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Senate Bill No. 8—Committee of the Whole

CHAPTER

AN ACT relating to state financial administration; providing for the imposition and administration of certain excise taxes on financial institutions; providing for the imposition and administration of an excise tax on employers based on wages paid to their employees; replacing the casino entertainment tax with a tax on all live entertainment; eliminating the tax imposed on the privilege of conducting business in this state; revising the taxes on liquor and cigarettes; imposing a state tax on the transfer of real property and revising the provisions governing the existing tax; revising the fees charged for certain gaming licenses; establishing the Legislative Committee on Taxation, Public Revenue and Tax Policy; requiring the Legislative Auditor to conduct performance audits of certain school districts; requiring the Department of Education to prescribe a minimum amount of money that each school district must expend each year for textbooks, instructional supplies and instructional hardware; revising provisions governing the purchase of retirement credit for certain educational personnel; apportioning the State Distributive School Account in the State General Fund for the 2003-2005 biennium; making appropriations to the State Distributive School Account for purposes relating to class-size reduction; making various other changes relating to state financial administration; authorizing certain expenditures; making an additional appropriation; providing penalties; 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. Title 32 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 24, inclusive, of this act.

Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 6, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *“Commission” means the Nevada Tax Commission.*

Sec. 4. *“Employer” means any financial institution who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter, except an Indian tribe, a nonprofit organization or a political subdivision. For the purposes of this section:*

1. “Indian tribe” includes any entity described in subsection 10 of NRS 612.055.

2. *“Nonprofit organization” means a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).*

3. *“Political subdivision” means any entity described in subsection 9 of NRS 612.055.*

Sec. 5. *“Employment” has the meaning ascribed to it in NRS 612.065 to 612.145, inclusive.*

Sec. 5.5. 1. *Except as otherwise provided in subsection 2, “financial institution” means:*

(a) *An institution licensed, registered or otherwise authorized to do business in this state pursuant to the provisions of chapter 604, 645B, 645E or 649 of NRS or title 55 or 56 of NRS, or a similar institution chartered or licensed pursuant to federal law and doing business in this state;*

(b) *Any person primarily engaged in:*

(1) *The purchase, sale and brokerage of securities;*

(2) *Originating, underwriting and distributing issues of securities;*

(3) *Buying and selling commodity contracts on either a spot or future basis for the person’s own account or for the account of others, if the person is a member or is associated with a member of a recognized commodity exchange;*

(4) *Furnishing space and other facilities to members for the purpose of buying, selling or otherwise trading in stocks, stock options, bonds or commodity contracts;*

(5) *Furnishing investment information and advice to others concerning securities on a contract or fee basis;*

(6) *Furnishing services to holders of or brokers or dealers in securities or commodities;*

(7) *Holding or owning the securities of banks for the sole purpose of exercising some degree of control over the activities of the banks whose securities the person holds;*

(8) *Holding or owning securities of companies other than banks, for the sole purpose of exercising some degree of control over the activities of the companies whose securities the person holds;*

(9) *Issuing shares, other than unit investment trusts and face-amount certificate companies, whose shares contain a provision requiring redemption by the company upon request of the holder of the security;*

(10) *Issuing shares, other than unit investment trusts and face-amount certificate companies, whose shares contain no provision requiring redemption by the company upon request by the holder of the security;*

(11) *Issuing unit investment trusts or face-amount certificates;*

(12) *The management of the money of trusts and foundations organized for religious, educational, charitable or nonprofit research purposes;*

(13) *The management of the money of trusts and foundations organized for purposes other than religious, educational, charitable or nonprofit research;*

(14) *Investing in oil and gas royalties or leases, or fractional interests therein;*

(15) *Owning or leasing franchises, patents and copyrights which the person in turn licenses others to use;*

(16) *Closed-end investments in real estate or related mortgage assets operating in such a manner as to meet the requirements of the Real Estate Investment Trust Act of 1960, as amended;*

(17) *Investing; or*

(18) *Any combination of the activities described in this paragraph, who is doing business in this state;*

(c) *Any other person conducting loan or credit card processing activities in this state; and*

(d) *Any other bank, bank holding company, national bank, savings association, federal savings bank, trust company, credit union, building and loan association, investment company, registered broker or dealer in securities or commodities, finance company, dealer in commercial paper or other business entity engaged in the business of lending money, providing credit, securitizing receivables or fleet leasing, or any related business entity, doing business in this state.*

2. *The term does not include a credit union organized under the provisions of chapter 678 of NRS or the Federal Credit Union Act.*

Sec. 6. *“Taxpayer” means any person liable for a tax imposed by this chapter.*

Sec. 7. *The Department shall:*

1. *Administer and enforce the provisions of this chapter, and may adopt such regulations as it deems appropriate for those purposes.*

2. *Deposit all taxes, interest and penalties it receives pursuant to this chapter in the State Treasury for credit to the State General Fund.*

Sec. 8. 1. *Each person responsible for maintaining the records of a taxpayer shall:*

(a) *Keep such records as may be necessary to determine the amount of the liability of the taxpayer pursuant to the provisions of this chapter;*

(b) *Preserve those records for 4 years or until any litigation or prosecution pursuant to this chapter is finally determined, whichever is longer; and*

(c) *Make the records available for inspection by the Department upon demand at reasonable times during regular business hours.*

2. *The Department may by regulation specify the types of records which must be kept to determine the amount of the liability of a taxpayer pursuant to the provisions of this chapter.*

3. *Any person who violates the provisions of subsection 1 is guilty of a misdemeanor.*

Sec. 9. 1. *To verify the accuracy of any return filed or, if no return is filed by a taxpayer, to determine the amount required to be paid, the Department, or any person authorized in writing by the Department, may examine the books, papers and records of any person who may be liable for a tax imposed by this chapter.*

2. *Any person who may be liable for a tax imposed by this chapter and who keeps outside of this state any books, papers and records relating thereto shall pay to the Department an amount equal to the allowance provided for state officers and employees generally while traveling outside of the State for each day or fraction thereof during which an employee of the Department is engaged in examining those documents, plus any other actual expenses incurred by the employee while he is absent from his regular place of employment to examine those documents.*

Sec. 9.5. *The Executive Director may request from any other governmental agency or officer such information as he deems necessary to carry out the provisions of this chapter. If the Executive Director obtains any confidential information pursuant to such a request, he shall maintain the confidentiality of that information in the same manner and to the same extent as provided by law for the agency or officer from whom the information was obtained.*

Sec. 10. 1. *Except as otherwise provided in this section and NRS 360.250, the records and files of the Department concerning the administration of this chapter are confidential and privileged. The Department, and any employee engaged in the administration of this chapter or charged with the custody of any such records or files, shall not disclose any information obtained from the Department's records or files or from any examination, investigation or hearing authorized by the provisions of this chapter. Neither the Department nor any employee of the Department may be required to produce any of the records, files and information for the inspection of any person or for use in any action or proceeding.*

2. *The records and files of the Department concerning the administration of this chapter are not confidential and privileged in the following cases:*

(a) *Testimony by a member or employee of the Department and production of records, files and information on behalf of the Department or a taxpayer in any action or proceeding pursuant to the provisions of this chapter if that testimony or the records, files or information, or the facts shown thereby, are directly involved in the action or proceeding.*

(b) *Delivery to a taxpayer or his authorized representative of a copy of any return or other document filed by the taxpayer pursuant to this chapter.*

(c) *Publication of statistics so classified as to prevent the identification of a particular person or document.*

(d) *Exchanges of information with the Internal Revenue Service in accordance with compacts made and provided for in such cases.*

(e) *Disclosure in confidence to the Governor or his agent in the exercise of the Governor's general supervisory powers, or to any person authorized to audit the accounts of the Department in pursuance of an audit, or to the Attorney General or other legal representative of the State in connection with an action or proceeding pursuant to this chapter, or to any agency of this or any other state charged with the administration or enforcement of laws relating to taxation.*

(f) *Exchanges of information pursuant to subsection 3.*

3. *The Commission may agree with any county fair and recreation board or the governing body of any county, city or town for the continuing exchange of information concerning taxpayers.*

Sec. 10.5. 1. *There is hereby imposed an excise tax on each bank at the rate of \$1,750 for each branch office in excess of 1 maintained by the bank in this state on the first day of each calendar quarter.*

2. *Each bank that maintains more than 1 branch office in this state on the first day of a calendar quarter shall, on or before the last day of the first month of that calendar quarter:*

(a) *File with the Department a return on a form prescribed by the Department; and*

(b) *Remit to the Department any tax due pursuant to this section for the branch offices maintained by the bank in this state on the first day of that calendar quarter.*

3. *For the purposes of this section:*

(a) *"Bank" means:*

(1) *A corporation or limited-liability company that is chartered by this state, another state or the United States which conducts banking or banking and trust business; or*

(2) *A foreign bank licensed pursuant to chapter 666A of NRS.*

The term does not include a financial institution engaging in business pursuant to chapter 677 of NRS or a credit union organized under the provisions of chapter 678 of NRS or the Federal Credit Union Act.

(b) *“Branch office” means any location or facility of a bank where deposit accounts are opened, deposits are accepted, checks are paid and loans are granted, including, but not limited to, a brick and mortar location, a detached or attached drive-in facility, a seasonal office, an office on a military base or government installation, a station or unit for paying and receiving, and a location where a customer can open accounts, make deposits and borrow money by telephone or through use of the Internet, and excluding any automated teller machines, consumer credit offices, contractual offices, customer bank communication terminals, electronic fund transfer units and loan production offices.*

Sec. 11. 1. *There is hereby imposed an excise tax on each employer at the rate of 2 percent of the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment.*

2. *The tax imposed by this section must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.*

3. *Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:*

(a) *File with the Department:*

(1) *A return on a form prescribed by the Department; and*

(2) *A copy of any report required by the Employment Security Division of the Department of Employment, Training and Rehabilitation for determining the amount of the contribution required pursuant to NRS 612.535 for any wages paid by the employer during that calendar quarter; and*

(b) *Remit to the Department any tax due pursuant to this section for that calendar quarter.*

4. *Except as otherwise provided in subsection 5, an employer may deduct from the total amount of wages reported and upon which the excise tax is imposed pursuant this section any amount authorized pursuant to this section that is paid by the employer for health insurance or a health benefit plan for its employees in the calendar quarter for which the tax is paid. The amounts for which the deduction is allowed include:*

(a) *For an employer providing a program of self-insurance for its employees, all amounts paid during the calendar quarter for*

claims, direct administrative services costs, including such services provided by the employer, and any premiums paid for individual or aggregate stop-loss insurance coverage. An employer is not authorized to deduct the costs of a program of self-insurance unless the program is a qualified employee welfare benefit plan pursuant to the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq.

(b) The premiums for a policy of health insurance or reinsurance for a health benefit plan for its employees.

(c) Any amounts paid by an employer to a Taft-Hartley trust formed pursuant to 29 U.S.C. § 186(c)(5) for participation in an employee welfare benefit plan.

(d) Such other similar payments for health care or insurance for health care for employees as are authorized by the Department.

5. An employer may not deduct from the wages upon which the excise tax is imposed pursuant this section:

(a) Amounts paid for health care or premiums paid for insurance for an industrial injury or occupational disease for which coverage is required pursuant to chapters 616A to 616D, inclusive, or 617 of NRS; or

(b) Any payments made by employees for health care or health insurance or amounts deducted from the wages of employees for such care or insurance.

6. An employer claiming the deduction allowed pursuant to subsection 4 shall submit with the return filed pursuant to subsection 3 proof of the amount paid in the calendar quarter that qualifies for the deduction. If the amount of the deduction exceeds the amount of reported wages, the excess amount may be carried forward to the following calendar quarter until the deduction is exhausted.

7. As used in this section, "employee welfare benefit plan" has the meaning ascribed to it in 29 U.S.C. § 1002.

Sec. 12. *Upon written application made before the date on which payment must be made, the Department may for good cause extend by 30 days the time within which a taxpayer is required to pay a tax imposed by this chapter. If the tax is paid during the period of extension, no penalty or late charge may be imposed for failure to pay at the time required, but the taxpayer shall pay interest at the rate of 1 percent per month from the date on which the amount would have been due without the extension until the date of payment, unless otherwise provided in NRS 360.232 or 360.320.*

Sec. 13. *The remedies of the State provided for in this chapter are cumulative, and no action taken by the Department or the Attorney General constitutes an election by the State to pursue*

any remedy to the exclusion of any other remedy for which provision is made in this chapter.

Sec. 14. *If the Department determines that any tax, penalty or interest has been paid more than once or has been erroneously or illegally collected or computed, the Department shall set forth that fact in the records of the Department and certify to the State Board of Examiners the amount collected in excess of the amount legally due and the person from whom it was collected or by whom it was paid. If approved by the State Board of Examiners, the excess amount collected or paid must be credited on any amounts then due from the person under this chapter, and the balance refunded to the person or his successors in interest.*

Sec. 15. *1. Except as otherwise provided in NRS 360.235 and 360.395:*

(a) No refund may be allowed unless a claim for it is filed with the Department within 3 years after the last day of the month following the calendar quarter for which the overpayment was made.

(b) No credit may be allowed after the expiration of the period specified for filing claims for refund unless a claim for credit is filed with the Department within that period.

2. Each claim must be in writing and must state the specific grounds upon which the claim is founded.

3. Failure to file a claim within the time prescribed in this chapter constitutes a waiver of any demand against the State on account of overpayment.

4. Within 30 days after rejecting any claim in whole or in part, the Department shall serve notice of its action on the claimant in the manner prescribed for service of notice of a deficiency determination.

Sec. 16. *1. Except as otherwise provided in this section and NRS 360.320, interest must be paid upon any overpayment of any amount of the taxes imposed by this chapter at the rate of 0.5 percent per month, or fraction thereof, from the last day of the calendar month following the calendar quarter for which the overpayment was made. No refund or credit may be made of any interest imposed upon the person making the overpayment with respect to the amount being refunded or credited.*

2. The interest must be paid:

(a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if he has not already filed a claim, is notified by the Department that a claim may be filed or the date upon which the claim is certified to the State Board of Examiners, whichever is earlier.

(b) In the case of a credit, to the same date as that to which interest is computed on the tax or the amount against which the credit is applied.

3. If the Department determines that any overpayment has been made intentionally or by reason of carelessness, the Department shall not allow any interest on the overpayment.

Sec. 17. *1. No injunction, writ of mandate or other legal or equitable process may issue in any suit, action or proceeding in any court against this state or against any officer of the State to prevent or enjoin the collection under this chapter of a tax imposed by this chapter or any amount of tax, penalty or interest required to be collected.*

2. No suit or proceeding may be maintained in any court for the recovery of any amount alleged to have been erroneously or illegally determined or collected unless a claim for refund or credit has been filed.

Sec. 18. *1. Within 90 days after a final decision upon a claim filed pursuant to this chapter is rendered by the Commission, the claimant may bring an action against the Department on the grounds set forth in the claim in a court of competent jurisdiction in Carson City, the county of this state where the claimant resides or maintains his principal place of business or a county in which any relevant proceedings were conducted by the Department, for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.*

2. Failure to bring an action within the time specified constitutes a waiver of any demand against the State on account of alleged overpayments.

Sec. 19. *1. If the Department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may consider the claim disallowed and file an appeal with the Commission within 30 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of the Commission rendered on appeal, the claimant may, within 90 days after the decision is rendered, bring an action against the Department on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.*

2. If judgment is rendered for the plaintiff, the amount of the judgment must first be credited towards any tax due from the plaintiff.

3. The balance of the judgment must be refunded to the plaintiff.

Sec. 20. *In any judgment, interest must be allowed at the rate of 6 percent per annum upon the amount found to have been*

illegally collected from the date of payment of the amount to the date of allowance of credit on account of the judgment, or to a date preceding the date of the refund warrant by not more than 30 days. The date must be determined by the Department.

Sec. 21. *A judgment may not be rendered in favor of the plaintiff in any action brought against the Department to recover any amount paid when the action is brought by or in the name of an assignee of the person paying the amount or by any person other than the person who paid the amount.*

Sec. 22. *1. The Department may recover a refund or any part thereof which is erroneously made and any credit or part thereof which is erroneously allowed in an action brought in a court of competent jurisdiction in Carson City or Clark County in the name of the State of Nevada.*

2. The action must be tried in Carson City or Clark County unless the court, with the consent of the Attorney General, orders a change of place of trial.

3. The Attorney General shall prosecute the action, and the provisions of NRS, the Nevada Rules of Civil Procedure and the Nevada Rules of Appellate Procedure relating to service of summons, pleadings, proofs, trials and appeals are applicable to the proceedings.

Sec. 23. *1. If any amount in excess of \$25 has been illegally determined, either by the Department or by the person filing the return, the Department shall certify this fact to the State Board of Examiners, and the latter shall authorize the cancellation of the amount upon the records of the Department.*

2. If an amount not exceeding \$25 has been illegally determined, either by the Department or by the person filing the return, the Department, without certifying this fact to the State Board of Examiners, shall authorize the cancellation of the amount upon the records of the Department.

Sec. 24. *1. A person shall not:*

(a) Make, cause to be made or permit to be made any false or fraudulent return or declaration or false statement in any return or declaration with intent to defraud the State or to evade payment of a tax or any part of a tax imposed by this chapter.

(b) Make, cause to be made or permit to be made any false entry in books, records or accounts with intent to defraud the State or to evade the payment of a tax or any part of a tax imposed by this chapter.

(c) Keep, cause to be kept or permit to be kept more than one set of books, records or accounts with intent to defraud the State or to evade the payment of a tax or any part of a tax imposed by this chapter.

2. Any person who violates the provisions of subsection 1 is guilty of a gross misdemeanor.

Secs. 25-38. (Deleted.)

Sec. 39. Title 32 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 40 to 63, inclusive, of this act.

Sec. 40. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 41 to 44, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 41. *“Commission” means the Nevada Tax Commission.*

Sec. 42. *“Employer” means any employer who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter, except a financial institution, an Indian tribe, a nonprofit organization or a political subdivision. For the purposes of this section:*

1. “Financial institution” has the meaning ascribed to it in section 5.5 of this act.

2. “Indian tribe” includes any entity described in subsection 10 of NRS 612.055.

3. “Nonprofit organization” means a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).

4. “Political subdivision” means any entity described in subsection 9 of NRS 612.055.

Sec. 43. *“Employment” has the meaning ascribed to it in NRS 612.065 to 612.145, inclusive.*

Sec. 44. *“Taxpayer” means any person liable for the tax imposed by this chapter.*

Sec. 45. *The Department shall:*

1. Administer and enforce the provisions of this chapter, and may adopt such regulations as it deems appropriate for those purposes.

2. Deposit all taxes, interest and penalties it receives pursuant to this chapter in the State Treasury for credit to the State General Fund.

Sec. 46. *1. Each person responsible for maintaining the records of a taxpayer shall:*

(a) Keep such records as may be necessary to determine the amount of the liability of the taxpayer pursuant to the provisions of this chapter;

(b) Preserve those records for 4 years or until any litigation or prosecution pursuant to this chapter is finally determined, whichever is longer; and

(c) *Make the records available for inspection by the Department upon demand at reasonable times during regular business hours.*

2. *The Department may by regulation specify the types of records which must be kept to determine the amount of the liability of a taxpayer pursuant to the provisions of this chapter.*

3. *Any person who violates the provisions of subsection 1 is guilty of a misdemeanor.*

Sec. 47. 1. *To verify the accuracy of any return filed or, if no return is filed by a taxpayer, to determine the amount required to be paid, the Department, or any person authorized in writing by the Department, may examine the books, papers and records of any person who may be liable for the tax imposed by this chapter.*

2. *Any person who may be liable for the tax imposed by this chapter and who keeps outside of this state any books, papers and records relating thereto shall pay to the Department an amount equal to the allowance provided for state officers and employees generally while traveling outside of the State for each day or fraction thereof during which an employee of the Department is engaged in examining those documents, plus any other actual expenses incurred by the employee while he is absent from his regular place of employment to examine those documents.*

Sec. 48. *The Executive Director may request from any other governmental agency or officer such information as he deems necessary to carry out the provisions of this chapter. If the Executive Director obtains any confidential information pursuant to such a request, he shall maintain the confidentiality of that information in the same manner and to the same extent as provided by law for the agency or officer from whom the information was obtained.*

Sec. 49. 1. *Except as otherwise provided in this section and NRS 360.250, the records and files of the Department concerning the administration of this chapter are confidential and privileged. The Department, and any employee engaged in the administration of this chapter or charged with the custody of any such records or files, shall not disclose any information obtained from the Department's records or files or from any examination, investigation or hearing authorized by the provisions of this chapter. Neither the Department nor any employee of the Department may be required to produce any of the records, files and information for the inspection of any person or for use in any action or proceeding.*

2. *The records and files of the Department concerning the administration of this chapter are not confidential and privileged in the following cases:*

(a) *Testimony by a member or employee of the Department and production of records, files and information on behalf of the Department or a taxpayer in any action or proceeding pursuant to the provisions of this chapter if that testimony or the records, files or information, or the facts shown thereby are directly involved in the action or proceeding.*

(b) *Delivery to a taxpayer or his authorized representative of a copy of any return or other document filed by the taxpayer pursuant to this chapter.*

(c) *Publication of statistics so classified as to prevent the identification of a particular person or document.*

(d) *Exchanges of information with the Internal Revenue Service in accordance with compacts made and provided for in such cases.*

(e) *Disclosure in confidence to the Governor or his agent in the exercise of the Governor's general supervisory powers, or to any person authorized to audit the accounts of the Department in pursuance of an audit, or to the Attorney General or other legal representative of the State in connection with an action or proceeding pursuant to this chapter, or to any agency of this or any other state charged with the administration or enforcement of laws relating to taxation.*

(f) *Exchanges of information pursuant to subsection 3.*

3. *The Commission may agree with any county fair and recreation board or the governing body of any county, city or town for the continuing exchange of information concerning taxpayers.*

Sec. 50. 1. *There is hereby imposed an excise tax on each employer at the rate of 0.7 percent of the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment.*

2. *The tax imposed by this section must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.*

3. *Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:*

(a) *File with the Department:*

(1) *A return on a form prescribed by the Department; and*

(2) *A copy of any report required by the Employment Security Division of the Department of Employment, Training and Rehabilitation for determining the amount of the contribution required pursuant to NRS 612.535 for any wages paid by the employer during that calendar quarter; and*

(b) *Remit to the Department any tax due pursuant to this chapter for that calendar quarter.*

4. Except as otherwise provided in subsection 5, an employer may deduct from the total amount of wages reported and upon which the excise tax is imposed pursuant this section any amount authorized pursuant to this section that is paid by the employer for health insurance or a health benefit plan for its employees in the calendar quarter for which the tax is paid. The amounts for which the deduction is allowed include:

(a) For an employer providing a program of self-insurance for its employees, all amounts paid during the calendar quarter for claims, direct administrative services costs, including such services provided by the employer, and any premiums paid for individual or aggregate stop-loss insurance coverage. An employer is not authorized to deduct the costs of a program of self-insurance unless the program is a qualified employee welfare benefit plan pursuant to the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq.

(b) The premiums for a policy of health insurance or reinsurance for a health benefit plan for its employees.

(c) Any amounts paid by an employer to a Taft-Hartley trust formed pursuant to 29 U.S.C. § 186(c)(5) for participation in an employee welfare benefit plan.

(d) Such other similar payments for health care or insurance for health care for employees as are authorized by the Department.

5. An employer may not deduct from the wages upon which the excise tax is imposed pursuant this section:

(a) Amounts paid for health care or premiums paid for insurance for an industrial injury or occupational disease for which coverage is required pursuant to chapters 616A to 616D, inclusive, or 617 of NRS; or

(b) Any payments made by employees for health care or health insurance or amounts deducted from the wages of employees for such care or insurance.

6. An employer claiming the deduction allowed pursuant to subsection 4 shall submit with the return filed pursuant to subsection 3 proof of the amount paid in the calendar quarter that qualifies for the deduction. If the amount of the deduction exceeds the amount of reported wages, the excess amount may be carried forward to the following calendar quarter until the deduction is exhausted.

7. As used in this section, "employee welfare benefit plan" has the meaning ascribed to it in 29 U.S.C. § 1002.

Sec. 50.5. 1. An employer that qualifies pursuant to the provisions of NRS 360.750 is entitled to an exemption of 50 percent of the amount of tax otherwise due pursuant to section 50 of this act during the first 4 years of its operation.

2. If a partial abatement from the taxes otherwise due pursuant to section 50 of this act is approved by the Commission on Economic Development pursuant to NRS 360.750, the partial abatement must be administered and carried out in the manner set forth in NRS 360.750.

Sec. 51. Upon written application made before the date on which payment must be made, the Department may for good cause extend by 30 days the time within which a taxpayer is required to pay the tax imposed by this chapter. If the tax is paid during the period of extension, no penalty or late charge may be imposed for failure to pay at the time required, but the taxpayer shall pay interest at the rate of 1 percent per month from the date on which the amount would have been due without the extension until the date of payment, unless otherwise provided in NRS 360.232 or 360.320.

Sec. 52. The remedies of the State provided for in this chapter are cumulative, and no action taken by the Department or the Attorney General constitutes an election by the State to pursue any remedy to the exclusion of any other remedy for which provision is made in this chapter.

Sec. 53. If the Department determines that any tax, penalty or interest has been paid more than once or has been erroneously or illegally collected or computed, the Department shall set forth that fact in the records of the Department and certify to the State Board of Examiners the amount collected in excess of the amount legally due and the person from whom it was collected or by whom it was paid. If approved by the State Board of Examiners, the excess amount collected or paid must be credited on any amounts then due from the person under this chapter, and the balance refunded to the person or his successors in interest.

Sec. 54. 1. Except as otherwise provided in NRS 360.235 and 360.395:

(a) No refund may be allowed unless a claim for it is filed with the Department within 3 years after the last day of the month following the calendar quarter for which the overpayment was made.

(b) No credit may be allowed after the expiration of the period specified for filing claims for refund unless a claim for credit is filed with the Department within that period.

2. Each claim must be in writing and must state the specific grounds upon which the claim is founded.

3. Failure to file a claim within the time prescribed in this chapter constitutes a waiver of any demand against the State on account of overpayment.

4. Within 30 days after rejecting any claim in whole or in part, the Department shall serve notice of its action on the

claimant in the manner prescribed for service of notice of a deficiency determination.

Sec. 55. *1. Except as otherwise provided in this section and NRS 360.320, interest must be paid upon any overpayment of any amount of the taxes imposed by this chapter at the rate of 0.5 percent per month, or fraction thereof, from the last day of the calendar month following the calendar quarter for which the overpayment was made. No refund or credit may be made of any interest imposed upon the person making the overpayment with respect to the amount being refunded or credited.*

2. The interest must be paid:

(a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if he has not already filed a claim, is notified by the Department that a claim may be filed or the date upon which the claim is certified to the State Board of Examiners, whichever is earlier.

(b) In the case of a credit, to the same date as that to which interest is computed on the tax or the amount against which the credit is applied.

3. If the Department determines that any overpayment has been made intentionally or by reason of carelessness, the Department shall not allow any interest on the overpayment.

Sec. 56. *1. No injunction, writ of mandate or other legal or equitable process may issue in any suit, action or proceeding in any court against this state or against any officer of the State to prevent or enjoin the collection under this chapter of the tax imposed by this chapter or any amount of tax, penalty or interest required to be collected.*

2. No suit or proceeding may be maintained in any court for the recovery of any amount alleged to have been erroneously or illegally determined or collected unless a claim for refund or credit has been filed.

Sec. 57. *1. Within 90 days after a final decision upon a claim filed pursuant to this chapter is rendered by the Commission, the claimant may bring an action against the Department on the grounds set forth in the claim in a court of competent jurisdiction in Carson City, the county of this state where the claimant resides or maintains his principal place of business or a county in which any relevant proceedings were conducted by the Department, for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.*

2. Failure to bring an action within the time specified constitutes a waiver of any demand against the State on account of alleged overpayments.

Sec. 58. *1. If the Department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may consider the claim disallowed and file an appeal with the Commission within 30 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of the Commission rendered on appeal, the claimant may, within 90 days after the decision is rendered, bring an action against the Department on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.*

2. If judgment is rendered for the plaintiff, the amount of the judgment must first be credited towards any tax due from the plaintiff.

3. The balance of the judgment must be refunded to the plaintiff.

Sec. 59. *In any judgment, interest must be allowed at the rate of 6 percent per annum upon the amount found to have been illegally collected from the date of payment of the amount to the date of allowance of credit on account of the judgment, or to a date preceding the date of the refund warrant by not more than 30 days. The date must be determined by the Department.*

Sec. 60. *A judgment may not be rendered in favor of the plaintiff in any action brought against the Department to recover any amount paid when the action is brought by or in the name of an assignee of the person paying the amount or by any person other than the person who paid the amount.*

Sec. 61. *1. The Department may recover a refund or any part thereof which is erroneously made and any credit or part thereof which is erroneously allowed in an action brought in a court of competent jurisdiction in Carson City or Clark County in the name of the State of Nevada.*

2. The action must be tried in Carson City or Clark County unless the court, with the consent of the Attorney General, orders a change of place of trial.

3. The Attorney General shall prosecute the action, and the provisions of NRS, the Nevada Rules of Civil Procedure and the Nevada Rules of Appellate Procedure relating to service of summons, pleadings, proofs, trials and appeals are applicable to the proceedings.

Sec. 62. *1. If any amount in excess of \$25 has been illegally determined, either by the Department or by the person filing the return, the Department shall certify this fact to the State Board of Examiners, and the latter shall authorize the cancellation of the amount upon the records of the Department.*

2. If an amount not exceeding \$25 has been illegally determined, either by the Department or by the person filing the

return, the Department, without certifying this fact to the State Board of Examiners, shall authorize the cancellation of the amount upon the records of the Department.

Sec. 63. *1. A person shall not:*

(a) Make, cause to be made or permit to be made any false or fraudulent return or declaration or false statement in any return or declaration with intent to defraud the State or to evade payment of the tax or any part of the tax imposed by this chapter.

(b) Make, cause to be made or permit to be made any false entry in books, records or accounts with intent to defraud the State or to evade the payment of the tax or any part of the tax imposed by this chapter.

(c) Keep, cause to be kept or permit to be kept more than one set of books, records or accounts with intent to defraud the State or to evade the payment of the tax or any part of the tax imposed by this chapter.

2. Any person who violates the provisions of subsection 1 is guilty of a gross misdemeanor.

Sec. 64. Title 32 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 65 to 100, inclusive, of this act.

Sec. 65. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 66 to 75, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 66. *“Admission charge” means the total amount, expressed in terms of money, of consideration paid for the right or privilege to have access to a facility where live entertainment is provided.*

Sec. 67. *“Board” means the State Gaming Control Board.*

Sec. 68. *“Business” means any activity engaged in or caused to be engaged in by a business entity with the object of gain, benefit or advantage, either direct or indirect, to any person or governmental entity.*

Sec. 69. *1. “Business entity” includes:*

(a) A corporation, partnership, proprietorship, limited-liability company, business association, joint venture, limited-liability partnership, business trust and their equivalents organized under the laws of this state or another jurisdiction and any other type of entity that engages in business.

(b) A natural person engaging in a business if he is deemed to be a business entity pursuant to section 76 of this act.

2. The term does not include a governmental entity.

Sec. 70. *“Facility” means:*

1. Any area or premises where live entertainment is provided and for which consideration is collected for the right or privilege

of entering that area or those premises if the live entertainment is provided at:

(a) An establishment that is not a licensed gaming establishment; or

(b) A licensed gaming establishment that is licensed for less than 51 slot machines, less than six games, or any combination of slot machines and games within those respective limits.

2. Any area or premises where live entertainment is provided if the live entertainment is provided at any other licensed gaming establishment.

Sec. 71. "Game" has the meaning ascribed to it in NRS 463.0152.

Sec. 72. "Licensed gaming establishment" has the meaning ascribed to it in NRS 463.0169.

Sec. 73. "Live entertainment" means any activity provided for pleasure, enjoyment, recreation, relaxation, diversion or other similar purpose by a person or persons who are physically present when providing that activity to a patron or group of patrons who are physically present.

Sec. 74. "Slot machine" has the meaning ascribed to it in NRS 463.0191.

Sec. 75. "Taxpayer" means:

1. If live entertainment that is taxable under this chapter is provided at a licensed gaming establishment, the person licensed to conduct gaming at that establishment.

2. Except as otherwise provided in subsection 3, if live entertainment that is taxable under this chapter is not provided at a licensed gaming establishment, the owner or operator of the facility where the live entertainment is provided.

3. If live entertainment that is taxable under this chapter is provided at a publicly owned facility or on public land, the person who collects the taxable receipts.

Sec. 76. A natural person engaging in a business shall be deemed to be a business entity that is subject to the provisions of this chapter if the person is required to file with the Internal Revenue Service a Schedule C (Form 1040), Profit or Loss From Business Form, or its equivalent or successor form, or a Schedule E (Form 1040), Supplemental Income and Loss Form, or its equivalent or successor form, for the business.

Sec. 77. The Department shall provide by regulation for a more detailed definition of "live entertainment" consistent with the general definition set forth in section 73 of this act for use by the Board and the Department in determining whether an activity is a taxable activity under the provisions of this chapter.

Sec. 78. 1. Except as otherwise provided in this section, there is hereby imposed an excise tax on admission to any facility

in this state where live entertainment is provided. If the live entertainment is provided at a facility with a maximum seating capacity of:

(a) Less than 7,500, the rate of the tax is 10 percent of the admission charge to the facility plus 10 percent of any amounts paid for food, refreshments and merchandise purchased at the facility.

(b) At least 7,500, the rate of the tax is 5 percent of the admission charge to the facility.

2. Amounts paid for gratuities directly or indirectly remitted to persons employed at a facility where live entertainment is provided or for service charges, including those imposed in connection with the use of credit cards or debit cards, which are collected and retained by persons other than the taxpayer are not taxable pursuant to this section.

3. A business entity that collects any amount that is taxable pursuant to subsection 1 is liable for the tax imposed, but is entitled to collect reimbursement from any person paying that amount.

4. Any ticket for live entertainment must state whether the tax imposed by this section is included in the price of the ticket. If the ticket does not include such a statement, the taxpayer shall pay the tax based on the face amount of the ticket.

5. The tax imposed by subsection 1 does not apply to:

(a) Live entertainment that this state is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution.

(b) Live entertainment that is provided by or entirely for the benefit of a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).

(c) Any boxing contest or exhibition governed by the provisions of chapter 467 of NRS.

(d) Live entertainment that is not provided at a licensed gaming establishment if the facility in which the live entertainment is provided has a maximum seating capacity of less than 300.

(e) Live entertainment that is provided at a licensed gaming establishment that is licensed for less than 51 slot machines, less than six games, or any combination of slot machines and games within those respective limits, if the facility in which the live entertainment is provided has a maximum seating capacity of less than 300.

(f) Merchandise sold outside the facility in which the live entertainment is provided, unless the purchase of the merchandise entitles the purchaser to admission to the entertainment.

