



# The Governor's Recommended Budget for the State of Nevada: 2023-2025 Biennium

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## Data Snapshot

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March 2023

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### Introduction

Governor Joe Lombardo released his Executive Budget in January 2023. The Executive Budget contains the Governor Recommends Budget (“Governor’s Recommended Budget,” which often is referred to as “Gov Rec”) and supporting documents. The Governor’s Recommended Budget, among other requirements, details funding for state agency operations. The Governor is required to balance proposed expenditures with State General Fund revenue projections, as forecasted by the Economic Forum, when compiling the Governor’s Recommended Budget.

The Economic Forum is a statutory panel that convenes to provide revenue forecasts for the State General Fund, which is Nevada’s major operating fund.<sup>1</sup> The Economic Forum is required to meet in December of even-numbered years to provide forecasts that the Governor uses in preparing budget recommendations for the upcoming biennium. The Economic Forum meets again in May of odd-numbered years, during the legislative session, to submit final official revenue estimates to the Legislature, and legislators use these forecasts when finalizing the Legislatively Approved Budget. Two additional meetings – one in December (odd-numbered years, e.g., 2023) and one in June (even-numbered years, e.g., 2024) – are held to update the status of actual General Fund revenue collections relative to forecasted amounts.

As suggested above, during the legislative session, legislators must approve a budget to finance the operations of the State for the upcoming biennium (2023-2025). The 82<sup>nd</sup> (2023) Session of the Nevada Legislature convened on February 6, 2023, for its biennial 120-day regular session.

The budget operates on a two-year cycle, or biennium, that encompasses two fiscal years. Legislators approve budget bills during the legislative session in advance of the first fiscal year of the biennium. The upcoming 2023-2025 biennium covers two fiscal years, Fiscal Year 2024 begins on July 1, 2023, and goes through June 30, 2024, and FY 2025 begins on July 1, 2024, and ends on June 30, 2025.

The differences between the Governor’s proposed expenditures and legislators’ decisions regarding programmatic and administrative spending will be reconciled over the course of the legislative session, culminating in five budget implementation bills: the Appropriations Act, the Authorizations Act, the K-12 Education Funding Act, the State Employee Compensation Act, and the Capital Improvement Plan Act.

This data snapshot provides a broad perspective on the Governor’s Recommended Budget for the 2023-2025 biennium. It is primarily a visualization that examines revenues and expenditures and situates the budget in historical context. The State General Fund features prominently in this discussion, as it is Nevada’s major operating fund. It receives income from own-source unrestricted revenue. Strengths or weaknesses in these revenues mean that the State General Fund can act as a

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<sup>1</sup> See *Nevada Revised Statutes* (NRS) 353.226 through NRS 353.229.

barometer of the state's economic health. Roughly 94.6 percent of unrestricted State General Fund revenues are available for operating appropriations in the 2023-2025 biennium. Unrestricted State General Fund operating appropriations afford the Governor and the Nevada Legislature the widest latitude to fund state needs and priorities.

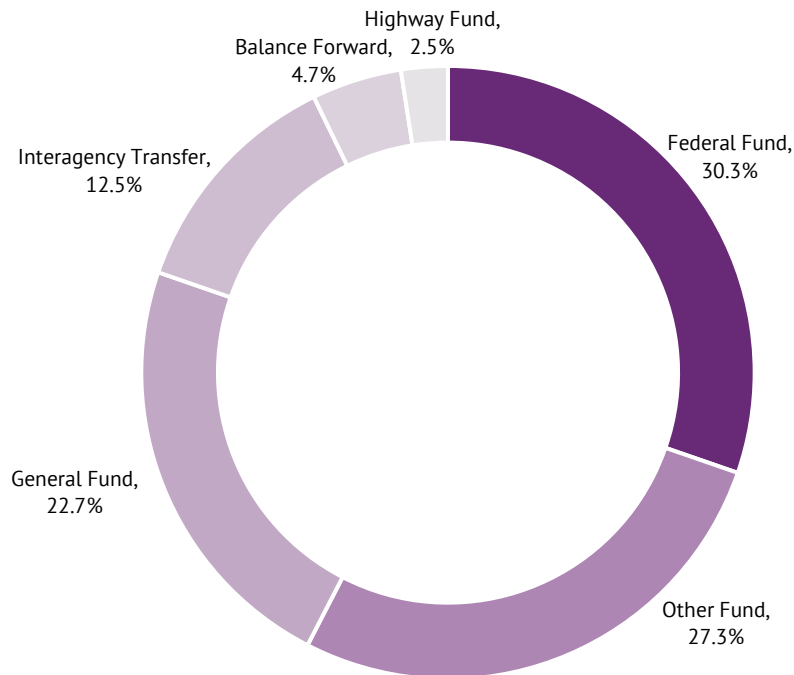


### **Governor's Recommended Budget: Highlights (2023-2025 Biennium)**

- The Governor's Recommended Budget for the 2023-2025 biennium amounts to approximately \$48.5 billion, an increase of roughly 8.0 percent over the Legislatively Approved Budget of \$44.9 billion for the current biennium.
- Federal dollars account for nearly one-third of total 2023-2025 budgetary funding sources (30.3 percent).
- The State General Fund, which, as noted, is the State's major operating fund, comprises 22.7 percent of the total 2023-2025 budget.
- Sales and Use Taxes (\$3.9 billion) make up the largest share (33.7 percent) of the State General Fund for the upcoming biennium.
- Education accounts for close to one-third (31.9 percent) of proposed expenditures for the upcoming biennium, including 27.1 percent for the Department of Education (K-12), 4.6 percent for the Nevada System of Higher Education, and 0.2 percent for the State Public Charter School Authority.
- With proposed expenditures of approximately \$20.7 billion, the Department of Health and Human Services is Nevada's largest department. Its share of proposed state expenditures for the 2023-2025 biennium is 42.7 percent.
- More than two-thirds (66.9 percent) of the State General Fund finances two departments: the Department of Health and Human Services (36.5 percent) and the Department of Education (30.4 percent). However, the Department of Health and Human Services' primary funding source is the Federal Fund (54.9 percent).



**Figure 1. Statewide Revenue Summary, by Funding Source: 2023-2025 Biennium**

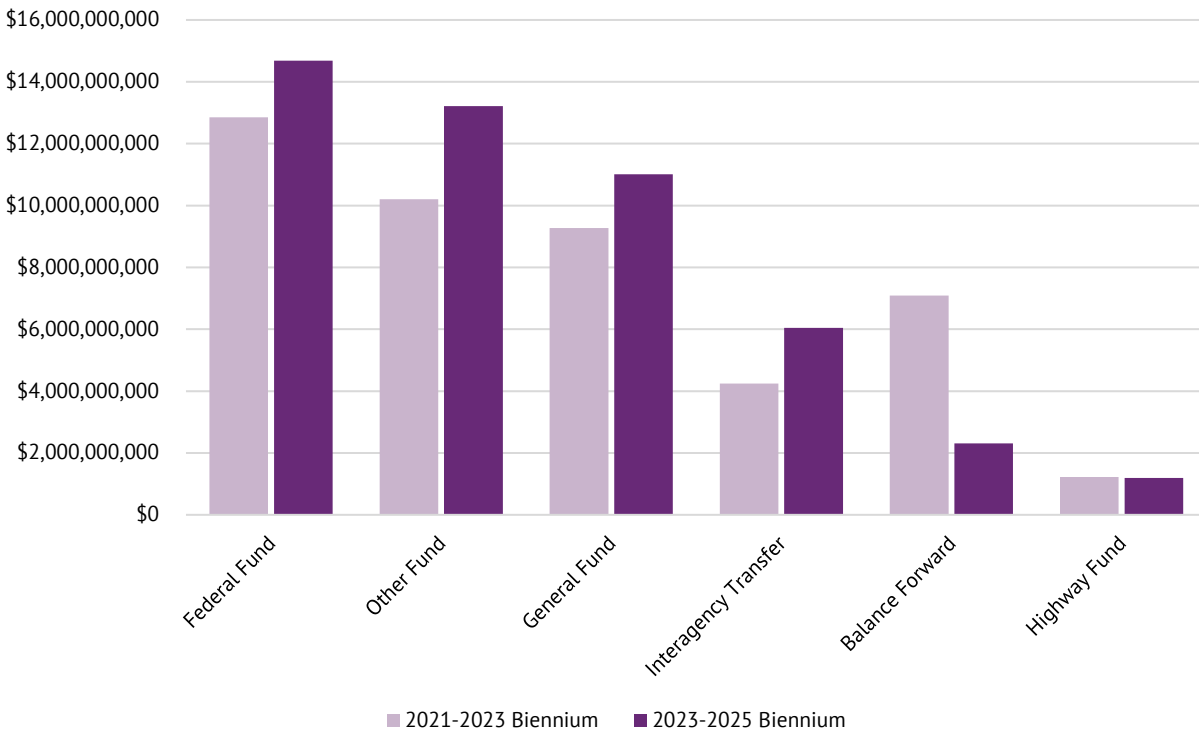


*Source:* State of Nevada, [Nevada’s Transparent Government Website](#)

