

SENATE BILL NO. 506—COMMITTEE ON FINANCE
(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 23, 2015

Referred to Committee on Finance

SUMMARY—Revises provisions relating to state financial administration. (BDR S-1207)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to state financial administration; requiring the transfer of certain money to the State General Fund; revising various provisions relating to the authority for such transfers; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 **Sections 1-25** of this bill provide for the transfer of money in various accounts
2 and funds for unrestricted State General Fund use to offset the difference between
3 projected revenues and collections and to be used only as necessary to meet
4 existing and future obligations of the State. **Sections 26-34** of this bill specifically
5 authorize such transfers in provisions in existing law.

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

- 1 **Section 1.** (Deleted by amendment.)
2 **Sec. 2.** The State Controller shall transfer the sum of
3 \$19,680,774 from the account created pursuant to paragraph (a) of
4 subsection 1 of NRS 598.0975 to Budget Account 101-9081,
5 Budget Reserve, for unrestricted State General Fund use to offset
6 the difference between projected revenues and collections and to be
7 used only as necessary to meet existing and future obligations of the
8 State.
9 **Sec. 3.** (Deleted by amendment.)



1 **Sec. 4.** The State Controller shall transfer the sum of \$300,000
2 from money deposited in the Secretary of State's Operating General
3 Fund Budget Account pursuant to NRS 90.851 to Budget Account
4 101-9081, Budget Reserve, for unrestricted State General Fund use
5 to offset the difference between projected revenues and collections
6 and to be used only as necessary to meet existing and future
7 obligations of the State.

8 **Sec. 5.** (Deleted by amendment.)

9 **Sec. 6.** The State Controller shall transfer the sum of
10 \$7,000,000 from the Catalyst Account created by NRS 231.1573 to
11 Budget Account 101-9081, Budget Reserve, for unrestricted State
12 General Fund use to offset the difference between projected
13 revenues and collections and to be used only as necessary to meet
14 existing and future obligations of the State.

15 **Sec. 7.** The State Controller shall transfer the sum of
16 \$4,000,000 from the Knowledge Account created by NRS 231.1592
17 to Budget Account 101-9081, Budget Reserve, for unrestricted State
18 General Fund use to offset the difference between projected
19 revenues and collections and to be used only as necessary to meet
20 existing and future obligations of the State.

21 **Sec. 8.** The State Controller shall transfer the sum of
22 \$2,000,000 from the Disaster Relief Account created by NRS
23 353.2735 to Budget Account 101-9081, Budget Reserve, for
24 unrestricted State General Fund use to offset the difference between
25 projected revenues and collections and to be used only as necessary
26 to meet existing and future obligations of the State.

27 **Sec. 9.** The State Controller shall transfer the sum of
28 \$1,662,010 from the account created pursuant to subsection 2 of
29 NRS 231.360 to Budget Account 101-9081, Budget Reserve, for
30 unrestricted State General Fund use to offset the difference between
31 projected revenues and collections and to be used only as necessary
32 to meet existing and future obligations of the State.

33 **Sec. 10.** The State Controller shall transfer the sum of
34 \$573,449 from the Account for Programs for Innovation and the
35 Prevention of Remediation created by NRS 387.031 to Budget
36 Account 101-9081, Budget Reserve, for unrestricted State General
37 Fund use to offset the difference between projected revenues and
38 collections and to be used only as necessary to meet existing and
39 future obligations of the State.

40 **Sec. 11.** The State Controller shall transfer the sum of
41 \$4,500,000 from the Grant Fund for Incentives for Licensed
42 Educational Personnel created by NRS 391.166 to Budget Account
43 101-9081, Budget Reserve, for unrestricted State General Fund use
44 to offset the difference between projected revenues and collections



1 and to be used only as necessary to meet existing and future
2 obligations of the State.

3 **Sec. 12.** The State Controller shall transfer the sum of
4 \$400,000 from the Account for Charter Schools created by NRS
5 386.576 to Budget Account 101-9081, Budget Reserve, for
6 unrestricted State General Fund use to offset the difference between
7 projected revenues and collections and to be used only as necessary
8 to meet existing and future obligations of the State.

9 **Sec. 13.** The State Controller shall transfer the sum of
10 \$216,260 from the Revolving Account to Support Programs for the
11 Prevention and Treatment of Problem Gambling created by NRS
12 458A.090 to Budget Account 101-9081, Budget Reserve, for
13 unrestricted State General Fund use to offset the difference between
14 projected revenues and collections and to be used only as necessary
15 to meet existing and future obligations of the State.

16 **Sec. 14.** (Deleted by amendment.)

17 **Sec. 15.** (Deleted by amendment.)

18 **Sec. 16.** The State Controller shall transfer the sum of
19 \$500,000 from the Fund for the Care of Sites for the Disposal of
20 Radioactive Waste created by NRS 459.231 to Budget Account 101-
21 9081, Budget Reserve, for unrestricted State General Fund use to
22 offset the difference between projected revenues and collections and
23 to be used only as necessary to meet existing and future obligations
24 of the State.

