to as the Presidential Forum. Participants included the federal government, the states of Nevada and California, local governments of both states, the Tahoe Regional Planning Agency (TRPA), and other interested parties. The meetings culminated in July 1997 with visits to Lake Tahoe by the President and

Vice President and the release of a Presidential Executive Order to protect the natural, recreational, and ecological resources in the Lake Tahoe Basin.

The Forum established a 10-year Environmental Improvement Plan (EIP) for the Lake Tahoe Basin, running from 1997 through 2007, with a total estimated cost of \$908 million. Costs are split amongst the program's participants, including \$297.2 million from the federal government, \$275.1 million from the state of California, \$101 million from local governments, \$152.7 million from private entities, and \$82.0 million from the state of Nevada. In support of Nevada's EIP efforts, staff within various DCNR divisions work collectively as the Nevada Tahoe Resource Team (NTRT). Position and operating costs are reflected in the individual divisions' budgets.

Prior to the 2001 Legislative Session, the state of Nevada had already raised approximately \$28.8 million toward its share of EIP costs, including funds from previously authorized Tahoe and EIP bond issues. Assembly Bill 177, approved by the 2001 Legislature, authorizes the State Board of Finance to issue additional general obligation bonds in a total face amount not to exceed \$16.2 million for the 2001-03 biennium. The proceeds of the bond sale and all interest will be deposited in the Fund to Protect the Lake Tahoe Basin.

The EIP comprises many projects to protect the Lake Tahoe Basin, including forest restoration, erosion control, wildlife habitat enhancement, land coverage restoration, recreation enhancement, and shore-zone/stream restoration. The State Lands Administrator, in cooperation with other state agencies, will continue to coordinate Nevada's EIP efforts.

DIVISION OF ENVIRONMENTAL PROTECTION

The Division of Environmental Protection (DEP) implements various environmental programs authorized and required by the Nevada Legislature and federal laws, and enforces regulations adopted by the State Environmental Commission. The division includes the Administration account and the following bureaus: Bureau of Mining Regulation and Reclamation, Bureau of Water Pollution Control, Bureau of Water Quality Planning, Bureau of Corrective Action, Bureau of Waste Management, and Bureau of Federal Facilities. The 2001 Legislature approved the Governor's recommendation to split the existing Bureau of Air Quality into the Bureau of Air Quality Planning and the Bureau of Air Quality Permitting and Compliance.

The 2001 Legislature approved a total of 4.5 new FTE positions for the Division of Environmental Protection. For the Administration section, an Account Technician I position was approved to provide additional fiscal support; a Computer Technician II was approved to support technical environmental models and external client server applications; and a 0.5 Deputy Attorney General position was approved to assist with increasingly complex litigation caseload activity, particularly in the area of mining reclamation and regulation. A Bureau Chief position was approved as a result of the split of the Bureau of Air Quality. A new Program Assistant III position was added to the Bureau of Water Pollution Control to provide additional clerical support needed to process water permit applications.

The 2001 Legislature approved the Governor's recommendation to transfer the Water Capital Planning account and the Water Education for Teachers (WET) program from the former Division of Water Planning to the DEP Water Programs account. The Water Capital Planning account administers the Fund for Grants for Water Conservation and Capital Improvements that provides grants to purveyors of publicly-owned community water systems and publicly-owned non-transient water systems to pay for the costs of capital improvements necessary to comply with the Safe Drinking Water Act and State Board of Health regulations. Assembly Bill 549 increased the amount of State of Nevada General Obligation Bonds the State Board of Finance may issue to support the fund from an amount not to exceed \$50 million to an amount not to exceed \$69 million.

In the Waste Management, Corrective Actions, and Federal Facilities account, the Legislature authorized the additional expenditure of \$125,000 in FY 2001-02 and \$145,000 in FY 2002-03 for clean-up of abandoned tire piles, a recycling advertising campaign to improve recycling rates, and landfill operator training as recommended by the Governor.

The 2001 Legislature also approved Assembly Bill 522, which provides a one-time General Fund appropriation of \$220,400 to pay for costs associated with relocating DEP employees and equipment from the Sawyer Office Building to non-state owned office facilities in Las Vegas. A.B. 522 also provides for remodeling of the space vacated by DEP to be utilized by the Secretary of State, Controller, Unclaimed Property, and the Gaming Control Board.

DIVISION OF CONSERVATION DISTRICTS

The Division of Conservation Districts works with Nevada's 28 locally-elected conservation districts in a statewide conservation program. The agency's mission is to train and assist the districts, which work to conserve, improve and sustain the state's renewable natural resources by providing outreach and technical assistance to landowners in partnership with other local, state and federal agencies. As recommended by the Governor, the 2001 Legislature approved General Fund appropriations of \$140,000 per year to provide \$5,000 per year to each of Nevada's 28 conservation districts, including the newly created district in Dayton.

DIVISION OF STATE LANDS

The Division of State Lands acquires, holds, and disposes of all state lands and interests in lands, except lands of the University and Community College System of Nevada, the Legislature, and the Department of Transportation. The division's land use planning agency provides planning assistance to local governments and represents the state on federal land issues. The division also administers the Tahoe bond program and the Tahoe mitigation program.

The 2001 Legislature restored funding for a Seasonal Forester position that was inadvertently omitted from The Executive Budget. The Seasonal Forester assists the full-time Forester in managing 500 sensitive parcels in the Tahoe Basin. The Legislature also approved the Governor's funding recommendation for various items of replacement furniture and equipment, including a total of 19 personal computers and one file server.

DIVISION OF FORESTRY

The Nevada Division of Forestry (NDF) is responsible for managing and coordinating forestry, watershed and fire prevention and control work on state and privately owned lands in Nevada. The division consists of two primary programs—fire management and natural resource management. The NDF provides assistance to county and local fire districts and adopts and enforces fire prevention regulations. Direct protection and management are provided to land and improvements within fire districts organized under Chapter 473 of NRS. The 473 districts cover nearly nine million acres in eight counties. Other division programs include cooperative forest management, rural fire protection, forest stewardship, resource rehabilitation, and control of insects and diseases in trees.

The 2001 Legislature approved a new Program Assistant II position to provide clerical and accounting assistance for the combined Forestry and Wildlife air operations in Minden. Funding from the Division of Wildlife was approved to support 25 percent of the cost.

The Governor recommended a new Management Assistant I position to begin July 1, 2001 to replace an inmate worker who performed clerical duties for the division. The division lost the inmate worker in FY 2000-01 because it was not possible to restrict access to personnel information in the performance of his duties (S.B. 485, 1999, provides that inmates may not have access to personnel information). The 2001 Legislature approved the position with savings generated by the elimination of a crew supervisor position in the Forestry Honor Camps budget as recommended by the Governor.

The Legislature also approved the Governor's recommendation to increase the cost allocation to the counties from \$230,000 per year to \$342,257 per year. The increase resulted from a study performed by an independent contractor to estimate the cost of administrative support provided to the counties. The Legislature approved the increase with the understanding that the division will attempt to mitigate the impact of the increase to the counties to avoid the layoff of firefighting personnel.

The Governor recommended continuation of the Forester position assigned to the Lake Tahoe Environmental Improvement Program (EIP) team. The Executive Budget recommended funding of \$30,000 each year from the Lake Tahoe license plate account, with the balance of funding from the General Fund. Since the use of Lake Tahoe license plate funds would require a revision to statute, the 2001 Legislature instead approved the use of accumulated interest from the initial EIP bond issue.