(g) *Live entertainment that is provided at a trade show.*

(h) *Music performed by musicians who move constantly through the audience if no other form of live entertainment is afforded to the patrons.*

(i) *Live entertainment that is provided at a licensed gaming establishment at private meetings or dinners attended by members of a particular organization or by a casual assemblage if the purpose of the event is not primarily for entertainment.*

(j) *Live entertainment that is provided in the common area of a shopping mall, unless the entertainment is provided in a facility located within the mall.*

6. *As used in this section, "maximum seating capacity" means, in the following order of priority:*

(a) *The maximum occupancy of the facility in which live entertainment is provided, as determined by the State Fire Marshal or the local governmental agency that has the authority to determine the maximum occupancy of the facility;*

(b) *If such a maximum occupancy has not been determined, the maximum occupancy of the facility designated in any permit required to be obtained in order to provide the live entertainment;*
or

(c) *If such a permit does not designate the maximum occupancy of the facility, the actual seating capacity of the facility in which the live entertainment is provided.*

Sec. 79. *A taxpayer shall hold the amount of all taxes for which he is liable pursuant to this chapter in a separate account in trust for the State.*

Sec. 80. *1. The Board shall:*

(a) *Collect the tax imposed by this chapter from taxpayers who are licensed gaming establishments; and*

(b) *Adopt such regulations as are necessary to carry out the provisions of paragraph (a). The regulations must be adopted in accordance with the provisions of chapter 233B of NRS and must be codified in the Nevada Administrative Code.*

2. The Department shall:

(a) *Collect the tax imposed by this chapter from all other taxpayers; and*

(b) *Adopt such regulations as are necessary to carry out the provisions of paragraph (a).*

3. For the purposes of:

(a) *Subsection 1, the provisions of chapter 463 of NRS relating to the payment, collection, administration and enforcement of gaming license fees and taxes, including, without limitation, any provisions relating to the imposition of penalties and interest, shall be deemed to apply to the payment, collection, administration and*

enforcement of the taxes imposed by this chapter to the extent that those provisions do not conflict with the provisions of this chapter.

(b) Subsection 2, the provisions of chapter 360 of NRS relating to the payment, collection, administration and enforcement of taxes, including, without limitation, any provisions relating to the imposition of penalties and interest, shall be deemed to apply to the payment, collection, administration and enforcement of the taxes imposed by this chapter to the extent that those provisions do not conflict with the provisions of this chapter.

4. To ensure that the tax imposed by section 78 of this act is collected fairly and equitably, the Board and the Department shall:

(a) Jointly, coordinate the administration and collection of that tax and the regulation of taxpayers who are liable for the payment of the tax.

(b) Upon request, assist the other agency in the collection of that tax.

Sec. 81. 1. *Except as otherwise provided in this section:*

(a) Each taxpayer who is a licensed gaming establishment shall file with the Board, on or before the 24th day of each month, a report showing the amount of all taxable receipts for the preceding month. The report must be in a form prescribed by the Board.

(b) All other taxpayers shall file with the Department, on or before the last day of each month, a report showing the amount of all taxable receipts for the preceding month. The report must be in a form prescribed by the Department.

2. The Board or the Department, if it deems it necessary to ensure payment to or facilitate the collection by the State of the tax imposed by section 78 of this act, may require reports to be filed not later than 10 days after the end of each calendar quarter.

3. Each report required to be filed by this section must be accompanied by the amount of the tax that is due for the period covered by the report.

4. The Board and the Department shall deposit all taxes, interest and penalties it receives pursuant to this chapter in the State Treasury for credit to the State General Fund.

Sec. 82. *Upon written application made before the date on which payment must be made, the Board or the Department may, for good cause, extend by 30 days the time within which a taxpayer is required to pay the tax imposed by this chapter. If the tax is paid during the period of extension, no penalty or late charge may be imposed for failure to pay at the time required, but the taxpayer shall pay interest at the rate of 1 percent per month from the date on which the amount would have been due without*

the extension until the date of payment, unless otherwise provided in NRS 360.232 or 360.320.

Sec. 83. *1. Each person responsible for maintaining the records of a taxpayer shall:*

(a) Keep such records as may be necessary to determine the amount of the liability of the taxpayer pursuant to the provisions of this chapter;

(b) Preserve those records for:

(1) At least 5 years if the taxpayer is a licensed gaming establishment or until any litigation or prosecution pursuant to this chapter is finally determined, whichever is longer; or

(2) At least 4 years if the taxpayer is not a licensed gaming establishment or until any litigation or prosecution pursuant to this chapter is finally determined, whichever is longer; and

(c) Make the records available for inspection by the Board or the Department upon demand at reasonable times during regular business hours.

2. The Board and the Department may by regulation specify the types of records which must be kept to determine the amount of the liability of a taxpayer from whom they are required to collect the tax imposed by this chapter.

3. Any agreement that is entered into, modified or extended after January 1, 2004, for the lease, assignment or transfer of any premises upon which any activity subject to the tax imposed by this chapter is, or thereafter may be, conducted shall be deemed to include a provision that the taxpayer required to pay the tax must be allowed access to, upon demand, all books, records and financial papers held by the lessee, assignee or transferee which must be kept pursuant to this section. Any person conducting activities subject to the tax imposed by section 78 of this act who fails to maintain or disclose his records pursuant to this subsection is liable to the taxpayer for any penalty paid by the taxpayer for the late payment or nonpayment of the tax caused by the failure to maintain or disclose records.

4. A person who violates any provision of this section is guilty of a misdemeanor.

Sec. 84. *1. To verify the accuracy of any report filed or, if no report is filed by a taxpayer, to determine the amount of tax required to be paid:*

(a) The Board, or any person authorized in writing by the Board, may examine the books, papers and records of any licensed gaming establishment that may be liable for the tax imposed by this chapter.

(b) The Department, or any person authorized in writing by the Department, may examine the books, papers and records of

any other person who may be liable for the tax imposed by this chapter.

2. Any person who may be liable for the tax imposed by this chapter and who keeps outside of this state any books, papers and records relating thereto shall pay to the Board or the Department an amount equal to the allowance provided for state officers and employees generally while traveling outside of the State for each day or fraction thereof during which an employee of the Board or the Department is engaged in examining those documents, plus any other actual expenses incurred by the employee while he is absent from his regular place of employment to examine those documents.

Sec. 85. *1. Except as otherwise provided in this section and NRS 360.250, the records and files of the Board and the Department concerning the administration of this chapter are confidential and privileged. The Board, the Department and any employee of the Board or the Department engaged in the administration of this chapter or charged with the custody of any such records or files shall not disclose any information obtained from the records or files of the Board or the Department or from any examination, investigation or hearing authorized by the provisions of this chapter. The Board, the Department and any employee of the Board or the Department may not be required to produce any of the records, files and information for the inspection of any person or for use in any action or proceeding.*

2. The records and files of the Board and the Department concerning the administration of this chapter are not confidential and privileged in the following cases:

(a) Testimony by a member or employee of the Board or the Department and production of records, files and information on behalf of the Board or the Department or a taxpayer in any action or proceeding pursuant to the provisions of this chapter, if that testimony or the records, files or information, or the facts shown thereby, are directly involved in the action or proceeding.

(b) Delivery to a taxpayer or his authorized representative of a copy of any report or other document filed by the taxpayer pursuant to this chapter.

(c) Publication of statistics so classified as to prevent the identification of a particular person or document.

(d) Exchanges of information with the Internal Revenue Service in accordance with compacts made and provided for in such cases.

(e) Disclosure in confidence to the Governor or his agent in the exercise of the Governor's general supervisory powers, or to any person authorized to audit the accounts of the Board or the Department in pursuance of an audit, or to the Attorney General

or other legal representative of the State in connection with an action or proceeding pursuant to this chapter, or to any agency of this or any other state charged with the administration or enforcement of laws relating to taxation.

Sec. 86. 1. If:

(a) The Board determines that a taxpayer who is a licensed gaming establishment is taking any action with intent to defraud the State or to evade the payment of the tax or any part of the tax imposed by this chapter, the Board shall establish an amount upon which the tax imposed by this chapter must be based.

(b) The Department determines that a taxpayer who is not a licensed gaming establishment is taking any action with intent to defraud the State or to evade the payment of the tax or any part of the tax imposed by this chapter, the Department shall establish an amount upon which the tax imposed by this chapter must be based.

2. The amount established by the Board or the Department pursuant to subsection 1 must be based upon the tax liability of business entities that are deemed comparable by the Board or the Department to that of the taxpayer.

Sec. 87. 1. If a taxpayer:

(a) Is unable to collect all or part of an admission charge or charges for food, refreshments and merchandise which were included in the taxable receipts reported for a previous reporting period; and

(b) Has taken a deduction on his federal income tax return pursuant to 26 U.S.C. § 166(a) for the amount which he is unable to collect, he is entitled to receive a credit for the amount of tax paid on account of that uncollected amount. The credit may be used against the amount of tax that the taxpayer is subsequently required to pay pursuant to this chapter.

2. If the Internal Revenue Service disallows a deduction described in paragraph (b) of subsection 1 and the taxpayer claimed a credit on a return for a previous reporting period pursuant to subsection 1, the taxpayer shall include the amount of that credit in the amount of taxes reported pursuant to this chapter in the first return filed with the Board or the Department after the deduction is disallowed.

3. If a taxpayer collects all or part of an admission charge or charges for food, refreshments and merchandise for which he claimed a credit on a return for a previous reporting period pursuant to subsection 2, he shall include:

(a) The amount collected in the charges reported pursuant to paragraph (a) of subsection 1; and

(b) The tax payable on the amount collected in the amount of taxes reported, in the first return filed with the Board or the Department after that collection.

4. Except as otherwise provided in subsection 5, upon determining that a taxpayer has filed a return which contains one or more violations of the provisions of this section, the Board or the Department shall:

(a) For the first return of any taxpayer that contains one or more violations, issue a letter of warning to the taxpayer which provides an explanation of the violation or violations contained in the return.

(b) For the first or second return, other than a return described in paragraph (a), in any calendar year which contains one or more violations, assess a penalty equal to the amount of the tax which was not reported.

(c) For the third and each subsequent return in any calendar year which contains one or more violations, assess a penalty of three times the amount of the tax which was not reported.

5. For the purposes of subsection 4, if the first violation of this section by any taxpayer was determined by the Board or the Department through an audit which covered more than one return of the taxpayer, the Board or the Department shall treat all returns which were determined through the same audit to contain a violation or violations in the manner provided in paragraph (a) of subsection 4.

Sec. 88. The remedies of the State provided for in this chapter are cumulative, and no action taken by the Board, the Department or the Attorney General constitutes an election by the State to pursue any remedy to the exclusion of any other remedy for which provision is made in this chapter.

Sec. 89. If the Department determines that any tax, penalty or interest it is required to collect has been paid more than once or has been erroneously or illegally collected or computed, the Department shall set forth that fact in its records and shall certify to the State Board of Examiners the amount collected in excess of the amount legally due and the person from whom it was collected or by whom it was paid. If approved by the State Board of Examiners, the excess amount collected or paid must be credited on any amounts then due from the person under this chapter, and the balance refunded to the person or his successors in interest.

Sec. 90. 1. Except as otherwise provided in NRS 360.235 and 360.395:

(a) No refund may be allowed unless a claim for it is filed with:

(1) The Board, if the taxpayer is a licensed gaming establishment; or

(2) The Department, if the taxpayer is not a licensed gaming establishment.

A claim must be filed within 3 years after the last day of the month following the reporting period for which the overpayment was made.

(b) No credit may be allowed after the expiration of the period specified for filing claims for refund unless a claim for credit is filed with the Board or the Department within that period.

2. Each claim must be in writing and must state the specific grounds upon which the claim is founded.

3. Failure to file a claim within the time prescribed in this chapter constitutes a waiver of any demand against the State on account of overpayment.

4. Within 30 days after rejecting any claim in whole or in part, the Board or the Department shall serve notice of its action on the claimant in the manner prescribed for service of notice of a deficiency determination.

Sec. 91. *1. Except as otherwise provided in this section and NRS 360.320, interest must be paid upon any overpayment of any amount of the tax imposed by this chapter in accordance with the provisions of section 80 of this act.*

2. If the overpayment is paid to the Department, the interest must be paid:

(a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if he has not already filed a claim, is notified by the Department that a claim may be filed or the date upon which the claim is certified to the State Board of Examiners, whichever is earlier.

(b) In the case of a credit, to the same date as that to which interest is computed on the tax or amount against which the credit is applied.

3. If the Board or the Department determines that any overpayment has been made intentionally or by reason of carelessness, the Board or the Department shall not allow any interest on the overpayment.

Sec. 92. *1. No injunction, writ of mandate or other legal or equitable process may issue in any suit, action or proceeding in any court against this state or against any officer of the State to prevent or enjoin the collection under this chapter of the tax imposed by this chapter or any amount of tax, penalty or interest required to be collected.*

2. No suit or proceeding may be maintained in any court for the recovery of any amount alleged to have been erroneously or

illegally determined or collected unless a claim for refund or credit has been filed.

Sec. 93. *1. Within 90 days after a final decision upon a claim filed pursuant to this chapter is rendered by:*

(a) The Nevada Gaming Commission, the claimant may bring an action against the Board on the grounds set forth in the claim.

(b) The Nevada Tax Commission, the claimant may bring an action against the Department on the grounds set forth in the claim.

2. An action brought pursuant to subsection 1 must be brought in a court of competent jurisdiction in Carson City, the county of this state where the claimant resides or maintains his principal place of business or a county in which any relevant proceedings were conducted by the Board or the Department, for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.

3. Failure to bring an action within the time specified constitutes a waiver of any demand against the State on account of alleged overpayments.

Sec. 94. *1. If the Board fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may consider the claim disallowed and file an appeal with the Nevada Gaming Commission within 30 days after the last day of the 6-month period.*

2. If the Department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may consider the claim disallowed and file an appeal with the Nevada Tax Commission within 30 days after the last day of the 6-month period.

3. If the claimant is aggrieved by the decision of:

(a) The Nevada Gaming Commission rendered on appeal, the claimant may, within 90 days after the decision is rendered, bring an action against the Board on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.

(b) The Nevada Tax Commission rendered on appeal, the claimant may, within 90 days after the decision is rendered, bring an action against the Department on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.

4. If judgment is rendered for the plaintiff, the amount of the judgment must first be credited towards any tax due from the plaintiff.

5. The balance of the judgment must be refunded to the plaintiff.

Sec. 95. *In any judgment, interest must be allowed at the rate of 6 percent per annum upon the amount found to have been illegally collected from the date of payment of the amount to the date of allowance of credit on account of the judgment, or to a date preceding the date of the refund warrant by not more than 30 days. The date must be determined by the Board or the Department.*

Sec. 96. *A judgment may not be rendered in favor of the plaintiff in any action brought against the Board or the Department to recover any amount paid when the action is brought by or in the name of an assignee of the person paying the amount or by any person other than the person who paid the amount.*

Sec. 97. *1. The Board or the Department may recover a refund or any part thereof which is erroneously made and any credit or part thereof which is erroneously allowed in an action brought in a court of competent jurisdiction in Carson City or Clark County in the name of the State of Nevada.*

2. The action must be tried in Carson City or Clark County unless the court, with the consent of the Attorney General, orders a change of place of trial.

3. The Attorney General shall prosecute the action, and the provisions of NRS, the Nevada Rules of Civil Procedure and the Nevada Rules of Appellate Procedure relating to service of summons, pleadings, proofs, trials and appeals are applicable to the proceedings.

Sec. 98. *1. If any amount in excess of \$25 has been illegally determined, either by the person filing the return or by the Board or the Department, the Board or the Department shall certify this fact to the State Board of Examiners, and the latter shall authorize the cancellation of the amount upon the records of the Board or the Department.*

2. If an amount not exceeding \$25 has been illegally determined, either by the person filing a return or by the Board or the Department, the Board or the Department, without certifying this fact to the State Board of Examiners, shall authorize the cancellation of the amount upon the records of the Board or the Department.

Sec. 99. *Any licensed gaming establishment liable for the payment of the tax imposed by section 78 of this act who willfully fails to report, pay or truthfully account for the tax is subject to the revocation of his gaming license by the Nevada Gaming Commission.*

Sec. 100. *1. A person shall not:*

(a) Make, cause to be made or permit to be made any false or fraudulent return or declaration or false statement in any report

or declaration, with intent to defraud the State or to evade payment of the tax or any part of the tax imposed by this chapter.

(b) Make, cause to be made or permit to be made any false entry in books, records or accounts with intent to defraud the State or to evade the payment of the tax or any part of the tax imposed by this chapter.

(c) Keep, cause to be kept or permit to be kept more than one set of books, records or accounts with intent to defraud the State or to evade the payment of the tax or any part of the tax imposed by this chapter.

2. Any person who violates the provisions of subsection 1 is guilty of a gross misdemeanor.

Sec. 101. Chapter 360 of NRS is hereby amended by adding thereto the provisions set forth as sections 102 to 108, inclusive, of this act.

Sec. 102. *As used in sections 102 to 108, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 103, 104 and 105 of this act have the meanings ascribed to them in those sections.*

Sec. 103. *1. “Business” includes:*

(a) A corporation, partnership, proprietorship, limited-liability company, business association, joint venture, limited-liability partnership, business trust and their equivalents organized under the laws of this state or another jurisdiction and any other person that conducts an activity for profit; and

(b) The activities of a natural person which are deemed to be a business pursuant to section 107 of this act.

2. The term does not include:

(a) A governmental entity.

(b) A nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).

(c) A person who operates a business from his home and earns from that business not more than 66 2/3 percent of the average annual wage, as computed for the preceding calendar year pursuant to chapter 612 of NRS and rounded to the nearest hundred dollars.

(d) A business whose primary purpose is to create or produce motion pictures. As used in this paragraph, “motion pictures” has the meaning ascribed to it in NRS 231.020.

Sec. 104. *1. “Employee” includes:*

(a) A natural person who receives wages or other remuneration from a business for personal services, including commissions and bonuses and remuneration payable in a medium other than cash; and

(b) A natural person engaged in the operation of a business.

2. The term includes:

- (a) A partner or other co-owner of a business; and*
- (b) Except as otherwise provided in subsection 3, a natural person reported as an employee to the:*

(1) Employment Security Division of the Department of Employment, Training and Rehabilitation;

(2) Administrator of the Division of Industrial Relations of the Department of Business and Industry; or

(3) Internal Revenue Service on an Employer's Quarterly Federal Tax Return (Form 941), Employer's Monthly Federal Tax Return (Form 941-M), Employer's Annual Tax Return for Agricultural Employees (Form 943) or any equivalent or successor form.

3. The term does not include:

(a) A business or an independent contractor that performs services on behalf of another business.

(b) A natural person who is retired or otherwise receiving remuneration solely because of past service to the business.

(c) A newspaper carrier or the immediate supervisor of a newspaper carrier who is an independent contractor of the newspaper.

(d) A natural person who performs all of his duties for the business outside of this state.

4. An independent contractor is not an employee of a business with which he contracts.

Sec. 105. *"Wages" means any remuneration paid for personal services, including commissions, and bonuses and remuneration payable in any medium other than cash.*

Sec. 106. *The Department shall deposit all money it receives pursuant to sections 102 to 108, inclusive, of this act in the State Treasury for credit to the State General Fund.*

Sec. 107. *The activity or activities conducted by a natural person shall be deemed to be a business that is subject to the provisions of sections 102 to 108, inclusive, of this act if the person is required to file with the Internal Revenue Service a Schedule C (Form 1040), Profit or Loss From Business Form, or its equivalent or successor form, a Schedule E (Form 1040), Supplemental Income and Loss Form, or its equivalent or successor form, or a Schedule F (Form 1040), Profit or Loss From Farming Form, or its equivalent or successor form, for the business.*

Sec. 108. *1. Except as otherwise provided in subsection 8, a person shall not conduct a business in this state unless he has a business license issued by the Department.*

2. An application for a business license must:

- (a) Be made upon a form prescribed by the Department;*

(b) Set forth the name under which the applicant transacts or intends to transact business and the location of his place or places of business;

(c) Declare the estimated number of employees for the previous calendar quarter;

(d) Be accompanied by a fee of \$100; and

(e) Include any other information that the Department deems necessary.

3. The application must be signed by:

(a) The owner, if the business is owned by a natural person;

(b) A member or partner, if the business is owned by an association or partnership; or

(c) An officer or some other person specifically authorized to sign the application, if the business is owned by a corporation.

4. If the application is signed pursuant to paragraph (c) of subsection 3, written evidence of the signer's authority must be attached to the application.

5. A person who has been issued a business license by the Department shall submit a fee of \$100 to the Department on or before the last day of the month in which the anniversary date of issuance of the business license occurs in each year, unless the person submits a written statement to the Department, at least 10 days before the anniversary date, indicating that the person will not be conducting business in this state after the anniversary date.

6. The business license required to be obtained pursuant to this section is in addition to any license to conduct business that must be obtained from the local jurisdiction in which the business is being conducted.

7. For the purposes of sections 102 to 108, inclusive, of this act, a person shall be deemed to conduct a business in this state if a business for which the person is responsible:

(a) Is organized pursuant to title 7 of NRS, other than a business organized pursuant to chapter 82 or 84 of NRS;

(b) Has an office or other base of operations in this state; or

(c) Pays wages or other remuneration to a natural person who performs in this state any of the duties for which he is paid.

8. A person who takes part in a trade show or convention held in this state for a purpose related to the conduct of a business is not required to obtain a business license specifically for that event.

Sec. 109. NRS 360.225 is hereby amended to read as follows:

360.225 1. During the course of an investigation undertaken pursuant to NRS 360.130 of a person claiming:

(a) A partial abatement of property taxes pursuant to NRS 361.0687;

(b) ~~[An exemption from taxes upon the privilege of doing business in this state pursuant to NRS 364A.170;~~

~~—(e)]~~ A deferral of the payment of taxes on the sale of capital goods pursuant to NRS 372.397 or 374.402; or

~~[(d)]~~ (c) An abatement of taxes on the gross receipts from the sale, storage, use or other consumption of eligible machinery or equipment pursuant to NRS 374.357,

the Department shall investigate whether the person meets the eligibility requirements for the abatement, partial abatement ~~[,~~ ~~exemption]~~ or deferral that the person is claiming.

2. If the Department finds that the person does not meet the eligibility requirements for the abatement ~~[,~~ ~~exemption]~~ or deferral which the person is claiming, the Department shall report its findings to the Commission on Economic Development and take any other necessary actions.

Sec. 109.5. NRS 360.225 is hereby amended to read as follows:

360.225 1. During the course of an investigation undertaken pursuant to NRS 360.130 of a person claiming:

(a) A partial abatement of property taxes pursuant to NRS 361.0687;

(b) *An exemption from taxes pursuant to section 50.5 of this act;*

(c) A deferral of the payment of taxes on the sale of capital goods pursuant to NRS 372.397 or 374.402; or

~~[(e)]~~ (d) An abatement of taxes on the gross receipts from the sale, storage, use or other consumption of eligible machinery or equipment pursuant to NRS 374.357,

the Department shall investigate whether the person meets the eligibility requirements for the abatement, partial abatement , *exemption* or deferral that the person is claiming.

2. If the Department finds that the person does not meet the eligibility requirements for the abatement , *exemption* or deferral which the person is claiming, the Department shall report its findings to the Commission on Economic Development and take any other necessary actions.

Sec. 110. NRS 360.2935 is hereby amended to read as follows:

360.2935 Except as otherwise provided in ~~[NRS 361.485,]~~ *this title*, a taxpayer is entitled to receive on any overpayment of taxes, after the offset required by NRS 360.320 has been made, a refund together with interest at a rate determined pursuant to NRS 17.130. No interest is allowed on a refund of any penalties or interest paid by a taxpayer.

Sec. 111. NRS 360.300 is hereby amended to read as follows:

360.300 1. If a person fails to file a return or the Department is not satisfied with the return or returns of any tax, contribution or premium or amount of tax, contribution or premium required to be paid to the State by any person, in accordance with the applicable provisions of this chapter, chapter 362, ~~[364A,]~~ 369, 370, 372, 372A, 374, 377, 377A or 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS, *or sections 2 to 24, inclusive, or 40 to 63, inclusive, of this act*, as administered or audited by the Department, it may compute and determine the amount required to be paid upon the basis of:

(a) The facts contained in the return;

(b) Any information within its possession or that may come into its possession; or

(c) Reasonable estimates of the amount.

2. One or more deficiency determinations may be made with respect to the amount due for one or for more than one period.

3. In making its determination of the amount required to be paid, the Department shall impose interest on the amount of tax determined to be due, calculated at the rate and in the manner set forth in NRS 360.417, unless a different rate of interest is specifically provided by statute.

4. The Department shall impose a penalty of 10 percent in addition to the amount of a determination that is made in the case of the failure of a person to file a return with the Department.

5. When a business is discontinued, a determination may be made at any time thereafter within the time prescribed in NRS 360.355 as to liability arising out of that business, irrespective of whether the determination is issued before the due date of the liability.

Sec. 112. (Deleted.)

Sec. 113. 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 sections 2 to 24, inclusive, or 40 to 63, inclusive, of this act*, or the 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. 114. (Deleted.)

Sec. 115. NRS 360.419 is hereby amended to read as follows:

360.419 1. If the Executive Director or a designated hearing officer finds that the failure of a person to make a timely return or payment of a tax imposed pursuant to NRS 361.320 or ~~chapter 361A, 376A, 377 or 377A of NRS, or by~~ chapter 361A, 362, ~~[364A,]~~ 369, 370, 372, 372A, 374, 375A, ~~[or]~~ 375B, 376A, 377 or 377A of NRS, *or sections 2 to 24, inclusive, or 40 to 63, inclusive, of this act*, is the result of circumstances beyond his control and occurred despite the exercise of ordinary care and without intent, the Department may relieve him of all or part of any interest or penalty, or both.

2. A person seeking this relief must file with the Department a statement under oath setting forth the facts upon which he bases his claim.

3. The Department shall disclose, upon the request of any person:

- (a) The name of the person to whom relief was granted; and
- (b) The amount of the relief.

4. The Executive Director or a designated hearing officer shall act upon the request of a taxpayer seeking relief pursuant to NRS 361.4835 which is deferred by a county treasurer or county assessor.

Sec. 116. (Deleted.)

Sec. 117. NRS 360.510 is hereby amended to read as follows:

360.510 1. If any person is delinquent in the payment of any tax or fee administered by the Department or if a determination has been made against him which remains unpaid, the Department may:

(a) Not later than 3 years after the payment became delinquent or the determination became final; or

(b) Not later than 6 years after the last recording of an abstract of judgment or of a certificate constituting a lien for tax owed, give a notice of the delinquency and a demand to transmit personally or by registered or certified mail to any person, including, without limitation, any officer or department of this state or any political subdivision or agency of this state, who has in his possession or under his control any credits or other personal property belonging to the delinquent, or owing any debts to the delinquent or person against whom a determination has been made which remains unpaid, or owing any debts to the delinquent or that person. In the case of any state officer, department or agency, the notice must be given to the officer, department or agency before the Department presents the claim of the delinquent taxpayer to the State Controller.

2. A state officer, department or agency which receives such a notice may satisfy any debt owed to it by that person before it honors the notice of the Department.

3. After receiving the demand to transmit, the person notified by the demand may not transfer or otherwise dispose of the credits, other personal property, or debts in his possession or under his control at the time he received the notice until the Department consents to a transfer or other disposition.

4. Every person notified by a demand to transmit shall, within 10 days after receipt of the demand to transmit, inform the Department of ~~H~~ and transmit to the Department all such credits, other personal property ~~H~~ or debts in his possession, under his control or owing by him within the time and in the manner requested by the Department. Except as otherwise provided in subsection 5, no further notice is required to be served to that person.

5. If the property of the delinquent taxpayer consists of a series of payments owed to him, the person who owes or controls the payments shall transmit the payments to the Department until otherwise notified by the Department. If the debt of the delinquent taxpayer is not paid within 1 year after the Department issued the original demand to transmit, the Department shall issue another demand to transmit to the person responsible for making the payments informing him to continue to transmit payments to the Department or that his duty to transmit the payments to the Department has ceased.

6. If the notice of the delinquency seeks to prevent the transfer or other disposition of a deposit in a bank or credit union or other credits or personal property in the possession or under the control of a bank, credit union or other depository institution, the notice must be delivered or mailed to any branch or office of the bank, credit union or other depository institution at which the deposit is carried or at which the credits or personal property is held.

7. If any person notified by the notice of the delinquency makes any transfer or other disposition of the property or debts required to be withheld or transmitted, to the extent of the value of the property or the amount of the debts thus transferred or paid, he is liable to the State for any indebtedness due pursuant to this chapter, or chapter 362, ~~[364A,]~~ 369, 370, 372, 372A, 374, 377, 377A or 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS , *or sections 2 to 24, inclusive, or 40 to 63, inclusive, of this act* from the person with respect to whose obligation the notice was given if solely by reason of the transfer or other disposition the State is unable to recover the indebtedness of the person with respect to whose obligation the notice was given.

Sec. 118. (Deleted.)

Sec. 119. NRS 360.750 is hereby amended to read as follows:

360.750 1. A person who intends to locate or expand a business in this state may apply to the Commission on Economic Development for a partial abatement of one or more of the taxes imposed on the new or expanded business pursuant to chapter 361 ~~to~~ **364A** or 374 of NRS.

2. The Commission on Economic Development shall approve an application for a partial abatement if the Commission makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for Industrial Development and Diversification that is developed by the Commission pursuant to NRS 231.067; and

(2) Any guidelines adopted pursuant to the State Plan.

(b) The applicant has executed an agreement with the Commission which states that the business will, after the date on which a certificate of eligibility for the abatement is issued pursuant to subsection 5, continue in operation in this state for a period specified by the Commission, which must be at least 5 years, and will continue to meet the eligibility requirements set forth in this subsection. The agreement must bind the successors in interest of the business for the specified period.

(c) The business is registered pursuant to the laws of this state or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business operates.

(d) Except as otherwise provided in NRS 361.0687, if the business is a new business in a county whose population is 100,000 or more or a city whose population is 60,000 or more, the business meets at least two of the following requirements:

(1) The business will have 75 or more full-time employees on the payroll of the business by the fourth quarter that it is in operation.

(2) Establishing the business will require the business to make a capital investment of at least \$1,000,000 in this state.

(3) The average hourly wage that will be paid by the new business to its employees in this state is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The business will provide a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost to the business for the benefits the business provides to its employees in this state will meet the minimum

requirements for benefits established by the Commission by regulation pursuant to subsection 9.

(e) Except as otherwise provided in NRS 361.0687, if the business is a new business in a county whose population is less than 100,000 or a city whose population is less than 60,000, the business meets at least two of the following requirements:

(1) The business will have 25 or more full-time employees on the payroll of the business by the fourth quarter that it is in operation.

(2) Establishing the business will require the business to make a capital investment of at least \$250,000 in this state.

(3) The average hourly wage that will be paid by the new business to its employees in this state is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The business will provide a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost to the business for the benefits the business provides to its employees in this state will meet the minimum requirements for benefits established by the Commission by regulation pursuant to subsection 9.

(f) If the business is an existing business, the business meets at least two of the following requirements:

(1) The business will increase the number of employees on its payroll by 10 percent more than it employed in the immediately preceding fiscal year or by six employees, whichever is greater.

(2) The business will expand by making a capital investment in this state in an amount equal to at least 20 percent of the value of the tangible property possessed by the business in the immediately preceding fiscal year. The determination of the value of the tangible property possessed by the business in the immediately preceding fiscal year must be made by the:

(I) County assessor of the county in which the business will expand, if the business is locally assessed; or

(II) Department, if the business is centrally assessed.

(3) The average hourly wage that will be paid by the existing business to its new employees in this state is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The business will provide a health insurance plan for all new employees that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost to the business for the benefits the business provides to its new employees in this state will meet the minimum requirements for benefits established by the Commission by regulation pursuant to subsection 9.

3. Notwithstanding the provisions of subsection 2, the Commission on Economic Development may:

(a) Approve an application for a partial abatement by a business that does not meet the requirements set forth in paragraph (d), (e) or (f) of subsection 2;

(b) Make the requirements set forth in paragraph (d), (e) or (f) of subsection 2 more stringent; or

(c) Add additional requirements that a business must meet to qualify for a partial abatement, if the Commission determines that such action is necessary.

4. If a person submits an application to the Commission on Economic Development pursuant to subsection 1, the Commission shall provide notice to the governing body of the county and the city or town, if any, in which the person intends to locate or expand a business. The notice required pursuant to this subsection must set forth the date, time and location of the hearing at which the Commission will consider the application.

5. If the Commission on Economic Development approves an application for a partial abatement, the Commission shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer.

6. An applicant for a partial abatement pursuant to this section or an existing business whose partial abatement is in effect shall, upon the request of the Executive Director of the Commission on Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.

7. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the requirements set forth in subsection 2; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 2,

the business shall repay to the Department or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the exemption that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and

360.320, the business shall, in addition to the amount of the exemption required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

8. A county treasurer:

(a) Shall deposit any money that he receives pursuant to subsection 7 in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and

(b) May use the money deposited pursuant to paragraph (a) only for the purposes authorized by NRS 354.6113 and 354.6115.

9. The Commission on Economic Development:

(a) Shall adopt regulations relating to:

(1) The minimum level of benefits that a business must provide to its employees if the business is going to use benefits paid to employees as a basis to qualify for a partial abatement; and

(2) The notice that must be provided pursuant to subsection 4.

(b) May adopt such other regulations as the Commission on Economic Development determines to be necessary to carry out the provisions of this section.

10. The Nevada Tax Commission:

(a) Shall adopt regulations regarding:

(1) The capital investment that a new business must make to meet the requirement set forth in paragraph (d) or (e) of subsection 2; and

(2) Any security that a business is required to post to qualify for a partial abatement pursuant to this section.

(b) May adopt such other regulations as the Nevada Tax Commission determines to be necessary to carry out the provisions of this section.

11. An applicant for an abatement who is aggrieved by a final decision of the Commission on Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

Sec. 119.5. NRS 360.750 is hereby amended to read as follows:

360.750 1. A person who intends to locate or expand a business in this state may apply to the Commission on Economic Development for a partial abatement of one or more of the taxes imposed on the new or expanded business pursuant to chapter 361 or 374 of NRS ~~or~~ *or sections 40 to 63, inclusive, of this act.*

2. The Commission on Economic Development shall approve an application for a partial abatement if the Commission makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for Industrial Development and Diversification that is developed by the Commission pursuant to NRS 231.067; and

(2) Any guidelines adopted pursuant to the State Plan.

(b) The applicant has executed an agreement with the Commission which states that the business will, after the date on which a certificate of eligibility for the abatement is issued pursuant to subsection 5, continue in operation in this state for a period specified by the Commission, which must be at least 5 years, and will continue to meet the eligibility requirements set forth in this subsection. The agreement must bind the successors in interest of the business for the specified period.

(c) The business is registered pursuant to the laws of this state or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business operates.

(d) Except as otherwise provided in NRS 361.0687, if the business is a new business in a county whose population is 100,000 or more or a city whose population is 60,000 or more, the business meets at least two of the following requirements:

(1) The business will have 75 or more full-time employees on the payroll of the business by the fourth quarter that it is in operation.

(2) Establishing the business will require the business to make a capital investment of at least \$1,000,000 in this state.

(3) The average hourly wage that will be paid by the new business to its employees in this state is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The business will provide a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost to the business for the benefits the business provides to its employees in this state will meet the minimum requirements for benefits established by the Commission by regulation pursuant to subsection 9.

