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DRAFT MEETING MINUTES

Name of Organization: **Economic Forum: Technical Advisory Committee on Future State Revenues**
Nevada Revised Statutes (NRS) 353.229

Date and Time: **Tuesday, October 6, 2026**
2:00 p.m.

Location: **Legislative Building, Room 2135**
401 South Carson Street
Carson City, Nevada 89701

MEMBERS PRESENT:
David Schmidt, Chief Economist, Department of Employment, Training and Rehabilitation
Sarah Coffman, Assembly Fiscal Analyst, Legislative Counsel Bureau
Wayne Thorley, Senate Fiscal Analyst, Legislative Counsel Bureau
Brody Leiser, Vice Chancellor of Budget and Finance, Chief Financial Officer, Nevada System of Higher Education
Christopher Wright, State Demographer, Department of Taxation
Tiffany Greenameyer, Director, Governor's Finance Office
Abigail Yacoben, Chief Financial Officer, Office of the County Manager, Washoe County (Online)

STAFF PRESENT:
Michael Nakamoto, Chief Principal Deputy Fiscal Analyst, Legislative Counsel Bureau
Susanna Powers, Deputy Fiscal Analyst, Legislative Counsel Bureau
Hayley Owens, Deputy Fiscal Analyst, Legislative Counsel Bureau
Kristine Jones, Economist, Legislative Counsel Bureau
Syed Uddin, Executive Branch Economist, Governor's Finance Office
Mauricio Solorio Arteaga, Chief Economist, Governor's Finance Office

OTHERS PRESENT:
Shelley Newell, Gaming Control Board
Erica Scott, Department of Taxation

Danielle Anthony, Nevada Treasurer's Office
Ashley Griffitts, Secretary of State, NV
Ann Standley, Secretary of State, NV
David Lenzner, Deputy Director, Governor's Finance Office

1. Call to Order – Roll Call

Chair Schmidt: Good morning or afternoon. I'd like to call to order this October 6th meeting of the Technical Advisory Committee on Future State Revenues. Can we please call the roll?

Michael Nakamoto: Ms. Coffman?
Sarah Coffman: Here.
Michael Nakamoto: Ms. Greenameyer?
Tiffany Greenameyer: Here.
Michael Nakamoto: Mr. Leiser?
Brody Leiser: Here.
Michael Nakamoto: Mr. Thorley?
Wayne Thorley: Here.
Michael Nakamoto: Mr. Wright?
Chris Wright: Here.
Michael Nakamoto: Ms. Yacoben?
Abbe Yacoben: Here (over zoom).
Michael Nakamoto: Acting Chair Schmidt?
David Schmidt: Here. Thank you very much.

2. Public Comment.

David Schmidt: This is the first opportunity for public comment. Is there anyone here in Carson City who would like to offer public comment? Seeing none, is there anyone online who would like to comment?

Broadcast Services: The public line is open and working. There are no callers at this time.

David Schmidt: Thank you. That closes Agenda Item 2.

3. Election of Chair and Vice Chair (For Possible Action).

David Schmidt: Agenda Item 3 is the election of Chair and Vice Chair. Do we have a motion for Chair?

Tiffany Greenameyer: I move to elect David Schmidt as Chair.

Sarah Coffman: I second the motion.

David Schmidt: Is there any discussion? All in favor, please say aye.

[Members responded aye.]

David Schmidt: Any opposed? The motion passes. We also need to elect a Vice Chair. Do we have a motion?

Wayne Thorley: Mr. Chair, I move to nominate Tiffany Greenameyer.

Sarah Coffman: I second the motion.

David Schmidt: We have a motion from Mr. Thorley and a second from Ms. Coffman. Is there any discussion? All in favor, say aye.

[Members responded aye.]

David Schmidt: Any opposed? Congratulations, Madam Vice Chair. That closes Agenda Item 3.

4. Approval of April 23, 2025, Meeting Minutes

David Schmidt: We will move to Agenda Item 4, approval of the April 23, 2025, meeting minutes. Is there any discussion or a motion? Mr. Thorley.

Wayne Thorley: Thank you, Mr. Chair. I noticed one correction. On page 1, under Staff Present, Hayley Owens was our Economist with the Legislative Counsel Bureau at the time of that meeting. She is now a Deputy Fiscal Analyst, but her title should be listed as Economist for that meeting. Unless anyone has other changes, I move to approve the minutes with that correction.

