

Assembly Bill No. 10—Joint Rules Committee

CHAPTER.....

AN ACT relating to taxation; revising the formula for the distribution of certain revenues among local governments; providing for an adjustment to the base allocation of certain local governments; extending the date for expiration of the legislative committee to study distribution among local governments of revenue from state and local taxes; requiring the advisory committee to the committee to conduct a study; and providing other matters properly relating thereto.

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

**Section 1.** NRS 360.680 is hereby amended to read as follows:

360.680 1. On or before July 1 of each year, the executive director shall allocate to each enterprise district an amount equal to the amount that the enterprise district received from the account in the immediately preceding fiscal year.

2. Except as otherwise provided in NRS 360.690 and 360.730, the executive director, after subtracting the amount allocated to each enterprise district pursuant to subsection 1, shall allocate to each local government or special district which is eligible for an allocation from the account pursuant to NRS 360.670 an amount from the account that is equal to the amount allocated to the local government or special district for the preceding fiscal year, *minus any excess amount allocated pursuant to subsection 4 of NRS 360.690*, multiplied by one plus the percentage change in the Consumer Price Index (All Items) for the year ending on December 31 immediately preceding the year in which the allocation is made.

**Sec. 2.** NRS 360.690 is hereby amended to read as follows:

360.690 1. Except as otherwise provided in NRS 360.730, the executive director shall estimate monthly the amount each local government, special district and enterprise district will receive from the account pursuant to the provisions of this section.

2. The executive director shall establish a base monthly allocation for each local government, special district and enterprise district by dividing the amount determined pursuant to NRS 360.680 for each local government, special district and enterprise district by 12 and the state treasurer shall, except as otherwise provided in subsections 3, 4 and 5, remit monthly that amount to each local government, special district and enterprise district.

3. If, after making the allocation to each enterprise district for the month, the executive director determines there is not sufficient money available in the county's subaccount in the account to allocate to each local government and special district the base monthly allocation determined pursuant to subsection 2, he shall prorate the money in the county's subaccount and allocate to each local government and special district an amount equal to the percentage of the amount that the local government or special district received from the total amount which was distributed to all local governments and special districts within the county for the fiscal year immediately preceding the year in which the allocation is made. The state treasurer shall remit that amount to the local government or special district.

4. Except as otherwise provided in subsection 5, if the executive director determines that there is money remaining in the county's subaccount in the account after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local government, special district and enterprise district, he shall immediately determine and allocate each:

(a) Local government's share of the remaining money by:

(1) Multiplying one-twelfth of *the sum of:*

*(I) Twenty-five percent of the amount allocated pursuant to NRS 360.680 multiplied by one plus the sum of the ~~+~~ ~~(I) Percentage~~ average percentage of change in the population of the local government for the fiscal year immediately preceding the year in which the allocation is made and the 4 fiscal years immediately preceding the year in which the allocation is made, as certified by the governor pursuant to NRS 360.285, except as otherwise provided in subsection 6 ~~+~~ and*

*~~(II) Average~~, and the average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and*

*(II) Seventy-five percent of the amount allocated pursuant to NRS 360.680 multiplied by one plus the sum of the average percentage of change in the population of the local government for the fiscal year immediately preceding the year in which the allocation is made and the 4 fiscal years immediately preceding the year in which the allocation is made, as certified by the governor pursuant to NRS 360.285, except as otherwise provided in subsection 6, and the average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and*

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each local government an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (b), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount; and

(b) Special district's share of the remaining money by:

(1) Multiplying one-twelfth of *the sum of:*

*(I) Twenty-five percent of the amount allocated pursuant to NRS 360.680 multiplied by ~~one plus~~ the average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion*

attributable to the net proceeds of minerals, over the 5 fiscal years immediately preceding the year in which the allocation is made; and

*(II) Seventy-five percent of the amount allocated pursuant to NRS 360.680 multiplied by one plus the average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the 5 fiscal years immediately preceding the year in which the allocation is made; and*

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each special district an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (a), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount.

The state treasurer shall remit the amount allocated to each local government or special district pursuant to this subsection.