(e) Except as otherwise provided in NRS 361.0687, if the business is a new business in a county whose population is less than 100,000 or a city whose population is less than 60,000, the business meets at least two of the following requirements:

(1) The business will have 25 or more full-time employees on the payroll of the business by the fourth quarter that it is in operation.

(2) Establishing the business will require the business to make a capital investment of at least \$250,000 in this state.

(3) The average hourly wage that will be paid by the new business to its employees in this state is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The business will provide a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost to the business for the benefits the business provides to its employees in this state will meet the minimum requirements for benefits established by the Commission by regulation pursuant to subsection 9.

(f) If the business is an existing business, the business meets at least two of the following requirements:

(1) The business will increase the number of employees on its payroll by 10 percent more than it employed in the immediately preceding fiscal year or by six employees, whichever is greater.

(2) The business will expand by making a capital investment in this state in an amount equal to at least 20 percent of the value of the tangible property possessed by the business in the immediately preceding fiscal year. The determination of the value of the tangible property possessed by the business in the immediately preceding fiscal year must be made by the:

(I) County assessor of the county in which the business will expand, if the business is locally assessed; or

(II) Department, if the business is centrally assessed.

(3) The average hourly wage that will be paid by the existing business to its new employees in this state is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The business will provide a health insurance plan for all new employees that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost to the business for the benefits the business provides to its new employees in this state will meet the minimum requirements for benefits established by the Commission by regulation pursuant to subsection 9.

3. Notwithstanding the provisions of subsection 2, the Commission on Economic Development may:

(a) Approve an application for a partial abatement by a business that does not meet the requirements set forth in paragraph (d), (e) or (f) of subsection 2;

(b) Make the requirements set forth in paragraph (d), (e) or (f) of subsection 2 more stringent; or

(c) Add additional requirements that a business must meet to qualify for a partial abatement, if the Commission determines that such action is necessary.

4. If a person submits an application to the Commission on Economic Development pursuant to subsection 1, the Commission shall provide notice to the governing body of the county and the city or town, if any, in which the person intends to locate or expand a business. The notice required pursuant to this subsection must set forth the date, time and location of the hearing at which the Commission will consider the application.

5. If the Commission on Economic Development approves an application for a partial abatement, the Commission shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer.

6. An applicant for a partial abatement pursuant to this section or an existing business whose partial abatement is in effect shall, upon the request of the Executive Director of the Commission on Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.

7. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the requirements set forth in subsection 2; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 2,

the business shall repay to the Department or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the exemption that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the exemption required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment

would have been made had the partial abatement not been approved until the date of payment of the tax.

8. A county treasurer:

(a) Shall deposit any money that he receives pursuant to subsection 7 in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and

(b) May use the money deposited pursuant to paragraph (a) only for the purposes authorized by NRS 354.6113 and 354.6115.

9. The Commission on Economic Development:

(a) Shall adopt regulations relating to:

(1) The minimum level of benefits that a business must provide to its employees if the business is going to use benefits paid to employees as a basis to qualify for a partial abatement; and

(2) The notice that must be provided pursuant to subsection 4.

(b) May adopt such other regulations as the Commission on Economic Development determines to be necessary to carry out the provisions of this section.

10. The Nevada Tax Commission:

(a) Shall adopt regulations regarding:

(1) The capital investment that a new business must make to meet the requirement set forth in paragraph (d) or (e) of subsection 2; and

(2) Any security that a business is required to post to qualify for a partial abatement pursuant to this section.

(b) May adopt such other regulations as the Nevada Tax Commission determines to be necessary to carry out the provisions of this section.

11. An applicant for an abatement who is aggrieved by a final decision of the Commission on Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

Sec. 120. NRS 364A.020 is hereby amended to read as follows:

364A.020 1. “Business” includes:

(a) A corporation, partnership, proprietorship, *limited-liability company, business association, joint venture, limited-liability partnership, business trust and their equivalents organized under the laws of this state or another jurisdiction* and any other ~~similar~~ organization that conducts an activity for profit;

(b) The activities of a natural person which are deemed to be a business pursuant to NRS 364A.120; and

(c) A trade show or convention held in this state in which a business described in paragraph (a) or (b) takes part, or which a

person who conducts such a business attends, for a purpose related to the conduct of the business.

2. ~~[The term includes an independent contractor.~~

~~—3.]~~ The term does not include:

(a) A nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c);

(b) A governmental entity; ~~[or]~~

(c) *A person who operates a business from his home and earns from that business not more than 66 2/3 percent of the average annual wage, as computed for the preceding calendar year pursuant to chapter 612 of NRS and rounded to the nearest hundred dollars; or*

(d) A business that creates or produces motion pictures. As used in this paragraph, “motion pictures” has the meaning ascribed to it in NRS 231.020.

Sec. 121. NRS 364A.120 is hereby amended to read as follows:

364A.120 The activity or activities conducted by a natural person shall be deemed to be a business that is subject to the provisions of this chapter if the person files with the Internal Revenue Service a Schedule C (Form 1040), Profit or Loss from Business Form, or its equivalent or successor form, *a Schedule E (Form 1040), Supplemental Income and Loss Form, or its equivalent or successor form*, or a Schedule F (Form 1040), Farm Income and Expenses Form, or its equivalent or successor form, for the activity or activities.

Sec. 122. NRS 364A.130 is hereby amended to read as follows:

364A.130 1. Except as otherwise provided in subsection ~~[6.]~~ **8**, a person shall not conduct a business in this state unless he has a business license issued by the Department.

2. ~~[The]~~ **An** application for a business license must:

(a) Be made upon a form prescribed by the Department;

(b) Set forth the name under which the applicant transacts or intends to transact business and the location of his place or places of business;

(c) Declare the estimated number of employees for the previous calendar quarter;

(d) Be accompanied by a fee of ~~[\$25.]~~ **\$100**; and

(e) Include any other information that the Department deems necessary.

3. The application must be signed by:

(a) The owner, if the business is owned by a natural person;

(b) A member or partner, if the business is owned by an association or partnership; or

(c) An officer or some other person specifically authorized to sign the application, if the business is owned by a corporation.

4. If the application is signed pursuant to paragraph (c) of subsection 3, written evidence of the signer's authority must be attached to the application.

5. *A person who has been issued a business license by the Department shall submit a fee of \$100 to the Department on or before the last day of the month in which the anniversary date of issuance of the business license occurs in each year, unless the person submits a written statement to the Department, at least 10 days before the anniversary date, indicating that the person will not be conducting business in this state after the anniversary date.*

6. *The business license required to be obtained pursuant to this section is in addition to any license to conduct business that must be obtained from the local jurisdiction in which the business is being conducted.*

7. For the purposes of this chapter, a person shall be deemed to conduct a business in this state if a business for which the person is responsible:

(a) Is ~~incorporated~~ *organized* pursuant to ~~chapter 78 or 78A~~ *title 7* of NRS ~~7~~, *other than a business organized pursuant to chapter 82 or 84 of NRS*;

(b) Has an office or other base of operations in this state; or

(c) Pays wages or other remuneration to a natural person who performs in this state any of the duties for which he is paid.

~~6.1~~ 8. A person who takes part in a trade show or convention held in this state for a purpose related to the conduct of a business is not required to obtain a business license specifically for that event.

Sec. 122.1. NRS 369.174 is hereby amended to read as follows:

369.174 Each month, the State Controller shall transfer to the Tax on Liquor Program Account in the State General Fund, from the tax on liquor containing more than 22 percent of alcohol by volume, the portion of the tax which exceeds ~~\$1.90~~ *\$3.45* per wine gallon.

Sec. 122.2. NRS 369.330 is hereby amended to read as follows:

369.330 Except as otherwise provided in this chapter, an excise tax is hereby levied and must be collected respecting all liquor and upon the privilege of importing, possessing, storing or selling liquor, according to the following rates and classifications:

1. On liquor containing more than 22 percent of alcohol by volume, ~~\$2.05~~ *\$3.60* per wine gallon or proportionate part thereof.

2. On liquor containing more than 14 percent up to and including 22 percent of alcohol by volume, ~~75-cents~~ *\$1.30* per wine gallon or proportionate part thereof.

3. On liquor containing from one-half of 1 percent up to and including 14 percent of alcohol by volume, ~~40~~ 70 cents per wine gallon or proportionate part thereof.

4. On all malt beverage liquor brewed or fermented and bottled in or outside this state, ~~19~~ 16 cents per gallon.

Sec. 122.3. NRS 370.165 is hereby amended to read as follows:

370.165 There is hereby levied a tax upon the purchase or possession of cigarettes by a consumer in the State of Nevada at the rate of ~~47.5~~ 40 mills per cigarette. The tax may be represented and precollected by the affixing of a revenue stamp or other approved evidence of payment to each package, packet or container in which cigarettes are sold. The tax must be precollected by the wholesale or retail dealer, and must be recovered from the consumer by adding the amount of the tax to the selling price. Each person who sells cigarettes at retail shall prominently display on his premises a notice that the tax is included in the selling price and is payable under the provisions of this chapter.

Sec. 122.4. NRS 370.260 is hereby amended to read as follows:

370.260 1. All taxes and license fees imposed by the provisions of NRS 370.001 to 370.430, inclusive, less any refunds granted as provided by law, must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall:

(a) As compensation to the State for the costs of collecting the taxes and license fees, transmit each month the sum the Legislature specifies from the remittances made to it pursuant to subsection 1 during the preceding month to the State Treasurer for deposit to the credit of the Department. The deposited money must be expended by the Department in accordance with its work program.

(b) From the remittances made to it pursuant to subsection 1 during the preceding month, less the amount transmitted pursuant to paragraph (a), transmit each month the portion of the tax which is equivalent to ~~42.5~~ 35 mills per cigarette to the State Treasurer for deposit to the credit of the Account for the Tax on Cigarettes in the State General Fund.

(c) Transmit the balance of the payments each month to the State Treasurer for deposit in the Local Government Tax Distribution Account created by NRS 360.660.

(d) Report to the State Controller monthly the amount of collections.

3. The money deposited pursuant to paragraph (c) of subsection 2 in the Local Government Tax Distribution account is hereby appropriated to Carson City and to each of the counties in

proportion to their respective populations and must be credited to the respective accounts of Carson City and each county.

Sec. 122.5. NRS 370.350 is hereby amended to read as follows:

370.350 1. Except as otherwise provided in subsection 3, a tax is hereby levied and imposed upon the use of cigarettes in this state.

2. The amount of the use tax is ~~17.5~~ 40 mills per cigarette.

3. The use tax does not apply where:

(a) Nevada cigarette revenue stamps have been affixed to cigarette packages as required by law.

(b) Tax exemption is provided for in this chapter.

Sec. 123. Chapter 375 of NRS is hereby amended by adding thereto the provisions set forth as sections 124 and 125 of this act.

Sec. 124. *1. In addition to all other taxes imposed on transfers of real property, a tax, at the rate of \$1.30 on each \$500 of value or fraction thereof, is hereby imposed on each deed by which any lands, tenements or other realty is granted, assigned, transferred or otherwise conveyed to, or vested in, another person, if the consideration or value of the interest or property conveyed exceeds \$100.*

2. The amount of the tax must be computed on the basis of the value of the transferred property as declared pursuant to NRS 375.060.

3. The county recorder of each county shall collect the tax in the manner provided in NRS 375.030, except that the amount collected must be transmitted to the State Controller for deposit in the State General Fund within 30 days after the end of the calendar quarter during which the tax was collected.

4. The county recorder of a county:

(a) Whose population is 100,000 or more may deduct and withhold from the taxes collected 0.2 percent of those taxes to reimburse the county for the cost of collecting the tax.

(b) Whose population is less than 100,000 may deduct and withhold from the taxes collected 1 percent of those taxes to reimburse the county for the cost of collecting the tax.

Sec. 125. *1. The Department shall, to ensure that the tax imposed by section 124 of this act is collected fairly and equitably in all counties, coordinate the collection and administration of that tax. For this purpose, the Department may conduct such audits of the records of the various counties as are necessary to carry out the provisions of section 124 of this act.*

2. When requested, the Department shall render assistance to the county recorder of a county whose population is less than 30,000 relating to the imposition and collection of the tax imposed by section 124 of this act.

3. The Department is not entitled to receive any fee for rendering any assistance pursuant to subsection 2.

Sec. 126. NRS 375.018 is hereby amended to read as follows:

375.018 With regard to the administration of ~~the real property transfer tax,~~ ***any tax imposed by this chapter,*** the county recorder shall apply the following principles:

1. Forms, instructions and regulations governing the computation of the amount of tax due must be brief and easily understood.

2. In cases where another authority, such as the United States or this state, also imposes a tax upon the same property or revenue, the mechanism for collecting the tax imposed by the county must be as nearly compatible with the collection of the other taxes as is feasible.

3. Unless a change is made necessary by statute or to preserve compatibility with a tax imposed by another authority, the forms, instructions and regulations must remain the same from year to year, to make the taxpayer's liability as predictable as is feasible.

4. Exemptions or waivers, where permitted by statute, must be granted:

(a) Equitably among eligible taxpayers; and

(b) As sparingly as is consistent with the legislative intent, to retain the broadest feasible base for the tax.

Sec. 127. NRS 375.030 is hereby amended to read as follows:

375.030 1. If any deed evidencing a transfer of title subject to the tax imposed by NRS 375.020 ~~and, if applicable, NRS 375.025,~~ is offered for recordation, the county recorder shall compute the amount of the tax due and shall collect that amount before acceptance of the deed for recordation.

2. The buyer and seller are jointly and severally liable for the payment of the taxes imposed by NRS 375.020 ~~and 375.025~~ and any penalties and interest imposed pursuant to subsection 3. The escrow holder is not liable for the payment of the taxes imposed by NRS 375.020 ~~and 375.025~~ or any penalties or interest imposed pursuant to subsection 3.

3. If , after recordation of the deed, the county recorder disallows an exemption that was claimed at the time the deed was recorded or through audit or otherwise determines that an additional amount of tax is due, the county recorder shall promptly notify the person who requested the recording of the deed and the buyer and seller of the additional amount of tax due. If the additional amount of tax is not paid within 30 days after the date the buyer and seller are notified, the county recorder shall impose a penalty of 10 percent of the additional amount due in addition to interest at the rate of 1 percent per month, or portion thereof, of the additional amount due calculated from the date of the original recordation of

the deed on which the additional amount is due through the date on which the additional amount due, penalty and interest are paid to the county recorder.

4. This section does not prohibit a buyer and seller from agreeing by contract or otherwise that one party or the other will be responsible for the payment of the tax due pursuant to this chapter, but such an agreement does not affect the ability of the county recorder to collect the tax and any penalties and interest from either the buyer or the seller.

Sec. 128. NRS 375.030 is hereby amended to read as follows:

375.030 1. If any deed evidencing a transfer of title subject to the tax imposed by NRS 375.020 *and section 124 of this act* is offered for recordation, the county recorder shall compute the amount of the tax due and shall collect that amount before acceptance of the deed for recordation.

2. The buyer and seller are jointly and severally liable for the payment of the taxes imposed by NRS 375.020 *and section 124 of this act* and any penalties and interest imposed pursuant to subsection 3. The escrow holder is not liable for the payment of the taxes imposed by NRS 375.020 *and section 124 of this act* or any penalties or interest imposed pursuant to subsection 3.

3. If, after recordation of the deed, the county recorder disallows an exemption that was claimed at the time the deed was recorded or through audit or otherwise determines that an additional amount of tax is due, the county recorder shall promptly notify the person who requested the recording of the deed and the buyer and seller of the additional amount of tax due. If the additional amount of tax is not paid within 30 days after the date the buyer and seller are notified, the county recorder shall impose a penalty of 10 percent of the additional amount due in addition to interest at the rate of 1 percent per month, or portion thereof, of the additional amount due calculated from the date of the original recordation of the deed on which the additional amount is due through the date on which the additional amount due, penalty and interest are paid to the county recorder.

4. This section does not prohibit a buyer and seller from agreeing by contract or otherwise that one party or the other will be responsible for the payment of the tax due pursuant to this chapter, but such an agreement does not affect the ability of the county recorder to collect the tax and any penalties and interest from either the buyer or the seller.

Sec. 129. NRS 375.070 is hereby amended to read as follows:

375.070 1. The county recorder shall transmit the proceeds of the ~~real property transfer~~ tax *imposed by NRS 375.020* at the end of each quarter in the following manner:

(a) An amount equal to that portion of the proceeds which is equivalent to 10 cents for each \$500 of value or fraction thereof must be transmitted to the State Controller who shall deposit that amount in the Account for Low-Income Housing created pursuant to NRS 319.500.

(b) In a county whose population is more than 400,000, an amount equal to that portion of the proceeds which is equivalent to 60 cents for each \$500 of value or fraction thereof must be transmitted to the county treasurer for deposit in the county school district's fund for capital projects established pursuant to NRS 387.328, to be held and expended in the same manner as other money deposited in that fund.

(c) The remaining proceeds must be transmitted to the State Controller for deposit in the Local Government Tax Distribution Account created by NRS 360.660 for credit to the respective accounts of Carson City and each county.

2. In addition to any other authorized use of the proceeds it receives pursuant to subsection 1, a county or city may use the proceeds to pay expenses related to or incurred for the development of affordable housing for families whose income does not exceed 80 percent of the median income for families residing in the same county, as that percentage is defined by the United States Department of Housing and Urban Development. A county or city that uses the proceeds in that manner must give priority to the development of affordable housing for persons who are disabled or elderly.

3. The expenses authorized by subsection 2 include, but are not limited to:

- (a) The costs to acquire land and developmental rights;
- (b) Related predevelopment expenses;
- (c) The costs to develop the land, including the payment of related rebates;
- (d) Contributions toward down payments made for the purchase of affordable housing; and
- (e) The creation of related trust funds.

Sec. 130. NRS 375.090 is hereby amended to read as follows:
375.090 The tax imposed by NRS 375.020 ~~and 375.025~~ does not apply to:

1. A mere change in identity, form or place of organization, such as a transfer between a corporation and its parent corporation, a subsidiary or an affiliated corporation if the affiliated corporation has identical common ownership.

2. A transfer of title to the United States, any territory or state or any agency, department, instrumentality or political subdivision thereof.

3. A transfer of title recognizing the true status of ownership of the real property.

4. A transfer of title without consideration from one joint tenant or tenant in common to one or more remaining joint tenants or tenants in common.

5. A transfer of title to community property without consideration when held in the name of one spouse to both spouses as joint tenants or tenants in common, or as community property.

6. A transfer of title between spouses, including gifts.

7. A transfer of title between spouses to effect a property settlement agreement or between former spouses in compliance with a decree of divorce.

8. A transfer of title to or from a trust, if the transfer is made without consideration, and is made to or from:

(a) The trustor of the trust;

(b) The trustor's legal representative; or

(c) A person related to the trustor in the first degree of consanguinity.

As used in this subsection, "legal representative" has the meaning ascribed to it in NRS 167.020.

9. Transfers, assignments or conveyances of unpatented mines or mining claims.

10. A transfer, assignment or other conveyance of real property to a corporation or other business organization if the person conveying the property owns 100 percent of the corporation or organization to which the conveyance is made.

11. A transfer, assignment or other conveyance of real property if the owner of the property is related to the person to whom it is conveyed within the first degree of consanguinity.

12. The making, delivery or filing of conveyances of real property to make effective any plan of reorganization or adjustment:

(a) Confirmed under the Bankruptcy Act, as amended, 11 U.S.C. §§ 101 et seq.;

(b) Approved in an equity receivership proceeding involving a railroad, as defined in the Bankruptcy Act; or

(c) Approved in an equity receivership proceeding involving a corporation, as defined in the Bankruptcy Act, if the making, delivery or filing of instruments of transfer or conveyance occurs within 5 years after the date of the confirmation, approval or change.

13. The making or delivery of conveyances of real property to make effective any order of the Securities and Exchange Commission if:

(a) The order of the Securities and Exchange Commission in obedience to which the transfer or conveyance is made recites that the transfer or conveyance is necessary or appropriate to effectuate

the provisions of section 11 of the Public Utility Holding Company Act of 1935, 15 U.S.C. § 79k;

(b) The order specifies and itemizes the property which is ordered to be transferred or conveyed; and

(c) The transfer or conveyance is made in obedience to the order.

14. A transfer to an educational foundation. As used in this subsection, “educational foundation” has the meaning ascribed to it in subsection 3 of NRS 388.750.

15. A transfer to a university foundation. As used in this subsection, “university foundation” has the meaning ascribed to it in subsection 3 of NRS 396.405.

16. A transfer, assignment or other conveyance of real property to a corporation sole from another corporation sole. As used in this subsection, “corporation sole” means a corporation which is organized pursuant to the provisions of chapter 84 of NRS.

Sec. 131. NRS 375.090 is hereby amended to read as follows:

375.090 The ~~tax~~ *taxes* imposed by NRS 375.020 ~~does~~ *and section 124 this act do* not apply to:

1. A mere change in identity, form or place of organization, such as a transfer between a corporation and its parent corporation, a subsidiary or an affiliated corporation if the affiliated corporation has identical common ownership.

2. A transfer of title to the United States, any territory or state or any agency, department, instrumentality or political subdivision thereof.

3. A transfer of title recognizing the true status of ownership of the real property.

4. A transfer of title without consideration from one joint tenant or tenant in common to one or more remaining joint tenants or tenants in common.

5. ~~{A transfer of title to community property without consideration when held in the name of one spouse to both spouses as joint tenants or tenants in common, or as community property.~~

~~—6.} A transfer of title between spouses, including gifts {~~

~~—7. A transfer of title between spouses}, *or* to effect a property settlement agreement or between former spouses in compliance with a decree of divorce.~~

~~{8.} 6.~~ A transfer of title to or from a trust ~~{, if the transfer is made} without consideration {, and is made to or from:~~

~~—(a) The trustor of the trust;~~

~~—(b) The trustor’s legal representative; or~~

~~—(c) A person related to the trustor in the first degree of consanguinity.~~

~~As used in this subsection, “legal representative” has the meaning ascribed to it in NRS 167.020.~~

~~—9.] if a certificate of trust is presented at the time of transfer.~~

7. Transfers, assignments or conveyances of unpatented mines or mining claims.

~~[10.]~~ 8. A transfer, assignment or other conveyance of real property to a corporation or other business organization if the person conveying the property owns 100 percent of the corporation or organization to which the conveyance is made.

~~[11.]~~ 9. A transfer, assignment or other conveyance of real property if the owner of the property is related to the person to whom it is conveyed within the first degree of consanguinity.

~~[12.]~~ 10. The making, delivery or filing of conveyances of real property to make effective any plan of reorganization or adjustment:

(a) Confirmed under the Bankruptcy Act, as amended, 11 U.S.C. §§ 101 et seq.;

(b) Approved in an equity receivership proceeding involving a railroad, as defined in the Bankruptcy Act; or

(c) Approved in an equity receivership proceeding involving a corporation, as defined in the Bankruptcy Act, if the making, delivery or filing of instruments of transfer or conveyance occurs within 5 years after the date of the confirmation, approval or change.

~~[13.]~~ 11. The making or delivery of conveyances of real property to make effective any order of the Securities and Exchange Commission if:

(a) The order of the Securities and Exchange Commission in obedience to which the transfer or conveyance is made recites that the transfer or conveyance is necessary or appropriate to effectuate the provisions of section 11 of the Public Utility Holding Company Act of 1935, 15 U.S.C. § 79k;

(b) The order specifies and itemizes the property which is ordered to be transferred or conveyed; and

(c) The transfer or conveyance is made in obedience to the order.

~~[14.]~~ 12. A transfer to an educational foundation. As used in this subsection, “educational foundation” has the meaning ascribed to it in subsection 3 of NRS 388.750.

~~[15.]~~ 13. A transfer to a university foundation. As used in this subsection, “university foundation” has the meaning ascribed to it in subsection 3 of NRS 396.405.

~~[16.—A transfer, assignment or other conveyance of real property to a corporation sole from another corporation sole. As used in this subsection, “corporation sole” means a corporation which is organized pursuant to the provisions of chapter 84 of NRS.]~~

Sec. 132. NRS 375.120 is hereby amended to read as follows:
375.120 The county recorder shall:

1. Conduct and apply audits and other procedures for enforcement as uniformly as is feasible.

2. Collect ~~{real property transfer}~~ any tax *that is* due pursuant to the provisions of this chapter in an equitable manner ~~{}~~ so that every taxpayer pays the full amount imposed by law.

Sec. 133. NRS 375.130 is hereby amended to read as follows:

375.130 1. The county recorder may audit all records relating to the collection and calculation of ~~{the real property transfer tax.}~~ any tax imposed by this chapter. If the county recorder deems it necessary to conduct an audit, the audit must be completed within 3 years after the date of the original recording of the document that evidences the transfer of property for which the tax was imposed.

2. The county recorder may issue subpoenas to require the production of documents necessary for him to determine the amount of ~~{real property transfer}~~ the tax due pursuant to this chapter or to determine whether a person qualifies for an exemption from taxes pursuant to this chapter. The county recorder may have the subpoenas served, and upon application of the district attorney, to any court of competent jurisdiction, enforced in the manner provided by law for the service and enforcement of subpoenas in a civil action.

Sec. 134. NRS 375.160 is hereby amended to read as follows:

375.160 1. If any ~~{real property transfer}~~ tax imposed pursuant to this chapter is not paid when due, the county may, within 3 years after the date that the tax was due, record a certificate in the office of the county recorder which states:

- (a) The amount of the ~~{real property transfer}~~ tax and any interest or penalties due;

- (b) The name and address of the person who is liable for the amount due as they appear on the records of the county; and

- (c) That the county recorder has complied with all procedures required by law for determining the amount due.

2. From the time of the recording of the certificate, the amount due, including interest and penalties, constitutes:

- (a) A lien upon the real property for which the tax was due if the person who owes the tax still owns the property; or

- (b) A demand for payment if the property has been sold or otherwise transferred to another person.

3. The lien has the effect and priority of a judgment lien and continues for 5 years after the time of the recording of the certificate unless sooner released or otherwise discharged.

4. Within 5 years after the date of recording the certificate or within 5 years after the date of the last extension of the lien pursuant to this subsection, the lien may be extended by recording a new certificate in the office of the county recorder. From the time of

recording the new certificate, the lien is extended for 5 years, unless sooner released or otherwise discharged.

Sec. 135. NRS 375.170 is hereby amended to read as follows:

375.170 1. If a person is delinquent in the payment of ~~the real property transfer~~ any tax imposed by this chapter or has not paid the amount of a deficiency determination, the county may bring an action in a court of this state, a court of any other state or a court of the United States that has competent jurisdiction to collect the delinquent or deficient amount, penalties and interest. The action:

(a) May not be brought if the decision that the payment is delinquent or that there is a deficiency determination is on appeal to a hearing officer pursuant to NRS 375.320.

(b) Must be brought not later than 3 years after the payment became delinquent or the determination became final.

2. The district attorney shall prosecute the action. The provisions of the Nevada Revised Statutes, Nevada Rules of Civil Procedure and Nevada Rules of Appellate Procedure relating to service of summons, pleadings, proofs, trials and appeals are applicable to the proceedings. In the action, a writ of attachment may issue. A bond or affidavit is not required before an attachment may be issued.

3. In an action, a certificate by the county recorder showing the delinquency is prima facie evidence of:

(a) The determination of the tax or the amount of the tax;

(b) The delinquency of the amounts; and

(c) The compliance by the county recorder with all the procedures required by law relating to the computation and determination of the amounts.

Sec. 136. NRS 375.250 is hereby amended to read as follows:

375.250 1. The Legislature hereby declares that each taxpayer has the right:

(a) To be treated by officers and employees of the county recorder with courtesy, fairness, uniformity, consistency and common sense.

(b) To a prompt response from the county recorder to each communication from the taxpayer.

(c) To provide the minimum documentation and other information as may reasonably be required by the county recorder to carry out his duties.

(d) To be notified, in writing, by the county recorder whenever an officer or employee of the county recorder determines that the taxpayer is entitled to an exemption or has been taxed more than is required pursuant to this chapter.

(e) To written instructions indicating how the taxpayer may petition for a refund for overpayment of ~~real property transfer~~ any tax, interest or penalties.

(f) To recover an overpayment of ~~{real property transfer}~~ any tax promptly upon the final determination of such an overpayment.

(g) To obtain specific advice from the county recorder concerning ~~{real property transfer}~~ any tax.

(h) In any meeting with the county recorder, including an audit, conference, interview or hearing:

(1) To an explanation by an officer, agent or employee of the county recorder that describes the procedures to be followed and the rights of the taxpayer thereunder;

(2) To be represented by himself or anyone who is otherwise authorized by law to represent him before the county recorder;

(3) To make an audio recording using the taxpayer's equipment and at the taxpayer's expense; and

(4) To receive a copy of any document or audio recording made by or in the possession of the county recorder relating to the determination or collection of any tax for which the taxpayer is assessed pursuant to this chapter, upon payment of the actual cost to the county recorder of making the copy.

(i) To a full explanation of the authority of the county recorder to collect the ~~{real property transfer}~~ tax or to collect a delinquent ~~{real property transfer}~~ tax, including, without limitation, the procedures and notices for review and appeal that are required for the protection of the taxpayer. An explanation which meets the requirements of this section must also be included with each notice to a taxpayer that an audit will be conducted by the county.

(j) To the immediate release of any lien which the county recorder has placed on real property for the nonpayment of ~~{the real property transfer}~~ a tax when:

(1) The tax is paid;

(2) The period of limitation for collecting the tax expires;

(3) The lien is the result of an error by the county recorder;

(4) The county recorder determines that the taxes, interest and penalties are secured sufficiently by a lien on other real property;

(5) The release or subordination of the lien will not jeopardize the collection of the taxes, interest and penalties; or

(6) The release of the lien will facilitate the collection of the taxes, interest and penalties.

(k) To be free from harassment and intimidation by an officer or employee of the county recorder for any reason.

2. The provisions of this chapter governing the administration and collection of taxes by the county recorder must not be construed in such a manner as to interfere or conflict with the provisions of this section or any applicable regulations.

3. The provisions of this section apply to the administration and collection of taxes pursuant to this chapter.

Sec. 137. NRS 375.270 is hereby amended to read as follows:

375.270 The county recorder shall provide each taxpayer who it determines may be liable for taxes pursuant to this chapter with simplified written instructions concerning the rights and responsibilities of the taxpayer, including the:

1. Keeping of records sufficient for audit purposes;
2. Procedures for paying ~~{the real property transfer tax;}~~ *any taxes that are due;* and
3. Procedures for challenging any liability for ~~{real property transfer}~~ *any* tax, penalties or interest and for requesting refunds of *any* erroneously paid ~~{real property transfer}~~ tax, including the steps for appealing a denial thereof.

Sec. 138. NRS 375.290 is hereby amended to read as follows:

375.290 A taxpayer is entitled to receive on any overpayment of ~~{the real property transfer}~~ *any* tax *imposed by this chapter* a refund together with interest at a rate determined pursuant to NRS 17.130. No interest is allowed on a refund of any penalties or interest on the ~~{real property transfer}~~ tax that is paid by a taxpayer.

Sec. 139. NRS 375.300 is hereby amended to read as follows:

375.300 The county recorder shall provide a taxpayer with a response to any written request submitted by the taxpayer that relates to a ~~{real property transfer}~~ tax *imposed by this chapter* within 30 days after the county treasurer receives the request.

Sec. 140. NRS 375.330 is hereby amended to read as follows:

375.330 1. The county recorder may waive any ~~{real property transfer}~~ tax, penalty and interest owed by the taxpayer *pursuant to this chapter, other than the tax imposed by section 124 of this act*, if the taxpayer meets the criteria adopted by regulation. If a waiver is granted pursuant to this subsection, the county shall prepare and maintain on file a statement that contains:

- (a) The reason for the waiver;
- (b) The amount of the tax, penalty and interest owed by the taxpayer; and
- (c) The amount of the tax, penalty and interest waived by the county.

2. If the county recorder or a designated hearing officer finds that the failure of a person to make a timely payment of ~~{the real property transfer}~~ *any* tax imposed is the result of circumstances beyond his control and occurred despite the exercise of ordinary care and without intent to avoid such payment, the county recorder may relieve him of all or part of any interest or penalty, or both.

3. If a person proves to the satisfaction of the county recorder that he has in good faith remitted the ~~{real property transfer}~~ tax in reliance upon written advice provided by an officer or employee of the county recorder, an opinion of the district attorney or Attorney General, or the written results of an audit of his records conducted

by the county recorder, the county recorder may not require the taxpayer to pay delinquent taxes, penalties or interest if the county recorder determines after the completion of a subsequent audit that the taxes the taxpayer remitted were deficient.

Sec. 141. NRS 376A.040 is hereby amended to read as follows:

376A.040 1. In addition to all other taxes imposed on the revenues from retail sales, a board of county commissioners of a county whose population is less than 400,000 may by ordinance, but not as in a case of emergency, impose a tax at the rate of up to 1/4 of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed in the county, after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election. The question may be combined with questions submitted pursuant to NRS ~~[375.025, 376A.050 and 376A.070 or any combination thereof.]~~ *376A.050 or 376A.070, or both.*

2. If a county imposes a sales tax pursuant to this section and NRS 376A.050, the combined additional sales tax must not exceed 1/4 of 1 percent. A tax imposed pursuant to this section applies throughout the county, including incorporated cities in the county.

3. Before the election may occur, an open-space plan must be adopted by the board of county commissioners pursuant to NRS 376A.020 and the adopted open-space plan must be endorsed by resolution by the city council of each incorporated city within the county.

4. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid pursuant to this section must be paid to the Department of Taxation in the form of remittances payable to the Department of Taxation. The Department of Taxation shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund. The State Controller, acting upon the collection data furnished by the Department of Taxation, shall transfer monthly all fees, taxes, interest and penalties collected during the preceding month to the Intergovernmental Fund and remit the money to the county treasurer.

5. The money received from the tax imposed pursuant to subsection 4 must be retained by the county, or remitted to a city or general improvement district in the county. The money received by a county, city or general improvement district pursuant to this section must only be used to pay the cost of:

(a) The acquisition of land in fee simple for development and use as open-space land;

(b) The acquisition of the development rights of land identified as open-space land;

(c) The creation of a trust fund for the acquisition of land or development rights of land pursuant to paragraphs (a) and (b);

(d) The principal and interest on notes, bonds or other obligations issued by the county, city or general improvement district for the acquisition of land or development rights of land pursuant to paragraphs (a) and (b); or

(e) Any combination of the uses set forth in paragraphs (a) to (d), inclusive.

6. The money received from the tax imposed pursuant to this section and any applicable penalty or interest must not be used for any neighborhood or community park or facility.

7. Any money used for the purposes described in this section must be used in a manner:

(a) That is consistent with the provisions of the open-space plan adopted pursuant to NRS 376A.020; and

(b) That provides an equitable allocation of the money among the county and the incorporated cities within the county.