The funds displayed in Figure 1 are the six funding sources in the Governor’s Recommended Budget and the Legislatively Approved Budget. Statewide revenues in the Governor’s Recommended Budget for the 2023-2025 biennium amount to approximately \$48.5 billion. The Federal Fund is “[f]unding provided by the federal government to support...programs and special uses that may have restrictions on use of funds.” The Federal Fund accounts for the highest share of statewide revenues, at around \$14.7 billion or 30.3 percent. This means that federal dollars account for nearly one-third of total 2023-2025 budgetary funding sources. The Federal Fund is followed by the Other Fund, which is defined as, “[m]oney coming into the state in the form of fees, licenses, federal and private grants, court assessments, interest income, gifts, and other sources.” Total Other Fund money for the upcoming biennium amounts to roughly \$13.2 billion, or 27.3 percent of statewide revenues. The State General Fund is Nevada’s major operating fund, and it “derives its income from taxes, fees, and other non-tax sources, limited to Economic Forum projections.” The State General Fund comprises 22.7 percent of the total 2023-2025 statewide revenues. The remaining three funds make up comparatively smaller shares of statewide revenues for the upcoming biennium (Interagency Transfer, 12.5 percent; Balance Forward, 4.7 percent; and Highway Fund, 2.5 percent).<sup>2</sup>

<sup>2</sup> Interagency Transfers generally are transfers-in from other state agencies used for non-reciprocal transactions. Balance Forward is “[t]he carry forward of cash from one fiscal year to a subsequent fiscal year.” The Highway Fund contains “[r]evenues from fuel sales and motor vehicle licensing (supports highway infrastructure and related items).”

**Figure 2. Statewide Revenue Summary, by Funding Source: Biennial Comparison**

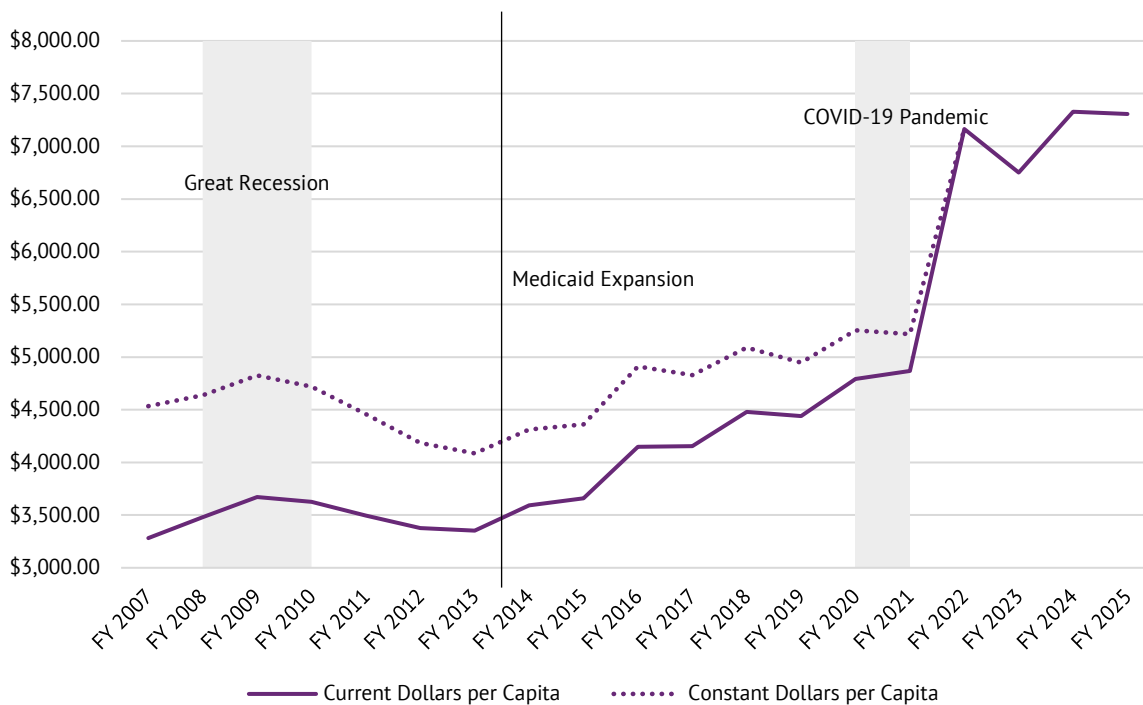


Source: State of Nevada, [Nevada’s Transparent Government Website](#)

The Governor’s Recommended Budget for the 2023-2025 biennium amounts to approximately \$48.5 billion, an increase of roughly 8.0 percent over the Legislatively Approved Budget of \$44.9 billion for the current biennium. The Federal Fund will increase by 14.2 percent between the 2021-2023 biennium and the 2023-2025 biennium, for a total dollar difference of about \$1.8 billion. As the Governor’s Recommended Budget [notes](#), “the primary driver of federal fund increases remains related to changes and growth in the Medicaid program.” Of all statewide revenues, the Other Fund will increase most substantially – more than \$3.0 billion (29.5 percent) – between the current biennium and the upcoming biennium, though this change cannot be attributed to any particular revenue source. Unrestricted State General Fund revenues available for operating appropriations will increase from \$9.3 billion in the current biennium to about \$11.0 billion in the upcoming biennium, which is an increase of \$1.7 billion (18.8 percent). As noted in the discussion of Figure 1, the remaining funding sources account for comparatively smaller shares of statewide revenues for the upcoming biennium. Interagency Transfers will increase by \$1.8 billion (42.7 percent), while Balance Forward will decrease by nearly \$4.8 billion (67.4 percent), and the Highway Fund will decrease by \$26.6 million (2.2 percent).<sup>3</sup>

<sup>3</sup> Approximately \$5.6 billion in COVID-19 Relief Programs was balanced forward from the previous year to the current biennium. Restrictions on this funding may explain the sharp decrease in the Balance Forward funding source for the 2023-2025 biennium.

**Figure 3. Nevada’s Budget, All Funding Sources, FY 2007-FY 2025**



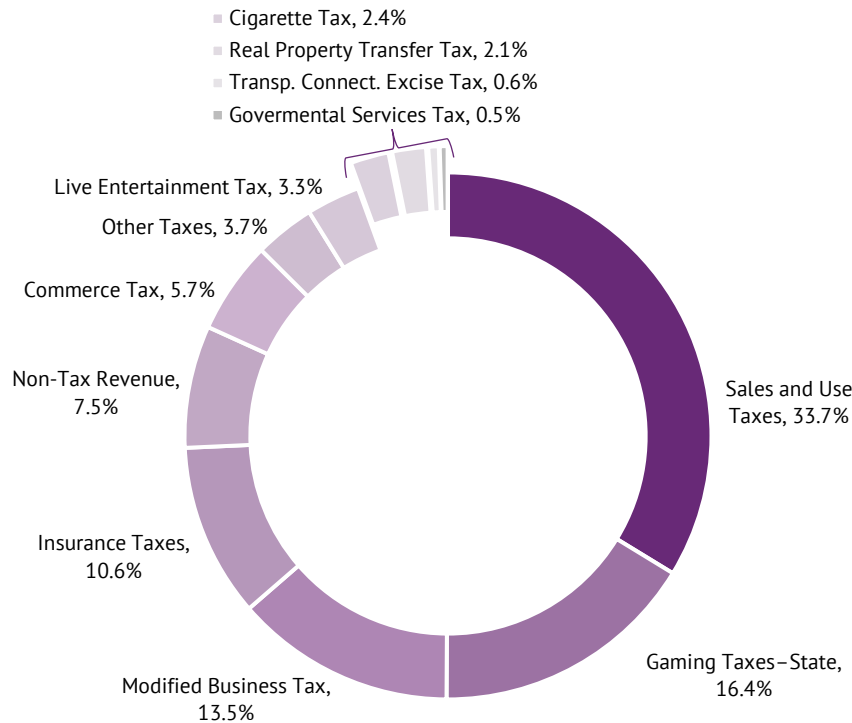
*Source:* Nevada Legislative Counsel Bureau, Fiscal Analysis Division, [Appropriations Reports](#); State of Nevada, [Nevada’s Transparent Government Website](#); U.S. Census Bureau, [American Community Survey](#); State of Nevada Department of Taxation, [Population Projections for Nevada and its Counties - 5 Year; March 2023 Projections](#); and U.S. Bureau of Labor Statistics, [CPI for All Urban Consumers \(CPI-U\)](#)

Figure 3 situates Nevada’s total budget (annual statewide revenues) in historical context.<sup>4</sup> Inflation-adjusted statewide revenues per capita increased throughout the Great Recession, decreased to a low in FY 2013, increased through FY 2016, stayed somewhat flat for the next three fiscal years, and increased incrementally in FY 2020 and FY 2021 (during the COVID-19 pandemic). These revenues increased in the first year of the current biennium, before dipping in its second year, and are projected to increase in the upcoming biennium. Temporary drivers of inflation-adjusted statewide revenues per capita are federal relief/stimulus dollars that flowed through the budget during the Great Recession and the COVID-19 pandemic. Over the long term, Medicaid expansion produced a more structural change in budgetary growth through the increase in federal matching dollars. The sharp uptick in FY 2022 possibly can be attributed to a statutory change in school funding, which placed certain revenues in the State Education Fund that previously were returned to school districts for distribution.<sup>5</sup>

<sup>4</sup> Adjustments by inflation and population standardize the data, thus permitting comparisons across time. Current dollars do not take inflation into account, while constant dollars are inflation-adjusted. Nevada experienced “higher-than-expected inflation starting in the spring of 2021,” and it was the fifth-fastest growing state between 2010 and 2020, following Utah, Idaho, Texas, and North Dakota.