5. The executive director shall not allocate any amount to a local government or special district pursuant to subsection 4, unless the amount distributed and allocated to each of the local governments and special districts in the county in each preceding month of the fiscal year in which the allocation is to be made was at least equal to the base monthly allocation determined pursuant to subsection 2. If the amounts distributed to the local governments and special districts in the county for the preceding months of the fiscal year in which the allocation is to be made were less than the base monthly allocation determined pursuant to subsection 2 and the executive director determines there is money remaining in the county's subaccount in the account after the distribution for the month has been made, he shall:

(a) Determine the amount by which the base monthly allocations determined pursuant to subsection 2 for each local government and special district in the county for the preceding months of the fiscal year in which the allocation is to be made exceeds the amounts actually received by the local governments and special districts in the county for the same period; and

(b) Compare the amount determined pursuant to paragraph (a) to the amount of money remaining in the county's subaccount in the account to determine which amount is greater.

If the executive director determines that the amount determined pursuant to paragraph (a) is greater, he shall allocate the money remaining in the county's subaccount in the account pursuant to the provisions of subsection 3. If the executive director determines that the amount of money remaining in the county's subaccount in the account is greater, he shall first allocate the money necessary for each local government and special district to receive the base monthly allocation determined pursuant to subsection 2 and the state treasurer shall remit that money so allocated. The executive director shall allocate any additional money in the county's subaccount in the account pursuant to the provisions of subsection 4.

6. The percentage change calculated pursuant to paragraph (a) of subsection 4 must:

(a) If the Bureau of the Census of the United States Department of Commerce issues population totals that conflict with the totals certified by the governor pursuant to NRS 360.285, be an estimate of the change in population for the calendar year, based upon the population totals issued by the Bureau of the Census.

(b) If a new method of determining population is established pursuant to NRS 360.283, be adjusted in a manner that will result in the percentage change being based on population determined pursuant to the new method for both the fiscal year in which the allocation is made and the fiscal year immediately preceding the year in which the allocation is made.

7. On or before February 15 of each year, the executive director shall provide to each local government, special district and enterprise district a preliminary estimate of the revenue it will receive from the account for that fiscal year.

8. On or before March 15 of each year, the executive director shall:

(a) Make an estimate of the receipts from each tax included in the account on an accrual basis for the next fiscal year in accordance with generally accepted accounting principles, including an estimate for each county of the receipts from each tax included in the account; and

(b) Provide to each local government, special district and enterprise district an estimate of the amount that local government, special district or enterprise district would receive based upon the estimate made pursuant to paragraph (a) and calculated pursuant to the provisions of this section.

9. A local government, special district or enterprise district may use the estimate provided by the executive director pursuant to subsection 8 in the preparation of its budget.

**Sec. 3.** NRS 360.690 is hereby amended to read as follows:

360.690 1. Except as otherwise provided in NRS 360.730, the executive director shall estimate monthly the amount each local government, special district and enterprise district will receive from the account pursuant to the provisions of this section.

2. The executive director shall establish a base monthly allocation for each local government, special district and enterprise district by dividing the amount determined pursuant to NRS 360.680 for each local government, special district and enterprise district by 12 and the state treasurer shall, except as otherwise provided in subsections 3, 4 and 5, remit monthly that amount to each local government, special district and enterprise district.

3. If, after making the allocation to each enterprise district for the month, the executive director determines there is not sufficient money available in the county's subaccount in the account to allocate to each local government and special district the base monthly allocation determined pursuant to subsection 2, he shall prorate the money in the county's subaccount and allocate to each local government and special district an amount equal to the percentage of the amount that the local government or special district received from the total amount which was distributed to all local governments and special districts within the county for the fiscal year

immediately preceding the year in which the allocation is made. The state treasurer shall remit that amount to the local government or special district.