Sec. 142. NRS 376A.040 is hereby amended to read as follows:

376A.040 1. In addition to all other taxes imposed on the revenues from retail sales, a board of county commissioners of a county whose population is 100,000 or more but less than 400,000, may by ordinance, but not as in a case of emergency, impose a tax at the rate of up to 1/4 of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed in the county, after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election. The question may be combined with questions submitted pursuant to NRS ~~{375.025, 376A.050 and 376A.070 or any combination thereof.}~~ **376A.050 or 376A.070, or both.**

2. If a county imposes a sales tax pursuant to this section and NRS 376A.050, the combined additional sales tax must not exceed 1/4 of 1 percent. A tax imposed pursuant to this section applies throughout the county, including incorporated cities in the county.

3. Before the election may occur, an open-space plan must be adopted by the board of county commissioners pursuant to NRS 376A.020 and the adopted open-space plan must be endorsed by resolution by the city council of each incorporated city within the county.

4. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid pursuant to this section must be paid to the Department of Taxation in the form of remittances payable to the Department of Taxation. The Department of Taxation

shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund. The State Controller, acting upon the collection data furnished by the Department of Taxation, shall transfer monthly all fees, taxes, interest and penalties collected during the preceding month to the Intergovernmental Fund and remit the money to the county treasurer.

5. The money received from the tax imposed pursuant to subsection 4 must be retained by the county, or remitted to a city or general improvement district in the county. The money received by a county, city or general improvement district pursuant to this section must only be used to pay the cost of:

(a) The acquisition of land in fee simple for development and use as open-space land;

(b) The acquisition of the development rights of land identified as open-space land;

(c) The creation of a trust fund for the acquisition of land or development rights of land pursuant to paragraphs (a) and (b);

(d) The principal and interest on notes, bonds or other obligations issued by the county, city or general improvement district for the acquisition of land or development rights of land pursuant to paragraphs (a) and (b); or

(e) Any combination of the uses set forth in paragraphs (a) to (d), inclusive.

6. The money received from the tax imposed pursuant to this section and any applicable penalty or interest must not be used for any neighborhood or community park or facility.

7. Any money used for the purposes described in this section must be used in a manner:

(a) That is consistent with the provisions of the open-space plan adopted pursuant to NRS 376A.020; and

(b) That provides an equitable allocation of the money among the county and the incorporated cities within the county.

Sec. 143. NRS 376A.050 is hereby amended to read as follows:

376A.050 1. Except as otherwise provided in subsection 2, in addition to all other taxes imposed on the revenues from retail sales, a board of county commissioners in each county whose population is less than 400,000 may by ordinance, but not as in a case of emergency, impose a tax at the rate of up to 1/4 of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed in the county, after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election. The question may be combined with questions

submitted pursuant to NRS ~~[375.025, 376A.040 and 376A.070 or any combination thereof.]~~ **376A.040 or 376A.070, or both.**

2. If a county imposes a sales tax pursuant to this section and NRS 376A.040, the combined additional sales tax must not exceed 1/4 of 1 percent. A tax imposed pursuant to this section applies throughout the county, including incorporated cities in the county.

3. Before the election occurs, an open-space plan must be adopted by the board of county commissioners pursuant to NRS 376A.020 and the adopted open-space plan must be endorsed by resolution by the city council of each incorporated city in the county.

4. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid pursuant to this section must be paid to the Department of Taxation in the form of remittances payable to the Department of Taxation. The Department of Taxation shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund. The State Controller, acting upon the collection data furnished by the Department of Taxation, shall transfer monthly all fees, taxes, interest and penalties collected during the preceding month to the Intergovernmental Fund and remit the money to the county treasurer.

Sec. 144. NRS 376A.050 is hereby amended to read as follows:

376A.050 1. Except as otherwise provided in subsection 2, in addition to all other taxes imposed on the revenues from retail sales, a board of county commissioners in each county whose population is 100,000 or more but less than 400,000, may by ordinance, but not as in a case of emergency, impose a tax at the rate of up to 1/4 of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed in the county, after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election. The question may be combined with questions submitted pursuant to NRS ~~[375.025, 376A.040 and 376A.070 or any combination thereof.]~~ **376A.040 or 376A.070, or both.**

2. If a county imposes a sales tax pursuant to this section and NRS 376A.040, the combined additional sales tax must not exceed 1/4 of 1 percent. A tax imposed pursuant to this section applies throughout the county, including incorporated cities in the county.

3. Before the election occurs, an open-space plan must be adopted by the board of county commissioners pursuant to NRS 376A.020 and the adopted open-space plan must be endorsed by resolution by the city council of each incorporated city in the county.

4. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid pursuant to this section must be paid to the Department of Taxation in the form of remittances payable to the Department of Taxation. The Department of Taxation shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund. The State Controller, acting upon the collection data furnished by the Department of Taxation, shall transfer monthly all fees, taxes, interest and penalties collected during the preceding month to the Intergovernmental Fund and remit the money to the county treasurer.

Sec. 145. NRS 376A.070 is hereby amended to read as follows:

376A.070 1. The board of county commissioners in a county whose population is less than 400,000 may levy an ad valorem tax at the rate of up to 1 cent on each \$100 of assessed valuation upon all taxable property in the county after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election. The question may be combined with questions submitted pursuant to NRS ~~[375.025, 376A.040 and 376A.050 or any combination thereof.]~~ **376A.040 or 376A.050, or both.** A tax imposed pursuant to this section applies throughout the county, including incorporated cities in the county.

2. The Department of Taxation shall add an amount equal to the rate of any tax imposed pursuant to this section multiplied by the total assessed valuation of the county to the allowed revenue from taxes ad valorem of the county.

3. Before the tax is imposed, an open-space plan must be adopted by the board of county commissioners pursuant to NRS 376A.020 and the adopted open-space plan must be endorsed by resolution by the city council of each incorporated city within the county.

Sec. 146. NRS 376A.070 is hereby amended to read as follows:

376A.070 1. The board of county commissioners in a county whose population is 100,000 or more but less than 400,000, may levy an ad valorem tax at the rate of up to 1 cent on each \$100 of assessed valuation upon all taxable property in the county after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election. The question may be combined with questions submitted pursuant to NRS ~~[375.025, 376A.040 and 376A.050 or any combination thereof.]~~ **376A.040 or 376A.050, or both.** A tax imposed pursuant to this section applies throughout the county, including incorporated cities in the county.

2. The Department of Taxation shall add an amount equal to the rate of any tax imposed pursuant to this section multiplied by the total assessed valuation of the county to the allowed revenue from taxes ad valorem of the county.

3. Before the tax is imposed, an open-space plan must be adopted by the board of county commissioners pursuant to NRS 376A.020 and the adopted open-space plan must be endorsed by resolution by the city council of each incorporated city within the county.

Sec. 147. NRS 78.150 is hereby amended to read as follows:

78.150 1. A corporation organized pursuant to the laws of this state shall, on or before the first day of the second month after the filing of its articles of incorporation with the Secretary of State, file with the Secretary of State a list, on a form furnished by him, containing:

- (a) The name of the corporation;
- (b) The file number of the corporation, if known;
- (c) The names and titles of the president, secretary, treasurer and of all the directors of the corporation;
- (d) The mailing or street address, either residence or business, of each officer and director listed, following the name of the officer or director;
- (e) The name and street address of the resident agent of the corporation; and
- (f) The signature of an officer of the corporation certifying that the list is true, complete and accurate.

2. The corporation shall annually thereafter, on or before the last day of the month in which the anniversary date of incorporation occurs in each year, file with the Secretary of State, on a form furnished by him, an annual list containing all of the information required in subsection 1.

3. Each list required by subsection 1 or 2 must be accompanied by a declaration under penalty of perjury that the corporation has complied with the provisions of ~~{chapter 364A of NRS.}~~ **section 108 of this act.**

4. Upon filing the list required by:

(a) Subsection 1, the corporation shall pay to the Secretary of State a fee of \$165.

(b) Subsection 2, the corporation shall pay to the Secretary of State a fee of \$85.

5. The Secretary of State shall, 60 days before the last day for filing each annual list required by subsection 2, cause to be mailed to each corporation which is required to comply with the provisions of NRS 78.150 to 78.185, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 4 and a reminder to file the annual list required by subsection 2. Failure of

any corporation to receive a notice or form does not excuse it from the penalty imposed by law.

6. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective in any respect or the fee required by subsection 4 or 8 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a corporation not in default which is received by the Secretary of State more than 60 days before its due date shall be deemed an amended list for the previous year and must be accompanied by a fee of \$85 for filing. A payment submitted pursuant to this subsection does not satisfy the requirements of subsection 2 for the year to which the due date is applicable.

8. If the corporation is an association as defined in NRS 116.110315, the Secretary of State shall not accept the filing required by this section unless it is accompanied by evidence of the payment of the fee required to be paid pursuant to NRS 116.31155 that is provided to the association pursuant to subsection 4 of that section.

Sec. 148. NRS 80.110 is hereby amended to read as follows:

80.110 1. Each foreign corporation doing business in this state shall, on or before the first day of the second month after the filing of its certificate of corporate existence with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this state occurs in each year, file with the Secretary of State a list, on a form furnished by him, that contains:

(a) The names of its president, secretary and treasurer or their equivalent, and all of its directors;

(b) A designation of its resident agent in this state; and

(c) The signature of an officer of the corporation.

Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the foreign corporation has complied with the provisions of ~~chapter 364A of NRS.~~ **section 108 of this act.**

2. Upon filing:

(a) The initial list required by subsection 1, the corporation shall pay to the Secretary of State a fee of \$165.

(b) Each annual list required by subsection 1, the corporation shall pay to the Secretary of State a fee of \$85.

3. The Secretary of State shall, 60 days before the last day for filing each annual list required by subsection 1, cause to be mailed to each corporation required to comply with the provisions of NRS 80.110 to 80.170, inclusive, which has not become delinquent, the blank forms to be completed and filed with him. Failure of any corporation to receive the forms does not excuse it from the penalty imposed by the provisions of NRS 80.110 to 80.170, inclusive.

4. An annual list for a corporation not in default which is received by the Secretary of State more than 60 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

Sec. 149. NRS 86.263 is hereby amended to read as follows:

86.263 1. A limited-liability company shall, on or before the first day of the second month after the filing of its articles of organization with the Secretary of State, file with the Secretary of State, on a form furnished by him, a list that contains:

- (a) The name of the limited-liability company;
- (b) The file number of the limited-liability company, if known;
- (c) The names and titles of all of its managers or, if there is no manager, all of its managing members;
- (d) The mailing or street address, either residence or business, of each manager or managing member listed, following the name of the manager or managing member;
- (e) The name and street address of the resident agent of the limited-liability company; and
- (f) The signature of a manager or managing member of the limited-liability company certifying that the list is true, complete and accurate.

2. The limited-liability company shall annually thereafter, on or before the last day of the month in which the anniversary date of its organization occurs, file with the Secretary of State, on a form furnished by him, an amended list containing all of the information required in subsection 1. If the limited-liability company has had no changes in its managers or, if there is no manager, its managing members, since its previous list was filed, no amended list need be filed if a manager or managing member of the limited-liability company certifies to the Secretary of State as a true and accurate statement that no changes in the managers or managing members have occurred.

3. Each list required by subsection 1 and each list or certification required by subsection 2 must be accompanied by a declaration under penalty of perjury that the limited-liability company has complied with the provisions of ~~chapter 364A of NRS.~~ *section 108 of this act.*

4. Upon filing:

- (a) The initial list required by subsection 1, the limited-liability company shall pay to the Secretary of State a fee of \$165.
- (b) Each annual list required by subsection 2 or certifying that no changes have occurred, the limited-liability company shall pay to the Secretary of State a fee of \$85.

5. The Secretary of State shall, 60 days before the last day for filing each list required by subsection 2, cause to be mailed to each

limited-liability company required to comply with the provisions of this section, which has not become delinquent, a notice of the fee due under subsection 4 and a reminder to file a list required by subsection 2 or a certification of no change. Failure of any company to receive a notice or form does not excuse it from the penalty imposed by law.

6. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a limited-liability company not in default received by the Secretary of State more than 60 days before its due date shall be deemed an amended list for the previous year.

Sec. 150. NRS 87.510 is hereby amended to read as follows:

87.510 1. A registered limited-liability partnership shall, on or before the first day of the second month after the filing of its certificate of registration with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of registration with the Secretary of State occurs, file with the Secretary of State, on a form furnished by him, a list that contains:

- (a) The name of the registered limited-liability partnership;
- (b) The file number of the registered limited-liability partnership, if known;
- (c) The names of all of its managing partners;
- (d) The mailing or street address, either residence or business, of each managing partner;
- (e) The name and street address of the resident agent of the registered limited-liability partnership; and
- (f) The signature of a managing partner of the registered limited-liability partnership certifying that the list is true, complete and accurate.

Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the registered limited-liability partnership has complied with the provisions of ~~chapter 364A of NRS.~~ *section 108 of this act.*

2. Upon filing:

(a) The initial list required by subsection 1, the registered limited-liability partnership shall pay to the Secretary of State a fee of \$165.

(b) Each annual list required by subsection 1, the registered limited-liability partnership shall pay to the Secretary of State a fee of \$85.

3. The Secretary of State shall, at least 60 days before the last day for filing each annual list required by subsection 1, cause to be mailed to the registered limited-liability partnership a notice of the fee due pursuant to subsection 2 and a reminder to file the annual

list required by subsection 1. The failure of any registered limited-liability partnership to receive a notice or form does not excuse it from complying with the provisions of this section.

4. If the list to be filed pursuant to the provisions of subsection 1 is defective, or the fee required by subsection 2 is not paid, the Secretary of State may return the list for correction or payment.

5. An annual list that is filed by a registered limited-liability partnership which is not in default more than 60 days before it is due shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

Sec. 151. NRS 88.395 is hereby amended to read as follows:

88.395 1. A limited partnership shall, on or before the first day of the second month after the filing of its certificate of limited partnership with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of limited partnership occurs, file with the Secretary of State, on a form furnished by him, a list that contains:

- (a) The name of the limited partnership;
- (b) The file number of the limited partnership, if known;
- (c) The names of all of its general partners;
- (d) The mailing or street address, either residence or business, of each general partner;
- (e) The name and street address of the resident agent of the limited partnership; and
- (f) The signature of a general partner of the limited partnership certifying that the list is true, complete and accurate.

Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the limited partnership has complied with the provisions of ~~chapter 364A of NRS~~ *section 108 of this act*.

2. Upon filing:

(a) The initial list required by subsection 1, the limited partnership shall pay to the Secretary of State a fee of \$165.

(b) Each annual list required by subsection 1, the limited partnership shall pay to the Secretary of State a fee of \$85.

3. The Secretary of State shall, 60 days before the last day for filing each annual list required by subsection 1, cause to be mailed to each limited partnership required to comply with the provisions of this section which has not become delinquent a notice of the fee due pursuant to the provisions of subsection 2 and a reminder to file the annual list. Failure of any limited partnership to receive a notice or form does not excuse it from the penalty imposed by NRS 88.400.

4. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 2 is not paid, the Secretary of State may return the list for correction or payment.

5. An annual list for a limited partnership not in default that is received by the Secretary of State more than 60 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

6. A filing made pursuant to this section does not satisfy the provisions of NRS 88.355 and may not be substituted for filings submitted pursuant to NRS 88.355.

Sec. 152. NRS 88A.600 is hereby amended to read as follows:

88A.600 1. A business trust formed pursuant to this chapter shall, on or before the first day of the second month after the filing of its certificate of trust with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of trust with the Secretary of State occurs, file with the Secretary of State, on a form furnished by him, a list signed by at least one trustee that contains the name and mailing address of its resident agent and at least one trustee. Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the business trust has complied with the provisions of ~~chapter 364A of NRS.~~ *section 108 of this act.*

2. Upon filing:

(a) The initial list required by subsection 1, the business trust shall pay to the Secretary of State a fee of \$165.

(b) Each annual list required by subsection 1, the business trust shall pay to the Secretary of State a fee of \$85.

3. The Secretary of State shall, 60 days before the last day for filing each annual list required by subsection 1, cause to be mailed to each business trust which is required to comply with the provisions of NRS 88A.600 to 88A.660, inclusive, and which has not become delinquent, the blank forms to be completed and filed with him. Failure of a business trust to receive the forms does not excuse it from the penalty imposed by law.

4. An annual list for a business trust not in default which is received by the Secretary of State more than 60 days before its due date shall be deemed an amended list for the previous year.

Sec. 153. NRS 89.250 is hereby amended to read as follows:

89.250 1. Except as otherwise provided in subsection 2, a professional association shall, on or before the first day of the second month after the filing of its articles of association with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its organization occurs in each year, furnish a statement to the Secretary of State showing

the names and residence addresses of all members and employees in the association and certifying that all members and employees are licensed to render professional service in this state.

2. A professional association organized and practicing pursuant to the provisions of this chapter and NRS 623.349 shall, on or before the first day of the second month after the filing of its articles of association with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its organization occurs in each year, furnish a statement to the Secretary of State:

(a) Showing the names and residence addresses of all members and employees of the association who are licensed or otherwise authorized by law to render professional service in this state;

(b) Certifying that all members and employees who render professional service are licensed or otherwise authorized by law to render professional service in this state; and

(c) Certifying that all members who are not licensed to render professional service in this state do not render professional service on behalf of the association except as authorized by law.

3. Each statement filed pursuant to this section must be:

(a) Made on a form prescribed by the Secretary of State and must not contain any fiscal or other information except that expressly called for by this section.

(b) Signed by the chief executive officer of the association.

(c) Accompanied by a declaration under penalty of perjury that the professional association has complied with the provisions of ~~chapter 364A of NRS.~~ *section 108 of this act.*

4. Upon filing:

(a) The initial statement required by this section, the association shall pay to the Secretary of State a fee of \$165.

(b) Each annual statement required by this section, the association shall pay to the Secretary of State a fee of \$85.

5. As used in this section, “signed” means to have executed or adopted a name, word or mark, including, without limitation, an electronic signature as defined in NRS 719.100, with the present intention to authenticate a document.

Sec. 154. Chapter 218 of NRS is hereby amended by adding thereto the provisions set forth as sections 155 to 160, inclusive, of this act.

Sec. 155. *As used in sections 155 to 160, inclusive, of this act, “Committee” means the Legislative Committee on Taxation, Public Revenue and Tax Policy.*

Sec. 156. *1. There is hereby established a Legislative Committee on Taxation, Public Revenue and Tax Policy consisting of:*

(a) *The Speaker of the Assembly, or a member of the Assembly designated by the Speaker of the Assembly;*

(b) *The Minority Leader of the Assembly, or a member of the Assembly designated by the Minority Leader of the Assembly;*

(c) *The Majority Leader of the Senate, or a member of the Senate designated by the Majority Leader of the Senate;*

(d) *The Minority Leader of the Senate, or a member of the Senate designated by the Minority Leader of the Senate;*

(e) *Two members appointed by the Speaker of the Assembly who were members of the Assembly Committee on Taxation during the immediately preceding legislative session; and*

(f) *Two members appointed by the Majority Leader of the Senate who were members of the Senate Committee on Taxation during the immediately preceding legislative session.*

2. *The members of the Committee shall elect a Chairman and Vice Chairman from among their members. The Chairman must be elected from one house of the Legislature and the Vice Chairman from the other house. After the initial election of a Chairman and Vice Chairman, each of those officers holds office for a term of 2 years commencing on July 1 of each odd-numbered year. If a vacancy occurs in the Chairmanship or Vice Chairmanship, the members of the Committee shall elect a replacement for the remainder of the unexpired term.*

3. *Any member of the Committee who is not a candidate for reelection or who is defeated for reelection continues to serve until the convening of the next session of the Legislature.*

4. *Vacancies on the Committee must be filled in the same manner as the original appointments.*

Sec. 157. 1. *The members of the Committee shall meet throughout each year at the times and places specified by a call of the Chairman or a majority of the Committee.*

2. *The Director of the Legislative Counsel Bureau or his designee shall act as the nonvoting recording Secretary.*

3. *The Committee shall prescribe regulations for its own management and government.*

4. *Except as otherwise provided in subsection 5, five voting members of the Committee constitute a quorum.*

5. *Any recommended legislation proposed by the Committee must be approved by a majority of the members of the Senate and by a majority of the members of the Assembly serving on the Committee.*

6. *Except during a regular or special session of the Legislature, the members of the Committee are entitled to receive the compensation provided for a majority of the members of the Legislature during the first 60 days of the preceding regular session, the per diem allowance provided for state officers and*

employees generally and the travel expenses provided pursuant to NRS 218.2207 for each day or portion of a day of attendance at a meeting of the Committee and while engaged in the business of the Committee. The salaries and expenses paid pursuant to this subsection and the expenses of the Committee must be paid from the Legislative Fund.

Sec. 158. *The Committee may:*

- 1. Review and study:*
 - (a) The specific taxes collected in this state;*
 - (b) The implementation of any taxes, fees and other methods for generating public revenue in this state;*
 - (c) The impact of any changes to taxes, fees and other methods for generating public revenue that result from legislation enacted by the Legislature on the residents of this state and on the businesses located in this state, doing business in this state or considering locating in this state;*
 - (d) The fiscal effects of any taxes, fees and other methods for generating public revenue;*
 - (e) The impact, if any, on the prices charged to the residents of this state from the compounding of various new or increased taxes such as the real property transfer tax;*
 - (f) The beneficial and detrimental effects, if any, of the reduction of the tax based on wages for the cost of employee health benefits;*
 - (g) Broad issues of tax policy and fiscal policy relevant to the future of the State of Nevada; and*
 - (h) Any other issues related to taxation, the generation of public revenue, tax policy or fiscal policy which affect this state.*
- 2. Conduct investigations and hold hearings in connection with its powers pursuant to this section.*
- 3. Contract with one or more consultants to obtain technical advice concerning its review and study.*
- 4. Apply for any available grants and accept any gifts, grants or donations and use any such gifts, grants or donations to aid the Committee in exercising its powers pursuant to this section.*
- 5. Request that the Legislative Counsel Bureau assist in the research, investigations, hearings, studies and reviews of the Committee.*
- 6. Recommend to the Legislature, as a result of its review and study, any appropriate legislation.*

Sec. 159. *If the Committee conducts investigations or holds hearings pursuant to subsection 2 of section 158 of this act:*

- 1. The Secretary of the Committee or, in his absence, a member designated by the Committee may administer oaths; and*
- 2. The Secretary or Chairman of the Committee may cause the deposition of witnesses, residing either within or outside of this*

state, to be taken in the manner prescribed by rule of court for taking depositions in civil actions in the district courts.

Sec. 160. *Each witness who appears before the Committee by its order, except a state officer or employee, is entitled to receive for his attendance the fees and mileage provided for witnesses in civil cases in the courts of record of this state. The fees and mileage must be audited and paid upon the presentation of proper claims sworn to by the witness and approved by the Secretary and Chairman of the Committee.*

Sec. 161. NRS 218.53883 is hereby amended to read as follows:

218.53883 1. The Committee shall:

(a) Review the laws relating to *the exemptions from and* the distribution of revenue generated by state and local taxes. In conducting the review, the Committee ~~may~~ :

(1) May consider the purposes for which the various state and local taxes were imposed, the actual use of the revenue collected from the various state and local taxes, and any relief to the taxpayers from the burden of the various state and local taxes that may result from any possible recommendations of the Committee.

(2) Shall consider the purposes for which various exemptions from those taxes were adopted, whether any of those exemptions have become obsolete or no longer serve their intended purpose, and whether any of those exemptions should be repealed.

(b) Study whether removing the authority of the Board of County Commissioners of Washoe County to impose a certain additional governmental services tax is a prudent act which is in the best interests of this state.

2. In conducting its review of the laws relating to *the exemptions from and* the distribution of revenue generated by state and local taxes, the Committee may review:

(a) The *exemptions and* distribution of the revenue from:

(1) The local school support tax imposed by chapter 374 of NRS;

(2) The tax on aviation fuel and motor vehicle fuel imposed by or pursuant to chapter 365 of NRS;

(3) The tax on intoxicating liquor imposed by chapter 369 of NRS;

(4) The tax on fuel imposed pursuant to chapter 373 of NRS;

(5) The tax on tobacco imposed by chapter 370 of NRS;

(6) The governmental services tax imposed by or pursuant to chapter 371 of NRS;

(7) The tax imposed on gaming licensees by or pursuant to chapter 463 of NRS;

(8) Property taxes imposed pursuant to chapter 361 of NRS;

(9) The tax on the transfer of real property imposed by or pursuant to chapter 375 of NRS; and

(10) Any other state or local tax.

(b) The proper crediting of gasoline tax revenue if the collection is moved to the terminal rack level.

3. The Committee may:

(a) Conduct investigations and hold hearings in connection with its review and study;

(b) Contract with one or more consultants to obtain technical advice concerning the study conducted pursuant to NRS 218.53884;

(c) Apply for any available grants and accept any gifts, grants or donations and use any such gifts, grants or donations to aid the committee in carrying out its duties pursuant to this chapter;

(d) Direct the Legislative Counsel Bureau to assist in its research, investigations, review and study; and

(e) Recommend to the Legislature, as a result of its review and study, any appropriate legislation.

Sec. 162. NRS 233B.039 is hereby amended to read as follows:

233B.039 1. The following agencies are entirely exempted from the requirements of this chapter:

(a) The Governor.

(b) The Department of Corrections.

(c) The University and Community College System of Nevada.

(d) The Office of the Military.

(e) ~~The~~ *Except as otherwise provided in section 80 of this act, the* State Gaming Control Board.

(f) The Nevada Gaming Commission.

(g) The Welfare Division of the Department of Human Resources.

(h) The Division of Health Care Financing and Policy of the Department of Human Resources.

(i) The State Board of Examiners acting pursuant to chapter 217 of NRS.

(j) Except as otherwise provided in NRS 533.365, the Office of the State Engineer.

(k) The Division of Industrial Relations of the Department of Business and Industry acting to enforce the provisions of NRS 618.375.

(l) The Administrator of the Division of Industrial Relations of the Department of Business and Industry in establishing and adjusting the schedule of fees and charges for accident benefits pursuant to subsection 2 of NRS 616C.260.

(m) The Board to Review Claims in adopting resolutions to carry out its duties pursuant to NRS 590.830.

2. Except as otherwise provided in subsection 5 and NRS 391.323, the Department of Education, the Board of the Public Employees' Benefits Program and the Commission on Professional Standards in Education are subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.

3. The special provisions of:

(a) Chapter 612 of NRS for the distribution of regulations by and the judicial review of decisions of the Employment Security Division of the Department of Employment, Training and Rehabilitation;

(b) Chapters 616A to 617, inclusive, of NRS for the determination of contested claims;

(c) Chapter 703 of NRS for the judicial review of decisions of the Public Utilities Commission of Nevada;

(d) Chapter 91 of NRS for the judicial review of decisions of the Administrator of the Securities Division of the Office of the Secretary of State; and

(e) NRS 90.800 for the use of summary orders in contested cases,

prevail over the general provisions of this chapter.

4. The provisions of NRS 233B.122, 233B.124, 233B.125 and 233B.126 do not apply to the Department of Human Resources in the adjudication of contested cases involving the issuance of letters of approval for health facilities and agencies.

5. The provisions of this chapter do not apply to:

(a) Any order for immediate action, including, but not limited to, quarantine and the treatment or cleansing of infected or infested animals, objects or premises, made under the authority of the State Board of Agriculture, the State Board of Health or any other agency of this state in the discharge of a responsibility for the preservation of human or animal health or for insect or pest control;

(b) An extraordinary regulation of the State Board of Pharmacy adopted pursuant to NRS 453.2184; or

(c) A regulation adopted by the State Board of Education pursuant to NRS 392.644 or 394.1694.

6. The State Board of Parole Commissioners is subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.

Sec. 163. NRS 244.335 is hereby amended to read as follows:

244.335 1. Except as otherwise provided in subsection 2, the board of county commissioners may:

(a) Regulate all character of lawful trades, callings, industries, occupations, professions and business conducted in its county outside of the limits of incorporated cities and towns.

(b) Except as otherwise provided in NRS 244.3359 and 576.128, fix, impose and collect a license tax for revenue or for regulation, or for both revenue and regulation, on such trades, callings, industries, occupations, professions and business.

2. The county license boards have the exclusive power in their respective counties to regulate entertainers employed by an entertainment by referral service and the business of conducting a dancing hall, escort service, entertainment by referral service or gambling game or device permitted by law, outside of an incorporated city. The county license boards may fix, impose and collect license taxes for revenue or for regulation, or for both revenue and regulation, on such employment and businesses.

3. No license to engage in any type of business may be granted unless the applicant for the license signs an affidavit affirming that the business has complied with the provisions of ~~chapter 364A of NRS.~~ *section 108 of this act.* The county license board shall provide upon request an application for a business license pursuant to ~~chapter 364A of NRS.~~ *section 108 of this act.*

4. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license presents written evidence that:

(a) The Department of Taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or

(b) Another regulatory agency of the State has issued or will issue a license required for this activity.

5. Any license tax levied for the purposes of NRS 244.3358 or 244A.597 to 244A.655, inclusive, constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien has the same priority as a lien for general taxes. The lien must be enforced in the following manner:

(a) By recording in the office of the county recorder, within 6 months after the date on which the tax became delinquent or was otherwise determined to be due and owing, a notice of the tax lien containing the following:

- (1) The amount of tax due and the appropriate year;
- (2) The name of the record owner of the property;
- (3) A description of the property sufficient for identification;

and

(4) A verification by the oath of any member of the board of county commissioners or the county fair and recreation board; and

(b) By an action for foreclosure against the property in the same manner as an action for foreclosure of any other lien, commenced within 2 years after the date of recording of the notice of the tax lien, and accompanied by appropriate notice to other lienholders.

6. The board of county commissioners may delegate the authority to enforce liens from taxes levied for the purposes of NRS 244A.597 to 244A.655, inclusive, to the county fair and recreation board. If the authority is so delegated, the board of county commissioners shall revoke or suspend the license of a business upon certification by the county fair and recreation board that the license tax has become delinquent, and shall not reinstate the license until the tax is paid. Except as otherwise provided in NRS 244.3357, all information concerning license taxes levied by an ordinance authorized by this section or other information concerning the business affairs or operation of any licensee obtained as a result of the payment of such license taxes or as the result of any audit or examination of the books by any authorized employee of a county fair and recreation board of the county for any license tax levied for the purpose of NRS 244A.597 to 244A.655, inclusive, is confidential and must not be disclosed by any member, officer or employee of the county fair and recreation board or the county imposing the license tax unless the disclosure is authorized by the affirmative action of a majority of the members of the appropriate county fair and recreation board. Continuing disclosure may be so authorized under an agreement with the Department of Taxation for the exchange of information concerning taxpayers.

Sec. 164. NRS 268.095 is hereby amended to read as follows:

268.095 1. The city council or other governing body of each incorporated city in this state, whether organized under general law or special charter, may:

(a) Except as otherwise provided in NRS 268.0968 and 576.128, fix, impose and collect for revenues or for regulation, or both, a license tax on all character of lawful trades, callings, industries, occupations, professions and businesses conducted within its corporate limits.

(b) Assign the proceeds of any one or more of such license taxes to the county within which the city is situated for the purpose or purposes of making the proceeds available to the county:

(1) As a pledge as additional security for the payment of any general obligation bonds issued pursuant to NRS 244A.597 to 244A.655, inclusive;

(2) For redeeming any general obligation bonds issued pursuant to NRS 244A.597 to 244A.655, inclusive;

(3) For defraying the costs of collecting or otherwise administering any such license tax so assigned, of the county fair and recreation board and of officers, agents and employees hired thereby, and of incidentals incurred thereby;

(4) For operating and maintaining recreational facilities under the jurisdiction of the county fair and recreation board;

(5) For improving, extending and bettering recreational facilities authorized by NRS 244A.597 to 244A.655, inclusive; and

(6) For constructing, purchasing or otherwise acquiring such recreational facilities.

(c) Pledge the proceeds of any tax imposed on the revenues from the rental of transient lodging pursuant to this section for the payment of any general or special obligations issued by the city for a purpose authorized by the laws of this state.

(d) Use the proceeds of any tax imposed pursuant to this section on the revenues from the rental of transient lodging:

(1) To pay the principal, interest or any other indebtedness on any general or special obligations issued by the city pursuant to the laws of this state;

(2) For the expense of operating or maintaining, or both, any facilities of the city; and

(3) For any other purpose for which other money of the city may be used.

2. The proceeds of any tax imposed pursuant to this section that are pledged for the repayment of general obligations may be treated as “pledged revenues” for the purposes of NRS 350.020.

3. No license to engage in any type of business may be granted unless the applicant for the license signs an affidavit affirming that the business has complied with the provisions of ~~chapter 364A of NRS.~~ *section 108 of this act.* The city licensing agency shall provide upon request an application for a business license pursuant to ~~chapter 364A of NRS.~~ *section 108 of this act.*

4. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license presents written evidence that:

(a) The Department of Taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or

(b) Another regulatory agency of the State has issued or will issue a license required for this activity.

5. Any license tax levied under the provisions of this section constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien has the same priority as a lien for general taxes. The lien must be enforced in the following manner:

(a) By recording in the office of the county recorder, within 6 months following the date on which the tax became delinquent or was otherwise determined to be due and owing, a notice of the tax lien containing the following:

(1) The amount of tax due and the appropriate year;

(2) The name of the record owner of the property;

(3) A description of the property sufficient for identification; and

(4) A verification by the oath of any member of the board of county commissioners or the county fair and recreation board; and

(b) By an action for foreclosure against such property in the same manner as an action for foreclosure of any other lien, commenced within 2 years after the date of recording of the notice of the tax lien, and accompanied by appropriate notice to other lienholders.

6. The city council or other governing body of each incorporated city may delegate the power and authority to enforce such liens to the county fair and recreation board. If the authority is so delegated, the governing body shall revoke or suspend the license of a business upon certification by the board that the license tax has become delinquent, and shall not reinstate the license until the tax is paid. Except as otherwise provided in NRS 268.0966, all information concerning license taxes levied by an ordinance authorized by this section or other information concerning the business affairs or operation of any licensee obtained as a result of the payment of those license taxes or as the result of any audit or examination of the books of the city by any authorized employee of a county fair and recreation board for any license tax levied for the purpose of NRS 244A.597 to 244A.655, inclusive, is confidential and must not be disclosed by any member, official or employee of the county fair and recreation board or the city imposing the license tax unless the disclosure is authorized by the affirmative action of a majority of the members of the appropriate county fair and recreation board. Continuing disclosure may be so authorized under an agreement with the Department of Taxation for the exchange of information concerning taxpayers.

7. The powers conferred by this section are in addition and supplemental to, and not in substitution for, and the limitations imposed by this section do not affect the powers conferred by, any other law. No part of this section repeals or affects any other law or any part thereof, it being intended that this section provide a separate method of accomplishing its objectives, and not an exclusive one.

Sec. 164.10. Chapter 353 of NRS is hereby amended by adding thereto a new section to read as follows:

“Account” means the Disaster Relief Account created by NRS 353.2735.

Sec. 164.12. NRS 353.2705 is hereby amended to read as follows:

353.2705 As used in NRS 353.2705 to 353.2771, inclusive, *and section 164.10 of this act*, unless the context otherwise requires, the words and terms defined in NRS 353.271 to 353.2731,

inclusive, *and section 164.10 of this act* have the meanings ascribed to them in those sections.