FOREST FIRE SUPPRESSION – EMERGENCY RESPONSE

The Forest Fire–Emergency Response program covers expenses necessary for fire protection and forest and watershed management that are caused by fire or other emergencies. Personnel also respond to medical emergencies and vehicle accidents. The program is funded by a combination of General Fund appropriations and reimbursements for firefighting assistance provided on lands outside of the state's jurisdiction. If this account becomes depleted, funding is available to meet expenses from the State Board of Examiners' Reserve for Statutory Contingency Fund

(NRS 353.264). The agency can also seek additional amounts from the Interim Finance Committee's Contingency Fund (NRS 353.266).

The 2001 Legislature continued the annual \$1 million General Fund appropriation recommended by the Governor for the Fire Suppression–Emergency Response account. Forest fire reimbursement revenue authority was also restored to approximate FY 2000-01 work program levels.

FORESTRY HONOR CAMPS

The Forestry Honor Camp program consists of 10 conservation camps statewide. Each camp provides a workforce for local communities and other agencies. Inmates of the Department of Corrections provide the labor for the project assignments, which include wild land fire suppression activities. There are approximately 104 inmate hand crews in the 10 camps supervised by the Nevada Division of Forestry.

In addition to completing conservation projects and providing trained fire suppression forces, the program aims to teach inmates job skills and good work habits. Twelve-member crews are assigned to the Crew Supervisors and Assistant Camp Supervisors at each camp. The division is primarily funded by a General Fund appropriation; it also receives federal fire reimbursement funds and project reimbursements.

As mentioned in the Forestry Administration budget, the 2001 Legislature approved the elimination of a Crew Supervisor at the Jean Conservation Camp to offset General Fund increases in the Forestry Administration budget associated with the addition of a Management Assistant I and upgrades for dispatchers at the Elko dispatch center.

The legislative money committees noted a shortage in the number of available inmates to staff the crews budgeted at the Silver Springs Conservation Camp (99 inmates projected in FY 2001-02 and 105 in FY 2002-03, versus eight 12-person crews and one in-camp crew – 108 inmates). The Legislature issued a letter of intent to encourage the division to consider moving the crew supervisor to a camp whose population may justify an additional crew if the situation warrants.

The Governor recommended a funding increase in the Department of Transportation (NDOT) of \$418,702 each year to provide for increased road maintenance and cleanup work performed by inmate crews. Based on this, the 2001 Legislature approved an increase in project reimbursements and a corresponding decrease in General Funds of \$418,702 in the Honor Camps budget to reflect greater project work performed for NDOT.

FORESTRY INTERGOVERNMENTAL AGREEMENTS

The Forestry Intergovernmental Agreements program represents the cooperative agreements between the Division of Forestry and various political subdivisions to provide initial response to any fires or other emergencies which threaten human life. Areas covered include the Humboldt and Toiyabe National Forest lands, the Sierra Forest Fire Protection District (parts of Carson

City, Douglas and Washoe Counties), and Clark, Elko, Eureka, Storey, and White Pine Counties. The budget is supported by funds from the cooperating counties.

The Forestry Intergovernmental Agreements account was not presented in the Governor's budget. The 2001 Legislature included the Forestry Intergovernmental account in the Authorizations Act (S.B. 586) in the amount of \$8.4 million in FY 2001-02 and \$8.6 million in FY 2002-03.

DIVISION OF WATER PLANNING

The Division of Water Planning was established by the 1977 Legislature, consolidated with the Division of Water Resources in 1983, and then reactivated as a separate division by the 1989 Legislature to provide political subdivisions and private enterprise with information, alternatives and recommendations concerning regional and local water supplies and problems. The 1997 Legislature issued a letter of intent to the division requiring the completion and submittal of the State Water Plan to the 1999 Legislature. The State Water Plan was submitted to and accepted by the 1999 Legislature.

The 2001-03 Executive Budget recommended elimination of the Water Planning account, consistent with the DCNR Director's decision to dissolve the division in September 2000. The Governor recommended, and the 2001 Legislature approved, the transfer of the Water Planning and Flood Management programs to the Division of Water Resources; transfer of the Project WET program to the Division of Environmental Protection; and transfer of the Walker River Plan, State Natural Resource Plan, and Water Advisory Board to the Director's Office. The dissolution of the Division of Water Planning eliminated 2.5 FTE positions that were not transferred to other divisions or departments.

DIVISION OF WILDLIFE

The Nevada Division of Wildlife (NDOW) is responsible for the preservation and management of Nevada's wildlife resources. The division is organized into six program bureaus. The bureaus are based on major areas of work responsibility and include Administrative Services, Game Management, Fisheries Management, Law Enforcement, Conservation Education, and Habitat/Engineering. Each bureau is responsible for program development and administration in the respective program areas statewide. Division headquarters are in Reno. Beginning in June 2000, the division modified its organization structure by eliminating the regional managers and assigning field personnel to their respective bureau chief. The division is funded from federal programs, licenses, General Fund, fees and gifts and donations.

The Legislature approved the Governor's recommendation to add seven new positions to the Division of Wildlife's budget. The new positions include the following:

- Conservation Educator to teach hunter education and fishing classes in southern Nevada;
- Computer Network Technician to support computer hardware and the implementation of local and wide area networks;

- Public Information Officer to develop and support the agency website and coordinate volunteer training;
- Staff Associate Engineer to assist with various projects that require engineering skills;
- Wildlife Area Technician to develop and maintain the Steptoe wildlife management area;
- Program Officer to develop and administer a statewide boating program; and
- Public Safety Dispatcher to provide sufficient staffing of the dispatch function during busy holiday and weekend periods.

As noted in the Forestry Administration narrative, the Wildlife account supports 25 percent of the Program Assistant position approved to support combined air operations.

The 2001 Legislature approved the Governor's recommendation to fund the implementation of a statewide licensing and boat registration system. The division indicates that electronic (e-commerce) functionality will be designed into the system to enable hunting and fishing license purchases over the Internet. The Legislature issued a letter of intent to have the division report quarterly to the Interim Finance Committee regarding the status of the project.

The Legislature also approved funding of \$662,226 in FY 2001-02 and \$538,588 in FY 2002-03 from federal funds and reserve for one-time projects that correlate to the agency's mission. Such projects include maintenance of the agency's helicopters, website support, drugs for fish production, and maintenance for two residences at the Lake Mead fish hatchery.

WILDLIFE OBLIGATED RESERVE

To preserve obligated funds for dedicated projects, specific revenues in the Nevada Division of Wildlife's Reserve in budget account 4452 were placed in the Obligated Reserve account by the 1995 Legislature. Funding in this account comes from sales of duck stamps, elk tag application fees, gifts, federal aid, and Treasurer's interest.

The 2001 Legislature approved the Governor's recommendation to fund planned projects throughout the state at \$636,409 in FY 2001-02 and \$595,292 in FY 2002-03. Projects include fire reseeding and the installation and maintenance of big game guzzlers.

The Legislature also approved the Governor's proposal to transfer excess mining assessments totaling \$170,286 each year to the Obligated Reserve account. The division indicated that the transfer of funding to the Wildlife Obligated Reserve would allow the mining industry, in cooperation with the division, to delineate and support specific projects with appropriate support accruing to the mining industry.

WILDLIFE BOATING PROGRAM

The Nevada Division of Wildlife administers, enforces, and implements the Nevada Boat Act. The program includes registration and titling of boats, enforcement of laws and regulations, boating safety education and development of public access facilities. The boating program is funded by title and registration fees, state motor boat fuel tax, federal revenues, and interest income.

