

## Guide to Nevada State Budgeting: Process and Relevant Publications

The purpose of this guide is to *briefly* outline the often complex process of producing the two-year budget for the State of Nevada and to identify and provide access to significant budget publications and documents, in both print and online format, from the Nevada Department of Administration Division of Budget and Planning, the Legislative Counsel Bureau and the Nevada State Controller.

### Before the Legislative Session – Preparation of the *Governor's Biennial Executive Budget*

Preparation of the *Governor's Biennial Executive Budget*, also referred to as the *Executive Budget*, begins in spring of even-numbered years. Executive fiscal staff attends the **Budget 101** classes.

The state Budget Director requests state agencies to prepare their budget requests and issues the *Biennium Budget Instructions*. Agencies are required to estimate their needs and submit their final biennial budget requests by September 1 of even-numbered years.

By law, the Governor is required to use the *State Economic Forum Report* in preparing budget recommendations presented to the Legislature in January of odd-numbered years. The *Report*, compiled by a panel of five economic and taxation experts from the private sector, is the official forecast of future state General Fund revenues for the biennial budget cycle. The *State Economic Forum Report* must be submitted on or before December 1 of even-numbered years and on or before May 1 of odd-numbered years. The December 1 estimates are used by the Governor in preparing the *Executive Budget*; the May 1 forecast is used by the Legislature in balancing general fund appropriations.

In December the Budget Director informs each agency head of the office's preliminary budget for the agency. In the event an agency is unsatisfied with its preliminary budget, it has the right to make an appeal to the Governor.

The Governor submits the completed *Biennial Executive Budget* to the Legislature in January of odd-numbered years two weeks prior to the beginning legislative session. The *Executive Budget in Brief* is a concise summary of the *Biennial Executive Budget*.

### Publications:

#### *Budget 101: Introduction to State Budgeting*

[http://budget.state.nv.us/Bud101Man/budget\\_101\\_manual\\_5th\\_ed\\_R4.pdf](http://budget.state.nv.us/Bud101Man/budget_101_manual_5th_ed_R4.pdf)

Executive fiscal staff begins budget preparation with the Budget 101 classes in November through June of the previous budget year.

#### *Biennium Budget Instructions, 2009-2011*

[http://budget.state.nv.us/budget\\_inst/](http://budget.state.nv.us/budget_inst/)

Budget timetables are included along with instructions for budgeting for facilities maintenance, position reconciliation, strategic planning and performance measures.

#### *Biennial Executive Budget and the Executive Budget in Brief*

[http://budget.state.nv.us/budget\\_2007\\_09/](http://budget.state.nv.us/budget_2007_09/)

*Executive Budgets* and *Executive Budgets in Brief* available online 1999-2009.

The Nevada State Library maintains copies of earlier *Budgets* in print format:

*Executive Budget*, 1921-Present, Call Number: **29-Ad6B/5:year**

*Executive Budget in Brief*, 1971-Present, Call Number: **29-Ad6B/6:year**

### During the Session – Passing the Budget and Governor Approval

The legislative session begins the first Monday in February of odd-numbered years. Budget hearings begin in February after the *Executive Budget* is submitted to the Legislature. The *Legislative Fiscal Report* is published at the beginning of the session and used in conjunction with the *Executive Budget*.

The **Senate Finance Committee and the Assembly Ways and Means Committee** (the "Money Committees") meet together and separately for budget hearings for all state agencies, departments, boards and commissions. When hearings are completed the committees meet separately and close budgets separately.

Both houses wait for the May 1 forecast of the State Economic Forum.

The Taxation Committee in each house considers tax bills and must act before the Assembly Ways and Means and Senate Finance Committees can finalize the biennial budget.

Passed by the voters in 2004 and 2006, Article 11, Section 6 of the *Nevada Constitution* requires that *before* any other budget appropriation is passed the Legislature must fund the “operation of the public schools in the State for kindergarten through grade 12.”

Any differences between the Senate Approved Budget and Assembly Approved Budget are resolved in a joint subcommittee meeting. When the two houses reach a consensus the Assembly drafts the General Appropriations Act, the Special Appropriations bills (one-shot appropriations) and the Distributive School Account (DSA) bill. The Senate drafts the Authorized Expenditures Act, the Capital Improvements Program Act (construction projects), and the Unclassified Pay Bill for unclassified personnel pay raises.

The **Budget Bills** are introduced late in the session. Education bills are passed first followed by the rest of the appropriations bills. Any increase in the budget or increased taxes must be approved by a two-thirds vote.

The process concludes when the Governor signs the bills into law. The Governor must sign or veto the budget passed by the Legislature as an entire package; any bills vetoed by the Governor after the Legislature has adjourned are subject to veto override attempts two years later when the Legislature next convenes. A vetoed bill must receive a two-thirds vote of all members of the Legislature in order to override a Governor’s veto and become law.