Sec. 164.14. NRS 353.2735 is hereby amended to read as follows:

353.2735 1. The Disaster Relief ~~[Fund]~~ *Account* is hereby created as a special ~~[revenue fund]~~ *account in the Fund to Stabilize the Operation of the State Government*. The Interim Finance Committee shall administer the ~~[Fund]~~ *Account*.

2. The Division may accept grants, gifts or donations for deposit in the ~~[Fund]~~ *Account*. Except as otherwise provided in subsection 3, money received from:

(a) A direct legislative appropriation to the ~~[Fund]~~ *Account*;

(b) A transfer of ~~[one half of the interest earned on money]~~ *not more than 10 percent of the aggregate balance* in the Fund to Stabilize the Operation of *the* State Government made pursuant to NRS 353.288; and

(c) A grant, gift or donation to the ~~[Fund]~~ *Account*, must be deposited in the ~~[Fund]~~ *Account*. Except as otherwise provided in NRS 414.135, the interest and income earned on the money in the ~~[Fund]~~ *Account* must, after deducting any applicable charges, be credited to the ~~[Fund]~~ *Account*.

3. If, at the end of each quarter of a fiscal year, the balance in the ~~[Fund]~~ *Account* exceeds 0.75 percent of the total amount of all appropriations from the State General Fund for the operation of all departments, institutions and agencies of State Government and authorized expenditures from the State General Fund for the regulation of gaming for that fiscal year, the State Controller shall not, until the balance in the ~~[Fund]~~ *Account* is 0.75 percent or less of that amount, transfer any ~~[interest earned on]~~ money in the Fund to Stabilize the Operation of *the* State Government from the State General Fund to the ~~[Fund]~~ *Account* pursuant to the provisions of NRS 353.288.

4. Money in the ~~[Fund]~~ *Account* may be distributed through grants and loans to state agencies and local governments as provided in NRS 353.2705 to 353.2771, inclusive ~~[]~~, *and section 164.10 of this act*. Except as otherwise provided in NRS 353.276, such grants will be disbursed on the basis of reimbursement of costs authorized pursuant to NRS 353.274 and 353.2745.

5. If the Governor declares a disaster, the State Board of Examiners shall estimate:

(a) The money in the ~~[Fund]~~ *Account* that is available for grants and loans for the disaster pursuant to the provisions of NRS 353.2705 to 353.2771, inclusive ~~[]~~, *and section 164.10 of this act*; and

(b) The anticipated amount of those grants and loans for the disaster.

Except as otherwise provided in this subsection, if the anticipated amount determined pursuant to paragraph (b) exceeds the available money in the ~~Fund~~ *Account* for such grants and loans, all grants and loans from the ~~Fund~~ *Account* for the disaster must be reduced in the same proportion that the anticipated amount of the grants and loans exceeds the money in the ~~Fund~~ *Account* that is available for grants and loans for the disaster. If the reduction of a grant or loan from the ~~Fund~~ *Account* would result in a reduction in the amount of money that may be received by a state agency or local government from the Federal Government, the reduction in the grant or loan must not be made.

Sec. 164.16. NRS 353.274 is hereby amended to read as follows:

353.274 Money in the ~~Fund~~ *Account* may be distributed as a grant to a state agency because of a disaster for the payment of expenses incurred by the state agency for:

1. The repair or replacement of public roads, public streets, bridges, water control facilities, public buildings, public utilities, recreational facilities and parks owned by the State and damaged by the disaster;
2. Any emergency measures undertaken to save lives, protect public health and safety or protect public property, including, without limitation, an emergency measure undertaken in response to a crisis involving violence on school property, at a school activity or on a school bus, in the jurisdiction in which the disaster occurred;
3. The removal of debris from publicly or privately owned land and waterways undertaken because of the disaster; and
4. The administration of a disaster assistance program.

Sec. 164.18. NRS 353.2745 is hereby amended to read as follows:

353.2745 Money in the ~~Fund~~ *Account* may be distributed as a grant to a local government because of a disaster for:

1. The payment of not more than 50 percent of the expenses incurred by the local government for:
 - (a) The repair or replacement of public roads, public streets, bridges, water control facilities, public buildings, public utilities, recreational facilities and parks owned by the local government and damaged by the disaster; and
 - (b) Any emergency measures undertaken to save lives, protect public health and safety or protect public property, including, without limitation, an emergency measure undertaken in response to a crisis involving violence on school property, at a school activity or on a school bus, in the jurisdiction in which the disaster occurred; and
2. The payment of not more than 50 percent of any grant match the local government must provide to obtain a grant from a federal

disaster assistance agency for an eligible project to repair damage caused by the disaster within the jurisdiction of the local government.

Sec. 164.20. NRS 353.2751 is hereby amended to read as follows:

353.2751 Money in the ~~Fund~~ **Account** may be distributed as a loan to a local government because of a disaster for:

1. The payment of expenses incurred by the local government for:

(a) The repair or replacement of public roads, public streets, bridges, water control facilities, public buildings, public utilities, recreational facilities and parks owned by the local government and damaged by the disaster;

(b) Any overtime worked by an employee of the local government because of the disaster or any other extraordinary expenses incurred by the local government because of the disaster; and

(c) Any projects to reduce or prevent the possibility of damage to persons or property from similar disasters in the future; and

2. The payment of not more than 50 percent of any grant match the local government must provide to obtain a grant from a federal disaster assistance agency for an eligible project to repair damage caused by the disaster within the jurisdiction of the local government. Before a loan may be distributed to a local government pursuant to this subsection:

(a) The Interim Finance Committee must make a determination that the local government is currently unable to meet its financial obligations; and

(b) The local government must execute a loan agreement in which the local government agrees to:

(1) Use the money only for the purpose of paying the grant match; and

(2) Repay the entire amount of the loan, without any interest or other charges, to the ~~Disaster Relief Fund~~ **Account** not later than 10 years after the date on which the agreement is executed.

Sec. 164.22. NRS 353.2753 is hereby amended to read as follows:

353.2753 1. A state agency or local government may request the Division to conduct a preliminary assessment of the damages related to an event for which the state agency or local government seeks a grant or loan from the ~~Fund~~ **Account**.

2. Upon receipt of such a request, the Division shall investigate the event or cause the event to be investigated to make a preliminary assessment of the damages related to the event and shall make or cause to be made a written report of the damages related to the event.

3. As soon as practicable after completion of the investigation and preparation of the report of damages, the Division shall:

(a) Determine whether the event constitutes a disaster for which the state agency or local government may seek a grant or loan from the ~~Fund~~ *Account*; and

(b) Submit the report prepared pursuant to this section and its written determination regarding whether the event constitutes a disaster to the state agency or local government.

4. The Division shall prescribe by regulation the information that must be included in a report of damages, including, without limitation, a description of the damage caused by the event, an estimate of the costs to repair such damage and a specification of whether the purpose of the project is for repair or replacement, emergency response or mitigation.

Sec. 164.24. NRS 353.2754 is hereby amended to read as follows:

353.2754 A local government may request a grant or loan from the ~~Fund~~ *Account* if:

1. Pursuant to NRS 414.090, the governing body of the local government determines that an event which has occurred constitutes a disaster; and

2. After the Division conducts a preliminary assessment of the damages pursuant to NRS 353.2753, the Division determines that an event has occurred that constitutes a disaster.

Sec. 164.26. NRS 353.2755 is hereby amended to read as follows:

353.2755 1. A state agency or local government may submit a request to the State Board of Examiners for a grant or loan from the ~~Fund~~ *Account* as provided in NRS 353.2705 to 353.2771, inclusive, *and section 164.10 of this act* if:

(a) The agency or local government finds that, because of a disaster, it is unable to pay for an expense or grant match specified in NRS 353.274, 353.2745 or 353.2751 from money appropriated or otherwise available to the agency or local government;

(b) The request has been approved by the chief administrative officer of the state agency or the governing body of the local government; and

(c) If the requester is an incorporated city, the city has requested financial assistance from the county and was denied all or a portion of the requested assistance.

2. A request for a grant or loan submitted pursuant to subsection 1 must be made within 60 days after the disaster and must include:

(a) A statement setting forth the amount of money requested by the state agency or local government;

(b) An assessment of the need of the state agency or local government for the money requested;

(c) If the request is submitted by a local government that has established a fund pursuant to NRS 354.6115 to mitigate the effects of a natural disaster, a statement of the amount of money that is available in that fund, if any, for the payment of expenses incurred by the local government as a result of a disaster;

(d) A determination of the type, value and amount of resources the state agency or local government may be required to provide as a condition for the receipt of a grant or loan from the ~~{Fund;}~~ **Account;**

(e) A written report of damages prepared by the Division and the written determination made by the Division that the event constitutes a disaster pursuant to NRS 353.2753; and

(f) If the requester is an incorporated city, all documents which relate to a request for assistance submitted to the board of county commissioners of the county in which the city is located.

Any additional documentation relating to the request that is requested by the State Board of Examiners must be submitted within 6 months after the disaster unless the State Board of Examiners and the Interim Finance Committee ~~{grants}~~ **grant** an extension.

3. Upon the receipt of a complete request for a grant or loan submitted pursuant to subsection 1, the State Board of Examiners:

(a) Shall consider the request; and

(b) May require any additional information that it determines is necessary to make a recommendation.

4. If the State Board of Examiners finds that a grant or loan is appropriate, it shall include in its recommendation to the Interim Finance Committee the proposed amount of the grant or loan. If the State Board of Examiners recommends a grant, it shall include a recommendation regarding whether or not the state agency or local government requires an advance to avoid severe financial hardship. If the State Board of Examiners recommends a loan for a local government, it shall include the information required pursuant to subsection 1 of NRS 353.2765. If the State Board of Examiners finds that a grant or loan is not appropriate, it shall include in its recommendation the reason for its determination.

5. The provisions of this section do not prohibit a state agency or local government from submitting more than one request for a grant or loan from the ~~{Fund;}~~ **Account.**

6. As used in this section, the term “natural disaster” has the meaning ascribed to it in NRS 354.6115.

Sec. 164.28. NRS 353.276 is hereby amended to read as follows:

353.276 1. The State Board of Examiners shall submit a recommendation for each request for a grant or loan made pursuant

to NRS 353.2755 to the Director of the Legislative Counsel Bureau. Upon receipt of the recommendation, the Director shall notify the Chairman of the Interim Finance Committee of that recommendation. The Chairman shall call a meeting of the Committee to consider the recommendation.

2. The Interim Finance Committee may reject any recommendation of the State Board of Examiners and independently evaluate and act upon any request submitted pursuant to NRS 353.2755.

3. If the Interim Finance Committee finds that a grant or loan from the ~~{Fund}~~ *Account* is appropriate and may be made in accordance with the provisions of NRS 353.2705 to 353.2771, inclusive, *and section 164.10 of this act*, it shall, by resolution:

(a) Establish the amount and purpose of the grant or loan.

(b) Except as otherwise provided in this paragraph, provide for the transfer of that amount from the ~~{Fund}~~ *Account* to the appropriate state agency or local government. If the request is for a grant, the Interim Finance Committee shall authorize disbursement of the grant from the ~~{Fund}~~ *Account* on the basis of reimbursement for costs unless it determines that disbursement in that manner would cause severe financial hardship to the state agency or local government. If the Interim Finance Committee determines that disbursement on the basis of reimbursement of costs would cause severe financial hardship, the Interim Finance Committee may authorize an advance of money to the state agency or local government in an amount not to exceed 25 percent of the total estimated cost of the projects for which the grant is requested.

4. No grant or loan from the ~~{Fund}~~ *Account* may be made by the Interim Finance Committee to increase the salaries of any officers or employees of the State or a local government.

Sec. 164.30. NRS 353.2765 is hereby amended to read as follows:

353.2765 1. In addition to any applicable requirements set forth in NRS 353.2751, if the Interim Finance Committee approves a loan to a local government pursuant to the provisions of NRS 353.2705 to 353.2771, inclusive, *and section 164.10 of this act*, the approval must include a schedule for the repayment of the loan. The schedule must specify:

(a) A period of not more than 10 years for the repayment of the loan; and

(b) The rate of interest, if any, for the loan.

2. Except as otherwise provided in subsection 3, if a local government receives a loan from the ~~{Fund}~~ *Account* and, before the loan is repaid, the local government receives money from the Federal Government for a grant match or any of the expenses set forth in subsection 1 of NRS 353.2751 for which the local

government received the loan, the local government shall deposit with the State Treasurer for credit to the ~~Fund~~ *Account* an amount of money equal to the money it received from the Federal Government for the grant match or the expenses.

3. Any money deposited with the State Treasurer for credit to the ~~Fund~~ *Account* pursuant to subsection 2 must be used to pay the unpaid balance of the loan specified in subsection 2. If any money remains after that payment is made, the remaining money must be paid to the local government to whom the loan was made.

Sec. 164.32. NRS 353.2771 is hereby amended to read as follows:

353.2771 1. Except as otherwise provided in this section, no grant or loan may be made from the ~~Fund~~ *Account* to a state agency or local government unless, as a condition of making the grant or loan, the state agency or local government agrees to provide an amount of its resources equal to at least 25 percent of the grant or loan. The State Board of Examiners shall determine the type, value and amount of the resources, including money, labor, materials, supplies and equipment, that is required to be provided by the state agency or local government.

2. If a state agency or local government submits a request for a grant or loan pursuant to NRS 353.2755 and:

(a) It maintains a policy of insurance providing coverage for damages, injuries or other losses incurred because of a disaster; or

(b) If the request is submitted by a local government, it has established a district for the control of floods pursuant to NRS 543.170 to 543.830, inclusive,

the State Board of Examiners may recommend that the state agency or local government provide a portion of its resources in an amount that is less than the amount required pursuant to subsection 1.

3. The State Board of Examiners may, if it determines that the state agency or local government is unable to provide any portion of its resources as its contribution for the receipt of a grant or loan, recommend that the state agency or local government not be required to provide any portion of its resources as a condition for the receipt of the grant or loan.

Sec. 164.34. NRS 353.288 is hereby amended to read as follows:

353.288 1. The Fund to Stabilize the Operation of the State Government is hereby created as a special revenue fund. Except as otherwise provided in subsections 2 and 3, each year after the close of the fiscal year and before the issuance of the *State* Controller's annual report , the State Controller shall deposit to the credit of the Fund 40 percent of the unrestricted balance of the State General Fund, as of the close of the fiscal year, which remains after subtracting an amount equal to ~~10~~ 5 percent of all appropriations

made from the State General Fund during that year for the operation of all departments, institutions and agencies of State Government and for the funding of schools.

2. The balance in the Fund must not exceed ~~10~~ 15 percent of the total of all appropriations from the State General Fund for the operation of all departments, institutions and agencies of the State Government and for the funding of schools and authorized expenditures from the State General Fund for the regulation of gaming for the fiscal year in which that revenue will be deposited in the Fund.

3. Except as otherwise provided in this subsection and NRS 353.2735, beginning with the fiscal year that begins on July 1, ~~1999~~ 2003, the State Controller shall, at the end of each quarter of a fiscal year, transfer from the State General Fund to the Disaster Relief ~~Fund~~ Account created pursuant to NRS 353.2735 an amount equal to ~~one-half of the interest earned on money~~ not more than 10 percent of the aggregate balance in the Fund to Stabilize the Operation of the State Government during the previous quarter. The State Controller shall not transfer more than \$500,000 for any quarter pursuant to this subsection.

4. Money from the Fund to Stabilize the Operation of the State Government may be appropriated only:

(a) If the total actual revenue of the State falls short by 5 percent or more of the total anticipated revenue for the biennium in which the appropriation is made; or

(b) If the Legislature and the Governor declare that a fiscal emergency exists.

Sec. 164.38. Chapter 353C of NRS is hereby amended by adding thereto a new section to read as follows:

1. The State Controller shall adopt regulations establishing a fee of \$25 that an agency shall charge a person for each check or draft returned to the agency because the person had insufficient money or credit with the drawee to pay the check or draft, or because the person stopped payment on the check or draft.

2. Notwithstanding any specific statute or regulation to the contrary, an agency may only charge and collect a fee for a check or draft returned to the agency because the person has insufficient money or credit, or because the person stopped payment on the check or draft, in accordance with the regulations adopted by the State Controller pursuant to this section.

3. For the purposes of this section, “agency” does not include the Department of Taxation, Nevada Gaming Commission or State Gaming Control Board.

Sec. 164.50. Chapter 387 of NRS is hereby amended by adding thereto a new section to read as follows:

1. On or before July 1 of each year, the Department, in consultation with the Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau, shall develop or revise, as applicable, a formula for determining the minimum amount of money that each school district is required to expend each fiscal year for textbooks, instructional supplies and instructional hardware. The formula must be used only to develop expenditure requirements and must not be used to alter the distribution of money for basic support to school districts.

2. Upon approval of the formula pursuant to subsection 1, the Department shall provide written notice to each school district within the first 30 days of each fiscal year that sets forth the required minimum combined amount of money that the school district must expend for textbooks, instructional supplies and instructional hardware for that fiscal year.

3. On or before January 1 of each year, the Department shall determine whether each school district has expended, during the immediately preceding fiscal year, the required minimum amount of money set forth in the notice provided pursuant to subsection 2. In making this determination, the Department shall use the report submitted by the school district pursuant to NRS 387.303.

4. Except as otherwise provided in subsection 5, if the Department determines that a school district has not expended the required minimum amount of money set forth in the notice provided pursuant to subsection 2, a reduction must be made from the basic support allocation otherwise payable to that school district in an amount that is equal to the difference between the actual combined expenditure for textbooks, instructional supplies and instructional hardware and the minimum required combined expenditure set forth in the notice provided pursuant to subsection 2. A reduction in the amount of the basic support allocation pursuant to this subsection:

(a) Does not reduce the amount that the school district is required to expend on textbooks, instructional supplies and instructional hardware in the current fiscal year; and

(b) Must not exceed the amount of basic support that was provided to the school district for the fiscal year in which the minimum expenditure amount was not satisfied.

5. If the actual enrollment of pupils in a school district is less than the enrollment included in the projections used in the school district's biennial budget submitted pursuant to NRS 387.303, the required expenditure for textbooks, instructional supplies and

instructional hardware pursuant to this section must be reduced proportionately.

Sec. 164.60. NRS 387.205 is hereby amended to read as follows:

387.205 1. Subject to the limitations set forth in NRS 387.207 ~~[.]~~ *and section 164.50 of this act*, money on deposit in the county school district fund or in a separate account, if the board of trustees of a school district has elected to establish such an account pursuant to the provisions of NRS 354.603, must be used for:

(a) Maintenance and operation of the public schools controlled by the county school district.

(b) Payment of premiums for Nevada industrial insurance.

(c) Rent of schoolhouses.

(d) Construction, furnishing or rental of teacherages, when approved by the Superintendent of Public Instruction.

(e) Transportation of pupils, including the purchase of new buses.

(f) Programs of nutrition, if such expenditures do not curtail the established school program or make it necessary to shorten the school term, and each pupil furnished lunch whose parent or guardian is financially able so to do pays at least the actual cost of the lunch.

(g) Membership fees, dues and contributions to an interscholastic activities association.

(h) Repayment of a loan made from the State Permanent School Fund pursuant to NRS 387.526.

2. Subject to the limitations set forth in NRS 387.207 ~~[.]~~ *and section 164.50 of this act*, money on deposit in the county school district fund, or in a separate account, if the board of trustees of a school district has elected to establish such an account pursuant to the provisions of NRS 354.603, when available, may be used for:

(a) Purchase of sites for school facilities.

(b) Purchase of buildings for school use.

(c) Repair and construction of buildings for school use.

Sec. 164.70. NRS 387.207 is hereby amended to read as follows:

387.207 1. Except as otherwise provided in this section, in each school year a school district shall spend for ~~[textbooks,]~~ library books and ~~[supplies and materials relating to instruction, including, without limitation,]~~ software for computers ~~[.]~~ an amount of money, expressed as an amount per pupil, that is at least equal to the average of the total amount of money that was expended per year by the school district for those items in the immediately preceding 3 years.

2. Except as otherwise provided in this section, in each school year a school district shall spend for the purchase of equipment

relating to instruction, including, without limitation, equipment for telecommunications and for the purchase of equipment relating to the transportation of pupils, an amount of money, expressed as an amount per pupil, that is at least equal to the average of the total amount of money that was expended per year by the school district for those items in the immediately preceding 3 years.

3. Except as otherwise provided in this section, in each school year a school district shall spend for the maintenance and repair of equipment, vehicles, and buildings and facilities an amount of money, expressed as an amount per pupil, that is at least equal to the average of the total amount of money that was expended per year by the school district for those items in the immediately preceding 3 years, excluding any amount of money derived from the proceeds of bonds.

4. A school district may satisfy the expenditures required by subsections 1, 2 and 3 if the school district spends an aggregate amount of money for all the items identified in those subsections that is at least equal to the average of the total amount of money expended by the school district per year for all those items in the immediately preceding 3 years.

5. A school district is not required to satisfy the expenditures required by this section for a school year in which:

(a) The total number of pupils who are enrolled in public schools within the school district has declined from the immediately preceding school year; or

(b) The total revenue available in the general fund of the school district has declined from the immediately preceding school year.

Sec. 165. NRS 388.750 is hereby amended to read as follows:

388.750 1. An educational foundation:

(a) Shall comply with the provisions of chapter 241 of NRS;

(b) Except as otherwise provided in subsection 2, shall make its records public and open to inspection pursuant to NRS 239.010; and

(c) Is exempt from the tax on transfer of real property pursuant to subsection ~~144~~ 12 of NRS 375.090.

2. An educational foundation is not required to disclose the names of the contributors to the foundation or the amount of their contributions. The educational foundation shall, upon request, allow a contributor to examine, during regular business hours, any record, document or other information of the foundation relating to that contributor.

3. As used in this section, “educational foundation” means a nonprofit corporation, association or institution or a charitable organization that is:

(a) Organized and operated exclusively for the purpose of supporting one or more kindergartens, elementary schools, junior high or middle schools or high schools, or any combination thereof;

- (b) Formed pursuant to the laws of this state; and
- (c) Exempt from taxation pursuant to 26 U.S.C. § 501(c)(3).

Sec. 165.2. NRS 391.165 is hereby amended to read as follows:

391.165 1. Except as otherwise provided in subsection 3 ~~of this section~~ and except as otherwise required as a result of NRS 286.537, the board of trustees of a school district shall pay the cost for a licensed teacher to purchase one-fifth of a year of service pursuant to subsection 2 of NRS 286.300 if:

(a) The teacher is a member of the Public Employees' Retirement System and has at least 5 years of service;

(b) The teacher has been employed as a licensed teacher in this state for at least 5 consecutive school years, regardless of whether the employment was with one or more school districts in this state;

(c) Each evaluation of the teacher conducted pursuant to NRS 391.3125 is at least satisfactory for the years of employment required by paragraph (b); and

(d) In addition to the years of employment required by paragraph (b), the teacher has been employed as a licensed teacher for ~~{1-school-year}~~ **2 school years** at a school within the school district ~~{which, for that school-year, carries}~~ **during his employment at the school:**

(1) Which carried the designation of demonstrating need for improvement ~~{pursuant to NRS 385.367.}~~ **; or**

(2) At which at least 65 percent of the pupils who are enrolled in the school are children who are at risk.

The provisions of this paragraph do not require consecutive years of employment or employment at the same school within the school district.

2. Except as otherwise provided in subsection 3, the board of trustees of a school district shall pay the cost for a licensed teacher to purchase one-fifth of a year of service for each year that a teacher ~~{is employed as a teacher at a school within the school district that is described in paragraph (d)}~~ **satisfies the requirements** of subsection 1.

3. In no event may the years of service purchased by a licensed teacher as a result of subsection 2 of NRS 286.300 exceed 5 years.

4. The board of trustees of a school district shall not:

(a) Assign or reassign a licensed teacher to circumvent the requirements of this section.

(b) Include ~~{}~~ as part of a teacher's salary ~~{}~~ the costs of paying the teacher to purchase service pursuant to this section.

5. As used in this section ~~{, "service"}~~ **:**

(a) A child is "at risk" if he is eligible for free or reduced-price lunches pursuant to 42 U.S.C. §§ 1751 et seq.

(b) "Service" has the meaning ascribed to it in NRS 286.078.

Sec. 165.4. NRS 391.165 is hereby amended to read as follows:

391.165 1. Except as otherwise provided in subsection 3 and except as otherwise required as a result of NRS 286.537, the board of trustees of a school district shall pay the cost for a licensed teacher *or licensed school psychologist* to purchase one-fifth of a year of service pursuant to subsection 2 of NRS 286.300 if:

(a) The teacher *or school psychologist* is a member of the Public Employees' Retirement System and has at least 5 years of service;

(b) The teacher *or school psychologist* has been employed as a licensed teacher *or licensed school psychologist* in this state for at least 5 consecutive school years, regardless of whether the employment was with one or more school districts in this state;

(c) Each evaluation of the teacher *or school psychologist* conducted pursuant to NRS 391.3125 is at least satisfactory for the years of employment required by paragraph (b); and

(d) In addition to the years of employment required by paragraph (b) ~~[-, the]~~:

(1) The teacher has been employed as a licensed teacher for 2 school years at a school within the school district during his employment at the school:

~~[(1)]~~ *(I) Which carried the designation of demonstrating need for improvement; or*

~~[(2)]~~ *(II) At which at least 65 percent of the pupils who are enrolled in the school are children who are at risk [-];*

(2) The teacher holds an endorsement in the field of mathematics, science, special education or English as a second language and has been employed for at least 1 school year to teach in the subject area for which he holds an endorsement; or

(3) The school psychologist has been employed as a licensed school psychologist for at least 1 school year.

The provisions of this paragraph do not require consecutive years of employment or employment at the same school within the school district.

2. Except as otherwise provided in subsection 3, the board of trustees of a school district shall pay the cost for a licensed teacher *or school psychologist* to purchase one-fifth of a year of service for each year that a teacher *or school psychologist* satisfies the requirements of subsection 1. *If, in 1 school year, a teacher satisfies the criteria set forth in both subparagraphs (1) and (2) of paragraph (d) of subsection 1, the school district in which the teacher is employed is not required to pay for more than one-fifth of a year of service pursuant to subsection 2 of NRS 286.300 for that school year.*

3. In no event may the years of service purchased by a licensed teacher *or school psychologist* as a result of subsection 2 of NRS 286.300 exceed 5 years.

4. The board of trustees of a school district shall not:

(a) Assign or reassign a licensed teacher *or school psychologist* to circumvent the requirements of this section.

(b) Include ~~§~~ as part of a teacher's *or school psychologist's* salary ~~§~~ the costs of paying the teacher *or school psychologist* to purchase service pursuant to this section.

5. As used in this section:

(a) A child is "at risk" if he is eligible for free or reduced-price lunches pursuant to 42 U.S.C. §§ 1751 et seq.

(b) "Service" has the meaning ascribed to it in NRS 286.078.

Sec. 166. NRS 396.405 is hereby amended to read as follows:

396.405 1. A university foundation:

(a) Shall comply with the provisions of chapter 241 of NRS;

(b) Except as otherwise provided in subsection 2, shall make its records public and open to inspection pursuant to NRS 239.010;

(c) Is exempt from the tax on transfers of real property pursuant to subsection ~~§44~~ 13 of NRS 379.090; and

(d) May allow a president or an administrator of the university or community college which it supports to serve as a member of its governing body.

2. A university foundation is not required to disclose the name of any contributor or potential contributor to the university foundation, the amount of his contribution or any information which may reveal or lead to the discovery of his identity. The university foundation shall, upon request, allow a contributor to examine, during regular business hours, any record, document or other information of the foundation relating to that contributor.

3. As used in this section, "university foundation" means a nonprofit corporation, association or institution or a charitable organization that is:

(a) Organized and operated exclusively for the purpose of supporting a university or a community college;

(b) Formed pursuant to the laws of this state; and

(c) Exempt from taxation pursuant to 26 U.S.C. § 501(c)(3).

Sec. 166.5. NRS 414.135 is hereby amended to read as follows:

414.135 1. There is hereby created the Emergency Assistance ~~Account~~ *Subaccount* within the Disaster Relief ~~Fund~~ *Account* created pursuant to NRS 353.2735. Beginning with the fiscal year that begins on July 1, 1999, the State Controller shall, at the end of each fiscal year, transfer the interest earned during the previous fiscal year on the money in the Disaster Relief ~~Fund~~ *Account* to the ~~Account~~ *Subaccount* in an amount not to exceed \$500,000.

2. The Division of Emergency Management of the Department of Public Safety shall administer the ~~{Account.}~~ *Subaccount*. The Division may adopt regulations authorized by this section before, on or after July 1, 1999.

3. All expenditures from the ~~{Account.}~~ *Subaccount* must be approved in advance by the Division. Except as otherwise provided in subsection 4, all money in the ~~{Account.}~~ *Subaccount* must be expended solely to:

(a) Provide supplemental emergency assistance to this state or to local governments in this state that are severely and adversely affected by a natural, technological or man-made emergency or disaster for which available resources of this state or the local government are inadequate to provide a satisfactory remedy; and

(b) Pay any actual expenses incurred by the Division for administration during a natural, technological or man-made emergency or disaster.

4. Beginning with the fiscal year that begins on July 1, 1999, if any balance remains in the ~~{Account.}~~ *Subaccount* at the end of a fiscal year and the balance has not otherwise been committed for expenditure, the Division may, with the approval of the Interim Finance Committee, allocate all or any portion of the remaining balance, not to exceed \$250,000, to this state or to a local government to:

(a) Purchase equipment or supplies required for emergency management;

(b) Provide training to personnel related to emergency management; and

(c) Carry out the provisions of NRS 392.600 to 392.656, inclusive.

5. Beginning with the fiscal year that begins on July 1, 1999, the Division shall, at the end of each quarter of a fiscal year, submit to the Interim Finance Committee a report of the expenditures made from the ~~{Account.}~~ *Subaccount* for the previous quarter.

6. The Division shall adopt such regulations as are necessary to administer the ~~{Account.}~~ *Subaccount*.

7. The Division may adopt regulations to provide for reimbursement of expenditures made from the ~~{Account.}~~ *Subaccount*. If the Division requires such reimbursement, the Attorney General shall take such action as is necessary to recover the amount of any unpaid reimbursement plus interest at a rate determined pursuant to NRS 17.130, computed from the date on which the money was removed from the ~~{Fund.}~~ *Account*, upon request by the Division.

Sec. 167. NRS 459.3824 is hereby amended to read as follows:

459.3824 1. The owner of a regulated facility shall pay to the Division an annual fee based on the fiscal year. The annual fee for each facility is the sum of a base fee set by the State Environmental Commission and any additional fee imposed by the Commission pursuant to subsection 2. The annual fee must be prorated and may not be refunded.

2. The State Environmental Commission may impose an additional fee upon the owner of a regulated facility in an amount determined by the Commission to be necessary to enable the Division to carry out its duties pursuant to NRS 459.380 to 459.3874, inclusive. The additional fee must be based on a graduated schedule adopted by the Commission which takes into consideration the quantity of hazardous substances located at each facility.

3. After the payment of the initial annual fee, the Division shall send the owner of a regulated facility a bill in July for the annual fee for the fiscal year then beginning which is based on the applicable reports for the preceding year.

4. The owner of a regulated facility shall submit, with any payment required by this section, the *business license* number assigned by the Department of Taxation ~~[, for the imposition and collection of taxes pursuant to chapter 364A of NRS, to the business for which the payment is made.]~~ *upon compliance by the owner with section 108 of this act.*

5. All fees collected pursuant to this section and penalties collected pursuant to NRS 459.3833, 459.3834 and 459.3874, and any interest earned thereon, must be deposited with the State Treasurer for credit to the Fund for Precaution Against Chemical Accidents, which is hereby created as a special revenue fund.

Sec. 168. NRS 463.0136 is hereby amended to read as follows:

463.0136 “Associated equipment” means:

1. Any equipment or mechanical, electromechanical or electronic contrivance, component or machine used remotely or directly in connection with gaming, any game, race book or sports pool that would not otherwise be classified as a gaming device, including dice, playing cards, links which connect to progressive slot machines, equipment which affects the proper reporting of gross revenue, computerized systems of betting at a race book or sports pool, computerized systems for monitoring slot machines and devices for weighing or counting money; or

2. A computerized system for recordation of sales for use in an area subject to the ~~[casino entertainment]~~ tax *imposed* pursuant to ~~[NRS 463.401.]~~ *section 78 of this act.*

Sec. 169. NRS 463.270 is hereby amended to read as follows:

463.270 1. Subject to the power of the Board to deny, revoke, suspend, condition or limit licenses, any state license in force may be renewed by the Board for the next succeeding license period upon proper application for renewal and payment of state license fees and taxes as required by law and the regulations of the Board.

2. All state gaming licenses are subject to renewal on the ~~1st~~ *first* day of each January and all quarterly state gaming licenses on the ~~1st~~ *first* day of each calendar quarter thereafter.

3. Application for renewal must be filed with the Board, and all state license fees and taxes required by law, including, without limitation, NRS 463.370, 463.373 to 463.3855, inclusive, ~~463.401,~~ 463.660, 464.015 and 464.040, *and section 78 of this act* must be paid to the Board on or before the dates respectively provided by law for each fee or tax.

4. Application for renewal of licenses for slot machines only must be made by the operators of the locations where such machines are situated.

5. Any person failing to pay any state license fees or taxes due at the times respectively provided shall pay in addition to such license fees or taxes a penalty of not less than \$50 or 25 percent of the amount due, whichever is the greater, but not more than \$1,000 if the fees or taxes are less than 10 days late and in no case in excess of \$5,000. The penalty must be collected as are other charges, license fees and penalties under this chapter.

6. Any person who operates, carries on or exposes for play any gambling game, gaming device or slot machine or who manufactures, sells or distributes any gaming device, equipment, material or machine used in gaming ~~is~~ after his license becomes subject to renewal, and thereafter fails to apply for renewal as provided in this section, is guilty of a misdemeanor and, in addition to the penalties provided by law, is liable to the State of Nevada for all license fees, taxes and penalties which would have been due upon application for renewal.

7. If any licensee or other person fails to renew his license as provided in this section, the Board may order the immediate closure of all his gaming activity until the license is renewed by the payment of the necessary fees, taxes, interest and any penalties. Except for a license for which fees are based on the gross revenue of the licensee, failure to renew a license within 30 days after the date required by this chapter shall be deemed a surrender of the license.

8. The voluntary surrender of a license by a licensee does not become effective until accepted in the manner provided in the regulations of the Board. The surrender of a license does not relieve the former licensee of any penalties, fines, fees, taxes or interest due.

Sec. 169.5. NRS 463.370 is hereby amended to read as follows:

463.370 1. Except as otherwise provided in NRS 463.373, the Commission shall charge and collect from each licensee a license fee based upon all the gross revenue of the licensee as follows:

(a) Three *and one-half* percent of all the gross revenue of the licensee which does not exceed \$50,000 per calendar month;

(b) Four *and one-half* percent of all the gross revenue of the licensee which exceeds \$50,000 per calendar month and does not exceed \$134,000 per calendar month; and

(c) Six and ~~one-quarter~~ *three-quarters* percent of all the gross revenue of the licensee which exceeds \$134,000 per calendar month.