The 2001 Legislature approved funding for capital, land and building improvements of \$669,000 in FY 2001-02 based on projects identified by the division. The Legislature did not approve the Governor's recommendation to fund \$814,000 in FY 2002-03 and directed the division to approach the Interim Finance Committee once specific projects are identified.

DIVISION OF STATE PARKS

The Division of State Parks plans, develops, and maintains a system of parks and recreational areas for the use of residents and visitors. The division also preserves areas of scenic, historic and scientific significance in Nevada. The State Parks staff currently maintains 24 parks. The primary sources of funding for state parks are General Fund appropriations, visitor user fees and boat fuel taxes.

The 2001 Legislature approved the Governor's recommendation to add five new positions to the State Parks budget. Those positions include the following:

- Management Assistant I at the Valley of Fire State Park for clerical support;
- Management Assistant at Lake Tahoe State Park to address bookkeeping and fee collection;
- Park Ranger II at Sand Harbor to address law enforcement and visitor demand;
- Park Ranger Technician III at Rye Patch State Recreation Area; and
- Maintenance Repair Worker to assist with the parks located in the Elko region.

Funding for the positions was approved using a combination of General Fund appropriations, user fees and transfers from the Commission on Tourism.

The 2001 Legislature approved the Governor's amended recommendation to increase transfers from the Commission on Tourism and decrease General Fund appropriations by \$566,821 in FY 2001-02 and \$613,879 in FY 2002-03, totaling \$1.18 million over the biennium.

The Legislature approved the continuation of the position assigned to the Lake Tahoe Environmental Improvement Team. The Legislature concurred with the Governor's amended recommendation to fund the position with a combination of transfers from the Commission on Tourism and accumulated interest from the initial EIP bond issue.

Senate Bill 448, as approved by the 2001 Legislature, appropriates \$500,000 from the General Fund for 14 major park improvement projects throughout the state. Additional transfers from the Commission on Tourism totaling \$1.3 million and various federal funds make up the balance of funding for the projects. Special language was included in the Authorizations Act (S.B. 586) to allow the division to carry forward any unexpended balance of transfers from the Commission on Tourism to FY 2002-03 for park improvements.

TAHOE REGIONAL PLANNING AGENCY (TRPA)

The TRPA was jointly created by the states of Nevada and California and the United States Congress. TRPA leads the cooperative effort to preserve, restore and enhance the environment of the Lake Tahoe region. Under the Bi-State Compact, Nevada and California contribute funding to TRPA on a one-third/two-thirds split. TRPA exercises environmental controls over the water, land, air, wildlife and development of the Lake Tahoe region.

Until the 1999-2001 biennium, Nevada's share of TRPA funding was provided primarily through General Fund appropriations. During the 1999 Session, the Governor recommended, and the Legislature approved, funding TRPA activities entirely through a transfer of emission control revenues collected by the Department of Motor Vehicles and Public Safety. The 1999 Legislature recognized the extraordinary circumstances that led to the expanded use of the emission control transfers and approved the use of the transfers on a one-time basis only. The 2001 Legislature approved the Governor's recommendation to replace emission control revenues with General Fund appropriations as the primary funding source for Nevada's share of TRPA operations during the 2001-03 biennium.

As recommended by the Governor, the 2001 Legislature approved funding for seven new positions during the 2001-03 biennium, primarily to respond to additional demands generated by the Environmental Improvement Plan (EIP). In FY 2001-02, the new positions include one Senior Planner and one Planning Technician for project review; one Associate Planner for environmental compliance; and one new Senior Financial Analyst to manage finance, accounting and budgeting. In FY 2002-03, the new positions include one Senior Engineer, one Associate Engineer and one Planner for project coordination and assistance. The Legislature approved the FY 2002-03 positions contingent upon the state of California providing its required two-thirds match.

In conformance with a 1999 letter of intent, TRPA contracted with an independent consultant who performed a compensation market analysis. The 2001 Legislature consequently approved the Governor's recommendation to provide General Fund appropriations of \$116,554 in each year of the biennium to fund Nevada's share of TRPA salary comparability payments.

The Governor recommended \$200,000 per year in EIP bond interest revenues (\$400,000 for the biennium) as Nevada's share of funding for environmental threshold studies to integrate and expand on the existing science and research element of the EIP. The Executive Budget also included \$400,000 in one-shot funding for TRPA threshold research that duplicated the state's share of funding in the operating budget. The 2001 Legislature approved threshold research funding of \$400,000 for the biennium, funded with a combination of one-shot appropriations and

EIP bond interest revenues. The initial \$400,000 one-shot appropriation in Assembly Bill 511, of the 2001 Legislative Session, was amended to \$200,000 to fund FY 2001-02 costs. The Governor's recommendation for \$200,000 in EIP interest funding in the FY 2001-02 operating budget was eliminated; however, the \$200,000 in interest funding in FY 2002-03 remained as reflected in The Executive Budget.

The Governor's recommended budget did not include cost-of-living adjustments (COLAs) for TRPA. The Legislature added TRPA COLA funding, specifying that the Board of Examiners shall allocate \$48,159 in FY 2001-02 and \$102,200 in FY 2002-03 from the amounts appropriated for salary increases in Assembly Bill 673, the 2001 salary bill, to provide TRPA employees with a four percent COLA in each year of the biennium. The bill states that the amounts transferred must not be utilized to increase an employee's base salary unless the state of California provides the required two-for-one matching money. In addition, any amounts provided to the TRPA, should California not provide matching money, must be utilized as a one-time salary bonus.

COMMISSION FOR THE PRESERVATION OF WILD HORSES

The Commission for the Preservation of Wild Horses was created by the 1985 Legislature to administer the Leo Heil Bequest for the preservation of wild horses in Nevada and operates under the authority of NRS 504.430 through 504.490. The mission of the commission is to serve as an advocate for wild horses through educational, promotional, and habitat programs. The commission participates with federal agencies in the land use planning process to ensure sufficient habitat and viable populations, serving as a clearinghouse for information to the general public and the news media on all aspects of wild horses.

During the 1999 Session, the Legislature approved Assembly Bill 684, which authorized expenditures of up to \$75,000 from the Heil Wild Horse Trust Fund to conduct a feasibility study on the establishment of a private foundation and scope of work that could be accomplished to enhance the adoption program. The study explored the feasibility of establishing a national foundation whose sole purpose would be the marketing aspects of the wild horse program. As a result of the study, The Executive Budget recommended the expenditure of \$400,000 during the 2001-03 biennium from the Heil Bequest for the state's share of funding for establishing a private Wild Horse and Burro Foundation in a joint venture with the Bureau of Land Management (BLM). The foundation would facilitate adoption and removal of wild horses from rangeland through an adoption program, and ultimately be supported by fees and donations. The 2001 Legislature approved the use of funds from the Heil Bequest, but at a reduced amount of \$374,325 to coincide with the budgeted amounts identified in the study. The Legislature also approved Assembly Bill 662, which removed language that would limit the director from authorizing expenditure of funds that would draw the trust fund below \$900,000 unless the money was needed for an emergency.

COLORADO RIVER COMMISSION

The Colorado River Commission (CRC) acquires, manages, and protects Nevada's water and hydropower resources from the Colorado River for the residents of Southern Nevada. The CRC

acquires, develops and disposes of federal land in the Eldorado and Fort Mojave Valleys in accordance with state and federal laws and regulations. The CRC's operations are funded by revenue collected from water and power sales and interest income; there are no General Fund appropriations in the agency's budgets.