<sup>5</sup> These revenues are treated as Other Fund money for budgetary purposes. Historically, this funding, which can total in billions, was “local” and thus would not have been accounted for at the state level.

**Figure 4. Nevada General Fund Revenues, by Source: 2023-2025 Biennium**

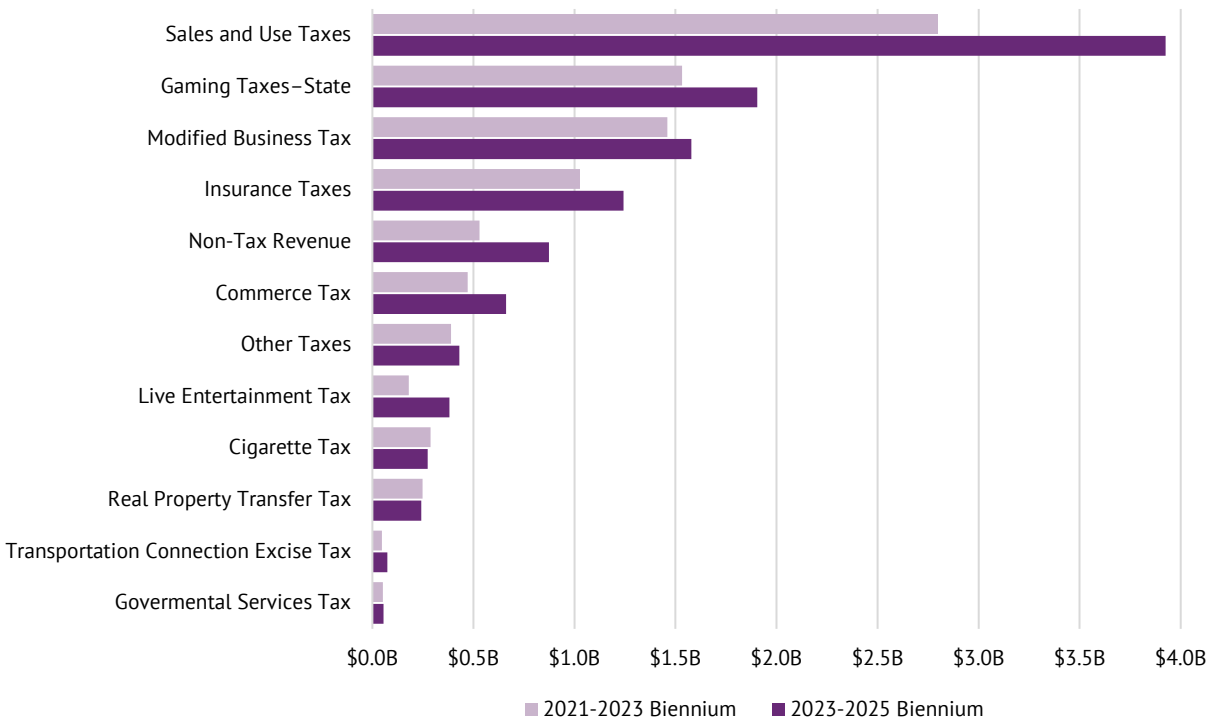


*Source:* State of Nevada, Economic Forum: December 5, 2022. *Note:* Before tax credits.

As noted in the Introduction, the Economic Forum “is required to adopt an official forecast of unrestricted [State] General Fund revenues for the biennial budget cycle.” The forecasts take into consideration such economic indicators as Gross Domestic Product (GDP), total nonfarm employment, personal income, wage growth, and housing starts for the United States and Nevada, along with visitation to the state, among others. Figure 4 shows the contribution of the various revenue sources to the State General Fund for the upcoming biennium. Sales and Use Taxes (\$3.9 billion) make up the largest share (33.7 percent) of the State General Fund for the upcoming biennium. It is followed by State Gaming Taxes, at 16.4 percent, then by the Modified Business Tax at 13.5 percent. Insurance Taxes are the fourth-highest contributor. They are forecasted to account for 10.6 percent of the State General Fund. The remaining taxes and non-tax revenues provide smaller shares. Collectively, Sales and Use Taxes and State Gaming Taxes make up more than half (50.1 percent) of unrestricted State General Fund revenues.<sup>6</sup>

<sup>6</sup> Note that mining taxes will not be deposited in the State General Fund in the upcoming biennium (see Appendix A). These include the Net Proceeds of Minerals Tax, a tax on the gross yield of mines (less certain production-related expenses), and the Gold and Silver Excise Tax, a tax “paid by businesses extracting gold or silver...whose Nevada gross revenues exceed \$20.0 million in a taxable year.” Assembly Bill 495 of the 81<sup>st</sup> (2021) Legislative Session implemented the Gold and Silver Excise Tax, directing it and the Net Proceeds of Minerals Tax to be deposited in the State Education Fund beginning in FY 2024 “for the benefit of K-12 education under the Pupil-Centered Funding Plan.”

**Figure 5. Nevada General Fund Revenues: Biennial Comparison**



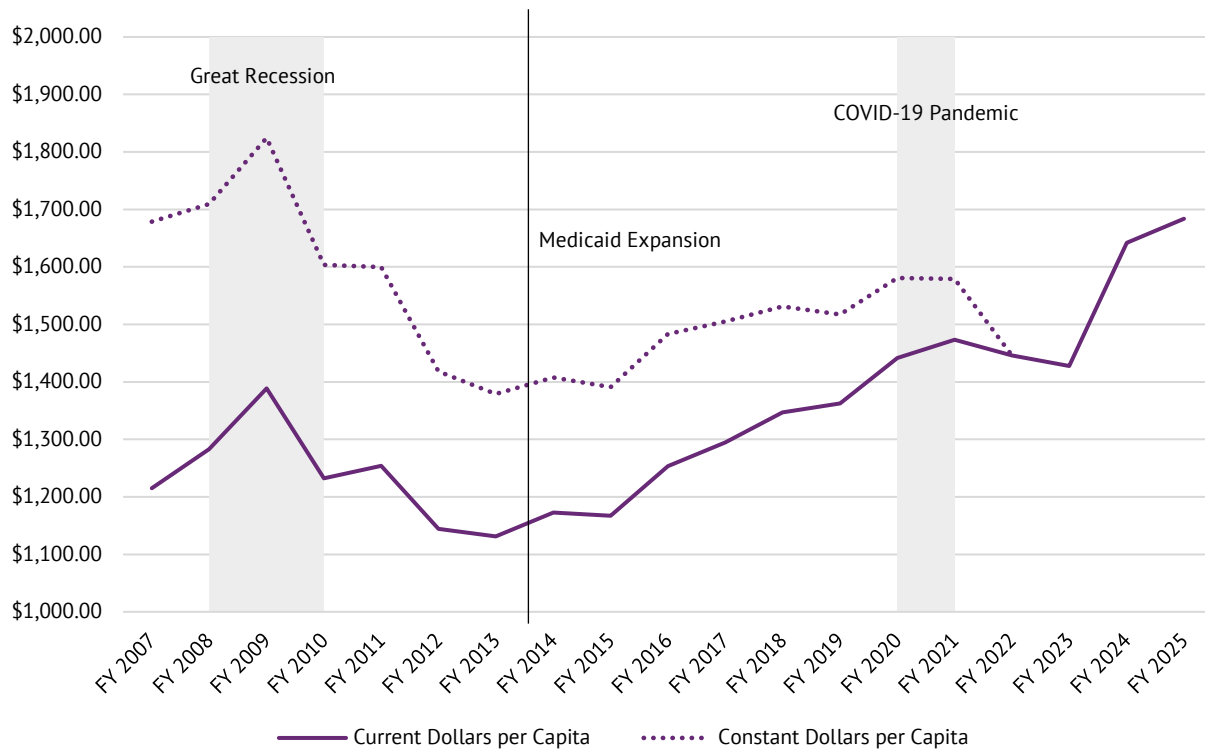
*Source:* State of Nevada, Economic Forum: [May 4, 2021](#), and [December 5, 2022](#). *Note:* Before tax credits.

Total unrestricted State General Fund revenues are forecasted to increase over the projections for the current biennium. After tax credits, the 2023-2025 biennium total is about \$11.4 billion, which is an increase of roughly \$2.3 billion over the current biennium, or about 25.0 percent. (See Appendix A for a detailed table of unrestricted State General Fund revenues for the current biennium and the upcoming biennium.) This total reflects biennial increases in all but two revenue categories: the Cigarette Tax and Real Property Transfer Tax.<sup>7</sup> The forecasted increases to the majority of revenue sources highlight Nevada’s economic recovery. Sales and Use Taxes are projected to increase by about \$1.1 billion (40.3 percent) over the current biennium on the strength of higher-than-expected taxable retail sales. Other highlights include State Gaming Taxes, which are forecasted to increase by \$372 million (24.3 percent) over the current biennium, and the Live Entertainment Tax (LET) which is forecasted to increase by nearly \$202 million (112.3 percent) over the current biennium. Notably, gaming taxes and the LET both hinge heavily on visitation, and while pent-up demand for leisure travel is a source of strength for gaming taxes, the LET has trailed gross gaming revenue post-pandemic and has not peaked due to the lag in business travel, particularly midweek convention travel. Large events, such as Formula One, the Super Bowl, and March Madness, among others, may increase visitation in the upcoming biennium, which is, in part, why the LET is forecasted to increase.