2. Unless the licensee has been operating for less than a full calendar month, the Commission shall charge and collect the fee prescribed in subsection 1, based upon the gross revenue for the preceding calendar month, on or before the 24th day of the following month. Except for the fee based on the first full month of operation, the fee is an estimated payment of the license fee for the third month following the month whose gross revenue is used as its basis.

3. When a licensee has been operating for less than a full calendar month, the Commission shall charge and collect the fee prescribed in subsection 1, based on the gross revenue received during that month, on or before the 24th day of the following calendar month of operation. After the first full calendar month of operation, the Commission shall charge and collect the fee based on the gross revenue received during that month, on or before the 24th day of the following calendar month. The payment of the fee due for the first full calendar month of operation must be accompanied by the payment of a fee equal to three times the fee for the first full calendar month. This additional amount is an estimated payment of the license fees for the next 3 calendar months. Thereafter, each license fee must be paid in the manner described in subsection 2. Any deposit held by the Commission on July 1, 1969, must be treated as an advance estimated payment.

4. All revenue received from any game or gaming device which is operated on the premises of a licensee, regardless of whether any portion of the revenue is shared with any other person, must be attributed to the licensee for the purposes of this section and counted as part of the gross revenue of the licensee. Any other person, including, without limitation, an operator of an inter-casino linked system, who is authorized to receive a share of the revenue from any game, gaming device or inter-casino linked system that is operated on the premises of a licensee is liable to the licensee for that person's proportionate share of the license fees paid by the

licensee pursuant to this section and shall remit or credit the full proportionate share to the licensee on or before the 24th day of each calendar month. The proportionate share of an operator of an inter-casino linked system must be based on all compensation and other consideration received by the operator of the inter-casino linked system, including, without limitation, amounts that accrue to the meter of the primary progressive jackpot of the inter-casino linked system and amounts that fund the reserves of such a jackpot, subject to all appropriate adjustments for deductions, credits, offsets and exclusions that the licensee is entitled to take or receive pursuant to the provisions of this chapter. A licensee is not liable to any other person authorized to receive a share of the licensee's revenue from any game, gaming device or inter-casino linked system that is operated on the premises of the licensee for that person's proportionate share of the license fees to be remitted or credited to the licensee by that person pursuant to this section.

5. An operator of an inter-casino linked system shall not enter into any agreement or arrangement with a licensee that provides for the operator of the inter-casino linked system to be liable to the licensee for less than its full proportionate share of the license fees paid by the licensee pursuant to this section, whether accomplished through a rebate, refund, charge-back or otherwise.

6. Any person required to pay a fee pursuant to this section shall file with the Commission, on or before the 24th day of each calendar month, a report showing the amount of all gross revenue received during the preceding calendar month. Each report must be accompanied by:

(a) The fee due based on the revenue of the month covered by the report; and

(b) An adjustment for the difference between the estimated fee previously paid for the month covered by the report, if any, and the fee due for the actual gross revenue earned in that month. If the adjustment is less than zero, a credit must be applied to the estimated fee due with that report.

7. If the amount of license fees required to be reported and paid pursuant to this section is later determined to be greater or less than the amount actually reported and paid, the Commission shall:

(a) Charge and collect the additional license fees determined to be due, with interest thereon until paid; or

(b) Refund any overpayment to the person entitled thereto pursuant to this chapter, with interest thereon.

Interest pursuant to paragraph (a) must be computed at the rate prescribed in NRS 17.130 from the first day of the first month following the due date of the additional license fees until paid. Interest pursuant to paragraph (b) must be computed at one-half the

rate prescribed in NRS 17.130 from the first day of the first month following the date of overpayment until paid.

8. Failure to pay the fees provided for in this section shall be deemed a surrender of the license at the expiration of the period for which the estimated payment of fees has been made, as established in subsection 2.

9. Except as otherwise provided in NRS 463.386, the amount of the fee prescribed in subsection 1 must not be prorated.

10. Except as otherwise provided in NRS 463.386, if a licensee ceases operation, the Commission shall:

(a) Charge and collect the additional license fees determined to be due with interest computed pursuant to paragraph (a) of subsection 7; or

(b) Refund any overpayment to the licensee with interest computed pursuant to paragraph (b) of subsection 7, based upon the gross revenue of the licensee during the last 3 months immediately preceding the cessation of operation, or portions of those last 3 months.

11. If in any month, the amount of gross revenue is less than zero, the licensee may offset the loss against gross revenue in succeeding months until the loss has been fully offset.

12. If in any month, the amount of the license fee due is less than zero, the licensee is entitled to receive a credit against any license fees due in succeeding months until the credit has been fully offset.

Sec. 170. NRS 463.373 is hereby amended to read as follows:

463.373 1. Before issuing a state gaming license to an applicant for a restricted operation, the Commission shall charge and collect from him for each slot machine for each quarter year:

(a) A license fee of ~~[\$64]~~ **\$81** for each slot machine if he will have at least one but not more than five slot machines.

(b) A license fee of ~~[\$305 plus \$106]~~ **\$405 plus \$141** for each slot machine in excess of five if he will have at least six but not more than 15 slot machines.

2. The Commission shall charge and collect the fee prescribed in subsection 1:

(a) On or before the last day of the last month in a calendar quarter, for the ensuing calendar quarter, from a licensee whose operation is continuing.

(b) In advance from a licensee who begins operation or puts additional slot machines into play during a calendar quarter.

3. Except as otherwise provided in NRS 463.386, no proration of the fee prescribed in subsection 1 may be allowed for any reason.

4. The operator of the location where slot machines are situated shall pay the fee prescribed in subsection 1 upon the total number of

slot machines situated in that location, whether or not the machines are owned by one or more licensee-owners.

Sec. 171. NRS 463.401 is hereby amended to read as follows:

463.401 1. In addition to any other license fees and taxes imposed by this chapter, a casino entertainment tax equivalent to 10 percent of all amounts paid for admission, food, refreshments and merchandise is hereby levied, except as *otherwise* provided in subsection 2, upon each licensed gaming establishment in this state where ~~[music and dancing privileges or any other]~~ *live* entertainment is provided to the patrons ~~[in a cabaret, nightclub, cocktail lounge or casino showroom in connection with the serving or selling of food or refreshments or the selling of any merchandise.]~~ *of the licensed gaming establishment.* Amounts paid for gratuities directly or indirectly remitted to employees of the licensee or for service charges, including those imposed in connection with use of credit cards or debit cards, that are collected and retained by persons other than the licensee are not taxable pursuant to this section.

2. A licensed gaming establishment is not subject to tax pursuant to this section if:

(a) The establishment is licensed for less than 51 slot machines, less than six games, or any combination of slot machines and games within those respective limits ~~;~~

~~—(b) The entertainment is presented in a facility that would not have been subject to taxation pursuant to 26 U.S.C. § 4231(6) as that provision existed in 1965;~~

~~—(c) The entertainment is presented in a facility that would have been subject to taxation pursuant to 26 U.S.C. § 4231(1), (2), (3), (4) or (5) as those provisions existed in 1965; or~~

~~—(d) In other cases, if:~~

~~—(1) No distilled spirits, wine or beer is served or permitted to be consumed;~~

~~—(2) Only light refreshments are served;~~

~~—(3) Where space is provided for dancing, no charge is made for dancing; and~~

~~—(4) Where music is provided or permitted, the music is provided without any charge to the owner, lessee or operator of the establishment or to any concessionaire.] ; or~~

(b) The facility in which the live entertainment is provided has a maximum seating capacity that is at least 7,500.

3. The tax imposed by this section does not apply to ~~[merchandise]~~ :

(a) Live entertainment that this state is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution.

(b) *Merchandise* sold outside the facility in which the *live* entertainment is presented, unless the purchase of the merchandise entitles the purchaser to admission to the entertainment.

(c) *Any live entertainment that is provided by or entirely for the benefit of a nonprofit organization that is recognized as exempt from taxation pursuant to 26 U.S.C. § 501(c).*

(d) *Live entertainment that is provided at a trade show.*

(e) *Music performed by musicians who move constantly through the audience if no other form of live entertainment is afforded to the patrons.*

(f) *Any boxing contest or exhibition governed by the provisions of chapter 467 of NRS.*

(g) *Live entertainment that is provided or occurs at private meetings or dinners attended by members of a particular organization or by a casual assemblage and the purpose of the event is not primarily for entertainment.*

(h) *Live entertainment presented in a common area of a shopping mall, unless the entertainment is provided in a facility located within the mall.*

4. The tax imposed by this section must be paid by the licensee of the establishment.

5. *As used in this section, “live entertainment” means any activity provided for pleasure, enjoyment, recreation, relaxation, diversion or other similar purpose by a person or persons who are physically present when providing that activity to a patron or group of patrons who are physically present.*

Sec. 172. NRS 463.4055 is hereby amended to read as follows:

463.4055 Any ticket for admission to ~~[a cabaret, nightclub, cocktail lounge or casino showroom]~~ *an activity subject to the tax imposed by NRS 463.401* must state whether the casino entertainment tax is included in the price of the ticket. If the ticket does not include such a statement, the licensed gaming establishment shall pay the casino entertainment tax on the face amount of the ticket.

Sec. 173. NRS 463.408 is hereby amended to read as follows:

463.408 1. As used in this section, “holidays or special events” refers to periods during which the influx of tourist activity in this state or any area thereof may require additional or alternative industry accommodation as determined by the Board.

2. Any licensee holding a valid license under this chapter may apply to the Board, on application forms prescribed by the Board, for a holiday or special event permit to:

(a) Increase the licensee’s game operations during holidays or special events; or

(b) Provide persons who are attending a special event with gaming in an area of the licensee's establishment to which access by the general public may be restricted.

3. The application must be filed with the Board at least 15 days before the date of the holiday or special event.

4. If the Board approves the application, it shall issue to the licensee a permit to operate presently existing games or any additional games in designated areas of the licensee's establishment. The number of additional games must not exceed 50 percent of the number of games operated by the licensee at the time the application is filed. The permit must state the period for which it is issued and the number, if any, of additional games allowed. For purposes of computation, any fractional game must be counted as one full game. The licensee shall present any such permit on the demand of any inspecting agent of the Board or Commission.

5. Before issuing any permit, the Board shall charge and collect from the licensee a fee of \$14 per game per day for each day the permit is effective. The fees are in lieu of the fees required under NRS 463.380, 463.383 and 463.390.

6. The additional games allowed under a permit must not be counted in computing the ~~casino entertainment tax under NRS 463.401.~~ *tax imposed by section 78 of this act.*

7. If any such additional games are not removed at the time the permit expires, the licensee is immediately subject to the fees provided for in this chapter.

Sec. 173.5. NRS 463.770 is hereby amended to read as follows:

463.770 1. All gross revenue from operating interactive gaming received by an establishment licensed to operate interactive gaming, regardless of whether any portion of the revenue is shared with another person, must be attributed to the licensee and counted as part of the gross revenue of the licensee for the purpose of computing the license fee required by NRS 463.370.

2. A manufacturer of interactive gaming systems who is authorized by an agreement to receive a share of the revenue from an interactive gaming system from an establishment licensed to operate interactive gaming is liable to the establishment for a portion of the license fee paid pursuant to subsection 1. The portion for which the manufacturer of interactive gaming systems is liable is ~~{6.25}~~ *6.75* percent of the amount of revenue to which the manufacturer of interactive gaming systems is entitled pursuant to the agreement.

3. For the purposes of subsection 2, the amount of revenue to which the manufacturer of interactive gaming systems is entitled pursuant to an agreement to share the revenue from an interactive gaming system:

(a) Includes all revenue of the manufacturer of interactive gaming systems that is his share of the revenue from the interactive gaming system pursuant to the agreement; and

(b) Does not include revenue that is the fixed purchase price for the sale of a component of the interactive gaming system.

Sec. 173.7. NRS 481.079 is hereby amended to read as follows:

481.079 1. Except as otherwise provided by specific statute, all taxes, license fees and money collected ~~[pursuant to NRS 481.0475]~~ *by the Department* must be deposited with the State Treasurer to the credit of the Motor Vehicle Fund.

2. If a check or any other method of payment accepted by the Department in payment of *such* fees ~~[pursuant to NRS 481.0475]~~ is dishonored upon presentation for payment:

(a) The drawer or any other person responsible for payment of the fee is subject to a ~~[service charge of \$25,]~~ *fee in the amount established by the State Controller pursuant to section 164.38 of this act* in addition to any other penalties provided by law; and

(b) The Department may require that future payments from the person be made by cashier's check, money order, traveler's check or cash.

3. The Department may adjust the amount of a deposit made with the State Treasurer to the credit of the Motor Vehicle Fund for any cash shortage or overage resulting from the collection of fees.

Sec. 174. NRS 612.265 is hereby amended to read as follows:

612.265 1. Except as otherwise provided in this section, information obtained from any employing unit or person pursuant to the administration of this chapter and any determination as to the benefit rights of any person is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person's or employing unit's identity.

2. Any claimant or his legal representative is entitled to information from the records of the Division, to the extent necessary for the proper presentation of his claim in any proceeding pursuant to this chapter. A claimant or an employing unit is not entitled to information from the records of the Division for any other purpose.

3. Subject to such restrictions as the Administrator may by regulation prescribe, the information obtained by the Division may be made available to:

(a) Any agency of this or any other state or any federal agency charged with the administration or enforcement of laws relating to unemployment compensation, public assistance, workers' compensation or labor and industrial relations, or the maintenance of a system of public employment offices;

(b) Any state or local agency for the enforcement of child support;

(c) The Internal Revenue Service of the Department of the Treasury;

(d) The Department of Taxation; and

(e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter 624 of NRS.

Information obtained in connection with the administration of the Employment Service may be made available to persons or agencies for purposes appropriate to the operation of a public employment service or a public assistance program.

4. Upon written request made by a public officer of a local government, the Administrator shall furnish from the records of the Division the name, address and place of employment of any person listed in the records of employment of the Division. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by proper authority of the local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. The information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to that local government. The Administrator may charge a reasonable fee for the cost of providing the requested information.

5. The Administrator may publish or otherwise provide information on the names of employers, their addresses, their type or class of business or industry, and the approximate number of employees employed by each such employer, if the information released will assist unemployed persons to obtain employment or will be generally useful in developing and diversifying the economic interests of this state. Upon request by a state agency which is able to demonstrate that its intended use of the information will benefit the residents of this state, the Administrator may, in addition to the information listed in this subsection, disclose the number of employees employed by each employer and the total wages paid by each employer. The Administrator may charge a fee to cover the actual costs of any administrative expenses relating to the disclosure of this information to a state agency. The Administrator may require the state agency to certify in writing that the agency will take all actions necessary to maintain the confidentiality of the information and prevent its unauthorized disclosure.

6. Upon request therefor the Administrator shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, the name, address, ordinary occupation and employment status of each recipient of

benefits and the recipient's rights to further benefits pursuant to this chapter.

7. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this state may submit a written request to the Administrator that he furnish, from the records of the Division, the name, address and place of employment of any person listed in the records of employment of the Division. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of such a request, the Administrator shall furnish the information requested. He may charge a fee to cover the actual costs of any related administrative expenses.

8. In addition to the provisions of subsection 5, the Administrator shall provide lists containing the names and addresses of employers, ~~{the number of employees employed by each employer}~~ and *information regarding* the ~~{total}~~ wages paid by each employer to the Department of Taxation, upon request, for use in verifying returns for the ~~{business tax.}~~ *taxes imposed pursuant to sections 2 to 24, inclusive, and 40 to 63, inclusive, of this act.* The Administrator may charge a fee to cover the actual costs of any related administrative expenses.

9. A private carrier that provides industrial insurance in this state shall submit to the Administrator a list containing the name of each person who received benefits pursuant to chapters 616A to 616D, inclusive, or 617 of NRS during the preceding month and request that he compare the information so provided with the records of the Division regarding persons claiming benefits pursuant to chapter 612 of NRS for the same period. The information submitted by the private carrier must be in a form determined by the Administrator and must contain the social security number of each such person. Upon receipt of the request, the Administrator shall make such a comparison and, if it appears from the information submitted that a person is simultaneously claiming benefits under chapter 612 of NRS and under chapters 616A to 616D, inclusive, or 617 of NRS, the Administrator shall notify the Attorney General or any other appropriate law enforcement agency. The Administrator shall charge a fee to cover the actual costs of any related administrative expenses.

10. The Administrator may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of this chapter, and may in connection with the request transmit any such report or

return to the Comptroller of the Currency of the United States as provided in Section 3305(c) of the Internal Revenue Code of 1954.

11. If any employee or member of the Board of Review, the Administrator or any employee of the Administrator, in violation of the provisions of this section, discloses information obtained from any employing unit or person in the administration of this chapter, or if any person who has obtained a list of applicants for work, or of claimants or recipients of benefits pursuant to this chapter uses or permits the use of the list for any political purpose, he is guilty of a gross misdemeanor.

12. All letters, reports or communications of any kind, oral or written, from the employer or employee to each other or to the Division or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of this chapter.

Sec. 175. NRS 612.618 is hereby amended to read as follows:

612.618 1. If a check is tendered on or before the due date in payment of contributions but is afterward dishonored by the financial institution on which it is drawn, the check does not constitute timely payment unless the Administrator determines that dishonor occurred because of fault on the part of the financial institution.

2. The Administrator ~~may~~ *shall* charge an additional fee ~~of not more than \$25~~ *in the amount established by the State Controller pursuant to section 164.38 of this act* for handling against a person who presents a check afterward dishonored. The fee must be deposited in the Unemployment Compensation Administration Fund.

Sec. 176. NRS 616B.012 is hereby amended to read as follows:

616B.012 1. Except as otherwise provided in this section and in NRS 616B.015, 616B.021 and 616C.205, information obtained from any insurer, employer or employee is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person's identity.

2. Any claimant or his legal representative is entitled to information from the records of the insurer, to the extent necessary for the proper presentation of a claim in any proceeding under chapters 616A to 616D, inclusive, or chapter 617 of NRS.

3. The Division and Administrator are entitled to information from the records of the insurer which is necessary for the performance of their duties. The Administrator may, by regulation, prescribe the manner in which otherwise confidential information may be made available to:

(a) Any agency of this or any other state charged with the administration or enforcement of laws relating to industrial insurance, unemployment compensation, public assistance or labor law and industrial relations;

(b) Any state or local agency for the enforcement of child support;

(c) The Internal Revenue Service of the Department of the Treasury;

(d) The Department of Taxation; and

(e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter 624 of NRS.

Information obtained in connection with the administration of a program of industrial insurance may be made available to persons or agencies for purposes appropriate to the operation of a program of industrial insurance.

4. Upon written request made by a public officer of a local government, an insurer shall furnish from its records the name, address and place of employment of any person listed in its records. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by proper authority of the local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. The information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to that local government. The insurer may charge a reasonable fee for the cost of providing the requested information.

5. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this state may submit to the administrator a written request for the name, address and place of employment of any person listed in the records of an insurer. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of a request, the Administrator shall instruct the insurer to furnish the information requested. Upon receipt of such an instruction, the insurer shall furnish the information requested. The insurer may charge a reasonable fee to cover any related administrative expenses.

6. Upon request by the Department of Taxation, the Administrator shall provide:

(a) Lists containing the names and addresses of employers; and

(b) Other information concerning employers collected and maintained by the Administrator or the Division to carry out the

purposes of chapters 616A to 616D, inclusive, or chapter 617 of NRS,

to the Department for its use in verifying returns for the ~~{business tax.}~~ *taxes imposed pursuant to sections 2 to 24, inclusive, and 40 to 63, inclusive, of this act.* The Administrator may charge a reasonable fee to cover any related administrative expenses.

7. Any person who, in violation of this section, discloses information obtained from files of claimants or policyholders or obtains a list of claimants or policyholders under chapters 616A to 616D, inclusive, or chapter 617 of NRS and uses or permits the use of the list for any political purposes, is guilty of a gross misdemeanor.

8. All letters, reports or communications of any kind, oral or written, from the insurer, or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of chapters 616A to 616D, inclusive, or chapter 617 of NRS.

Sec. 177. (Deleted.)

Sec. 178. NRS 616B.679 is hereby amended to read as follows:

616B.679 1. Each application must include:

(a) The applicant's name and title of his position with the employee leasing company.

(b) The applicant's age, place of birth and social security number.

(c) The applicant's address.

(d) The business address of the employee leasing company.

(e) The business address of the resident agent of the employee leasing company, if the applicant is not the resident agent.

(f) If the applicant is a:

(1) Partnership, the name of the partnership and the name, address, age, social security number and title of each partner.

(2) Corporation, the name of the corporation and the name, address, age, social security number and title of each officer of the corporation.

(g) Proof of:

(1) ~~{The payment of any taxes required by chapter 364A of NRS.}~~ *Compliance with the provisions of section 108 of this act.*

(2) The payment of any premiums for industrial insurance required by chapters 616A to 617, inclusive, of NRS.

(3) The payment of contributions or payments in lieu of contributions required by chapter 612 of NRS.

(4) Insurance coverage for any benefit plan from an insurer authorized pursuant to title 57 of NRS that is offered by the employee leasing company to its employees.

(h) Any other information the Administrator requires.

2. Each application must be notarized and signed under penalty of perjury:

(a) If the applicant is a sole proprietorship, by the sole proprietor.

(b) If the applicant is a partnership, by each partner.

(c) If the applicant is a corporation, by each officer of the corporation.

3. An applicant shall submit to the Administrator any change in the information required by this section within 30 days after the change occurs. The Administrator may revoke the certificate of registration of an employee leasing company which fails to comply with the provisions of NRS 616B.670 to 616B.697, inclusive.

4. If an insurer cancels an employee leasing company's policy, the insurer shall immediately notify the Administrator in writing. The notice must comply with the provisions of NRS 687B.310 to 687B.355, inclusive, and must be served personally on or sent by first-class mail or electronic transmission to the Administrator.

Sec. 179. NRS 616B.691 is hereby amended to read as follows:

616B.691 1. For the purposes of chapters ~~636A,~~ 612 and 616A to 617, inclusive, of NRS, an employee leasing company which complies with the provisions of NRS 616B.670 to 616B.697, inclusive, shall be deemed to be the employer of the employees it leases to a client company.

2. An employee leasing company shall be deemed to be the employer of its leased employees for the purposes of sponsoring and maintaining any benefit plans.

3. An employee leasing company shall not offer its employees any self-funded insurance program. An employee leasing company shall not act as a self-insured employer or be a member of an association of self-insured public or private employers pursuant to chapters 616A to 616D, inclusive, or chapter 617 of NRS or pursuant to title 57 of NRS.

4. If an employee leasing company fails to:

(a) Pay any contributions, premiums, forfeits or interest due; or

(b) Submit any reports or other information required, pursuant to this chapter or chapter 612, 616A, 616C, 616D or 617 of NRS, the client company is jointly and severally liable for the contributions, premiums, forfeits or interest attributable to the wages of the employees leased to it by the employee leasing company.

Sec. 180. NRS 623A.240 is hereby amended to read as follows:

623A.240 1. The following fees must be prescribed by the Board and must not exceed the following amounts:

Application fee	\$200.00
Examination fee	100.00,
	plus the actual
	cost of the
	examination
Certificate of registration	25.00
Annual renewal fee	200.00
Reinstatement fee	300.00
Delinquency fee	50.00
Change of address fee	10.00
Copy of a document, per page.....	.25

2. In addition to the fees set forth in subsection 1, the Board may charge and collect a fee for any other service it provides. The fee must not exceed the cost incurred by the Board to provide the service.

3. The Board may authorize a landscape architect intern to pay the application fee or any portion of that fee during any period in which he is the holder of a certificate to practice as a landscape architect intern. If a landscape architect intern pays the fee or any portion of the fee during that period, the Board shall credit the amount paid by him towards the entire amount of the application fee for the certificate of registration required pursuant to this section.

4. The fees prescribed by the Board pursuant to this section must be paid in United States currency in the form of a check, cashier's check or money order. If any check submitted to the Board is dishonored upon presentation for payment, repayment of the fee, including the fee for a returned check ~~is~~ *in the amount established by the State Controller pursuant to section 164.38 of this act*, must be made by money order or certified check.

5. The fees prescribed by the Board pursuant to this section are nonrefundable.

Sec. 181. NRS 634.135 is hereby amended to read as follows:

634.135 1. The Board may charge and collect fees not to exceed:

For an application for a license to practice chiropractic	\$200.00
For an examination for a license to practice chiropractic	200.00
For an application for, and the issuance of, a certificate as a chiropractor's assistant	100.00
For an examination for a certificate as a chiropractor's assistant.....	100.00
For the issuance of a license to practice chiropractic....	300.00

For the annual renewal of a license to practice chiropractic	\$300.00
For the annual renewal of an inactive license to practice chiropractic.....	100.00
For the annual renewal of a certificate as a chiropractor's assistant.....	50.00
For the restoration to active status of an inactive license to practice chiropractic.....	300.00
For reinstating a license to practice chiropractic which has been suspended or revoked	500.00
For reinstating a certificate as a chiropractor's assistant which has been suspended pursuant to NRS 634.130.....	100.00
For a review of any subject on the examination	25.00
For the issuance of a duplicate license or for changing the name on a license	35.00
For written certification of licensure.....	25.00
For providing a list of persons who are licensed to practice chiropractic to a person who is not licensed to practice chiropractic.....	25.00
For providing a list of persons who were licensed to practice chiropractic following the most recent examination of the Board to a person who is not licensed to practice chiropractic.....	10.00
For a set of mailing labels containing the names and addresses of the persons who are licensed to practice chiropractic in this state.....	35.00
For a check made payable to the Board that is dishonored upon presentation for payment.....	25.00
For providing a copy of the statutes, regulations and other rules governing the practice of chiropractic in this state to a person who is not licensed to practice chiropractic.....	25.00
For each page of a list of continuing education courses that have been approved by the Board.....	.50
For an application to a preceptor program offered by the Board to graduates of chiropractic schools or colleges	35.00
For a review by the Board of a course offered by a chiropractic school or college or a course of continuing education in chiropractic.....	10.00

2. In addition to the fees set forth in subsection 1, the Board may charge and collect reasonable and necessary fees for any other service it provides.

3. For a check made payable to the Board that is dishonored upon presentation for payment, the Board shall assess and collect a fee in the amount established by the State Controller pursuant to section 164.38 of this act.

Sec. 181.30. NRS 645B.060 is hereby amended to read as follows:

645B.060 1. Subject to the administrative control of the Director of the Department of Business and Industry, the Commissioner shall exercise general supervision and control over mortgage brokers doing business in this state.

2. In addition to the other duties imposed upon him by law, the Commissioner shall:

(a) Adopt any regulations that are necessary to carry out the provisions of this chapter, except as to loan brokerage fees.

(b) Conduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner.

(c) Conduct an annual examination of each mortgage broker doing business in this state. The annual examination must include, without limitation, a formal exit review with the mortgage broker. The Commissioner shall adopt regulations prescribing:

(1) Standards for determining the rating of each mortgage broker based upon the results of the annual examination; and

(2) Procedures for resolving any objections made by the mortgage broker to the results of the annual examination. The results of the annual examination may not be opened to public inspection pursuant to NRS 645B.090 until any objections made by the mortgage broker have been decided by the Commissioner.

(d) Conduct such other examinations, periodic or special audits, investigations and hearings as may be necessary and proper for the efficient administration of the laws of this state regarding mortgage brokers and mortgage agents. The Commissioner shall adopt regulations specifying the general guidelines that will be followed when a periodic or special audit of a mortgage broker is conducted pursuant to this chapter.

(e) Classify as confidential certain records and information obtained by the Division when those matters are obtained from a governmental agency upon the express condition that they remain confidential. This paragraph does not limit examination by ~~the~~ :

(1) The Legislative Auditor ~~[-]~~; or

(2) The Department of Taxation if necessary to carry out the provisions of sections 2 to 24, inclusive, of this act.

(f) Conduct such examinations and investigations as are necessary to ensure that mortgage brokers meet the requirements of

this chapter for obtaining a license, both at the time of the application for a license and thereafter on a continuing basis.

3. For each special audit, investigation or examination, a mortgage broker shall pay a fee based on the rate established pursuant to NRS 658.101.

Sec. 181.32. NRS 645B.670 is hereby amended to read as follows:

645B.670 Except as otherwise provided in NRS 645B.690:

1. For each violation committed by an applicant, whether or not he is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than \$10,000, if the applicant:

(a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

(b) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by him, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or

(c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his application for a license or during the course of the investigation of his application for a license.

2. For each violation committed by a licensee, the Commissioner may impose upon the licensee an administrative fine of not more than \$10,000, may suspend, revoke or place conditions upon his license, or may do both, if the licensee, whether or not acting as such:

(a) Is insolvent;

(b) Is grossly negligent or incompetent in performing any act for which he is required to be licensed pursuant to the provisions of this chapter;

(c) Does not conduct his business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;

(d) Is in such financial condition that he cannot continue in business with safety to his customers;

(e) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(f) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the licensee knew or, by the exercise of reasonable diligence, should have known;

(g) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the licensee possesses and which, if submitted by him, would

have rendered the licensee ineligible to be licensed pursuant to the provisions of this chapter;

(h) Has failed to account to persons interested for all money received for a trust account;

(i) Has refused to permit an examination by the Commissioner of his books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;

(j) Has been convicted of, or entered a plea of nolo contendere to, a felony or any crime involving fraud, misrepresentation or moral turpitude;

(k) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the licensee is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;

(l) Has failed to satisfy a claim made by a client which has been reduced to judgment;

(m) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

(n) Has commingled the money or other property of a client with his own or has converted the money or property of others to his own use;

(o) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;

(p) Has repeatedly violated the policies and procedures of the mortgage broker;

(q) Has failed to exercise reasonable supervision over the activities of a mortgage agent as required by NRS 645B.460;

(r) Has instructed a mortgage agent to commit an act that would be cause for the revocation of the license of the mortgage broker, whether or not the mortgage agent commits the act;

(s) Has employed a person as a mortgage agent or authorized a person to be associated with the licensee as a mortgage agent at a time when the licensee knew or, in light of all the surrounding facts and circumstances, reasonably should have known that the person:

(1) Had been convicted of, or entered a plea of nolo contendere to, a felony or any crime involving fraud, misrepresentation or moral turpitude; or

(2) Had a financial services license or registration suspended or revoked within the immediately preceding 10 years; ~~for~~

(t) *Has failed to pay a tax as required pursuant to the provisions of sections 2 to 24, inclusive, of this act; or*

(u) Has not conducted verifiable business as a mortgage broker for 12 consecutive months, except in the case of a new applicant.

The Commissioner shall determine whether a mortgage broker is conducting business by examining the monthly reports of activity submitted by the licensee or by conducting an examination of the licensee.

Sec. 181.34. NRS 645E.300 is hereby amended to read as follows:

645E.300 1. Subject to the administrative control of the Director of the Department of Business and Industry, the Commissioner shall exercise general supervision and control over mortgage companies doing business in this state.

2. In addition to the other duties imposed upon him by law, the Commissioner shall:

(a) Adopt any regulations that are necessary to carry out the provisions of this chapter, except as to loan fees.

(b) Conduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner.

(c) Conduct an annual examination of each mortgage company doing business in this state.

(d) Conduct such other examinations, periodic or special audits, investigations and hearings as may be necessary and proper for the efficient administration of the laws of this state regarding mortgage companies.

(e) Classify as confidential certain records and information obtained by the Division when those matters are obtained from a governmental agency upon the express condition that they remain confidential. This paragraph does not limit examination by ~~the~~ :

(1) The Legislative Auditor ~~+~~; or

(2) The Department of Taxation if necessary to carry out the provisions of sections 2 to 24, inclusive, of this act.

(f) Conduct such examinations and investigations as are necessary to ensure that mortgage companies meet the requirements of this chapter for obtaining a license, both at the time of the application for a license and thereafter on a continuing basis.

3. For each special audit, investigation or examination, a mortgage company shall pay a fee based on the rate established pursuant to NRS 658.101.

Sec. 181.36. NRS 645E.670 is hereby amended to read as follows:

645E.670 1. For each violation committed by an applicant, whether or not he is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than \$10,000, if the applicant:

(a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

(b) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by him, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or

(c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his application for a license or during the course of the investigation of his application for a license.

2. For each violation committed by a licensee, the Commissioner may impose upon the licensee an administrative fine of not more than \$10,000, may suspend, revoke or place conditions upon his license, or may do both, if the licensee, whether or not acting as such:

(a) Is insolvent;

(b) Is grossly negligent or incompetent in performing any act for which he is required to be licensed pursuant to the provisions of this chapter;

(c) Does not conduct his business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;

(d) Is in such financial condition that he cannot continue in business with safety to his customers;

(e) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(f) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the licensee knew or, by the exercise of reasonable diligence, should have known;

(g) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the licensee possesses and which, if submitted by him, would have rendered the licensee ineligible to be licensed pursuant to the provisions of this chapter;

(h) Has failed to account to persons interested for all money received for a trust account;

(i) Has refused to permit an examination by the Commissioner of his books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;

(j) Has been convicted of, or entered a plea of nolo contendere to, a felony or any crime involving fraud, misrepresentation or moral turpitude;

(k) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the licensee is required to

pay pursuant to this chapter or a regulation adopted pursuant to this chapter;

(l) *Has failed to pay a tax as required pursuant to the provisions of sections 2 to 24, inclusive, of this act;*

(m) Has failed to satisfy a claim made by a client which has been reduced to judgment;

~~[(m)]~~ (n) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

~~[(n)]~~ (o) Has commingled the money or other property of a client with his own or has converted the money or property of others to his own use; or

~~[(o)]~~ (p) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice.

Sec. 181.38. NRS 649.395 is hereby amended to read as follows:

649.395 1. The Commissioner may impose an administrative fine, not to exceed \$500 for each violation, or suspend or revoke the license of a collection agency, or both impose a fine and suspend or revoke the license, by an order made in writing and filed in his office and served on the licensee by registered or certified mail at the address shown in the records of the Commissioner, if:

(a) The licensee is adjudged liable in any court of law for breach of any bond given under the provisions of this chapter; ~~[(a)]~~

(b) After notice and hearing, the licensee is found guilty of:

(1) Fraud or misrepresentation;

(2) An act or omission inconsistent with the faithful discharge of his duties and obligations; or

(3) A violation of any provision of this chapter ~~[(3)]~~; or

(c) The Commissioner determines that the licensee has failed to pay a tax as required pursuant to the provisions of sections 2 to 24, inclusive, of this act.

2. The Commissioner may suspend or revoke the license of a collection agency without notice and hearing if:

(a) The suspension or revocation is necessary for the immediate protection of the public; and

(b) The licensee is afforded a hearing to contest the suspension or revocation within 20 days after the written order of suspension or revocation is served upon the licensee.

3. Upon revocation of his license, all rights of the licensee under this chapter terminate, and no application may be received from any person whose license has once been revoked.

Sec. 181.40. NRS 658.151 is hereby amended to read as follows:

658.151 1. The Commissioner may forthwith take possession of the business and property of any depository institution to which

this title or title 56 of NRS applies when it appears that the depository institution:

- (a) Has violated its charter or any laws applicable thereto.
- (b) Is conducting its business in an unauthorized or unsafe manner.
- (c) Is in an unsafe or unsound condition to transact its business.
- (d) Has an impairment of its stockholders' or members' equity.
- (e) Has refused to pay its depositors in accordance with the terms on which such deposits were received, or has refused to pay its holders of certificates of indebtedness or investment in accordance with the terms upon which those certificates of indebtedness or investment were sold.
- (f) Has become otherwise insolvent.
- (g) Has neglected or refused to comply with the terms of a lawful order of the Commissioner.
- (h) Has refused, upon proper demand, to submit its records, affairs and concerns for inspection and examination of an appointed or authorized examiner of the Commissioner.
- (i) Has made a voluntary assignment of its assets to trustees.