David Schmidt: Is there any other input? We have a motion from Mr. Thorley to approve the minutes with that correction. Is there a second?

Tiffany Greenameyer: I second the motion.

David Schmidt: Vice Chair Greenameyer seconds. All in favor, please say aye.

[Members responded aye.]

David Schmidt: Any opposed? The motion carries with that correction.

5. Review and Approval of Revenue Forecasts for Selected General Fund Sources, including Taxes, Licenses, Fees, Fines and other Revenue for Presentation to the Economic Forum at the Economic Forum's October 14, 2026, Meeting (For Possible Action).

David Schmidt: Agenda Item 5 is the review and approval of revenue forecasts for selected General Fund sources. Mr. Nakamoto, please walk us through the reports.

Michael Nakamoto: Thank you, Mr. Chair and members of the Technical Advisory Committee. For the record, I am Michael Nakamoto, Chief Principal Deputy Fiscal Analyst with the Fiscal Analysis Division of the Legislative Counsel Bureau.

For your information, and for anyone watching this meeting online, three tables have been provided for this Committee and the public. For members of the public in the room, we have paper copies available on the table to my left. For anyone watching online, you can go to the Governor's Finance Office website at

budget.nv.gov/budget-division/other-budget-division-meetings, where all materials for this meeting are available as PDFs.

To walk through briefly the three tables that you have in front of you. The first one, titled Table 1, General Fund Revenues Actuals, has the color coding on the right-hand side. These are the year-to-date revenues for the State General Fund from all sources, both collected and expected to be collected, in FY 2026 and FY 2027. And these are current as of the end of September of each of those fiscal years. I won't spend much time on them, but they are available to all of you and the public as a resource.

Next is Table 3, General Fund Revenue Forecast Agency, Fiscal, and Budget. This lists all of the forecasts that have been submitted for the non-major General Fund revenues that are being considered today from the relevant Agency responsible for collecting or administering the tax: the Fiscal Analysis Division of the Legislative Council Bureau, so myself and my team, who are all behind me, and then the Budget Forecast is from the economists from the Governor's Finance Office.

All of those forecasts are available to you by fiscal year for each fiscal year being considered: FY27, the current fiscal year, and the two upcoming fiscal years for the next biennium, FY28 and FY29.

I will refer to this table briefly in some instances to discuss the consensus forecast, which I have not yet discussed, listed as Technical Advisory Committee, General Fund Revenue Forecast October 14, 2026.

Our office, in conjunction with the Governor's Finance Office, sends a request to all agencies responsible for collecting or administering a revenue source within the State General Fund. We sent those emails and requests at the beginning of September and asked those agencies to reconcile their revenues and provide forecasts for each General Fund revenue source for the upcoming biennium and the current fiscal year. We put those results in Table 3, and our Fiscal Analysis Division staff, along with the GFO staff, review them and reach a consensus.

And so, the table that says General Fund Revenue Forecast October 14, 2026, is the proposed consensus forecast that we are presenting to you today. I don't intend to go through the entire forecast, but I want to highlight some of the larger revenues and items that may need special attention.

Mr. Chair, I'm not sure whether you want to go by pages or sections, but I am available to answer any questions that may arise. Additionally, we have Agency staff from several agencies here in the room or on Zoom; if you have specific questions for agencies, we can hopefully get those answered today as part of this.

David Schmidt: Okay. Unless there's an opinion on how we want to go through this, I think if we can go one page on the report at a time, that's the easiest to flip through and follow, I think.

Michael Nakamoto: That works for me, Mr. Chair. Thank you. Again, Michael Nakamoto with the Fiscal Analysis Division, for the record. The first, on Page 1, the first block that you see there are mining taxes. Primarily, these are the net proceeds of the minerals tax and the mining gross revenue tax on gold and silver. There are no forecasts there. This revenue primarily goes into the State Education Fund.

However, you can see a small amount of revenue posted in FY 2026 for the net proceeds of the Minerals Tax. These were fines. A section of NRS still diverts certain fine revenue from this tax to the State General Fund rather than the State Education Fund. So, that was paid in FY 2026. There is no expectation that this would recur for fines. In fact, this is the first time it's happened since the tax moved back or moved to the State Education Fund. So, no forecast has been provided for the State General Fund.

Likewise, the next block is the Sales and Use Tax, so all 2% Sales and Use Tax, as well as all the commissions listed there, are major revenues and are not under this Committee's purview.

