
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.** The State Controller shall transfer the sum of
2 \$400,000 from the Account for the Bureau of Consumer Protection
3 in NRS 228.340 to Budget Account 101-9081, Budget Reserve, for
4 unrestricted State General Fund use to offset the difference between
5 projected revenues and collections and to be used only as necessary
6 to meet existing and future obligations of the State.

7 **Sec. 2.** The State Controller shall transfer the sum of
8 \$19,680,774 from the account created pursuant to paragraph (a) of
9 subsection 1 of NRS 598.0975 to Budget Account 101-9081,



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1 Budget Reserve, for unrestricted State General Fund use to offset
2 the difference between projected revenues and collections and to be
3 used only as necessary to meet existing and future obligations of the
4 State.

5 **Sec. 3.** The State Controller shall transfer the sum of
6 \$2,941,926 from money deposited pursuant to NRS 598A.260 into
7 the Attorney General's Special Fund created by NRS 228.096 to
8 Budget Account 101-9081, Budget Reserve, for unrestricted State
9 General Fund use to offset the difference between projected
10 revenues and collections and to be used only as necessary to meet
11 existing and future obligations of the State.

12 **Sec. 4.** The State Controller shall transfer the sum of \$410,000
13 from money deposited in the Secretary of State's Operating General
14 Fund Budget Account pursuant to NRS 90.851 to Budget Account
15 101-9081, Budget Reserve, for unrestricted State General Fund use
16 to offset the difference between projected revenues and collections
17 and to be used only as necessary to meet existing and future
18 obligations of the State.

19 **Sec. 5.** The State Controller shall transfer the sum of \$25,000
20 from the Notary Public Training Account created by NRS 240.018
21 to Budget Account 101-9081, Budget Reserve, for unrestricted State
22 General Fund use to offset the difference between projected
23 revenues and collections and to be used only as necessary to meet
24 existing and future obligations of the State.

25 **Sec. 6.** The State Controller shall transfer the sum of
26 \$7,000,000 from the Catalyst Account created by NRS 231.1573 to
27 Budget Account 101-9081, Budget Reserve, for unrestricted State
28 General Fund use to offset the difference between projected
29 revenues and collections and to be used only as necessary to meet
30 existing and future obligations of the State.

31 **Sec. 7.** The State Controller shall transfer the sum of
32 \$4,000,000 from the Knowledge Account created by NRS 231.1592
33 to Budget Account 101-9081, Budget Reserve, for unrestricted State
34 General Fund use to offset the difference between projected
35 revenues and collections and to be used only as necessary to meet
36 existing and future obligations of the State.

37 **Sec. 8.** The State Controller shall transfer the sum of
38 \$2,000,000 from the Disaster Relief Account created by NRS
39 353.2735 to Budget Account 101-9081, Budget Reserve, for
40 unrestricted State General Fund use to offset the difference between
41 projected revenues and collections and to be used only as necessary
42 to meet existing and future obligations of the State.

43 **Sec. 9.** The State Controller shall transfer the sum of
44 \$1,662,010 from the account created pursuant to subsection 2 of
45 NRS 231.360 to Budget Account 101-9081, Budget Reserve, for



1 unrestricted State General Fund use to offset the difference between
2 projected revenues and collections and to be used only as necessary
3 to meet existing and future obligations of the State.

4 **Sec. 10.** The State Controller shall transfer the sum of
5 \$426,231 from the Account for Programs for Innovation and the
6 Prevention of Remediation created by NRS 387.031 to Budget
7 Account 101-9081, Budget Reserve, for unrestricted State General
8 Fund use to offset the difference between projected revenues and
9 collections and to be used only as necessary to meet existing and
10 future obligations of the State.

11 **Sec. 11.** The State Controller shall transfer the sum of
12 \$3,000,000 from the Grant Fund for Incentives for Licensed
13 Educational Personnel created by NRS 391.166 to Budget Account
14 101-9081, Budget Reserve, for unrestricted State General Fund use
15 to offset the difference between projected revenues and collections
16 and to be used only as necessary to meet existing and future
17 obligations of the State.