(j) Has failed to pay a tax as required pursuant to the provisions of sections 2 to 24, inclusive, of this act.

2. The Commissioner also may forthwith take possession of the business and property of any depository institution to which this title or title 56 of NRS applies when it appears that the officers of the depository institution have refused to be examined upon oath regarding its affairs.

Sec. 181.42. NRS 665.133 is hereby amended to read as follows:

665.133 1. The records and information described in NRS 665.130 may be disclosed to:

- (a) An agency of the Federal Government or of another state which regulates the financial institution which is the subject of the records or information;
- (b) The Director of the Department of Business and Industry for his confidential use;
- (c) The State Board of Finance for its confidential use, if the report or other information is necessary for the State Board of Finance to perform its duties under this title;
- (d) *The Department of Taxation for its use in carrying out the provisions of sections 2 to 24, inclusive, of this act;*

(e) An entity which insures or guarantees deposits;

~~(f)~~ (f) A public officer authorized to investigate criminal charges in connection with the affairs of the depository institution;

~~(g)~~ (g) A person preparing a proposal for merging with or acquiring an institution or holding company, but only after notice of the disclosure has been given to the institution or holding company;

~~[(e)]~~ (h) Any person to whom the subject of the report has authorized the disclosure;

~~[(h)]~~ (i) Any other person if the Commissioner determines, after notice and opportunity for hearing, that disclosure is in the public interest and outweighs any potential harm to the depository institution and its stockholders, members, depositors and creditors; and

~~[(i)]~~ (j) Any court in a proceeding initiated by the Commissioner concerning the financial institution.

2. All the reports made available pursuant to this section remain the property of the Division of Financial Institutions, and no person, agency or authority to whom the reports are made available, or any officer, director or employee thereof, may disclose any of the reports or any information contained therein, except in published statistical material that does not disclose the affairs of any natural person or corporation.

Sec. 181.44. NRS 673.484 is hereby amended to read as follows:

673.484 The Commissioner may after notice and hearing suspend or revoke the charter of any association for ~~repeated~~ :

1. *Repeated* failure to abide by the provisions of this chapter or the regulations adopted thereunder.

2. *Failure to pay a tax as required pursuant to the provisions of sections 2 to 24, inclusive, of this act.*

Sec. 181.46. NRS 675.440 is hereby amended to read as follows:

675.440 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, he shall give 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.

2. At the conclusion of a hearing, the Commissioner shall:

(a) Enter a written order either dismissing the charges, revoking the license, or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. A copy of the order must be sent by registered or certified mail to the licensee.

(b) Impose upon the licensee a fine of \$500 for each violation by the licensee of any provision of this chapter or any lawful regulation adopted under it.

(c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including his investigative costs and attorney's fees.

3. The grounds for revocation or suspension of a license are that:

(a) The licensee has failed to pay the annual license fee;

(b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter or any lawful regulation adopted under it;

(c) *The licensee has failed to pay a tax as required pursuant to the provisions of sections 2 to 24, inclusive, of this act;*

(d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license hereunder; or

~~[(d)]~~ (e) The applicant failed to open an office for the conduct of the business authorized under this chapter within 120 days from the date the license was issued, or has failed to remain open for the conduct of the business for a period of 120 days without good cause therefor.

4. Any revocation or suspension applies only to the license granted to a person for the particular office for which grounds for revocation or suspension exist.

5. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 181.48. NRS 676.290 is hereby amended to read as follows:

676.290 1. The Commissioner may, pursuant to the procedure provided in this chapter, deny, suspend or revoke any license for which application has been made or which has been issued under the provisions of this chapter if he finds, as to the licensee, its associates, directors or officers, grounds for action.

2. Any one of the following grounds may provide the requisite grounds for denial, suspension or revocation:

(a) Conviction of a felony or of a misdemeanor involving moral turpitude.

(b) Violation of any of the provisions of this chapter or regulations of the Commissioner.

(c) Fraud or deceit in procuring the issuance of the license.

(d) Continuous course of unfair conduct.

(e) Insolvency, filing in bankruptcy, receivership or assigning for the benefit of creditors by any licensee or applicant for a license under this chapter.

(f) *Failure to pay a tax as required pursuant to the provisions of sections 2 to 24, inclusive, of this act.*

(g) Failure to pay the fee for renewal or reinstatement of a license.

3. The Commissioner shall, after notice and hearing, impose upon the licensee a fine of \$500 for each violation by the licensee of any of the provisions of this chapter or regulations of the Commissioner. If a fine is imposed pursuant to this section, the

costs of the proceeding, including investigative costs and attorney's fees, may be recovered by the Commissioner.

Sec. 181.50. NRS 677.510 is hereby amended to read as follows:

677.510 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, he shall give 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.

2. At the conclusion of a hearing, the Commissioner shall:

(a) Enter a written order either dismissing the charges, or revoking the license, or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. A copy of the order must be sent by registered or certified mail to the licensee.

(b) Impose upon the licensee a fine of \$500 for each violation by the licensee of any provision of this chapter or any lawful regulation adopted pursuant thereto.

(c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including his investigative costs and attorney's fees.

3. The grounds for revocation or suspension of a license are that:

(a) The licensee has failed to pay the annual license fee;

(b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter, or any lawful regulation adopted pursuant thereto;

(c) *The licensee has failed to pay a tax as required pursuant to the provisions of sections 2 to 24, inclusive, of this act;*

(d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license hereunder; or

~~[(d)]~~ (e) The applicant failed to open an office for the conduct of the business authorized under this chapter within 120 days from the date the license was issued, or has failed to remain open for the conduct of the business for a period of 120 days without good cause therefor.

4. Any revocation or suspension applies only to the license granted to a person for the particular office for which grounds for revocation or suspension exist.

5. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 182. NRS 679B.228 is hereby amended to read as follows:

679B.228 The Division ~~may~~ *shall* charge a person a fee ~~of \$25~~ *in the amount established by the State Controller pursuant to section 164.38 of this act* for each check returned to the Division because the person had insufficient money or credit with the drawee to pay the check or because the person stopped payment on the check.

Sec. 183. NRS 687A.130 is hereby amended to read as follows:

687A.130 The Association is exempt from payment of all fees and all taxes levied by this state or any of its subdivisions, except taxes ~~levied~~ :

1. *Levied* on real or personal property ~~or~~ ; or
2. *Imposed pursuant to the provisions of sections 2 to 24, inclusive, or 40 to 63, inclusive, of this act.*

Sec. 183.3. NRS 694C.450 is hereby amended to read as follows:

694C.450 1. Except as otherwise provided in this section, a captive insurer shall pay to the Division, not later than March 1 of each year, a tax at the rate of:

(a) Two-fifths of 1 percent on the first \$20,000,000 of its net direct premiums;

(b) One-fifth of 1 percent on the next \$20,000,000 of its net direct premiums; and

(c) Seventy-five thousandths of 1 percent on each additional dollar of its net direct premiums.

2. Except as otherwise provided in this section, a captive insurer shall pay to the Division, not later than March 1 of each year, a tax at a rate of:

(a) Two hundred twenty-five thousandths of 1 percent on the first \$20,000,000 of revenue from assumed reinsurance premiums;

(b) One hundred fifty thousandths of 1 percent on the next \$20,000,000 of revenue from assumed reinsurance premiums; and

(c) Twenty-five thousandths of 1 percent on each additional dollar of revenue from assumed reinsurance premiums.

The tax on reinsurance premiums pursuant to this subsection must not be levied on premiums for risks or portions of risks which are subject to taxation on a direct basis pursuant to subsection 1. A captive insurer is not required to pay any reinsurance premium tax pursuant to this subsection on revenue related to the receipt of assets by the captive insurer in exchange for the assumption of loss reserves and other liabilities of another insurer that is under common ownership and control with the captive insurer, if the transaction is part of a plan to discontinue the operation of the other

insurer and the intent of the parties to the transaction is to renew or maintain such business with the captive insurer.

3. If the sum of the taxes to be paid by a captive insurer calculated pursuant to subsections 1 and 2 is less than \$5,000 in any given year, the captive insurer shall pay a tax of \$5,000 for that year.

4. Two or more captive insurers under common ownership and control must be taxed as if they were a single captive insurer.

5. Notwithstanding any specific statute to the contrary, ~~and~~ except as otherwise provided in this subsection, the tax provided for by this section constitutes all the taxes collectible pursuant to the laws of this state from a captive insurer, and no occupation tax or other taxes may be levied or collected from a captive insurer by this state or by any county, city or municipality within this state, except for *taxes imposed pursuant to the provisions of sections 2 to 24, inclusive, or 40 to 63, inclusive, of this act and* ad valorem taxes on real or personal property located in this state used in the production of income by the captive insurer.

6. Ten percent of the revenues collected from the tax imposed pursuant to this section must be deposited with the State Treasurer for credit to the Account for the Regulation and Supervision of Captive Insurers created pursuant to NRS 694C.460. The remaining 90 percent of the revenues collected must be deposited with the State Treasurer for credit to the State General Fund.

7. As used in this section, unless the context otherwise requires:

(a) “Common ownership and control” means:

(1) In the case of a stock insurer, the direct or indirect ownership of 80 percent or more of the outstanding voting stock of two or more corporations by the same member or members.

(2) In the case of a mutual insurer, the direct or indirect ownership of 80 percent or more of the surplus and the voting power of two or more corporations by the same member or members.

(b) “Net direct premiums” means the direct premiums collected or contracted for on policies or contracts of insurance written by a captive insurer during the preceding calendar year, less the amounts paid to policyholders as return premiums, including dividends on unabsorbed premiums or premium deposits returned or credited to policyholders.

Sec. 183.5. Section 50 of this act is hereby amended to read as follows:

Sec. 50. 1. There is hereby imposed an excise tax on each employer at the rate of ~~10.71~~ **0.65** percent of the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment.

2. The tax imposed by this section must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.

3. Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:

(a) File with the Department:

(1) A return on a form prescribed by the Department; and

(2) A copy of any report required by the Employment Security Division of the Department of Employment, Training and Rehabilitation for determining the amount of the contribution required pursuant to NRS 612.535 for any wages paid by the employer during that calendar quarter; and

(b) Remit to the Department any tax due pursuant to this chapter for that calendar quarter.

4. Except as otherwise provided in subsection 5, an employer may deduct from the total amount of wages reported and upon which the excise tax is imposed pursuant to this section any amount authorized pursuant to this section that is paid by the employer for health insurance or a health benefit plan for its employees in the calendar quarter for which the tax is paid. The amounts for which the deduction is allowed include:

(a) For an employer providing a program of self-insurance for its employees, all amounts paid during the calendar quarter for claims, direct administrative services costs, including such services provided by the employer, and any premiums paid for individual or aggregate stop-loss insurance coverage. An employer is not authorized to deduct the costs of a program of self-insurance unless the program is a qualified employee welfare benefit plan pursuant to the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq.

(b) The premiums for a policy of health insurance or reinsurance for a health benefit plan for its employees.

(c) Any amounts paid by an employer to a Taft-Hartley trust formed pursuant to 29 U.S.C. § 186(c)(5) for participation in an employee welfare benefit plan.

(d) Such other similar payments for health care or insurance for health care for employees as are authorized by the Department.

5. An employer may not deduct from the wages upon which the excise tax is imposed pursuant to this section:

(a) Amounts paid for health care or premiums paid for insurance for an industrial injury or occupational disease for which coverage is required pursuant to chapters 616A to 616D, inclusive, or 617 of NRS; or

(b) Any payments made by employees for health care or health insurance or amounts deducted from the wages of employees for such care or insurance.

6. An employer claiming the deduction allowed pursuant to subsection 4 shall submit with the return filed pursuant to subsection 3 proof of the amount paid in the calendar quarter that qualifies for the deduction. If the amount of the deduction exceeds the amount of reported wages, the excess amount may be carried forward to the following calendar quarter until the deduction is exhausted.

7. As used in this section, “employee welfare benefit plan” has the meaning ascribed to it in 29 U.S.C. § 1002.

Sec. 184. Section 108 of this act is hereby amended to read as follows:

Sec. 108. 1. Except as otherwise provided in subsection 8, a person shall not conduct a business in this state unless he has a business license issued by the Department.

2. An application for a business license must:

(a) Be made upon a form prescribed by the Department;

(b) Set forth the name under which the applicant transacts or intends to transact business and the location of his place or places of business;

(c) Declare the estimated number of employees for the previous calendar quarter;

(d) Be accompanied by a fee of \$100; and

(e) Include any other information that the Department deems necessary.

3. The application must be signed by:

(a) The owner, if the business is owned by a natural person;

(b) A member or partner, if the business is owned by an association or partnership; or

(c) An officer or some other person specifically authorized to sign the application, if the business is owned by a corporation.

4. If the application is signed pursuant to paragraph (c) of subsection 3, written evidence of the signer’s authority must be attached to the application.

5. A person who has been issued a business license by the Department shall submit a fee of \$100 to the Department on or before the last day of the month in which the

anniversary date of issuance of the business license occurs in each year, unless the person submits a written statement to the Department, at least 10 days before the anniversary date, indicating that the person will not be conducting business in this state after the anniversary date. *A person who fails to submit the annual fee required pursuant to this subsection in a timely manner shall pay a penalty in the amount of \$100 in addition to the annual fee.*

6. The business license required to be obtained pursuant to this section is in addition to any license to conduct business that must be obtained from the local jurisdiction in which the business is being conducted.

7. For the purposes of sections 102 to 108, inclusive, of this act, a person shall be deemed to conduct a business in this state if a business for which the person is responsible:

(a) Is organized pursuant to title 7 of NRS, other than a business organized pursuant to chapter 82 or 84 of NRS:

(b) Has an office or other base of operations in this state; or

(c) Pays wages or other remuneration to a natural person who performs in this state any of the duties for which he is paid.

8. A person who takes part in a trade show or convention held in this state for a purpose related to the conduct of a business is not required to obtain a business license specifically for that event.

Sec. 185. Section 6 of chapter 458, Statutes of Nevada 1999, at page 2133, is hereby amended to read as follows:

Sec. 6. The amendatory provisions of *sections 2 to 5, inclusive, of* this act expire by limitation on October 1, 2029.

Sec. 185.1. Section 19 of Assembly Bill No. 553 of the 72nd Session of the Nevada Legislature is hereby amended to read as follows:

Sec. 19. Department of Human Resources.

For the support of the:

Department of Human
Resources

administration.....	\$891,287	\$888,852
Indian Affairs		
Commission.....	131,359	133,879
Developmental		
Disabilities.....	108,596	108,561
Community-Based		
Services	2,572,327	2,906,951

Grants Management		
Unit.....	\$2,862,596	\$2,859,663
Fund for a Healthy		
Nevada.....	685,135	2,128,180
Office of the State		
Public Defender.....	1,130,800	1,125,707
Division of Health Care		
Financing and Policy:		
Nevada Medicaid.....	[309,994,739]	[323,521,782]
	308,804,739	321,631,782
Health Care		
Financing and		
Policy	1,787,965	1,818,670
Nevada Check-Up		
Program.....	9,079,718	9,633,520
Aging Services		
Division:		
Aging Services		
Division.....	2,941,193	3,002,643
Senior Services		
Program.....	1,293,105	1,726,630
Senior citizens'		
property tax		
assistance.....	3,623,044	4,197,507
EPS/Homemaker		
programs	66,507	157,425
Division of Child and Family		
Services:		
Juvenile justice		
programs	707,605	707,605
UNITY/SACWIS	2,810,859	2,855,834
Children and family		
administration	6,729,770	6,871,462
Child Care Services.....	273,701	303,036
Nevada Youth		
Training Center	7,297,312	7,754,782
Caliente Youth		
Center	5,624,714	6,031,929
Youth community		
services.....	9,127,477	9,049,788
Youth alternative		
placement	1,039,521	1,039,521
Youth parole		
services.....	4,385,659	4,462,541

Northern Nevada child and adolescent services.....	\$2,074,367	\$2,162,036
Child Welfare Integration	29,544,135	31,986,727
Southern Nevada child and adolescent services	7,234,446	7,982,397
Juvenile correctional facility	3,597,991	4,771,541
Health Division:		
Office of health administration	589,085	594,472
Alcohol and drug rehabilitation	3,149,189	3,168,810
Vital statistics	685,683	700,371
Maternal child health services	1,278,193	1,283,727
Special Children's Clinic	8,189,272	8,568,135
Community health services.....	252,516	225,735
Consumer protection	1,266,785	1,284,277
Radiological health.....	263,938	100
Sexually transmitted disease control.....	1,545,894	1,545,215
Communicable disease control.....	824,815	825,030
Emergency medical services.....	757,041	758,385
Immunization program	1,497,777	1,557,492
Health aid to counties	0	100
Division of Mental Health and Developmental Services:		
Division administration	2,302,527	2,328,910
Mental health information system	422,955	422,722

Southern Nevada		
adult mental		
health services	\$39,330,129	\$44,624,326
Northern Nevada		
adult mental		
health services	19,420,431	20,949,266
Lakes Crossing		
Center	5,522,274	5,574,740
Rural clinics	6,656,963	7,218,270
Desert Regional		
Center	23,911,426	27,866,635
Sierra Regional		
Center	12,158,657	14,106,365
Rural Regional		
Center	4,409,231	5,556,937
Family preservation		
program	944,719	1,104,396
Welfare Division:		
Welfare		
administration	7,664,319	8,282,894
Welfare field		
services	20,382,465	22,601,659
Assistance to aged		
and blind	6,304,261	6,565,400
Temporary		
Assistance for		
Needy Families .	[32,005,377]	[46,698,032]
	29,303,377	42,668,032
Child Assistance		
and		
Development	9,033,701	9,033,701

Sec. 185.3. Section 35 of Assembly Bill No. 553 of the 72nd Session of the Nevada Legislature is hereby amended to read as follows:

Sec. 35. Except as otherwise provided in this section, the total amounts appropriated in section 19 of this act to each of the accounts of the Division of Health Care Financing and Policy and the Welfare Division enumerated in section 32 of this act, except for the amounts appropriated for the health care financing and policy account, the assistance to the aged and blind program, the welfare administration account, and the welfare field services account, are limits. The divisions shall not request additional money for these programs, except for:

1. Increased state costs in Fiscal Year 2004-2005 in the event that federal financial participation rates are less than legislatively approved effective on October 1, 2004;

2. Costs related to additional services mandated by the Federal Government on or after October 1, 2003, and not specifically funded in the Nevada Medicaid account in Fiscal Years 2003-2004 and 2004-2005; or

3. Increased state costs in Fiscal Year 2003-2004 and Fiscal Year 2004-2005 in the event that the annual allocation of federal Temporary Assistance for Needy Families (TANF) block grant funds is lower than the amounts approved by the Legislature for either fiscal year.

4. Increased state costs in Fiscal Year 2003-2004 and Fiscal Year 2004-2005 in the event the caseloads of the programs for Temporary Assistance for Needy Families are higher than estimated in the final legislatively approved budget, up to the amount of:

For the Fiscal Year 2003-2004..... \$3,892,000

For the Fiscal Year 2004-2005..... \$5,920,000

Sec. 185.5. Section 58 of Assembly Bill No. 553 of the 72nd Session of the Nevada Legislature is hereby amended to read as follows:

Sec. 58. 1. If projections of the ending balance of the State General Fund fall below the amount estimated by the ~~[2003]~~ Nevada Legislature for Fiscal Year 2003-2004 or 2004-2005, the Director of the Department of Administration shall report this information to the State Board of Examiners.

2. If the State Board of Examiners determines that the ending balance of the State General Fund is projected to be less than \$60,000,000 for Fiscal Year 2003-2004 or 2004-2005, the Governor, pursuant to NRS 353.225, may direct the Director of the Department of Administration to require the State Controller or the head of each department, institution or agency to set aside a reserve of not more than 15 percent of the total amount of operating expenses or other appropriations and money otherwise available to the department, institution or agency.

3. A reserve must not be set aside pursuant to this section unless:

(a) The Governor, on behalf of the State Board of Examiners, submits a report to the Legislature, or, if the Legislature is not in session, to the Interim Finance Committee, stating the reasons why a reserve is needed and indicating each department, institution or agency that will be required to set aside a reserve; and

(b) The Legislature or Interim Finance Committee approves the setting aside of the reserve.

Sec. 185.7. Section 61 of Assembly Bill No. 553 of the 72nd Session of the Nevada Legislature is hereby amended to read as follows:

Sec. 61. 1. There is hereby appropriated from the State General Fund to the Interim Finance Committee the sum of \$12,500,000 in Fiscal Year 2003-2004 and ~~[\$20,000,000]~~ **\$15,000,000** in Fiscal Year 2004-2005 for information technology and additional operational costs that may be required by the Department of Taxation or other state agency to implement or modify the collections of State General Fund revenues . ~~[approved by the 72nd Session of the Nevada Legislature.]~~

2. If the Department of Taxation or other state agency determines that additional resources are necessary for information technology or additional operational costs related to subsection 1 the State Board of Examiners shall consider the request and recommend the amount of the allocation, if any, to the Interim Finance Committee.

3. The Interim Finance Committee is not required to approve the entire amount of an allocation recommended pursuant to subsection 2 or to allocate the entire amount appropriated in subsection 1.

4. The sums appropriated by subsection 1 are available for either fiscal year. Any balance of those sums must not be committed for expenditure after June 30, 2005, and reverts to the State General Fund as soon as all payments of money committed have been made.

Sec. 185.9. Section 1 of Senate Bill No. 243 of the 72nd Session of the Nevada Legislature is hereby amended to read as follows:

Section 1. ~~[1.—There is hereby appropriated from the State General Fund to the Fund to Stabilize the Operation of State Government created by NRS 353.288 the sum of \$30,000,000.~~

~~—2.]~~ Notwithstanding the provisions of NRS 353.235:

~~[(a)]~~ **1.** Upon receipt of the projections and estimates of the Economic Forum required by paragraph (d) of subsection 1 of NRS 353.228 to be reported on or before December 1, 2004, the Interim Finance Committee shall project the ending balance of the State General Fund for Fiscal Year 2004-2005, using all relevant information known to it.

~~[(b)]~~ **2.** Except as otherwise provided in ~~[paragraph (c).]~~ **subsection 3,** there is hereby contingently appropriated from the State General Fund to the Fund to Stabilize the Operation

of State Government created by NRS 353.288 the amount, if any, by which the projection required by ~~paragraph (a)~~ **subsection 1** exceeds the amount of the ending balance of the State General Fund for Fiscal Year 2004-2005 as estimated by the ~~2003 Legislature.~~

~~(c)~~ **Nevada Legislature.**

3. The amount of any appropriation pursuant to ~~paragraph (b)~~ **subsection 2** must not exceed ~~[\$20,000,000.]~~ **\$50,000,000.**

Sec. 186. 1. NRS 364A.160, 375.025 and 375.075 are hereby repealed.

2. NRS 463.4001, 463.4002, 463.4004, 463.4006, 463.4008, 463.4009 and 463.4015 are hereby repealed.

3. NRS 364A.010, 364A.020, 364A.030, 364A.040, 364A.050, 364A.060, 364A.070, 364A.080, 364A.090, 364A.100, 364A.110, 364A.120, 364A.130, 364A.135, 364A.140, 364A.150, 364A.151, 364A.152, 364A.1525, 364A.170, 364A.175, 364A.180, 364A.190, 364A.230, 364A.240, 364A.250, 364A.260, 364A.270, 364A.280, 364A.290, 364A.300, 364A.310, 364A.320, 364A.330, 364A.340 and 364A.350 are hereby repealed.

4. NRS 463.401, 463.402, 463.403, 463.404, 463.4045, 463.405, 463.4055 and 463.406 are hereby repealed.

Sec. 187. 1. Notwithstanding the provisions of this act and any other provision of law to the contrary, a public utility or local government franchisee may increase its previously approved rates by an amount which is reasonably estimated to produce an amount of revenue equal to the amount of any tax liability incurred by the public utility or local government franchisee before January 1, 2005, as a result of the provisions of this act.

2. For the purposes of this section:

(a) "Local government franchisee" means a person to whom a local government has granted a franchise for the provision of services who is required to obtain the approval of a governmental entity to increase any of the rates it charges for those services.

(b) "Public utility" means a public utility that is required to obtain the approval of a governmental entity to increase any of the rates it charges for a utility service.

Sec. 188. Notwithstanding the provisions of NRS 353.288:

1. After the close of the 2003-2004 Fiscal Year and after the close of the 2004-2005 Fiscal Year, the Interim Finance Committee shall determine the amount, if any, by which the total revenue from all sources to the State General Fund, excluding reversions to the State General Fund, exceeds:

(a) One hundred seven percent of the total revenue from all sources to the State General Fund as projected by the Nevada Legislature for the applicable fiscal year; and

(b) The total amount of all applicable contingent appropriations enacted for the 2003-2004 Fiscal Year and the 2004-2005 Fiscal Year by the Nevada Legislature for which the conditions for the contingent appropriations were satisfied.

2. Any excess amount of revenue determined pursuant to subsection 1 must be used as follows:

(a) An amount estimated by the Interim Finance Committee to pay for expenditures that will occur in the next biennium for which the corresponding expenditures in the current biennium were paid or are to be paid from a source other than the State General Fund, but for which the alternative source of revenue likely will not be available or will not be received during the biennium, must be used to replace previously used nonrecurring revenue. This amount must be accounted for separately in the State General Fund.

(b) The remaining excess amount of revenue must be transferred to the Fund to Stabilize the Operation of the State Government created by NRS 353.288, in such an amount that does not cause the balance in the Fund to exceed the limitation on that balance set forth in NRS 353.288.

(c) Any remaining excess amount of revenue must be transferred to the Fund for Tax Accountability created pursuant to section 188.3 of this act.

Sec. 188.3. 1. The Fund for Tax Accountability is hereby created as a special revenue fund.

2. Money from the Fund may be appropriated only for the purpose of supplementing future revenue of this state to allow the reduction of the rate or amount of a tax or fee.

3. This section does not authorize a refund or other return of any tax or fee paid to this state pursuant to any statute or regulation in effect at the time the tax or fee was paid.

Sec. 188.5. 1. The Legislative Auditor shall conduct a performance audit of the Clark County School District. The performance audit must include issues identified in the Preliminary Performance Audit Survey conducted pursuant to section 46 of chapter 570, Statutes of Nevada 2001, at page 2867. These issues include, but are not limited to:

- (a) Financial management;
- (b) Facilities management;
- (c) Personnel management;
- (d) District organization; and
- (e) Employee health plans.

2. The Legislative Auditor shall conduct a performance audit of the Washoe County School District. The performance audit must include issues identified in the Preliminary Performance Audit Survey conducted pursuant to section 46 of chapter 570, Statutes of

Nevada 2001, at page 2867. These issues include, but are not limited to:

- (a) Financial management;
- (b) Facilities management;
- (c) Personnel management; and
- (d) Transportation.

3. The Legislative Auditor shall prepare a final written report for each of the audits conducted pursuant to subsections 1 and 2 and present the reports to the Audit Subcommittee of the Legislative Commission not later than February 7, 2005.

4. To the extent that the provisions of NRS 218.737 to 218.890, inclusive, are consistent with the requirements of this section, those provisions apply to the audits conducted pursuant to this section. For the purposes of this subsection, the Clark County School District and the Washoe County School District shall be deemed to be agencies of the State.

5. Upon the request of the Legislative Auditor or his authorized representative, the officers and employees of the Clark County School District and the Washoe County School District shall make available to the Legislative Auditor any of their books, accounts, claims, reports, vouchers or other records of information, confidential or otherwise and irrespective of their form or location, which the Legislative Auditor deems necessary to conduct the audits required by this section.

Sec. 188.7. The Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau shall jointly:

1. Identify all departments, institutions and agencies of the Executive Department of the State Government that administer programs for the treatment of alcohol and drug abuse or provide funding to local governments for such programs;

2. Develop a proposal for coordinating such programs, reducing the administrative costs associated with such programs and maximizing the use of state revenue being expended for such programs; and

3. Report their recommendations to the Governor and the Director of the Legislative Counsel Bureau not later than December 1, 2004.

Sec. 189. 1. There is hereby appropriated from the State General Fund to the Interim Finance Committee the sum of \$100,000 for allocation to the Legislative Committee on Taxation, Public Revenue and Tax Policy to exercise its powers pursuant to section 158 of this act, including, without limitation, to hire a consultant.

2. The Interim Finance Committee may allocate to the Legislative Committee on Taxation, Public Revenue and Tax Policy all or any portion of the money appropriated by subsection 1.

3. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2005, and reverts to the State General Fund as soon as all payments of money committed have been made.

Sec. 189.10. 1. There is hereby appropriated from the State General Fund to the State Distributive School Account the sum of \$108,937,389 for distribution by the Superintendent of Public Instruction to the county school districts for Fiscal Year 2003-2004 which must, except as otherwise provided in sections 189.14 and 189.18 of this act, be used to employ teachers to comply with the required ratio of pupils to teachers, as set forth in NRS 388.700, in grades 1 and 2 and in selected kindergartens with pupils who are considered at risk of failure by the Superintendent of Public Instruction and to maintain the current ratio of pupils per teacher in grade 3. Expenditures for the class-size reduction program must be accounted for in a separate category of expenditure in the State Distributive School Account.

2. Except as otherwise provided in sections 189.14 and 189.18 of this act, the money appropriated by subsection 1 must be used to pay the salaries and benefits of not less than 1,887 teachers employed by school districts to meet the required pupil-teacher ratios in the 2003-2004 school year.

3. Any remaining balance of the sum appropriated by subsection 1 must not be committed for expenditure after June 30, 2004, and must be transferred and added to the money appropriated to the State Distributive School Account pursuant to section 189.12 of this act for the 2004-2005 fiscal year, and may be expended as that money is expended.

Sec. 189.12. 1. There is hereby appropriated from the State General Fund to the State Distributive School Account the sum of \$117,142,553 for distribution by the Superintendent of Public Instruction to the county school districts for Fiscal Year 2004-2005 which must, except as otherwise provided in sections 189.14 and 189.18 of this act, be used to employ teachers to comply with the required ratio of pupils to teachers, as set forth in NRS 388.700, in grades 1 and 2 and in selected kindergartens with pupils who are considered at risk of failure by the Superintendent of Public Instruction and to maintain the current ratio of pupils per teacher in grade 3. Expenditures for the class-size reduction program must be accounted for in a separate category of expenditure in the State Distributive School Account.

2. Except as otherwise provided in sections 189.14 and 189.18 of this act, the money appropriated by subsection 1 must be used to

pay the salaries and benefits of not less than 1,953 teachers employed by school districts to meet the required pupil-teacher ratios in the 2004-2005 school year.

3. Any remaining balance of the sum appropriated by subsection 1, including any money added thereto pursuant to section 189.10 of this act, must not be committed for expenditure after June 30, 2005, and reverts to the State General Fund as soon as all payments of money committed have been made.

Sec. 189.14. 1. Except as otherwise provided in subsection 2, the board of trustees of each county school district:

(a) Shall file a plan with the Superintendent of Public Instruction describing how the money appropriated by sections 189.10 and 189.12 of this act will be used to comply with the required ratio of pupils to teachers in kindergarten and grades 1, 2 and 3; or

(b) May, after receiving approval of the plan from the Superintendent of Public Instruction, use the money appropriated by sections 189.10 and 189.12 of this act to carry out an alternative program for reducing the ratio of pupils per teacher or to carry out programs of remedial education that have been found to be effective in improving pupil achievement in grades 1, 2 and 3, so long as the combined ratio of pupils per teacher in the aggregate of kindergarten and grades 1, 2 and 3 of the school district does not exceed the combined ratio of pupils per teacher in the aggregate of kindergarten and grades 1, 2 and 3 of the school district in the 2000-2001 school year. The plan approved by the Superintendent of Public Instruction must describe the method to be used by the school district to evaluate the effectiveness of the alternative program or remedial programs in improving pupil achievement.

2. In lieu of complying with subsection 1, the board of trustees of a school district that is located in a county whose population is less than 100,000 may, after receiving approval of the plan from the Superintendent of Public Instruction, use the money appropriated by sections 189.10 and 189.12 of this act to carry out a program in which alternative pupil-teacher ratios are carried out in grades 1 through 5 or grades 1 through 6, as applicable. Alternative ratios for grade 6 may only be approved for those school districts that include grade 6 in elementary school. The alternative pupil-teacher ratios shall not:

(a) Exceed 22 to 1 in grades 1, 2 and 3; and

(b) Exceed 25 to 1 in grades 4 and 5 or grades 4, 5 and 6, as applicable.

3. If a school district receives approval to carry out programs of remedial education pursuant to paragraph (b) of subsection 1 or to carry out alternative pupil-teacher ratios pursuant to subsection 2, the school district shall evaluate the effectiveness of the alternative

program. The evaluation must include, without limitation, the effect of the alternative program on:

- (a) Team-teaching;
- (b) Pupil discipline; and
- (c) The academic achievement of pupils.

4. A school district shall submit a written report of the results of the evaluation to the Superintendent of Public Instruction on or before December 1 of each year for the immediately preceding school year. The Superintendent of Public Instruction shall summarize the results of the evaluations and report the findings in an interim report to the Legislative Committee on Education on or before February 16, 2004.

5. On or before February 1, 2005, the Superintendent of Public Instruction shall submit a final written report of the results of the evaluations of alternative class-size reduction programs to the Legislative Bureau of Educational Accountability and Program Evaluation. On or before February 15, 2005, the Legislative Bureau of Educational Accountability and Program Evaluation shall submit a copy of the written report to the Director of the Legislative Counsel Bureau for transmission to the 73rd Session of the Nevada Legislature.

6. The interim report required pursuant to subsection 4 and the final written report required pursuant to subsection 5 must include, without limitation:

- (a) The number of school districts for which an alternative class-size reduction program was approved;
- (b) A description of the approved alternative class-size reduction programs; and
- (c) The effect of the alternative class-size reduction programs on:
 - (1) Team teaching;
 - (2) Pupil discipline; and
 - (3) The academic achievement of pupils.

Sec. 189.16. 1. During the 2003-2005 biennium, a school district that is located in a county whose population is 100,000 or more shall study the current class-sizes in the school district for grades 1 to 5, inclusive, to determine whether alternative pupil-teacher ratios may:

- (a) Improve the academic achievement of pupils;
- (b) Decrease pupil discipline; or
- (c) Decrease or eliminate team-teaching in grades 1 and 2.

2. In conducting the study, the school district shall consider the costs that would be associated with carrying out the alternative pupil-teacher ratios, including, without limitation, the:

- (a) Number of additional classrooms needed; and
- (b) Number of additional teachers needed.

3. On or before February 15, 2005, each school district that conducts a study of alternative pupil-teacher ratios pursuant to this section shall submit a written report of its findings concerning alternative pupil-teacher ratios to the:

(a) Director of the Legislative Counsel Bureau for transmission to the 73rd Session of the Nevada Legislature;

(b) Legislative Bureau of Educational Accountability and Program Evaluation; and

(c) State Board of Education.

