

SENATE BILL NO. 8—COMMITTEE OF THE WHOLE

JULY 21, 2003

Referred to Committee of the Whole

SUMMARY—Makes various changes concerning state financial administration. (BDR 32-49)

FISCAL NOTE: Effect on Local Government: Yes.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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;



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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:

1     **Section 1.** Title 32 of NRS is hereby amended by adding  
2     thereto a new chapter to consist of the provisions set forth as  
3     sections 2 to 24, inclusive, of this act.

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

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

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

12    1. *“Indian tribe” includes any entity described in subsection*  
13    *10 of NRS 612.055.*

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

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

19    **Sec. 5.** *“Employment” has the meaning ascribed to it in NRS*  
20    *612.065 to 612.145, inclusive.*

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

23    (a) *An institution licensed, registered or otherwise authorized*  
24    *to do business in this state pursuant to the provisions of chapter*  
25    *604, 645B, 645E or 649 of NRS or title 55 or 56 of NRS, or a*  
26    *similar institution chartered or licensed pursuant to federal law*  
27    *and doing business in this state;*

28    (b) *Any person primarily engaged in:*

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

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

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

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



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- 1           (5) *Furnishing investment information and advice to others*  
2 *concerning securities on a contract or fee basis;*  
3           (6) *Furnishing services to holders of or brokers or dealers*  
4 *in securities or commodities;*  
5           (7) *Holding or owning the securities of banks for the sole*  
6 *purpose of exercising some degree of control over the activities of*  
7 *the banks whose securities the person holds;*  
8           (8) *Holding or owning securities of companies other than*  
9 *banks, for the sole purpose of exercising some degree of control*  
10 *over the activities of the companies whose securities the person*  
11 *holds;*  
12           (9) *Issuing shares, other than unit investment trusts and*  
13 *face-amount certificate companies, whose shares contain a*  
14 *provision requiring redemption by the company upon request of*  
15 *the holder of the security;*  
16           (10) *Issuing shares, other than unit investment trusts and*  
17 *face-amount certificate companies, whose shares contain no*  
18 *provision requiring redemption by the company upon request by*  
19 *the holder of the security;*  
20           (11) *Issuing unit investment trusts or face-amount*  
21 *certificates;*  
22           (12) *The management of the money of trusts and*  
23 *foundations organized for religious, educational, charitable or*  
24 *nonprofit research purposes;*  
25           (13) *The management of the money of trusts and*  
26 *foundations organized for purposes other than religious,*  
27 *educational, charitable or nonprofit research;*  
28           (14) *Investing in oil and gas royalties or leases, or*  
29 *fractional interests therein;*  
30           (15) *Owning or leasing franchises, patents and copyrights*  
31 *which the person in turn licenses others to use;*  
32           (16) *Closed-end investments in real estate or related*  
33 *mortgage assets operating in such a manner as to meet the*  
34 *requirements of the Real Estate Investment Trust Act of 1960, as*  
35 *amended;*  
36           (17) *Investing; or*  
37           (18) *Any combination of the activities described in this*  
38 *paragraph,*  
39 *who is doing business in this state;*  
40           (c) *Any other person conducting loan or credit card processing*  
41 *activities in this state; and*  
42           (d) *Any other bank, bank holding company, national bank,*  
43 *savings association, federal savings bank, trust company, credit*  
44 *union, building and loan association, investment company,*  
45 *registered broker or dealer in securities or commodities, finance*



1 *company, dealer in commercial paper or other business entity*  
2 *engaged in the business of lending money, providing credit,*  
3 *securitizing receivables or fleet leasing, or any related business*  
4 *entity, doing business in this state.*

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

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

10 **Sec. 7.** *The Department shall:*

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

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

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

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

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

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

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

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

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

38 *2. Any person who may be liable for a tax imposed by this*  
39 *chapter and who keeps outside of this state any books, papers and*  
40 *records relating thereto shall pay to the Department an amount*  
41 *equal to the allowance provided for state officers and employees*  
42 *generally while traveling outside of the State for each day or*  
43 *fraction thereof during which an employee of the Department is*  
44 *engaged in examining those documents, plus any other actual*



1 *expenses incurred by the employee while he is absent from his*  
2 *regular place of employment to examine those documents.*

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

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

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

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

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

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

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

40 (e) *Disclosure in confidence to the Governor or his agent in*  
41 *the exercise of the Governor's general supervisory powers, or to*  
42 *any person authorized to audit the accounts of the Department in*  
43 *pursuance of an audit, or to the Attorney General or other legal*  
44 *representative of the State in connection with an action or*  
45 *proceeding pursuant to this chapter, or to any agency of this or*



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1 *any other state charged with the administration or enforcement of*  
2 *laws relating to taxation.*

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

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

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

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

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

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

19 *3. For the purposes of this section:*

20 *(a) "Bank" means:*

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

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

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

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

41 **Sec. 11. 1.** *There is hereby imposed an excise tax on each*  
42 *employer at the rate of 2 percent of the wages, as defined in NRS*  
43 *612.190, paid by the employer during a calendar quarter with*  
44 *respect to employment.*



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

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

8       (a) File with the Department:

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

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

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

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

24       (a) For an employer providing a program of self-insurance for  
25 its employees, all amounts paid during the calendar quarter for  
26 claims, direct administrative services costs, including such services  
27 provided by the employer, and any premiums paid for individual  
28 or aggregate stop-loss insurance coverage. An employer is not  
29 authorized to deduct the costs of a program of self-insurance  
30 unless the program is a qualified employee welfare benefit plan  
31 pursuant to the Employee Retirement Income Security Act of  
32 1974, 29 U.S.C. §§ 1001 et seq.

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

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

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

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

43       (a) Amounts paid for health care or premiums paid for  
44 insurance for an industrial injury or occupational disease for





1 *which coverage is required pursuant to chapters 616A to 616D,*  
2 *inclusive, or 617 of NRS; or*

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

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

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

15 **Sec. 12.** *Upon written application made before the date on*  
16 *which payment must be made, the Department may for good cause*  
17 *extend by 30 days the time within which a taxpayer is required to*  
18 *pay a tax imposed by this chapter. If the tax is paid during the*  
19 *period of extension, no penalty or late charge may be imposed for*  
20 *failure to pay at the time required, but the taxpayer shall pay*  
21 *interest at the rate of 1 percent per month from the date on which*  
22 *the amount would have been due without the extension until the*  
23 *date of payment, unless otherwise provided in NRS 360.232 or*  
24 *360.320.*

25 **Sec. 13.** *The remedies of the State provided for in this*  
26 *chapter are cumulative, and no action taken by the Department or*  
27 *the Attorney General constitutes an election by the State to pursue*  
28 *any remedy to the exclusion of any other remedy for which*  
29 *provision is made in this chapter.*

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

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

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





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

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

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

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

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

21 2. The interest must be paid:

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

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

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

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

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

44 **Sec. 18.** 1. Within 90 days after a final decision upon a  
45 claim filed pursuant to this chapter is rendered by the



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1 *Commission, the claimant may bring an action against the*  
2 *Department on the grounds set forth in the claim in a court of*  
3 *competent jurisdiction in Carson City, the county of this state*  
4 *where the claimant resides or maintains his principal place of*  
5 *business or a county in which any relevant proceedings were*  
6 *conducted by the Department, for the recovery of the whole or any*  
7 *part of the amount with respect to which the claim has been*  
8 *disallowed.*

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

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

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

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

27     **Sec. 20.** *In any judgment, interest must be allowed at the rate*  
28 *of 6 percent per annum upon the amount found to have been*  
29 *illegally collected from the date of payment of the amount to the*  
30 *date of allowance of credit on account of the judgment, or to a*  
31 *date preceding the date of the refund warrant by not more than 30*  
32 *days. The date must be determined by the Department.*

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

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

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



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

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

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

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

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

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

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

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

31     **Secs. 25-38.** (Deleted.)

32     **Sec. 39.** Title 32 of NRS is hereby amended by adding thereto  
33 a new chapter to consist of the provisions set forth as sections 40 to  
34 63, inclusive, of this act.

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

39     **Sec. 41.** "Commission" means the Nevada Tax Commission.

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



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

3     2. "Indian tribe" includes any entity described in subsection  
4     10 of NRS 612.055.

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

8     4. "Political subdivision" means any entity described in  
9     subsection 9 of NRS 612.055.

10    Sec. 43. "Employment" has the meaning ascribed to it in  
11    NRS 612.065 to 612.145, inclusive.

12    Sec. 44. "Taxpayer" means any person liable for the tax  
13    imposed by this chapter.

14    Sec. 45. The Department shall:

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

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

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

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

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

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

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

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

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

42       2. Any person who may be liable for the tax imposed by this  
43    chapter and who keeps outside of this state any books, papers and  
44    records relating thereto shall pay to the Department an amount  
45    equal to the allowance provided for state officers and employees



1 *generally while traveling outside of the State for each day or*  
2 *fraction thereof during which an employee of the Department is*  
3 *engaged in examining those documents, plus any other actual*  
4 *expenses incurred by the employee while he is absent from his*  
5 *regular place of employment to examine those documents.*

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

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

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

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

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

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

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

43 *(e) Disclosure in confidence to the Governor or his agent in*  
44 *the exercise of the Governor's general supervisory powers, or to*  
45 *any person authorized to audit the accounts of the Department in*



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1 *pursuance of an audit, or to the Attorney General or other legal*  
2 *representative of the State in connection with an action or*  
3 *proceeding pursuant to this chapter, or to any agency of this or*  
4 *any other state charged with the administration or enforcement of*  
5 *laws relating to taxation.*

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

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

10 **Sec. 50.** *1. There is hereby imposed an excise tax on each*  
11 *employer at the rate of 0.7 percent of the wages, as defined in NRS*  
12 *612.190, paid by the employer during a calendar quarter with*  
13 *respect to employment.*

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

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

21 *(a) File with the Department:*

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

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

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

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

37 *(a) For an employer providing a program of self-insurance for*  
38 *its employees, all amounts paid during the calendar quarter for*  
39 *claims, direct administrative services costs, including such services*  
40 *provided by the employer, and any premiums paid for individual*  
41 *or aggregate stop-loss insurance coverage. An employer is not*  
42 *authorized to deduct the costs of a program of self-insurance*  
43 *unless the program is a qualified employee welfare benefit plan*  
44 *pursuant to the Employee Retirement Income Security Act of*  
45 *1974, 29 U.S.C. §§ 1001 et seq.*



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

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

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

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

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

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

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

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

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

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

36    ***Sec. 51. Upon written application made before the date on***  
37    ***which payment must be made, the Department may for good cause***  
38    ***extend by 30 days the time within which a taxpayer is required to***  
39    ***pay the tax imposed by this chapter. If the tax is paid during the***  
40    ***period of extension, no penalty or late charge may be imposed for***  
41    ***failure to pay at the time required, but the taxpayer shall pay***  
42    ***interest at the rate of 1 percent per month from the date on which***  
43    ***the amount would have been due without the extension until the***  
44    ***date of payment, unless otherwise provided in NRS 360.232 or***  
45    ***360.320.***





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

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

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

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

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

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

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

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

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

42         *2. The interest must be paid:*

43         *(a) In the case of a refund, to the last day of the calendar*  
44 *month following the date upon which the person making the*  
45 *overpayment, if he has not already filed a claim, is notified by*



1 *the Department that a claim may be filed or the date upon which*  
2 *the claim is certified to the State Board of Examiners, whichever is*  
3 *earlier.*

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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



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

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

7       **Sec. 64.** Title 32 of NRS is hereby amended by adding thereto  
8 a new chapter to consist of the provisions set forth as sections 65 to  
9 100, inclusive, of this act.

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

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

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

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

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

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

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

31       2. *The term does not include a governmental entity.*

32       **Sec. 70.** *“Facility” means:*

33       1. *Any area or premises where live entertainment is provided*  
34 *and for which consideration is collected for the right or privilege*  
35 *of entering that area or those premises if the live entertainment is*  
36 *provided at:*

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

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

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



1     **Sec. 71.** *“Game” has the meaning ascribed to it in*  
2 *NRS 463.0152.*

3     **Sec. 72.** *“Licensed gaming establishment” has the meaning*  
4 *ascribed to it in NRS 463.0169.*

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

10    **Sec. 74.** *“Slot machine” has the meaning ascribed to it in*  
11 *NRS 463.0191.*

12    **Sec. 75.** *“Taxpayer” means:*

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

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

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

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

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

35    **Sec. 78.** 1. *Except as otherwise provided in this section,*  
36 *there is hereby imposed an excise tax on admission to any facility*  
37 *in this state where live entertainment is provided. If the live*  
38 *entertainment is provided at a facility with a maximum seating*  
39 *capacity of:*

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

27       **2.** *The Department shall:*

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

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

32       **3.** *For the purposes of:*

33       (a) *Subsection 1, the provisions of chapter 463 of NRS relating*  
34 *to the payment, collection, administration and enforcement of*  
35 *gaming license fees and taxes, including, without limitation, any*  
36 *provisions relating to the imposition of penalties and interest, shall*  
37 *be deemed to apply to the payment, collection, administration and*  
38 *enforcement of the taxes imposed by this chapter to the extent that*  
39 *those provisions do not conflict with the provisions of this chapter.*

40       (b) *Subsection 2, the provisions of chapter 360 of NRS relating*  
41 *to the payment, collection, administration and enforcement of*  
42 *taxes, including, without limitation, any provisions relating to the*  
43 *imposition of penalties and interest, shall be deemed to apply to*  
44 *the payment, collection, administration and enforcement of the*





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

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

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

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

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

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

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

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

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

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

31 **Sec. 82. Upon written application made before the date on**  
32 **which payment must be made, the Board or the Department may,**  
33 **for good cause, extend by 30 days the time within which a**  
34 **taxpayer is required to pay the tax imposed by this chapter. If the**  
35 **tax is paid during the period of extension, no penalty or late**  
36 **charge may be imposed for failure to pay at the time required, but**  
37 **the taxpayer shall pay interest at the rate of 1 percent per month**  
38 **from the date on which the amount would have been due without**  
39 **the extension until the date of payment, unless otherwise provided**  
40 **in NRS 360.232 or 360.320.**

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

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



1       (b) *Preserve those records for:*

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

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

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

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

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

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

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

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

37           (b) *The Department, or any person authorized in writing by*  
38 *the Department, may examine the books, papers and records of*  
39 *any other person who may be liable for the tax imposed by this*  
40 *chapter.*

41       2. *Any person who may be liable for the tax imposed by this*  
42 *chapter and who keeps outside of this state any books, papers and*  
43 *records relating thereto shall pay to the Board or the Department*  
44 *an amount equal to the allowance provided for state officers and*  
45 *employees generally while traveling outside of the State for each*



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1 day or fraction thereof during which an employee of the Board or  
2 the Department is engaged in examining those documents, plus  
3 any other actual expenses incurred by the employee while he is  
4 absent from his regular place of employment to examine those  
5 documents.

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

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

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

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

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

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

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

44 **Sec. 86. 1.** If:



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

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

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

16       **Sec. 87. 1. If a taxpayer:**

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

18     **Sec. 94.** 1. *If the Board fails to mail notice of action on a*  
19 *claim within 6 months after the claim is filed, the claimant may*  
20 *consider the claim disallowed and file an appeal with the Nevada*  
21 *Gaming Commission within 30 days after the last day of the*  
22 *6-month period.*

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

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

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

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

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

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

44     **Sec. 95.** *In any judgment, interest must be allowed at the rate*  
45 *of 6 percent per annum upon the amount found to have been*





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

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

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

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

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

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

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

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

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

43 *(a) Make, cause to be made or permit to be made any false or*  
44 *fraudulent return or declaration or false statement in any report*  
45 *or declaration, with intent to defraud the State or to evade*



1 *payment of the tax or any part of the tax imposed by this chapter.*

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

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

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

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

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

19 **Sec. 103. 1. "Business" includes:**

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

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

27 **2. The term does not include:**

28 *(a) A governmental entity.*

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

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

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

40 **Sec. 104. 1. "Employee" includes:**

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

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



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- 1       2. *The term includes:*  
2       (a) *A partner or other co-owner of a business; and*  
3       (b) *Except as otherwise provided in subsection 3, a natural*  
4 *person reported as an employee to the:*  
5       (1) *Employment Security Division of the Department of*  
6 *Employment, Training and Rehabilitation;*  
7       (2) *Administrator of the Division of Industrial Relations of*  
8 *the Department of Business and Industry; or*  
9       (3) *Internal Revenue Service on an Employer's Quarterly*  
10 *Federal Tax Return (Form 941), Employer's Monthly Federal*  
11 *Tax Return (Form 941-M), Employer's Annual Tax Return for*  
12 *Agricultural Employees (Form 943) or any equivalent or*  
13 *successor form.*  
14       3. *The term does not include:*  
15       (a) *A business or an independent contractor that performs*  
16 *services on behalf of another business.*  
17       (b) *A natural person who is retired or otherwise receiving*  
18 *remuneration solely because of past service to the business.*  
19       (c) *A newspaper carrier or the immediate supervisor of a*  
20 *newspaper carrier who is an independent contractor of the*  
21 *newspaper.*  
22       (d) *A natural person who performs all of his duties for the*  
23 *business outside of this state.*  
24       4. *An independent contractor is not an employee of a*  
25 *business with which he contracts.*  
26       **Sec. 105.** *"Wages" means any remuneration paid for*  
27 *personal services, including commissions, and bonuses and*  
28 *remuneration payable in any medium other than cash.*  
29       **Sec. 106.** *The Department shall deposit all money it receives*  
30 *pursuant to sections 102 to 108, inclusive, of this act in the State*  
31 *Treasury for credit to the State General Fund.*  
32       **Sec. 107.** *The activity or activities conducted by a natural*  
33 *person shall be deemed to be a business that is subject to the*  
34 *provisions of sections 102 to 108, inclusive, of this act if the person*  
35 *is required to file with the Internal Revenue Service a Schedule C*  
36 *(Form 1040), Profit or Loss From Business Form, or its*  
37 *equivalent or successor form, a Schedule E (Form 1040),*  
38 *Supplemental Income and Loss Form, or its equivalent or*  
39 *successor form, or a Schedule F (Form 1040), Profit or Loss*  
40 *From Farming Form, or its equivalent or successor form, for the*  
41 *business.*  
42       **Sec. 108.** 1. *Except as otherwise provided in subsection 8, a*  
43 *person shall not conduct a business in this state unless he has a*  
44 *business license issued by the Department.*  
45       2. *An application for a business license must:*



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- 1       (a) *Be made upon a form prescribed by the Department;*  
2       (b) *Set forth the name under which the applicant transacts or*  
3       *intends to transact business and the location of his place or places*  
4       *of business;*  
5       (c) *Declare the estimated number of employees for the*  
6       *previous calendar quarter;*  
7       (d) *Be accompanied by a fee of \$100; and*  
8       (e) *Include any other information that the Department deems*  
9       *necessary.*  
10      3. *The application must be signed by:*  
11       (a) *The owner, if the business is owned by a natural person;*  
12       (b) *A member or partner, if the business is owned by an*  
13       *association or partnership; or*  
14       (c) *An officer or some other person specifically authorized to*  
15       *sign the application, if the business is owned by a corporation.*  
16      4. *If the application is signed pursuant to paragraph (c) of*  
17       *subsection 3, written evidence of the signer's authority must be*  
18       *attached to the application.*  
19      5. *A person who has been issued a business license by the*  
20       *Department shall submit a fee of \$100 to the Department on or*  
21       *before the last day of the month in which the anniversary date of*  
22       *issuance of the business license occurs in each year, unless the*  
23       *person submits a written statement to the Department, at least 10*  
24       *days before the anniversary date, indicating that the person will*  
25       *not be conducting business in this state after the anniversary date.*  
26      6. *The business license required to be obtained pursuant to*  
27       *this section is in addition to any license to conduct business that*  
28       *must be obtained from the local jurisdiction in which the business*  
29       *is being conducted.*  
30      7. *For the purposes of sections 102 to 108, inclusive, of this*  
31       *act, a person shall be deemed to conduct a business in this state if*  
32       *a business for which the person is responsible:*  
33       (a) *Is organized pursuant to title 7 of NRS, other than a*  
34       *business organized pursuant to chapter 82 or 84 of NRS;*  
35       (b) *Has an office or other base of operations in this state; or*  
36       (c) *Pays wages or other remuneration to a natural person who*  
37       *performs in this state any of the duties for which he is paid.*  
38      8. *A person who takes part in a trade show or convention*  
39       *held in this state for a purpose related to the conduct of a business*  
40       *is not required to obtain a business license specifically for that*  
41       *event.*  
42      **Sec. 109.** NRS 360.225 is hereby amended to read as follows:  
43       360.225 1. During the course of an investigation undertaken  
44       pursuant to NRS 360.130 of a person claiming:



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

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

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

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

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

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

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

20 360.225 1. During the course of an investigation undertaken  
21 pursuant to NRS 360.130 of a person claiming:

22 (a) A partial abatement of property taxes pursuant to NRS  
23 361.0687;

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

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

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

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

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

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

41 360.2935 Except as otherwise provided in ~~[NRS 361.485.]~~ *this*  
42 *title*, a taxpayer is entitled to receive on any overpayment of taxes,  
43 after the offset required by NRS 360.320 has been made, a refund  
44 together with interest at a rate determined pursuant to NRS 17.130.



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1 No interest is allowed on a refund of any penalties or interest paid  
2 by a taxpayer.

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

4 360.300 1. If a person fails to file a return or the Department  
5 is not satisfied with the return or returns of any tax, contribution or  
6 premium or amount of tax, contribution or premium required to be  
7 paid to the State by any person, in accordance with the applicable  
8 provisions of this chapter, chapter 362, ~~364A,~~ 369, 370, 372,  
9 372A, 374, 377, 377A or 444A of NRS, NRS 482.313, or chapter  
10 585 or 680B of NRS, *or sections 2 to 24, inclusive, or 40 to 63,*  
11 *inclusive, of this act,* as administered or audited by the Department,  
12 it may compute and determine the amount required to be paid upon  
13 the basis of:

- 14 (a) The facts contained in the return;  
15 (b) Any information within its possession or that may come into  
16 its possession; or  
17 (c) Reasonable estimates of the amount.

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

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

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

28 5. When a business is discontinued, a determination may be  
29 made at any time thereafter within the time prescribed in NRS  
30 360.355 as to liability arising out of that business, irrespective of  
31 whether the determination is issued before the due date of the  
32 liability.

33 **Sec. 112.** (Deleted.)

34 **Sec. 113.** NRS 360.417 is hereby amended to read as follows:

35 360.417 Except as otherwise provided in NRS 360.232 and  
36 360.320, and unless a different penalty or rate of interest is  
37 specifically provided by statute, any person who fails to pay any tax  
38 provided for in chapter 362, ~~364A,~~ 369, 370, 372, 374, 377, 377A,  
39 444A or 585 of NRS, *or sections 2 to 24, inclusive, or 40 to 63,*  
40 *inclusive, of this act,* or the fee provided for in NRS 482.313, to the  
41 State or a county within the time required, shall pay a penalty of not  
42 more than 10 percent of the amount of the tax or fee which is owed,  
43 as determined by the Department, in addition to the tax or fee, plus  
44 interest at the rate of 1 percent per month, or fraction of a month,  
45 from the last day of the month following the period for which the



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1 amount or any portion of the amount should have been reported  
2 until the date of payment. The amount of any penalty imposed must  
3 be based on a graduated schedule adopted by the Nevada Tax  
4 Commission which takes into consideration the length of time the  
5 tax or fee remained unpaid.

6 **Sec. 114.** (Deleted.)

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

8 360.419 1. If the Executive Director or a designated hearing  
9 officer finds that the failure of a person to make a timely return or  
10 payment of a tax imposed pursuant to NRS 361.320 or ~~chapter~~  
11 ~~361A, 376A, 377 or 377A of NRS, or by~~ chapter *361A*, 362,  
12 ~~[364A,]~~ 369, 370, 372, 372A, 374, 375A, ~~[or]~~ 375B, *376A, 377 or*  
13 *377A of NRS, or sections 2 to 24, inclusive, or 40 to 63, inclusive,*  
14 *of this act*, is the result of circumstances beyond his control and  
15 occurred despite the exercise of ordinary care and without intent, the  
16 Department may relieve him of all or part of any interest or penalty,  
17 or both.

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

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

23 (a) The name of the person to whom relief was granted; and

24 (b) The amount of the relief.

25 4. The Executive Director or a designated hearing officer shall  
26 act upon the request of a taxpayer seeking relief pursuant to NRS  
27 361.4835 which is deferred by a county treasurer or county assessor.

28 **Sec. 116.** (Deleted.)

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

30 360.510 1. If any person is delinquent in the payment of any  
31 tax or fee administered by the Department or if a determination has  
32 been made against him which remains unpaid, the Department may:

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

35 (b) Not later than 6 years after the last recording of an abstract  
36 of judgment or of a certificate constituting a lien for tax owed,  
37 give a notice of the delinquency and a demand to transmit  
38 personally or by registered or certified mail to any person,  
39 including, without limitation, any officer or department of this state  
40 or any political subdivision or agency of this state, who has in his  
41 possession or under his control any credits or other personal  
42 property belonging to the delinquent, or owing any debts to the  
43 delinquent or person against whom a determination has been made  
44 which remains unpaid, or owing any debts to the delinquent or that  
45 person. In the case of any state officer, department or agency, the



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1 notice must be given to the officer, department or agency before the  
2 Department presents the claim of the delinquent taxpayer to the  
3 State Controller.

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

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

12 4. Every person notified by a demand to transmit shall, within  
13 10 days after receipt of the demand to transmit, inform the  
14 Department of ~~§~~ and transmit to the Department all such credits,  
15 other personal property ~~§~~ or debts in his possession, under his  
16 control or owing by him within the time and in the manner  
17 requested by the Department. Except as otherwise provided in  
18 subsection 5, no further notice is required to be served to that  
19 person.

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

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

37 7. If any person notified by the notice of the delinquency  
38 makes any transfer or other disposition of the property or debts  
39 required to be withheld or transmitted, to the extent of the value of  
40 the property or the amount of the debts thus transferred or paid, he is  
41 liable to the State for any indebtedness due pursuant to this chapter,  
42 or chapter 362, ~~§364A,~~ 369, 370, 372, 372A, 374, 377, 377A or  
43 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS, *or*  
44 *sections 2 to 24, inclusive, or 40 to 63, inclusive, of this act* from  
45 the person with respect to whose obligation the notice was given if



1 solely by reason of the transfer or other disposition the State is  
2 unable to recover the indebtedness of the person with respect to  
3 whose obligation the notice was given.

4 **Sec. 118.** (Deleted.)

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

6 360.750 1. A person who intends to locate or expand a  
7 business in this state may apply to the Commission on Economic  
8 Development for a partial abatement of one or more of the taxes  
9 imposed on the new or expanded business pursuant to chapter 361 ~~6~~  
10 ~~364A~~ or 374 of NRS.

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

14 (a) The business is consistent with:

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

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

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

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

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

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

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

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



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

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

8 (e) Except as otherwise provided in NRS 361.0687, if the  
9 business is a new business in a county whose population is less than  
10 100,000 or a city whose population is less than 60,000, the business  
11 meets at least two of the following requirements:

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

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

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

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

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

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

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

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

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

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

43 (3) The average hourly wage that will be paid by the existing  
44 business to its new employees in this state is at least 100 percent of  
45 the average statewide hourly wage as established by the



1 Employment Security Division of the Department of Employment,  
2 Training and Rehabilitation on July 1 of each fiscal year and:

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

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

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

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

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

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

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

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

30 (a) The Department;

31 (b) The Nevada Tax Commission; and

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

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

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

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

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



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1 the business shall repay to the Department or, if the partial  
2 abatement was from the property tax imposed pursuant to chapter  
3 361 of NRS, to the county treasurer, the amount of the exemption  
4 that was allowed pursuant to this section before the failure of the  
5 business to comply unless the Nevada Tax Commission determines  
6 that the business has substantially complied with the requirements of  
7 this section. Except as otherwise provided in NRS 360.232 and  
8 360.320, the business shall, in addition to the amount of the  
9 exemption required to be paid pursuant to this subsection, pay  
10 interest on the amount due at the rate most recently established  
11 pursuant to NRS 99.040 for each month, or portion thereof, from the  
12 last day of the month following the period for which the payment  
13 would have been made had the partial abatement not been approved  
14 until the date of payment of the tax.