The adoption of A.B. 542 by the 1995 Legislature significantly changed the focus and direction of the CRC, and the \$566.9 million budget recommended by the Governor and approved by the 2001 Legislature is reflective of those changes. Specifically, in addition to the commission's ongoing base operations, the legislatively approved budget includes the following:

- C \$900,000, over the biennium, for potential research and development activities involving the Colorado River Basin. Assembly Bill 542 (1995) significantly changed the organizational structure and mandate of the CRC. That legislation transferred the Southern Nevada Water System to the Southern Nevada Water Authority (SNWA), effective January 1, 1996. As a result, the SNWA assumed all liabilities of the state of Nevada and the CRC's authority to represent the state while consulting, negotiating, or entering into agreements concerning river augmentation, water quality, and the operation of federal facilities on the river. The funding authority provided by the 2001 Legislature gives the commission the ability to impose additional administrative charges to finance potential contracts for environmental research and development related studies pursuant to NRS 538.226 (added to Nevada law by the 1995 Legislature in A.B. 542). A.B. 542 assigned the CRC the responsibility of preparing a water administration and operations budget for the water purveyors who directly benefit from the CRC's activities.

- C An additional \$334,990 in revenue and expenditure authority, over the biennium, to cover costs associated with the commission's Colorado River multi-species conservation program; increased travel and operating costs associated with its participation in various other Colorado River Basin issues; contract services for a water consultant; and raw water purchase costs for activities related to the development of a water bank in Arizona. The water bank is the commission's primary plan for developing supplementary water resources for Nevada.

- C The majority of the funding increase from the previous biennium (from \$150.8 million to \$566.9 million) is due to the significant increase in the commission's projected power sales and power purchases (from approximately \$139.9 million to \$554.3 million, or 296.2 percent over the biennium) and is reflected in the commission's power marketing fund and power delivery system budget accounts. These increases are primarily related to the California energy crisis and also strongly attributed to the completion and full power capacity of the commission's power delivery system.

In addition to the funding provided in the commission's budget, the 2001 Legislature approved Senate Bill 211, which expands the CRC authority to sell electricity and provide transmission and distribution service to any political subdivision in Nevada without having to obtain an alternative seller's license from the Public Utilities Commission. The Legislature also

authorized the commission to transfer/redefine 15 key positions that were considered critical to the commission's operations from classified to unclassified status of service.

NEVADA DEPARTMENT OF TRANSPORTATION (NDOT)

The Nevada Department of Transportation is funded through a combination of federal funds, dedicated state highway user revenues, and bond issues. The 2001 Legislature approved funding for FY 2001-02 and FY 2002-03 in the amount of \$601.3 million and \$690.7 million, respectively, representing an overall increase in funding over the 1999-2001 biennium of approximately 47.5 percent. The agency anticipates receiving approximately \$206 million (included in above totals) in federal funds each year of the biennium, which represents an 11.3 percent increase over the previous biennium.

The 2001 Legislature approved The Executive Budget's recommendation to add 24 new positions to meet future transportation needs resulting from the state's increasing highway construction and maintenance needs. In addition, funding for replacement of mobile and operational equipment in the amount of \$12.7 million in FY 2001-02 and \$10.2 million in FY 2002-03 was approved. Approximately \$1.7 million in state Highway Funds in each year of the biennium was approved in the salary bill (Assembly Bill 673) to provide a two-grade salary increase for engineering positions within state government, many of which are Department of Transportation employees. The Legislature also provided the department with the authority to issue \$322.3 million in state highway construction bonds (\$123 million in FY 2001-02 and \$199.3 million in FY 2002-03) to help fund the department's six super projects. Those projects include widening of I-15 between Las Vegas and the California state line; modification and widening of US 95 in North Las Vegas; the freeway extension (I-580/US 395) to the state capital; the Hoover Dam bypass (US 93); modification and expansion of US 93 through Boulder City; and phase II of the Carson bypass (US 395). Between FY 2000-01 and FY 2004-05, the department plans to issue a total of \$618.3 million in bonds in support of these projects. The budget also provides \$4.9 million in FY 2001-02 and \$6.3 million in FY 2002-03 to support the department's ongoing maintenance of its buildings and grounds.

In addition to the amounts included in the department's budget, Assembly Bill 175, as approved by the 2001 Legislature, adds \$500,000 to the department's budget to establish and maintain an emergency system of call boxes located on Interstate Highway 15 from the boundary of the state of California to Lake Mead Drive in Clark County, Nevada.

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
INFRASTRUCTURE					
CONSERVATION & NATURAL RESOURCES					
CNR ADMINISTRATION	1,156,902	1,609,562	1,544,078	1,681,619	1,589,957
GENERAL FUND	1,140,770	1,575,044	1,508,007	1,645,394	1,551,244
BALANCE FORWARD	1,763			1,400	1,400
INTER AGENCY TRANSFER	10,732	32,718	34,271	33,025	35,513
OTHER FUND	3,637	1,800	1,800	1,800	1,800
NEVADA NATURAL HERITAGE	500,931	515,983	453,083	527,946	473,435
GENERAL FUND	72,901	77,116	60,840	77,441	73,418
BALANCE FORWARD	12,977	63,231	12,025	59,394	
FEDERAL FUND	184,351	124,266	138,120	127,555	143,440
INTER AGENCY TRANSFER	223,295	243,098	233,826	255,284	248,305
OTHER FUND	7,407	8,272	8,272	8,272	8,272
NEVADA TAHOE REGIONAL PLANNING AGE	13,720	11,493	10,473	13,347	10,473
GENERAL FUND		1,493	473	3,347	473
INTER AGENCY TRANSFER	3,720				
OTHER FUND	10,000	10,000	10,000	10,000	10,000
ENVIRONMENTAL PROTECTION ADMINISTF	2,611,814	2,757,823	2,721,987	2,639,149	2,596,798
BALANCE FORWARD	381,265	611,622	611,622	478,944	463,559
INTER AGENCY TRANSFER	2,230,549	2,146,201	2,110,365	2,160,205	2,133,239
STATE ENVIRONMENTAL COMMISSION	32,675	39,486	39,482	39,489	39,485
INTER AGENCY TRANSFER	32,675	39,486	39,482	39,489	39,485
DEP AIR QUALITY	3,137,447	3,094,417	3,184,616	3,001,067	3,265,890
BALANCE FORWARD	174,927	187,111	150,646	62,510	200,669
FEDERAL FUND	607,597	552,000	598,864	552,000	598,864
INTER AGENCY TRANSFER	2,354,923	2,355,306	2,435,106	2,386,557	2,466,357
DEP WATER PROGRAMS	7,733,770	6,851,854	6,669,067	6,807,948	6,571,676
GENERAL FUND	327,321	408,536	366,372	424,917	368,221
BALANCE FORWARD	386,934	459,297	459,297	372,660	468,577
FEDERAL FUND	4,515,652	3,520,292	3,522,109	3,516,262	3,509,747
INTER AGENCY TRANSFER	924,483	1,140,953	997,181	1,140,962	877,480
OTHER FUND	1,579,380	1,322,776	1,324,108	1,353,147	1,347,651
DEP WASTE MGMT AND FEDERAL FACILITI	9,440,700	9,651,404	9,652,808	9,482,516	9,589,375
BALANCE FORWARD	646,476	1,200,654	1,200,654	424,694	579,759
FEDERAL FUND	3,084,632	3,106,759	3,107,081	3,138,532	3,123,791
INTER AGENCY TRANSFER	4,260,209	3,714,589	3,715,541	4,251,935	4,223,752
OTHER FUND	1,449,383	1,629,402	1,629,532	1,667,355	1,662,073