The next block is the Gaming block. Most of these are within this Committee's purview, except the Gaming Percentage Fee, the first item listed there. It's GL 3041 because it's a major revenue source so the Economic Forum will address it at next week's meeting. The rest are non-majors for consideration today.

The main highlight I can share is that we went with the Agency's forecast. Ms. Newell at the Gaming Control Board submitted her forecast, which matched everyone else's. We reviewed them and had some questions, and I believe GFO did as well, but we ultimately chose the Agency forecasts because they have the best information available. And that is the forecast that is for your consideration today, or the Agency forecasts.

Skipping down to the Live Entertainment Tax again, that's a major and is not part of our conversation here. Same with Commerce Tax.

Next is the Transportation Connection Excise Tax, administered by the Department of Taxation. It's one of the larger of the non-major revenues. The forecast you have here averages the Agency, Fiscal, and Budget's forecasts.

One thing you will notice is that it drops somewhat in FY 2028, and that is the nature of the tax. The first $5 millions of this tax collected each biennium goes to the State Highway Fund. So, this is net of that $5 million. The tax itself will continue to increase; only the amount going to the State General Fund decreases each even-numbered year.

And so, this, again, being the average, is a tax I think we've seen a lot more growth in among people who choose to use Uber, Lyft, other ride-share apps, as well as taxi cabs and other carriers when they're visiting Las Vegas or Reno or whenever they're coming to the State as opposed to renting a car or something else.

With the Cigarette Tax, this is an average of the Agency forecast and the Fiscal Analysis Division's forecasts. You can see some growth in FY 2027, which is contrary to this tax's trend, especially since the 2015 tax increase and law change that took effect at the beginning of FY 2016. It's been going steadily down. And from a public health standpoint, that's a good thing, because that means that people are smoking less. From a revenue standpoint, we can discuss that separately.

But we have encountered several reporting issues and observations with the Department of Taxation's switch to its new taxation system, MYNT, or My Nevada Tax. And so, FY26 was unusually low in terms of collections.

And so, as I think both the Department of Taxation and Fiscal looked at it, we see a little bit of it coming back that they're going to be rectifying some of those issues, and then it's going to keep falling after that point. So, that was kind of the reason that we

went with those. That's the end of the first page, Mr. Chair. If you have any questions, I can answer them now.

David Schmidt: Mr. Leiser.

Brody Leiser: The FY 2027 Gaming Penalties forecast is $7.6 million, then falls to approximately $330,000 and $350,000 in the following years. Does FY 2027 include known penalties that explain the subsequent decline?

Michael Nakamoto: Yes. In late August, the Gaming Commission levied a $7.2 million penalty against the Venetian. It has been collected and deposited in the General Fund. We have no information on further anticipated penalties. We generally do not forecast a penalty until the Gaming Commission acts because it ultimately sets the amount. This forecast accounts for a known penalty.

David Schmidt: Are there other questions on page 1? I have a question about FY 2029. I believe the Super Bowl is returning to Las Vegas in 2029. The Gaming Percentage Fee is a major revenue source, but have the forecasts for other gaming revenues, particularly the Transportation Connection Excise Tax, considered any impact from that event?

Michael Nakamoto: I cannot speak for Ms. Newell's gaming forecasts. For Fiscal's forecasts, visitation is an input for several tourism-related revenues. For the Transportation Connection Excise Tax, we considered what happened when Las Vegas hosted the Super Bowl in February 2024 and whether that provided useful information for FY 2029. We factored the event into some tourism-related forecasts; other forecasters may have as well. I will discuss the Liquor Tax separately.

We do, for a lot of those, we build in visitors as part of these forecasts, and speaking specifically for Fiscal, these are things that we looked at. Maybe not so much with Liquor Tax, and I'll get to that when we talk about Liquor Tax, but when we did Transportation Connection Excise Tax, we did kind of take that into account, kind of looking at what happened the last time that Las Vegas had the Super Bowl back in February of 2024 and seeing if we could glean something meaningful and potentially applying that to FY29.
So, for some of these forecasts that are more tourism relevant. It was taken into account by us and may or probably in some instances was taken into account by some of the other forecasters.

David Schmidt: Thank you. Seeing no other questions, let us move to page 2.

Forecast Table Pages 2 and 3

Michael Nakamoto: Thank you, Mr. Chair, and I can make Page 2 easy because it's all Modified Business Tax. And we can skip Page 2. And for that matter, turning to Page 3, we can skip about the first half of Page 3 because the first part of Page 3 is the total for MBT, the second part is the Insurance Premium Tax, and both of those are major revenues, and we can move past those.