15 8. A county treasurer:

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

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

22 9. The Commission on Economic Development:

23 (a) Shall adopt regulations relating to:

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

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

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

32 10. The Nevada Tax Commission:

33 (a) Shall adopt regulations regarding:

34 (1) The capital investment that a new business must make to  
35 meet the requirement set forth in paragraph (d) or (e) of subsection  
36 2; and

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

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

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



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

3     360.750 1. A person who intends to locate or expand a  
4 business in this state may apply to the Commission on Economic  
5 Development for a partial abatement of one or more of the taxes  
6 imposed on the new or expanded business pursuant to chapter 361  
7 or 374 of NRS ~~H~~ *or sections 40 to 63, inclusive, of this act.*

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

11     (a) The business is consistent with:

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

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

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

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

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

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

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

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

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



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

5 (e) Except as otherwise provided in NRS 361.0687, if the  
6 business is a new business in a county whose population is less than  
7 100,000 or a city whose population is less than 60,000, the business  
8 meets at least two of the following requirements:

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

28 (a) The Department;

29 (b) The Nevada Tax Commission; and

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

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

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

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

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

43 the business shall repay to the Department or, if the partial  
44 abatement was from the property tax imposed pursuant to chapter  
45 361 of NRS, to the county treasurer, the amount of the exemption



1 that was allowed pursuant to this section before the failure of the  
2 business to comply unless the Nevada Tax Commission determines  
3 that the business has substantially complied with the requirements of  
4 this section. Except as otherwise provided in NRS 360.232 and  
5 360.320, the business shall, in addition to the amount of the  
6 exemption required to be paid pursuant to this subsection, pay  
7 interest on the amount due at the rate most recently established  
8 pursuant to NRS 99.040 for each month, or portion thereof, from the  
9 last day of the month following the period for which the payment  
10 would have been made had the partial abatement not been approved  
11 until the date of payment of the tax.

12 8. A county treasurer:

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

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

19 9. The Commission on Economic Development:

20 (a) Shall adopt regulations relating to:

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

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

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

29 10. The Nevada Tax Commission:

30 (a) Shall adopt regulations regarding:

31 (1) The capital investment that a new business must make to  
32 meet the requirement set forth in paragraph (d) or (e) of subsection  
33 2; and

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

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

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

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

45 364A.020 1. "Business" includes:



\* S B 8 R 1 \*

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

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

8 (c) A trade show or convention held in this state in which a  
9 business described in paragraph (a) or (b) takes part, or which a  
10 person who conducts such a business attends, for a purpose related  
11 to the conduct of the business.

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

13 ~~—3.]~~ The term does not include:

14 (a) A nonprofit religious, charitable, fraternal or other  
15 organization that qualifies as a tax-exempt organization pursuant to  
16 26 U.S.C. § 501(c);

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

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

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

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

28 364A.120 The activity or activities conducted by a natural  
29 person shall be deemed to be a business that is subject to the  
30 provisions of this chapter if the person files with the Internal  
31 Revenue Service a Schedule C (Form 1040), Profit or Loss from  
32 Business Form, or its equivalent or successor form, *a Schedule E*  
33 *(Form 1040), Supplemental Income and Loss Form, or its*  
34 *equivalent or successor form*, or a Schedule F (Form 1040), Farm  
35 Income and Expenses Form, or its equivalent or successor form, for  
36 the activity or activities.

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

39 364A.130 1. Except as otherwise provided in subsection ~~[6.]~~  
40 **8**, a person shall not conduct a business in this state unless he has a  
41 business license issued by the Department.

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

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



\* S B 8 R 1 \*

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

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

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

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

9 3. The application must be signed by:

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

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

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

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

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

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

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

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

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

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

38 ~~[6:]~~ 8. A person who takes part in a trade show or convention  
39 held in this state for a purpose related to the conduct of a business is  
40 not required to obtain a business license specifically for that event.

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

43 369.174 Each month, the State Controller shall transfer to the  
44 Tax on Liquor Program Account in the State General Fund, from the



1 tax on liquor containing more than 22 percent of alcohol by volume,  
2 the portion of the tax which exceeds ~~[\$1.90]~~ \$3.45 per wine gallon.

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

5 369.330 Except as otherwise provided in this chapter, an excise  
6 tax is hereby levied and must be collected respecting all liquor and  
7 upon the privilege of importing, possessing, storing or selling liquor,  
8 according to the following rates and classifications:

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

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

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

17 4. On all malt beverage liquor brewed or fermented and bottled  
18 in or outside this state, ~~[9]~~ 16 cents per gallon.

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

21 370.165 There is hereby levied a tax upon the purchase or  
22 possession of cigarettes by a consumer in the State of Nevada at the  
23 rate of ~~[47.5]~~ 40 mills per cigarette. The tax may be represented and  
24 precollected by the affixing of a revenue stamp or other approved  
25 evidence of payment to each package, packet or container in which  
26 cigarettes are sold. The tax must be precollected by the wholesale or  
27 retail dealer, and must be recovered from the consumer by adding  
28 the amount of the tax to the selling price. Each person who sells  
29 cigarettes at retail shall prominently display on his premises a notice  
30 that the tax is included in the selling price and is payable under the  
31 provisions of this chapter.

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

34 370.260 1. All taxes and license fees imposed by the  
35 provisions of NRS 370.001 to 370.430, inclusive, less any refunds  
36 granted as provided by law, must be paid to the Department in the  
37 form of remittances payable to the Department.

38 2. The Department shall:

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



1 (b) From the remittances made to it pursuant to subsection 1  
2 during the preceding month, less the amount transmitted pursuant to  
3 paragraph (a), transmit each month the portion of the tax which is  
4 equivalent to ~~12.5~~ 35 mills per cigarette to the State Treasurer for  
5 deposit to the credit of the Account for the Tax on Cigarettes in the  
6 State General Fund.

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

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

12 3. The money deposited pursuant to paragraph (c) of  
13 subsection 2 in the Local Government Tax Distribution account is  
14 hereby appropriated to Carson City and to each of the counties in  
15 proportion to their respective populations and must be credited to  
16 the respective accounts of Carson City and each county.

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

19 370.350 1. Except as otherwise provided in subsection 3, a  
20 tax is hereby levied and imposed upon the use of cigarettes in this  
21 state.

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

23 3. The use tax does not apply where:

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

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

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

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

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

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

44 ***4. The county recorder of a county:***



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

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

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

13 2. When requested, the Department shall render assistance to  
14 the county recorder of a county whose population is less than  
15 30,000 relating to the imposition and collection of the tax imposed  
16 by section 124 of this act.

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

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

20 375.018 With regard to the administration of ~~the real property~~  
21 ~~transfer tax,~~ any tax imposed by this chapter, the county recorder  
22 shall apply the following principles:

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

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

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

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

37 (a) Equitably among eligible taxpayers; and

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

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

41 375.030 1. If any deed evidencing a transfer of title subject to  
42 the tax imposed by NRS 375.020 ~~[and, if applicable, NRS 375.025,]~~  
43 is offered for recordation, the county recorder shall compute the  
44 amount of the tax due and shall collect that amount before  
45 acceptance of the deed for recordation.





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

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

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

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

28       375.030 1. If any deed evidencing a transfer of title subject to  
29 the tax imposed by NRS 375.020 *and section 124 of this act* is  
30 offered for recordation, the county recorder shall compute the  
31 amount of the tax due and shall collect that amount before  
32 acceptance of the deed for recordation.

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

39       3. If, after recordation of the deed, the county recorder  
40 disallows an exemption that was claimed at the time the deed was  
41 recorded or through audit or otherwise determines that an additional  
42 amount of tax is due, the county recorder shall promptly notify the  
43 person who requested the recording of the deed and the buyer and  
44 seller of the additional amount of tax due. If the additional amount  
45 of tax is not paid within 30 days after the date the buyer and seller



1 are notified, the county recorder shall impose a penalty of 10  
2 percent of the additional amount due in addition to interest at the  
3 rate of 1 percent per month, or portion thereof, of the additional  
4 amount due calculated from the date of the original recordation of  
5 the deed on which the additional amount is due through the date on  
6 which the additional amount due, penalty and interest are paid to the  
7 county recorder.

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

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

15 375.070 1. The county recorder shall transmit the proceeds of  
16 the ~~real property transfer~~ tax *imposed by NRS 375.020* at the end  
17 of each quarter in the following manner:

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

23 (b) In a county whose population is more than 400,000, an  
24 amount equal to that portion of the proceeds which is equivalent to  
25 60 cents for each \$500 of value or fraction thereof must be  
26 transmitted to the county treasurer for deposit in the county school  
27 district's fund for capital projects established pursuant to NRS  
28 387.328, to be held and expended in the same manner as other  
29 money deposited in that fund.

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

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

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



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

8 **Sec. 130.** NRS 375.090 is hereby amended to read as follows:  
9 375.090 The tax imposed by NRS 375.020 ~~and 375.025~~ does  
10 not apply to:

- 11 1. A mere change in identity, form or place of organization,
- 12 such as a transfer between a corporation and its parent corporation, a
- 13 subsidiary or an affiliated corporation if the affiliated corporation
- 14 has identical common ownership.
- 15 2. A transfer of title to the United States, any territory or state
- 16 or any agency, department, instrumentality or political subdivision
- 17 thereof.
- 18 3. A transfer of title recognizing the true status of ownership of
- 19 the real property.
- 20 4. A transfer of title without consideration from one joint
- 21 tenant or tenant in common to one or more remaining joint tenants
- 22 or tenants in common.
- 23 5. A transfer of title to community property without
- 24 consideration when held in the name of one spouse to both spouses
- 25 as joint tenants or tenants in common, or as community property.
- 26 6. A transfer of title between spouses, including gifts.
- 27 7. A transfer of title between spouses to effect a property
- 28 settlement agreement or between former spouses in compliance with
- 29 a decree of divorce.
- 30 8. A transfer of title to or from a trust, if the transfer is made
- 31 without consideration, and is made to or from:
  - 32 (a) The trustor of the trust;
  - 33 (b) The trustor's legal representative; or
  - 34 (c) A person related to the trustor in the first degree of
  - 35 consanguinity.
- 36 As used in this subsection, "legal representative" has the meaning
- 37 ascribed to it in NRS 167.020.
- 38 9. Transfers, assignments or conveyances of unpatented mines
- 39 or mining claims.
- 40 10. A transfer, assignment or other conveyance of real property
- 41 to a corporation or other business organization if the person
- 42 conveying the property owns 100 percent of the corporation or
- 43 organization to which the conveyance is made.



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

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

6 (a) Confirmed under the Bankruptcy Act, as amended, 11 U.S.C.  
7 §§ 101 et seq.;

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

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

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

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

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

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

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

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

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

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

38 375.090 The ~~tax~~ *taxes* imposed by NRS 375.020 ~~does~~ *and*  
39 *section 124 this act do* not apply to:

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



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

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

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

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

12 ~~—6.] A transfer of title between spouses, including gifts [~~  
13 ~~—7. A transfer of title between spouses], or~~ to effect a property  
14 settlement agreement or between former spouses in compliance with  
15 a decree of divorce.

16 ~~[8.] 6.~~ A transfer of title to or from a trust ~~[, if the transfer is~~  
17 ~~made] without consideration [, and is made to or from:~~

18 ~~—(a) The trustor of the trust;~~

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

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

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

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

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

27 ~~[10.] 8.~~ A transfer, assignment or other conveyance of real  
28 property to a corporation or other business organization if the person  
29 conveying the property owns 100 percent of the corporation or  
30 organization to which the conveyance is made.

31 ~~[11.] 9.~~ A transfer, assignment or other conveyance of real  
32 property if the owner of the property is related to the person to  
33 whom it is conveyed within the first degree of consanguinity.

34 ~~[12.] 10.~~ The making, delivery or filing of conveyances of real  
35 property to make effective any plan of reorganization or adjustment:

36       (a) Confirmed under the Bankruptcy Act, as amended, 11 U.S.C.  
37 §§ 101 et seq.;

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

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



1 ~~{13.}~~ **11.** The making or delivery of conveyances of real  
2 property to make effective any order of the Securities and Exchange  
3 Commission if:

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

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

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

13 ~~{14.}~~ **12.** A transfer to an educational foundation. As used in  
14 this subsection, "educational foundation" has the meaning ascribed  
15 to it in subsection 3 of NRS 388.750.

16 ~~{15.}~~ **13.** A transfer to a university foundation. As used in this  
17 subsection, "university foundation" has the meaning ascribed to it in  
18 subsection 3 of NRS 396.405.

19 ~~{16.} A transfer, assignment or other conveyance of real  
20 property to a corporation sole from another corporation sole. As  
21 used in this subsection, "corporation sole" means a corporation  
22 which is organized pursuant to the provisions of chapter 84 of  
23 NRS.~~

24 **Sec. 132.** NRS 375.120 is hereby amended to read as follows:  
25 375.120 The county recorder shall:

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

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

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

32 375.130 1. The county recorder may audit all records relating  
33 to the collection and calculation of ~~{the real property transfer tax.}~~  
34 **any tax imposed by this chapter.** If the county recorder deems it  
35 necessary to conduct an audit, the audit must be completed within 3  
36 years after the date of the original recording of the document that  
37 evidences the transfer of property for which the tax was imposed.

38 2. The county recorder may issue subpoenas to require the  
39 production of documents necessary for him to determine the amount  
40 of ~~{real property transfer}~~ **the** tax due pursuant to this chapter or to  
41 determine whether a person qualifies for an exemption from taxes  
42 pursuant to this chapter. The county recorder may have the  
43 subpoenas served, and upon application of the district attorney, to  
44 any court of competent jurisdiction, enforced in the manner



1 provided by law for the service and enforcement of subpoenas in a  
2 civil action.

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

4 375.160 1. If any ~~real-property-transfer~~ tax imposed  
5 pursuant to this chapter is not paid when due, the county may,  
6 within 3 years after the date that the tax was due, record a certificate  
7 in the office of the county recorder which states:

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

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

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

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

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

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

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

23 4. Within 5 years after the date of recording the certificate or  
24 within 5 years after the date of the last extension of the lien pursuant  
25 to this subsection, the lien may be extended by recording a new  
26 certificate in the office of the county recorder. From the time of  
27 recording the new certificate, the lien is extended for 5 years, unless  
28 sooner released or otherwise discharged.

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

30 375.170 1. If a person is delinquent in the payment of ~~the~~  
31 ~~real-property-transfer~~ any tax *imposed by this chapter* or has not  
32 paid the amount of a deficiency determination, the county may bring  
33 an action in a court of this state, a court of any other state or a court  
34 of the United States that has competent jurisdiction to collect the  
35 delinquent or deficient amount, penalties and interest. The action:

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

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

41 2. The district attorney shall prosecute the action. The  
42 provisions of the Nevada Revised Statutes, Nevada Rules of Civil  
43 Procedure and Nevada Rules of Appellate Procedure relating to  
44 service of summons, pleadings, proofs, trials and appeals are  
45 applicable to the proceedings. In the action, a writ of attachment



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1 may issue. A bond or affidavit is not required before an attachment  
2 may be issued.

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

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

6 (b) The delinquency of the amounts; and

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

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

11 375.250 1. The Legislature hereby declares that each  
12 taxpayer has the right:

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

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

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

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

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

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

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

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

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

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

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

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



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

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

- 11 (1) The tax is paid;  
12 (2) The period of limitation for collecting the tax expires;  
13 (3) The lien is the result of an error by the county recorder;  
14 (4) The county recorder determines that the taxes, interest  
15 and penalties are secured sufficiently by a lien on other real  
16 property;  
17 (5) The release or subordination of the lien will not  
18 jeopardize the collection of the taxes, interest and penalties; or  
19 (6) The release of the lien will facilitate the collection of the  
20 taxes, interest and penalties.

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

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

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

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

30 375.270 The county recorder shall provide each taxpayer who  
31 it determines may be liable for taxes pursuant to this chapter with  
32 simplified written instructions concerning the rights and  
33 responsibilities of the taxpayer, including the:

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

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

42 375.290 A taxpayer is entitled to receive on any overpayment  
43 of ~~the real property transfer~~ *any* tax *imposed by this chapter* a  
44 refund together with interest at a rate determined pursuant to NRS



1 17.130. No interest is allowed on a refund of any penalties or  
2 interest on the ~~real property transfer~~ tax that is paid by a taxpayer.

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

4 375.300 The county recorder shall provide a taxpayer with a  
5 response to any written request submitted by the taxpayer that  
6 relates to a ~~real property transfer~~ tax *imposed by this chapter*  
7 within 30 days after the county treasurer receives the request.

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

9 375.330 1. The county recorder may waive any ~~real property~~  
10 ~~transfer~~ tax, penalty and interest owed by the taxpayer *pursuant to*  
11 *this chapter, other than the tax imposed by section 124 of this act,*  
12 if the taxpayer meets the criteria adopted by regulation. If a waiver  
13 is granted pursuant to this subsection, the county shall prepare and  
14 maintain on file a statement that contains:

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

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

26 3. If a person proves to the satisfaction of the county recorder  
27 that he has in good faith remitted the ~~real property transfer~~ tax in  
28 reliance upon written advice provided by an officer or employee of  
29 the county recorder, an opinion of the district attorney or Attorney  
30 General, or the written results of an audit of his records conducted  
31 by the county recorder, the county recorder may not require the  
32 taxpayer to pay delinquent taxes, penalties or interest if the county  
33 recorder determines after the completion of a subsequent audit that  
34 the taxes the taxpayer remitted were deficient.

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

37 376A.040 1. In addition to all other taxes imposed on the  
38 revenues from retail sales, a board of county commissioners of a  
39 county whose population is less than 400,000 may by ordinance, but  
40 not as in a case of emergency, impose a tax at the rate of up to 1/4 of  
41 1 percent of the gross receipts of any retailer from the sale of all  
42 tangible personal property sold at retail, or stored, used or otherwise  
43 consumed in the county, after receiving the approval of a majority  
44 of the registered voters of the county voting on the question at a  
45 primary, general or special election. The question may be combined



1 with questions submitted pursuant to NRS ~~[375.025, 376A.050 and~~  
2 ~~376A.070 or any combination thereof.] 376A.050 or 376A.070, or~~  
3 ~~both.~~

4 2. If a county imposes a sales tax pursuant to this section and  
5 NRS 376A.050, the combined additional sales tax must not exceed  
6 1/4 of 1 percent. A tax imposed pursuant to this section applies  
7 throughout the county, including incorporated cities in the county.

8 3. Before the election may occur, an open-space plan must be  
9 adopted by the board of county commissioners pursuant to NRS  
10 376A.020 and the adopted open-space plan must be endorsed by  
11 resolution by the city council of each incorporated city within the  
12 county.

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

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

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

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

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

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

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

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

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



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

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

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

7 376A.040 1. In addition to all other taxes imposed on the  
8 revenues from retail sales, a board of county commissioners of a  
9 county whose population is 100,000 or more but less than 400,000,  
10 may by ordinance, but not as in a case of emergency, impose a tax at  
11 the rate of up to 1/4 of 1 percent of the gross receipts of any retailer  
12 from the sale of all tangible personal property sold at retail, or  
13 stored, used or otherwise consumed in the county, after receiving  
14 the approval of a majority of the registered voters of the county  
15 voting on the question at a primary, general or special election. The  
16 question may be combined with questions submitted pursuant to  
17 NRS ~~{375.025, 376A.050 and 376A.070 or any combination~~  
18 ~~thereof.}~~ **376A.050 or 376A.070, or both.**

19 2. If a county imposes a sales tax pursuant to this section and  
20 NRS 376A.050, the combined additional sales tax must not exceed  
21 1/4 of 1 percent. A tax imposed pursuant to this section applies  
22 throughout the county, including incorporated cities in the county.

23 3. Before the election may occur, an open-space plan must be  
24 adopted by the board of county commissioners pursuant to NRS  
25 376A.020 and the adopted open-space plan must be endorsed by  
26 resolution by the city council of each incorporated city within the  
27 county.

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

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

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



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

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

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

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

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

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

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

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

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

22 376A.050 1. Except as otherwise provided in subsection 2, in  
23 addition to all other taxes imposed on the revenues from retail sales,  
24 a board of county commissioners in each county whose population  
25 is less than 400,000 may by ordinance, but not as in a case of  
26 emergency, impose a tax at the rate of up to 1/4 of 1 percent of the  
27 gross receipts of any retailer from the sale of all tangible personal  
28 property sold at retail, or stored, used or otherwise consumed in the  
29 county, after receiving the approval of a majority of the registered  
30 voters of the county voting on the question at a primary, general or  
31 special election. The question may be combined with questions  
32 submitted pursuant to NRS ~~{375.025, 376A.040 and 376A.070 or~~  
33 ~~any combination thereof.}~~ **376A.040 or 376A.070, or both.**

34 2. If a county imposes a sales tax pursuant to this section and  
35 NRS 376A.040, the combined additional sales tax must not exceed  
36 1/4 of 1 percent. A tax imposed pursuant to this section applies  
37 throughout the county, including incorporated cities in the county.

38 3. Before the election occurs, an open-space plan must be  
39 adopted by the board of county commissioners pursuant to NRS  
40 376A.020 and the adopted open-space plan must be endorsed by  
41 resolution by the city council of each incorporated city in the  
42 county.

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



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

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

11 376A.050 1. Except as otherwise provided in subsection 2, in  
12 addition to all other taxes imposed on the revenues from retail sales,  
13 a board of county commissioners in each county whose population  
14 is 100,000 or more but less than 400,000, may by ordinance, but not  
15 as in a case of emergency, impose a tax at the rate of up to 1/4 of 1  
16 percent of the gross receipts of any retailer from the sale of all  
17 tangible personal property sold at retail, or stored, used or otherwise  
18 consumed in the county, after receiving the approval of a majority  
19 of the registered voters of the county voting on the question at a  
20 primary, general or special election. The question may be combined  
21 with questions submitted pursuant to NRS ~~[375.025, 376A.040 and~~  
22 ~~376A.070 or any combination thereof.]~~ *376A.040 or 376A.070, or*  
23 *both.*

24 2. If a county imposes a sales tax pursuant to this section and  
25 NRS 376A.040, the combined additional sales tax must not exceed  
26 1/4 of 1 percent. A tax imposed pursuant to this section applies  
27 throughout the county, including incorporated cities in the county.

28 3. Before the election occurs, an open-space plan must be  
29 adopted by the board of county commissioners pursuant to NRS  
30 376A.020 and the adopted open-space plan must be endorsed by  
31 resolution by the city council of each incorporated city in the  
32 county.

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



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

3     376A.070 1. The board of county commissioners in a county  
4 whose population is less than 400,000 may levy an ad valorem tax at  
5 the rate of up to 1 cent on each \$100 of assessed valuation upon all  
6 taxable property in the county after receiving the approval of a  
7 majority of the registered voters of the county voting on the question  
8 at a primary, general or special election. The question may be  
9 combined with questions submitted pursuant to NRS ~~[375.025,~~  
10 ~~376A.040 and 376A.050 or any combination thereof.]~~ **376A.040 or**  
11 **376A.050, or both.** A tax imposed pursuant to this section applies  
12 throughout the county, including incorporated cities in the county.

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

17     3. Before the tax is imposed, an open-space plan must be  
18 adopted by the board of county commissioners pursuant to NRS  
19 376A.020 and the adopted open-space plan must be endorsed by  
20 resolution by the city council of each incorporated city within the  
21 county.

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

24     376A.070 1. The board of county commissioners in a county  
25 whose population is 100,000 or more but less than 400,000, may  
26 levy an ad valorem tax at the rate of up to 1 cent on each \$100 of  
27 assessed valuation upon all taxable property in the county after  
28 receiving the approval of a majority of the registered voters of the  
29 county voting on the question at a primary, general or special  
30 election. The question may be combined with questions submitted  
31 pursuant to NRS ~~[375.025, 376A.040 and 376A.050 or any~~  
32 ~~combination thereof.]~~ **376A.040 or 376A.050, or both.** A tax  
33 imposed pursuant to this section applies throughout the county,  
34 including incorporated cities in the county.

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

39     3. Before the tax is imposed, an open-space plan must be  
40 adopted by the board of county commissioners pursuant to NRS  
41 376A.020 and the adopted open-space plan must be endorsed by  
42 resolution by the city council of each incorporated city within the  
43 county.



1     **Sec. 147.** NRS 78.150 is hereby amended to read as follows:  
2     78.150 1. A corporation organized pursuant to the laws of  
3 this state shall, on or before the first day of the second month after  
4 the filing of its articles of incorporation with the Secretary of State,  
5 file with the Secretary of State a list, on a form furnished by him,  
6 containing:  
7     (a) The name of the corporation;  
8     (b) The file number of the corporation, if known;  
9     (c) The names and titles of the president, secretary, treasurer and  
10 of all the directors of the corporation;  
11     (d) The mailing or street address, either residence or business, of  
12 each officer and director listed, following the name of the officer or  
13 director;  
14     (e) The name and street address of the resident agent of the  
15 corporation; and  
16     (f) The signature of an officer of the corporation certifying that  
17 the list is true, complete and accurate.  
18     2. The corporation shall annually thereafter, on or before the  
19 last day of the month in which the anniversary date of incorporation  
20 occurs in each year, file with the Secretary of State, on a form  
21 furnished by him, an annual list containing all of the information  
22 required in subsection 1.  
23     3. Each list required by subsection 1 or 2 must be accompanied  
24 by a declaration under penalty of perjury that the corporation has  
25 complied with the provisions of ~~chapter 364A of NRS.~~ *section 108*  
26 *of this act.*  
27     4. Upon filing the list required by:  
28     (a) Subsection 1, the corporation shall pay to the Secretary of  
29 State a fee of \$165.  
30     (b) Subsection 2, the corporation shall pay to the Secretary of  
31 State a fee of \$85.  
32     5. The Secretary of State shall, 60 days before the last day for  
33 filing each annual list required by subsection 2, cause to be mailed  
34 to each corporation which is required to comply with the provisions  
35 of NRS 78.150 to 78.185, inclusive, and which has not become  
36 delinquent, a notice of the fee due pursuant to subsection 4 and a  
37 reminder to file the annual list required by subsection 2. Failure of  
38 any corporation to receive a notice or form does not excuse it from  
39 the penalty imposed by law.  
40     6. If the list to be filed pursuant to the provisions of subsection  
41 1 or 2 is defective in any respect or the fee required by subsection 4  
42 or 8 is not paid, the Secretary of State may return the list for  
43 correction or payment.  
44     7. An annual list for a corporation not in default which is  
45 received by the Secretary of State more than 60 days before its due



1 date shall be deemed an amended list for the previous year and must  
2 be accompanied by a fee of \$85 for filing. A payment submitted  
3 pursuant to this subsection does not satisfy the requirements of  
4 subsection 2 for the year to which the due date is applicable.

5 8. If the corporation is an association as defined in NRS  
6 116.110315, the Secretary of State shall not accept the filing  
7 required by this section unless it is accompanied by evidence of the  
8 payment of the fee required to be paid pursuant to NRS 116.31155  
9 that is provided to the association pursuant to subsection 4 of that  
10 section.

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

12 80.110 1. Each foreign corporation doing business in this  
13 state shall, on or before the first day of the second month after the  
14 filing of its certificate of corporate existence with the Secretary of  
15 State, and annually thereafter on or before the last day of the month  
16 in which the anniversary date of its qualification to do business in  
17 this state occurs in each year, file with the Secretary of State a list,  
18 on a form furnished by him, that contains:

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

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

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

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

27 2. Upon filing:

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

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

32 3. The Secretary of State shall, 60 days before the last day for  
33 filing each annual list required by subsection 1, cause to be mailed  
34 to each corporation required to comply with the provisions of NRS  
35 80.110 to 80.170, inclusive, which has not become delinquent, the  
36 blank forms to be completed and filed with him. Failure of any  
37 corporation to receive the forms does not excuse it from the penalty  
38 imposed by the provisions of NRS 80.110 to 80.170, inclusive.

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



1     **Sec. 149.** NRS 86.263 is hereby amended to read as follows:  
2     86.263 1. A limited-liability company shall, on or before the  
3 first day of the second month after the filing of its articles of  
4 organization with the Secretary of State, file with the Secretary of  
5 State, on a form furnished by him, a list that contains:  
6     (a) The name of the limited-liability company;  
7     (b) The file number of the limited-liability company, if known;  
8     (c) The names and titles of all of its managers or, if there is no  
9 manager, all of its managing members;  
10    (d) The mailing or street address, either residence or business, of  
11 each manager or managing member listed, following the name of  
12 the manager or managing member;  
13    (e) The name and street address of the resident agent of the  
14 limited-liability company; and  
15    (f) The signature of a manager or managing member of the  
16 limited-liability company certifying that the list is true, complete  
17 and accurate.  
18    2. The limited-liability company shall annually thereafter, on  
19 or before the last day of the month in which the anniversary date of  
20 its organization occurs, file with the Secretary of State, on a form  
21 furnished by him, an amended list containing all of the information  
22 required in subsection 1. If the limited-liability company has had no  
23 changes in its managers or, if there is no manager, its managing  
24 members, since its previous list was filed, no amended list need be  
25 filed if a manager or managing member of the limited-liability  
26 company certifies to the Secretary of State as a true and accurate  
27 statement that no changes in the managers or managing members  
28 have occurred.  
29    3. Each list required by subsection 1 and each list or  
30 certification required by subsection 2 must be accompanied by a  
31 declaration under penalty of perjury that the limited-liability  
32 company has complied with the provisions of ~~chapter 364A of~~  
33 ~~NRS.]~~ *section 108 of this act.*  
34    4. Upon filing:  
35    (a) The initial list required by subsection 1, the limited-liability  
36 company shall pay to the Secretary of State a fee of \$165.  
37    (b) Each annual list required by subsection 2 or certifying that  
38 no changes have occurred, the limited-liability company shall pay to  
39 the Secretary of State a fee of \$85.  
40    5. The Secretary of State shall, 60 days before the last day for  
41 filing each list required by subsection 2, cause to be mailed to each  
42 limited-liability company required to comply with the provisions of  
43 this section, which has not become delinquent, a notice of the fee  
44 due under subsection 4 and a reminder to file a list required by  
45 subsection 2 or a certification of no change. Failure of any company



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

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

6 7. An annual list for a limited-liability company not in default  
7 received by the Secretary of State more than 60 days before its due  
8 date shall be deemed an amended list for the previous year.