4. Except as otherwise provided in subsection 5, if the executive director determines that there is money remaining in the county's subaccount in the account after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local government, special district and enterprise district, he shall immediately determine and allocate each:

(a) Local government's share of the remaining money by:

(1) Multiplying one-twelfth of *the sum of:*

*(I) Fifty percent of the amount allocated pursuant to NRS 360.680 multiplied by ~~one plus~~ the sum of the ~~+~~*

~~*(I) Percentage*~~ *average percentage of change in the population of the local government for the fiscal year immediately preceding the year in which the allocation is made and the 4 fiscal years immediately preceding the year in which the allocation is made, as certified by the governor pursuant to NRS 360.285, except as otherwise provided in subsection 6 ~~+~~*

~~*and*~~ ~~*(II) Average*~~ *, and the average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and*

*(II) Fifty percent of the amount allocated pursuant to NRS 360.680 multiplied by one plus the sum of the average percentage of change in the population of the local government for the fiscal year immediately preceding the year in which the allocation is made and the 4 fiscal years immediately preceding the year in which the allocation is made, as certified by the governor pursuant to NRS 360.285, except as otherwise provided in subsection 6, and the average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and*

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each local government an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (b), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount; and

(b) Special district's share of the remaining money by:

(1) Multiplying one-twelfth of *the sum of:*

*(I) Fifty percent of the amount allocated pursuant to NRS 360.680 multiplied by ~~one plus~~ the average change in the assessed valuation of the taxable property in the special district, including assessed valuation*

attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the 5 fiscal years immediately preceding the year in which the allocation is made; and

*(II) Fifty percent of the amount allocated pursuant to NRS 360.680 multiplied by one plus the average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the 5 fiscal years immediately preceding the year in which the allocation is made; and*

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each special district an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (a), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount.

The state treasurer shall remit the amount allocated to each local government or special district pursuant to this subsection.

5. The executive director shall not allocate any amount to a local government or special district pursuant to subsection 4, unless the amount distributed and allocated to each of the local governments and special districts in the county in each preceding month of the fiscal year in which the allocation is to be made was at least equal to the base monthly allocation determined pursuant to subsection 2. If the amounts distributed to the local governments and special districts in the county for the preceding months of the fiscal year in which the allocation is to be made were less than the base monthly allocation determined pursuant to subsection 2 and the executive director determines there is money remaining in the county's subaccount in the account after the distribution for the month has been made, he shall:

(a) Determine the amount by which the base monthly allocations determined pursuant to subsection 2 for each local government and special district in the county for the preceding months of the fiscal year in which the allocation is to be made exceeds the amounts actually received by the local governments and special districts in the county for the same period; and

(b) Compare the amount determined pursuant to paragraph (a) to the amount of money remaining in the county's subaccount in the account to determine which amount is greater.

If the executive director determines that the amount determined pursuant to paragraph (a) is greater, he shall allocate the money remaining in the county's subaccount in the account pursuant to the provisions of subsection 3. If the executive director determines that the amount of money remaining in the county's subaccount in the account is greater, he shall first allocate the money necessary for each local government and special district to receive the base monthly allocation determined pursuant to subsection 2 and the state treasurer shall remit that money so allocated. The executive director shall allocate any additional money in the county's subaccount in the account pursuant to the provisions of subsection 4.

6. The percentage change calculated pursuant to paragraph (a) of subsection 4 must:

(a) If the Bureau of the Census of the United States Department of Commerce issues population totals that conflict with the totals certified by the governor pursuant to NRS 360.285, be an estimate of the change in population for the calendar year, based upon the population totals issued by the Bureau of the Census.

(b) If a new method of determining population is established pursuant to NRS 360.283, be adjusted in a manner that will result in the percentage change being based on population determined pursuant to the new method for both the fiscal year in which the allocation is made and the fiscal year immediately preceding the year in which the allocation is made.

7. On or before February 15 of each year, the executive director shall provide to each local government, special district and enterprise district a preliminary estimate of the revenue it will receive from the account for that fiscal year.

8. On or before March 15 of each year, the executive director shall:

(a) Make an estimate of the receipts from each tax included in the account on an accrual basis for the next fiscal year in accordance with generally accepted accounting principles, including an estimate for each county of the receipts from each tax included in the account; and

(b) Provide to each local government, special district and enterprise district an estimate of the amount that local government, special district or enterprise district would receive based upon the estimate made pursuant to paragraph (a) and calculated pursuant to the provisions of this section.