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
CONSERVATION & NATURAL RESOURCES					
TAHOE REGIONAL PLANNING AGENCY	6,391,987	7,546,305	7,342,315	8,038,059	8,036,079
GENERAL FUND		1,518,922	1,514,932	1,515,373	1,513,393
FEDERAL FUND	1,300,000	1,325,000	1,325,000	1,350,000	1,350,000
INTER AGENCY TRANSFER	1,395,135	72,000	72,000	72,000	72,000
OTHER FUND	3,696,852	4,630,383	4,430,383	5,100,686	5,100,686
DIVISION OF CONSERVATION DISTRICTS	334,299	336,031	329,077	343,479	334,256
GENERAL FUND	303,748	320,460	313,498	327,905	318,620
BALANCE FORWARD	165				
INTER AGENCY TRANSFER	28,551	13,571	13,579	13,574	13,636
OTHER FUND	1,835	2,000	2,000	2,000	2,000
STATE PARKS	8,950,287	9,335,300	10,172,542	9,705,794	9,075,054
GENERAL FUND	3,832,859	4,407,762	3,378,312	4,676,568	3,423,917
BALANCE FORWARD	1,176,758				
FEDERAL FUND	176,309	30,517	67,044	30,519	69,767
INTER AGENCY TRANSFER	454,924	300,694	2,130,802	312,307	926,186
OTHER FUND	3,309,437	4,596,327	4,596,384	4,686,400	4,655,184
STATE LANDS	1,189,804	1,282,261	1,225,760	1,329,661	1,244,163
GENERAL FUND	972,937	1,120,003	1,064,072	1,167,276	1,081,575
INTER AGENCY TRANSFER	195,861	139,915	139,345	140,042	140,245
OTHER FUND	21,006	22,343	22,343	22,343	22,343
FORESTRY	4,387,264	4,315,579	4,199,258	4,456,510	4,257,855
GENERAL FUND	2,683,542	2,865,645	2,746,135	3,013,030	2,803,399
BALANCE FORWARD	309,671				
FEDERAL FUND	788,714	743,284	743,284	741,476	741,476
INTER AGENCY TRANSFER	125,557	127,953	131,142	123,307	134,283
OTHER FUND	479,780	578,697	578,697	578,697	578,697
FOREST FIRE SUPPRESSION	8,117,175	5,012,346	5,012,346	5,012,582	5,012,582
GENERAL FUND	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
BALANCE FORWARD	608,046				
INTER AGENCY TRANSFER	1,500,000				
OTHER FUND	5,009,129	4,012,346	4,012,346	4,012,582	4,012,582
FORESTRY NURSERIES	533,302	464,721	467,204	433,756	439,347
BALANCE FORWARD	278,396	101,940	101,940	77,575	80,776
FEDERAL FUND	19,000	34,907	34,907	34,907	34,907
INTER AGENCY TRANSFER	6,265				
OTHER FUND	229,641	327,874	330,357	321,274	323,664
FORESTRY HONOR CAMPS	7,088,296	7,146,600	6,741,741	7,425,142	6,841,253
GENERAL FUND	5,542,424	5,467,229	4,647,620	5,745,771	4,745,457
OTHER FUND	1,545,872	1,679,371	2,094,121	1,679,371	2,095,796

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
CONSERVATION & NATURAL RESOURCES					
WATER RESOURCES	3,887,376	4,687,355	4,290,631	4,924,860	4,342,915
GENERAL FUND	3,664,852	4,387,038	3,984,994	4,624,543	4,037,131
BALANCE FORWARD	29,391				
FEDERAL FUND	48,292	201,166	204,893	201,166	204,996
OTHER FUND	144,841	99,151	100,744	99,151	100,788
WATER PLANNING	1,029,074				
GENERAL FUND	654,419				
BALANCE FORWARD	21,696				
FEDERAL FUND	350,624				
OTHER FUND	2,335				
WATER PLANNING CAP IMPROVEMENT	144,575	197,930	191,681	177,175	177,737
BALANCE FORWARD		47,625	47,625	33,580	34,142
INTER AGENCY TRANSFER	140,568	148,949	142,700	142,239	142,239
OTHER FUND	4,007	1,356	1,356	1,356	1,356
HEIL WILD HORSE BEQUEST	1,207,327	1,194,907	1,194,907	931,393	975,788
BALANCE FORWARD	1,130,152	1,128,625	1,128,625	865,111	909,506
FEDERAL FUND	2,352				
OTHER FUND	74,823	66,282	66,282	66,282	66,282
WILDLIFE	23,470,456	23,321,957	23,992,587	21,958,541	22,947,231
GENERAL FUND	698,946	720,034	697,396	731,362	699,071
BALANCE FORWARD	5,722,266	3,728,669	3,728,669	2,288,080	2,764,821
FEDERAL FUND	7,339,348	7,369,991	7,514,185	7,265,056	7,240,877
INTER AGENCY TRANSFER	3,151,941	3,640,877	3,646,251	3,547,173	3,554,246
OTHER FUND	6,557,955	7,862,386	8,406,086	8,126,870	8,688,216
CNR FORESTRY INTER-GORVERNMENTAL	8,344,348		8,408,192		8,613,915
BALANCE FORWARD	1,899,905		1,919,492		2,125,215
FEDERAL FUND	68,000				
OTHER FUND	6,376,443		6,488,700		6,488,700
WILDLIFE OBLIGATED RESERVE	3,589,174	2,646,797	2,443,222	2,774,419	2,408,470
BALANCE FORWARD	1,533,880	472,013	472,013	645,420	471,294
FEDERAL FUND	1,096,782	1,316,145	1,086,551	1,286,916	1,053,008
INTER AGENCY TRANSFER		170,286	170,286	170,286	170,286
OTHER FUND	958,512	688,353	714,372	671,797	713,882
WILDLIFE - BOATING PROGRAM	7,691,746	6,146,138	6,146,138	5,802,629	5,947,687
BALANCE FORWARD	2,405,072	1,070,943	1,070,943	642,613	787,671
FEDERAL FUND	1,934,480	1,801,158	1,801,158	1,820,658	1,820,658
OTHER FUND	3,352,194	3,274,037	3,274,037	3,339,358	3,339,358
WILDLIFE ACCOUNT - TROUT MANAGEMEN	715,416	681,480	681,480	1,011,107	1,011,107
BALANCE FORWARD	295,977	251,853	251,853	581,480	581,480
OTHER FUND	419,439	429,627	429,627	429,627	429,627