9 **Sec. 150.** NRS 87.510 is hereby amended to read as follows:

10 87.510 1. A registered limited-liability partnership shall, on  
11 or before the first day of the second month after the filing of its  
12 certificate of registration with the Secretary of State, and annually  
13 thereafter on or before the last day of the month in which the  
14 anniversary date of the filing of its certificate of registration with the  
15 Secretary of State occurs, file with the Secretary of State, on a form  
16 furnished by him, a list that contains:

17 (a) The name of the registered limited-liability partnership;

18 (b) The file number of the registered limited-liability  
19 partnership, if known;

20 (c) The names of all of its managing partners;

21 (d) The mailing or street address, either residence or business, of  
22 each managing partner;

23 (e) The name and street address of the resident agent of the  
24 registered limited-liability partnership; and

25 (f) The signature of a managing partner of the registered limited-  
26 liability partnership certifying that the list is true, complete and  
27 accurate.

28 Each list filed pursuant to this subsection must be accompanied by a  
29 declaration under penalty of perjury that the registered limited-  
30 liability partnership has complied with the provisions of ~~chapter~~  
31 ~~364A of NRS.]~~ *section 108 of this act.*

32 2. Upon filing:

33 (a) The initial list required by subsection 1, the registered  
34 limited-liability partnership shall pay to the Secretary of State a fee  
35 of \$165.

36 (b) Each annual list required by subsection 1, the registered  
37 limited-liability partnership shall pay to the Secretary of State a fee  
38 of \$85.

39 3. The Secretary of State shall, at least 60 days before the last  
40 day for filing each annual list required by subsection 1, cause to be  
41 mailed to the registered limited-liability partnership a notice of the  
42 fee due pursuant to subsection 2 and a reminder to file the annual  
43 list required by subsection 1. The failure of any registered limited-  
44 liability partnership to receive a notice or form does not excuse it  
45 from complying with the provisions of this section.



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

4 5. An annual list that is filed by a registered limited-liability  
5 partnership which is not in default more than 60 days before it is due  
6 shall be deemed an amended list for the previous year and does not  
7 satisfy the requirements of subsection 1 for the year to which the  
8 due date is applicable.

9 **Sec. 151.** NRS 88.395 is hereby amended to read as follows:

10 88.395 1. A limited partnership shall, on or before the first  
11 day of the second month after the filing of its certificate of limited  
12 partnership with the Secretary of State, and annually thereafter on or  
13 before the last day of the month in which the anniversary date of the  
14 filing of its certificate of limited partnership occurs, file with the  
15 Secretary of State, on a form furnished by him, a list that contains:

- 16 (a) The name of the limited partnership;  
17 (b) The file number of the limited partnership, if known;  
18 (c) The names of all of its general partners;  
19 (d) The mailing or street address, either residence or business, of  
20 each general partner;  
21 (e) The name and street address of the resident agent of the  
22 limited partnership; and  
23 (f) The signature of a general partner of the limited partnership  
24 certifying that the list is true, complete and accurate.

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

29 2. Upon filing:

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

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

34 3. The Secretary of State shall, 60 days before the last day for  
35 filing each annual list required by subsection 1, cause to be mailed  
36 to each limited partnership required to comply with the provisions  
37 of this section which has not become delinquent a notice of the fee  
38 due pursuant to the provisions of subsection 2 and a reminder to file  
39 the annual list. Failure of any limited partnership to receive a notice  
40 or form does not excuse it from the penalty imposed by  
41 NRS 88.400.

42 4. If the list to be filed pursuant to the provisions of subsection  
43 1 is defective or the fee required by subsection 2 is not paid, the  
44 Secretary of State may return the list for correction or payment.



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

6       6. A filing made pursuant to this section does not satisfy the  
7 provisions of NRS 88.355 and may not be substituted for filings  
8 submitted pursuant to NRS 88.355.

9       **Sec. 152.** NRS 88A.600 is hereby amended to read as follows:

10       88A.600 1. A business trust formed pursuant to this chapter  
11 shall, on or before the first day of the second month after the filing  
12 of its certificate of trust with the Secretary of State, and annually  
13 thereafter on or before the last day of the month in which the  
14 anniversary date of the filing of its certificate of trust with the  
15 Secretary of State occurs, file with the Secretary of State, on a form  
16 furnished by him, a list signed by at least one trustee that contains  
17 the name and mailing address of its resident agent and at least one  
18 trustee. Each list filed pursuant to this subsection must be  
19 accompanied by a declaration under penalty of perjury that the  
20 business trust has complied with the provisions of ~~chapter 364A of~~  
21 ~~NRS.]~~ *section 108 of this act.*

22       2. Upon filing:

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

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

27       3. The Secretary of State shall, 60 days before the last day for  
28 filing each annual list required by subsection 1, cause to be mailed  
29 to each business trust which is required to comply with the  
30 provisions of NRS 88A.600 to 88A.660, inclusive, and which has  
31 not become delinquent, the blank forms to be completed and filed  
32 with him. Failure of a business trust to receive the forms does not  
33 excuse it from the penalty imposed by law.

34       4. An annual list for a business trust not in default which is  
35 received by the Secretary of State more than 60 days before its due  
36 date shall be deemed an amended list for the previous year.

37       **Sec. 153.** NRS 89.250 is hereby amended to read as follows:

38       89.250 1. Except as otherwise provided in subsection 2, a  
39 professional association shall, on or before the first day of the  
40 second month after the filing of its articles of association with the  
41 Secretary of State, and annually thereafter on or before the last day  
42 of the month in which the anniversary date of its organization occurs  
43 in each year, furnish a statement to the Secretary of State showing  
44 the names and residence addresses of all members and employees in





1 the association and certifying that all members and employees are  
2 licensed to render professional service in this state.

3 2. A professional association organized and practicing pursuant  
4 to the provisions of this chapter and NRS 623.349 shall, on or  
5 before the first day of the second month after the filing of its articles  
6 of association with the Secretary of State, and annually thereafter on  
7 or before the last day of the month in which the anniversary date of  
8 its organization occurs in each year, furnish a statement to the  
9 Secretary of State:

10 (a) Showing the names and residence addresses of all members  
11 and employees of the association who are licensed or otherwise  
12 authorized by law to render professional service in this state;

13 (b) Certifying that all members and employees who render  
14 professional service are licensed or otherwise authorized by law to  
15 render professional service in this state; and

16 (c) Certifying that all members who are not licensed to render  
17 professional service in this state do not render professional service  
18 on behalf of the association except as authorized by law.

19 3. Each statement filed pursuant to this section must be:

20 (a) Made on a form prescribed by the Secretary of State and  
21 must not contain any fiscal or other information except that  
22 expressly called for by this section.

23 (b) Signed by the chief executive officer of the association.

24 (c) Accompanied by a declaration under penalty of perjury that  
25 the professional association has complied with the provisions of  
26 ~~chapter 364A of NRS.~~ *section 108 of this act.*

27 4. Upon filing:

28 (a) The initial statement required by this section, the association  
29 shall pay to the Secretary of State a fee of \$165.

30 (b) Each annual statement required by this section, the  
31 association shall pay to the Secretary of State a fee of \$85.

32 5. As used in this section, "signed" means to have executed or  
33 adopted a name, word or mark, including, without limitation, an  
34 electronic signature as defined in NRS 719.100, with the present  
35 intention to authenticate a document.

36 **Sec. 154.** Chapter 218 of NRS is hereby amended by adding  
37 thereto the provisions set forth as sections 155 to 160, inclusive, of  
38 this act.

39 **Sec. 155.** *As used in sections 155 to 160, inclusive, of this*  
40 *act, "Committee" means the Legislative Committee on Taxation,*  
41 *Public Revenue and Tax Policy.*

42 **Sec. 156. 1.** *There is hereby established a Legislative*  
43 *Committee on Taxation, Public Revenue and Tax Policy*  
44 *consisting of:*



- 1       (a) *The Speaker of the Assembly, or a member of the Assembly*
- 2       *designated by the Speaker of the Assembly;*
- 3       (b) *The Minority Leader of the Assembly, or a member of the*
- 4       *Assembly designated by the Minority Leader of the Assembly;*
- 5       (c) *The Majority Leader of the Senate, or a member of the*
- 6       *Senate designated by the Majority Leader of the Senate;*
- 7       (d) *The Minority Leader of the Senate, or a member of the*
- 8       *Senate designated by the Minority Leader of the Senate;*
- 9       (e) *Two members appointed by the Speaker of the Assembly*
- 10       *who were members of the Assembly Committee on Taxation*
- 11       *during the immediately preceding legislative session; and*
- 12       (f) *Two members appointed by the Majority Leader of the*
- 13       *Senate who were members of the Senate Committee on Taxation*
- 14       *during the immediately preceding legislative session.*
- 15       2. *The members of the Committee shall elect a Chairman and*
- 16       *Vice Chairman from among their members. The Chairman must*
- 17       *be elected from one house of the Legislature and the Vice*
- 18       *Chairman from the other house. After the initial election of a*
- 19       *Chairman and Vice Chairman, each of those officers holds office*
- 20       *for a term of 2 years commencing on July 1 of each odd-numbered*
- 21       *year. If a vacancy occurs in the Chairmanship or Vice*
- 22       *Chairmanship, the members of the Committee shall elect a*
- 23       *replacement for the remainder of the unexpired term.*
- 24       3. *Any member of the Committee who is not a candidate for*
- 25       *reelection or who is defeated for reelection continues to serve until*
- 26       *the convening of the next session of the Legislature.*
- 27       4. *Vacancies on the Committee must be filled in the same*
- 28       *manner as the original appointments.*
- 29       **Sec. 157.** 1. *The members of the Committee shall meet*
- 30       *throughout each year at the times and places specified by a call of*
- 31       *the Chairman or a majority of the Committee.*
- 32       2. *The Director of the Legislative Counsel Bureau or his*
- 33       *designee shall act as the nonvoting recording Secretary.*
- 34       3. *The Committee shall prescribe regulations for its own*
- 35       *management and government.*
- 36       4. *Except as otherwise provided in subsection 5, five voting*
- 37       *members of the Committee constitute a quorum.*
- 38       5. *Any recommended legislation proposed by the Committee*
- 39       *must be approved by a majority of the members of the Senate and*
- 40       *by a majority of the members of the Assembly serving on the*
- 41       *Committee.*
- 42       6. *Except during a regular or special session of the*
- 43       *Legislature, the members of the Committee are entitled to receive*
- 44       *the compensation provided for a majority of the members of the*
- 45       *Legislature during the first 60 days of the preceding regular*



1 *session, the per diem allowance provided for state officers and*  
2 *employees generally and the travel expenses provided pursuant to*  
3 *NRS 218.2207 for each day or portion of a day of attendance at a*  
4 *meeting of the Committee and while engaged in the business of*  
5 *the Committee. The salaries and expenses paid pursuant to this*  
6 *subsection and the expenses of the Committee must be paid from*  
7 *the Legislative Fund.*

8 **Sec. 158.** *The Committee may:*

9 *1. Review and study:*

10 *(a) The specific taxes collected in this state;*

11 *(b) The implementation of any taxes, fees and other methods*  
12 *for generating public revenue in this state;*

13 *(c) The impact of any changes to taxes, fees and other methods*  
14 *for generating public revenue that result from legislation enacted*  
15 *by the Legislature on the residents of this state and on the*  
16 *businesses located in this state, doing business in this state or*  
17 *considering locating in this state;*

18 *(d) The fiscal effects of any taxes, fees and other methods for*  
19 *generating public revenue;*

20 *(e) The impact, if any, on the prices charged to the residents of*  
21 *this state from the compounding of various new or increased taxes*  
22 *such as the real property transfer tax;*

23 *(f) The beneficial and detrimental effects, if any, of the*  
24 *reduction of the tax based on wages for the cost of employee*  
25 *health benefits;*

26 *(g) Broad issues of tax policy and fiscal policy relevant to the*  
27 *future of the State of Nevada; and*

28 *(h) Any other issues related to taxation, the generation of*  
29 *public revenue, tax policy or fiscal policy which affect this state.*

30 *2. Conduct investigations and hold hearings in connection*  
31 *with its powers pursuant to this section.*

32 *3. Contract with one or more consultants to obtain technical*  
33 *advice concerning its review and study.*

34 *4. Apply for any available grants and accept any gifts, grants*  
35 *or donations and use any such gifts, grants or donations to aid the*  
36 *Committee in exercising its powers pursuant to this section.*

37 *5. Request that the Legislative Counsel Bureau assist in the*  
38 *research, investigations, hearings, studies and reviews of the*  
39 *Committee.*

40 *6. Recommend to the Legislature, as a result of its review and*  
41 *study, any appropriate legislation.*

42 **Sec. 159.** *If the Committee conducts investigations or holds*  
43 *hearings pursuant to subsection 2 of section 158 of this act:*

44 *1. The Secretary of the Committee or, in his absence, a*  
45 *member designated by the Committee may administer oaths; and*



\* S B 8 R 1 \*

1       2. *The Secretary or Chairman of the Committee may cause*  
2 *the deposition of witnesses, residing either within or outside of this*  
3 *state, to be taken in the manner prescribed by rule of court for*  
4 *taking depositions in civil actions in the district courts.*

5       **Sec. 160.** *Each witness who appears before the Committee by*  
6 *its order, except a state officer or employee, is entitled to receive*  
7 *for his attendance the fees and mileage provided for witnesses in*  
8 *civil cases in the courts of record of this state. The fees and*  
9 *mileage must be audited and paid upon the presentation of proper*  
10 *claims sworn to by the witness and approved by the Secretary and*  
11 *Chairman of the Committee.*

12       **Sec. 161.** NRS 218.53883 is hereby amended to read as  
13 follows:

14       218.53883 1. The Committee shall:

15       (a) Review the laws relating to *the exemptions from and* the  
16 distribution of revenue generated by state and local taxes. In  
17 conducting the review, the Committee ~~may~~:

18       (1) *May* consider the purposes for which the various state  
19 and local taxes were imposed, the actual use of the revenue  
20 collected from the various state and local taxes, and any relief to the  
21 taxpayers from the burden of the various state and local taxes that  
22 may result from any possible recommendations of the Committee.

23       (2) *Shall consider the purposes for which various*  
24 *exemptions from those taxes were adopted, whether any of those*  
25 *exemptions have become obsolete or no longer serve their*  
26 *intended purpose, and whether any of those exemptions should be*  
27 *repealed.*

28       (b) Study whether removing the authority of the Board of  
29 County Commissioners of Washoe County to impose a certain  
30 additional governmental services tax is a prudent act which is in the  
31 best interests of this state.

32       2. In conducting its review of the laws relating to *the*  
33 *exemptions from and* the distribution of revenue generated by state  
34 and local taxes, the Committee may review:

35       (a) The *exemptions and* distribution of the revenue from:

36       (1) The local school support tax imposed by chapter 374 of  
37 NRS;

38       (2) The tax on aviation fuel and motor vehicle fuel imposed  
39 by or pursuant to chapter 365 of NRS;

40       (3) The tax on intoxicating liquor imposed by chapter 369 of  
41 NRS;

42       (4) The tax on fuel imposed pursuant to chapter 373 of NRS;

43       (5) The tax on tobacco imposed by chapter 370 of NRS;

44       (6) The governmental services tax imposed by or pursuant to  
45 chapter 371 of NRS;



- 1 (7) The tax imposed on gaming licensees by or pursuant to  
2 chapter 463 of NRS;  
3 (8) Property taxes imposed pursuant to chapter 361 of NRS;  
4 (9) The tax on the transfer of real property imposed by or  
5 pursuant to chapter 375 of NRS; and  
6 (10) Any other state or local tax.  
7 (b) The proper crediting of gasoline tax revenue if the collection  
8 is moved to the terminal rack level.  
9 3. The Committee may:  
10 (a) Conduct investigations and hold hearings in connection with  
11 its review and study;  
12 (b) Contract with one or more consultants to obtain technical  
13 advice concerning the study conducted pursuant to NRS 218.53884;  
14 (c) Apply for any available grants and accept any gifts, grants or  
15 donations and use any such gifts, grants or donations to aid the  
16 committee in carrying out its duties pursuant to this chapter;  
17 (d) Direct the Legislative Counsel Bureau to assist in its  
18 research, investigations, review and study; and  
19 (e) Recommend to the Legislature, as a result of its review and  
20 study, any appropriate legislation.  
21 **Sec. 162.** NRS 233B.039 is hereby amended to read as  
22 follows:  
23 233B.039 1. The following agencies are entirely exempted  
24 from the requirements of this chapter:  
25 (a) The Governor.  
26 (b) The Department of Corrections.  
27 (c) The University and Community College System of Nevada.  
28 (d) The Office of the Military.  
29 (e) ~~The~~ *Except as otherwise provided in section 80 of this act,*  
30 *the* State Gaming Control Board.  
31 (f) The Nevada Gaming Commission.  
32 (g) The Welfare Division of the Department of Human  
33 Resources.  
34 (h) The Division of Health Care Financing and Policy of the  
35 Department of Human Resources.  
36 (i) The State Board of Examiners acting pursuant to chapter 217  
37 of NRS.  
38 (j) Except as otherwise provided in NRS 533.365, the Office of  
39 the State Engineer.  
40 (k) The Division of Industrial Relations of the Department of  
41 Business and Industry acting to enforce the provisions of  
42 NRS 618.375.  
43 (l) The Administrator of the Division of Industrial Relations of  
44 the Department of Business and Industry in establishing and



1 adjusting the schedule of fees and charges for accident benefits  
2 pursuant to subsection 2 of NRS 616C.260.

3 (m) The Board to Review Claims in adopting resolutions to  
4 carry out its duties pursuant to NRS 590.830.

5 2. Except as otherwise provided in subsection 5 and NRS  
6 391.323, the Department of Education, the Board of the Public  
7 Employees' Benefits Program and the Commission on Professional  
8 Standards in Education are subject to the provisions of this chapter  
9 for the purpose of adopting regulations but not with respect to any  
10 contested case.

11 3. The special provisions of:

12 (a) Chapter 612 of NRS for the distribution of regulations by  
13 and the judicial review of decisions of the Employment Security  
14 Division of the Department of Employment, Training and  
15 Rehabilitation;

16 (b) Chapters 616A to 617, inclusive, of NRS for the  
17 determination of contested claims;

18 (c) Chapter 703 of NRS for the judicial review of decisions of  
19 the Public Utilities Commission of Nevada;

20 (d) Chapter 91 of NRS for the judicial review of decisions of the  
21 Administrator of the Securities Division of the Office of the  
22 Secretary of State; and

23 (e) NRS 90.800 for the use of summary orders in contested  
24 cases,  
25 prevail over the general provisions of this chapter.

26 4. The provisions of NRS 233B.122, 233B.124, 233B.125 and  
27 233B.126 do not apply to the Department of Human Resources in  
28 the adjudication of contested cases involving the issuance of letters  
29 of approval for health facilities and agencies.

30 5. The provisions of this chapter do not apply to:

31 (a) Any order for immediate action, including, but not limited  
32 to, quarantine and the treatment or cleansing of infected or infested  
33 animals, objects or premises, made under the authority of the State  
34 Board of Agriculture, the State Board of Health or any other agency  
35 of this state in the discharge of a responsibility for the preservation  
36 of human or animal health or for insect or pest control;

37 (b) An extraordinary regulation of the State Board of Pharmacy  
38 adopted pursuant to NRS 453.2184; or

39 (c) A regulation adopted by the State Board of Education  
40 pursuant to NRS 392.644 or 394.1694.

41 6. The State Board of Parole Commissioners is subject to the  
42 provisions of this chapter for the purpose of adopting regulations but  
43 not with respect to any contested case.



1     **Sec. 163.** NRS 244.335 is hereby amended to read as follows:  
2     244.335 1. Except as otherwise provided in subsection 2, the  
3 board of county commissioners may:

4     (a) Regulate all character of lawful trades, callings, industries,  
5 occupations, professions and business conducted in its county  
6 outside of the limits of incorporated cities and towns.

7     (b) Except as otherwise provided in NRS 244.3359 and 576.128,  
8 fix, impose and collect a license tax for revenue or for regulation, or  
9 for both revenue and regulation, on such trades, callings, industries,  
10 occupations, professions and business.

11     2. The county license boards have the exclusive power in their  
12 respective counties to regulate entertainers employed by an  
13 entertainment by referral service and the business of conducting a  
14 dancing hall, escort service, entertainment by referral service or  
15 gambling game or device permitted by law, outside of an  
16 incorporated city. The county license boards may fix, impose and  
17 collect license taxes for revenue or for regulation, or for both  
18 revenue and regulation, on such employment and businesses.

19     3. No license to engage in any type of business may be granted  
20 unless the applicant for the license signs an affidavit affirming that  
21 the business has complied with the provisions of ~~chapter 364A of~~  
22 ~~NRS.]~~ *section 108 of this act.* The county license board shall  
23 provide upon request an application for a business license pursuant  
24 to ~~chapter 364A of NRS.]~~ *section 108 of this act.*

25     4. No license to engage in business as a seller of tangible  
26 personal property may be granted unless the applicant for the license  
27 presents written evidence that:

28     (a) The Department of Taxation has issued or will issue a permit  
29 for this activity, and this evidence clearly identifies the business by  
30 name; or

31     (b) Another regulatory agency of the State has issued or will  
32 issue a license required for this activity.

33     5. Any license tax levied for the purposes of NRS 244.3358 or  
34 244A.597 to 244A.655, inclusive, constitutes a lien upon the real  
35 and personal property of the business upon which the tax was levied  
36 until the tax is paid. The lien has the same priority as a lien for  
37 general taxes. The lien must be enforced in the following manner:

38     (a) By recording in the office of the county recorder, within 6  
39 months after the date on which the tax became delinquent or was  
40 otherwise determined to be due and owing, a notice of the tax lien  
41 containing the following:

- 42         (1) The amount of tax due and the appropriate year;  
43         (2) The name of the record owner of the property;  
44         (3) A description of the property sufficient for identification;  
45 and





1 (4) A verification by the oath of any member of the board of  
2 county commissioners or the county fair and recreation board; and

3 (b) By an action for foreclosure against the property in the same  
4 manner as an action for foreclosure of any other lien, commenced  
5 within 2 years after the date of recording of the notice of the tax  
6 lien, and accompanied by appropriate notice to other lienholders.

7 6. The board of county commissioners may delegate the  
8 authority to enforce liens from taxes levied for the purposes of NRS  
9 244A.597 to 244A.655, inclusive, to the county fair and recreation  
10 board. If the authority is so delegated, the board of county  
11 commissioners shall revoke or suspend the license of a business  
12 upon certification by the county fair and recreation board that the  
13 license tax has become delinquent, and shall not reinstate the license  
14 until the tax is paid. Except as otherwise provided in NRS 244.3357,  
15 all information concerning license taxes levied by an ordinance  
16 authorized by this section or other information concerning the  
17 business affairs or operation of any licensee obtained as a result of  
18 the payment of such license taxes or as the result of any audit or  
19 examination of the books by any authorized employee of a county  
20 fair and recreation board of the county for any license tax levied for  
21 the purpose of NRS 244A.597 to 244A.655, inclusive, is  
22 confidential and must not be disclosed by any member, officer or  
23 employee of the county fair and recreation board or the county  
24 imposing the license tax unless the disclosure is authorized by the  
25 affirmative action of a majority of the members of the appropriate  
26 county fair and recreation board. Continuing disclosure may be so  
27 authorized under an agreement with the Department of Taxation for  
28 the exchange of information concerning taxpayers.

29 **Sec. 164.** NRS 268.095 is hereby amended to read as follows:

30 268.095 1. The city council or other governing body of each  
31 incorporated city in this state, whether organized under general law  
32 or special charter, may:

33 (a) Except as otherwise provided in NRS 268.0968 and 576.128,  
34 fix, impose and collect for revenues or for regulation, or both, a  
35 license tax on all character of lawful trades, callings, industries,  
36 occupations, professions and businesses conducted within its  
37 corporate limits.

38 (b) Assign the proceeds of any one or more of such license taxes  
39 to the county within which the city is situated for the purpose or  
40 purposes of making the proceeds available to the county:

41 (1) As a pledge as additional security for the payment of any  
42 general obligation bonds issued pursuant to NRS 244A.597 to  
43 244A.655, inclusive;

44 (2) For redeeming any general obligation bonds issued  
45 pursuant to NRS 244A.597 to 244A.655, inclusive;



1 (3) For defraying the costs of collecting or otherwise  
2 administering any such license tax so assigned, of the county fair  
3 and recreation board and of officers, agents and employees hired  
4 thereby, and of incidentals incurred thereby;  
5 (4) For operating and maintaining recreational facilities  
6 under the jurisdiction of the county fair and recreation board;  
7 (5) For improving, extending and bettering recreational  
8 facilities authorized by NRS 244A.597 to 244A.655, inclusive; and  
9 (6) For constructing, purchasing or otherwise acquiring such  
10 recreational facilities.  
11 (c) Pledge the proceeds of any tax imposed on the revenues from  
12 the rental of transient lodging pursuant to this section for the  
13 payment of any general or special obligations issued by the city for  
14 a purpose authorized by the laws of this state.  
15 (d) Use the proceeds of any tax imposed pursuant to this section  
16 on the revenues from the rental of transient lodging:  
17 (1) To pay the principal, interest or any other indebtedness  
18 on any general or special obligations issued by the city pursuant to  
19 the laws of this state;  
20 (2) For the expense of operating or maintaining, or both, any  
21 facilities of the city; and  
22 (3) For any other purpose for which other money of the city  
23 may be used.  
24 2. The proceeds of any tax imposed pursuant to this section  
25 that are pledged for the repayment of general obligations may be  
26 treated as "pledged revenues" for the purposes of NRS 350.020.  
27 3. No license to engage in any type of business may be granted  
28 unless the applicant for the license signs an affidavit affirming that  
29 the business has complied with the provisions of ~~chapter 364A of~~  
30 ~~NRS.]~~ *section 108 of this act.* The city licensing agency shall  
31 provide upon request an application for a business license pursuant  
32 to ~~chapter 364A of NRS.]~~ *section 108 of this act.*  
33 4. No license to engage in business as a seller of tangible  
34 personal property may be granted unless the applicant for the license  
35 presents written evidence that:  
36 (a) The Department of Taxation has issued or will issue a permit  
37 for this activity, and this evidence clearly identifies the business by  
38 name; or  
39 (b) Another regulatory agency of the State has issued or will  
40 issue a license required for this activity.  
41 5. Any license tax levied under the provisions of this section  
42 constitutes a lien upon the real and personal property of the business  
43 upon which the tax was levied until the tax is paid. The lien has the  
44 same priority as a lien for general taxes. The lien must be enforced  
45 in the following manner:



1 (a) By recording in the office of the county recorder, within 6  
2 months following the date on which the tax became delinquent or  
3 was otherwise determined to be due and owing, a notice of the tax  
4 lien containing the following:

- 5 (1) The amount of tax due and the appropriate year;  
6 (2) The name of the record owner of the property;  
7 (3) A description of the property sufficient for identification;

8 and

- 9 (4) A verification by the oath of any member of the board of  
10 county commissioners or the county fair and recreation board; and

11 (b) By an action for foreclosure against such property in the  
12 same manner as an action for foreclosure of any other lien,  
13 commenced within 2 years after the date of recording of the notice  
14 of the tax lien, and accompanied by appropriate notice to other  
15 lienholders.

