

CHAPTER.....

AN ACT relating to county finances; authorizing the imposition of a fee on certain rental cars in certain larger counties to finance a performing arts center and facility for providing vocational training in culinary skills; authorizing the issuance of revenue bonds for certain of those projects; providing for the collection, distribution and use of the fee; authorizing such a county to revise certain schedules of fees, rates, charges and taxes to ensure the payment of certain revenue bonds of the county; 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. Chapter 244A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.

Sec. 2. *As used in sections 2 to 5, inclusive, of this act “department” means the Department of Taxation.*

Sec. 3. 1. *Except as otherwise provided in subsection 2, the board of county commissioners of a county whose population is 400,000 or more may by ordinance impose a fee upon the lease of a passenger car by a short-term lessor in the county in the amount of not more than 2 percent of the total amount for which the passenger car was leased, excluding any taxes or other fees imposed by a governmental entity.*

2. The fee imposed pursuant to subsection 1 must not apply to replacement vehicles. As used in this subsection, “replacement vehicle” means a vehicle that is:

(a) Rented temporarily by or on behalf of a person or leased to a person by a facility that repairs motor vehicles or a motor vehicle dealer; and

(b) Used by the person in place of a motor vehicle owned by the person that is unavailable for use because of mechanical breakdown, repair, service, damage or loss as defined in the owner’s policy of liability insurance for the motor vehicle.

3. After reimbursement of the Department pursuant to paragraph (a) of subsection 1 of section 4 of this act for its expense in collecting and administering a fee imposed pursuant to this section, the remaining proceeds of the fee which are received by a county must be used to pay the costs to acquire, improve, equip, operate and maintain within the county a performing arts center, or to pay the principal of, interest on or other payments due with respect to bonds issued to pay such costs, including bonds

issued to refund bonds issued to pay such costs, or any combination thereof.

4. The board of county commissioners shall not repeal or amend or otherwise directly or indirectly modify an ordinance imposing a fee pursuant to subsection 1 in such a manner as to impair any outstanding bonds issued by or other obligations incurred by the county until all obligations for which revenue from the ordinance have been pledged or otherwise made payable from such revenue have been discharged in full or provision for full payment and redemption has been made.

5. As used in this section, the words and terms defined in NRS 482.053 and 482.087 have the meanings ascribed to them in those sections.

Sec. 4. *1. Any ordinance adopted pursuant to section 3 of this act must include a provision requiring the board of county commissioners to enter into a contract before the effective date of the ordinance with the Department to perform all functions incident to the collection and administration of the fee in the county. Such a contract must:*

(a) Authorize the Department to retain 0.10 percent of the amount of the proceeds of the fee to reimburse the Department for its expenses in collecting and administering the fee; and

(b) Require the distribution of the remaining amount of the proceeds of the fee to the county at such a time and in such a manner as the parties determine, which must be not less frequently than once each calendar quarter.

2. Any ordinance amending an ordinance adopted pursuant to section 3 of this act must include a provision in substance that the county shall amend the contract made pursuant to subsection 1 by a contract made between the county and the Department, before the effective date of the amendatory ordinance, unless the county determines with the written concurrence of the Department that no such amendment of the contract is necessary or desirable.

Sec. 5. (Deleted.)

Sec. 6. (Deleted.)

Sec. 7. *1. A board that has adopted an ordinance imposing a fee pursuant to section 3 of this act may, on behalf of the county and in its name:*

(a) Acquire, improve, equip, operate and maintain within the county a performing arts center.

(b) Pursuant to the provisions of chapter 350 of NRS, issue revenue bonds of the county to acquire, improve or equip, or any combination thereof, within the county a performing arts center.

2. Bonds issued pursuant to this section for a performing arts center must be payable from the proceeds of the fee imposed by the county pursuant to section 3 of this act that are and may be

additionally secured by and payable from the gross or net revenues of the performing arts center.

Sec. 8. NRS 244A.011 is hereby amended to read as follows:

244A.011 NRS 244A.011 to 244A.065, inclusive, *and sections 6 and 7 of this act* shall be known as the County Bond Law.

Sec. 9. NRS 244A.013 is hereby amended to read as follows:

244A.013 Except where the context otherwise requires, the definitions in NRS 244A.015 to 244A.056, inclusive, *and section 6 of this act* govern the construction hereof.

Sec. 10. NRS 244A.063 is hereby amended to read as follows:

244A.063 In order to insure the payment, wholly or in part, of the general obligation bonds *or revenue bonds* of the county the payment of which bonds is additionally secured by a pledge of the revenues derived from any such income-producing project and from any such excise taxes, the board may establish and maintain, and the board may from time to time revise, a schedule or schedules of fees, rates and charges for services or facilities, or both services and facilities, rendered by or through the project, within the corporate limits of the county, and a schedule or schedules of license or other excise taxes, in an amount sufficient for that purpose and also sufficient to discharge any covenant in the proceedings of the board authorizing the issuance of any of such bonds, including any covenant for the establishment of reasonable reserve funds.

Sec. 11. NRS 360.417 is hereby amended to read as follows:

360.417 Except as otherwise provided in NRS 360.232 and 360.320, and unless a different penalty or rate of interest is specifically provided by statute, any person who fails to pay any tax provided for in chapter 362, 364A, 369, 370, 372, 374, 377, 377A, 444A or 585 of NRS, or ~~the~~ *any* fee provided for in NRS 482.313, to the State or a county within the time required, shall pay a penalty of not more than 10 percent of the amount of the tax or fee which is owed, as determined by the Department, in addition to the tax or fee, plus interest at the rate of 1 percent per month, or fraction of a month, from the last day of the month following the period for which the amount or any portion of the amount should have been reported until the date of payment. The amount of any penalty imposed must be based on a graduated schedule adopted by the Nevada Tax Commission which takes into consideration the length of time the tax or fee remained unpaid.