<sup>7</sup> With a projected decrease of less than \$13.0 million, the impact of the Cigarette Tax on State General Fund revenues is minimal. The Real Property Transfer Tax will decrease by about 2.8 percent in the upcoming biennium, as a result of softening in the housing market.



**Figure 6. Nevada General Fund Operating Appropriations per Capita, FY 2007-FY 2025**

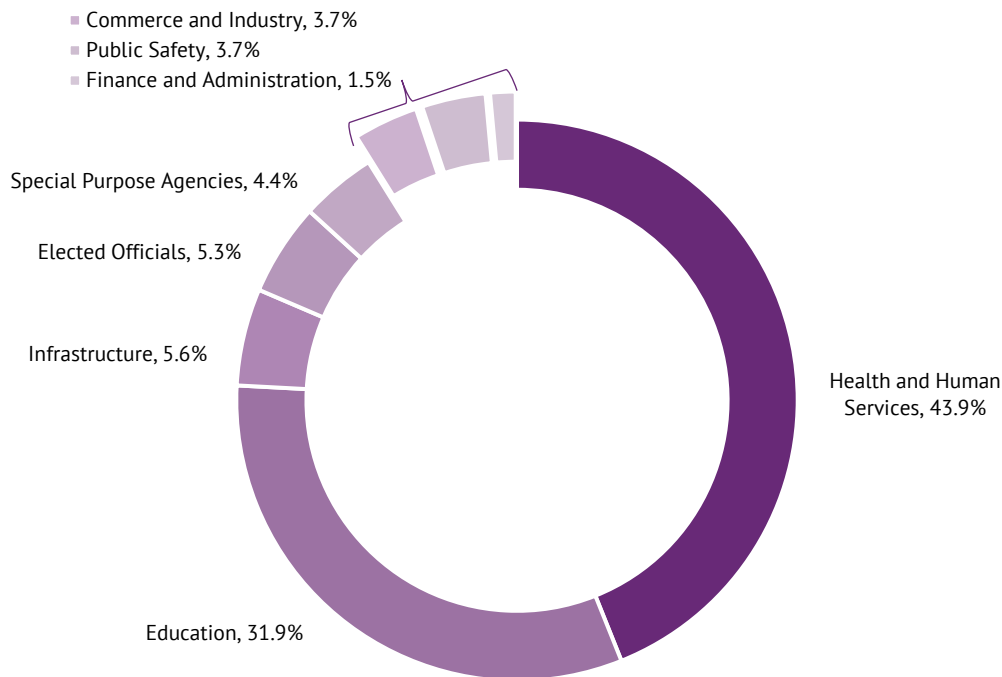


*Source:* Nevada Legislative Counsel Bureau, Fiscal Analysis Division, [Appropriations Reports](#); State of Nevada, [Nevada’s Transparent Government Website](#); U.S. Census Bureau, [American Community Survey](#); State of Nevada Department of Taxation, [Population Projections for Nevada and its Counties - 5 Year; March 2023 Projections](#); and U.S. Bureau of Labor Statistics, [CPI for All Urban Consumers \(CPI-U\)](#)

The State General Fund has not grown consistently over time. Figure 6 shows that, after adjusting for inflation (constant dollars) and population, over the period FY 2007-FY 2025, State General Fund operating appropriations have fluctuated somewhat, but have only exceeded \$1,800 per capita once and have remained generally in the \$1,400 per capita to \$1,600 per capita range.<sup>8</sup> The decline was the most acute between FY 2009 and FY 2010, which was during the Great Recession. However, after a flat FY 2011, the inflation-adjusted per capita amount declined sharply in FY 2012. There was a slight increase in FY 2014, but there was no real recovery until FY 2016, after which Nevada experienced an uptick, mixed with some flatness, through FY 2020. The sharpest decline since the Great Recession was between FY 2021 and FY 2022, which reflects the disproportionate effect of the COVID-19 pandemic-induced recession on Nevada’s economy. Inflation-adjusted State General Fund operating appropriations per capita decreased by 13.9 percent between FY 2007 (\$1,678.78) and FY 2022 (\$1,446.01). Own-source unrestricted State General Fund revenues available for appropriation have not kept pace of inflation and/or population, unlike the total budget (annual statewide revenues), as highlighted in Figure 3.

<sup>8</sup> See Footnote 4 on the basis for adjustments by inflation and population.

**Figure 7. Statewide Expenditure Summary, by Function: 2023-2025 Biennium**

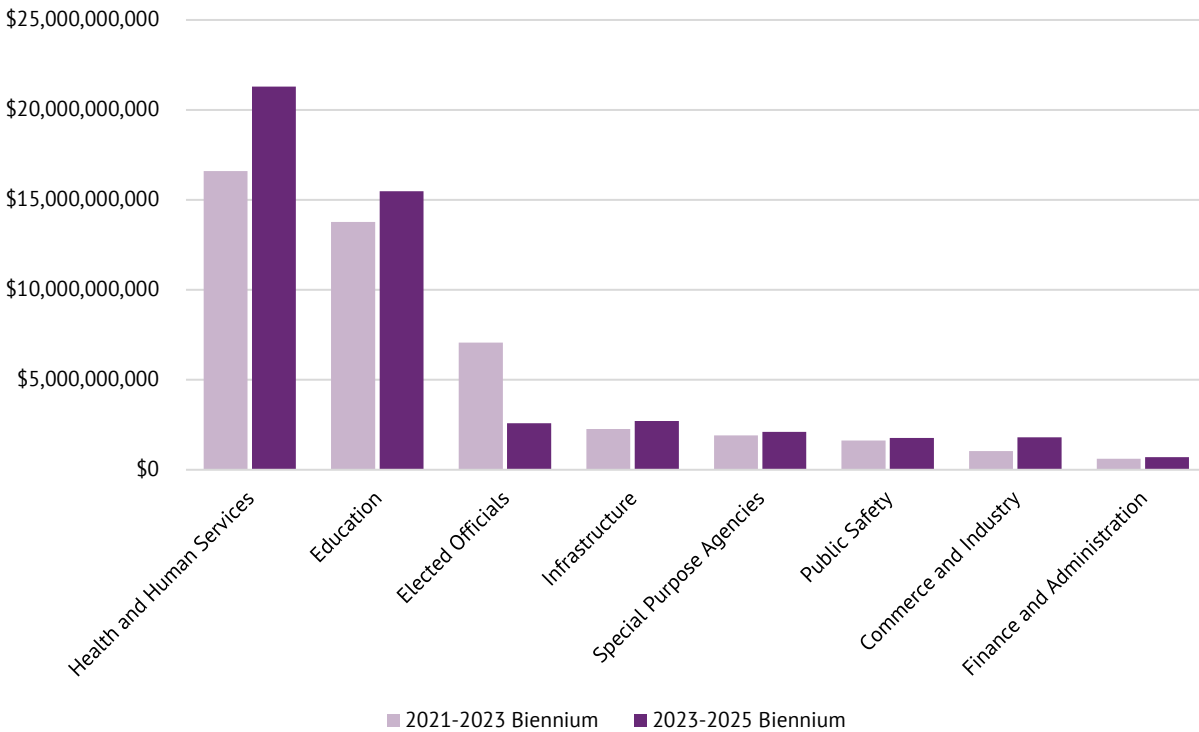


*Source:* State of Nevada, [Nevada’s Transparent Government Website](#)

Core functions in the Nevada budget are defined as “[a] collection of related, structured activities or tasks that produce a specific service or product...[t]his function ties the state’s strategic goals and priorities to its activities by defining state government’s primary purposes/functions.” The State of Nevada has identified eight core functions of government, as displayed in Figure 7. Each corresponds to a subset of the state’s departments. For example, the Health and Human Services function is composed of the Department of Health and Human Services and the Department of Employment, Training and Rehabilitation.<sup>9</sup> (Appendix B contains a crosswalk between functions and departments for the upcoming biennium.) Figure 7 shows the distribution of funding, by function, for the 2023-2025 biennium. The Health and Human Services function accounts for 43.9 percent of statewide expenditures, followed by Education (31.9 percent). The remaining functions constitute far smaller shares of planned expenditures. For example, the funding level for Education is 5.7 times that of Infrastructure (5.6 percent of statewide expenditures). Collectively, Health and Human Services and Education make up more than three-quarters (75.8 percent) of statewide expenditures for the upcoming biennium. States’ priorities tend to center on health care and education, and the core function summary is consistent with Legislatively Approved Budgets in both the current biennium (67.7 percent) and the previous biennium (68.7 percent).

<sup>9</sup> In the upcoming biennium, the summary total for the Health and Human Services function (\$21.3 billion) is equal to the sum of the Department of Health and Human Services’ budget (\$20.7 billion) and the Department of Employment, Training and Rehabilitation’s budget (\$601.4 million).