9. A local government, special district or enterprise district may use the estimate provided by the executive director pursuant to subsection 8 in the preparation of its budget.

**Sec. 4.** NRS 360.690 is hereby amended to read as follows:

360.690 1. Except as otherwise provided in NRS 360.730, the executive director shall estimate monthly the amount each local government, special district and enterprise district will receive from the account pursuant to the provisions of this section.

2. The executive director shall establish a base monthly allocation for each local government, special district and enterprise district by dividing the amount determined pursuant to NRS 360.680 for each local government, special district and enterprise district by 12 and the state treasurer shall, except as otherwise provided in subsections 3, 4 and 5, remit monthly that amount to each local government, special district and enterprise district.

3. If, after making the allocation to each enterprise district for the month, the executive director determines there is not sufficient money available in the county's subaccount in the account to allocate to each local government and special district the base monthly allocation determined pursuant to subsection 2, he shall prorate the money in the county's subaccount and allocate to each local government and special district an amount equal to the percentage of the amount that the local government or special district received from the total amount which was distributed to all local governments and special districts within the county for the fiscal year

immediately preceding the year in which the allocation is made. The state treasurer shall remit that amount to the local government or special district.

4. Except as otherwise provided in subsection 5, if the executive director determines that there is money remaining in the county's subaccount in the account after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local government, special district and enterprise district, he shall immediately determine and allocate each:

(a) Local government's share of the remaining money by:

(1) Multiplying one-twelfth of *the sum of:*

*(I) Seventy-five percent of* the amount allocated pursuant to NRS 360.680 *multiplied by one plus* the sum of the ~~+~~

~~(I) Percentage~~ *average percentage of* change in the population of the local government for the fiscal year immediately preceding the year in which the allocation is *made and the 4 fiscal years immediately preceding the year in which the allocation is* made, as certified by the governor pursuant to NRS 360.285, except as otherwise provided in subsection 6 ~~+~~ ~~and~~

~~(II) Average~~, *and the average* percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and

*(II) Twenty-five percent of the amount allocated pursuant to NRS 360.680 multiplied by one plus the sum of the average percentage of change in the population of the local government for the fiscal year immediately preceding the year in which the allocation is made and the 4 fiscal years immediately preceding the year in which the allocation is made, as certified by the governor pursuant to NRS 360.285, except as otherwise provided in subsection 6, and the average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and*

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each local government an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (b), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount; and

(b) Special district's share of the remaining money by:

(1) Multiplying one-twelfth of *the sum of:*

*(I) Seventy-five percent of* the amount allocated pursuant to NRS 360.680 *multiplied by one plus* the average change in the assessed valuation of the taxable property in the special district, including assessed



valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the 5 fiscal years immediately preceding the year in which the allocation is made; and

*(II) Twenty-five percent of the amount allocated pursuant to NRS 360.680 multiplied by one plus the average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the 5 fiscal years immediately preceding the year in which the allocation is made; and*

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each special district an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (a), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount.

The state treasurer shall remit the amount allocated to each local government or special district pursuant to this subsection.

5. The executive director shall not allocate any amount to a local government or special district pursuant to subsection 4, unless the amount distributed and allocated to each of the local governments and special districts in the county in each preceding month of the fiscal year in which the allocation is to be made was at least equal to the base monthly allocation determined pursuant to subsection 2. If the amounts distributed to the local governments and special districts in the county for the preceding months of the fiscal year in which the allocation is to be made were less than the base monthly allocation determined pursuant to subsection 2 and the executive director determines there is money remaining in the county's subaccount in the account after the distribution for the month has been made, he shall:

(a) Determine the amount by which the base monthly allocations determined pursuant to subsection 2 for each local government and special district in the county for the preceding months of the fiscal year in which the allocation is to be made exceeds the amounts actually received by the local governments and special districts in the county for the same period; and

(b) Compare the amount determined pursuant to paragraph (a) to the amount of money remaining in the county's subaccount in the account to determine which amount is greater.