Sec. 12. NRS 482.313 is hereby amended to read as follows:

482.313 1. Upon the lease of a passenger car by a short-term lessor in this state, the short-term lessor:

(a) Shall charge and collect from the short-term lessee ~~the~~ *:*

(1) A governmental services fee of 6 percent of the total amount for which the passenger car was leased, excluding the items described in subsection 7 ~~the~~ *; and*

(2) Any fee required pursuant to section 3 of this act; and

(b) May charge and collect from the short-term lessee a recovery surcharge not to exceed ~~[3.5]~~ 4 percent of the total amount for which the passenger car was leased, excluding the items described in subsection 8, as reimbursement for vehicle licensing fees and taxes paid by the short-term lessor.

The amount of any fee charged pursuant to this subsection must be indicated in the lease agreement.

2. The ~~[governmental services]~~ fees due from a short-term lessor to the Department of Taxation pursuant to ~~[this]~~ subsection 1 are due on the last day of each calendar quarter. On or before the last day of the month following each calendar quarter, the short-term lessor shall:

(a) File with the Department of Taxation, on a form prescribed by the Department of Taxation, a report indicating the total amount of:

(1) ~~[Governmental services]~~ *Each of the* fees collected by the short-term lessor pursuant to paragraph (a) of subsection 1 during the immediately preceding calendar quarter;

(2) Recovery surcharges, if any, collected by the short-term lessor pursuant to paragraph (b) of subsection 1 during the immediately preceding calendar quarter; and

(3) Vehicle licensing fees and taxes paid by the short-term lessor pursuant to this chapter during the immediately preceding calendar quarter.

(b) Remit to the Department of Taxation, the ~~[governmental services]~~ fees collected by the short-term lessor pursuant to paragraph (a) of subsection 1 during the immediately preceding calendar quarter.

3. ~~[The]~~ *Except as otherwise provided in a contract made pursuant to section 4 of this act, the* Department of Taxation shall deposit all money received from short-term lessors pursuant to the provisions of this section with the State Treasurer for credit to the State General Fund.

4. To ensure compliance with this section, the Department of Taxation may audit the records of a short-term lessor.

5. The provisions of this section do not limit or affect the payment of any taxes or fees imposed pursuant to the provisions of this chapter.

6. The Department of Motor Vehicles shall, upon request, provide to the Department of Taxation any information in its records relating to a short-term lessor that the Department of Taxation considers necessary to collect the ~~[fee required by this section.]~~ *fees described in subsection 1.*

7. For the purposes of charging and collecting the governmental services fee described in *subparagraph (1) of*

paragraph (a) of subsection 1, the following items must not be included in the total amount for which the passenger car was leased:

(a) The amount of any recovery surcharge charged and collected pursuant to paragraph (b) of subsection 1;

(b) The amount of any charge for fuel used to operate the passenger car;

(c) The amount of any fee or charge for the delivery, transportation or other handling of the passenger car;

(d) The amount of any fee or charge for insurance, including, without limitation, personal accident insurance, extended coverage or insurance coverage for personal property; ~~and~~

(e) The amount of any charges assessed against a short-term lessee for damages for which the short-term lessee is held responsible ~~and~~; *and*

(f) The amount of any fee charged and collected pursuant to subparagraph (2) of paragraph (a) of subsection 1.

8. For the purposes of charging and collecting the recovery surcharge described in paragraph (b) of subsection 1, the following items must not be included in the total amount for which the passenger car was leased:

(a) The amount of the ~~{governmental services fee}~~ *fees* charged and collected pursuant to paragraph (a) of subsection 1;

(b) The amount of any charge for a collision damage waiver or a similar instrument that acts as a waiver of the short-term lessor's right to collect from the short-term lessee for any damage to the passenger car;

(c) The amount of any charge for fuel used to operate the passenger car;

(d) The amount of any fee or charge for the delivery, transportation or other handling of the passenger car;

(e) The amount of any fee or charge for insurance, including, without limitation, personal accident insurance, extended coverage or insurance coverage for personal property;

(f) The amount of any charges assessed against a short-term lessee for damages for which the short-term lessee is held responsible; and

(g) The amount of any concession fee or charge that the short-term lessor:

(1) Is required to pay to do business at an airport, if applicable; and

(2) Passes on to the short-term lessee of the passenger car.

9. The Executive Director of the Department of Taxation shall:

(a) Adopt such regulations as he determines are necessary to carry out the provisions of this section; and

(b) Upon the request of the Director of the Department of Motor Vehicles, provide to the Director of the Department of Motor Vehicles a copy of any record or report described in this section.

10. As used in this section, "vehicle licensing fees and taxes" means:

(a) The fees paid by a short-term lessor for the registration of, and the issuance of certificates of title for, the passenger cars leased by him; and

(b) The basic and supplemental governmental services taxes paid by the short-term lessor with regard to those passenger cars.

Sec. 13. Notwithstanding the provisions of section 3 of this act, the Board of County Commissioners of Clark County shall distribute the initial \$3,000,000 collected from the fee imposed pursuant to section 3 of this act to the Culinary and Hospitality Academy of Las Vegas for the planning and design of a facility for vocational training in Southern Nevada.

Sec. 14. The authorization to impose a fee pursuant to section 3 of this act expires by limitation on June 30 of the later of the fiscal year that is 20 years after the fiscal year in which the ordinance imposing the fee is adopted or the fiscal year in which all bonds issued pursuant to section 7 of this act, including, without limitation, any bonds issued to refund bonds issued pursuant to section 7 of this act, are fully paid as to all principal, interest and any other amounts due.

Sec. 15. This act becomes effective upon passage and approval and applies retroactively to July 1, 2003.