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
CONSERVATION & NATURAL RESOURCES					
DEP MINING REGULATION/RECLAMATION	3,136,366	3,040,572	3,038,483	2,835,522	2,850,924
BALANCE FORWARD	1,463,520	1,132,564	1,132,564	852,773	872,737
OTHER FUND	1,672,846	1,908,008	1,905,919	1,982,749	1,978,187
SUB-FUNCTION RECAP					
CONSERVATION & NATURAL RESOURCE!	114,836,231	101,888,301	110,153,158	101,353,710	108,653,452
GENERAL FUND	20,894,719	23,869,282	21,282,651	24,952,927	21,615,919
BALANCE FORWARD	18,479,237	10,456,147	12,287,968	7,386,234	10,341,606
FEDERAL FUND	21,516,133	20,125,485	20,143,196	20,065,047	19,891,531
INTER AGENCY TRANSFER	17,039,388	14,286,596	16,011,877	14,788,385	15,177,252
OTHER FUND	36,906,754	33,150,791	40,427,466	34,161,117	41,627,144
DEPARTMENT OF TRANSPORTATION					
TRANSPORTATION ADMINISTRATION	559,467,137	609,675,424	601,281,433	701,388,671	690,723,859
BALANCE FORWARD	1,543,523				
FEDERAL FUND	185,942,366	206,860,957	205,991,847	206,860,957	205,991,847
HIGHWAY FUND	369,907,897	277,829,504	271,041,806	293,232,751	284,171,978
INTER AGENCY TRANSFER	2,023,351	1,934,963	1,247,780	1,934,963	1,250,034
OTHER FUND	50,000	123,050,000	123,000,000	199,360,000	199,310,000
SUB-FUNCTION RECAP					
DEPARTMENT OF TRANSPORTATION	559,467,137	609,675,424	601,281,433	701,388,671	690,723,859
BALANCE FORWARD	1,543,523				
FEDERAL FUND	185,942,366	206,860,957	205,991,847	206,860,957	205,991,847
HIGHWAY FUND	369,907,897	277,829,504	271,041,806	293,232,751	284,171,978
INTER AGENCY TRANSFER	2,023,351	1,934,963	1,247,780	1,934,963	1,250,034
OTHER FUND	50,000	123,050,000	123,000,000	199,360,000	199,310,000

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
INFRASTRUCTURE					
COLORADO RIVER COMMISSION					
COLORADO RIVER COMMISSION	4,940,490	4,668,057	4,821,367	4,294,902	4,003,032
BALANCE FORWARD	1,021,884	1,155,624	1,740,624	781,450	923,169
INTER AGENCY TRANSFER	1,165,647	1,151,044	766,647	1,145,508	761,111
OTHER FUND	2,752,959	2,361,389	2,314,096	2,367,944	2,318,752
CRC RESEARCH AND DEVELOPMENT	549,377	736,296	736,296	753,219	753,219
BALANCE FORWARD	303,315	314,544	314,544	331,467	331,467
OTHER FUND	246,062	421,752	421,752	421,752	421,752
POWER DELIVERY SYSTEM	35,892,840	77,048,575	77,048,575	87,724,415	87,724,415
BALANCE FORWARD	47,491	47,491	47,491	236,707	236,707
OTHER FUND	35,845,349	77,001,084	77,001,084	87,487,708	87,487,708
FORT MOHAVE DEVELOPMENT FUND	1,640,796	1,712,327	1,712,327	581,331	581,331
BALANCE FORWARD	1,532,935	1,595,423	1,595,423	464,427	464,427
OTHER FUND	107,861	116,904	116,904	116,904	116,904
POWER MARKETING FUND	61,105,961	178,448,161	178,448,161	211,102,539	211,102,539
BALANCE FORWARD	1,811,730	2,793,961	2,793,961	1,447,815	1,447,815
OTHER FUND	59,294,231	175,654,200	175,654,200	209,654,724	209,654,724
SUB-FUNCTION RECAP					
COLORADO RIVER COMMISSION	104,129,464	262,613,416	262,766,726	304,456,406	304,164,536
BALANCE FORWARD	4,717,355	5,907,043	6,492,043	3,261,866	3,403,585
INTER AGENCY TRANSFER	1,165,647	1,151,044	766,647	1,145,508	761,111
OTHER FUND	98,246,462	255,555,329	255,508,036	300,049,032	299,999,840

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
INFRASTRUCTURE					
INFRASTRUCTURE					
GENERAL FUND	20,894,719	23,869,282	21,282,651	24,952,927	21,615,919
BALANCE FORWARD	24,740,115	16,363,190	18,780,011	10,648,100	13,745,191
FEDERAL FUND	207,458,499	226,986,442	226,135,043	226,926,004	225,883,378
HIGHWAY FUND	369,907,897	277,829,504	271,041,806	293,232,751	284,171,978
INTER AGENCY TRANSFER	20,228,386	17,372,603	18,026,304	17,868,856	17,188,397
OTHER FUND	135,203,216	411,756,120	418,935,502	533,570,149	540,936,984
TOTAL INFRASTRUCTURE	778,432,832	974,177,141	974,201,317	1,107,198,787	1,103,541,847
LESS: INTER AGENCY TRANSFER	20,228,386	17,372,603	18,026,304	17,868,856	17,188,397
NET-INFRASTRUCTURE	758,204,446	956,804,538	956,175,013	1,089,329,931	1,086,353,450



SPECIAL PURPOSE AGENCIES

SPECIAL PURPOSE AGENCIES

Special purpose agencies have a specialized function or 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 government; the Public Employees' Benefits program; the Office of the Military; and the Office of Veterans' Services.

The function is mostly supported through inter-agency transfers. The 2001 Legislature approved General Fund appropriations for special purpose agencies totaling approximately \$13.4 million over the 2001-03 biennium.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

The Public Employees' Retirement System (PERS) provides retirement, disability and death benefits to long-term public employees. The PERS includes employees of Nevada counties, cities, school districts, state government and miscellaneous public employers. The Retirement System's budget is not subject to the State Budget Act or review by the Budget Division, but is included in The Executive Budget for review by the Legislature. A budget of \$8.2 million in FY 2001-02 and \$6.5 million in FY 2002-03 was approved by the Legislature and includes five new positions in the first year of the biennium and four new positions in the second year.

The 2001 Legislature approved Senate Bill 349, which provides an increase in the service credit earned by public employees from 2.5 percent per year of service to 2.67 percent for each year of service. The bill also provides that police/fire members can retire at any age with 25 years of service and allows unmarried members of PERS to designate a survivor beneficiary. The Legislature also approved Assembly Bill 555, which allows retired PERS members to work for a public employer while also receiving retirement benefits if it is determined that a critical labor shortage exists. Various organizations are responsible for designating positions where a critical labor shortage exists, including the Department of Education for positions within the various school districts, the Board of Regents for positions within UCCSN, the Supreme Court for positions in the Judicial Branch, and the Board of Examiners for positions in the Executive Branch of state government.

OFFICE OF THE MILITARY

The Office of the Military is responsible for the supervision of the military affairs of the state, which include both state and federal roles. The state's primary mission is to respond to state emergency situations such as civil or national disasters. The primary federal mission is to provide combat-ready reserve forces for the United States Armed Forces. The department consists of three major units: the Army National Guard, the Air National Guard, and the Office of the Adjutant General.

The 2001 Legislature approved the 2001-03 budget for the Office of the Military as recommended by the Governor with few modifications or adjustments. Funding included carry-over funding authority for the addition of three maintenance and grounds-keeping personnel that were approved by the 1999 Legislature. The new positions were approved to

accommodate the Nevada National Guard's increased maintenance needs associated with its move to the new Nevada Guard Readiness Center, which was scheduled to be completed in the fourth quarter of FY 2000-01 and is now anticipated to be completed and ready for occupancy in the first quarter of FY 2001-02. The Legislature also approved \$114,497 (\$55,549 in FY 2001-02 and \$58,948 in FY 2002-03) to fund the continuation of an Environmental Scientist position originally approved by the Interim Finance Committee on December 4, 2000. Authority for the new position was granted by the IFC to provide the agency with the resources to meet Clark County air pollution regulations set by the Clark County District Board of Health, and to meet Nevada underground injection control regulations.

The Legislature also provided \$102,028 in FY 2001-02 (\$43,876 in General Fund and \$58,152 in federal funds) and \$220,203 in FY 2002-03 (\$94,695 in General Fund and \$125,508 in federal funds) in additional funding to cover significant increases in projected utility costs that were not included in the Governor's recommended budget.