#### **Publications:**

##### **Legislative Fiscal Report**

<http://www.leg.state.nv.us/lcb/fiscal/Fiscal%20Report/2007/2007FiscalReport.cfm>

*The Report* outlines the financial status of the state and the budget recommendations in the *Executive Budget*.

The Nevada State Library maintains previous years from 1977-Current, Call Number: **29-L52/4:year**

#### **Assembly Ways and Means / Senate Finance Committee Meetings**

2009 Senate Finance Committee

[http://www.leg.state.nv.us/75th2009/Committees/S\\_Committees/FIN.cfm](http://www.leg.state.nv.us/75th2009/Committees/S_Committees/FIN.cfm)

2009 Assembly Ways and Means Committee

[http://www.leg.state.nv.us/75th2009/Committees/A\\_Committees/WM.cfm](http://www.leg.state.nv.us/75th2009/Committees/A_Committees/WM.cfm)

Complete Committee Meeting Minutes for every session from 1993 to present are available online.

<http://www.leg.state.nv.us/bills/bills.cfm>

Earlier minutes are available in microfiche format at the Nevada State Library. Note: scattered issues, please consult Availability Chart <http://www.leg.state.nv.us/lcb/research/library/MicroficheGuide.pdf>

#### **Budget Bills**

Complete Bill information is available online from 1995 to present.

<http://www.leg.state.nv.us/bills/bills.cfm>

“Major Budget Measures Fact Sheet, 1997-2007” outlines significant budget legislation.

<http://www.leg.state.nv.us/lcb/research/FactSheets/MajorBudgetBills.pdf>

Earlier budget bills from 1917 to present can be accessed in print format at the Nevada State Library.

#### **After the Session and Other Resources**

Following the close of the legislative session and between sessions several reports examining fiscal legislation and the state’s financial condition are issued including the **Appropriations Report**, **Legislatively Approved Budgets by Budget Account Detail**, **Comprehensive Annual Financial Report**, **Nevada Report to Taxpayers**, **Revenue Reference Manual** and **A Report to our Citizens**.

#### **Publications:**

##### **Appropriations Report**

<http://www.leg.state.nv.us/lcb/fiscal/Appropriation%20Reports/>

Available online 2001-2007. The *Appropriations Report*, prepared after the close of the legislative session, summarizes all

legislative budgetary and taxation issues; also compares the *Governor's Executive Budget* with final legislative actions and specifies state agency budgets.

Earlier *Appropriations Reports* are available at the Nevada State Library from 1963 to present, Call Number: **29-L52F/11:1963-Current**

***Legislatively Approved Budgets by Budget Account Detail***

<http://www.leg.state.nv.us/lcb/fiscal/FISBU210/>

Available online 1997-2007. Contains the legislatively approved budgets by budget account for each biennium. The Governor's recommended and agency requested funding levels are provided for comparison.

***Revenue Reference Manual***

<http://www.leg.state.nv.us/lcb/fiscal/FinalRRM2009.pdf>

Summary of taxes collected by the state: sales, gaming, property, excise, fuel and motor vehicle. Includes historical review of significant tax legislation.

The Nevada State Library maintains previous years in print format from 1995 to present, Call Number: **29-L52F/7:year**

***Nevada Report to Taxpayers***

[http://budget.state.nv.us/nv\\_taxpayer\\_rpt/](http://budget.state.nv.us/nv_taxpayer_rpt/)

Summary of Nevada government finances.

***Comprehensive Annual Financial Report (CAFR)***

[http://controller.nv.gov/CAFR\\_Download\\_Page.htm](http://controller.nv.gov/CAFR_Download_Page.htm)

Available online 1998-2008. Reports financial activities of the state in conformance with Governmental Accounting Standards Board Statement No. 34 requirements.

The Nevada State Library maintains previous years from 1982 to present, Call Number: **29-C762/1:year**

***A Report to our Citizens (June 2008)***

[http://controller.nv.gov/CAFR\\_pdf\\_files/PopularReport01.pdf](http://controller.nv.gov/CAFR_pdf_files/PopularReport01.pdf)

Summary of the *Comprehensive Annual Financial Report*.

The Nevada State Library maintains copies of the Report from 2000 to present, Call Number: **29-C762/1 A:year**

**"Hot Topics: Revenue, Taxation and State Budget"**

<http://www.leg.state.nv.us/lcb/research/library/HotTopics/FiscalAffairs/Fiscal.cfm>

Comprehensive list of links to online fiscal resources compiled by Legislative Council Bureau staff.

Nevada State Library Staff. Last updated 3/5/2009.