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FIRST REPRINT

A.B. 469

ASSEMBLY BILL NO. 469—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 23, 2015

Referred to Committee on Ways and Means

SUMMARY—Creating the Office of Finance in the Office of the Governor. (BDR 18-1180)

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 governmental administration; creating the Office of Finance in the Office of the Governor; transferring certain powers and duties of the Department of Administration to the Office of Finance; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law creates the Department of Administration consisting of several
2 divisions, including the Budget Division and the Division of Internal Audits. (NRS
3 232.213) **Section 2** of this bill creates the Office of Finance in the Office of the
4 Governor. **Sections 2-13** of this bill transfer the duties of the Budget Division and
5 the Division of Internal Audits from the Department of Administration to the Office
6 of Finance.

7 **Sections 14-16** of this bill provide transitory provisions regarding the transfer
8 of the responsibilities of the Department of Administration to the Office of Finance,
9 including the transfer and adoption of regulations, the effect of name changes on
10 any existing contracts, revisions that may be necessary to other provisions of
11 existing law and administrative regulations to conform to the changes made in this
12 bill and other necessary direction to carry out the intent of this bill.

13 If this bill is enacted, the Legislative Counsel and the Legal Division of the
14 Legislative Counsel Bureau will be required by **section 16** and NRS 220.120 to
15 conform all sections of law not included in this bill to the reorganization provided
16 by this bill.



* A B 4 6 9 R 1 *

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

1 **Section 1.** Chapter 223 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 6, inclusive, of this
3 act.

4 **Sec. 2. 1.** *The Office of Finance is hereby created in the*
5 *Office of the Governor.*

6 **2.** *The Office of Finance consists of a Director and the*
7 *following:*

8 *(a) The Budget Division; and*

9 *(b) The Division of Internal Audits.*

10 **Sec. 3.** *The Director of the Office of Finance:*

11 **1.** *Is appointed by, is responsible to and serves at the pleasure*
12 *of the Governor.*

13 **2.** *Is in the unclassified service of the State.*

14 **3.** *Shall not engage in any other gainful employment or*
15 *occupation.*

16 **Sec. 4.** *The Director of the Office of Finance:*

17 **1.** *Shall appoint a Chief of the Budget Division, who serves at*
18 *the pleasure of the Director and is in the unclassified service of*
19 *the State, or may serve in this position if the Director has the*
20 *qualifications required by NRS 353.175.*

21 **2.** *Is responsible for the administration, through the divisions*
22 *of the Office, of the provisions of NRS 235.005 to 235.016,*
23 *inclusive, 353.150 to 353.246, inclusive, and 353A.031 to*
24 *353A.100, inclusive, and all other provisions of law relating to the*
25 *functions of the divisions of the Office.*

26 **Sec. 5. 1.** *The Director of the Office of Finance shall*
27 *appoint the Administrator of the Division of Internal Audits.*

28 **2.** *The Administrator of the Division of Internal Audits of the*
29 *Office of Finance serves at the pleasure of the Director and is in*
30 *the unclassified service of the State.*

31 **Sec. 6. 1.** *Unless federal law or regulation otherwise*
32 *requires, the Chief of the Budget Division and the Administrator*
33 *of the Division of Internal Audits may appoint a Deputy and a*
34 *Chief Assistant in the unclassified service of the State, who shall*
35 *not engage in any other gainful employment or occupation except*
36 *as otherwise provided in NRS 284.143.*

37 **2.** *Except as otherwise provided in subsection 1 and sections*
38 *3, 4 and 5 of this act, employees of the Office of Finance are in the*
39 *classified service of the State.*

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



1 **Sec. 8.** NRS 232.213 is hereby amended to read as follows:
2 232.213 1. The Department of Administration is hereby
3 created.