25 **Sec. 17.** The State Controller shall transfer the sum of \$45,000
26 from the Division of Public and Behavioral Health of the
27 Department of Health and Human Services - Behavioral Health
28 Prevention and Treatment to Budget Account 101-9081, Budget
29 Reserve, for unrestricted State General Fund use to offset the
30 difference between projected revenues and collections and to be
31 used only as necessary to meet existing and future obligations of the
32 State.

33 **Sec. 18.** (Deleted by amendment.)

34 **Sec. 19.** The State Controller shall transfer the sum of
35 \$100,000 from the money collected pursuant to paragraph (d) of
36 subsection 1 of NRS 449.163 to Budget Account 101-9081, Budget
37 Reserve, for unrestricted State General Fund use to offset the
38 difference between projected revenues and collections and to be
39 used only as necessary to meet existing and future obligations of the
40 State.

41 **Sec. 20.** (Deleted by amendment.)

42 **Sec. 21.** (Deleted by amendment.)

43 **Sec. 22.** (Deleted by amendment.)

44 **Sec. 23.** The State Controller shall transfer the sum of
45 \$1,100,000 from the Account for the Management of Air Quality



1 created by NRS 445B.590 to Budget Account 101-9081, Budget
2 Reserve, for unrestricted State General Fund use to offset the
3 difference between projected revenues and collections and to be
4 used only as necessary to meet existing and future obligations of the
5 State.

6 **Sec. 24.** (Deleted by amendment.)

7 **Sec. 25.** (Deleted by amendment.)

8 **Sec. 26.** NRS 90.851 is hereby amended to read as follows:

9 90.851 1. All money received by the Administrator as the
10 result of an action for the enforcement of the provisions of this
11 chapter must be deposited in the State General Fund for credit to the
12 Secretary of State's Operating General Fund Budget Account.

13 2. The money deposited in the Account pursuant to this section
14 may be used:

15 (a) To pay the expenses of the Office of the Secretary of State
16 involved in:

17 (1) Investigations by the Office involving securities;

18 (2) Actions to enforce the provisions of this chapter; and

19 (3) Providing educational programs for the public which are
20 related to the operations of the Office.

21 (b) For any other purpose, ~~related to the Office of the Secretary~~
22 ~~of State,~~ with the approval of the Legislature or the Interim Finance
23 Committee when the Legislature is not in session.

24 3. The money deposited in the Account pursuant to this
25 section, including money deposited in excess of the amount
26 authorized by the Legislature, is restricted to the uses specified, and
27 the unexpended balance of that money may be carried forward at the
28 end of each fiscal year.

29 **Sec. 27.** NRS 231.250 is hereby amended to read as follows:

30 231.250 The Fund for the Promotion of Tourism is hereby
31 created as a special revenue Fund. The money in the Fund is hereby
32 appropriated for the support of the Department ~~H~~ *or for any other*
33 *purpose authorized by the Legislature.*

34 **Sec. 28.** (Deleted by amendment.)

35 **Sec. 29.** NRS 386.577 is hereby amended to read as follows:

36 386.577 1. *Money in the Account for Charter Schools may*
37 *be expended for the purpose set forth in subsection 2 or for any*
38 *other purpose authorized by the Legislature.*

39 2. After deducting the costs directly related to administering
40 the Account for Charter Schools, the State Public Charter School
41 Authority may use the money *available* in the Account for Charter
42 Schools, including repayments of principal and interest on loans
43 made from the Account, and interest and income earned on money
44 in the Account, ~~only~~ to make loans at or below market rate to
45 charter schools for the costs incurred:



1 (a) In preparing a charter school to commence its first year of
2 operation; and

3 (b) To improve a charter school that has been in operation.

4 ~~2-1~~ 3. The total amount of a loan that may be made to a charter
5 school pursuant to subsection ~~1~~ 2 must not exceed the lesser of an
6 amount equal to \$500 per pupil enrolled or to be enrolled at the
7 charter school or \$200,000.

8 **Sec. 30.** NRS 387.031 is hereby amended to read as follows:

9 387.031 1. The Account for Programs for Innovation and the
10 Prevention of Remediation is hereby created in the State General
11 Fund, to be administered by the Superintendent of Public
12 Instruction. The Superintendent of Public Instruction may accept
13 gifts and grants of money from any source for deposit in the
14 Account. Any money from gifts and grants may be expended in
15 accordance with the terms and conditions of the gift or grant, or in
16 accordance with subsection 2. The interest and income earned on the
17 sum of:

18 (a) The money in the Account; and

19 (b) Unexpended appropriations made to the Account from the
20 State General Fund,

21 ➔ must be credited to the Account. Any money remaining in the
22 Account at the end of a fiscal year does not revert to the State
23 General Fund, and the balance in the Account must be carried
24 forward to the next fiscal year.