NATIONAL GUARD BENEFITS

The 1997 Legislature approved increased funding for the National Guard Benefits program, which is used to encourage recruitment and retention of members of the Air and Army Guard by authorizing payment of up to 50 percent of the credit-hour costs of the University and Community College System for guard members enrolled in college courses. The 1999 Legislature approved Senate Bill 292, which authorized the Guard to increase its reimbursement of qualifying education costs up to 100 percent of credit-hour costs. The 2001 Legislature approved continued funding for the National Guard Benefits program at the 1999 approved levels of \$100,000 per year, as recommended by the Governor.

OFFICE OF VETERANS' SERVICES

The Office of Veterans' Services is responsible for helping veterans and their families obtain services, compensation, and government benefits to which they are entitled. In addition, the office is responsible for managing the funds of veterans who the courts have declared unable to handle their own financial matters. It is also responsible for supervising the operation and maintenance of two state veterans' memorial cemeteries and for developing and establishing state veterans' homes in Nevada. The Nevada Veterans' Services Commission, which consists of nine members, advises the Executive Director and the Deputy Executive Director of the Office of Veterans' Services.

The 2001 Legislature approved the Governor's recommendation to continue three new positions that were approved by the Interim Finance Committee as temporary positions. The three positions were approved for the Southern Nevada Veterans' Cemetery in Boulder City. The positions include two Grounds Equipment Operators, needed to maintain the eight new acres of burial space that have been added to the cemetery, and a Management Assistant, needed to serve as a receptionist at the new Veterans' Chapel. The Legislature also approved funding for janitorial services and electricity for the new chapel and funding for water and fertilizer for the additional acreage at the cemetery. The Legislature also approved \$78,415 in FY 2001-02 and \$43,725 in FY 2002-03 for replacement equipment at the Office of Veterans' Services and the two state veterans' cemeteries.

SOUTHERN NEVADA VETERANS' HOME

Through the enactment of S.B. 327, the 1997 Legislature required the Executive Director for Veterans' Affairs to maintain and operate a veterans' home in Nevada. The legislation required that the first home operated by the state be established at a location in southern Nevada determined to be appropriate by the Interim Finance Committee. The 1997 Legislature also approved \$19,376,977 for the construction of the first 180 beds of the Veterans' Home (CIP 07-C16). The federal government was to provide \$12,595,035 of the funding, and the remaining \$6,781,942 was to be provided through a General Fund appropriation. Funding for the project has since been increased to \$21,229,747, plus in-kind offsite work valued at approximately \$281,000. In addition to the increased funding for the 1997 CIP project, the 2001 Legislature also approved the Governor's recommendation for an additional \$1,060,438 in state funds to complete the Veterans' Home (CIP 01-C8).

The 2001 Legislature authorized operating expenditures totaling \$9.9 million in FY 2001-02 and \$10.4 million in FY 2002-03 for the Veterans' Home, which is expected to open in the fall of 2001. The Governor had recommended operating costs totaling \$10.2 million in FY 2001-02 and \$10.7 million in FY 2002-03. The Legislature significantly revised the revenue projections that were included in The Executive Budget based on new projections provided by the Office of Veterans' Services. The home will not accept Medicaid residents until January 2002. Once Medicaid residents are accepted to the home, the major revenue sources will include Medicaid reimbursements, resident co-payments, reimbursements from the Federal Veterans' Administration, and a General Fund appropriation. The 2001 Legislature approved General Fund appropriations totaling \$3.96 million in FY 2001-02 and \$3.47 million in FY 2002-03.

PUBLIC EMPLOYEES' BENEFITS PROGRAM

The 1999 Legislature created the Public Employees' Benefits Program to provide health care, life insurance, accidental death and dismemberment coverage, and other optional insurance coverage (vehicle, home, and long-term disability) to state employees, retirees and local government employees. Direction and oversight are provided by a Board of the Public Employees' Benefits Program, consisting of nine members appointed by the Governor until July 1, 2003. The board will be reduced to seven members effective July 1, 2003.

The 2001 Legislature approved the state contribution amounts for employee health and insurance benefits as recommended in The Executive Budget. The contribution levels will decrease by approximately 3 percent in FY 2001-02 over FY 2000-01 and increase by approximately 7.6 percent in FY 2002-03 above FY 2001-02. These adjustments will result in monthly state contributions per employee of \$357.50 and \$384.50 for the first and second years of the 2001-03 biennium, respectively. The state contribution rates for active employees for the 1999-2001 biennium are compared with the 2001-03 biennium in the following table:

	FY 1999-2000 ACTUAL	FY 2000-01 ACTUAL	FY 2001-02 LEG. APPR	FY 2002-03 LEG. APPR
Active Employee Rate	\$327.20	\$368.75	\$357.50	\$384.50
% Change	23.7%	12.7%	(3.1%)	7.6%

During the 2001 Legislative Session, the Public Employees' Benefits Program revised its projections of claims expenses based on calendar year 2000 actual costs. After adjusting for increases in medical costs for FY 2000-01 (vision and dental 8 percent, medical 6 percent, and prescription drugs 22.5 percent), The Segal Company, actuary for the Public Employees' Benefits Program, recommended an inflationary rate of 8 percent each year for FY 2001-02 and FY 2002-03 for vision and dental costs; 10 percent per year for medical costs; and 20 percent per year for prescription costs. The inflationary rates recommended are consistent with national trend projections and were approved by the Legislature. Medical claims costs, based on the revised budget, were projected to reach \$104,819,621 in FY 2001-02 and \$117,820,562 in FY 2002-03. The total Public Employees' Benefits Program budget amounts to \$345.7 million for the 2001-03 biennium compared to \$296.0 million for the 1999-2001 biennium, an increase of approximately 16.8 percent.

Letters of intent from the money committees set forth the following requirements for the Public Employees' Benefits Program:

- Provide to each participant, annually, specific information on the actual cost of each premium charged in the previous year by an insurer for the coverage selected by the employee, along with a detailed explanation of how premium and state subsidy amounts are utilized by the Public Employees' Benefits Program.
- Employee monthly contribution rates for the insured's portion of health insurance coverage are to be set uniformly across all tiers of a given HMO or the self-funded plan so that each insured contributes an equal amount toward dependent and retiree subsidies.
- A report on the financial stability of the health plan is to be provided to the Interim Finance Committee and to the Interim Retirement and Benefits Committee after the close of FY 2000-01 and FY 2001-02, and after the end of the second quarter of FY 2001-02 and FY 2002-03.
- The Public Employees' Benefits Program is to continue to evaluate and eliminate, if economically feasible, the benefit reductions associated with the Medicare carve-out and the Medicare integration methodology.

RETIRED EMPLOYEE GROUP INSURANCE

The Retired Employee Group Insurance 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. The assessments are used to pay the state's contribution (subsidy) to retiree group insurance.

The difference between the total premium for coverage and the state subsidy amount is the portion of the total insurance premium that is paid by the participant. The Governor recommended, and the Legislature approved, automatically collecting the payroll assessment in its entirety on the 4th pay period of each fiscal year during the 2001-03 biennium to ensure sufficient assessments are collected to cover the costs of retiree subsidies. The agency assessments support retirees' monthly base premium payments of \$202.34 in FY 2001-02 and \$217.84 in FY 2002-03.

The Governor recommended the transfer and consolidation of the Retired Employee Group Insurance budget with the Public Employees' Benefits Program budget. Because the retiree account requires very little effort to maintain and allows for easy tracking of costs associated with retirees, the Legislature instead chose to continue maintaining the Retired Employee Group Insurance budget separately from the Public Employees' Benefits Program budget.