Sec. 189.18. 1. The money appropriated for class-size reduction pursuant to sections 189.10 and 189.12 of this act:

(a) May be applied first to pupils considered most at risk of failure.

(b) Must not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district and the school district, or to settle any negotiations.

(c) Must not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.

2. The money appropriated for class-size reduction pursuant to sections 189.10 and 189.12 of this act must not be distributed to a school district unless that school district has:

(a) Filed with the Department of Education a plan for achieving the required ratio set forth in NRS 388.700; and

(b) Demonstrated that, from resources of the school district other than allocations received from the State Distributive School Account for class-size reduction, a sufficient number of classroom teachers have been employed to maintain the average pupil-teacher ratio that existed for each grade for grades 1, 2 and 3, in that school district for the 3 school years immediately preceding the start of the class-size reduction program in the 1990-1991 school year. In addition, if a school district uses the allocations received from the State Distributive School Account for class-size reduction to carry out an alternative class-size reduction program as set forth in subsection 2 of section 189.14 of this act, a sufficient number of teachers have been employed to maintain the average pupil-teacher ratio that existed in each grade so reduced, in that school district for the 3 years immediately preceding the implementation of the alternative program.

Sec. 189.20. In no event may the alternative pupil-teacher ratios authorized pursuant to subsection 2 of section 189.14 of this act be carried out beyond the 2003-2005 biennium unless the 73rd Session of the Nevada Legislature determines that the alternative pupil-teacher ratios may be carried out after June 30, 2005.

Sec. 189.21. Notwithstanding the provisions of section 164.50 of this act, the Department of Education, the Budget Division of the Department of Administration and the Fiscal Analysis Division of

the Legislative Counsel Bureau shall carry out the provisions of subsections 1 and 2 of that section for fiscal year 2003-2004 as soon as practicable after the effective date of that section.

Sec. 189.22. The basic support guarantee for school districts for operating purposes for the 2003-2004 Fiscal Year is an estimated weighted average of \$4,295 per pupil. For each respective school district, the basic support guarantee per pupil for the 2003-2004 Fiscal Year is:

Carson City.....	\$4,923
Churchill County.....	\$5,418
Clark County	\$4,127
Douglas County.....	\$4,541
Elko County	\$5,307
Esmeralda County	\$9,169
Eureka County.....	\$3,495
Humboldt County.....	\$5,362
Lander County.....	\$4,836
Lincoln County.....	\$7,943
Lyon County.....	\$5,553
Mineral County	\$6,012
Nye County	\$5,561
Pershing County	\$6,385
Storey County.....	\$7,082
Washoe County.....	\$4,161
White Pine County	\$6,164

Sec. 189.24. 1. The basic support guarantee for school districts for operating purposes for the 2004-2005 Fiscal Year is an estimated weighted average of \$4,424 per pupil.

2. On or before April 1, 2004, the Department of Taxation shall provide a certified estimate of the assessed valuation for each school district for the 2004-2005 Fiscal Year. The assessed valuation for each school district must be that which is taxable for purposes of providing revenue to school districts, including any assessed valuation attributable to the net proceeds of minerals derived from within the boundaries of the district.

3. Pursuant to NRS 362.115, on or before April 25 of each year, the Department of Taxation shall provide an estimate of the net proceeds of minerals based upon statements required of mine operators.

4. For purposes of establishing the basic support guarantee, the estimated basic support guarantees for each school district for the 2004-2005 Fiscal Year for operating purposes are:

<u>School District</u>	<u>Basic Support Guarantee Before Adjustment</u>	<u>Estimated Ad Valorem Adjustment</u>	<u>Estimated Basic Support Guarantee as Adjusted</u>
Carson City	\$4,462	\$643	\$5,105
Churchill County	\$5,094	\$514	\$5,608
Clark County	\$3,328	\$921	\$4,249
Douglas County	\$3,196	\$1,451	\$4,647
Elko County	\$5,004	\$508	\$5,512
Esmeralda County	\$6,596	\$2,987	\$9,583
Eureka County	\$(5,236)	\$9,304	\$4,068
Humboldt County	\$5,006	\$642	\$5,648
Lander County	\$3,741	\$1,328	\$5,069
Lincoln County	\$7,519	\$664	\$8,183
Lyon County	\$5,149	\$593	\$5,742
Mineral County	\$5,792	\$473	\$6,265
Nye County	\$4,888	\$877	\$5,765
Pershing County	\$5,714	\$949	\$6,663
Storey County	\$5,559	\$1,848	\$7,407
Washoe County	\$3,393	\$908	\$4,301
White Pine County	\$5,915	\$482	\$6,397

5. The ad valorem adjustment may be made only to take into account the difference in the assessed valuation and the estimated enrollment of the school district between the amount estimated as of April 1, 2003, and the amount estimated as of April 1, 2004, for the 2004-2005 Fiscal Year. Estimates of net proceeds of minerals received from the Department of Taxation on or before April 25 pursuant to subsection 3 must be taken into consideration in determining the adjustment.

6. Upon receipt of the certified estimates of assessed valuations as of April 1, 2004, from the Department of Taxation, the Department of Education shall recalculate the amount of ad valorem adjustment and the tentative basic support guarantee for operating purposes for the 2004-2005 Fiscal Year by April 15, 2004. The final basic support guarantee for each school district for the 2004-2005 Fiscal Year is the amount, which is recalculated for the 2004-2005 Fiscal Year pursuant to this section, taking into consideration estimates of net proceeds of minerals received from the Department of Taxation on or before April 25, 2004. The basic support guarantee recalculated pursuant to this section must be calculated before May 31, 2004.

Sec. 189.26. 1. The basic support guarantee for each special education program unit that is maintained and operated for at least 9 months of a school year is \$31,811 in the 2003-2004 Fiscal Year

and \$32,447 in the 2004-2005 Fiscal Year, except as limited by subsection 2.

2. The maximum number of units and amount of basic support for special education program units within each of the school districts, before any reallocation pursuant to NRS 387.1221, for the Fiscal Years 2003-2004 and 2004-2005 are:

<u>DISTRICT</u>	<u>Allocation of Special Education Units</u>			
	<u>2003-2004</u>		<u>2004-2005</u>	
	<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>
Carson City	82	\$2,608,502	84	\$2,725,548
Churchill County	45	\$1,431,495	46	\$1,492,562
Clark County	1,594	\$50,706,734	1,661	\$53,894,467
Douglas County	64	\$2,035,904	65	\$2,109,055
Elko County	80	\$2,544,880	80	\$2,595,760
Esmeralda County	2	\$63,622	2	\$64,894
Eureka County	4	\$127,244	4	\$129,788
Humboldt County	30	\$954,330	30	\$973,410
Lander County	12	\$381,732	12	\$389,364
Lincoln County	17	\$540,787	17	\$551,599
Lyon County	56	\$1,781,416	57	\$1,849,479
Mineral County	12	\$381,732	12	\$389,364
Nye County	47	\$1,495,117	50	\$1,622,350
Pershing County	14	\$445,354	14	\$454,258
Storey County	8	\$254,488	8	\$259,576
Washoe County	491	\$15,619,201	510	\$16,547,970
White Pine County	17	\$540,787	16	\$519,152
Subtotal	<u>2,575</u>	<u>\$81,913,325</u>	<u>2,668</u>	<u>\$86,568,596</u>
Reserved by State Board of Education	<u>40</u>	<u>\$1,272,440</u>	<u>40</u>	<u>\$1,297,880</u>
TOTAL	<u>2,615</u>	<u>\$83,185,765</u>	<u>2,708</u>	<u>\$87,866,476</u>

3. The State Board of Education shall reserve 40 special education program units in each fiscal year of the 2003-2005 biennium, to be allocated to school districts by the State Board of Education to meet additional needs that cannot be met by the allocations provided in subsection 2 to school districts for that fiscal year. In addition, charter schools in this state are authorized to apply directly to the Department of Education for the reserved special education program units, which may be allocated upon approval of the State Board of Education.

4. Notwithstanding the provisions of subsections 2 and 3, the State Board of Education is authorized to spend from the State Distributive School Account up to \$181,067 in the Fiscal Year 2003-2004 for 5.69 special education program units and \$190,877 in the Fiscal Year 2004-2005 for 5.88 special education program units

for instructional programs incorporating educational technology for gifted and talented pupils. Any school district may submit a written application to the Department of Education requesting one or more of the units for gifted and talented pupils. For each fiscal year of the 2003-2005 biennium, the Department will award the units for gifted and talented pupils based on a review of applications received from school districts.

Sec. 189.28. 1. There is hereby appropriated from the State General Fund to the State Distributive School Account in the State General Fund created pursuant to NRS 387.030:

For the 2003-2004 Fiscal Year..... \$637,789,627

For the 2004-2005 Fiscal Year..... \$767,086,697

2. The money appropriated by subsection 1 must be:

(a) Expended in accordance with NRS 353.150 to 353.245, inclusive, concerning the allotment, transfer, work program and budget; and

(b) Work-programmed for the 2 separate Fiscal Years 2003-2004 and 2004-2005, as required by NRS 353.215. Work programs may be revised with the approval of the Governor upon the recommendation of the Chief of the Budget Division of the Department of Administration.

3. Transfers to and from allotments must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate considerations of the merits of each request.

4. The sums appropriated by subsection 1 are available for either fiscal year or may be transferred to Fiscal Year 2002-2003. Money may be transferred from one fiscal year to another with the approval of the Governor upon the recommendation of the Chief of the Budget Division of the Department of Administration. If funds appropriated by subsection 1 are transferred to Fiscal Year 2002-2003, any remaining funds in the State Distributive School Account after all obligations have been met that are not subject to reversion to the State General Fund must be transferred back to Fiscal Year 2003-2004. Any amount transferred back to Fiscal Year 2003-2004 must not exceed the amount originally transferred to Fiscal Year 2002-2003.

5. Any remaining balance of the appropriation made by subsection 1 for the 2003-2004 Fiscal Year must be transferred and added to the money appropriated for the 2004-2005 Fiscal Year and may be expended as that money is expended.

6. Any remaining balance of the appropriation made by subsection 1 for the 2004-2005 Fiscal Year, including any money added thereto pursuant to the provisions of subsections 3 and 5, must not be committed for expenditure after June 30, 2005, and reverts to the State General Fund as soon as all payments of money committed have been made.

Sec. 189.30. 1. Expenditure of \$203,448,548 by the Department of Education from money in the State Distributive School Account that was not appropriated from the State General Fund is hereby authorized during the fiscal year beginning July 1, 2003.

2. Expenditure of \$142,024,404 by the Department of Education from money in the State Distributive School Account that was not appropriated from the State General Fund is hereby authorized during the fiscal year beginning July 1, 2004.

3. For purposes of accounting and reporting, the sums authorized for expenditure by subsections 1 and 2 are considered to be expended before any appropriation is made to the State Distributive School Account from the State General Fund.

4. The money authorized to be expended by subsections 1 and 2 must be expended in accordance with NRS 353.150 to 353.245, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and from allotments must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

5. The Chief of the Budget Division of the Department of Administration may, with the approval of the Governor, authorize the augmentation of the amounts authorized for expenditure by the Department of Education, in subsections 1 and 2, for the purpose of meeting obligations of the State incurred under chapter 387 of NRS with amounts from any other state agency, from any agency of local government, from any agency of the Federal Government or from any other source that he determines is in excess of the amount taken into consideration by this act. The Chief of the Budget Division of the Department of Administration shall reduce any authorization whenever he determines that money to be received will be less than the amount authorized in subsections 1 and 2.

Sec. 189.32. During each of the Fiscal Years 2003-2004 and 2004-2005, whenever the State Controller finds that current claims against the State Distributive School Account in the State General Fund exceed the amount available in the Account to pay those claims, he may advance temporarily from the State General Fund to the State Distributive School Account the amount required to pay the claims, but not more than the amount expected to be received in the current fiscal year from any source authorized for the State Distributive School Account. No amount may be transferred unless requested by the Chief of the Budget Division of the Department of Administration.

Sec. 189.34. The Department of Education is hereby authorized to spend from the State Distributive School Account the sums of \$16,926,569 for the 2003-2004 Fiscal Year and \$17,843,596 for the 2004-2005 Fiscal Year for the support of

courses which are approved by the Department of Education as meeting the course of study for an adult standard high school diploma as approved by the State Board of Education. In each fiscal year of the 2003-2005 biennium, the sum authorized must be allocated among the various school districts in accordance with a plan or formula developed by the Department of Education to ensure the money is distributed equitably and in a manner that permits accounting for the expenditures of school districts.

Sec. 189.36. The Department of Education is hereby authorized to provide from the State Distributive School Account the sum of \$50,000 to each of the 17 school districts in each fiscal year of the 2003-2005 biennium to support special counseling services for elementary school pupils at risk of failure.

Sec. 189.38. The amounts of the guarantees set forth in sections 189.22 and 189.24 of this act may be reduced to effectuate a reserve required pursuant to NRS 353.225.

Sec. 189.40. 1. The Department of Education shall transfer from the State Distributive School Account to the school districts specified in this section the following sums for Fiscal Years 2003-2004 and 2004-2005:

<u>School District</u>	<u>2003-2004</u>	<u>2004-2005</u>
Clark County School District	\$4,532,532	\$4,552,361
Douglas County School District	\$1,146,374	\$1,175,848
Elko County School District	\$1,291,907	\$1,295,158
Washoe County School District	<u>\$1,847,128</u>	<u>\$1,913,468</u>
	\$8,817,941	\$8,936,835

2. A school district that receives an allocation pursuant to subsection 1 shall:

(a) Use the money to maintain and continue the operation of a regional training program for the professional development of teachers and administrators established by the school district pursuant to NRS 391.512; and

(b) Use the money to maintain and continue the operation of the Nevada Early Literacy Intervention Program through the regional training program established pursuant to paragraph (a).

3. Any remaining balance of the transfers made by subsection 1 for the 2003-2004 Fiscal Year must be added to the money received by the school districts for the 2004-2005 Fiscal Year and may be expended as that money is expended. Any remaining balance of the transfers made by subsection 1 for the 2004-2005 Fiscal Year, including any money added from the transfer for the previous fiscal year, must not be committed for expenditure after June 30, 2005, and reverts to the State Distributive School Account as soon as all payments of money committed have been made.

Sec. 189.42. 1. The Legislative Bureau of Educational Accountability and Program Evaluation is hereby authorized to receive from the State Distributive School Account to spend for an evaluation of the regional training programs for the professional development of teachers and administrators established pursuant to NRS 391.512:

For Fiscal Year 2003-2004 \$100,000

For Fiscal Year 2004-2005 \$100,000

2. Any remaining balance of the sums authorized for expenditure by subsection 1 for the 2003-2004 Fiscal Year must be added to the money authorized for expenditure for the 2004-2005 Fiscal Year and may be expended as that money is expended. Any remaining balance of the sums authorized for expenditure pursuant to subsection 1 for the 2004-2005 Fiscal Year, including any money added from the authorization for the previous fiscal year, must not be committed for expenditure after June 30, 2005, and reverts to the State Distributive School Account as soon as all payments of money committed have been made.

Sec. 189.44. 1. The Department of Education shall transfer from the State Distributive School Account to the Statewide Council for the Coordination of the Regional Training Programs created by NRS 391.516 the sum of \$80,000 in each Fiscal Year 2003-2004 and 2004-2005 for additional training opportunities for educational administrators in Nevada.

2. The Statewide Council shall use the money:

(a) To support the goals of Nevada Project LEAD (Leadership in Educational Administration Development), as established through the Department of Educational Leadership in the College of Education, located at the University of Nevada, Reno. In supporting the goals of Nevada Project LEAD, the Statewide Council shall:

(1) Disseminate research-based knowledge related to effective educational leadership behaviors and skills; and

(2) Develop, support and maintain on-going activities, programs, training and networking opportunities.

(b) For purposes of providing additional training for educational administrators, including, without limitation, paying:

(1) Travel expenses of administrators who attend the training program;

(2) Travel and per-diem expenses for any consultants contracted to provide additional training; and

(3) Any charges to obtain a conference room for the provision of the additional training.

(c) To supplement and not replace the money that the school district, Nevada Project LEAD or the regional training program would otherwise expend for training for administrators as described in this section.

3. Any remaining balance of the transfers made by subsection 1 for the 2003-2004 Fiscal Year must be added to the money received by the Statewide Council for the 2004-2005 Fiscal Year and may be expended as that money is expended. Any remaining balance of the transfers made by subsection 1 for the 2004-2005 Fiscal Year, including any money added from the transfer for the previous fiscal year, must not be committed for expenditure after June 30, 2005, and reverts to the State Distributive School Account as soon as all payments of money committed have been made.

Sec. 189.46. 1. The Department of Education shall transfer from the State Distributive School Account the following sums for remedial education programs for certain schools:

For Fiscal Year 2003-2004.....	\$5,179,109
For Fiscal Year 2004-2005	\$5,013,874

The money allocated must be used to provide remedial education programs that have been approved by the Department as being effective in improving pupil achievement.

2. A school may submit an application to the Department of Education on or before November 1 of each fiscal year for transmission to the State Board of Examiners for an allocation from the amount authorized by subsection 1 if the school:

(a) Receives a designation as demonstrating need for improvement.

(b) Did not receive a designation as demonstrating need for improvement, but the school failed to meet adequate yearly progress; or

(c) Did not receive a designation as demonstrating need for improvement, but more than 40 percent of the pupils enrolled in the school received an average score below the 26th percentile on all four subjects tested pursuant to NRS 389.015.

3. The Department of Education shall, in consultation with the Budget Division of the Department of Administration and the Legislative Bureau of Educational Accountability and Program Evaluation, develop a form for such applications. The form must include, without limitation, a notice that money received by a school to implement or continue remedial education programs that have been approved by the Department as being effective in improving pupil achievement will be used to implement or continue the programs in a manner that has been approved by the vendor of the remedial program.

4. Upon receipt of an application submitted pursuant to subsection 2, the Department of Education shall review the application jointly with the Budget Division of the Department of Administration and the Legislative Bureau of Educational Accountability and Program Evaluation. The Department of Education shall transmit the application to the State Board

of Examiners with the recommendation of the Department of Education concerning the allocation of money based upon each application so received. The State Board of Examiners, or the Clerk of the Board if authorized by the Board to act on its behalf, shall consider each such application and, if it finds that an allocation should be made, recommend the amount of the allocation to the Interim Finance Committee. The Interim Finance Committee shall consider each such recommendation, but is not bound to follow the recommendation of the State Board of Examiners when determining the allocation to be received by a school. In determining the amount of the allocation, the State Board of Examiners and the Interim Finance Committee shall consider:

(a) The total number of pupils enrolled in the school who failed to meet adequate yearly progress;

(b) The percentage of pupils enrolled in the school who failed to meet adequate yearly progress;

(c) The total number of subgroups of pupils, as prescribed by the No Child Left Behind Act of 2001, 20 U.S.C. §§ 6301 et seq., enrolled in the school who failed to meet adequate yearly progress; and

(d) The financial need of the particular school.

5. In addition to the considerations set forth in subsection 4, in determining whether to approve an application for a school that has received an allocation in the immediately preceding year and in determining the amount of the allocation for such a school, the State Board of Examiners and the Interim Finance Committee shall consider whether the school has carried out the program of remedial study for which it received an allocation in a manner that has been approved by the vendor of the remedial program and whether the program has been successful, as measured by the academic achievement of the pupils enrolled in the school on the examinations administered pursuant to NRS 389.015 or 389.550 and any assessments related to the program of remedial study.

6. A school that receives an allocation of money pursuant to this section shall use the money to:

(a) Pay the costs incurred by the school in providing the program of remedial study required by NRS 385.389. The money must first be applied to those pupils who failed to meet adequate yearly progress.

(b) Pay for the salaries, training or other compensation of teachers and other educational personnel to provide the program of remedial study, instructional materials required for the program of remedial study, equipment necessary to offer the program of remedial study and all other additional operating costs attributable to the program of remedial study, to the extent that the training,

materials and equipment are those that are approved by the vendor of the remedial program.

(c) Supplement and not replace the money the school would otherwise expend for programs of remedial study.

7. Before a school amends a plan for expenditure of an allocation of money received pursuant to this section, the school district in which the school is located must submit the proposed amendment to the Department of Education to receive approval from the Department of Education, the Budget Division of the Department of Administration and the Legislative Bureau of Educational Accountability and Program Evaluation, or the Interim Finance Committee.

8. The sums authorized for expenditure in subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2005, and reverts to the State Distributive School Account as soon as all payments of money committed have been made.

Sec. 189.48. 1. The Department of Education shall transfer from the State Distributive School Account the following sums for supplemental services or tutoring for pupils in non-Title I schools that failed to meet adequate yearly progress on the examinations administered pursuant to NRS 389.550:

For the Fiscal Year 2003-2004..... \$1,000,000

For the Fiscal Year 2004-2005 \$1,500,000

2. The supplemental services or tutoring for which money is provided pursuant to this section must:

(a) Be conducted before or after school, on weekends, during the summer or between sessions in schools with year-round school calendars; and

(b) Be selected by the Department as an approved provider in accordance with the No Child Left Behind Act of 2001, 20 U.S.C. §§ 6301 et seq.

3. A school may submit an application to the Department of Education on or before November 1 of each fiscal year for transmission to the State Board of Examiners for an allocation from the amount authorized by subsection 1 if the school:

(a) Receives a designation as demonstrating need for improvement; and

(b) Is not receiving money from Title I, 20 U.S.C. §§ 6301 et seq.

4. The Department of Education shall, in consultation with the Budget Division of the Department of Administration and the Legislative Bureau of Educational Accountability and Program Evaluation, develop a form for such applications.

5. Upon receipt of an application submitted pursuant to subsection 3, the Department of Education shall review the

application jointly with the Budget Division of the Department of Administration and the Legislative Bureau of Educational Accountability and Program Evaluation. The Department of Education shall transmit the application to the State Board of Examiners with the recommendation of the Department of Education concerning the allocation of money based upon each application so received. The State Board of Examiners, or the Clerk of the Board if authorized by the Board to act on its behalf, shall consider each such application and, if it finds that an allocation should be made, recommend the amount of the allocation to the Interim Finance Committee. The Interim Finance Committee shall consider each such recommendation, but is not bound to follow the recommendation of the State Board of Examiners when determining the allocation to be received by a school district.

6. A school that receives an allocation of money pursuant to this section shall use the money to:

(a) Provide supplemental services or tutoring that has been selected and approved by the Department of Education.

(b) Pay the costs incurred by the school in providing the supplemental services or tutoring. The money must be applied to those pupils who failed to meet adequate yearly progress.

(c) Pay for the salaries, training or other compensation of teachers and other educational personnel to provide the supplemental services or tutoring, instructional materials required for the program, equipment necessary to offer the program and all other additional operating costs attributable to the program.

(d) Supplement and not replace the money the school district would otherwise expend for supplemental services or tutoring.

7. Before a school amends a plan for expenditure of an allocation of money received pursuant to this section, the school district in which the school is located must submit the proposed amendment to the Department of Education to receive approval from the Department of Education, the Budget Division of the Department of Administration and the Legislative Bureau of Educational Accountability and Program Evaluation, or the Interim Finance Committee.

8. The sums transferred pursuant to subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2005, and reverts to the State Distributive School Account as soon as all payments of money committed have been made.

Sec. 189.50. 1. The Department of Education shall transfer from the State Distributive School Account the following sums for early childhood education:

For the Fiscal Year 2003-2004.....	\$2,896,583
For the Fiscal Year 2004-2005.....	\$2,896,583

2. Of the sums transferred pursuant to subsection 1, \$301,000 in each fiscal year of the 2003-2005 biennium must be used for the Classroom on Wheels Program.

3. The remaining money transferred by subsection 1 must be used by the Department of Education for competitive state grants to school districts and community-based organizations for early childhood education programs.

4. To receive a grant of money pursuant to subsections 2 and 3, school districts, community-based organizations and the Classroom on Wheels Program must submit a comprehensive plan to the Department of Education that includes, without limitation:

(a) A detailed description of the proposed early childhood education program;

(b) A description of the manner in which the money will be used, which must supplement and not replace the money that would otherwise be expended for early childhood education programs; and

(c) A plan for the longitudinal evaluation of the program to determine the effectiveness of the program on the academic achievement of children who participate in the program.

5. A school district, community-based organization or Classroom on Wheels Program that receives a grant of money shall:

(a) Use the money to initiate or expand prekindergarten education programs that meet the criteria set forth in the publication of the Department of Education, entitled “August 2000 Public Support for Prekindergarten Education For School Readiness in Nevada.”

(b) Use the money to supplement and not replace the money that the school district, community-based organization or Classroom on Wheels Program would otherwise expend for early childhood education programs, as described in this section.

(c) Use the money to pay for the salaries and other items directly related to the instruction of pupils in the classroom.

(d) Submit a longitudinal evaluation of the program in accordance with the plan submitted pursuant to paragraph (c) of subsection 4.

The money must not be used to remodel classrooms or facilities or for playground equipment.

6. The Department of Education shall develop statewide performance and outcome indicators to measure the effectiveness of the early childhood education programs for which grants of money were awarded pursuant to this section. The indicators must include, without limitation:

(a) Longitudinal measures of the developmental progress of children before and after their completion of the program;

(b) Longitudinal measures of parental involvement in the program before and after completion of the program; and

(c) The percentage of participants who drop out of the program before completion.

7. The Department of Education shall review the evaluations of the early childhood education programs submitted by each school district, community-based organization and the Classroom on Wheels Program pursuant to paragraph (d) of subsection 5 and prepare a compilation of the evaluations for inclusion in the report submitted pursuant to subsection 8.

8. The Department of Education shall, on an annual basis, provide a written report to the Governor, Legislative Committee on Education and the Legislative Bureau of Educational Accountability and Program Evaluation regarding the effectiveness of the early childhood programs for which grants of money were received. The report must include, without limitation:

(a) The number of grants awarded;

(b) An identification of each school district, community-based organization and the Classroom on Wheels Program that received a grant of money and the amount of each grant awarded;

(c) For each school district, community based-organization and the Classroom on Wheels Program that received a grant of money:

(1) The number of children who received services through a program funded by the grant for each year that the program received funding from the State for early childhood programs; and

(2) The average per child expenditure for the program for each year the program received funding from the State for early childhood programs;

(d) A compilation of the evaluations reviewed pursuant to subsection 7 that includes, without limitation:

(1) A longitudinal comparison of the data showing the effectiveness of the different programs; and

(2) A description of the programs in this state that are the most effective; and

(e) Any recommendations for legislation.

9. Any balance of the sums transferred pursuant to subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years and reverts to the State Distributive School Account as soon as all payments of money committed have been made.

Sec. 189.52. 1. The Department of Education shall transfer from the State Distributive School Account the following sums to purchase one-fifth of a year of service for certain teachers in accordance with NRS 391.165:

For the Fiscal Year 2003-2004..... \$2,689,206

For the Fiscal Year 2004-2005..... \$7,045,056

2. The Department of Education shall distribute the money appropriated by subsection 1 to the school districts to assist the

school districts with paying for the retirement credit for certain teachers in accordance with NRS 391.165. The amount of money distributed to each school district must be proportionate to the total costs of paying for the retirement credit pursuant to NRS 391.165 for each fiscal year. If insufficient money is available from the appropriation to pay the total costs necessary to pay the retirement credit for each fiscal year, the school district shall pay the difference to comply with NRS 391.165.

3. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years and reverts to the State General Fund as soon as all payments of money committed have been made.

Sec. 189.54. 1. The Department of Education shall transfer from the State Distributive School Account the following sum to purchase one-fifth of a year of service for certain licensed educational personnel in accordance with NRS 391.165:

For the Fiscal Year 2004-2005..... \$5,732,643

2. The Department of Education shall distribute the money appropriated by subsection 1 to the school districts to assist the school districts with paying for the retirement credit for certain licensed educational personnel in accordance with NRS 391.165. The amount of money distributed to each school district must be proportionate to the total costs of paying for the retirement credit pursuant to NRS 391.165 for each fiscal year. If insufficient money is available to pay the total costs necessary to pay the retirement credit for each fiscal year, the school district shall pay the difference to comply with NRS 391.165.

3. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2005, and reverts to the State General Fund as soon as all payments of money committed have been made.

Sec. 189.56. Of the amounts included in the basic support guarantee amounts enumerated in sections 189.22 and 189.24 of this act, \$64,425,447 for Fiscal Year 2003-2004 and \$66,721,434 for Fiscal Year 2004-2005 must be expended for the purchase of textbooks, instructional supplies and instructional hardware as prescribed in section 164.50 of this act.

Sec. 189.58. All funding remaining in the Fund for School Improvement at the close of Fiscal Year 2002-2003 shall be transferred to the budget for the State Distributive School Account and shall be authorized for expenditure in that account.

Sec. 189.60. The sums appropriated or authorized in sections 189.40 to 189.54, inclusive, of this act:

1. Must be accounted for separately from any other money received by the school districts of this state and used only for the purposes specified in the applicable section of this act.

2. May not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district and the school district, or to settle any negotiations.

3. May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.

Sec. 189.62. 1. The Department of Education shall transfer from the State Distributive School Account the following sums for special transportation costs to school districts:

For the 2003-2004 school year..... \$47,715

For the 2004-2005 school year..... \$47,715

2. Pursuant to NRS 392.015, the Department of Education shall use the money transferred in subsection 1 to reimburse school districts for the additional costs of transportation for any pupil to a school outside the school district in which his residence is located.

Sec. 189.64. There is hereby appropriated from the State General Fund to the State Distributive School Account created by NRS 387.030 in the State General Fund the sum of \$3,152,559 for an unanticipated shortfall in money in Fiscal Year 2002-2003. This appropriation is supplemental to that made by section 4 of chapter 565, Statutes of Nevada 2001, at page 2832 and to that made pursuant to Assembly Bill No. 253 of the 72nd Legislative Session.

Sec. 189.66. Each school district shall expend the revenue made available through this act, as well as other revenue from state, local and federal sources, in a manner that is consistent with NRS 288.150 and that is designed to attain the goals of the Legislature regarding educational reform in this state, especially with regard to assisting pupils in need of remediation and pupils who are not proficient in the English language. Materials and supplies for classrooms are subject to negotiation by employers with recognized employee organizations.

Sec. 190. 1. Section 170 of this act does not apply to any license fees precollected pursuant to chapter 463 of NRS on or before the effective date of that section.

2. Sections 122.3, 122.4 and 122.5 of this act do not apply to any taxes precollected pursuant to chapter 370 of NRS on or before the effective date of those sections.

3. Sections 122.1, 122.2 and 169.5 of this act do not affect the amount of any license fees or taxes due for any period ending on or before July 31, 2003.

4. For a licensed gaming establishment that is exempt from the payment of the casino entertainment tax imposed by NRS 463.401 before September 1, 2003, but is required to pay that tax on and after that date, sections 171 and 172 of this act apply to any taxable

receipts that are collected pursuant to those sections on or after September 1, 2003, and before January 1, 2004.

5. Sections 65 to 100, inclusive, of this act apply to any taxable receipts that are collected pursuant to the provisions of those sections on or after January 1, 2004.

Sec. 191. 1. The provisions of subsection 3 of section 186 of this act do not:

(a) Affect any rights, duties or liability of any person relating to any taxes imposed pursuant to chapter 364A of NRS for any period ending before October 1, 2003.

(b) Apply to the administration, collection and enforcement of any taxes imposed pursuant to chapter 364A of NRS for any period ending before October 1, 2003.

2. The provisions of subsection 4 of section 186 of this act do not:

(a) Affect any rights, duties or liability of any person relating to any taxes imposed pursuant to NRS 463.401 before January 1, 2004.

(b) Apply to the administration, collection and enforcement of any taxes imposed pursuant to NRS 463.401 before January 1, 2004.

Sec. 192. The Legislative Committee on Taxation, Public Revenue and Tax Policy established by the provisions of section 156 of this act shall:

1. Review and study:

(a) The impact, if any, that the imposition of the tax on live entertainment imposed pursuant to section 78 of this act has had on revenue received by the state and local governments from special events conducted in this state.

(b) Whether promoters of special events are contracting with entities in other states to hold the special events in those other states as a result of the imposition of the tax.

(c) The loss of revenue, if any, from special events resulting from the imposition of the tax.

(d) The feasibility and need for exempting such special events from the tax.

(e) Standards and procedures that may be adopted for determining whether special events should be exempt from the tax and the qualifications for such an exemption.

2. Submit a report of the results of its review and any recommendations for legislation to the 73rd Session of the Nevada Legislature.

Sec. 192.3. The State Controller shall, on or before January 1, 2004, adopt such regulations as are necessary to carry out section 164.38 of this act.

Sec. 192.5. The Nevada Tax Commission shall report to the Legislative Committee on Taxation, Public Revenue and Tax Policy

periodically concerning any increase or decrease in the number and subject of appeals filed with the Commission during the 2003-2005 biennium.

Sec. 193. 1. This section and sections 110, 120, 121, 122, 122.3, 122.4, 122.5, 127, 130, 141, 143, 145, 154 to 161, inclusive, 164.10 to 164.34, inclusive, 166.5, 170, 185, 185.5, 185.7, 185.9, 187 to 188.7, inclusive, and 190 to 192.5, inclusive, of this act and subsection 1 of section 186 of this act become effective upon passage and approval.

2. Sections 189.58 and 189.64 of this act become effective upon passage and approval and apply retroactively to June 30, 2003.

3. Sections 164.50, 164.60, 164.70, 165.2, 185.1, 185.3, 189, 189.10, 189.14 to 189.56, inclusive, 189.60, 189.62 and 189.66 of this act become effective upon passage and approval and apply retroactively to July 1, 2003.

4. Sections 122.1, 122.2, 169.5 and 173.5 of this act become effective on August 1, 2003.

5. Sections 171 and 172 of this act and subsection 2 of section 186 of this act become effective:

(a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On September 1, 2003, for all other purposes.

6. Sections 1 to 10, inclusive, 11 to 50, inclusive, 51 to 63, inclusive, 101 to 109, inclusive, 111 to 119, inclusive, 123 to 126, inclusive, 128, 129, 131 to 140, inclusive, 147 to 153, inclusive, 163, 164, 165, 166, 167, 174, 176 to 179, inclusive, 181.30 to 181.50, inclusive, 183 and 183.3 of this act and subsection 3 of section 186 of this act become effective:

(a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On October 1, 2003, for all other purposes.

7. Sections 10.5, 64 to 100, inclusive, 162, 164.38, 168, 169, 173, 173.7, 175, 180, 181 and 182 of this act and subsection 4 of section 186 of this act become effective:

(a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On January 1, 2004, for all other purposes.

8. Sections 183.5 and 184 of this act become effective:

(a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On July 1, 2004, for all other purposes.

9. Sections 165.4 and 189.12 of this act become effective on July 1, 2004.
 10. Sections 50.5, 109.5 and 119.5 of this act become effective:
 - (a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
 - (b) On July 1, 2005, for all other purposes.
 11. Sections 142, 144 and 146 of this act become effective at 12:01 a.m. on October 1, 2029.
 12. Sections 154 to 160, inclusive, of this act expire by limitation on June 30, 2005.
 13. Sections 141, 143 and 145 of this act expire by limitation on September 30, 2029.
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