18 **Sec. 12.** The State Controller shall transfer the sum of
19 \$400,000 from the Account for Charter Schools created by NRS
20 386.576 to Budget Account 101-9081, Budget Reserve, for
21 unrestricted State General Fund use to offset the difference between
22 projected revenues and collections and to be used only as necessary
23 to meet existing and future obligations of the State.

24 **Sec. 13.** The State Controller shall transfer the sum of
25 \$216,260 from the Revolving Account to Support Programs for the
26 Prevention and Treatment of Problem Gambling created by NRS
27 458A.090 to Budget Account 101-9081, Budget Reserve, for
28 unrestricted State General Fund use to offset the difference between
29 projected revenues and collections and to be used only as necessary
30 to meet existing and future obligations of the State.

31 **Sec. 14.** The State Controller shall transfer the sum of
32 \$178,284 from the Supplemental Account for Medical Assistance to
33 Indigent Persons created by NRS 428.305 in the Fund for Hospital
34 Care to Indigent Persons created by NRS 428.175 to Budget
35 Account 101-9081, Budget Reserve, for unrestricted State General
36 Fund use to offset the difference between projected revenues and
37 collections and to be used only as necessary to meet existing and
38 future obligations of the State.

39 **Sec. 15.** The State Controller shall transfer the sum of
40 \$750,000 from the Division of Public and Behavioral Health of the
41 Department of Health and Human Services - Radiation Control to
42 Budget Account 101-9081, Budget Reserve, for unrestricted State
43 General Fund use to offset the difference between projected
44 revenues and collections and to be used only as necessary to meet
45 existing and future obligations of the State.



1 **Sec. 16.** The State Controller shall transfer the sum of
2 \$500,000 from the Fund for the Care of Sites for the Disposal of
3 Radioactive Waste created by NRS 459.231 to Budget Account 101-
4 9081, Budget Reserve, for unrestricted State General Fund use to
5 offset the difference between projected revenues and collections and
6 to be used only as necessary to meet existing and future obligations
7 of the State.

8 **Sec. 17.** The State Controller shall transfer the sum of \$45,000
9 from the Division of Public and Behavioral Health of the
10 Department of Health and Human Services - Behavioral Health
11 Prevention and Treatment to Budget Account 101-9081, Budget
12 Reserve, for unrestricted State General Fund use to offset the
13 difference between projected revenues and collections and to be
14 used only as necessary to meet existing and future obligations of the
15 State.

16 **Sec. 18.** The State Controller shall transfer the sum of
17 \$3,050,000 from the Division of Public and Behavioral Health of
18 the Department of Health and Human Services - Health Facilities
19 Hospital Licensing to Budget Account 101-9081, Budget Reserve,
20 for unrestricted State General Fund use to offset the difference
21 between projected revenues and collections and to be used only as
22 necessary to meet existing and future obligations of the State.

23 **Sec. 19.** The State Controller shall transfer the sum of
24 \$100,000 from the money collected pursuant to paragraph (d) of
25 subsection 1 of NRS 449.163 to Budget Account 101-9081, Budget
26 Reserve, for unrestricted State General Fund use to offset the
27 difference between projected revenues and collections and to be
28 used only as necessary to meet existing and future obligations of the
29 State.

30 **Sec. 20.** The State Controller shall transfer the sum of \$35,000
31 from the account created pursuant to NRS 450B.1505 to Budget
32 Account 101-9081, Budget Reserve, for unrestricted State General
33 Fund use to offset the difference between projected revenues and
34 collections and to be used only as necessary to meet existing and
35 future obligations of the State.

36 **Sec. 21.** The State Controller shall transfer the sum of
37 \$500,000 from the account created pursuant to NRS 453A.730 to
38 Budget Account 101-9081, Budget Reserve, for unrestricted State
39 General Fund use to offset the difference between projected
40 revenues and collections and to be used only as necessary to meet
41 existing and future obligations of the State.