**Figure 8. Statewide Expenditure Summary, by Function: Biennial Comparison**



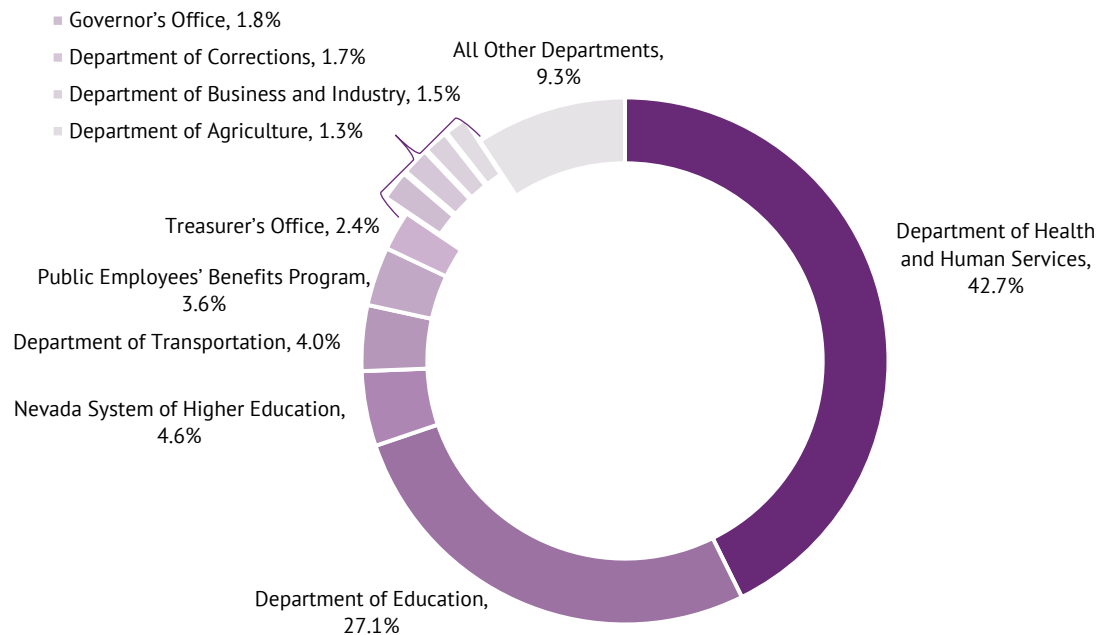
Source: State of Nevada, [Nevada’s Transparent Government Website](#)

With the exception of the Elected Officials function, statewide expenditures for all core functions of state government will increase over the current biennium. The sharp decrease in Elected Officials (63.4 percent) likely can be attributed, at least in part, to the \$5.6 billion in current biennial funding for COVID-19 Relief Programs that will not be available in the upcoming biennium.<sup>10</sup> The Health and Human Services function will enjoy the largest biennium-to-biennium increase (\$4.7 billion; 28.3 percent), followed by Education (\$1.7 billion; 12.4 percent). Public Safety will experience the highest funding growth rate, at 73.6 percent. The function totals accord with Governor Lombardo’s spending priorities for the upcoming biennium. In his Executive Budget transmittal letter, the Governor “asks the Legislature to prioritize education, public safety, and economic development,” among many other spending requests. It is important to note that core function summaries, while useful in outlining the broad strokes of the Governor’s proposed expenditures and spending priorities, can be insufficiently granular.<sup>11</sup> Many issue areas can “crosscut” departmental responsibilities. Workforce development is one example: the Governor’s Recommended Budget provides grants to community colleges for expansion of workforce and development programs (Education function) and an investment of “\$12.9 million...for the Workforce Innovations for a New Nevada fund” (Governor’s Office of Economic Development; Commerce and Industry function).

<sup>10</sup> These funds are administered through the Governor’s Office (Elected Officials function), so their expiration at the end of FY 2023 should decrease the funding level for Elected Officials in the upcoming biennium.

<sup>11</sup> This holds true for the department-level analysis, as well.

**Figure 9. Statewide Expenditure Summary, by Department: 2023-2025 Biennium**

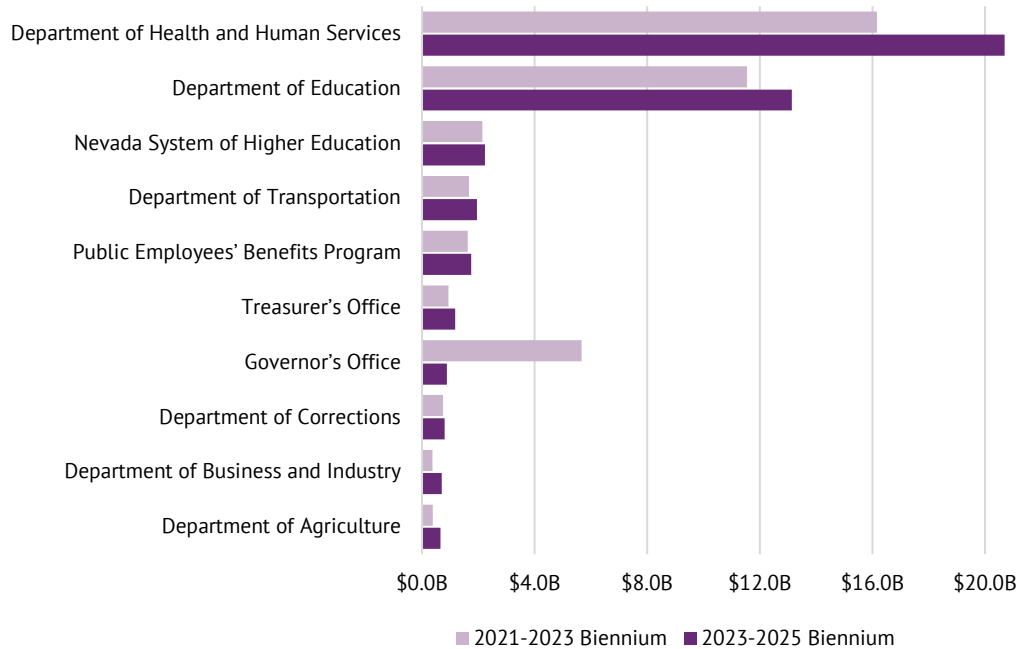


Source: State of Nevada, [Nevada's Transparent Government Website](#)

Each core function in the Nevada budget encompasses a subset of the state's departments, as noted in the discussion of Figure 7. Therefore, funding patterns for *core functions* often resemble that for *departmental funding*, as set forth in Figure 9. This will hold true in the upcoming biennium, as well. The three departments that correspond to the two largest core functions account for nearly three out of every four dollars (74.4 percent) in proposed statewide expenditures.<sup>12</sup> The Department of Health and Human Services makes up the largest share of funding in the 2023-2025 biennium, or 42.7 percent of statewide expenditures. This comparatively high share of funding is attributable primarily to Medicaid, which accounts for more than two-thirds (66.8 percent) of the Department of Health and Human Services' biennial budget and more than one-quarter (28.5 percent) of Nevada's total biennial budget. The Department of Education, which provides pre-K-12 programs and supports, makes up the second-largest share of statewide expenditures in the upcoming biennium (27.1 percent). It is followed by the Nevada System of Higher Education (4.6 percent). Inclusive of the Department of Education's share (27.1 percent), the Nevada System of Higher Education's share (4.6 percent), and the State Public Charter School Authority's share (0.2 percent), the Education core function constitutes almost one-third (31.9 percent) of proposed expenditures for the upcoming biennium. The remaining departments make up comparatively smaller shares of statewide expenditures for the upcoming biennium, the largest of which are the Department of Transportation (4.0 percent), the Public Employees' Benefits Program (3.6 percent), and the Treasurer's Office (2.4 percent).

<sup>12</sup> See Figure 7 for the distribution of statewide expenditures, by function, for the 2023-2025 biennium. The two largest core functions in the upcoming biennium are Health and Human Services and Education.