There are a couple of insurance taxes that are worth mentioning though. The Insurance Retaliatory Tax, GL 3062, is worth noting. FY 2026 actual revenue is low, followed by an increase in FY 2027 and forecasts of $430,000 to $450,000 for FY 2028 and FY 2029. The Department of Taxation, who is primarily responsible for collecting this tax, explained that a taxpayer's approximately $260,000 owed in FY 2026 shifted to FY 2027. That accounts for the higher FY 2027 forecast.

The Business License Fee, GL 3113, is collected primarily by the Secretary of State. There's a small portion from the Department of Taxation, which accounts for about $250,000, $300,000 a year. But the rest is Secretary of State. The proposed forecast averages the Agency and Fiscal forecasts. GFO adopted the agency forecast as its own. Because two of the three forecasts were identical, we averaged the two distinct forecasts to avoid giving one forecast double weight. The three forecasts were relatively close, so this choice likely did not substantially change the result.

For Liquor Tax, we averaged the Agency, Fiscal, and Budget forecasts. GFO adopted the agency forecast, and it is substantially higher than Fiscal's, particularly in FY 2029.

Liquor Tax has also experienced reporting issues associated with MYNT. Historically, multiplying reported taxable gallons by the tax rate produced an estimate within a few thousand dollars of monthly collections. That gap grew to approximately $150,000 to $160,000 per month during FY 2025 and much of FY 2026. It has narrowed after the Department made changes, but discrepancies remain in reported gallons of beer and malt beverages.

We are working with the Department on those issues, and Fiscal may revise its forecast at the next meeting in approximately a month. For now, we agreed to average the three forecasts.

Liquor Tax collections increased substantially around the February 2024 Super Bowl, there was a big jump in Liquor Tax because people come to Vegas and they drink. We considered a similar effect in February 2029, along with other events, including the college football championship at Allegiant Stadium next winter and the Final Four in late March or early April 2028. Those considerations supported a consensus forecast above Fiscal's original forecast.

Other Tobacco Tax, GL 3053, is the average of Agency and Fiscal. Collections increased by approximately $10 million in FY 2026 compared with FY 2025, and we are still examining the reasons. Law changes in FY 2025 created a corresponding tax on remote retail sellers of other tobacco products, equivalent to the wholesale tax. Still, the Department reported that it was collecting relatively little from that source.

The Department indicated that changes in California law had enhanced Nevada's ability to collect this revenue. We are seeking more information. Ms. Scott may be available on Zoom if there are questions, I cannot answer.

We expect collections to remain above historical levels in FY 2027. Historically, this revenue had not exceeded $40 million, and its previous high was closer to $32 million. The FY 2028 increase partly reflects a law change taking effect July 1, 2027.

Legislation enacted in 2023 changed the taxation of premium cigars previously taxed at 30% of wholesale value. The current tax is 30% of wholesale value but cannot be less than 30 cents or greater than 30 cents per cigar. That provision is scheduled to expire. Because we forecast under current law, its expiration contributes to the FY 2028 increase. Collections then flatten and decline slightly in FY 2029, consistent with broader tobacco consumption trends.

The Branch Bank Excise Tax is $1,750 per branch per quarter, with an exemption for the first branch in each county. The forecast shows increase in FY 2027 and declines in FY 2028 and FY 2029. Bank branch closures have reduced this revenue over the past decade, particularly since the pandemic, as more services are provided online.

FY 2026 collections were unusually low. Fiscal uses FDIC information to estimate the number of branches subject to the tax. We found a shortfall between expected payments and actual collections. The Department confirmed that some banks had not paid and was working to collect those amounts in FY 2027. The Agency and Fiscal average incorporate that recovery, followed by continued declines as branches close.

I will defer Tax Credits to the next agenda item. Are there questions?

David Schmidt: Ms. Coffman.

Sarah Coffman: Could the Department of Taxation explain the California law change that enhanced Nevada's ability to collect Other Tobacco Tax?

Erica Scott: For the record, I am Erica Scott. I do not have the specific law in front of me. Our Excise team identified it as a reason for some of the increased revenue. I will gather that information and provide it.

Sarah Coffman: Thank you.

David Schmidt: Are there other questions? We can proceed to page 4.