42 **Sec. 22.** The State Controller shall transfer the sum of
43 \$253,000 from the Fund for New Construction of Facilities for
44 Prison Industries created by NRS 209.192 to Budget Account 101-
45 9081, Budget Reserve, for unrestricted State General Fund use to



1 offset the difference between projected revenues and collections and
2 to be used only as necessary to meet existing and future obligations
3 of the State.

4 **Sec. 23.** The State Controller shall transfer the sum of
5 \$1,500,000 from the Account for the Management of Air Quality
6 created by NRS 445B.590 to Budget Account 101-9081, Budget
7 Reserve, for unrestricted State General Fund use to offset the
8 difference between projected revenues and collections and to be
9 used only as necessary to meet existing and future obligations of the
10 State.

11 **Sec. 24.** The State Controller shall transfer the sum of
12 \$8,600,000 from money held in bond reserve funds established
13 pursuant to NRS 319.340 to Budget Account 101-9081, Budget
14 Reserve, for unrestricted State General Fund use to offset the
15 difference between projected revenues and collections and to be
16 used only as necessary to meet existing and future obligations of the
17 State.

18 **Sec. 25.** The State Controller shall transfer the sum of
19 \$9,400,000 from the Department of Business and Industry - Nevada
20 Home Retention Program to Budget Account 101-9081, Budget
21 Reserve, for unrestricted State General Fund use to offset the
22 difference between projected revenues and collections and to be
23 used only as necessary to meet existing and future obligations of the
24 State.

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

26 90.851 1. All money received by the Administrator as the
27 result of an action for the enforcement of the provisions of this
28 chapter must be deposited in the State General Fund for credit to the
29 Secretary of State's Operating General Fund Budget Account.

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

32 (a) To pay the expenses of the Office of the Secretary of State
33 involved in:

34 (1) Investigations by the Office involving securities;

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

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

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

41 3. The money deposited in the Account pursuant to this
42 section, including money deposited in excess of the amount
43 authorized by the Legislature, is restricted to the uses specified, and
44 the unexpended balance of that money may be carried forward at the
45 end of each fiscal year.



1 **Sec. 27.** NRS 231.250 is hereby amended to read as follows:
2 231.250 The Fund for the Promotion of Tourism is hereby
3 created as a special revenue Fund. The money in the Fund is hereby
4 appropriated for the support of the Department ~~H~~ *or for any other*
5 *purpose authorized by the Legislature.*

6 **Sec. 28.** NRS 319.340 is hereby amended to read as follows:
7 319.340 1. The Division may establish one or more bond
8 reserve funds, and shall pay into each such bond reserve fund:

9 (a) Any money appropriated by the Legislature for the purpose
10 of the fund;

11 (b) Any proceeds of sale of notes or bonds to the extent
12 provided in connection with the issuance thereof; and

13 (c) Any other money which may be available to the Division for
14 the purpose of the fund from any other source or sources.

15 ➔ All money held in any bond reserve fund, except as otherwise
16 expressly provided in this chapter, must be used, as required,
17 ~~solely~~ for the payment of the principal of bonds secured in whole
18 or in part by the fund or of the sinking fund payments with respect
19 to such bonds, the purchase or redemption of such bonds, the
20 payment of interest on such bonds, ~~for~~ the payment of any
21 redemption premium required to be paid when the bonds are
22 redeemed before maturity ~~H~~ *or any other purpose authorized by*
23 *the Legislature.*

24 2. Money in such a fund must not be withdrawn from the fund
25 at any time in an amount that would reduce the amount of the fund
26 below the requirement established for that fund, except to pay when
27 due, with respect to bonds secured in whole or in part by that fund,
28 principal, interest, redemption premiums and sinking fund payments
29 for the payment of which other money of the Division is not
30 available. Any income or interest earned by or incremental to any
31 bond reserve fund resulting from the investment thereof may be
32 transferred by the Division to other funds or accounts of the
33 Division and to the Account for Low-Income Housing created
34 pursuant to NRS 319.500, to the extent that the amount of that bond
35 reserve fund is not reduced below the requirement for the fund.