**Figure 10. Statewide Expenditure Summary, by Department: Biennial Comparison (Nevada’s 10 Largest Departments in the 2023-2025 Biennium)**

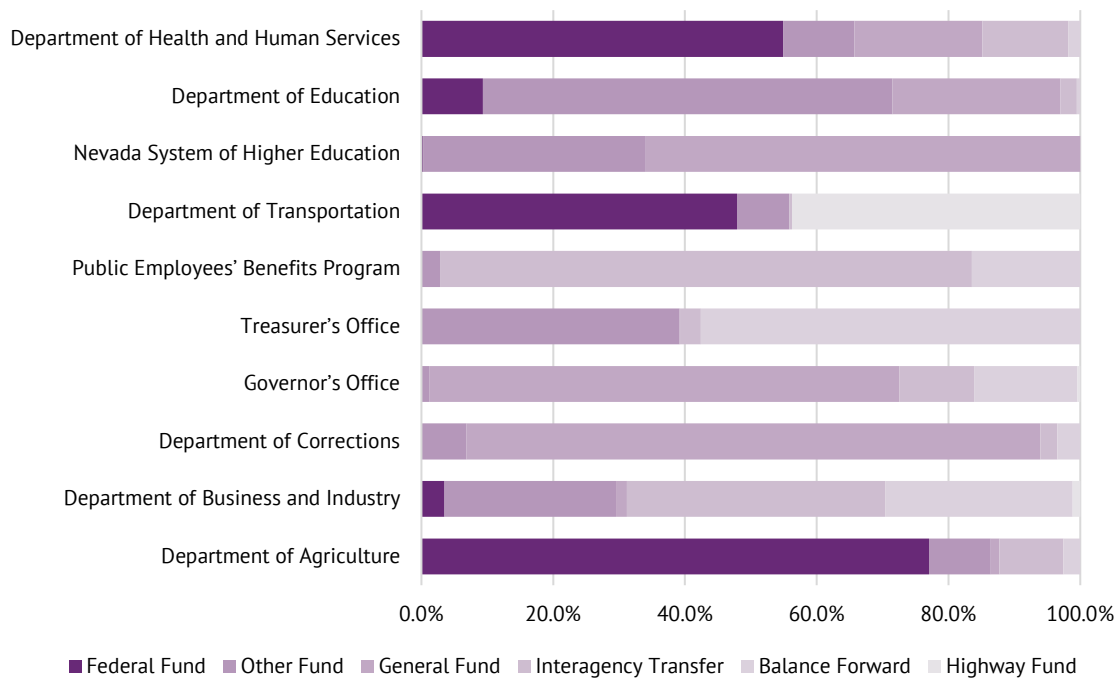


*Source:* State of Nevada, [Nevada’s Transparent Government Website](#). *Note:* Sorted from largest to smallest, by department size. Size is the department’s total budgeted revenues in the 2023-2025 biennium.

Expenditures in the Governor’s Recommended Budget must balance to revenues. Thus, as with revenues (see discussion of Figure 2), statewide expenditures for the 2023-2025 biennium amount to approximately \$48.5 billion, which is an increase of roughly 8.0 percent over the Legislatively Approved Budget of \$44.9 billion for the current biennium. Figure 10 displays the biennial comparison of expenditures for Nevada’s 10 largest departments.<sup>13</sup> As proposed by the Governor, 35 agencies will enjoy increased funding levels in the 2023-2025 biennium, while six agencies will see their budgets decreased. Among the departments included in Figure 10, only the budget for the Governor’s Office will be reduced. This is the most substantial departmental-level reduction for the upcoming biennium, at approximately \$4.8 billion (84.5 percent), and it likely can be ascribed to the sunseting of certain COVID-19 Relief Programs that were administered by the Governor’s Office (see the discussion for Figure 8). With proposed expenditures of approximately \$20.7 billion, the Department of Health and Human Services is Nevada’s largest department. Its budget will increase by 28.1 percent between the 2021-2023 biennium and the 2023-2025 biennium, for a total dollar difference of about \$4.5 billion. The Department of Education will enjoy the second-largest increase in the upcoming biennium, with an additional \$1.6 billion over current biennial funding levels. It will increase public support for K-12 education, increasing per-pupil funding from an estimated average of \$10,290.00 to \$12,881.00.

<sup>13</sup> Space constraints preclude the inclusion of all 41 state-level departments. See Appendix C for a detailed table of agency funding in the current biennium and the upcoming biennium.

**Figure 11. Nevada’s 10 Largest Departments, by Funding Source: 2023-2025 Biennium**



*Source:* State of Nevada, [Nevada’s Transparent Government Website](#) *Note:* Sorted from largest to smallest, by department size. Size is the department’s total budgeted revenues in the 2023-2025 biennium.

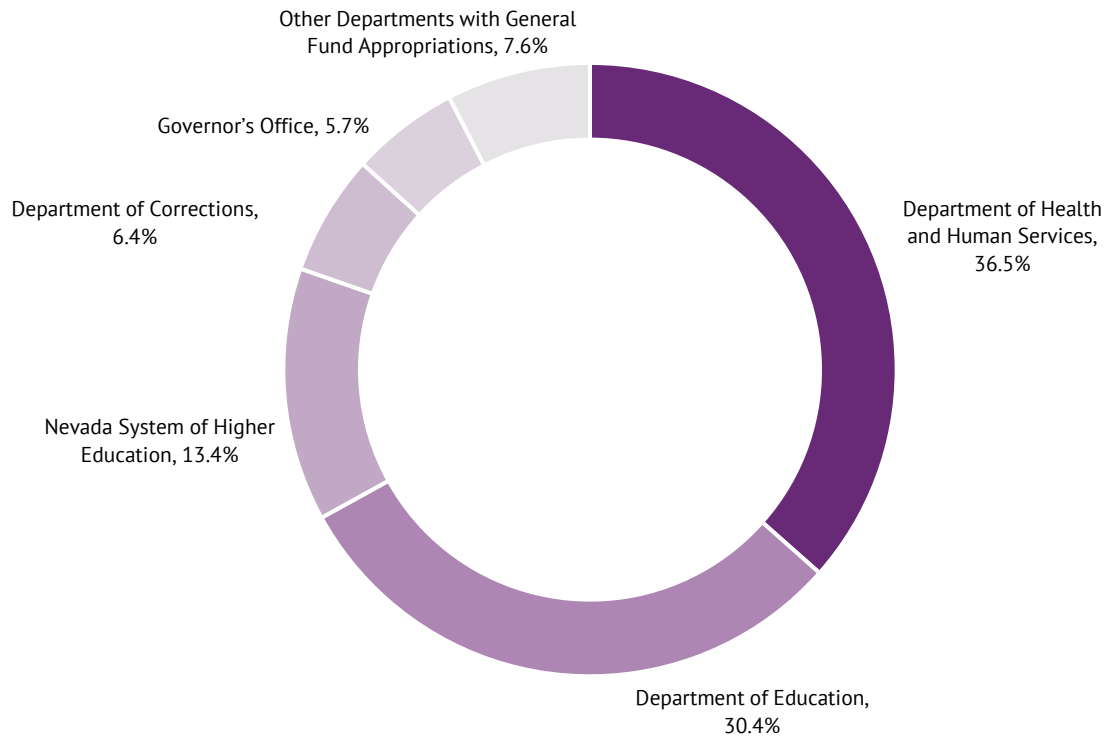
It can be instructive to consider the distribution of agencies’ funding sources (Figure 11).<sup>14</sup> In fact, only three agencies will be funded by all six funding sources in the upcoming biennium.<sup>15</sup> Some agencies do not receive money from certain funding sources, such as the Department of Transportation, which has no General Fund contribution. Moreover, some funding sources only support specific agencies.<sup>16</sup> A comparison of the Department of Health and Human Services and the Department of Education reveals, too, that proportions of funding from restricted revenue sources (e.g., the Federal Fund) and unrestricted revenue sources (e.g., the State General Fund) can differ substantially. Proposed expenditures for the Department of Health and Human Services in the upcoming biennium are about 1.6 times higher than that of the next largest department, the Department of Education. However, the revenue sources that fund these departments differ. The Federal Fund accounts for 54.9 percent of the Department of Health and Human Services’ total budget, while the General Fund is its second-highest funding source, at 19.4 percent. For the Department of Education, those percentages are 9.3 percent and 25.5 percent, respectively.

<sup>14</sup> This figure is truncated to the 10 largest agencies in the 2023-2025 biennium to optimize image quality. See Appendix D for a graph of all agencies.

<sup>15</sup> The Department of Public Safety, the Department of Business and Industry, and the Governor’s Office (though note that the share of federal funding to the Governor’s Office is 0.2 percent in the upcoming biennium).

<sup>16</sup> An example is the Highway Fund, which will fund six agencies in the upcoming biennium: the Department of Transportation, the Department of Public Safety, the Department of Motor Vehicles, the Department of Business and Industry, the Governor’s Office, and the Legislative Branch.

**Figure 12. General Fund Appropriations, by Department: 2023-2025 Biennium**



*Source:* State of Nevada, [Nevada's Transparent Government Website](#)

The data in the previous figure (Figure 11) demonstrates that funding sources can vary as shares of agencies' budgets. Figure 12 inverts this analysis to examine the proportions of own-source unrestricted State General Fund revenues available for appropriation that will fund Nevada's agencies in the upcoming biennium. This can illustrate the state's spending priorities that otherwise can be masked by an agency's budget size alone. State General Fund contributions to the Department of Health and Human Services (36.5 percent) and the Department of Education (30.4 percent) are nearly equal, though the former has a significantly higher overall budget that is driven by federal funding. The State General Fund contributes far smaller shares to other state-level departments. The Nevada System of Higher Education accounts for the third-largest share (13.4 percent), followed by the Department of Corrections (6.4 percent) and the Governor's Office (5.7 percent). The State General Fund contributes 7.6 percent to the remaining state-level departments that receive contributions from this fund.<sup>17</sup> Therefore, more than two-thirds (66.9 percent) of the State General Fund finances just two departments, the Department of Health and Human Services and the Department of Education).<sup>18</sup>

<sup>17</sup> Nine departments will not be funded through the State General Fund in the upcoming biennium: the Department of Transportation, the Public Employees' Benefits Program, the Colorado River Commission, the Cannabis Compliance Board, the State Public Charter School Authority, the Public Employees' Retirement System, the Silver State Health Insurance Exchange, the Public Utilities Commission, and the Commission on Mineral Resources.

<sup>18</sup> Note that three agencies are funded solely by State General Fund dollars: the Judicial Discipline Commission, the Lieutenant Governor's Office, and Department of Sentencing Policy.