Forecast Table Page 4

Michael Nakamoto: I will highlight several items in the Licenses block. Insurance Licenses is one of the larger revenue sources and uses the average of Agency, Fiscal, and Budget. This revenue has generally increased over time. A person selling insurance must be licensed in the state where the insurance is sold, including sales conducted online or by telephone. Continued insurance sales therefore support this revenue source.

For Marriage Licenses, we selected Fiscal's forecast. Marriages are becoming less common, and revenue is declining. Still, we were concerned the Agency and Budget forecasts showed declines that were too steep. Because people still come to Las

Vegas to get married, people here will still get married, maybe not as much, but we still are a destination for people getting married.

In the Secretary of State block, Commercial Recordings and Securities both use the average of Agency, Fiscal, and Budget. Although the individual forecasts varied, their averages appeared reasonable.

Real Estate Licenses, GL 3161, also uses the three-forecast average. Fiscal expects relatively stable revenue with a slight decline, reflecting a soft housing market. High mortgage interest rates may discourage people from entering or remaining in the real estate industry.

Athletic Commission Fees, GL 3102, uses the agency forecast. The fee is 8% of ticket sales for unarmed combat events, such as boxing and mixed martial arts. Two percentage points support the Commission's budget, and six percentage points go to the General Fund. The Commission expects events over the next three years to be fairly consistent with FY 2026. Its approximately flat forecast appeared reasonable.

In Fees and Fines, Short-Term Car Lease, GL 3066, uses the average of Agency and Fiscal. This revenue is related to the Transportation Connection Excise Tax because rental cars compete with rideshare services and taxis. Historically, increased visitation supported car rental revenue. More recently, collections have been flat or declining even as visitation increased, likely reflecting greater use of Uber, Lyft, and taxis.

This line also includes an equivalent fee on peer-to-peer vehicle rentals, such as Turo. The Agency combines those collections with the other car rental fees to protect taxpayer confidentiality. The peer-to-peer component is growing slightly, while the rest is flat or declining. The Agency and Fiscal forecasts reflect that pattern.

Two new line items near the bottom, GL 3601 NR and GL 3602, reflect fees the Division of State Lands within the Department of Conservation and Natural Resources collects. The Southern Nevada Water Authority fee is collected one time. Boulder City leasing fees are ongoing at approximately $120,000 annually. These are agency forecasts and are new to the tables.

Miscellaneous Fines and Forfeitures, GL 3271, uses the average of Fiscal and Budget. Approximately 10 to 12 agencies report revenue in this account for collections outside their usual categories. Agencies may find these amounts difficult to forecast. Fiscal and GFO also consider historical totals and likely collections, and our forecasts were close enough that we agreed to average them. That concludes page 4.

David Schmidt: Are there questions? I have just one question the 3205 State Engineer Sales. I was just curious what that was.

Michael Nakamoto: Thank you, Mr. Chair. Michael Nakamoto with the Fiscal Analysis Division, for the record. I'm trying to think and talk at the same time. This is collected by the State Water Engineer. So, these are the various fees that they charge for their services. And that I don't know if I can get into any greater detail than that because I don't know exactly.

I know that they play with water a lot, and I know that there are a lot of people who need water and will pay for water rights and things like that. But what those specific fees are, I really can't tell you.

But the one thing that I can tell you is this is a fairly stable revenue source in this $3.5.

between $3.4 and $3.7 million, somewhere in there. We went with the Agency forecast on this one because we figure they've got a good handle on what it is that they're doing. And the $3.6 that that they submitted is in line with what the historical has been for this.

David Schmidt: Thank you. If there are no further questions, we can proceed to the next page.

Forecast Table Page 5

Michael Nakamoto: Thank you, Mr. Chair. Michael Nakamoto with the Fiscal Analysis Division, for the record. Most of the Use of Money and Property section consists of repayments, primarily from the Governor's Technology Office. These use Fiscal's forecasts rather than the agency's forecasts. We are working with GTO to verify approximately a dozen repayments.

Our program analyst responsible for GTO has tracked these repayments for several years. The amounts shown are his estimates of the General Fund portion and are the best information currently available. We will continue verifying them with GTO and return with revisions at the next meeting if needed.

The Windsor Park relocation repayment is $3 million annually, as required by statute. The Department of Taxation withholds $250,000 each month from the City of North Las Vegas' Consolidated Tax distribution until the City repays the required amount. The Motor Pool repayment remains $125,000 annually.