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
SPECIAL PURPOSE AGENCIES					
OFFICE OF MILITARY					
MILITARY	4,978,889	5,229,265	5,257,685	5,404,436	5,512,153
GENERAL FUND	1,777,343	1,988,659	1,945,864	2,067,265	2,028,949
FEDERAL FUND	3,158,243	3,147,807	3,219,022	3,244,372	3,390,405
INTER AGENCY TRANSFER	43,303	92,799	92,799	92,799	92,799
ADJUTANT GENERAL CONSTRUCTION FUN	5,289,023	113,276	113,276	82,714	82,471
BALANCE FORWARD	28,601	28,601	28,601	31,377	31,134
FEDERAL FUND	5,252,596	72,675	72,675	39,337	39,337
OTHER FUND	7,826	12,000	12,000	12,000	12,000
NATIONAL GUARD BENEFITS	95,782	95,441	95,441	95,441	95,441
GENERAL FUND	95,782	95,441	95,441	95,441	95,441
SUB-FUNCTION RECAP					
OFFICE OF MILITARY	10,363,694	5,437,982	5,466,402	5,582,591	5,690,065
GENERAL FUND	1,873,125	2,084,100	2,041,305	2,162,706	2,124,390
BALANCE FORWARD	28,601	28,601	28,601	31,377	31,134
FEDERAL FUND	8,410,839	3,220,482	3,291,697	3,283,709	3,429,742
INTER AGENCY TRANSFER	43,303	92,799	92,799	92,799	92,799
OTHER FUND	7,826	12,000	12,000	12,000	12,000

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
SPECIAL PURPOSE AGENCIES					
VETERANS AFFAIRS					
COMMISSIONER FOR VETERANS AFFAIRS	1,153,026	1,352,681	1,278,029	1,353,972	1,278,027
GENERAL FUND	743,044	961,057	886,405	933,798	857,853
OTHER FUND	409,982	391,624	391,624	420,174	420,174
VETERANS HOME ACCOUNT	8,558,121	10,201,611	9,960,701	10,670,699	10,438,757
GENERAL FUND	2,648,283	4,043,633	3,958,025	3,702,561	3,470,619
BALANCE FORWARD	20,954				
FEDERAL FUND	2,581,837	2,700,533	2,908,594	3,105,613	3,283,907
INTER AGENCY TRANSFER	722,494	719,992	830,886	719,992	2,698,956
OTHER FUND	2,584,553	2,737,453	2,263,196	3,142,533	985,275
SUB-FUNCTION RECAP					
VETERANS AFFAIRS	9,711,147	11,554,292	11,238,730	12,024,671	11,716,784
GENERAL FUND	3,391,327	5,004,690	4,844,430	4,636,359	4,328,472
BALANCE FORWARD	20,954				
FEDERAL FUND	2,581,837	2,700,533	2,908,594	3,105,613	3,283,907
INTER AGENCY TRANSFER	722,494	719,992	830,886	719,992	2,698,956
OTHER FUND	2,994,535	3,129,077	2,654,820	3,562,707	1,405,449
PUBLIC EMPLOYEES RETIREMENT SYSTEM					
PUBLIC EMPLOYEES RETIREMENT SYSTEM	7,314,949	7,997,247	8,209,455	6,472,395	6,551,387
GENERAL FUND			85,686		
BALANCE FORWARD	200,000	200,000	200,000	200,000	200,000
INTER AGENCY TRANSFER	39,683	14,668	14,668	14,668	14,668
OTHER FUND	7,075,266	7,782,579	7,909,101	6,257,727	6,336,719
SUB-FUNCTION RECAP					
PUBLIC EMPLOYEES RETIREMENT SYSTE	7,314,949	7,997,247	8,209,455	6,472,395	6,551,387
GENERAL FUND			85,686		
BALANCE FORWARD	200,000	200,000	200,000	200,000	200,000
INTER AGENCY TRANSFER	39,683	14,668	14,668	14,668	14,668
OTHER FUND	7,075,266	7,782,579	7,909,101	6,257,727	6,336,719

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
SPECIAL PURPOSE AGENCIES					
PUBLIC EMPLOYEES HEALTH PROGRAM					
PUBLIC EMPLOYEES BENEFITS PROGRAM	159,682,765	158,421,688	164,236,758	174,143,234	181,449,401
BALANCE FORWARD	12,452,212	16,806,788	20,727,887	18,328,610	21,583,186
INTER AGENCY TRANSFER	145,336,739	139,836,110	141,730,081	153,840,515	157,892,106
OTHER FUND	1,893,814	1,778,790	1,778,790	1,974,109	1,974,109
RETIRED EMPLOYEE GROUP INSURANCE	11,945,238		13,947,905		14,067,246
BALANCE FORWARD	355,980		378,901		301,822
INTER AGENCY TRANSFER	11,589,258		13,569,004		13,765,424
SUB-FUNCTION RECAP					
PUBLIC EMPLOYEES HEALTH PROGRAM	171,628,003	158,421,688	178,184,663	174,143,234	195,516,647
BALANCE FORWARD	12,808,192	16,806,788	21,106,788	18,328,610	21,885,008
INTER AGENCY TRANSFER	156,925,997	139,836,110	155,299,085	153,840,515	171,657,530
OTHER FUND	1,893,814	1,778,790	1,778,790	1,974,109	1,974,109

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
SPECIAL PURPOSE AGENCIES					
PEACE OFFICERS STANDARDS & TRAINING					
PEACE OFFICERS STANDARDS & TRAINING	2,324,146	2,249,737	2,270,093	2,278,191	2,285,954
BALANCE FORWARD	209,078	209,807	209,807	209,807	197,214
FEDERAL FUND	1,082,107	1,020,145	1,040,774	1,020,939	1,041,568
INTER AGENCY TRANSFER	56,450				
OTHER FUND	976,511	1,019,785	1,019,512	1,047,445	1,047,172
SUB-FUNCTION RECAP					
PEACE OFFICERS STANDARDS & TRAINING	2,324,146	2,249,737	2,270,093	2,278,191	2,285,954
BALANCE FORWARD	209,078	209,807	209,807	209,807	197,214
FEDERAL FUND	1,082,107	1,020,145	1,040,774	1,020,939	1,041,568
INTER AGENCY TRANSFER	56,450				
OTHER FUND	976,511	1,019,785	1,019,512	1,047,445	1,047,172

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2001 Legislature

	2000 - 01 Work Program	2001 - 02 Governor Recommended	2001 - 02 Legislature Approved	2002 - 03 Governor Recommended	2002 - 03 Legislature Approved
SPECIAL PURPOSE AGENCIES					
SPECIAL PURPOSE AGENCIES					
GENERAL FUND	5,264,452	7,088,790	6,971,421	6,799,065	6,452,862
BALANCE FORWARD	13,266,825	17,245,196	21,545,196	18,769,794	22,313,356
FEDERAL FUND	12,074,783	6,941,160	7,241,065	7,410,261	7,755,217
INTER AGENCY TRANSFER	157,787,927	140,663,569	156,237,438	154,667,974	174,463,953
OTHER FUND	12,947,952	13,722,231	13,374,223	12,853,988	10,775,449
TOTAL SPECIAL PURPOSE AGE	201,341,939	185,660,946	205,369,343	200,501,082	221,760,837
LESS: INTER AGENCY TRANSFER	157,787,927	140,663,569	156,237,438	154,667,974	174,463,953
NET-SPECIAL PURPOSE AGENC	43,554,012	44,997,377	49,131,905	45,833,108	47,296,884