## Appendix A. Economic Forum: General Fund Revenues, by Source – Comparison Between 2021-2023 Biennium and 2023-2025 Biennium

Description	Current Biennium (FY 2022 and FY 2023)			Upcoming Biennium (FY 2024 and FY 2025)			Biennium-to-Biennium Change	
	FY 2022 (Forecast)	FY 2023 (Forecast)	Biennium Total	FY 2024 (Forecast)	FY 2025 (Forecast)	Biennium Total	Dollar Difference	Percent Change
<i>Taxes</i>								
Mining Taxes and Fees	\$ 159,828,000	\$ 152,063,000	\$ 311,891,000	\$ -	\$ -	\$ -	\$ -	-
Sales and Use Taxes	\$ 1,355,285,000	\$ 1,441,740,000	\$ 2,797,025,000	\$ 1,919,869,000	\$ 2,005,331,000	\$ 3,925,200,000	\$ 1,128,175,000	40.3%
Gaming Taxes–State	\$ 739,219,700	\$ 793,434,700	\$ 1,532,654,400	\$ 941,856,800	\$ 962,876,600	\$ 1,904,733,400	\$ 372,079,000	24.3%
Live Entertainment Tax (LET)	\$ 61,450,000	\$ 118,497,000	\$ 179,947,000	\$ 196,048,000	\$ 185,890,000	\$ 381,938,000	\$ 201,991,000	112.3%
Commerce Tax	\$ 228,516,000	\$ 242,314,000	\$ 470,830,000	\$ 321,558,000	\$ 339,548,000	\$ 661,106,000	\$ 190,276,000	40.4%
Transportation Connection Excise Tax	\$ 17,594,000	\$ 29,266,000	\$ 46,860,000	\$ 34,193,000	\$ 40,429,000	\$ 74,622,000	\$ 27,762,000	59.2%
Cigarette Tax	\$ 145,743,000	\$ 141,549,000	\$ 287,292,000	\$ 137,900,000	\$ 136,440,000	\$ 274,340,000	\$ (12,952,000)	-4.5%
Modified Business Tax (MBT)	\$ 705,519,000	\$ 753,606,000	\$ 1,459,125,000	\$ 771,098,000	\$ 806,951,000	\$ 1,578,049,000	\$ 118,924,000	8.2%
Insurance Taxes	\$ 500,117,900	\$ 526,951,900	\$ 1,027,069,800	\$ 605,198,000	\$ 638,024,800	\$ 1,243,222,800	\$ 216,153,000	21.0%
Real Property Transfer Tax (RPTT)	\$ 125,739,000	\$ 122,521,000	\$ 248,260,000	\$ 120,000,000	\$ 121,290,000	\$ 241,290,000	\$ (6,970,000)	-2.8%
Governmental Services Tax (GST)	\$ 25,556,000	\$ 26,174,000	\$ 51,730,000	\$ 27,548,000	\$ 28,225,000	\$ 55,773,000	\$ 4,043,000	7.8%
Other Taxes	\$ 192,119,000	\$ 197,052,000	\$ 389,171,000	\$ 214,156,000	\$ 216,947,000	\$ 431,103,000	\$ 41,932,000	10.8%
<b>TOTAL TAXES – BEFORE TAX CREDITS</b>	<b>\$ 4,256,686,600</b>	<b>\$ 4,446,134,100</b>	<b>\$ 8,801,855,200</b>	<b>\$ 5,289,424,800</b>	<b>\$ 5,481,952,400</b>	<b>\$ 10,771,377,200</b>	<b>\$ 1,969,522,000</b>	<b>22.4%</b>
<i>(Tax Credits)</i>								
Commerce Tax Credits	\$ (44,611,000)	\$ (47,632,000)	\$ (92,243,000)	\$ (54,542,000)	\$ (58,098,000)	\$ (112,640,000)	\$ -	-
Tax Credit Programs	\$ (43,402,500)	\$ (51,402,500)	\$ (94,805,000)	\$ (51,910,550)	\$ (46,655,605)	\$ (98,566,155)	\$ -	-
<b>TOTAL TAXES – AFTER TAX CREDITS</b>	<b>\$ 4,168,673,100</b>	<b>\$ 4,446,134,100</b>	<b>\$ 8,614,807,200</b>	<b>\$ 5,182,972,250</b>	<b>\$ 5,377,198,795</b>	<b>\$ 10,560,171,045</b>	<b>\$ 1,945,363,845</b>	<b>22.6%</b>
<i>Non-Tax Revenue</i>								
Licenses	\$ 143,225,900	\$ 147,568,100	\$ 290,794,000	\$ 166,715,300	\$ 168,872,300	\$ 335,587,600	\$ 44,793,600	15.4%
Fees and Fines	\$ 55,891,300	\$ 61,377,300	\$ 117,268,600	\$ 93,849,900	\$ 95,226,400	\$ 189,076,300	\$ 71,807,700	61.2%
Use of Money and Property	\$ 9,726,976	\$ 15,109,762	\$ 24,836,738	\$ 111,329,585	\$ 91,268,792	\$ 202,598,377	\$ 177,761,639	715.7%
Other Revenue	\$ 48,407,539	\$ 48,983,262	\$ 97,390,801	\$ 73,492,697	\$ 72,720,997	\$ 146,213,694	\$ 48,822,893	50.1%
<b>TOTAL NON-TAX REVENUE</b>	<b>\$ 257,251,715</b>	<b>\$ 273,038,424</b>	<b>\$ 530,290,139</b>	<b>\$ 445,387,482</b>	<b>\$ 428,088,489</b>	<b>\$ 873,475,971</b>	<b>\$ 343,185,832</b>	<b>64.7%</b>
<b>TOTAL GENERAL FUND REVENUES (ECONOMIC FORUM)</b>	<b>\$ 4,425,924,815</b>	<b>\$ 4,719,172,524</b>	<b>\$ 9,145,097,339</b>	<b>\$ 5,628,359,732</b>	<b>\$ 5,805,287,284</b>	<b>\$ 11,433,647,016</b>	<b>\$ 2,288,549,677</b>	<b>25.0%</b>

Source: State of Nevada, Economic Forum: May 4, 2021, and December 5, 2022. Note: Taxes, tax credits, and non-tax revenue are displayed as category totals. For example, the Live Entertainment Tax (LET) is equal to total LET, which comprises LET–Gaming and LET–Nongaming.



## Appendix B. Crosswalk Between Functions and Departments – 2023-2025 Biennium

Crosswalk Between Functions and Departments – 2023-2025 Biennium	
Function	Department
Health and Human Services	Department of Health and Human Services
	Department of Employment, Training and Rehabilitation
Education	Department of Education
	Nevada System of Higher Education
	State Public Charter School Authority
Infrastructure	Department of Transportation
	Department of Conservation and Natural Resources
	Colorado River Commission
	Department of Wildlife
	Tahoe Regional Planning Agency
Elected Officials	Treasurer's Office
	Governor's Office
	Judicial Branch
	Attorney General's Office
	Legislative Branch
	Secretary of State's Office
	Controller's Office
	Judicial Discipline Commission
	Lieutenant Governor's Office
Special Purpose Agencies	Public Employees Benefits Program
	Department of Veterans Services
	Adjutant General
	Public Employees' Retirement System
	Silver State Health Insurance Exchange
	Department of Indigent Defense Services
	Commission on Ethics
	Department of Sentencing Policy
Commerce and Industry	Department of Business and Industry
	Department of Agriculture
	Department of Tourism and Cultural Affairs
	Gaming Control Board
	Governor's Office of Economic Development
	Public Utilities Commission
	Commission on Mineral Resources
Public Safety	Department of Corrections
	Department of Public Safety
	Department of Motor Vehicles
	Commission on Peace Officer Standards and Training
Finance and Administration	Department of Administration
	Department of Taxation
	Cannabis Compliance Board

*Source:* State of Nevada, [Nevada's Transparent Government Website](#). *Note:* Sorted from largest to smallest, by function size, and by department size within function. Size is total budgeted revenues (2023-2025 biennium).