16 6. The city council or other governing body of each  
17 incorporated city may delegate the power and authority to enforce  
18 such liens to the county fair and recreation board. If the authority is  
19 so delegated, the governing body shall revoke or suspend the license  
20 of a business upon certification by the board that the license tax has  
21 become delinquent, and shall not reinstate the license until the tax is  
22 paid. Except as otherwise provided in NRS 268.0966, all  
23 information concerning license taxes levied by an ordinance  
24 authorized by this section or other information concerning the  
25 business affairs or operation of any licensee obtained as a result of  
26 the payment of those license taxes or as the result of any audit or  
27 examination of the books of the city by any authorized employee of  
28 a county fair and recreation board for any license tax levied for the  
29 purpose of NRS 244A.597 to 244A.655, inclusive, is confidential  
30 and must not be disclosed by any member, official or employee of  
31 the county fair and recreation board or the city imposing the license  
32 tax unless the disclosure is authorized by the affirmative action of a  
33 majority of the members of the appropriate county fair and  
34 recreation board. Continuing disclosure may be so authorized under  
35 an agreement with the Department of Taxation for the exchange of  
36 information concerning taxpayers.

37 7. The powers conferred by this section are in addition and  
38 supplemental to, and not in substitution for, and the limitations  
39 imposed by this section do not affect the powers conferred by, any  
40 other law. No part of this section repeals or affects any other law or  
41 any part thereof, it being intended that this section provide a  
42 separate method of accomplishing its objectives, and not an  
43 exclusive one.



\* S B 8 R 1 \*

1     **Sec. 164.10.** Chapter 353 of NRS is hereby amended by  
2 adding thereto a new section to read as follows:

3     *“Account” means the Disaster Relief Account created by*  
4 *NRS 353.2735.*

5     **Sec. 164.12.** NRS 353.2705 is hereby amended to read as  
6 follows:

7     353.2705 As used in NRS 353.2705 to 353.2771, inclusive,  
8 *and section 164.10 of this act*, unless the context otherwise  
9 requires, the words and terms defined in NRS 353.271 to 353.2731,  
10 inclusive, *and section 164.10 of this act* have the meanings ascribed  
11 to them in those sections.

12     **Sec. 164.14.** NRS 353.2735 is hereby amended to read as  
13 follows:

14     353.2735 1. The Disaster Relief ~~[Fund]~~ *Account* is hereby  
15 created as a special ~~[revenue fund]~~ *account in the Fund to*  
16 *Stabilize the Operation of the State Government.* The Interim  
17 Finance Committee shall administer the ~~[Fund]~~ *Account.*

18     2. The Division may accept grants, gifts or donations for  
19 deposit in the ~~[Fund]~~ *Account.* Except as otherwise provided in  
20 subsection 3, money received from:

21     (a) A direct legislative appropriation to the ~~[Fund]~~ *Account;*

22     (b) A transfer of ~~[one half of the interest earned on money]~~ *not*  
23 *more than 10 percent of the aggregate balance* in the Fund to  
24 Stabilize the Operation of *the* State Government made pursuant to  
25 NRS 353.288; and

26     (c) A grant, gift or donation to the ~~[Fund]~~ *Account,*  
27 must be deposited in the ~~[Fund]~~ *Account.* Except as otherwise  
28 provided in NRS 414.135, the interest and income earned on the  
29 money in the ~~[Fund]~~ *Account* must, after deducting any applicable  
30 charges, be credited to the ~~[Fund]~~ *Account.*

31     3. If, at the end of each quarter of a fiscal year, the balance in  
32 the ~~[Fund]~~ *Account* exceeds 0.75 percent of the total amount of all  
33 appropriations from the State General Fund for the operation of all  
34 departments, institutions and agencies of State Government and  
35 authorized expenditures from the State General Fund for the  
36 regulation of gaming for that fiscal year, the State Controller shall  
37 not, until the balance in the ~~[Fund]~~ *Account* is 0.75 percent or less  
38 of that amount, transfer any ~~[interest earned on]~~ money in the Fund  
39 to Stabilize the Operation of *the* State Government from the State  
40 General Fund to the ~~[Fund]~~ *Account* pursuant to the provisions of  
41 NRS 353.288.

42     4. Money in the ~~[Fund]~~ *Account* may be distributed through  
43 grants and loans to state agencies and local governments as provided  
44 in NRS 353.2705 to 353.2771, inclusive ~~[ ]~~, *and section 164.10 of*  
45 *this act.* Except as otherwise provided in NRS 353.276, such grants



\* S B 8 R 1 \*

1 will be disbursed on the basis of reimbursement of costs authorized  
2 pursuant to NRS 353.274 and 353.2745.

3 5. If the Governor declares a disaster, the State Board of  
4 Examiners shall estimate:

5 (a) The money in the ~~Fund~~ *Account* that is available for grants  
6 and loans for the disaster pursuant to the provisions of NRS  
7 353.2705 to 353.2771, inclusive ~~[ ]~~, *and section 164.10 of this act;*  
8 and

9 (b) The anticipated amount of those grants and loans for the  
10 disaster.

11 Except as otherwise provided in this subsection, if the anticipated  
12 amount determined pursuant to paragraph (b) exceeds the available  
13 money in the ~~Fund~~ *Account* for such grants and loans, all grants  
14 and loans from the ~~Fund~~ *Account* for the disaster must be reduced  
15 in the same proportion that the anticipated amount of the grants and  
16 loans exceeds the money in the ~~Fund~~ *Account* that is available for  
17 grants and loans for the disaster. If the reduction of a grant or loan  
18 from the ~~Fund~~ *Account* would result in a reduction in the amount  
19 of money that may be received by a state agency or local  
20 government from the Federal Government, the reduction in the grant  
21 or loan must not be made.

22 **Sec. 164.16.** NRS 353.274 is hereby amended to read as  
23 follows:

24 353.274 Money in the ~~Fund~~ *Account* may be distributed as a  
25 grant to a state agency because of a disaster for the payment of  
26 expenses incurred by the state agency for:

27 1. The repair or replacement of public roads, public streets,  
28 bridges, water control facilities, public buildings, public utilities,  
29 recreational facilities and parks owned by the State and damaged by  
30 the disaster;

31 2. Any emergency measures undertaken to save lives, protect  
32 public health and safety or protect public property, including,  
33 without limitation, an emergency measure undertaken in response to  
34 a crisis involving violence on school property, at a school activity or  
35 on a school bus, in the jurisdiction in which the disaster occurred;

36 3. The removal of debris from publicly or privately owned land  
37 and waterways undertaken because of the disaster; and

38 4. The administration of a disaster assistance program.

39 **Sec. 164.18.** NRS 353.2745 is hereby amended to read as  
40 follows:

41 353.2745 Money in the ~~Fund~~ *Account* may be distributed as  
42 a grant to a local government because of a disaster for:

43 1. The payment of not more than 50 percent of the expenses  
44 incurred by the local government for:



1 (a) The repair or replacement of public roads, public streets,  
2 bridges, water control facilities, public buildings, public utilities,  
3 recreational facilities and parks owned by the local government and  
4 damaged by the disaster; and

5 (b) Any emergency measures undertaken to save lives, protect  
6 public health and safety or protect public property, including,  
7 without limitation, an emergency measure undertaken in response to  
8 a crisis involving violence on school property, at a school activity or  
9 on a school bus, in the jurisdiction in which the disaster occurred;  
10 and

11 2. The payment of not more than 50 percent of any grant match  
12 the local government must provide to obtain a grant from a federal  
13 disaster assistance agency for an eligible project to repair damage  
14 caused by the disaster within the jurisdiction of the local  
15 government.

16 **Sec. 164.20.** NRS 353.2751 is hereby amended to read as  
17 follows:

18 353.2751 Money in the ~~Fund~~ **Account** may be distributed as  
19 a loan to a local government because of a disaster for:

20 1. The payment of expenses incurred by the local government  
21 for:

22 (a) The repair or replacement of public roads, public streets,  
23 bridges, water control facilities, public buildings, public utilities,  
24 recreational facilities and parks owned by the local government and  
25 damaged by the disaster;

26 (b) Any overtime worked by an employee of the local  
27 government because of the disaster or any other extraordinary  
28 expenses incurred by the local government because of the disaster;  
29 and

30 (c) Any projects to reduce or prevent the possibility of damage  
31 to persons or property from similar disasters in the future; and

32 2. The payment of not more than 50 percent of any grant match  
33 the local government must provide to obtain a grant from a federal  
34 disaster assistance agency for an eligible project to repair damage  
35 caused by the disaster within the jurisdiction of the local  
36 government. Before a loan may be distributed to a local government  
37 pursuant to this subsection:

38 (a) The Interim Finance Committee must make a determination  
39 that the local government is currently unable to meet its financial  
40 obligations; and

41 (b) The local government must execute a loan agreement in  
42 which the local government agrees to:

43 (1) Use the money only for the purpose of paying the grant  
44 match; and



1 (2) Repay the entire amount of the loan, without any interest  
2 or other charges, to the ~~[Disaster Relief Fund]~~ *Account* not later  
3 than 10 years after the date on which the agreement is executed.

4 **Sec. 164.22.** NRS 353.2753 is hereby amended to read as  
5 follows:

6 353.2753 1. A state agency or local government may request  
7 the Division to conduct a preliminary assessment of the damages  
8 related to an event for which the state agency or local government  
9 seeks a grant or loan from the ~~[Fund.]~~ *Account*.

10 2. Upon receipt of such a request, the Division shall investigate  
11 the event or cause the event to be investigated to make a preliminary  
12 assessment of the damages related to the event and shall make or  
13 cause to be made a written report of the damages related to the  
14 event.

15 3. As soon as practicable after completion of the investigation  
16 and preparation of the report of damages, the Division shall:

17 (a) Determine whether the event constitutes a disaster for which  
18 the state agency or local government may seek a grant or loan from  
19 the ~~[Fund.]~~ *Account*; and

20 (b) Submit the report prepared pursuant to this section and its  
21 written determination regarding whether the event constitutes a  
22 disaster to the state agency or local government.

23 4. The Division shall prescribe by regulation the information  
24 that must be included in a report of damages, including, without  
25 limitation, a description of the damage caused by the event, an  
26 estimate of the costs to repair such damage and a specification of  
27 whether the purpose of the project is for repair or replacement,  
28 emergency response or mitigation.

29 **Sec. 164.24.** NRS 353.2754 is hereby amended to read as  
30 follows:

31 353.2754 A local government may request a grant or loan from  
32 the ~~[Fund]~~ *Account* if:

33 1. Pursuant to NRS 414.090, the governing body of the local  
34 government determines that an event which has occurred constitutes  
35 a disaster; and

36 2. After the Division conducts a preliminary assessment of the  
37 damages pursuant to NRS 353.2753, the Division determines that an  
38 event has occurred that constitutes a disaster.

39 **Sec. 164.26.** NRS 353.2755 is hereby amended to read as  
40 follows:

41 353.2755 1. A state agency or local government may submit  
42 a request to the State Board of Examiners for a grant or loan from  
43 the ~~[Fund]~~ *Account* as provided in NRS 353.2705 to 353.2771,  
44 inclusive, *and section 164.10 of this act* if:





1 (a) The agency or local government finds that, because of a  
2 disaster, it is unable to pay for an expense or grant match specified  
3 in NRS 353.274, 353.2745 or 353.2751 from money appropriated or  
4 otherwise available to the agency or local government;

5 (b) The request has been approved by the chief administrative  
6 officer of the state agency or the governing body of the local  
7 government; and

8 (c) If the requester is an incorporated city, the city has requested  
9 financial assistance from the county and was denied all or a portion  
10 of the requested assistance.

11 2. A request for a grant or loan submitted pursuant to  
12 subsection 1 must be made within 60 days after the disaster and  
13 must include:

14 (a) A statement setting forth the amount of money requested by  
15 the state agency or local government;

16 (b) An assessment of the need of the state agency or local  
17 government for the money requested;

18 (c) If the request is submitted by a local government that has  
19 established a fund pursuant to NRS 354.6115 to mitigate the effects  
20 of a natural disaster, a statement of the amount of money that is  
21 available in that fund, if any, for the payment of expenses incurred  
22 by the local government as a result of a disaster;

23 (d) A determination of the type, value and amount of resources  
24 the state agency or local government may be required to provide as  
25 a condition for the receipt of a grant or loan from the ~~Fund;~~  
26 *Account;*

27 (e) A written report of damages prepared by the Division and the  
28 written determination made by the Division that the event  
29 constitutes a disaster pursuant to NRS 353.2753; and

30 (f) If the requester is an incorporated city, all documents which  
31 relate to a request for assistance submitted to the board of county  
32 commissioners of the county in which the city is located.

33 Any additional documentation relating to the request that is  
34 requested by the State Board of Examiners must be submitted within  
35 6 months after the disaster unless the State Board of Examiners and  
36 the Interim Finance Committee ~~grants~~ *grant* an extension.

37 3. Upon the receipt of a complete request for a grant or loan  
38 submitted pursuant to subsection 1, the State Board of Examiners:

39 (a) Shall consider the request; and

40 (b) May require any additional information that it determines is  
41 necessary to make a recommendation.

42 4. If the State Board of Examiners finds that a grant or loan is  
43 appropriate, it shall include in its recommendation to the Interim  
44 Finance Committee the proposed amount of the grant or loan. If the  
45 State Board of Examiners recommends a grant, it shall include a



1 recommendation regarding whether or not the state agency or local  
2 government requires an advance to avoid severe financial hardship.  
3 If the State Board of Examiners recommends a loan for a local  
4 government, it shall include the information required pursuant to  
5 subsection 1 of NRS 353.2765. If the State Board of Examiners  
6 finds that a grant or loan is not appropriate, it shall include in its  
7 recommendation the reason for its determination.

8 5. The provisions of this section do not prohibit a state agency  
9 or local government from submitting more than one request for a  
10 grant or loan from the ~~Fund~~ Account.

11 6. As used in this section, the term "natural disaster" has the  
12 meaning ascribed to it in NRS 354.6115.

13 **Sec. 164.28.** NRS 353.276 is hereby amended to read as  
14 follows:

15 353.276 1. The State Board of Examiners shall submit a  
16 recommendation for each request for a grant or loan made pursuant  
17 to NRS 353.2755 to the Director of the Legislative Counsel Bureau.  
18 Upon receipt of the recommendation, the Director shall notify the  
19 Chairman of the Interim Finance Committee of that  
20 recommendation. The Chairman shall call a meeting of the  
21 Committee to consider the recommendation.

22 2. The Interim Finance Committee may reject any  
23 recommendation of the State Board of Examiners and independently  
24 evaluate and act upon any request submitted pursuant to  
25 NRS 353.2755.

26 3. If the Interim Finance Committee finds that a grant or loan  
27 from the ~~Fund~~ Account is appropriate and may be made in  
28 accordance with the provisions of NRS 353.2705 to 353.2771,  
29 inclusive, *and section 164.10 of this act*, it shall, by resolution:

30 (a) Establish the amount and purpose of the grant or loan.

31 (b) Except as otherwise provided in this paragraph, provide for  
32 the transfer of that amount from the ~~Fund~~ Account to the  
33 appropriate state agency or local government. If the request is for a  
34 grant, the Interim Finance Committee shall authorize disbursement  
35 of the grant from the ~~Fund~~ Account on the basis of reimbursement  
36 for costs unless it determines that disbursement in that manner  
37 would cause severe financial hardship to the state agency or local  
38 government. If the Interim Finance Committee determines that  
39 disbursement on the basis of reimbursement of costs would cause  
40 severe financial hardship, the Interim Finance Committee may  
41 authorize an advance of money to the state agency or local  
42 government in an amount not to exceed 25 percent of the total  
43 estimated cost of the projects for which the grant is requested.



1 4. No grant or loan from the ~~Fund~~ *Account* may be made by  
2 the Interim Finance Committee to increase the salaries of any  
3 officers or employees of the State or a local government.

4 **Sec. 164.30.** NRS 353.2765 is hereby amended to read as  
5 follows:

6 353.2765 1. In addition to any applicable requirements set  
7 forth in NRS 353.2751, if the Interim Finance Committee approves  
8 a loan to a local government pursuant to the provisions of NRS  
9 353.2705 to 353.2771, inclusive, *and section 164.10 of this act*, the  
10 approval must include a schedule for the repayment of the loan. The  
11 schedule must specify:

12 (a) A period of not more than 10 years for the repayment of the  
13 loan; and

14 (b) The rate of interest, if any, for the loan.

15 2. Except as otherwise provided in subsection 3, if a local  
16 government receives a loan from the ~~Fund~~ *Account* and, before the  
17 loan is repaid, the local government receives money from the  
18 Federal Government for a grant match or any of the expenses set  
19 forth in subsection 1 of NRS 353.2751 for which the local  
20 government received the loan, the local government shall deposit  
21 with the State Treasurer for credit to the ~~Fund~~ *Account* an amount  
22 of money equal to the money it received from the Federal  
23 Government for the grant match or the expenses.

24 3. Any money deposited with the State Treasurer for credit to  
25 the ~~Fund~~ *Account* pursuant to subsection 2 must be used to pay the  
26 unpaid balance of the loan specified in subsection 2. If any money  
27 remains after that payment is made, the remaining money must be  
28 paid to the local government to whom the loan was made.

29 **Sec. 164.32.** NRS 353.2771 is hereby amended to read as  
30 follows:

31 353.2771 1. Except as otherwise provided in this section, no  
32 grant or loan may be made from the ~~Fund~~ *Account* to a state  
33 agency or local government unless, as a condition of making the  
34 grant or loan, the state agency or local government agrees to provide  
35 an amount of its resources equal to at least 25 percent of the grant or  
36 loan. The State Board of Examiners shall determine the type, value  
37 and amount of the resources, including money, labor, materials,  
38 supplies and equipment, that is required to be provided by the state  
39 agency or local government.

40 2. If a state agency or local government submits a request for a  
41 grant or loan pursuant to NRS 353.2755 and:

42 (a) It maintains a policy of insurance providing coverage for  
43 damages, injuries or other losses incurred because of a disaster; or



1 (b) If the request is submitted by a local government, it has  
2 established a district for the control of floods pursuant to NRS  
3 543.170 to 543.830, inclusive,  
4 the State Board of Examiners may recommend that the state agency  
5 or local government provide a portion of its resources in an amount  
6 that is less than the amount required pursuant to subsection 1.

7 3. The State Board of Examiners may, if it determines that the  
8 state agency or local government is unable to provide any portion of  
9 its resources as its contribution for the receipt of a grant or loan,  
10 recommend that the state agency or local government not be  
11 required to provide any portion of its resources as a condition for the  
12 receipt of the grant or loan.

13 **Sec. 164.34.** NRS 353.288 is hereby amended to read as  
14 follows:

15 353.288 1. The Fund to Stabilize the Operation of the State  
16 Government is hereby created as a special revenue fund. Except as  
17 otherwise provided in subsections 2 and 3, each year after the close  
18 of the fiscal year and before the issuance of the *State* Controller's  
19 annual report, the State Controller shall deposit to the credit of the  
20 Fund 40 percent of the unrestricted balance of the State General  
21 Fund, as of the close of the fiscal year, which remains after  
22 subtracting an amount equal to ~~10~~ 5 percent of all appropriations  
23 made from the State General Fund during that year for the operation  
24 of all departments, institutions and agencies of State Government  
25 and for the funding of schools.

26 2. The balance in the Fund must not exceed ~~10~~ 15 percent of  
27 the total of all appropriations from the State General Fund for the  
28 operation of all departments, institutions and agencies of the State  
29 Government and for the funding of schools and authorized  
30 expenditures from the State General Fund for the regulation of  
31 gaming for the fiscal year in which that revenue will be deposited in  
32 the Fund.

33 3. Except as otherwise provided in this subsection and NRS  
34 353.2735, beginning with the fiscal year that begins on July 1,  
35 ~~1999~~ 2003, the State Controller shall, at the end of each quarter of  
36 a fiscal year, transfer from the State General Fund to the Disaster  
37 Relief ~~Fund~~ *Account* created pursuant to NRS 353.2735 an  
38 amount equal to ~~one-half of the interest earned on money~~ *not more*  
39 *than 10 percent of the aggregate balance* in the Fund to Stabilize  
40 the Operation of *the* State Government during the previous quarter.  
41 The State Controller shall not transfer more than \$500,000 for any  
42 quarter pursuant to this subsection.

43 4. Money from the Fund to Stabilize the Operation of the State  
44 Government may be appropriated only:



1 (a) If the total actual revenue of the State falls short by 5 percent  
2 or more of the total anticipated revenue for the biennium in which  
3 the appropriation is made; or

4 (b) If the Legislature and the Governor declare that a fiscal  
5 emergency exists.

6 **Sec. 164.38.** Chapter 353C of NRS is hereby amended by  
7 adding thereto a new section to read as follows:

8 *1. The State Controller shall adopt regulations establishing a*  
9 *fee of \$25 that an agency shall charge a person for each check or*  
10 *draft returned to the agency because the person had insufficient*  
11 *money or credit with the drawee to pay the check or draft, or*  
12 *because the person stopped payment on the check or draft.*

13 *2. Notwithstanding any specific statute or regulation to the*  
14 *contrary, an agency may only charge and collect a fee for a check*  
15 *or draft returned to the agency because the person has insufficient*  
16 *money or credit, or because the person stopped payment on the*  
17 *check or draft, in accordance with the regulations adopted by the*  
18 *State Controller pursuant to this section.*

19 *3. For the purposes of this section, "agency" does not include*  
20 *the Department of Taxation, Nevada Gaming Commission or State*  
21 *Gaming Control Board.*

22 **Sec. 164.50.** Chapter 387 of NRS is hereby amended by  
23 adding thereto a new section to read as follows:

24 *1. On or before July 1 of each year, the Department, in*  
25 *consultation with the Budget Division of the Department of*  
26 *Administration and the Fiscal Analysis Division of the Legislative*  
27 *Counsel Bureau, shall develop or revise, as applicable, a formula*  
28 *for determining the minimum amount of money that each school*  
29 *district is required to expend each fiscal year for textbooks,*  
30 *instructional supplies and instructional hardware. The formula*  
31 *must be used only to develop expenditure requirements and must*  
32 *not be used to alter the distribution of money for basic support to*  
33 *school districts.*

34 *2. Upon approval of the formula pursuant to subsection 1, the*  
35 *Department shall provide written notice to each school district*  
36 *within the first 30 days of each fiscal year that sets forth the*  
37 *required minimum combined amount of money that the school*  
38 *district must expend for textbooks, instructional supplies and*  
39 *instructional hardware for that fiscal year.*

40 *3. On or before January 1 of each year, the Department shall*  
41 *determine whether each school district has expended, during the*  
42 *immediately preceding fiscal year, the required minimum amount*  
43 *of money set forth in the notice provided pursuant to subsection 2.*  
44 *In making this determination, the Department shall use the report*  
45 *submitted by the school district pursuant to NRS 387.303.*



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1     4. *Except as otherwise provided in subsection 5, if the*  
2 *Department determines that a school district has not expended the*  
3 *required minimum amount of money set forth in the notice*  
4 *provided pursuant to subsection 2, a reduction must be made from*  
5 *the basic support allocation otherwise payable to that school*  
6 *district in an amount that is equal to the difference between the*  
7 *actual combined expenditure for textbooks, instructional supplies*  
8 *and instructional hardware and the minimum required combined*  
9 *expenditure set forth in the notice provided pursuant to subsection*  
10 *2. A reduction in the amount of the basic support allocation*  
11 *pursuant to this subsection:*

12     (a) *Does not reduce the amount that the school district is*  
13 *required to expend on textbooks, instructional supplies and*  
14 *instructional hardware in the current fiscal year; and*

15     (b) *Must not exceed the amount of basic support that was*  
16 *provided to the school district for the fiscal year in which the*  
17 *minimum expenditure amount was not satisfied.*

18     5. *If the actual enrollment of pupils in a school district is less*  
19 *than the enrollment included in the projections used in the school*  
20 *district's biennial budget submitted pursuant to NRS 387.303, the*  
21 *required expenditure for textbooks, instructional supplies and*  
22 *instructional hardware pursuant to this section must be reduced*  
23 *proportionately.*

24     **Sec. 164.60.** NRS 387.205 is hereby amended to read as  
25 follows:

26     387.205 1. Subject to the limitations set forth in NRS  
27 387.207 ~~§~~ *and section 164.50 of this act*, money on deposit in the  
28 county school district fund or in a separate account, if the board of  
29 trustees of a school district has elected to establish such an account  
30 pursuant to the provisions of NRS 354.603, must be used for:

31     (a) Maintenance and operation of the public schools controlled  
32 by the county school district.

33     (b) Payment of premiums for Nevada industrial insurance.

34     (c) Rent of schoolhouses.

35     (d) Construction, furnishing or rental of teacherages, when  
36 approved by the Superintendent of Public Instruction.

37     (e) Transportation of pupils, including the purchase of new  
38 buses.

39     (f) Programs of nutrition, if such expenditures do not curtail the  
40 established school program or make it necessary to shorten the  
41 school term, and each pupil furnished lunch whose parent or  
42 guardian is financially able so to do pays at least the actual cost of  
43 the lunch.

44     (g) Membership fees, dues and contributions to an  
45 interscholastic activities association.



1 (h) Repayment of a loan made from the State Permanent School  
2 Fund pursuant to NRS 387.526.

3 2. Subject to the limitations set forth in NRS 387.207 ~~and~~ *and*  
4 *section 164.50 of this act*, money on deposit in the county school  
5 district fund, or in a separate account, if the board of trustees of a  
6 school district has elected to establish such an account pursuant to  
7 the provisions of NRS 354.603, when available, may be used for:

8 (a) Purchase of sites for school facilities.

9 (b) Purchase of buildings for school use.

10 (c) Repair and construction of buildings for school use.

11 **Sec. 164.70.** NRS 387.207 is hereby amended to read as  
12 follows:

13 387.207 1. Except as otherwise provided in this section, in  
14 each school year a school district shall spend for ~~textbooks,~~ library  
15 books and ~~supplies and materials relating to instruction, including,~~  
16 ~~without limitation,~~ software for computers ~~,~~ an amount of money,  
17 expressed as an amount per pupil, that is at least equal to the  
18 average of the total amount of money that was expended per year by  
19 the school district for those items in the immediately preceding 3  
20 years.

21 2. Except as otherwise provided in this section, in each school  
22 year a school district shall spend for the purchase of equipment  
23 relating to instruction, including, without limitation, equipment for  
24 telecommunications and for the purchase of equipment relating to  
25 the transportation of pupils, an amount of money, expressed as an  
26 amount per pupil, that is at least equal to the average of the total  
27 amount of money that was expended per year by the school district  
28 for those items in the immediately preceding 3 years.

29 3. Except as otherwise provided in this section, in each school  
30 year a school district shall spend for the maintenance and repair of  
31 equipment, vehicles, and buildings and facilities an amount of  
32 money, expressed as an amount per pupil, that is at least equal to the  
33 average of the total amount of money that was expended per year by  
34 the school district for those items in the immediately preceding 3  
35 years, excluding any amount of money derived from the proceeds of  
36 bonds.

37 4. A school district may satisfy the expenditures required by  
38 subsections 1, 2 and 3 if the school district spends an aggregate  
39 amount of money for all the items identified in those subsections  
40 that is at least equal to the average of the total amount of money  
41 expended by the school district per year for all those items in the  
42 immediately preceding 3 years.

43 5. A school district is not required to satisfy the expenditures  
44 required by this section for a school year in which:





1 (a) The total number of pupils who are enrolled in public  
2 schools within the school district has declined from the immediately  
3 preceding school year; or

4 (b) The total revenue available in the general fund of the school  
5 district has declined from the immediately preceding school year.

6 **Sec. 165.** NRS 388.750 is hereby amended to read as follows:

7 388.750 1. An educational foundation:

8 (a) Shall comply with the provisions of chapter 241 of NRS;

9 (b) Except as otherwise provided in subsection 2, shall make its  
10 records public and open to inspection pursuant to NRS 239.010; and

11 (c) Is exempt from the tax on transfer of real property pursuant  
12 to subsection ~~144~~ 12 of NRS 375.090.

13 2. An educational foundation is not required to disclose the  
14 names of the contributors to the foundation or the amount of their  
15 contributions. The educational foundation shall, upon request, allow  
16 a contributor to examine, during regular business hours, any record,  
17 document or other information of the foundation relating to that  
18 contributor.

19 3. As used in this section, "educational foundation" means a  
20 nonprofit corporation, association or institution or a charitable  
21 organization that is:

22 (a) Organized and operated exclusively for the purpose of  
23 supporting one or more kindergartens, elementary schools, junior  
24 high or middle schools or high schools, or any combination thereof;

25 (b) Formed pursuant to the laws of this state; and

26 (c) Exempt from taxation pursuant to 26 U.S.C. § 501(c)(3).