Under Interest Income, Treasurer's Interest Income, GL 3290, is a major revenue source and is blank in this table. Other Interest Income, GL 3291, reflects interest from sources other than the Treasurer's investments. We forecast a slight decline based on expected yields, although higher interest rates could move collections in the other direction. We will monitor FY 2027. We may not need a significant revision in November, but we may revisit this at the March TAC meeting. Changes to the Economic Forum schedule mean the spring meeting will occur in late March rather than late April.

Under Other Revenue, Expired Slot Machine Wagering Vouchers reflects unredeemed vouchers. When a voucher expires, the State General Fund receives 75% of its value. Although slot activity has increased, this revenue has declined over the past several years. Patrons may be more likely to redeem their vouchers. We accepted the Gaming Control Board's forecast of continued declines because it appeared reasonable and the agency has good information.

Court Administrative Assessments use the average of Fiscal and Budget. These assessments range from $30 to $120, depending on the fine imposed. Previously, some revenue went directly to the General Fund and some supported specified programs, with any remaining balance transferred to the General Fund. Legislation in 2023 moved funding for those programs to the General Fund and directed the assessment revenue into the General Fund. This increased collections from approximately $2 million to $3 million, and then to nearly $20 million. We expect continued growth, particularly from Clark County.

Excess Property Sales, GL 3222, includes an agency forecast of $18.6 million in FY 2027 from the sale of the Grant Sawyer Building. Director Greenameyer advised that escrow was expected to close in October, with the proceeds deposited in the General Fund shortly afterward.

The Cost Recovery Plan reflects the Statewide Cost Allocation Plan, which requires agencies to pay for services provided by other state agencies. The FY 2027 figure is the legislatively approved amount. The FY 2028 and FY 2029 figures come from agency budget requests. These amounts may change as the budget develops through the end of the legislative session, but they are the best figures currently available.

Unclaimed Property, GL 3255, warrants discussion. FY 2026 actual revenue of $183.6 million was approximately $118 million above forecast. Historically, this revenue was around $40 million to $50 million. To my recollection, it increased to approximately $65 million in FY 2024 and approximately $130 million in FY 2025 before reaching $183.6 million in FY 2026.

We asked the Treasurer's Office about the increase. Law changes enacted in 2023 altered reporting and transfer requirements for certain abandoned assets and dividends. Transfers from holders to the State increased substantially. Claims also increased in FY 2026, but not as much as incoming assets.

The proposed forecast averages Agency and Fiscal. The Treasurer's Office expects revenue to fall to about $118 million in FY 2027, then increase. Fiscal forecasts approximately $151 million in FY 2028, then declines to approximately $136 million in FY 2029. Averaging the forecasts yields amounts between $130 million and $140 million.

Early-year receipts are below the prior year's level. The initial wave of assets transferred under the law changes may not recur at the same magnitude. The Treasurer's Office expects collections to remain above historical levels, but below FY 2026. Fiscal also assumes claims will increase each year modestly as owners seek the return of their property. Those assumptions produce a decline of approximately $32 million in FY 2027, followed by further declines as incoming assets decrease and claims increase. A representative from the Treasurer's Office is available on Zoom for questions.

Before tax credits, the proposed FY 2027 consensus forecast is $875,343,850. The 87.6% decline shown in the table compares this amount to total revenue, not comparable non-major revenues. FY 2026 actual collections for the non-major revenues under consideration were $896,534,660. Against that comparable base, the FY 2027 forecast is down 2.4%.

The FY 2028 forecast is $854,678,276, another 2.4% decline. The FY 2029 forecast is $862,488,236, a 0.9% increase.

For comparison, the Committee's April 2025 forecast for FY 2027, subsequently approved by the Economic Forum on May 1, 2025, was $774,263,914. Today's proposed FY 2027 forecast is $101,079,936 higher, primarily because of Unclaimed Property. I would be glad to answer questions.

David Schmidt: Vice Chair Greenameyer.

Tiffany Greenameyer: My question is for the Treasurer's Office. Since Unclaimed Property includes stocks and securities, how do you determine when to sell them?

Michael Nakamoto: I will defer to the Treasurer's Office.

Danielle Anthony: I am Danielle Anthony, Deputy Treasurer for Unclaimed Property. We sell securities based on when we received them, approximately one year after they come into our custody.

Tiffany Greenameyer: What happens if someone claims the property?

Danielle Anthony: The proceeds from the sale are assigned to the property, and the owner can claim those proceeds. If we see an open claim before or as we begin a sale, we hold off on selling that property and defer it to the next sale.