If the executive director determines that the amount determined pursuant to paragraph (a) is greater, he shall allocate the money remaining in the county's subaccount in the account pursuant to the provisions of subsection 3. If the executive director determines that the amount of money remaining in the county's subaccount in the account is greater, he shall first allocate the money necessary for each local government and special district to receive the base monthly allocation determined pursuant to subsection 2 and the state treasurer shall remit that money so allocated. The executive director shall allocate any additional money in the county's subaccount in the account pursuant to the provisions of subsection 4.

6. The percentage change calculated pursuant to paragraph (a) of subsection 4 must:

(a) If the Bureau of the Census of the United States Department of Commerce issues population totals that conflict with the totals certified by the governor pursuant to NRS 360.285, be an estimate of the change in population for the calendar year, based upon the population totals issued by the Bureau of the Census.

(b) If a new method of determining population is established pursuant to NRS 360.283, be adjusted in a manner that will result in the percentage change being based on population determined pursuant to the new method for both the fiscal year in which the allocation is made and the fiscal year immediately preceding the year in which the allocation is made.

7. On or before February 15 of each year, the executive director shall provide to each local government, special district and enterprise district a preliminary estimate of the revenue it will receive from the account for that fiscal year.

8. On or before March 15 of each year, the executive director shall:

(a) Make an estimate of the receipts from each tax included in the account on an accrual basis for the next fiscal year in accordance with generally accepted accounting principles, including an estimate for each county of the receipts from each tax included in the account; and

(b) Provide to each local government, special district and enterprise district an estimate of the amount that local government, special district or enterprise district would receive based upon the estimate made pursuant to paragraph (a) and calculated pursuant to the provisions of this section.

9. A local government, special district or enterprise district may use the estimate provided by the executive director pursuant to subsection 8 in the preparation of its budget.

**Sec. 5.** NRS 360.690 is hereby amended to read as follows:

360.690 1. Except as otherwise provided in NRS 360.730, the executive director shall estimate monthly the amount each local government, special district and enterprise district will receive from the account pursuant to the provisions of this section.

2. The executive director shall establish a base monthly allocation for each local government, special district and enterprise district by dividing the amount determined pursuant to NRS 360.680 for each local government, special district and enterprise district by 12 and the state treasurer shall, except as otherwise provided in subsections 3, 4 and 5, remit monthly that amount to each local government, special district and enterprise district.

3. If, after making the allocation to each enterprise district for the month, the executive director determines there is not sufficient money available in the county's subaccount in the account to allocate to each local government and special district the base monthly allocation determined pursuant to subsection 2, he shall prorate the money in the county's subaccount and allocate to each local government and special district an amount equal to the percentage of the amount that the local government or special district received from the total amount which was distributed to all local governments and special districts within the county for the fiscal year

immediately preceding the year in which the allocation is made. The state treasurer shall remit that amount to the local government or special district.

4. Except as otherwise provided in subsection 5, if the executive director determines that there is money remaining in the county's subaccount in the account after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local government, special district and enterprise district, he shall immediately determine and allocate each:

(a) Local government's share of the remaining money by:

(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by ~~one plus~~ the sum of the:

(I) ~~Percentage~~ *Average percentage of* change in the population of the local government for the fiscal year immediately preceding the year in which the allocation is *made and the 4 fiscal years immediately preceding the year in which the allocation is* made, as certified by the governor pursuant to NRS 360.285 except as otherwise provided in subsection 6; and

(II) Average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each local government an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (b), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount; and

(b) Special district's share of the remaining money by:

(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by ~~one plus~~ the average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the 5 fiscal years immediately preceding the year in which the allocation is made; and

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each special district an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (a), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount.

The state treasurer shall remit the amount allocated to each local government or special district pursuant to this subsection.

5. The executive director shall not allocate any amount to a local government or special district pursuant to subsection 4, unless the amount distributed and allocated to each of the local governments and special districts in the county in each preceding month of the fiscal year in which

the allocation is to be made was at least equal to the base monthly allocation determined pursuant to subsection 2. If the amounts distributed to the local governments and special districts in the county for the preceding months of the fiscal year in which the allocation is to be made were less than the base monthly allocation determined pursuant to subsection 2 and the executive director determines there is money remaining in the county's subaccount in the account after the distribution for the month has been made, he shall:

(a) Determine the amount by which the base monthly allocations determined pursuant to subsection 2 for each local government and special district in the county for the preceding months of the fiscal year in which the allocation is to be made exceeds the amounts actually received by the local governments and special districts in the county for the same period; and

(b) Compare the amount determined pursuant to paragraph (a) to the amount of money remaining in the county's subaccount in the account to determine which amount is greater.