36 **Sec. 29.** NRS 386.577 is hereby amended to read as follows:
37 386.577 1. *Money in the Account for Charter Schools may*
38 *be expended for the purpose set forth in subsection 2 or for any*
39 *other purpose authorized by the Legislature.*

40 2. After deducting the costs directly related to administering
41 the Account for Charter Schools, the State Public Charter School
42 Authority may use the money *available* in the Account for Charter
43 Schools, including repayments of principal and interest on loans
44 made from the Account, and interest and income earned on money



1 in the Account, ~~only~~ to make loans at or below market rate to
2 charter schools for the costs incurred:

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

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

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

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

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

20 (a) The money in the Account; and

21 (b) Unexpended appropriations made to the Account from the
22 State General Fund,

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

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

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

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

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

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

43 (c) If the license of the facility limits the occupancy of the
44 facility and the facility has exceeded the approved occupancy,



1 require the facility, at its own expense, to move patients to another
2 facility that is licensed;

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

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

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

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

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

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

22 (a) Suspend the license of the facility until the administrative
23 penalty is paid; and

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

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

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

38 **Sec. 32.** NRS 450B.1505 is hereby amended to read as
39 follows:

40 450B.1505 1. Any money the Division receives from a fee
41 set by the State Board of Health pursuant to NRS 439.150 for the
42 issuance or renewal of a license pursuant to NRS 450B.160, an
43 administrative penalty imposed pursuant to NRS 450B.900 or an
44 appropriation made by the Legislature for the purposes of training
45 related to emergency medical services:



1 (a) Must be deposited in the State Treasury and accounted for
2 separately in the State General Fund;

3 (b) May be used only ~~for~~:

4 (1) *To* carry out a training program for emergency medical
5 services personnel who work for a volunteer ambulance service or
6 firefighting agency, including, without limitation, equipment for use
7 in the training; ~~and~~ or

8 (2) *For any other purpose authorized by the Legislature;*
9 *and*

10 (c) Does not revert to the State General Fund at the end of any
11 fiscal year.

12 2. Any interest or income earned on the money in the account
13 must be credited to the account. Any claims against the account
14 must be paid in the manner that other claims against the State are
15 paid.

16 3. The Administrator of the Division shall administer the
17 account.

18 **Sec. 33.** NRS 453A.730 is hereby amended to read as follows:

19 453A.730 1. Any money the Administrator of the Division
20 receives pursuant to NRS 453A.720 or that is appropriated to carry
21 out the provisions of this chapter:

22 (a) Must be deposited in the State Treasury and accounted for
23 separately in the State General Fund;

24 (b) May only be used : ~~to carry out~~:

25 (1) ~~The~~ *To carry out* the provisions of this chapter,
26 including the dissemination of information concerning the
27 provisions of this chapter and such other information as determined
28 appropriate by the Administrator; ~~and~~

29 (2) ~~Alcohol~~ *To carry out alcohol* and drug abuse programs
30 pursuant to NRS 458.094; ~~and~~ or

31 (3) *For any other purpose authorized by the Legislature;*
32 *and*

33 (c) Does not revert to the State General Fund at the end of any
34 fiscal year.

35 2. The Administrator of the Division shall administer the
36 account. Any interest or income earned on the money in the account
37 must be credited to the account. Any claims against the account
38 must be paid as other claims against the State are paid.

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

40 598.0975 1. Except as otherwise provided in subsection 3
41 and in subsection 1 of NRS 598.0999, all fees, civil penalties and
42 any other money collected pursuant to the provisions of NRS
43 598.0903 to 598.0999, inclusive:

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



1 the costs of administering and enforcing the provisions of NRS
2 598.0903 to 598.0999, inclusive **H** , *or for any other purpose*
3 *authorized by the Legislature.*

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

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

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

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

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

16 (a) Criminal fines imposed pursuant to NRS 598.0903 to
17 598.0999, inclusive; or

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

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