27 **Sec. 165.2.** NRS 391.165 is hereby amended to read as  
28 follows:

29 391.165 1. Except as otherwise provided in subsection 3 ~~of~~  
30 ~~this section~~ and except as otherwise required as a result of NRS  
31 286.537, the board of trustees of a school district shall pay the cost  
32 for a licensed teacher to purchase one-fifth of a year of service  
33 pursuant to subsection 2 of NRS 286.300 if:

34 (a) The teacher is a member of the Public Employees'  
35 Retirement System and has at least 5 years of service;

36 (b) The teacher has been employed as a licensed teacher in this  
37 state for at least 5 consecutive school years, regardless of whether  
38 the employment was with one or more school districts in this state;

39 (c) Each evaluation of the teacher conducted pursuant to NRS  
40 391.3125 is at least satisfactory for the years of employment  
41 required by paragraph (b); and

42 (d) In addition to the years of employment required by  
43 paragraph (b), the teacher has been employed as a licensed teacher  
44 for ~~1 school year~~ 2 school years at a school within the school



1 district ~~[which, for that school year, carries]~~ *during his employment*  
2 *at the school:*

3 (1) *Which carried* the designation of demonstrating need for  
4 improvement ~~[pursuant to NRS 385.367.]~~; or

5 (2) *At which at least 65 percent of the pupils who are*  
6 *enrolled in the school are children who are at risk.*

7 *The provisions of this paragraph do not require consecutive years*  
8 *of employment or employment at the same school within the*  
9 *school district.*

10 2. Except as otherwise provided in subsection 3, the board of  
11 trustees of a school district shall pay the cost for a licensed teacher  
12 to purchase one-fifth of a year of service for each year that a teacher  
13 ~~[is employed as a teacher at a school within the school district that is~~  
14 ~~described in paragraph (d)]~~ *satisfies the requirements* of  
15 subsection 1.

16 3. In no event may the years of service purchased by a licensed  
17 teacher as a result of subsection 2 of NRS 286.300 exceed 5 years.

18 4. The board of trustees of a school district shall not:

19 (a) Assign or reassign a licensed teacher to circumvent the  
20 requirements of this section.

21 (b) Include ~~[ ]~~ as part of a teacher's salary ~~[ ]~~ the costs of paying  
22 the teacher to purchase service pursuant to this section.

23 5. As used in this section ~~[, "service"]~~:

24 (a) *A child is "at risk" if he is eligible for free or reduced-price*  
25 *lunches pursuant to 42 U.S.C. §§ 1751 et seq.*

26 (b) *"Service"* has the meaning ascribed to it in NRS 286.078.

27 **Sec. 165.4.** NRS 391.165 is hereby amended to read as  
28 follows:

29 391.165 1. Except as otherwise provided in subsection 3 and  
30 except as otherwise required as a result of NRS 286.537, the board  
31 of trustees of a school district shall pay the cost for a licensed  
32 teacher *or licensed school psychologist* to purchase one-fifth of a  
33 year of service pursuant to subsection 2 of NRS 286.300 if:

34 (a) The teacher *or school psychologist* is a member of the Public  
35 Employees' Retirement System and has at least 5 years of service;

36 (b) The teacher *or school psychologist* has been employed as a  
37 licensed teacher *or licensed school psychologist* in this state for at  
38 least 5 consecutive school years, regardless of whether the  
39 employment was with one or more school districts in this state;

40 (c) Each evaluation of the teacher *or school psychologist*  
41 conducted pursuant to NRS 391.3125 is at least satisfactory for the  
42 years of employment required by paragraph (b); and

43 (d) In addition to the years of employment required by  
44 paragraph (b) ~~[, the]~~:



1       (1) *The* teacher has been employed as a licensed teacher for  
2 2 school years at a school within the school district during his  
3 employment at the school:

4       ~~[(1)]~~ (I) Which carried the designation of demonstrating  
5 need for improvement; or

6       ~~[(2)]~~ (II) At which at least 65 percent of the pupils who are  
7 enrolled in the school are children who are at risk ~~[(1)]~~;

8       (2) *The teacher holds an endorsement in the field of*  
9 *mathematics, science, special education or English as a second*  
10 *language and has been employed for at least 1 school year to teach*  
11 *in the subject area for which he holds an endorsement; or*

12       (3) *The school psychologist has been employed as a*  
13 *licensed school psychologist for at least 1 school year.*

14 The provisions of this paragraph do not require consecutive years of  
15 employment or employment at the same school within the school  
16 district.

17       2. Except as otherwise provided in subsection 3, the board of  
18 trustees of a school district shall pay the cost for a licensed teacher  
19 *or school psychologist* to purchase one-fifth of a year of service for  
20 each year that a teacher *or school psychologist* satisfies the  
21 requirements of subsection 1. *If, in 1 school year, a teacher*  
22 *satisfies the criteria set forth in both subparagraphs (1) and (2) of*  
23 *paragraph (d) of subsection 1, the school district in which the*  
24 *teacher is employed is not required to pay for more than one-fifth*  
25 *of a year of service pursuant to subsection 2 of NRS 286.300 for*  
26 *that school year.*

27       3. In no event may the years of service purchased by a licensed  
28 teacher *or school psychologist* as a result of subsection 2 of NRS  
29 286.300 exceed 5 years.

30       4. The board of trustees of a school district shall not:

31       (a) Assign or reassign a licensed teacher *or school psychologist*  
32 to circumvent the requirements of this section.

33       (b) Include ~~[(1)]~~ as part of a teacher's *or school psychologist's*  
34 salary ~~[(1)]~~ the costs of paying the teacher *or school psychologist* to  
35 purchase service pursuant to this section.

36       5. As used in this section:

37       (a) A child is "at risk" if he is eligible for free or reduced-price  
38 lunches pursuant to 42 U.S.C. §§ 1751 et seq.

39       (b) "Service" has the meaning ascribed to it in NRS 286.078.

40       **Sec. 166.** NRS 396.405 is hereby amended to read as follows:

41       396.405 1. A university foundation:

42       (a) Shall comply with the provisions of chapter 241 of NRS;

43       (b) Except as otherwise provided in subsection 2, shall make its  
44 records public and open to inspection pursuant to NRS 239.010;



1 (c) Is exempt from the tax on transfers of real property pursuant  
2 to subsection ~~44~~ 13 of NRS 379.090; and

3 (d) May allow a president or an administrator of the university  
4 or community college which it supports to serve as a member of its  
5 governing body.

6 2. A university foundation is not required to disclose the name  
7 of any contributor or potential contributor to the university  
8 foundation, the amount of his contribution or any information which  
9 may reveal or lead to the discovery of his identity. The university  
10 foundation shall, upon request, allow a contributor to examine,  
11 during regular business hours, any record, document or other  
12 information of the foundation relating to that contributor.

13 3. As used in this section, "university foundation" means a  
14 nonprofit corporation, association or institution or a charitable  
15 organization that is:

16 (a) Organized and operated exclusively for the purpose of  
17 supporting a university or a community college;

18 (b) Formed pursuant to the laws of this state; and

19 (c) Exempt from taxation pursuant to 26 U.S.C. § 501(c)(3).

20 **Sec. 166.5.** NRS 414.135 is hereby amended to read as  
21 follows:

22 414.135 1. There is hereby created the Emergency Assistance  
23 ~~Account~~ Subaccount within the Disaster Relief ~~Fund~~ Account  
24 created pursuant to NRS 353.2735. Beginning with the fiscal year  
25 that begins on July 1, 1999, the State Controller shall, at the end of  
26 each fiscal year, transfer the interest earned during the previous  
27 fiscal year on the money in the Disaster Relief ~~Fund~~ Account to  
28 the ~~Account~~ Subaccount in an amount not to exceed \$500,000.

29 2. The Division of Emergency Management of the Department  
30 of Public Safety shall administer the ~~Account~~ Subaccount. The  
31 Division may adopt regulations authorized by this section before, on  
32 or after July 1, 1999.

33 3. All expenditures from the ~~Account~~ Subaccount must be  
34 approved in advance by the Division. Except as otherwise provided  
35 in subsection 4, all money in the ~~Account~~ Subaccount must be  
36 expended solely to:

37 (a) Provide supplemental emergency assistance to this state or to  
38 local governments in this state that are severely and adversely  
39 affected by a natural, technological or man-made emergency or  
40 disaster for which available resources of this state or the local  
41 government are inadequate to provide a satisfactory remedy; and

42 (b) Pay any actual expenses incurred by the Division for  
43 administration during a natural, technological or man-made  
44 emergency or disaster.



1 4. Beginning with the fiscal year that begins on July 1, 1999, if  
2 any balance remains in the ~~[Account]~~ *Subaccount* at the end of a  
3 fiscal year and the balance has not otherwise been committed for  
4 expenditure, the Division may, with the approval of the Interim  
5 Finance Committee, allocate all or any portion of the remaining  
6 balance, not to exceed \$250,000, to this state or to a local  
7 government to:

8 (a) Purchase equipment or supplies required for emergency  
9 management;

10 (b) Provide training to personnel related to emergency  
11 management; and

12 (c) Carry out the provisions of NRS 392.600 to 392.656,  
13 inclusive.

14 5. Beginning with the fiscal year that begins on July 1, 1999,  
15 the Division shall, at the end of each quarter of a fiscal year, submit  
16 to the Interim Finance Committee a report of the expenditures made  
17 from the ~~[Account]~~ *Subaccount* for the previous quarter.

18 6. The Division shall adopt such regulations as are necessary to  
19 administer the ~~[Account]~~ *Subaccount*.

20 7. The Division may adopt regulations to provide for  
21 reimbursement of expenditures made from the ~~[Account]~~  
22 *Subaccount*. If the Division requires such reimbursement, the  
23 Attorney General shall take such action as is necessary to recover  
24 the amount of any unpaid reimbursement plus interest at a rate  
25 determined pursuant to NRS 17.130, computed from the date on  
26 which the money was removed from the ~~[Fund]~~ *Account*, upon  
27 request by the Division.

28 **Sec. 167.** NRS 459.3824 is hereby amended to read as  
29 follows:

30 459.3824 1. The owner of a regulated facility shall pay to the  
31 Division an annual fee based on the fiscal year. The annual fee for  
32 each facility is the sum of a base fee set by the State Environmental  
33 Commission and any additional fee imposed by the Commission  
34 pursuant to subsection 2. The annual fee must be prorated and may  
35 not be refunded.

36 2. The State Environmental Commission may impose an  
37 additional fee upon the owner of a regulated facility in an amount  
38 determined by the Commission to be necessary to enable the  
39 Division to carry out its duties pursuant to NRS 459.380 to  
40 459.3874, inclusive. The additional fee must be based on a  
41 graduated schedule adopted by the Commission which takes into  
42 consideration the quantity of hazardous substances located at each  
43 facility.

44 3. After the payment of the initial annual fee, the Division shall  
45 send the owner of a regulated facility a bill in July for the annual fee



1 for the fiscal year then beginning which is based on the applicable  
2 reports for the preceding year.

3 4. The owner of a regulated facility shall submit, with any  
4 payment required by this section, the *business license* number  
5 assigned by the Department of Taxation ~~[, for the imposition and~~  
6 ~~collection of taxes pursuant to chapter 364A of NRS, to the business~~  
7 ~~for which the payment is made.]~~ *upon compliance by the owner*  
8 *with section 108 of this act.*

9 5. All fees collected pursuant to this section and penalties  
10 collected pursuant to NRS 459.3833, 459.3834 and 459.3874, and  
11 any interest earned thereon, must be deposited with the State  
12 Treasurer for credit to the Fund for Precaution Against Chemical  
13 Accidents, which is hereby created as a special revenue fund.

14 **Sec. 168.** NRS 463.0136 is hereby amended to read as  
15 follows:

16 463.0136 "Associated equipment" means:

17 1. Any equipment or mechanical, electromechanical or  
18 electronic contrivance, component or machine used remotely or  
19 directly in connection with gaming, any game, race book or sports  
20 pool that would not otherwise be classified as a gaming device,  
21 including dice, playing cards, links which connect to progressive  
22 slot machines, equipment which affects the proper reporting of gross  
23 revenue, computerized systems of betting at a race book or sports  
24 pool, computerized systems for monitoring slot machines and  
25 devices for weighing or counting money; or

26 2. A computerized system for recordation of sales for use in an  
27 area subject to the ~~[casino-entertainment]~~ tax *imposed* pursuant to  
28 ~~[NRS 463.401.]~~ *section 78 of this act.*

29 **Sec. 169.** NRS 463.270 is hereby amended to read as follows:

30 463.270 1. Subject to the power of the Board to deny, revoke,  
31 suspend, condition or limit licenses, any state license in force may  
32 be renewed by the Board for the next succeeding license period  
33 upon proper application for renewal and payment of state license  
34 fees and taxes as required by law and the regulations of the Board.

35 2. All state gaming licenses are subject to renewal on the ~~[1st]~~  
36 *first* day of each January and all quarterly state gaming licenses on  
37 the ~~[1st]~~ *first* day of each calendar quarter thereafter.

38 3. Application for renewal must be filed with the Board , and  
39 all state license fees and taxes required by law, including , without  
40 limitation , NRS 463.370, 463.373 to 463.3855, inclusive,  
41 ~~[463.401,]~~ 463.660, 464.015 and 464.040, *and section 78 of this act*  
42 must be paid to the Board on or before the dates respectively  
43 provided by law for each fee or tax.



1     4. Application for renewal of licenses for slot machines only  
2 must be made by the operators of the locations where such machines  
3 are situated.

4     5. Any person failing to pay any state license fees or taxes due  
5 at the times respectively provided shall pay in addition to such  
6 license fees or taxes a penalty of not less than \$50 or 25 percent of  
7 the amount due, whichever is the greater, but not more than \$1,000  
8 if the fees or taxes are less than 10 days late and in no case in excess  
9 of \$5,000. The penalty must be collected as are other charges,  
10 license fees and penalties under this chapter.

11     6. Any person who operates, carries on or exposes for play any  
12 gambling game, gaming device or slot machine or who  
13 manufactures, sells or distributes any gaming device, equipment,  
14 material or machine used in gaming ~~is~~ after his license becomes  
15 subject to renewal, and thereafter fails to apply for renewal as  
16 provided in this section, is guilty of a misdemeanor and, in addition  
17 to the penalties provided by law, is liable to the State of Nevada for  
18 all license fees, taxes and penalties which would have been due  
19 upon application for renewal.

20     7. If any licensee or other person fails to renew his license as  
21 provided in this section, the Board may order the immediate closure  
22 of all his gaming activity until the license is renewed by the  
23 payment of the necessary fees, taxes, interest and any penalties.  
24 Except for a license for which fees are based on the gross revenue of  
25 the licensee, failure to renew a license within 30 days after the date  
26 required by this chapter shall be deemed a surrender of the license.

27     8. The voluntary surrender of a license by a licensee does not  
28 become effective until accepted in the manner provided in the  
29 regulations of the Board. The surrender of a license does not relieve  
30 the former licensee of any penalties, fines, fees, taxes or interest  
31 due.

32     **Sec. 169.5.** NRS 463.370 is hereby amended to read as  
33 follows:

34     463.370 1. Except as otherwise provided in NRS 463.373,  
35 the Commission shall charge and collect from each licensee a  
36 license fee based upon all the gross revenue of the licensee as  
37 follows:

38     (a) Three percent *and one-half* of all the gross revenue of the  
39 licensee which does not exceed \$50,000 per calendar month;

40     (b) Four *and one-half* percent of all the gross revenue of the  
41 licensee which exceeds \$50,000 per calendar month and does not  
42 exceed \$134,000 per calendar month; and

43     (c) Six and ~~one-quarter~~ *three-quarters* percent of all the gross  
44 revenue of the licensee which exceeds \$134,000 per calendar month.





1       2. Unless the licensee has been operating for less than a full  
2 calendar month, the Commission shall charge and collect the fee  
3 prescribed in subsection 1, based upon the gross revenue for the  
4 preceding calendar month, on or before the 24th day of the  
5 following month. Except for the fee based on the first full month of  
6 operation, the fee is an estimated payment of the license fee for the  
7 third month following the month whose gross revenue is used as its  
8 basis.

9       3. When a licensee has been operating for less than a full  
10 calendar month, the Commission shall charge and collect the fee  
11 prescribed in subsection 1, based on the gross revenue received  
12 during that month, on or before the 24th day of the following  
13 calendar month of operation. After the first full calendar month of  
14 operation, the Commission shall charge and collect the fee based on  
15 the gross revenue received during that month, on or before the 24th  
16 day of the following calendar month. The payment of the fee due for  
17 the first full calendar month of operation must be accompanied by  
18 the payment of a fee equal to three times the fee for the first full  
19 calendar month. This additional amount is an estimated payment of  
20 the license fees for the next 3 calendar months. Thereafter, each  
21 license fee must be paid in the manner described in subsection 2.  
22 Any deposit held by the Commission on July 1, 1969, must be  
23 treated as an advance estimated payment.

24       4. All revenue received from any game or gaming device  
25 which is operated on the premises of a licensee, regardless of  
26 whether any portion of the revenue is shared with any other person,  
27 must be attributed to the licensee for the purposes of this section and  
28 counted as part of the gross revenue of the licensee. Any other  
29 person, including, without limitation, an operator of an inter-casino  
30 linked system, who is authorized to receive a share of the revenue  
31 from any game, gaming device or inter-casino linked system that is  
32 operated on the premises of a licensee is liable to the licensee for  
33 that person's proportionate share of the license fees paid by the  
34 licensee pursuant to this section and shall remit or credit the full  
35 proportionate share to the licensee on or before the 24th day of each  
36 calendar month. The proportionate share of an operator of an inter-  
37 casino linked system must be based on all compensation and other  
38 consideration received by the operator of the inter-casino linked  
39 system, including, without limitation, amounts that accrue to the  
40 meter of the primary progressive jackpot of the inter-casino linked  
41 system and amounts that fund the reserves of such a jackpot, subject  
42 to all appropriate adjustments for deductions, credits, offsets and  
43 exclusions that the licensee is entitled to take or receive pursuant to  
44 the provisions of this chapter. A licensee is not liable to any other  
45 person authorized to receive a share of the licensee's revenue from



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1 any game, gaming device or inter-casino linked system that is  
2 operated on the premises of the licensee for that person's  
3 proportionate share of the license fees to be remitted or credited to  
4 the licensee by that person pursuant to this section.

5 5. An operator of an inter-casino linked system shall not enter  
6 into any agreement or arrangement with a licensee that provides for  
7 the operator of the inter-casino linked system to be liable to the  
8 licensee for less than its full proportionate share of the license fees  
9 paid by the licensee pursuant to this section, whether accomplished  
10 through a rebate, refund, charge-back or otherwise.

11 6. Any person required to pay a fee pursuant to this section  
12 shall file with the Commission, on or before the 24th day of each  
13 calendar month, a report showing the amount of all gross revenue  
14 received during the preceding calendar month. Each report must be  
15 accompanied by:

16 (a) The fee due based on the revenue of the month covered by  
17 the report; and

18 (b) An adjustment for the difference between the estimated fee  
19 previously paid for the month covered by the report, if any, and  
20 the fee due for the actual gross revenue earned in that month. If the  
21 adjustment is less than zero, a credit must be applied to the  
22 estimated fee due with that report.

23 7. If the amount of license fees required to be reported and paid  
24 pursuant to this section is later determined to be greater or less than  
25 the amount actually reported and paid, the Commission shall:

26 (a) Charge and collect the additional license fees determined to  
27 be due, with interest thereon until paid; or

28 (b) Refund any overpayment to the person entitled thereto  
29 pursuant to this chapter, with interest thereon.

30 Interest pursuant to paragraph (a) must be computed at the rate  
31 prescribed in NRS 17.130 from the first day of the first month  
32 following the due date of the additional license fees until paid.  
33 Interest pursuant to paragraph (b) must be computed at one-half the  
34 rate prescribed in NRS 17.130 from the first day of the first month  
35 following the date of overpayment until paid.

36 8. Failure to pay the fees provided for in this section shall be  
37 deemed a surrender of the license at the expiration of the period for  
38 which the estimated payment of fees has been made, as established  
39 in subsection 2.

40 9. Except as otherwise provided in NRS 463.386, the amount  
41 of the fee prescribed in subsection 1 must not be prorated.

42 10. Except as otherwise provided in NRS 463.386, if a licensee  
43 ceases operation, the Commission shall:



1 (a) Charge and collect the additional license fees determined to  
2 be due with interest computed pursuant to paragraph (a) of  
3 subsection 7; or

4 (b) Refund any overpayment to the licensee with interest  
5 computed pursuant to paragraph (b) of subsection 7,  
6 based upon the gross revenue of the licensee during the last 3  
7 months immediately preceding the cessation of operation, or  
8 portions of those last 3 months.

9 11. If in any month, the amount of gross revenue is less than  
10 zero, the licensee may offset the loss against gross revenue in  
11 succeeding months until the loss has been fully offset.

12 12. If in any month, the amount of the license fee due is less  
13 than zero, the licensee is entitled to receive a credit against any  
14 license fees due in succeeding months until the credit has been fully  
15 offset.

16 **Sec. 170.** NRS 463.373 is hereby amended to read as follows:

17 463.373 1. Before issuing a state gaming license to an  
18 applicant for a restricted operation, the Commission shall charge  
19 and collect from him for each slot machine for each quarter year:

20 (a) A license fee of ~~[\$64]~~ **\$81** for each slot machine if he will  
21 have at least one but not more than five slot machines.

22 (b) A license fee of ~~[\$305 plus \$106]~~ **\$405 plus \$141** for each  
23 slot machine in excess of five if he will have at least six but not  
24 more than 15 slot machines.

25 2. The Commission shall charge and collect the fee prescribed  
26 in subsection 1:

27 (a) On or before the last day of the last month in a calendar  
28 quarter, for the ensuing calendar quarter, from a licensee whose  
29 operation is continuing.

30 (b) In advance from a licensee who begins operation or puts  
31 additional slot machines into play during a calendar quarter.

32 3. Except as otherwise provided in NRS 463.386, no proration  
33 of the fee prescribed in subsection 1 may be allowed for any reason.

34 4. The operator of the location where slot machines are situated  
35 shall pay the fee prescribed in subsection 1 upon the total number of  
36 slot machines situated in that location, whether or not the machines  
37 are owned by one or more licensee-owners.

38 **Sec. 171.** NRS 463.401 is hereby amended to read as follows:

39 463.401 1. In addition to any other license fees and taxes  
40 imposed by this chapter, a casino entertainment tax equivalent to 10  
41 percent of all amounts paid for admission, food, refreshments and  
42 merchandise is hereby levied, except as *otherwise* provided in  
43 subsection 2, upon each licensed gaming establishment in this state  
44 where ~~[music and dancing privileges or any other]~~ **live**  
45 entertainment is provided to the patrons ~~[in a cabaret, nightclub,~~



1 ~~cocktail lounge or casino showroom in connection with the serving~~  
2 ~~or selling of food or refreshments or the selling of any~~  
3 ~~merchandise.] of the licensed gaming establishment.~~ Amounts paid  
4 for gratuities directly or indirectly remitted to employees of the  
5 licensee or for service charges, including those imposed in  
6 connection with use of credit cards or debit cards, that are collected  
7 and retained by persons other than the licensee are not taxable  
8 pursuant to this section.

9 2. A licensed gaming establishment is not subject to tax  
10 pursuant to this section if:

11 (a) The establishment is licensed for less than 51 slot machines,  
12 less than six games, or any combination of slot machines and games  
13 within those respective limits ~~;~~

14 ~~—(b) The entertainment is presented in a facility that would not~~  
15 ~~have been subject to taxation pursuant to 26 U.S.C. § 4231(6) as that~~  
16 ~~provision existed in 1965;~~

17 ~~—(c) The entertainment is presented in a facility that would have~~  
18 ~~been subject to taxation pursuant to 26 U.S.C. § 4231(1), (2), (3),~~  
19 ~~(4) or (5) as those provisions existed in 1965; or~~

20 ~~—(d) In other cases, if:~~

21 ~~—(1) No distilled spirits, wine or beer is served or permitted to~~  
22 ~~be consumed;~~

23 ~~—(2) Only light refreshments are served;~~

24 ~~—(3) Where space is provided for dancing, no charge is made~~  
25 ~~for dancing; and~~

26 ~~—(4) Where music is provided or permitted, the music is~~  
27 ~~provided without any charge to the owner, lessee or operator of the~~  
28 ~~establishment or to any concessionaire.]; or~~

29 (b) *The facility in which the live entertainment is provided has*  
30 *a maximum seating capacity that is at least 7,500.*

31 3. The tax imposed by this section does not apply to  
32 ~~[merchandise]~~ :

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

36 (b) *Merchandise* sold outside the facility in which the *live*  
37 entertainment is presented, unless the purchase of the merchandise  
38 entitles the purchaser to admission to the entertainment.

39 (c) *Any live entertainment that is provided by or entirely for*  
40 *the benefit of a nonprofit organization that is recognized as*  
41 *exempt from taxation pursuant to 26 U.S.C. § 501(c).*

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

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



1       (f) *Any boxing contest or exhibition governed by the provisions*  
2 *of chapter 467 of NRS.*

3       (g) *Live entertainment that is provided or occurs at private*  
4 *meetings or dinners attended by members of a particular*  
5 *organization or by a casual assemblage and the purpose of the*  
6 *event is not primarily for entertainment.*

7       (h) *Live entertainment presented in a common area of a*  
8 *shopping mall, unless the entertainment is provided in a facility*  
9 *located within the mall.*

10       4. The tax imposed by this section must be paid by the licensee  
11 of the establishment.

12       5. *As used in this section, "live entertainment" means any*  
13 *activity provided for pleasure, enjoyment, recreation, relaxation,*  
14 *diversion or other similar purpose by a person or persons who are*  
15 *physically present when providing that activity to a patron or*  
16 *group of patrons who are physically present.*

17       **Sec. 172.** NRS 463.4055 is hereby amended to read as  
18 follows:

19       463.4055 Any ticket for admission to ~~[a cabaret, nightclub,~~  
20 ~~cocktail lounge or casino showroom]~~ *an activity subject to the tax*  
21 *imposed by NRS 463.401* must state whether the casino  
22 entertainment tax is included in the price of the ticket. If the ticket  
23 does not include such a statement, the licensed gaming  
24 establishment shall pay the casino entertainment tax on the face  
25 amount of the ticket.

26       **Sec. 173.** NRS 463.408 is hereby amended to read as follows:

27       463.408 1. As used in this section, "holidays or special  
28 events" refers to periods during which the influx of tourist activity  
29 in this state or any area thereof may require additional or alternative  
30 industry accommodation as determined by the Board.

31       2. Any licensee holding a valid license under this chapter may  
32 apply to the Board, on application forms prescribed by the Board,  
33 for a holiday or special event permit to:

34       (a) Increase the licensee's game operations during holidays or  
35 special events; or

36       (b) Provide persons who are attending a special event with  
37 gaming in an area of the licensee's establishment to which access by  
38 the general public may be restricted.

39       3. The application must be filed with the Board at least 15 days  
40 before the date of the holiday or special event.

41       4. If the Board approves the application, it shall issue to the  
42 licensee a permit to operate presently existing games or any  
43 additional games in designated areas of the licensee's establishment.  
44 The number of additional games must not exceed 50 percent of the  
45 number of games operated by the licensee at the time the application



1 is filed. The permit must state the period for which it is issued and  
2 the number, if any, of additional games allowed. For purposes of  
3 computation, any fractional game must be counted as one full game.  
4 The licensee shall present any such permit on the demand of any  
5 inspecting agent of the Board or Commission.

6 5. Before issuing any permit, the Board shall charge and collect  
7 from the licensee a fee of \$14 per game per day for each day the  
8 permit is effective. The fees are in lieu of the fees required under  
9 NRS 463.380, 463.383 and 463.390.

10 6. The additional games allowed under a permit must not be  
11 counted in computing the ~~casino-entertainment tax under NRS~~  
12 ~~463.401.] tax imposed by section 78 of this act.~~

13 7. If any such additional games are not removed at the time the  
14 permit expires, the licensee is immediately subject to the fees  
15 provided for in this chapter.

16 **Sec. 173.5.** NRS 463.770 is hereby amended to read as  
17 follows:

18 463.770 1. All gross revenue from operating interactive  
19 gaming received by an establishment licensed to operate interactive  
20 gaming, regardless of whether any portion of the revenue is shared  
21 with another person, must be attributed to the licensee and counted  
22 as part of the gross revenue of the licensee for the purpose of  
23 computing the license fee required by NRS 463.370.

24 2. A manufacturer of interactive gaming systems who is  
25 authorized by an agreement to receive a share of the revenue from  
26 an interactive gaming system from an establishment licensed to  
27 operate interactive gaming is liable to the establishment for a  
28 portion of the license fee paid pursuant to subsection 1. The portion  
29 for which the manufacturer of interactive gaming systems is liable is  
30 ~~[6.25]~~ 6.75 percent of the amount of revenue to which the  
31 manufacturer of interactive gaming systems is entitled pursuant to  
32 the agreement.