If the executive director determines that the amount determined pursuant to paragraph (a) is greater, he shall allocate the money remaining in the county's subaccount in the account pursuant to the provisions of subsection 3. If the executive director determines that the amount of money remaining in the county's subaccount in the account is greater, he shall first allocate the money necessary for each local government and special district to receive the base monthly allocation determined pursuant to subsection 2 and the state treasurer shall remit that money so allocated. The executive director shall allocate any additional money in the county's subaccount in the account pursuant to the provisions of subsection 4.

6. The percentage change calculated pursuant to paragraph (a) of subsection 4 must:

(a) If the Bureau of the Census of the United States Department of Commerce issues population totals that conflict with the totals certified by the governor pursuant to NRS 360.285, be an estimate of the change in population for the calendar year, based upon the population totals issued by the Bureau of the Census.

(b) If a new method of determining population is established pursuant to NRS 360.283, be adjusted in a manner that will result in the percentage change being based on population determined pursuant to the new method for both the fiscal year in which the allocation is made and the fiscal year immediately preceding the year in which the allocation is made.

7. On or before February 15 of each year, the executive director shall provide to each local government, special district and enterprise district a preliminary estimate of the revenue it will receive from the account for that fiscal year.

8. On or before March 15 of each year, the executive director shall:

(a) Make an estimate of the receipts from each tax included in the account on an accrual basis for the next fiscal year in accordance with generally accepted accounting principles, including an estimate for each county of the receipts from each tax included in the account; and

(b) Provide to each local government, special district and enterprise district an estimate of the amount that local government, special district or

enterprise district would receive based upon the estimate made pursuant to paragraph (a) and calculated pursuant to the provisions of this section.

9. A local government, special district or enterprise district may use the estimate provided by the executive director pursuant to subsection 8 in the preparation of its budget.

**Sec. 6.** Section 9 of chapter 661, Statutes of Nevada 1997, at page 3309, is hereby amended to read as follows:

Sec. 9. This act becomes effective on July 1, 1997, and expires by limitation on July 1, ~~2001~~ **2005**.

**Sec. 7.** For the fiscal year beginning on July 1, 2001, the executive director of the department of taxation shall increase the amount that would otherwise be allocated to the City of Henderson pursuant to NRS 360.680 by \$4,000,000 and that amount must be included in the calculation of all future allocations.

**Sec. 8.** The advisory committee to the legislative committee to study the distribution among local governments of revenue from state and local taxes created pursuant to subsection 2 of NRS 218.53881 shall conduct a study of the effects of the formula for the distribution of certain revenues among local governments set forth in NRS 360.600 to 360.740, inclusive, and the amendatory provisions of this act. The advisory committee shall report its findings to the legislative committee to study the distribution among local governments of revenue from state and local taxes on or before October 1, 2002.

**Sec. 9.** The legislature hereby finds and declares that the provisions of section 7 of this act are necessary to correct certain discrepancies in the formula for the distribution of certain revenues set forth in section 35 of chapter 660, Statutes of Nevada 1997, as that formula relates to the region of this state encompassed generally by Clark County and the unique patterns of growth that exist in that region, and therefore a general law cannot be made applicable.

**Sec. 10.** Section 83 of Senate Bill No. 425 of the 71st session of the Nevada Legislature is hereby repealed.

**Sec. 11.** 1. This section and sections 7, 9 and 10 of this act become effective upon passage and approval.

2. Sections 1, 2, 6, and 8 of this act become effective on July 1, 2001.

3. Section 2 of this act expires by limitation on June 30, 2002.

4. Section 3 of this act becomes effective on July 1, 2002, and expires by limitation on June 30, 2003.

5. Section 4 of this act becomes effective on July 1, 2003, and expires by limitation on June 30, 2004.

6. Section 5 of this act becomes effective on July 1, 2004.