



## Legislative Testimony

## Senate Bill 214: Nevada Advisory Council on Federal Assistance

June 1, 2015

### Testimony before the Assembly Committee on Ways and Means

*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 (Nevada Department of Administration's Office of Grant Procurement, Coordination, and Management, *2105 Biennium Report*).

#### **Nevada is not currently maximizing available Federal assistance programs**

- 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 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.

#### **Fiscal impact is minimal with significant opportunity for return on investment**

- Original fiscal note was \$111,100 over the biennium for an Administrative Assistant and travel costs for the Advisory Council.
- Based on the amended versions of SB213 and SB214, the combined fiscal note for the two bills was revised down to one new Program Officer in the Grants Office plus \$10,000 per year for travel and per diem costs. The fiscal cost of establishing and building this critical infrastructure is outweighed by the potentially high return on investment (in the form of greater numbers of Federal grants).



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### Recommendations

- Approve SB214 to create the Nevada Advisory Council on Federal Assistance.
- Ensure that one member of the Nevada Advisory Council on Federal Assistance represents the Nevada System of Higher Education.

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