33 3. For the purposes of subsection 2, the amount of revenue to  
34 which the manufacturer of interactive gaming systems is entitled  
35 pursuant to an agreement to share the revenue from an interactive  
36 gaming system:

37 (a) Includes all revenue of the manufacturer of interactive  
38 gaming systems that is his share of the revenue from the interactive  
39 gaming system pursuant to the agreement; and

40 (b) Does not include revenue that is the fixed purchase price for  
41 the sale of a component of the interactive gaming system.

42 **Sec. 173.7.** NRS 481.079 is hereby amended to read as  
43 follows:

44 481.079 1. Except as otherwise provided by specific statute,  
45 all taxes, license fees and money collected ~~[pursuant to NRS~~



1 ~~481.0475~~ *by the Department* must be deposited with the State  
2 Treasurer to the credit of the Motor Vehicle Fund.

3 2. If a check or any other method of payment accepted by the  
4 Department in payment of *such* fees ~~[pursuant to NRS 481.0475]~~ is  
5 dishonored upon presentation for payment:

6 (a) The drawer or any other person responsible for payment of  
7 the fee is subject to a ~~[service charge of \$25.]~~ *fee in the amount*  
8 *established by the State Controller pursuant to section 164.38 of*  
9 *this act* in addition to any other penalties provided by law; and

10 (b) The Department may require that future payments from the  
11 person be made by cashier's check, money order, traveler's check or  
12 cash.

13 3. The Department may adjust the amount of a deposit made  
14 with the State Treasurer to the credit of the Motor Vehicle Fund for  
15 any cash shortage or overage resulting from the collection of fees.

16 **Sec. 174.** NRS 612.265 is hereby amended to read as follows:

17 612.265 1. Except as otherwise provided in this section,  
18 information obtained from any employing unit or person pursuant to  
19 the administration of this chapter and any determination as to the  
20 benefit rights of any person is confidential and may not be disclosed  
21 or be open to public inspection in any manner which would reveal  
22 the person's or employing unit's identity.

23 2. Any claimant or his legal representative is entitled to  
24 information from the records of the Division, to the extent necessary  
25 for the proper presentation of his claim in any proceeding pursuant  
26 to this chapter. A claimant or an employing unit is not entitled to  
27 information from the records of the Division for any other purpose.

28 3. Subject to such restrictions as the Administrator may by  
29 regulation prescribe, the information obtained by the Division may  
30 be made available to:

31 (a) Any agency of this or any other state or any federal agency  
32 charged with the administration or enforcement of laws relating to  
33 unemployment compensation, public assistance, workers'  
34 compensation or labor and industrial relations, or the maintenance  
35 of a system of public employment offices;

36 (b) Any state or local agency for the enforcement of child  
37 support;

38 (c) The Internal Revenue Service of the Department of the  
39 Treasury;

40 (d) The Department of Taxation; and

41 (e) The State Contractors' Board in the performance of its duties  
42 to enforce the provisions of chapter 624 of NRS.

43 Information obtained in connection with the administration of the  
44 Employment Service may be made available to persons or agencies



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1 for purposes appropriate to the operation of a public employment  
2 service or a public assistance program.

3 4. Upon written request made by a public officer of a local  
4 government, the Administrator shall furnish from the records of the  
5 Division the name, address and place of employment of any person  
6 listed in the records of employment of the Division. The request  
7 must set forth the social security number of the person about whom  
8 the request is made and contain a statement signed by proper  
9 authority of the local government certifying that the request is made  
10 to allow the proper authority to enforce a law to recover a debt or  
11 obligation owed to the local government. The information obtained  
12 by the local government is confidential and may not be used or  
13 disclosed for any purpose other than the collection of a debt or  
14 obligation owed to that local government. The Administrator may  
15 charge a reasonable fee for the cost of providing the requested  
16 information.

17 5. The Administrator may publish or otherwise provide  
18 information on the names of employers, their addresses, their type  
19 or class of business or industry, and the approximate number of  
20 employees employed by each such employer, if the information  
21 released will assist unemployed persons to obtain employment or  
22 will be generally useful in developing and diversifying the economic  
23 interests of this state. Upon request by a state agency which is able  
24 to demonstrate that its intended use of the information will benefit  
25 the residents of this state, the Administrator may, in addition to the  
26 information listed in this subsection, disclose the number of  
27 employees employed by each employer and the total wages paid by  
28 each employer. The Administrator may charge a fee to cover the  
29 actual costs of any administrative expenses relating to the disclosure  
30 of this information to a state agency. The Administrator may require  
31 the state agency to certify in writing that the agency will take all  
32 actions necessary to maintain the confidentiality of the information  
33 and prevent its unauthorized disclosure.

34 6. Upon request therefor the Administrator shall furnish to any  
35 agency of the United States charged with the administration of  
36 public works or assistance through public employment, and may  
37 furnish to any state agency similarly charged, the name, address,  
38 ordinary occupation and employment status of each recipient of  
39 benefits and the recipient's rights to further benefits pursuant to this  
40 chapter.

41 7. To further a current criminal investigation, the chief  
42 executive officer of any law enforcement agency of this state may  
43 submit a written request to the Administrator that he furnish, from  
44 the records of the Division, the name, address and place of  
45 employment of any person listed in the records of employment of



1 the Division. The request must set forth the social security number  
2 of the person about whom the request is made and contain a  
3 statement signed by the chief executive officer certifying that the  
4 request is made to further a criminal investigation currently being  
5 conducted by the agency. Upon receipt of such a request, the  
6 Administrator shall furnish the information requested. He may  
7 charge a fee to cover the actual costs of any related administrative  
8 expenses.

9 8. In addition to the provisions of subsection 5, the  
10 Administrator shall provide lists containing the names and addresses  
11 of employers, ~~[the number of employees employed by each~~  
12 ~~employer]~~ and *information regarding* the ~~[total]~~ wages paid by each  
13 employer to the Department of Taxation, upon request, for use in  
14 verifying returns for the ~~[business tax.]~~ *taxes imposed pursuant to*  
15 *sections 2 to 24, inclusive, and 40 to 63, inclusive, of this act.* The  
16 Administrator may charge a fee to cover the actual costs of any  
17 related administrative expenses.

18 9. A private carrier that provides industrial insurance in this  
19 state shall submit to the Administrator a list containing the name of  
20 each person who received benefits pursuant to chapters 616A to  
21 616D, inclusive, or 617 of NRS during the preceding month and  
22 request that he compare the information so provided with the  
23 records of the Division regarding persons claiming benefits pursuant  
24 to chapter 612 of NRS for the same period. The information  
25 submitted by the private carrier must be in a form determined by the  
26 Administrator and must contain the social security number of each  
27 such person. Upon receipt of the request, the Administrator shall  
28 make such a comparison and, if it appears from the information  
29 submitted that a person is simultaneously claiming benefits under  
30 chapter 612 of NRS and under chapters 616A to 616D, inclusive, or  
31 617 of NRS, the Administrator shall notify the Attorney General or  
32 any other appropriate law enforcement agency. The Administrator  
33 shall charge a fee to cover the actual costs of any related  
34 administrative expenses.

35 10. The Administrator may request the Comptroller of the  
36 Currency of the United States to cause an examination of the  
37 correctness of any return or report of any national banking  
38 association rendered pursuant to the provisions of this chapter, and  
39 may in connection with the request transmit any such report or  
40 return to the Comptroller of the Currency of the United States as  
41 provided in Section 3305(c) of the Internal Revenue Code of 1954.

42 11. If any employee or member of the Board of Review, the  
43 Administrator or any employee of the Administrator, in violation of  
44 the provisions of this section, discloses information obtained from  
45 any employing unit or person in the administration of this chapter,



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1 or if any person who has obtained a list of applicants for work, or of  
2 claimants or recipients of benefits pursuant to this chapter uses or  
3 permits the use of the list for any political purpose, he is guilty of a  
4 gross misdemeanor.

5 12. All letters, reports or communications of any kind, oral or  
6 written, from the employer or employee to each other or to the  
7 Division or any of its agents, representatives or employees are  
8 privileged and must not be the subject matter or basis for any  
9 lawsuit if the letter, report or communication is written, sent,  
10 delivered or prepared pursuant to the requirements of this chapter.

11 **Sec. 175.** NRS 612.618 is hereby amended to read as follows:

12 612.618 1. If a check is tendered on or before the due date in  
13 payment of contributions but is afterward dishonored by the  
14 financial institution on which it is drawn, the check does not  
15 constitute timely payment unless the Administrator determines that  
16 dishonor occurred because of fault on the part of the financial  
17 institution.

18 2. The Administrator ~~may~~ *shall* charge an additional fee ~~for~~  
19 ~~not more than \$25~~ *in the amount established by the State*  
20 *Controller pursuant to section 164.38 of this act* for handling  
21 against a person who presents a check afterward dishonored. The fee  
22 must be deposited in the Unemployment Compensation  
23 Administration Fund.

24 **Sec. 176.** NRS 616B.012 is hereby amended to read as  
25 follows:

26 616B.012 1. Except as otherwise provided in this section and  
27 in NRS 616B.015, 616B.021 and 616C.205, information obtained  
28 from any insurer, employer or employee is confidential and may not  
29 be disclosed or be open to public inspection in any manner which  
30 would reveal the person's identity.

31 2. Any claimant or his legal representative is entitled to  
32 information from the records of the insurer, to the extent necessary  
33 for the proper presentation of a claim in any proceeding under  
34 chapters 616A to 616D, inclusive, or chapter 617 of NRS.

35 3. The Division and Administrator are entitled to information  
36 from the records of the insurer which is necessary for the  
37 performance of their duties. The Administrator may, by regulation,  
38 prescribe the manner in which otherwise confidential information  
39 may be made available to:

40 (a) Any agency of this or any other state charged with the  
41 administration or enforcement of laws relating to industrial  
42 insurance, unemployment compensation, public assistance or labor  
43 law and industrial relations;

44 (b) Any state or local agency for the enforcement of child  
45 support;



1 (c) The Internal Revenue Service of the Department of the  
2 Treasury;

3 (d) The Department of Taxation; and

4 (e) The State Contractors' Board in the performance of its duties  
5 to enforce the provisions of chapter 624 of NRS.

6 Information obtained in connection with the administration of a  
7 program of industrial insurance may be made available to persons or  
8 agencies for purposes appropriate to the operation of a program of  
9 industrial insurance.

10 4. Upon written request made by a public officer of a local  
11 government, an insurer shall furnish from its records the name,  
12 address and place of employment of any person listed in its records.  
13 The request must set forth the social security number of the person  
14 about whom the request is made and contain a statement signed by  
15 proper authority of the local government certifying that the request  
16 is made to allow the proper authority to enforce a law to recover a  
17 debt or obligation owed to the local government. The information  
18 obtained by the local government is confidential and may not be  
19 used or disclosed for any purpose other than the collection of a debt  
20 or obligation owed to that local government. The insurer may charge  
21 a reasonable fee for the cost of providing the requested information.

22 5. To further a current criminal investigation, the chief  
23 executive officer of any law enforcement agency of this state may  
24 submit to the administrator a written request for the name, address  
25 and place of employment of any person listed in the records of an  
26 insurer. The request must set forth the social security number of the  
27 person about whom the request is made and contain a statement  
28 signed by the chief executive officer certifying that the request is  
29 made to further a criminal investigation currently being conducted  
30 by the agency. Upon receipt of a request, the Administrator shall  
31 instruct the insurer to furnish the information requested. Upon  
32 receipt of such an instruction, the insurer shall furnish the  
33 information requested. The insurer may charge a reasonable fee to  
34 cover any related administrative expenses.

35 6. Upon request by the Department of Taxation, the  
36 Administrator shall provide:

37 (a) Lists containing the names and addresses of employers; and

38 (b) Other information concerning employers collected and  
39 maintained by the Administrator or the Division to carry out the  
40 purposes of chapters 616A to 616D, inclusive, or chapter 617 of  
41 NRS,

42 to the Department for its use in verifying returns for the ~~business~~  
43 ~~tax.]~~ *taxes imposed pursuant to sections 2 to 24, inclusive, and 40*  
44 *to 63, inclusive, of this act.* The Administrator may charge a  
45 reasonable fee to cover any related administrative expenses.



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1       7. Any person who, in violation of this section, discloses  
2 information obtained from files of claimants or policyholders or  
3 obtains a list of claimants or policyholders under chapters 616A to  
4 616D, inclusive, or chapter 617 of NRS and uses or permits the use  
5 of the list for any political purposes, is guilty of a gross  
6 misdemeanor.

7       8. All letters, reports or communications of any kind, oral or  
8 written, from the insurer, or any of its agents, representatives or  
9 employees are privileged and must not be the subject matter or basis  
10 for any lawsuit if the letter, report or communication is written, sent,  
11 delivered or prepared pursuant to the requirements of chapters 616A  
12 to 616D, inclusive, or chapter 617 of NRS.

13       **Sec. 177.** (Deleted.)

14       **Sec. 178.** NRS 616B.679 is hereby amended to read as  
15 follows:

16       616B.679 1. Each application must include:

17       (a) The applicant's name and title of his position with the  
18 employee leasing company.

19       (b) The applicant's age, place of birth and social security  
20 number.

21       (c) The applicant's address.

22       (d) The business address of the employee leasing company.

23       (e) The business address of the resident agent of the employee  
24 leasing company, if the applicant is not the resident agent.

25       (f) If the applicant is a:

26           (1) Partnership, the name of the partnership and the name,  
27 address, age, social security number and title of each partner.

28           (2) Corporation, the name of the corporation and the name,  
29 address, age, social security number and title of each officer of the  
30 corporation.

31       (g) Proof of:

32           (1) ~~[The payment of any taxes required by chapter 364A of~~  
33 ~~NRS.] *Compliance with the provisions of section 108 of this act.*~~

34           (2) The payment of any premiums for industrial insurance  
35 required by chapters 616A to 617, inclusive, of NRS.

36           (3) The payment of contributions or payments in lieu of  
37 contributions required by chapter 612 of NRS.

38           (4) Insurance coverage for any benefit plan from an insurer  
39 authorized pursuant to title 57 of NRS that is offered by the  
40 employee leasing company to its employees.

41       (h) Any other information the Administrator requires.

42       2. Each application must be notarized and signed under penalty  
43 of perjury:



1 (a) If the applicant is a sole proprietorship, by the sole  
2 proprietor.

3 (b) If the applicant is a partnership, by each partner.

4 (c) If the applicant is a corporation, by each officer of the  
5 corporation.

6 3. An applicant shall submit to the Administrator any change in  
7 the information required by this section within 30 days after the  
8 change occurs. The Administrator may revoke the certificate of  
9 registration of an employee leasing company which fails to comply  
10 with the provisions of NRS 616B.670 to 616B.697, inclusive.

11 4. If an insurer cancels an employee leasing company's policy,  
12 the insurer shall immediately notify the Administrator in writing.  
13 The notice must comply with the provisions of NRS 687B.310 to  
14 687B.355, inclusive, and must be served personally on or sent by  
15 first-class mail or electronic transmission to the Administrator.

16 **Sec. 179.** NRS 616B.691 is hereby amended to read as  
17 follows:

18 616B.691 1. For the purposes of chapters ~~636A~~ 612 and  
19 616A to 617, inclusive, of NRS, an employee leasing company  
20 which complies with the provisions of NRS 616B.670 to 616B.697,  
21 inclusive, shall be deemed to be the employer of the employees it  
22 leases to a client company.

23 2. An employee leasing company shall be deemed to be the  
24 employer of its leased employees for the purposes of sponsoring and  
25 maintaining any benefit plans.

26 3. An employee leasing company shall not offer its employees  
27 any self-funded insurance program. An employee leasing company  
28 shall not act as a self-insured employer or be a member of an  
29 association of self-insured public or private employers pursuant to  
30 chapters 616A to 616D, inclusive, or chapter 617 of NRS or  
31 pursuant to title 57 of NRS.

32 4. If an employee leasing company fails to:

33 (a) Pay any contributions, premiums, forfeits or interest due; or

34 (b) Submit any reports or other information required,  
35 pursuant to this chapter or chapter 612, 616A, 616C, 616D or 617 of  
36 NRS, the client company is jointly and severally liable for the  
37 contributions, premiums, forfeits or interest attributable to the wages  
38 of the employees leased to it by the employee leasing company.

39 **Sec. 180.** NRS 623A.240 is hereby amended to read as  
40 follows:

41 623A.240 1. The following fees must be prescribed by the  
42 Board and must not exceed the following amounts:



1	Application fee .....	\$200.00
2	Examination fee .....	100.00,
3		plus the actual
4		cost of the
5		examination
6	Certificate of registration .....	25.00
7	Annual renewal fee .....	200.00
8	Reinstatement fee .....	300.00
9	Delinquency fee .....	50.00
10	Change of address fee .....	10.00
11	Copy of a document, per page.....	.25

12  
13 2. In addition to the fees set forth in subsection 1, the Board  
14 may charge and collect a fee for any other service it provides. The  
15 fee must not exceed the cost incurred by the Board to provide the  
16 service.

17 3. The Board may authorize a landscape architect intern to pay  
18 the application fee or any portion of that fee during any period in  
19 which he is the holder of a certificate to practice as a landscape  
20 architect intern. If a landscape architect intern pays the fee or any  
21 portion of the fee during that period, the Board shall credit the  
22 amount paid by him towards the entire amount of the application fee  
23 for the certificate of registration required pursuant to this section.

24 4. The fees prescribed by the Board pursuant to this section  
25 must be paid in United States currency in the form of a check,  
26 cashier's check or money order. If any check submitted to the Board  
27 is dishonored upon presentation for payment, repayment of the fee,  
28 including the fee for a returned check ~~is~~ *in the amount established*  
29 *by the State Controller pursuant to section 164.38 of this act*, must  
30 be made by money order or certified check.

31 5. The fees prescribed by the Board pursuant to this section are  
32 nonrefundable.

33 **Sec. 181.** NRS 634.135 is hereby amended to read as follows:

34 634.135 1. The Board may charge and collect fees not to  
35 exceed:

36		
37	For an application for a license to practice	
38	chiropractic .....	\$200.00
39	For an examination for a license to practice	
40	chiropractic .....	200.00
41	For an application for, and the issuance of, a	
42	certificate as a chiropractor's assistant .....	100.00
43	For an examination for a certificate as a	
44	chiropractor's assistant.....	100.00
45	For the issuance of a license to practice chiropractic....	300.00





1	For the annual renewal of a license to practice	
2	chiropractic .....	\$300.00
3	For the annual renewal of an inactive license to	
4	practice chiropractic.....	100.00
5	For the annual renewal of a certificate as a	
6	chiropractor's assistant.....	50.00
7	For the restoration to active status of an inactive	
8	license to practice chiropractic.....	300.00
9	For reinstating a license to practice chiropractic	
10	which has been suspended or revoked .....	500.00
11	For reinstating a certificate as a chiropractor's	
12	assistant which has been suspended pursuant to	
13	NRS 634.130.....	100.00
14	For a review of any subject on the examination .....	25.00
15	For the issuance of a duplicate license or for	
16	changing the name on a license .....	35.00
17	For written certification of licensure.....	25.00
18	For providing a list of persons who are licensed to	
19	practice chiropractic to a person who is not	
20	licensed to practice chiropractic.....	25.00
21	For providing a list of persons who were licensed to	
22	practice chiropractic following the most recent	
23	examination of the Board to a person who is not	
24	licensed to practice chiropractic.....	10.00
25	For a set of mailing labels containing the names and	
26	addresses of the persons who are licensed to	
27	practice chiropractic in this state.....	35.00
28	<del>For a check made payable to the Board that is</del>	
29	<del>dishonored upon presentation for payment.....</del>	<del>25.00</del>
30	For providing a copy of the statutes, regulations and	
31	other rules governing the practice of chiropractic	
32	in this state to a person who is not licensed to	
33	practice chiropractic.....	25.00
34	For each page of a list of continuing education	
35	courses that have been approved by the Board.....	.50
36	For an application to a preceptor program offered	
37	by the Board to graduates of chiropractic schools	
38	or colleges .....	35.00
39	For a review by the Board of a course offered by a	
40	chiropractic school or college or a course of	
41	continuing education in chiropractic.....	10.00
42		
43	2. In addition to the fees set forth in subsection 1, the Board	
44	may charge and collect reasonable and necessary fees for any other	
45	service it provides.	



1       **3. For a check made payable to the Board that is dishonored**  
2 **upon presentation for payment, the Board shall assess and collect**  
3 **a fee in the amount established by the State Controller pursuant to**  
4 **section 164.38 of this act.**

5       **Sec. 181.30.** NRS 645B.060 is hereby amended to read as  
6 follows:

7       645B.060 1. Subject to the administrative control of the  
8 Director of the Department of Business and Industry, the  
9 Commissioner shall exercise general supervision and control over  
10 mortgage brokers doing business in this state.

11       2. In addition to the other duties imposed upon him by law, the  
12 Commissioner shall:

13       (a) Adopt any regulations that are necessary to carry out the  
14 provisions of this chapter, except as to loan brokerage fees.

15       (b) Conduct such investigations as may be necessary to  
16 determine whether any person has violated any provision of this  
17 chapter, a regulation adopted pursuant to this chapter or an order of  
18 the Commissioner.

19       (c) Conduct an annual examination of each mortgage broker  
20 doing business in this state. The annual examination must include,  
21 without limitation, a formal exit review with the mortgage broker.  
22 The Commissioner shall adopt regulations prescribing:

23       (1) Standards for determining the rating of each mortgage  
24 broker based upon the results of the annual examination; and

25       (2) Procedures for resolving any objections made by the  
26 mortgage broker to the results of the annual examination. The  
27 results of the annual examination may not be opened to public  
28 inspection pursuant to NRS 645B.090 until any objections made by  
29 the mortgage broker have been decided by the Commissioner.

30       (d) Conduct such other examinations, periodic or special audits,  
31 investigations and hearings as may be necessary and proper for the  
32 efficient administration of the laws of this state regarding mortgage  
33 brokers and mortgage agents. The Commissioner shall adopt  
34 regulations specifying the general guidelines that will be followed  
35 when a periodic or special audit of a mortgage broker is conducted  
36 pursuant to this chapter.

37       (e) Classify as confidential certain records and information  
38 obtained by the Division when those matters are obtained from a  
39 governmental agency upon the express condition that they remain  
40 confidential. This paragraph does not limit examination by ~~the~~ :

41       **(1) The Legislative Auditor ~~is~~; or**

42       **(2) The Department of Taxation if necessary to carry out**  
43 **the provisions of sections 2 to 24, inclusive, of this act.**

44       (f) Conduct such examinations and investigations as are  
45 necessary to ensure that mortgage brokers meet the requirements of



1 this chapter for obtaining a license, both at the time of the  
2 application for a license and thereafter on a continuing basis.

3 3. For each special audit, investigation or examination, a  
4 mortgage broker shall pay a fee based on the rate established  
5 pursuant to NRS 658.101.

6 **Sec. 181.32.** NRS 645B.670 is hereby amended to read as  
7 follows:

8 645B.670 Except as otherwise provided in NRS 645B.690:

9 1. For each violation committed by an applicant, whether or  
10 not he is issued a license, the Commissioner may impose upon the  
11 applicant an administrative fine of not more than \$10,000, if the  
12 applicant:

13 (a) Has knowingly made or caused to be made to the  
14 Commissioner any false representation of material fact;

15 (b) Has suppressed or withheld from the Commissioner any  
16 information which the applicant possesses and which, if submitted  
17 by him, would have rendered the applicant ineligible to be licensed  
18 pursuant to the provisions of this chapter; or

19 (c) Has violated any provision of this chapter, a regulation  
20 adopted pursuant to this chapter or an order of the Commissioner in  
21 completing and filing his application for a license or during the  
22 course of the investigation of his application for a license.

23 2. For each violation committed by a licensee, the  
24 Commissioner may impose upon the licensee an administrative fine  
25 of not more than \$10,000, may suspend, revoke or place conditions  
26 upon his license, or may do both, if the licensee, whether or not  
27 acting as such:

28 (a) Is insolvent;

29 (b) Is grossly negligent or incompetent in performing any act for  
30 which he is required to be licensed pursuant to the provisions of this  
31 chapter;

32 (c) Does not conduct his business in accordance with law or has  
33 violated any provision of this chapter, a regulation adopted pursuant  
34 to this chapter or an order of the Commissioner;

35 (d) Is in such financial condition that he cannot continue in  
36 business with safety to his customers;

37 (e) Has made a material misrepresentation in connection with  
38 any transaction governed by this chapter;

39 (f) Has suppressed or withheld from a client any material facts,  
40 data or other information relating to any transaction governed by the  
41 provisions of this chapter which the licensee knew or, by the  
42 exercise of reasonable diligence, should have known;

43 (g) Has knowingly made or caused to be made to the  
44 Commissioner any false representation of material fact or has  
45 suppressed or withheld from the Commissioner any information



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1 which the licensee possesses and which, if submitted by him, would  
2 have rendered the licensee ineligible to be licensed pursuant to the  
3 provisions of this chapter;

4 (h) Has failed to account to persons interested for all money  
5 received for a trust account;

6 (i) Has refused to permit an examination by the Commissioner  
7 of his books and affairs or has refused or failed, within a reasonable  
8 time, to furnish any information or make any report that may be  
9 required by the Commissioner pursuant to the provisions of this  
10 chapter or a regulation adopted pursuant to this chapter;

11 (j) Has been convicted of, or entered a plea of nolo contendere  
12 to, a felony or any crime involving fraud, misrepresentation or  
13 moral turpitude;

14 (k) Has refused or failed to pay, within a reasonable time, any  
15 fees, assessments, costs or expenses that the licensee is required to  
16 pay pursuant to this chapter or a regulation adopted pursuant to this  
17 chapter;

18 (l) Has failed to satisfy a claim made by a client which has been  
19 reduced to judgment;

20 (m) Has failed to account for or to remit any money of a client  
21 within a reasonable time after a request for an accounting or  
22 remittal;

23 (n) Has commingled the money or other property of a client  
24 with his own or has converted the money or property of others to his  
25 own use;

26 (o) Has engaged in any other conduct constituting a deceitful,  
27 fraudulent or dishonest business practice;

28 (p) Has repeatedly violated the policies and procedures of the  
29 mortgage broker;

30 (q) Has failed to exercise reasonable supervision over the  
31 activities of a mortgage agent as required by NRS 645B.460;

32 (r) Has instructed a mortgage agent to commit an act that would  
33 be cause for the revocation of the license of the mortgage broker,  
34 whether or not the mortgage agent commits the act;

35 (s) Has employed a person as a mortgage agent or authorized a  
36 person to be associated with the licensee as a mortgage agent at a  
37 time when the licensee knew or, in light of all the surrounding facts  
38 and circumstances, reasonably should have known that the person:

39 (1) Had been convicted of, or entered a plea of nolo  
40 contendere to, a felony or any crime involving fraud,  
41 misrepresentation or moral turpitude; or

42 (2) Had a financial services license or registration suspended  
43 or revoked within the immediately preceding 10 years; ~~for~~

44 (t) *Has failed to pay a tax as required pursuant to the*  
45 *provisions of sections 2 to 24, inclusive, of this act; or*



1       (u) Has not conducted verifiable business as a mortgage broker  
2 for 12 consecutive months, except in the case of a new applicant.  
3 The Commissioner shall determine whether a mortgage broker is  
4 conducting business by examining the monthly reports of activity  
5 submitted by the licensee or by conducting an examination of the  
6 licensee.

7       **Sec. 181.34.** NRS 645E.300 is hereby amended to read as  
8 follows:

9       645E.300 1. Subject to the administrative control of the  
10 Director of the Department of Business and Industry, the  
11 Commissioner shall exercise general supervision and control over  
12 mortgage companies doing business in this state.

13       2. In addition to the other duties imposed upon him by law, the  
14 Commissioner shall:

15       (a) Adopt any regulations that are necessary to carry out the  
16 provisions of this chapter, except as to loan fees.

17       (b) Conduct such investigations as may be necessary to  
18 determine whether any person has violated any provision of this  
19 chapter, a regulation adopted pursuant to this chapter or an order of  
20 the Commissioner.

21       (c) Conduct an annual examination of each mortgage company  
22 doing business in this state.

23       (d) Conduct such other examinations, periodic or special audits,  
24 investigations and hearings as may be necessary and proper for the  
25 efficient administration of the laws of this state regarding mortgage  
26 companies.

27       (e) Classify as confidential certain records and information  
28 obtained by the Division when those matters are obtained from a  
29 governmental agency upon the express condition that they remain  
30 confidential. This paragraph does not limit examination by ~~the~~:

31       (1) *The* Legislative Auditor ~~to~~; or

32       (2) *The Department of Taxation if necessary to carry out*  
33 *the provisions of sections 2 to 24, inclusive, of this act.*

34       (f) Conduct such examinations and investigations as are  
35 necessary to ensure that mortgage companies meet the requirements  
36 of this chapter for obtaining a license, both at the time of the  
37 application for a license and thereafter on a continuing basis.