Tiffany Greenameyer: Thank you.

David Schmidt: Ms. Coffman.

Sarah Coffman: Unclaimed Property revenue was $70.9 million in FY 2024, then $135.6 million and $183.6 million. What occurred in FY 2025 and FY 2026 that you do not expect to recur in FY 2028 and FY 2029?

Danielle Anthony: The law change affecting the dormancy period for stocks took effect for holders' reporting beginning in FY 2025. We anticipated a substantial cleanup of properties on holders' books that previously weren't considered reportable. That is why we expect collections to decline somewhat going forward.

Sarah Coffman: Thank you.

Michael Nakamoto: I also want to highlight Closed Petty Cash, GL 4459, immediately above the Cost Recovery Plan. The Secretary of State deposited $500 in this account in FY 2027 after deciding to stop accepting cash payments at its Las Vegas office. The change fund was transferred to the General Fund (unrestricted). My understanding is that the Treasurer's or Comptroller's Office treats this type of transfer as General Fund revenue. We added the line to document the transaction and any similar future transactions.

David Schmidt: Regarding GTO repayments, are these revenues from outside sources, such as federal grant cost allocations, that become General Fund revenue for services provided?

Michael Nakamoto: In several instances, the Legislature has provided General Fund appropriations to GTO for projects, with provisions requiring repayment in installments, most commonly over four years. The appropriations are treated as loans.

Not all appropriated funds are necessarily spent. Unspent funds revert to the General Fund, and the repayment is based on the amount actually spent. We are verifying those expenditures to determine the annual repayment. If the full appropriation were spent, the annual repayment would be 25% of the appropriation. Where it was not fully spent, we need to determine the amount reverted, the amount spent, and the resulting repayment obligation.

David Schmidt: Would it be more accurate to view this as money previously appropriated from the General Fund that is now returning through repayment, rather than necessarily new revenue from an outside source?

Michael Nakamoto: Yes, these are loan repayments treated as unrestricted General Fund revenue. GTO may use outside sources to repay them, but I am not an expert on those funding sources, and that is outside the scope of this discussion.

David Schmidt: Are there other questions? The comparable totals are approximately $896 million in FY 2026, $875 million in FY 2027, $854 million in FY 2028, and $862 million in FY 2029. Although the totals decline initially, the unusually large Unclaimed Property collection raises the FY 2026 base. Without that increase, FY 2026 would be close to or below FY 2027.

FY 2027 also includes the additional $18.6 million from the Grant Sawyer Building sale. Accounting for those factors, the underlying trend appears flat or slightly increasing. Large one-time items affect the year-to-year comparisons, but I would characterize the overall picture as positive.

Michael Nakamoto: That is an accurate assessment. The Committee's April 2025 forecast for FY 2026 non-major revenues was approximately $765.9 million. Actual collections finished approximately $130.6 million above that forecast. Although revenue declines from FY 2026 to FY 2027 and again in FY 2028 before increasing in FY 2029, these revenues are substantially better than anticipated in May 2025, partly because of Unclaimed Property, the Grant Sawyer Building sale, and other developments.

David Schmidt: If there are no further questions, we can accept a motion on Agenda Item 5.

Wayne Thorley: I move to approve the consensus forecast presented to the Committee.

Tiffany Greenameyer: I second the motion.

David Schmidt: We have a motion from Mr. Thorley and a second from Vice Chair Greenameyer. Is there further discussion? All in favor, say aye.

[Members responded aye.]

David Schmidt: Any opposed? The motion passes.

6. Review and Approval of Forecasts for Various Tax Credit Programs that May be Taken Against Certain General Fund Sources for Presentation to the Economic Forum at the October 14, 2026, Meeting.

David Schmidt: Agenda Item 6 is the review and approval of forecasts for various tax credit programs. Mr. Nakamoto.

Michael Nakamoto: The tax credits appear in the final lines of page 5. I will explain how the forecasts were developed and highlight relevant amounts.

Film Transferable Tax Credits are available to qualifying productions based on qualified spending in Nevada. The forecasts use information from Kim Spurgeon at

the Nevada Film Office. The statutory limit is $10 million per fiscal year, with unissued credits available in subsequent years. To my recollection, issuance has exceeded $10 million only once, possibly in FY 2026. The forecasts reflect historical and anticipated use of issued credits, pending applications, and expected activity.