25 2. The money in the Account may only be used for public
26 schools and public education ~~1~~ *or for any other purpose* as
27 authorized by the Legislature.

28 **Sec. 31.** NRS 449.163 is hereby amended to read as follows:

29 449.163 1. In addition to the payment of the amount required
30 by NRS 449.0308, if a medical facility or facility for the dependent
31 violates any provision related to its licensure, including any
32 provision of NRS 439B.410 or 449.030 to 449.2428, inclusive, or
33 any condition, standard or regulation adopted by the Board, the
34 Division, in accordance with the regulations adopted pursuant to
35 NRS 449.165, may:

36 (a) Prohibit the facility from admitting any patient until it
37 determines that the facility has corrected the violation;

38 (b) Limit the occupancy of the facility to the number of beds
39 occupied when the violation occurred, until it determines that the
40 facility has corrected the violation;

41 (c) If the license of the facility limits the occupancy of the
42 facility and the facility has exceeded the approved occupancy,
43 require the facility, at its own expense, to move patients to another
44 facility that is licensed;



1 (d) Impose an administrative penalty of not more than \$1,000
2 per day for each violation, together with interest thereon at a rate not
3 to exceed 10 percent per annum; and

4 (e) Appoint temporary management to oversee the operation of
5 the facility and to ensure the health and safety of the patients of the
6 facility, until:

7 (1) It determines that the facility has corrected the violation
8 and has management which is capable of ensuring continued
9 compliance with the applicable statutes, conditions, standards and
10 regulations; or

11 (2) Improvements are made to correct the violation.

12 2. If a violation by a medical facility or facility for the
13 dependent relates to the health or safety of a patient, an
14 administrative penalty imposed pursuant to paragraph (d) of
15 subsection 1 must be in a total amount of not less than \$1,000 and
16 not more than \$10,000 for each patient who was harmed or at risk of
17 harm as a result of the violation.

18 3. If the facility fails to pay any administrative penalty imposed
19 pursuant to paragraph (d) of subsection 1, the Division may:

20 (a) Suspend the license of the facility until the administrative
21 penalty is paid; and

22 (b) Collect court costs, reasonable attorney's fees and other
23 costs incurred to collect the administrative penalty.

24 4. The Division may require any facility that violates any
25 provision of NRS 439B.410 or 449.030 to 449.2428, inclusive, or
26 any condition, standard or regulation adopted by the Board to make
27 any improvements necessary to correct the violation.

28 5. Any money collected as administrative penalties pursuant to
29 paragraph (d) of subsection 1 must be accounted for separately and
30 used to administer and carry out the provisions of NRS 449.001 to
31 449.430, inclusive, and 449.435 to 449.965, inclusive, ~~and~~ to
32 protect the health, safety, well-being and property of the patients
33 and residents of facilities in accordance with applicable state and
34 federal standards ~~H~~ *or for any other purpose authorized by the*
35 *Legislature.*

36 **Sec. 32.** (Deleted by amendment.)

37 **Sec. 33.** (Deleted by amendment.)

38 **Sec. 34.** NRS 598.0975 is hereby amended to read as follows:

39 598.0975 1. Except as otherwise provided in subsection 3
40 and in subsection 1 of NRS 598.0999, all fees, civil penalties and
41 any other money collected pursuant to the provisions of NRS
42 598.0903 to 598.0999, inclusive:

43 (a) In an action brought by the Attorney General, must be
44 deposited in the State General Fund and may only be used to
45 offset the costs of administering and enforcing the provisions of



1 NRS 598.0903 to 598.0999, inclusive **H**, *or for any other purpose*
2 *authorized by the Legislature.*

3 (b) In an action brought by the district attorney of a county,
4 must be deposited with the county treasurer of that county and
5 accounted for separately in the county general fund.

6 2. Money in the account created pursuant to paragraph (b) of
7 subsection 1 must be used by the district attorney of the county for:

8 (a) The investigation and prosecution of deceptive trade
9 practices against elderly persons or persons with disabilities; and

10 (b) Programs for the education of consumers which are directed
11 toward elderly persons or persons with disabilities, law enforcement
12 officers, members of the judicial system, persons who provide social
13 services and the general public.

14 3. The provisions of this section do not apply to:

15 (a) Criminal fines imposed pursuant to NRS 598.0903 to
16 598.0999, inclusive; or

17 (b) Restitution ordered pursuant to NRS 598.0903 to 598.0999,
18 inclusive, in an action brought by the Attorney General. Money
19 collected for restitution ordered in such an action must be deposited
20 by the Attorney General and credited to the appropriate account of
21 the Attorney General for distribution to the person for whom the
22 restitution was ordered.

23 **Sec. 35.** This act becomes effective on upon passage and
24 approval.