4 2. The Department consists of a Director and the following:

- 5 (a) ~~#{Budget Division}~~.
6 ~~#{(b)}~~ Risk Management Division.
7 ~~#{(e)}~~ (b) Hearings Division, which consists of hearing officers,
8 compensation officers and appeals officers.
9 ~~#{(d)}~~ (c) State Public Works Division.
10 ~~#{(e)}~~ (d) Purchasing Division.
11 ~~#{(f)}~~ (e) Administrative Services Division.
12 ~~#{(g)}~~ ~~Division of Internal Audits~~.
13 ~~#{(h)}~~ (f) Division of Human Resource Management.
14 ~~#{(i)}~~ (g) Division of Enterprise Information Technology
15 Services.
16 ~~#{(j)}~~ (h) Division of State Library and Archives.
17 ~~#{(k)}~~ (i) Office of Grant Procurement, Coordination and
18 Management.

19 ~~#{(l)}~~ (j) Fleet Services Division.
20 **Sec. 9.** NRS 232.215 is hereby amended to read as follows:

21 232.215 The Director:

22 1. Shall appoint an Administrator of the:

- 23 (a) Risk Management Division;
24 (b) State Public Works Division;
25 (c) Purchasing Division;
26 (d) Administrative Services Division;
27 (e) ~~#{Division of Internal Audits}~~;
28 ~~#{(f)}~~ Division of Human Resource Management;
29 ~~#{(g)}~~ (f) Division of Enterprise Information Technology
30 Services;
31 ~~#{(h)}~~ (g) Division of State Library and Archives;
32 ~~#{(i)}~~ (h) Office of Grant Procurement, Coordination and
33 Management; and
34 ~~#{(j)}~~ (i) Fleet Services Division.

35 2. ~~#{Shall appoint a Chief of the Budget Division, or may serve~~
36 ~~in this position if the Director has the qualifications required by~~
37 ~~NRS 353.175.~~

38 ~~3-} Shall serve as Chief of the Hearings Division and shall~~
39 ~~appoint the hearing officers and compensation officers. The Director~~
40 ~~may designate one of the appeals officers in the Division to~~
41 ~~supervise the administrative, technical and procedural activities of~~
42 ~~the Division.~~

43 ~~#{4-} 3.~~ Is responsible for the administration, through the
44 divisions of the Department, of the provisions of chapters 233F,
45 242, 284, 331, 333, 336, 338 and 341 of NRS ~~#{NRS 353.150 to~~



1 ~~353.246, inclusive, and 353A.031 to 353A.100, inclusive,} and~~
2 chapter 378 of NRS and all other provisions of law relating to the
3 functions of the divisions of the Department.

4 ~~{5-} 4.~~ Is responsible for the administration of the laws of this
5 State relating to the negotiation and procurement of medical services
6 and other benefits for state agencies.

7 ~~{6-} 5.~~ Has such other powers and duties as are provided by
8 law.

9 **Sec. 10.** NRS 232.2165 is hereby amended to read as follows:

10 232.2165 The Administrator of:

11 1. The State Public Works Division;

12 2. The Purchasing Division;

13 3. The Administrative Services Division;

14 4. ~~{The Division of Internal Audits;~~

15 ~~—5-} The Division of Human Resource Management;~~

16 ~~{6-} 5.~~ The Division of Enterprise Information Technology
17 Services;

18 ~~{7-} 6.~~ The Division of State Library and Archives;

19 ~~{8-} 7.~~ The Office of Grant Procurement, Coordination and
20 Management; and

21 ~~{9-} 8.~~ The Fleet Services Division,

22 ~~→~~ of the Department serves at the pleasure of the Director and is in
23 the unclassified service of the State.

24 **Sec. 11.** NRS 232.217 is hereby amended to read as follows:

25 232.217 Unless federal law or regulation otherwise requires,
26 the ~~{Chief of the Budget Division and the}~~ Administrator of the:

27 1. State Public Works Division;

28 2. Purchasing Division;

29 3. ~~{Division of Internal Audits;~~

30 ~~—4-} Division of Human Resource Management;~~

31 ~~{5-} 4.~~ Division of Enterprise Information Technology
32 Services;

33 ~~{6-} 5.~~ Division of State Library and Archives; and

34 ~~{7-} 6.~~ Fleet Services Division,

35 ~~→~~ may appoint a Deputy and a Chief Assistant in the unclassified
36 service of the State, who shall not engage in any other gainful
37 employment or occupation except as otherwise provided in
38 NRS 284.143.

