May 26, 2015

Testimony before the Senate Committee on Finance
Prepared Statement of the Kenny Guinn Center for Policy Priorities

SB214 creates the Nevada Advisory Council on Federal Assistance
- The goal of the Council is to bring leaders from across the State and multiple sectors together to assist and advise Nevada on how to identify and successfully apply for Federal grants, programs, and funds. The Council will leverage, facilitate, and strengthen collaborative partnerships across various stakeholder groups that can support Nevada’s efforts to successfully apply for Federal grants.
- The Federal Government annually distributes billions of dollars through domestic assistance grants; in FY 2011, Federal grants totaled $514.6 billion.
- In FY 2014, Nevada received $3.6 billion in Federal grants (Office of Grant Procurement, Coordination, and Management, 2105 Biennium Report).

Nevada is not currently maximizing Federal assistance
- Nevada ranks last in the nation in federal grant expenditures per capita (U.S. Department of Commerce).
- As of 2013, Federal grant funding represented 12 percent of Nevada's overall federal funding, a decrease of 7 percent since 2010. In contrast, the majority of Nevada's federal funding (67 percent) consisted of direct payments to qualifying individuals for programs such as Social Security, Federal retirement and disability benefits, and Veterans' benefits. The remaining 21 percent of Nevada's Federal grant funding covered salaries and wages for Federal employees and procurement contracts (e.g., payments to the private sector for services, including defense spending).
- The Lincy Institute at the University of Nevada Las Vegas identified several barriers to obtaining Federal grant funding. Chief among these was structural incompatibility and lack of capacity.

Advisory Council could address barriers and help increase Federal assistance
- The Nevada Advisory Council on Federal Assistance could address and mitigate these identified barriers by facilitating collaborations across various stakeholders and agencies, and building capacity among strategic partners.
- Nevada could use Federal funds to support many of the current priorities of the Silver State.
  - In FY2014-15, Nevada received $20 million from the U.S. Department of Education Race to the Top Early Childhood Grant for the expansion of pre-Kindergarten programs, one of Governor Sandoval's top education priorities.
  - Nevada has become more active in seeking grants to address mental health needs.
- Increasing Nevada's share of Federal grants and resources could increase Nevada's overall revenue base.

Recommendations
- Remove the fiscal note on SB 214 and use current resources in the Department of Administration
  - In 2013, the Legislature approved the establishment of the Advisory Council on Science, Technology, Engineering, and Mathematics (STEM), which did not have a fiscal note.
- Ensure that one member of the Nevada Advisory Council on Federal Assistance represents the Nevada System of Higher Education.
Legislative Testimony

Senate Bill 214: Nevada Advisory Council on Federal Assistance

Kenny C. Guinn Center for Policy Priorities: Contact Information

Kenny C. Guinn Center for Policy Priorities
c/o InNEVation Center
6795 Edmond Street, Suite 300
Las Vegas, NV, 89118
Phone: (702) 522-2178

Email: info@guinncenter.org
Website: www.guinncenter.org
Dr. Nancy E. Brune, Executive Director
Email: nbrune@guinncenter.org
Victoria Carreón, Director of Education Policy
Email: vcarreon@guinncenter.org