38       3. For each special audit, investigation or examination, a  
39 mortgage company shall pay a fee based on the rate established  
40 pursuant to NRS 658.101.

41       **Sec. 181.36.** NRS 645E.670 is hereby amended to read as  
42 follows:

43       645E.670 1. For each violation committed by an applicant,  
44 whether or not he is issued a license, the Commissioner may impose



1 upon the applicant an administrative fine of not more than \$10,000,  
2 if the applicant:

3 (a) Has knowingly made or caused to be made to the  
4 Commissioner any false representation of material fact;

5 (b) Has suppressed or withheld from the Commissioner any  
6 information which the applicant possesses and which, if submitted  
7 by him, would have rendered the applicant ineligible to be licensed  
8 pursuant to the provisions of this chapter; or

9 (c) Has violated any provision of this chapter, a regulation  
10 adopted pursuant to this chapter or an order of the Commissioner in  
11 completing and filing his application for a license or during the  
12 course of the investigation of his application for a license.

13 2. For each violation committed by a licensee, the  
14 Commissioner may impose upon the licensee an administrative fine  
15 of not more than \$10,000, may suspend, revoke or place conditions  
16 upon his license, or may do both, if the licensee, whether or not  
17 acting as such:

18 (a) Is insolvent;

19 (b) Is grossly negligent or incompetent in performing any act for  
20 which he is required to be licensed pursuant to the provisions of this  
21 chapter;

22 (c) Does not conduct his business in accordance with law or has  
23 violated any provision of this chapter, a regulation adopted pursuant  
24 to this chapter or an order of the Commissioner;

25 (d) Is in such financial condition that he cannot continue in  
26 business with safety to his customers;

27 (e) Has made a material misrepresentation in connection with  
28 any transaction governed by this chapter;

29 (f) Has suppressed or withheld from a client any material facts,  
30 data or other information relating to any transaction governed by the  
31 provisions of this chapter which the licensee knew or, by the  
32 exercise of reasonable diligence, should have known;

33 (g) Has knowingly made or caused to be made to the  
34 Commissioner any false representation of material fact or has  
35 suppressed or withheld from the Commissioner any information  
36 which the licensee possesses and which, if submitted by him, would  
37 have rendered the licensee ineligible to be licensed pursuant to the  
38 provisions of this chapter;

39 (h) Has failed to account to persons interested for all money  
40 received for a trust account;

41 (i) Has refused to permit an examination by the Commissioner  
42 of his books and affairs or has refused or failed, within a reasonable  
43 time, to furnish any information or make any report that may be  
44 required by the Commissioner pursuant to the provisions of this  
45 chapter or a regulation adopted pursuant to this chapter;



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1 (j) Has been convicted of, or entered a plea of nolo contendere  
2 to, a felony or any crime involving fraud, misrepresentation or  
3 moral turpitude;

4 (k) Has refused or failed to pay, within a reasonable time, any  
5 fees, assessments, costs or expenses that the licensee is required to  
6 pay pursuant to this chapter or a regulation adopted pursuant to this  
7 chapter;

8 (l) *Has failed to pay a tax as required pursuant to the*  
9 *provisions of sections 2 to 24, inclusive, of this act;*

10 (m) Has failed to satisfy a claim made by a client which has  
11 been reduced to judgment;

12 ~~(n)~~ (n) Has failed to account for or to remit any money of a  
13 client within a reasonable time after a request for an accounting or  
14 remittal;

15 ~~(o)~~ (o) Has commingled the money or other property of a  
16 client with his own or has converted the money or property of others  
17 to his own use; or

18 ~~(p)~~ (p) Has engaged in any other conduct constituting a  
19 deceitful, fraudulent or dishonest business practice.

20 **Sec. 181.38.** NRS 649.395 is hereby amended to read as  
21 follows:

22 649.395 1. The Commissioner may impose an administrative  
23 fine, not to exceed \$500 for each violation, or suspend or revoke the  
24 license of a collection agency, or both impose a fine and suspend or  
25 revoke the license, by an order made in writing and filed in his  
26 office and served on the licensee by registered or certified mail at  
27 the address shown in the records of the Commissioner, if:

28 (a) The licensee is adjudged liable in any court of law for breach  
29 of any bond given under the provisions of this chapter; ~~or~~

30 (b) After notice and hearing, the licensee is found guilty of:

31 (1) Fraud or misrepresentation;

32 (2) An act or omission inconsistent with the faithful  
33 discharge of his duties and obligations; or

34 (3) A violation of any provision of this chapter ~~or~~; *or*

35 (c) *The Commissioner determines that the licensee has failed*  
36 *to pay a tax as required pursuant to the provisions of sections 2 to*  
37 *24, inclusive, of this act.*

38 2. The Commissioner may suspend or revoke the license of a  
39 collection agency without notice and hearing if:

40 (a) The suspension or revocation is necessary for the immediate  
41 protection of the public; and

42 (b) The licensee is afforded a hearing to contest the suspension  
43 or revocation within 20 days after the written order of suspension or  
44 revocation is served upon the licensee.





1 3. Upon revocation of his license, all rights of the licensee  
2 under this chapter terminate, and no application may be received  
3 from any person whose license has once been revoked.

4 **Sec. 181.40.** NRS 658.151 is hereby amended to read as  
5 follows:

6 658.151 1. The Commissioner may forthwith take possession  
7 of the business and property of any depository institution to which  
8 this title or title 56 of NRS applies when it appears that the  
9 depository institution:

- 10 (a) Has violated its charter or any laws applicable thereto.  
11 (b) Is conducting its business in an unauthorized or unsafe  
12 manner.  
13 (c) Is in an unsafe or unsound condition to transact its business.  
14 (d) Has an impairment of its stockholders' or members' equity.  
15 (e) Has refused to pay its depositors in accordance with the  
16 terms on which such deposits were received, or has refused to pay  
17 its holders of certificates of indebtedness or investment in  
18 accordance with the terms upon which those certificates of  
19 indebtedness or investment were sold.  
20 (f) Has become otherwise insolvent.  
21 (g) Has neglected or refused to comply with the terms of a  
22 lawful order of the Commissioner.  
23 (h) Has refused, upon proper demand, to submit its records,  
24 affairs and concerns for inspection and examination of an appointed  
25 or authorized examiner of the Commissioner.  
26 (i) Has made a voluntary assignment of its assets to trustees.  
27 *(j) Has failed to pay a tax as required pursuant to the*  
28 *provisions of sections 2 to 24, inclusive, of this act.*

29 2. The Commissioner also may forthwith take possession of the  
30 business and property of any depository institution to which this title  
31 or title 56 of NRS applies when it appears that the officers of the  
32 depository institution have refused to be examined upon oath  
33 regarding its affairs.

34 **Sec. 181.42.** NRS 665.133 is hereby amended to read as  
35 follows:

36 665.133 1. The records and information described in NRS  
37 665.130 may be disclosed to:

- 38 (a) An agency of the Federal Government or of another state  
39 which regulates the financial institution which is the subject of the  
40 records or information;  
41 (b) The Director of the Department of Business and Industry for  
42 his confidential use;  
43 (c) The State Board of Finance for its confidential use, if the  
44 report or other information is necessary for the State Board of  
45 Finance to perform its duties under this title;



1 (d) *The Department of Taxation for its use in carrying out the*  
2 *provisions of sections 2 to 24, inclusive, of this act;*

3 (e) An entity which insures or guarantees deposits;

4 ~~[(e)]~~ (f) A public officer authorized to investigate criminal  
5 charges in connection with the affairs of the depository institution;

6 ~~[(f)]~~ (g) A person preparing a proposal for merging with or  
7 acquiring an institution or holding company, but only after notice of  
8 the disclosure has been given to the institution or holding company;

9 ~~[(g)]~~ (h) Any person to whom the subject of the report has  
10 authorized the disclosure;

11 ~~[(h)]~~ (i) Any other person if the Commissioner determines, after  
12 notice and opportunity for hearing, that disclosure is in the public  
13 interest and outweighs any potential harm to the depository  
14 institution and its stockholders, members, depositors and creditors;  
15 and

16 ~~[(i)]~~ (j) Any court in a proceeding initiated by the  
17 Commissioner concerning the financial institution.

18 2. All the reports made available pursuant to this section  
19 remain the property of the Division of Financial Institutions, and no  
20 person, agency or authority to whom the reports are made available,  
21 or any officer, director or employee thereof, may disclose any of the  
22 reports or any information contained therein, except in published  
23 statistical material that does not disclose the affairs of any natural  
24 person or corporation.

25 **Sec. 181.44.** NRS 673.484 is hereby amended to read as  
26 follows:

27 673.484 The Commissioner may after notice and hearing  
28 suspend or revoke the charter of any association for ~~repeated~~ :

29 1. *Repeated* failure to abide by the provisions of this chapter or  
30 the regulations adopted thereunder.

31 2. *Failure to pay a tax as required pursuant to the provisions*  
32 *of sections 2 to 24, inclusive, of this act.*

33 **Sec. 181.46.** NRS 675.440 is hereby amended to read as  
34 follows:

35 675.440 1. If the Commissioner has reason to believe that  
36 grounds for revocation or suspension of a license exist, he shall give  
37 20 days' written notice to the licensee stating the contemplated  
38 action and, in general, the grounds therefor and set a date for a  
39 hearing.

40 2. At the conclusion of a hearing, the Commissioner shall:

41 (a) Enter a written order either dismissing the charges, revoking  
42 the license, or suspending the license for a period of not more than  
43 60 days, which period must include any prior temporary suspension.  
44 A copy of the order must be sent by registered or certified mail to  
45 the licensee.



1 (b) Impose upon the licensee a fine of \$500 for each violation by  
2 the licensee of any provision of this chapter or any lawful regulation  
3 adopted under it.

4 (c) If a fine is imposed pursuant to this section, enter such order  
5 as is necessary to recover the costs of the proceeding, including his  
6 investigative costs and attorney's fees.

7 3. The grounds for revocation or suspension of a license are  
8 that:

9 (a) The licensee has failed to pay the annual license fee;

10 (b) The licensee, either knowingly or without any exercise of  
11 due care to prevent it, has violated any provision of this chapter or  
12 any lawful regulation adopted under it;

13 (c) *The licensee has failed to pay a tax as required pursuant to*  
14 *the provisions of sections 2 to 24, inclusive, of this act;*

15 (d) Any fact or condition exists which would have justified the  
16 Commissioner in denying the licensee's original application for a  
17 license hereunder; or

18 ~~[(d)]~~ (e) The applicant failed to open an office for the conduct  
19 of the business authorized under this chapter within 120 days from  
20 the date the license was issued, or has failed to remain open for the  
21 conduct of the business for a period of 120 days without good cause  
22 therefor.

23 4. Any revocation or suspension applies only to the license  
24 granted to a person for the particular office for which grounds for  
25 revocation or suspension exist.

26 5. An order suspending or revoking a license becomes effective  
27 5 days after being entered unless the order specifies otherwise or a  
28 stay is granted.

29 **Sec. 181.48.** NRS 676.290 is hereby amended to read as  
30 follows:

31 676.290 1. The Commissioner may, pursuant to the  
32 procedure provided in this chapter, deny, suspend or revoke any  
33 license for which application has been made or which has been  
34 issued under the provisions of this chapter if he finds, as to the  
35 licensee, its associates, directors or officers, grounds for action.

36 2. Any one of the following grounds may provide the requisite  
37 grounds for denial, suspension or revocation:

38 (a) Conviction of a felony or of a misdemeanor involving moral  
39 turpitude.

40 (b) Violation of any of the provisions of this chapter or  
41 regulations of the Commissioner.

42 (c) Fraud or deceit in procuring the issuance of the license.

43 (d) Continuous course of unfair conduct.



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1 (e) Insolvency, filing in bankruptcy, receivership or assigning  
2 for the benefit of creditors by any licensee or applicant for a license  
3 under this chapter.

4 (f) *Failure to pay a tax as required pursuant to the provisions*  
5 *of sections 2 to 24, inclusive, of this act.*

6 (g) Failure to pay the fee for renewal or reinstatement of a  
7 license.

8 3. The Commissioner shall, after notice and hearing, impose  
9 upon the licensee a fine of \$500 for each violation by the licensee of  
10 any of the provisions of this chapter or regulations of the  
11 Commissioner. If a fine is imposed pursuant to this section, the  
12 costs of the proceeding, including investigative costs and attorney's  
13 fees, may be recovered by the Commissioner.

14 **Sec. 181.50.** NRS 677.510 is hereby amended to read as  
15 follows:

16 677.510 1. If the Commissioner has reason to believe that  
17 grounds for revocation or suspension of a license exist, he shall give  
18 20 days' written notice to the licensee stating the contemplated  
19 action and, in general, the grounds therefor and set a date for a  
20 hearing.

21 2. At the conclusion of a hearing, the Commissioner shall:

22 (a) Enter a written order either dismissing the charges, or  
23 revoking the license, or suspending the license for a period of not  
24 more than 60 days, which period must include any prior temporary  
25 suspension. A copy of the order must be sent by registered or  
26 certified mail to the licensee.

27 (b) Impose upon the licensee a fine of \$500 for each violation by  
28 the licensee of any provision of this chapter or any lawful regulation  
29 adopted pursuant thereto.

30 (c) If a fine is imposed pursuant to this section, enter such order  
31 as is necessary to recover the costs of the proceeding, including his  
32 investigative costs and attorney's fees.

33 3. The grounds for revocation or suspension of a license are  
34 that:

35 (a) The licensee has failed to pay the annual license fee;

36 (b) The licensee, either knowingly or without any exercise of  
37 due care to prevent it, has violated any provision of this chapter, or  
38 any lawful regulation adopted pursuant thereto;

39 (c) *The licensee has failed to pay a tax as required pursuant to*  
40 *the provisions of sections 2 to 24, inclusive, of this act;*

41 (d) Any fact or condition exists which would have justified the  
42 Commissioner in denying the licensee's original application for a  
43 license hereunder; or

44 ~~[(d)]~~ (e) The applicant failed to open an office for the conduct  
45 of the business authorized under this chapter within 120 days from



1 the date the license was issued, or has failed to remain open for the  
2 conduct of the business for a period of 120 days without good cause  
3 therefor.

4 4. Any revocation or suspension applies only to the license  
5 granted to a person for the particular office for which grounds for  
6 revocation or suspension exist.

7 5. An order suspending or revoking a license becomes effective  
8 5 days after being entered unless the order specifies otherwise or a  
9 stay is granted.

10 **Sec. 182.** NRS 679B.228 is hereby amended to read as  
11 follows:

12 679B.228 The Division ~~may~~ *shall* charge a person a fee ~~of~~  
13 ~~\$25~~ *in the amount established by the State Controller pursuant to*  
14 *section 164.38 of this act* for each check returned to the Division  
15 because the person had insufficient money or credit with the drawee  
16 to pay the check or because the person stopped payment on the  
17 check.

18 **Sec. 183.** NRS 687A.130 is hereby amended to read as  
19 follows:

20 687A.130 The Association is exempt from payment of all fees  
21 and all taxes levied by this state or any of its subdivisions, except  
22 taxes ~~levied~~ :

23 1. *Levied* on real or personal property ~~is~~ ; or  
24 2. *Imposed pursuant to the provisions of sections 2 to 24,*  
25 *inclusive, or 40 to 63, inclusive, of this act.*

26 **Sec. 183.3.** NRS 694C.450 is hereby amended to read as  
27 follows:

28 694C.450 1. Except as otherwise provided in this section, a  
29 captive insurer shall pay to the Division, not later than March 1 of  
30 each year, a tax at the rate of:

31 (a) Two-fifths of 1 percent on the first \$20,000,000 of its net  
32 direct premiums;

33 (b) One-fifth of 1 percent on the next \$20,000,000 of its net  
34 direct premiums; and

35 (c) Seventy-five thousandths of 1 percent on each additional  
36 dollar of its net direct premiums.

37 2. Except as otherwise provided in this section, a captive  
38 insurer shall pay to the Division, not later than March 1 of each  
39 year, a tax at a rate of:

40 (a) Two hundred twenty-five thousandths of 1 percent on the  
41 first \$20,000,000 of revenue from assumed reinsurance premiums;

42 (b) One hundred fifty thousandths of 1 percent on the next  
43 \$20,000,000 of revenue from assumed reinsurance premiums; and

44 (c) Twenty-five thousandths of 1 percent on each additional  
45 dollar of revenue from assumed reinsurance premiums.



1 The tax on reinsurance premiums pursuant to this subsection must  
2 not be levied on premiums for risks or portions of risks which are  
3 subject to taxation on a direct basis pursuant to subsection 1. A  
4 captive insurer is not required to pay any reinsurance premium tax  
5 pursuant to this subsection on revenue related to the receipt of assets  
6 by the captive insurer in exchange for the assumption of loss  
7 reserves and other liabilities of another insurer that is under  
8 common ownership and control with the captive insurer, if the  
9 transaction is part of a plan to discontinue the operation of the other  
10 insurer and the intent of the parties to the transaction is to renew or  
11 maintain such business with the captive insurer.

12 3. If the sum of the taxes to be paid by a captive insurer  
13 calculated pursuant to subsections 1 and 2 is less than \$5,000 in any  
14 given year, the captive insurer shall pay a tax of \$5,000 for that  
15 year.

16 4. Two or more captive insurers under common ownership and  
17 control must be taxed as if they were a single captive insurer.

18 5. Notwithstanding any specific statute to the contrary, ~~and~~  
19 except as otherwise provided in this subsection, the tax provided for  
20 by this section constitutes all the taxes collectible pursuant to the  
21 laws of this state from a captive insurer, and no occupation tax or  
22 other taxes may be levied or collected from a captive insurer by this  
23 state or by any county, city or municipality within this state, except  
24 for *taxes imposed pursuant to the provisions of sections 2 to 24,*  
25 *inclusive, or 40 to 63, inclusive, of this act and* ad valorem taxes on  
26 real or personal property located in this state used in the production  
27 of income by the captive insurer.

28 6. Ten percent of the revenues collected from the tax imposed  
29 pursuant to this section must be deposited with the State Treasurer  
30 for credit to the Account for the Regulation and Supervision of  
31 Captive Insurers created pursuant to NRS 694C.460. The remaining  
32 90 percent of the revenues collected must be deposited with the  
33 State Treasurer for credit to the State General Fund.

34 7. As used in this section, unless the context otherwise  
35 requires:

36 (a) "Common ownership and control" means:

37 (1) In the case of a stock insurer, the direct or indirect  
38 ownership of 80 percent or more of the outstanding voting stock of  
39 two or more corporations by the same member or members.

40 (2) In the case of a mutual insurer, the direct or indirect  
41 ownership of 80 percent or more of the surplus and the voting power  
42 of two or more corporations by the same member or members.

43 (b) "Net direct premiums" means the direct premiums collected  
44 or contracted for on policies or contracts of insurance written by a  
45 captive insurer during the preceding calendar year, less the amounts



1 paid to policyholders as return premiums, including dividends on  
2 unabsorbed premiums or premium deposits returned or credited to  
3 policyholders.

4 **Sec. 183.5.** Section 50 of this act is hereby amended to read as  
5 follows:

6 Sec. 50. 1. There is hereby imposed an excise tax on  
7 each employer at the rate of ~~10.71~~ 0.65 percent of the wages,  
8 as defined in NRS 612.190, paid by the employer during a  
9 calendar quarter with respect to employment.

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

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

17 (a) File with the Department:

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

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

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

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

35 (a) For an employer providing a program of self-  
36 insurance for its employees, all amounts paid during the  
37 calendar quarter for claims, direct administrative services  
38 costs, including such services provided by the employer, and  
39 any premiums paid for individual or aggregate stop-loss  
40 insurance coverage. An employer is not authorized to deduct  
41 the costs of a program of self-insurance unless the program is  
42 a qualified employee welfare benefit plan pursuant to the  
43 Employee Retirement Income Security Act of 1974, 29  
44 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. 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;



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(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



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1	Children and family		
2	administration .....	\$6,729,770	\$6,871,462
3	Child Care Services .....	273,701	303,036
4	Nevada Youth		
5	Training Center .....	7,297,312	7,754,782
6	Caliente Youth		
7	Center .....	5,624,714	6,031,929
8	Youth community		
9	services .....	9,127,477	9,049,788
10	Youth alternative		
11	placement .....	1,039,521	1,039,521
12	Youth parole		
13	services .....	4,385,659	4,462,541
14	Northern Nevada		
15	child and		
16	adolescent		
17	services .....	2,074,367	2,162,036
18	Child Welfare		
19	Integration .....	29,544,135	31,986,727
20	Southern Nevada child		
21	and adolescent		
22	services .....	7,234,446	7,982,397
23	Juvenile		
24	correctional		
25	facility .....	3,597,991	4,771,541
26	Health Division:		
27	Office of health		
28	administration .....	589,085	594,472
29	Alcohol and drug		
30	rehabilitation .....	3,149,189	3,168,810
31	Vital statistics .....	685,683	700,371
32	Maternal child		
33	health services .....	1,278,193	1,283,727
34	Special Children's		
35	Clinic .....	8,189,272	8,568,135
36	Community health		
37	services .....	252,516	225,735
38	Consumer		
39	protection .....	1,266,785	1,284,277
40	Radiological health .....	263,938	100
41	Sexually		
42	transmitted		
43	disease control .....	1,545,894	1,545,215
44	Communicable		
45	disease control .....	824,815	825,030



1	Emergency medical		
2	services.....	\$757,041	\$758,385
3	Immunization		
4	program .....	1,497,777	1,557,492
5	Health aid to		
6	counties .....	0	100
7	Division of Mental Health and		
8	Developmental Services:		
9	Division		
10	administration .....	2,302,527	2,328,910
11	Mental health		
12	information		
13	system .....	422,955	422,722
14	Southern Nevada		
15	adult mental		
16	health services .....	39,330,129	44,624,326
17	Northern Nevada		
18	adult mental		
19	health services .....	19,420,431	20,949,266
20	Lakes Crossing		
21	Center .....	5,522,274	5,574,740
22	Rural clinics .....	6,656,963	7,218,270
23	Desert Regional		
24	Center .....	23,911,426	27,866,635
25	Sierra Regional		
26	Center .....	12,158,657	14,106,365
27	Rural Regional		
28	Center .....	4,409,231	5,556,937
29	Family preservation		
30	program .....	944,719	1,104,396
31	Welfare Division:		
32	Welfare		
33	administration .....	7,664,319	8,282,894
34	Welfare field		
35	services.....	20,382,465	22,601,659
36	Assistance to aged		
37	and blind.....	6,304,261	6,565,400
38	Temporary		
39	Assistance for		
40	Needy Families .	<del>[32,005,377]</del>	<del>[46,698,032]</del>
41		29,303,377	42,668,032
42	Child Assistance		
43	and		
44	Development .....	9,033,701	9,033,701



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1       **Sec. 185.3.** Section 35 of Assembly Bill No. 553 of the 72nd  
2 Session of the Nevada Legislature is hereby amended to read as  
3 follows:

4           Sec. 35. Except as otherwise provided in this section,  
5 the total amounts appropriated in section 19 of this act to each  
6 of the accounts of the Division of Health Care Financing and  
7 Policy and the Welfare Division enumerated in section 32 of  
8 this act, except for the amounts appropriated for the health  
9 care financing and policy account, the assistance to the aged  
10 and blind program, the welfare administration account, and  
11 the welfare field services account, are limits. The divisions  
12 shall not request additional money for these programs, except  
13 for:

14           1. Increased state costs in Fiscal Year 2004-2005 in the  
15 event that federal financial participation rates are less than  
16 legislatively approved effective on October 1, 2004;

17           2. Costs related to additional services mandated by the  
18 Federal Government on or after October 1, 2003, and not  
19 specifically funded in the Nevada Medicaid account in Fiscal  
20 Years 2003-2004 and 2004-2005; or

21           3. Increased state costs in Fiscal Year 2003-2004 and  
22 Fiscal Year 2004-2005 in the event that the annual allocation  
23 of federal Temporary Assistance for Needy Families (TANF)  
24 block grant funds is lower than the amounts approved by the  
25 Legislature for either fiscal year.

26           4. *Increased state costs in Fiscal Year 2003-2004 and*  
27 *Fiscal Year 2004-2005 in the event the caseloads of the*  
28 *programs for Temporary Assistance for Needy Families are*  
29 *higher than estimated in the final legislatively approved*  
30 *budget, up to the amount of:*

31                     *For the Fiscal Year 2003-2004..... \$3,892,000*

32                     *For the Fiscal Year 2004-2005..... \$5,920,000*

33       **Sec. 185.5.** Section 58 of Assembly Bill No. 553 of the 72nd  
34 Session of the Nevada Legislature is hereby amended to read as  
35 follows:

36           Sec. 58. 1. If projections of the ending balance of the  
37 State General Fund fall below the amount estimated by the  
38 ~~{2003}~~ *Nevada* Legislature for Fiscal Year 2003-2004 or  
39 2004-2005, the Director of the Department of Administration  
40 shall report this information to the State Board of Examiners.

41           2. If the State Board of Examiners determines that the  
42 ending balance of the State General Fund is projected to be  
43 less than \$60,000,000 for Fiscal Year 2003-2004 or 2004-  
44 2005, the Governor, pursuant to NRS 353.225, may direct the  
45 Director of the Department of Administration to require the



1 State Controller or the head of each department, institution or  
2 agency to set aside a reserve of not more than 15 percent of  
3 the total amount of operating expenses or other appropriations  
4 and money otherwise available to the department, institution  
5 or agency.

6 3. A reserve must not be set aside pursuant to this  
7 section unless:

8 (a) The Governor, on behalf of the State Board of  
9 Examiners, submits a report to the Legislature, or, if the  
10 Legislature is not in session, to the Interim Finance  
11 Committee, stating the reasons why a reserve is needed and  
12 indicating each department, institution or agency that will be  
13 required to set aside a reserve; and

14 (b) The Legislature or Interim Finance Committee  
15 approves the setting aside of the reserve.

16 **Sec. 185.7.** Section 61 of Assembly Bill No. 553 of the 72nd  
17 Session of the Nevada Legislature is hereby amended to read as  
18 follows:

19 Sec. 61. 1. There is hereby appropriated from the  
20 State General Fund to the Interim Finance Committee the  
21 sum of \$12,500,000 in Fiscal Year 2003-2004 and  
22 ~~[\$20,000,000]~~ **\$15,000,000** in Fiscal Year 2004-2005 for  
23 information technology and additional operational costs that  
24 may be required by the Department of Taxation or other state  
25 agency to implement or modify the collections of State  
26 General Fund revenues . ~~[approved by the 72nd Session of~~  
27 ~~the Nevada Legislature.]~~

28 2. If the Department of Taxation or other state agency  
29 determines that additional resources are necessary for  
30 information technology or additional operational costs related  
31 to subsection 1 the State Board of Examiners shall consider  
32 the request and recommend the amount of the allocation, if  
33 any, to the Interim Finance Committee.

34 3. The Interim Finance Committee is not required to  
35 approve the entire amount of an allocation recommended  
36 pursuant to subsection 2 or to allocate the entire amount  
37 appropriated in subsection 1.

38 4. The sums appropriated by subsection 1 are available  
39 for either fiscal year. Any balance of those sums must not be  
40 committed for expenditure after June 30, 2005, and reverts to  
41 the State General Fund as soon as all payments of money  
42 committed have been made.





1     **Sec. 185.9.** Section 1 of Senate Bill No. 243 of the 72nd  
2 Session of the Nevada Legislature is hereby amended to read as  
3 follows:

4         Section 1. ~~{1. There is hereby appropriated from the~~  
5 ~~State General Fund to the Fund to Stabilize the Operation of~~  
6 ~~State Government created by NRS 353.288 the sum of~~  
7 ~~\$30,000,000.~~

8         ~~2.~~ Notwithstanding the provisions of NRS 353.235:

9         ~~{(a)}~~ 1. Upon receipt of the projections and estimates of  
10 the Economic Forum required by paragraph (d) of subsection  
11 1 of NRS 353.228 to be reported on or before December 1,  
12 2004, the Interim Finance Committee shall project the ending  
13 balance of the State General Fund for Fiscal Year 2004-2005,  
14 using all relevant information known to it.

15         ~~{(b)}~~ 2. Except as otherwise provided in ~~{paragraph (e),}~~  
16 *subsection 3*, there is hereby contingently appropriated from  
17 the State General Fund to the Fund to Stabilize the Operation  
18 of State Government created by NRS 353.288 the amount, if  
19 any, by which the projection required by ~~{paragraph (a)}~~  
20 *subsection 1* exceeds the amount of the ending balance of the  
21 State General Fund for Fiscal Year 2004-2005 as estimated  
22 by the ~~{2003 Legislature.~~

23         ~~{(e)}~~ *Nevada Legislature.*

24         3. The amount of any appropriation pursuant to  
25 ~~{paragraph (b)}~~ *subsection 2* must not exceed ~~[\$20,000,000.]~~  
26 *\$50,000,000.*

27     **Sec. 186.** 1. NRS 364A.160, 375.025 and 375.075 are  
28 hereby repealed.