### Appendix C. Statewide Expenditure Summary, by Department: Comparison Between Current Biennium and Upcoming Biennium

Statewide Expenditure Summary, by Department: Comparison Between Current Biennium and Upcoming Biennium					
	<i>Legislatively Approved Budget</i>		<i>Governor's Recommended Line Item Budget</i>		
<b>Department</b>	<b>2021-2023 Biennium Total</b>	<b>Percent of Biennium Total</b>	<b>2023-2025 Biennium Total</b>	<b>Percent of Biennium Total</b>	<b>Percent Change (Biennium to Biennium)</b>
Department of Health and Human Services	\$ 16,160,831,625	36.0%	\$ 20,696,874,848	42.7%	28.1%
Department of Education	\$ 11,544,487,080	25.7%	\$ 13,135,540,022	27.1%	13.8%
Nevada System of Higher Education	\$ 2,148,191,354	4.8%	\$ 2,231,480,096	4.6%	3.9%
Department of Transportation	\$ 1,669,490,087	3.7%	\$ 1,954,396,697	4.0%	17.1%
Public Employees' Benefits Program	\$ 1,618,938,070	3.6%	\$ 1,750,830,610	3.6%	8.1%
Treasurer's Office	\$ 941,839,586	2.1%	\$ 1,179,460,901	2.4%	25.2%
Governor's Office	\$ 5,670,409,969	12.6%	\$ 878,382,684	1.8%	-84.5%
Department of Corrections	\$ 742,736,405	1.7%	\$ 805,296,849	1.7%	8.4%
Department of Business and Industry	\$ 374,649,789	0.8%	\$ 705,665,214	1.5%	88.4%
Department of Agriculture	\$ 377,763,380	0.8%	\$ 650,523,711	1.3%	72.2%
Department of Employment, Training and Rehabilitation	\$ 439,421,822	1.0%	\$ 601,419,564	1.2%	36.9%
Department of Public Safety	\$ 464,757,856	1.0%	\$ 551,615,195	1.1%	18.7%
Department of Conservation and Natural Resources	\$ 293,668,175	0.7%	\$ 430,312,099	0.9%	46.5%
Department of Administration	\$ 368,319,551	0.8%	\$ 419,863,873	0.9%	14.0%
Department of Motor Vehicles	\$ 412,352,494	0.9%	\$ 402,038,665	0.8%	-2.5%
Judicial Branch	\$ 140,358,296	0.3%	\$ 180,581,303	0.4%	28.7%
Department of Tourism and Cultural Affairs	\$ 85,480,593	0.2%	\$ 174,245,309	0.4%	103.8%
Department of Taxation	\$ 81,307,859	0.2%	\$ 166,574,698	0.3%	104.9%
Attorney General's Office	\$ 141,720,616	0.3%	\$ 162,554,428	0.3%	14.7%
Colorado River Commission	\$ 161,162,281	0.4%	\$ 157,968,515	0.3%	-2.0%
Department of Veterans Services	\$ 92,406,525	0.2%	\$ 133,889,007	0.3%	44.9%
Department of Wildlife	\$ 106,420,011	0.2%	\$ 129,995,148	0.3%	22.2%
Gaming Control Board	\$ 120,395,456	0.3%	\$ 127,033,630	0.3%	5.5%
Cannabis Compliance Board	\$ 154,141,011	0.3%	\$ 123,124,836	0.3%	-20.1%
Adjutant General	\$ 115,056,633	0.3%	\$ 118,805,094	0.2%	3.3%
Governor's Office of Economic Development	\$ 41,698,124	0.1%	\$ 106,405,758	0.2%	155.2%
State Public Charter School Authority	\$ 77,684,092	0.2%	\$ 104,449,488	0.2%	34.5%

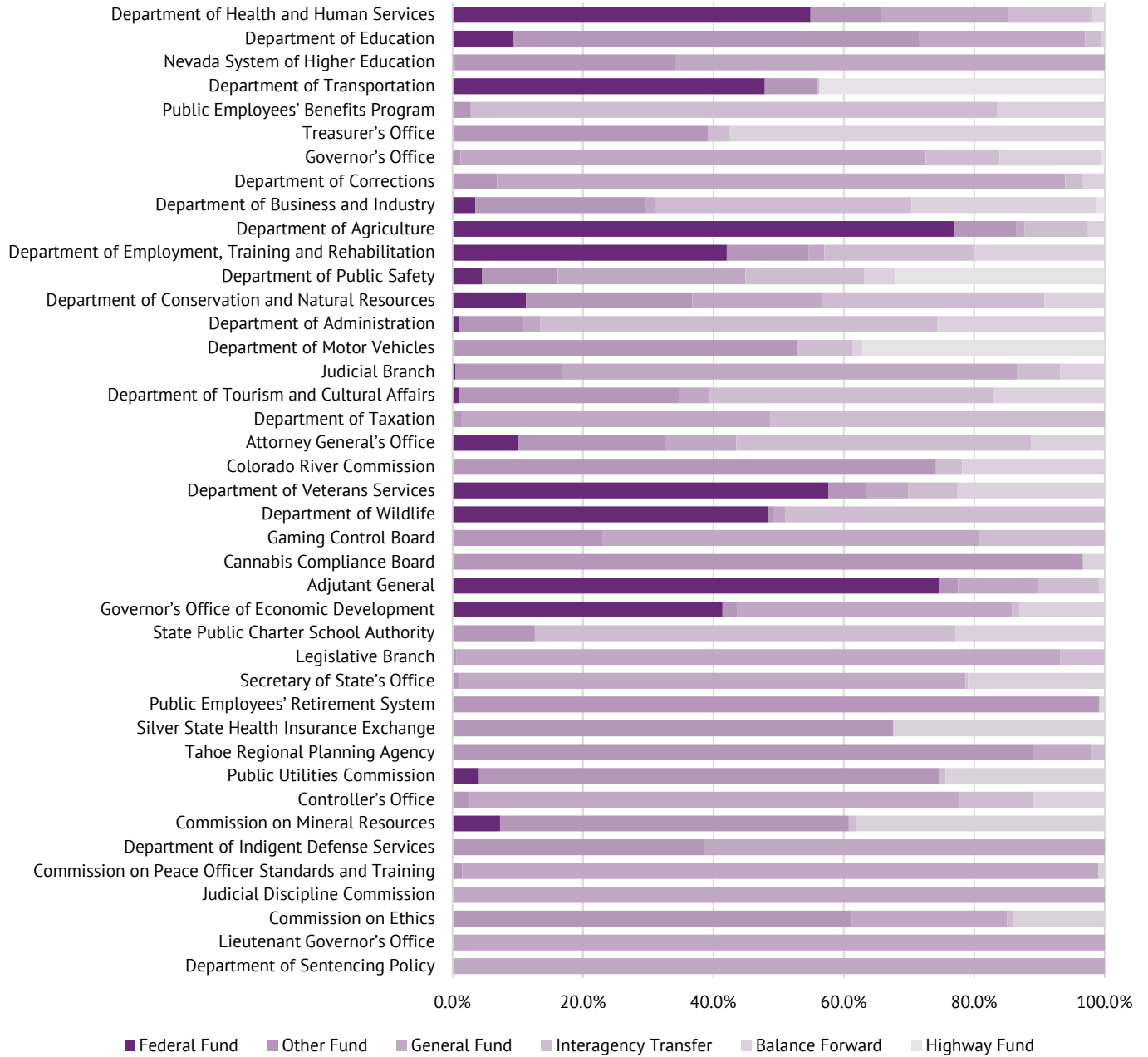
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**Appendix C. Statewide Expenditure Summary, by Department: Comparison Between Current Biennium and Upcoming Biennium (cont'd)**

Statewide Expenditure Summary, by Department: Comparison Between Current Biennium and Upcoming Biennium					
Department	Legislatively Approved Budget		Governor's Recommended Line Item Budget		Percent Change (Biennium to Biennium)
	2021-2023 Biennium Total	Percent of Biennium Total	2023-2025 Biennium Total	Percent of Biennium Total	
Legislative Branch	\$ 84,587,126	0.2%	\$ 102,639,373	0.2%	21.3%
Secretary of State's Office	\$ 62,246,541	0.1%	\$ 57,997,947	0.1%	-6.8%
Public Employees' Retirement System	\$ 45,171,300	0.1%	\$ 50,370,446	0.1%	11.5%
Silver State Health Insurance Exchange	\$ 36,281,414	0.1%	\$ 47,126,660	0.1%	29.9%
Tahoe Regional Planning Agency	\$ 28,132,664	0.1%	\$ 38,796,618	0.1%	37.9%
Public Utilities Commission	\$ 34,665,995	0.1%	\$ 35,586,700	0.1%	2.7%
Controller's Office	\$ 13,078,523	0.0%	\$ 15,899,776	0.0%	21.6%
Commission on Mineral Resources	\$ 7,974,939	0.0%	\$ 10,747,652	0.0%	34.8%
Department of Indigent Defense Services	\$ 7,885,328	0.0%	\$ 9,622,339	0.0%	22.0%
Commission on Peace Officer Standards and Training	\$ 5,523,769	0.0%	\$ 4,802,986	0.0%	-13.0%
Judicial Discipline Commission	\$ 2,402,984	0.0%	\$ 2,430,687	0.0%	1.2%
Commission on Ethics	\$ 1,868,106	0.0%	\$ 2,350,459	0.0%	25.8%
Lieutenant Governor's Office	\$ 1,272,441	0.0%	\$ 1,630,437	0.0%	28.1%
Department of Sentencing Policy	\$ 1,184,767	0.0%	\$ 1,266,485	0.0%	6.9%
<b>TOTAL</b>	<b>\$ 44,877,964,637</b>	<b>100.0%</b>	<b>\$ 48,460,596,807</b>	<b>100.0%</b>	<b>8.0%</b>

Source: State of Nevada, Nevada's Transparent Government Website. Note: Percentages may not sum to 100 due to rounding.

### Appendix D. Nevada's Departments, by Funding Source: 2023-2025 Biennium



Source: State of Nevada, [Nevada's Transparent Government Website](#) Note: Sorted from largest to smallest, by department size. Size is the department's total budgeted revenues in the 2023-2025 biennium.



## About the Guinn Center

The Guinn Center is a 501(c)(3) nonprofit, nonpartisan, independent policy center that seeks to advance evidence-based policy solutions for Nevada through research, public engagement, and partnerships.

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