39 **Sec. 12.** NRS 232.219 is hereby amended to read as follows:

40 232.219 1. The Department of Administration's Operating
41 Fund for Administrative Services is hereby created as an internal
42 service fund.

43 2. The operating budget of each of the following entities must
44 include an amount representing that entity's share of the operating
45 costs of the central accounting function of the Department:



- 1 (a) State Public Works Division;
- 2 (b) ~~[(b)]~~ Budget Division;
- 3 ~~[(c)]~~ Purchasing Division;
- 4 ~~[(d)]~~ (c) Hearings Division;
- 5 ~~[(e)]~~ (d) Risk Management Division;
- 6 ~~[(f)]~~ Division of Internal Audits;
- 7 ~~[(g)]~~ (e) Division of Human Resource Management;
- 8 ~~[(h)]~~ (f) Division of Enterprise Information Technology
- 9 Services;
- 10 ~~[(i)]~~ (g) Division of State Library and Archives; and
- 11 ~~[(j)]~~ (h) Fleet Services Division.

12 3. All money received for the central accounting services of the
13 Department must be deposited in the State Treasury for credit to the
14 Operating Fund.

15 4. All expenses of the central accounting function of the
16 Department must be paid from the Fund as other claims against the
17 State are paid.

18 **Sec. 13.** NRS 232.2195 is hereby amended to read as follows:
19 232.2195 The Administrative Services Division shall:

- 20 1. Furnish fiscal and accounting services to ~~[(the)]~~ :
- 21 (a) *The* Director and to each division of the Department; and
- 22 (b) *The Office of Finance.*

23 2. Advise and assist ~~[(the)]~~ :

24 (a) *The* Director and each division of the Department in
25 carrying out their functions and responsibilities ~~[()]~~ ; and

26 (b) *The Office of Finance in carrying out its functions and*
27 *responsibilities.*

28 **Sec. 14.** 1. Any administrative regulations adopted by an
29 officer, agency or other entity whose name has been changed or
30 whose responsibilities have been transferred pursuant to the
31 provisions of this act to another officer, agency or other entity
32 remain in force until amended by the officer, agency or other entity
33 to which the responsibility for the adoption of the regulations has
34 been transferred.

35 2. Any contracts or other agreements entered into by an officer,
36 agency or other entity whose name has been changed or whose
37 responsibilities have been transferred pursuant to the provisions of
38 this act to another officer, agency or other entity are binding upon
39 the officer, agency or other entity to which the responsibility for the
40 administration of the provisions of the contract or other agreement
41 have been transferred. Such contracts and other agreements may be
42 enforced by the officer, agency or other entity to which the
43 responsibility for the enforcement of the provisions of the contract
44 or other agreement has been transferred.



1 3. Any action taken by an officer, agency or other entity whose
2 name has been changed or whose responsibilities have been
3 transferred pursuant to the provisions of this act to another officer,
4 agency or entity remains in effect as if taken by the officer, agency
5 or other entity to which the responsibility for the enforcement of
6 such actions has been transferred.

7 **Sec. 15.** The assets and liabilities of any fund or account
8 transferred from the Director of the Department of Administration to
9 the Director of the Office of Finance are unaffected by the transfer.

10 **Sec. 16.** The Legislative Counsel shall:

11 1. In preparing the Nevada Revised Statutes, use the authority
12 set forth in subsection 10 of NRS 220.120 to substitute
13 appropriately the name of any agency, officer or instrumentality of
14 the State whose name is changed by this act for the name which the
15 agency, officer or instrumentality previously used; and

16 2. In preparing supplements to the Nevada Administrative
17 Code, substitute appropriately the name of any agency, officer or
18 instrumentality of the State whose name is changed by this act for
19 the name which the agency, officer or instrumentality previously
20 used.

21 **Sec. 17.** This act becomes effective on July 1, 2015.