Economic Development Transferable Tax Credits began with the Tesla program in 2014 and 2015, followed by the proposed Faraday credits in 2016 that were not issued to that project. The Interim Finance Committee and the Governor's Office of Economic Development Board approved approximately $6.4 millions of those credits for Redwood Materials' facility at the Tahoe-Reno Industrial Center in Storey County.

Based on discussions with GOED, most credits were transferred and used against the Gaming Percentage Fee. Redwood retained approximately $441,000 for its Modified Business Tax liability but has not yet used them. My understanding is that Redwood is working with the Department of Taxation to amend returns or apply the credits against future liability. We expect that to occur in FY 2027, exhausting the credits issued under those programs.

Catalyst Account Transferable Tax Credits are also administered by GOED, which may issue up to $5 million per fiscal year. The program has not been used recently, and no recent applications have been formally approved. We assume that continues, so the forecast is zero.

The Nevada New Markets Jobs Act Tax Credit program was established in 2013 and has been reauthorized twice. Insurance companies make qualified investments in community development entities, which then lend to businesses in designated distressed census areas. In exchange, insurers receive credits against Insurance Premium Tax. Under the third iteration, credits equal 58% to 75% of the investment, taken in increments over five years.

The approximately $20.3 million in FY 2026 reflects remaining credits from the second round. The FY 2027 forecast rises to approximately $25.2 million as third-round credits begin, and some second-round credits remain. Forecasts then fall to $24.9 million in FY 2028 and FY 2029, the stated statutory maximum under the new program.

Education Choice Scholarship Tax Credits are MBT credits for donations to qualifying scholarship organizations. The annual issuance limit is $6,655,000. FY 2026 actual use and the FY 2027 and FY 2028 forecasts exceed that amount because credits are not always used in the fiscal year they are issued. The forecasts reflect outstanding balances reported by the Department of Taxation.

College Savings Plan Tax Credits support employer matching contributions to eligible college savings plans, including 529 plans. The Treasurer's Office administers the program and supplied the forecasts. Use has been limited. The approximately $1,320 used in FY 2026 may be the highest annual amount since the program was established in 2015. The $1,000 forecast is consistent with that experience.

Affordable Housing Transferable Tax Credits are administered by the Housing Division of the Department of Business and Industry. I believe the program was established in 2019. The program provides up to $40 million in credits. The FY 2026

figure is just over $12 million. The Housing Division supplied the FY 2027 and FY 2028 forecasts, with just over $8 million in FY 2027 and approximately $9.1 million in FY 2028. The FY 2028 amount, calculated to the dollar, represents the remaining credits under the $40 million limit. We expect those credits to be used by the end of FY 2028, so the FY 2029 forecast is zero.

The Joint Interim Standing Committee on Revenue recommended a bill to authorize another round of credits. Until legislation passes, the remaining credits under current law are all that can be included in the forecast.

Baseball Stadium Transferable Tax Credits were authorized during the 35th Special Session at the end of the 2025 session, for construction of the Major League Baseball stadium at the former Tropicana site on the Las Vegas Strip. The financing includes $36 million in credits annually for up to five fiscal years, totaling $180 million.

Initially, the first credits were expected in FY 2026. In April 2026, Mr. Hill at the Stadium Authority advised that issuance would likely begin in FY 2027 instead. Assuming the project proceeds as anticipated, $36 million in credits would be issued annually from FY 2027 through FY 2031.

Total forecast tax credits, which reduce revenue, are $82,492,000 in FY 2027, $86,521,947 in FY 2028, and $76,556,000 in FY 2029. The FY 2029 decline primarily reflects the exhaustion of Affordable Housing credits. I can answer questions.

David Schmidt: Are there questions? Do we have a motion to approve the forecasts?

Sarah Coffman: I move to approve the forecasts for the tax credit programs under Agenda Item 6.

David Schmidt: Is there a second?

Tiffany Greenameyer: I second the motion.

David Schmidt: We have a motion from Ms. Coffman and a second from Vice Chair Greenameyer. All in favor, say aye.

[Members responded aye.]

David Schmidt: Any opposed? The motion passes. The tax credit forecasts are approved.

7. Public Comment

David Schmidt: This is the second opportunity for public comment. Is there anyone here in Carson City or on Zoom who would like to comment?

Broadcast Services: The public line is open and working. There are no callers at this time.

David Schmidt: We will close the second public comment period.

8. Adjournment

David Schmidt: Before adjourning, I thank all the staff who prepared this material. It involves substantial, detailed work, and we appreciate your efforts. The meeting is adjourned.