29         2. NRS 463.4001, 463.4002, 463.4004, 463.4006, 463.4008,  
30 463.4009 and 463.4015 are hereby repealed.

31         3. NRS 364A.010, 364A.020, 364A.030, 364A.040, 364A.050,  
32 364A.060, 364A.070, 364A.080, 364A.090, 364A.100, 364A.110,  
33 364A.120, 364A.130, 364A.135, 364A.140, 364A.150, 364A.151,  
34 364A.152, 364A.1525, 364A.170, 364A.175, 364A.180, 364A.190,  
35 364A.230, 364A.240, 364A.250, 364A.260, 364A.270, 364A.280,  
36 364A.290, 364A.300, 364A.310, 364A.320, 364A.330, 364A.340  
37 and 364A.350 are hereby repealed.

38         4. NRS 463.401, 463.402, 463.403, 463.404, 463.4045,  
39 463.405, 463.4055 and 463.406 are hereby repealed.

40     **Sec. 187.** 1. Notwithstanding the provisions of this act and  
41 any other provision of law to the contrary, a public utility or local  
42 government franchisee may increase its previously approved rates  
43 by an amount which is reasonably estimated to produce an amount  
44 of revenue equal to the amount of any tax liability incurred by the



1 public utility or local government franchisee before January 1, 2005,  
2 as a result of the provisions of this act.

3 2. For the purposes of this section:

4 (a) "Local government franchisee" means a person to whom a  
5 local government has granted a franchise for the provision of  
6 services who is required to obtain the approval of a governmental  
7 entity to increase any of the rates it charges for those services.

8 (b) "Public utility" means a public utility that is required to  
9 obtain the approval of a governmental entity to increase any of the  
10 rates it charges for a utility service.

11 **Sec. 188.** Notwithstanding the provisions of NRS 353.288:

12 1. After the close of the 2003-2004 Fiscal Year and after the  
13 close of the 2004-2005 Fiscal Year, the Interim Finance Committee  
14 shall determine the amount, if any, by which the total revenue from  
15 all sources to the State General Fund, excluding reversions to the  
16 State General Fund, exceeds:

17 (a) One hundred seven percent of the total revenue from all  
18 sources to the State General Fund as projected by the Nevada  
19 Legislature for the applicable fiscal year; and

20 (b) The total amount of all applicable contingent appropriations  
21 enacted for the 2003-2004 Fiscal Year and the 2004-2005 Fiscal  
22 Year by the Nevada Legislature for which the conditions for the  
23 contingent appropriations were satisfied.

24 2. Any excess amount of revenue determined pursuant to  
25 subsection 1 must be used as follows:

26 (a) An amount estimated by the Interim Finance Committee to  
27 pay for expenditures that will occur in the next biennium for which  
28 the corresponding expenditures in the current biennium were paid or  
29 are to be paid from a source other than the State General Fund, but  
30 for which the alternative source of revenue likely will not be  
31 available or will not be received during the biennium, must be used  
32 to replace previously used nonrecurring revenue. This amount must  
33 be accounted for separately in the State General Fund.

34 (b) The remaining excess amount of revenue must be transferred  
35 to the Fund to Stabilize the Operation of the State Government  
36 created by NRS 353.288, in such an amount that does not cause the  
37 balance in the Fund to exceed the limitation on that balance set forth  
38 in NRS 353.288.

39 (c) Any remaining excess amount of revenue must be transferred  
40 to the Fund for Tax Accountability created pursuant to section 188.3  
41 of this act.

42 **Sec. 188.3.** 1. The Fund for Tax Accountability is hereby  
43 created as a special revenue fund.



1       2. Money from the Fund may be appropriated only for the  
2 purpose of supplementing future revenue of this state to allow the  
3 reduction of the rate or amount of a tax or fee.

4       3. This section does not authorize a refund or other return of  
5 any tax or fee paid to this state pursuant to any statute or regulation  
6 in effect at the time the tax or fee was paid.

7       **Sec. 188.5.** 1. The Legislative Auditor shall conduct a  
8 performance audit of the Clark County School District. The  
9 performance audit must include issues identified in the Preliminary  
10 Performance Audit Survey conducted pursuant to section 46 of  
11 chapter 570, Statutes of Nevada 2001, at page 2867. These issues  
12 include, but are not limited to:

- 13       (a) Financial management;
- 14       (b) Facilities management;
- 15       (c) Personnel management;
- 16       (d) District organization; and
- 17       (e) Employee health plans.

18       2. The Legislative Auditor shall conduct a performance audit  
19 of the Washoe County School District. The performance audit must  
20 include issues identified in the Preliminary Performance Audit  
21 Survey conducted pursuant to section 46 of chapter 570, Statutes of  
22 Nevada 2001, at page 2867. These issues include, but are not limited  
23 to:

- 24       (a) Financial management;
- 25       (b) Facilities management;
- 26       (c) Personnel management; and
- 27       (d) Transportation.

28       3. The Legislative Auditor shall prepare a final written report  
29 for each of the audits conducted pursuant to subsections 1 and 2 and  
30 present the reports to the Audit Subcommittee of the Legislative  
31 Commission not later than February 7, 2005.

32       4. To the extent that the provisions of NRS 218.737 to  
33 218.890, inclusive, are consistent with the requirements of this  
34 section, those provisions apply to the audits conducted pursuant to  
35 this section. For the purposes of this subsection, the Clark County  
36 School District and the Washoe County School District shall be  
37 deemed to be agencies of the State.

38       5. Upon the request of the Legislative Auditor or his authorized  
39 representative, the officers and employees of the Clark County  
40 School District and the Washoe County School District shall make  
41 available to the Legislative Auditor any of their books, accounts,  
42 claims, reports, vouchers or other records of information,  
43 confidential or otherwise and irrespective of their form or location,  
44 which the Legislative Auditor deems necessary to conduct the audits  
45 required by this section.



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1     **Sec. 188.7.** The Budget Division of the Department of  
2 Administration and the Fiscal Analysis Division of the Legislative  
3 Counsel Bureau shall jointly:

4         1. Identify all departments, institutions and agencies of the  
5 Executive Department of the State Government that administer  
6 programs for the treatment of alcohol and drug abuse or provide  
7 funding to local governments for such programs;

8         2. Develop a proposal for coordinating such programs,  
9 reducing the administrative costs associated with such programs and  
10 maximizing the use of state revenue being expended for such  
11 programs; and

12         3. Report their recommendations to the Governor and the  
13 Director of the Legislative Counsel Bureau not later than  
14 December 1, 2004.

15     **Sec. 189.** 1. There is hereby appropriated from the State  
16 General Fund to the Interim Finance Committee the sum of  
17 \$100,000 for allocation to the Legislative Committee on Taxation,  
18 Public Revenue and Tax Policy to exercise its powers pursuant to  
19 section 158 of this act, including, without limitation, to hire a  
20 consultant.

21         2. The Interim Finance Committee may allocate to the  
22 Legislative Committee on Taxation, Public Revenue and Tax Policy  
23 all or any portion of the money appropriated by subsection 1.

24         3. Any remaining balance of the appropriation made by  
25 subsection 1 must not be committed for expenditure after June 30,  
26 2005, and reverts to the State General Fund as soon as all payments  
27 of money committed have been made.

28     **Sec. 189.10.** 1. There is hereby appropriated from the State  
29 General Fund to the State Distributive School Account the sum of  
30 \$108,937,389 for distribution by the Superintendent of Public  
31 Instruction to the county school districts for Fiscal Year 2003-2004  
32 which must, except as otherwise provided in sections 189.14 and  
33 189.18 of this act, be used to employ teachers to comply with the  
34 required ratio of pupils to teachers, as set forth in NRS 388.700, in  
35 grades 1 and 2 and in selected kindergartens with pupils who are  
36 considered at risk of failure by the Superintendent of Public  
37 Instruction and to maintain the current ratio of pupils per teacher in  
38 grade 3. Expenditures for the class-size reduction program must be  
39 accounted for in a separate category of expenditure in the State  
40 Distributive School Account.

41         2. Except as otherwise provided in sections 189.14 and 189.18  
42 of this act, the money appropriated by subsection 1 must be used to  
43 pay the salaries and benefits of not less than 1,887 teachers  
44 employed by school districts to meet the required pupil-teacher  
45 ratios in the 2003-2004 school year.



1       3. Any remaining balance of the sum appropriated by  
2 subsection 1 must not be committed for expenditure after June 30,  
3 2004, and must be transferred and added to the money appropriated  
4 to the State Distributive School Account pursuant to section 189.12  
5 of this act for the 2004-2005 fiscal year, and may be expended as  
6 that money is expended.

7       **Sec. 189.12.** 1. There is hereby appropriated from the State  
8 General Fund to the State Distributive School Account the sum of  
9 \$117,142,553 for distribution by the Superintendent of Public  
10 Instruction to the county school districts for Fiscal Year 2004-2005  
11 which must, except as otherwise provided in sections 189.14 and  
12 189.18 of this act, be used to employ teachers to comply with the  
13 required ratio of pupils to teachers, as set forth in NRS 388.700, in  
14 grades 1 and 2 and in selected kindergartens with pupils who are  
15 considered at risk of failure by the Superintendent of Public  
16 Instruction and to maintain the current ratio of pupils per teacher in  
17 grade 3. Expenditures for the class-size reduction program must be  
18 accounted for in a separate category of expenditure in the State  
19 Distributive School Account.

20       2. Except as otherwise provided in sections 189.14 and 189.18  
21 of this act, the money appropriated by subsection 1 must be used to  
22 pay the salaries and benefits of not less than 1,953 teachers  
23 employed by school districts to meet the required pupil-teacher  
24 ratios in the 2004-2005 school year.

25       3. Any remaining balance of the sum appropriated by  
26 subsection 1, including any money added thereto pursuant to section  
27 189.10 of this act, must not be committed for expenditure after  
28 June 30, 2005, and reverts to the State General Fund as soon as all  
29 payments of money committed have been made.

30       **Sec. 189.14.** 1. Except as otherwise provided in subsection  
31 2, the board of trustees of each county school district:

32       (a) Shall file a plan with the Superintendent of Public Instruction  
33 describing how the money appropriated by sections 189.10 and  
34 189.12 of this act will be used to comply with the required ratio of  
35 pupils to teachers in kindergarten and grades 1, 2 and 3; or

36       (b) May, after receiving approval of the plan from the  
37 Superintendent of Public Instruction, use the money appropriated by  
38 sections 189.10 and 189.12 of this act to carry out an alternative  
39 program for reducing the ratio of pupils per teacher or to carry out  
40 programs of remedial education that have been found to be effective  
41 in improving pupil achievement in grades 1, 2 and 3, so long as the  
42 combined ratio of pupils per teacher in the aggregate of kindergarten  
43 and grades 1, 2 and 3 of the school district does not exceed the  
44 combined ratio of pupils per teacher in the aggregate of kindergarten  
45 and grades 1, 2 and 3 of the school district in the 2000-2001 school



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1 year. The plan approved by the Superintendent of Public Instruction  
2 must describe the method to be used by the school district to  
3 evaluate the effectiveness of the alternative program or remedial  
4 programs in improving pupil achievement.

5 2. In lieu of complying with subsection 1, the board of trustees  
6 of a school district that is located in a county whose population is  
7 less than 100,000 may, after receiving approval of the plan from the  
8 Superintendent of Public Instruction, use the money appropriated by  
9 sections 189.10 and 189.12 of this act to carry out a program in  
10 which alternative pupil-teacher ratios are carried out in grades 1  
11 through 5 or grades 1 through 6, as applicable. Alternative ratios for  
12 grade 6 may only be approved for those school districts that include  
13 grade 6 in elementary school. The alternative pupil-teacher ratios  
14 shall not:

15 (a) Exceed 22 to 1 in grades 1, 2 and 3; and

16 (b) Exceed 25 to 1 in grades 4 and 5 or grades 4, 5 and 6, as  
17 applicable.

18 3. If a school district receives approval to carry out programs  
19 of remedial education pursuant to paragraph (b) of subsection 1 or to  
20 carry out alternative pupil-teacher ratios pursuant to subsection 2,  
21 the school district shall evaluate the effectiveness of the alternative  
22 program. The evaluation must include, without limitation, the effect  
23 of the alternative program on:

24 (a) Team-teaching;

25 (b) Pupil discipline; and

26 (c) The academic achievement of pupils.

27 4. A school district shall submit a written report of the results  
28 of the evaluation to the Superintendent of Public Instruction on or  
29 before December 1 of each year for the immediately preceding  
30 school year. The Superintendent of Public Instruction shall  
31 summarize the results of the evaluations and report the findings in  
32 an interim report to the Legislative Committee on Education on or  
33 before February 16, 2004.

34 5. On or before February 1, 2005, the Superintendent of Public  
35 Instruction shall submit a final written report of the results of the  
36 evaluations of alternative class-size reduction programs to the  
37 Legislative Bureau of Educational Accountability and Program  
38 Evaluation. On or before February 15, 2005, the Legislative Bureau  
39 of Educational Accountability and Program Evaluation shall submit  
40 a copy of the written report to the Director of the Legislative  
41 Counsel Bureau for transmission to the 73rd Session of the Nevada  
42 Legislature.

43 6. The interim report required pursuant to subsection 4 and the  
44 final written report required pursuant to subsection 5 must include,  
45 without limitation:



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1 (a) The number of school districts for which an alternative class-  
2 size reduction program was approved;

3 (b) A description of the approved alternative class-size reduction  
4 programs; and

5 (c) The effect of the alternative class-size reduction programs  
6 on:

7 (1) Team teaching;

8 (2) Pupil discipline; and

9 (3) The academic achievement of pupils.

10 **Sec. 189.16.** 1. During the 2003-2005 biennium, a school  
11 district that is located in a county whose population is 100,000 or  
12 more shall study the current class-sizes in the school district for  
13 grades 1 to 5, inclusive, to determine whether alternative pupil-  
14 teacher ratios may:

15 (a) Improve the academic achievement of pupils;

16 (b) Decrease pupil discipline; or

17 (c) Decrease or eliminate team-teaching in grades 1 and 2.

18 2. In conducting the study, the school district shall consider the  
19 costs that would be associated with carrying out the alternative  
20 pupil-teacher ratios, including, without limitation, the:

21 (a) Number of additional classrooms needed; and

22 (b) Number of additional teachers needed.

23 3. On or before February 15, 2005, each school district that  
24 conducts a study of alternative pupil-teacher ratios pursuant to this  
25 section shall submit a written report of its findings concerning  
26 alternative pupil-teacher ratios to the:

27 (a) Director of the Legislative Counsel Bureau for transmission  
28 to the 73rd Session of the Nevada Legislature;

29 (b) Legislative Bureau of Educational Accountability and  
30 Program Evaluation; and

31 (c) State Board of Education.

32 **Sec. 189.18.** 1. The money appropriated for class-size  
33 reduction pursuant to sections 189.10 and 189.12 of this act:

34 (a) May be applied first to pupils considered most at risk of  
35 failure.

36 (b) Must not be used to settle or arbitrate disputes between a  
37 recognized organization representing employees of a school district  
38 and the school district, or to settle any negotiations.

39 (c) Must not be used to adjust the district-wide schedules of  
40 salaries and benefits of the employees of a school district.

41 2. The money appropriated for class-size reduction pursuant to  
42 sections 189.10 and 189.12 of this act must not be distributed to a  
43 school district unless that school district has:

44 (a) Filed with the Department of Education a plan for achieving  
45 the required ratio set forth in NRS 388.700; and



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1 (b) Demonstrated that, from resources of the school district  
2 other than allocations received from the State Distributive School  
3 Account for class-size reduction, a sufficient number of classroom  
4 teachers have been employed to maintain the average pupil-teacher  
5 ratio that existed for each grade for grades 1, 2 and 3, in that school  
6 district for the 3 school years immediately preceding the start of the  
7 class-size reduction program in the 1990-1991 school year. In  
8 addition, if a school district uses the allocations received from the  
9 State Distributive School Account for class-size reduction to carry  
10 out an alternative class-size reduction program as set forth in  
11 subsection 2 of section 189.14 of this act, a sufficient number of  
12 teachers have been employed to maintain the average pupil-teacher  
13 ratio that existed in each grade so reduced, in that school district for  
14 the 3 years immediately preceding the implementation of the  
15 alternative program.

16 **Sec. 189.20.** In no event may the alternative pupil-teacher  
17 ratios authorized pursuant to subsection 2 of section 189.14 of this  
18 act be carried out beyond the 2003-2005 biennium unless the 73rd  
19 Session of the Nevada Legislature determines that the alternative  
20 pupil-teacher ratios may be carried out after June 30, 2005.

21 **Sec. 189.21.** Notwithstanding the provisions of section 164.50  
22 of this act, the Department of Education, the Budget Division of the  
23 Department of Administration and the Fiscal Analysis Division of  
24 the Legislative Counsel Bureau shall carry out the provisions of  
25 subsections 1 and 2 of that section for fiscal year 2003-2004 as soon  
26 as practicable after the effective date of that section.

27 **Sec. 189.22.** The basic support guarantee for school districts  
28 for operating purposes for the 2003-2004 Fiscal Year is an estimated  
29 weighted average of \$4,295 per pupil. For each respective school  
30 district, the basic support guarantee per pupil for the 2003-2004  
31 Fiscal Year is:

32	
33	Carson City..... \$4,923
34	Churchill County..... \$5,418
35	Clark County ..... \$4,127
36	Douglas County..... \$4,541
37	Elko County ..... \$5,307
38	Esmeralda County ..... \$9,169
39	Eureka County..... \$3,495
40	Humboldt County..... \$5,362
41	Lander County..... \$4,836
42	Lincoln County..... \$7,943
43	Lyon County..... \$5,553
44	Mineral County ..... \$6,012
45	Nye County ..... \$5,561



1	Pershing County .....	\$6,385
2	Storey County.....	\$7,082
3	Washoe County .....	\$4,161
4	White Pine County .....	\$6,164

5     **Sec. 189.24.** 1. The basic support guarantee for school  
6 districts for operating purposes for the 2004-2005 Fiscal Year is an  
7 estimated weighted average of \$4,424 per pupil.

8     2. On or before April 1, 2004, the Department of Taxation shall  
9 provide a certified estimate of the assessed valuation for each school  
10 district for the 2004-2005 Fiscal Year. The assessed valuation for  
11 each school district must be that which is taxable for purposes of  
12 providing revenue to school districts, including any assessed  
13 valuation attributable to the net proceeds of minerals derived from  
14 within the boundaries of the district.

15     3. Pursuant to NRS 362.115, on or before April 25 of each  
16 year, the Department of Taxation shall provide an estimate of the  
17 net proceeds of minerals based upon statements required of mine  
18 operators.

19     4. For purposes of establishing the basic support guarantee, the  
20 estimated basic support guarantees for each school district for the  
21 2004-2005 Fiscal Year for operating purposes are:

22			
23		Basic	Estimated
24		Support	Basic
25		Guarantee	Support
26		Before	Guarantee
27	<u>School District</u>	<u>Adjustment</u>	<u>as Adjusted</u>
28	Carson City	\$4,462	\$5,105
29	Churchill County	\$5,094	\$5,608
30	Clark County	\$3,328	\$4,249
31	Douglas County	\$3,196	\$4,647
32	Elko County	\$5,004	\$5,512
33	Esmeralda County	\$6,596	\$9,583
34	Eureka County	\$(5,236)	\$4,068
35	Humboldt County	\$5,006	\$5,648
36	Lander County	\$3,741	\$5,069
37	Lincoln County	\$7,519	\$8,183
38	Lyon County	\$5,149	\$5,742
39	Mineral County	\$5,792	\$6,265
40	Nye County	\$4,888	\$5,765
41	Pershing County	\$5,714	\$6,663
42	Storey County	\$5,559	\$7,407
43	Washoe County	\$3,393	\$4,301
44	White Pine County	\$5,915	\$6,397



21       **Sec. 189.26.** 1. The basic support guarantee for each special  
22 education program unit that is maintained and operated for at least 9  
23 months of a school year is \$31,811 in the 2003-2004 Fiscal Year  
24 and \$32,447 in the 2004-2005 Fiscal Year, except as limited by  
25 subsection 2.

30

	2003-2004		2004-2005	
	<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>
<u>DISTRICT</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



1	Nye County	47	\$1,495,117	50	\$1,622,350
2	Pershing County	14	\$445,354	14	\$454,258
3	Storey County	8	\$254,488	8	\$259,576
4	Washoe County	491	\$15,619,201	510	\$16,547,970
5	White Pine County	17	\$540,787	16	\$519,152
6	Subtotal	<u>2,575</u>	<u>\$81,913,325</u>	<u>2,668</u>	<u>\$86,568,596</u>
7	Reserved by State				
8	Board of Education	<u>40</u>	<u>\$1,272,440</u>	<u>40</u>	<u>\$1,297,880</u>
9	TOTAL	<u>2,615</u>	<u>\$83,185,765</u>	<u>2,708</u>	<u>\$87,866,476</u>

10

11       3. The State Board of Education shall reserve 40 special  
12 education program units in each fiscal year of the 2003-2005  
13 biennium, to be allocated to school districts by the State Board of  
14 Education to meet additional needs that cannot be met by the  
15 allocations provided in subsection 2 to school districts for that fiscal  
16 year. In addition, charter schools in this state are authorized to apply  
17 directly to the Department of Education for the reserved special  
18 education program units, which may be allocated upon approval of  
19 the State Board of Education.

20       4. Notwithstanding the provisions of subsections 2 and 3, the  
21 State Board of Education is authorized to spend from the State  
22 Distributive School Account up to \$181,067 in the Fiscal Year  
23 2003-2004 for 5.69 special education program units and \$190,877 in  
24 the Fiscal Year 2004-2005 for 5.88 special education program units  
25 for instructional programs incorporating educational technology for  
26 gifted and talented pupils. Any school district may submit a written  
27 application to the Department of Education requesting one or more  
28 of the units for gifted and talented pupils. For each fiscal year of the  
29 2003-2005 biennium, the Department will award the units for gifted  
30 and talented pupils based on a review of applications received from  
31 school districts.

32       **Sec. 189.28.** 1. There is hereby appropriated from the State  
33 General Fund to the State Distributive School Account in the State  
34 General Fund created pursuant to NRS 387.030:

35             For the 2003-2004 Fiscal Year..... \$637,789,627

36             For the 2004-2005 Fiscal Year..... \$767,086,697

37       2. The money appropriated by subsection 1 must be:

38       (a) Expended in accordance with NRS 353.150 to 353.245,  
39 inclusive, concerning the allotment, transfer, work program and  
40 budget; and

41       (b) Work-programmed for the 2 separate Fiscal Years 2003-  
42 2004 and 2004-2005, as required by NRS 353.215. Work programs  
43 may be revised with the approval of the Governor upon the  
44 recommendation of the Chief of the Budget Division of the  
45 Department of Administration.



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1       3. Transfers to and from allotments must be allowed and made  
2 in accordance with NRS 353.215 to 353.225, inclusive, after  
3 separate considerations of the merits of each request.

4       4. The sums appropriated by subsection 1 are available for  
5 either fiscal year or may be transferred to Fiscal Year 2002-2003.  
6 Money may be transferred from one fiscal year to another with the  
7 approval of the Governor upon the recommendation of the Chief of  
8 the Budget Division of the Department of Administration. If funds  
9 appropriated by subsection 1 are transferred to Fiscal Year  
10 2002-2003, any remaining funds in the State Distributive School  
11 Account after all obligations have been met that are not subject to  
12 reversion to the State General Fund must be transferred back to  
13 Fiscal Year 2003-2004. Any amount transferred back to Fiscal Year  
14 2003-2004 must not exceed the amount originally transferred to  
15 Fiscal Year 2002-2003.

16       5. Any remaining balance of the appropriation made by  
17 subsection 1 for the 2003-2004 Fiscal Year must be transferred and  
18 added to the money appropriated for the 2004-2005 Fiscal Year and  
19 may be expended as that money is expended.

20       6. Any remaining balance of the appropriation made by  
21 subsection 1 for the 2004-2005 Fiscal Year, including any money  
22 added thereto pursuant to the provisions of subsections 3 and 5,  
23 must not be committed for expenditure after June 30, 2005, and  
24 reverts to the State General Fund as soon as all payments of money  
25 committed have been made.

26       **Sec. 189.30.** 1. Expenditure of \$203,448,548 by the  
27 Department of Education from money in the State Distributive  
28 School Account that was not appropriated from the State General  
29 Fund is hereby authorized during the fiscal year beginning July 1,  
30 2003.

31       2. Expenditure of \$142,024,404 by the Department of  
32 Education from money in the State Distributive School Account that  
33 was not appropriated from the State General Fund is hereby  
34 authorized during the fiscal year beginning July 1, 2004.

35       3. For purposes of accounting and reporting, the sums  
36 authorized for expenditure by subsections 1 and 2 are considered to  
37 be expended before any appropriation is made to the State  
38 Distributive School Account from the State General Fund.

39       4. The money authorized to be expended by subsections 1 and  
40 2 must be expended in accordance with NRS 353.150 to 353.245,  
41 inclusive, concerning the allotment, transfer, work program and  
42 budget. Transfers to and from allotments must be allowed and made  
43 in accordance with NRS 353.215 to 353.225, inclusive, after  
44 separate consideration of the merits of each request.



1       5. The Chief of the Budget Division of the Department of  
2 Administration may, with the approval of the Governor, authorize  
3 the augmentation of the amounts authorized for expenditure by the  
4 Department of Education, in subsections 1 and 2, for the purpose of  
5 meeting obligations of the State incurred under chapter 387 of NRS  
6 with amounts from any other state agency, from any agency of local  
7 government, from any agency of the Federal Government or from  
8 any other source that he determines is in excess of the amount taken  
9 into consideration by this act. The Chief of the Budget Division of  
10 the Department of Administration shall reduce any authorization  
11 whenever he determines that money to be received will be less than  
12 the amount authorized in subsections 1 and 2.

13       **Sec. 189.32.** During each of the Fiscal Years 2003-2004 and  
14 2004-2005, whenever the State Controller finds that current claims  
15 against the State Distributive School Account in the State General  
16 Fund exceed the amount available in the Account to pay those  
17 claims, he may advance temporarily from the State General Fund to  
18 the State Distributive School Account the amount required to pay  
19 the claims, but not more than the amount expected to be received in  
20 the current fiscal year from any source authorized for the State  
21 Distributive School Account. No amount may be transferred unless  
22 requested by the Chief of the Budget Division of the Department of  
23 Administration.

24       **Sec. 189.34.** The Department of Education is hereby  
25 authorized to spend from the State Distributive School Account the  
26 sums of \$16,926,569 for the 2003-2004 Fiscal Year and  
27 \$17,843,596 for the 2004-2005 Fiscal Year for the support of  
28 courses which are approved by the Department of Education as  
29 meeting the course of study for an adult standard high school  
30 diploma as approved by the State Board of Education. In each fiscal  
31 year of the 2003-2005 biennium, the sum authorized must be  
32 allocated among the various school districts in accordance with a  
33 plan or formula developed by the Department of Education to  
34 ensure the money is distributed equitably and in a manner that  
35 permits accounting for the expenditures of school districts.

36       **Sec. 189.36.** The Department of Education is hereby  
37 authorized to provide from the State Distributive School Account  
38 the sum of \$50,000 to each of the 17 school districts in each fiscal  
39 year of the 2003-2005 biennium to support special counseling  
40 services for elementary school pupils at risk of failure.

41       **Sec. 189.38.** The amounts of the guarantees set forth in  
42 sections 189.22 and 189.24 of this act may be reduced to effectuate  
43 a reserve required pursuant to NRS 353.225.

44       **Sec. 189.40.** 1. The Department of Education shall transfer  
45 from the State Distributive School Account to the school districts



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1 specified in this section the following sums for Fiscal Years  
2 2003-2004 and 2004-2005:

3			
4	<u>School District</u>	<u>2003-2004</u>	<u>2004-2005</u>
5	Clark County School District	\$4,532,532	\$4,552,361
6	Douglas County School District	\$1,146,374	\$1,175,848
7	Elko County School District	\$1,291,907	\$1,295,158
8	Washoe County School District	<u>\$1,847,128</u>	<u>\$1,913,468</u>
9		\$8,817,941	\$8,936,835

10

11 2. A school district that receives an allocation pursuant to  
12 subsection 1 shall:

13 (a) Use the money to maintain and continue the operation of a  
14 regional training program for the professional development of  
15 teachers and administrators established by the school district  
16 pursuant to NRS 391.512; and

17 (b) Use the money to maintain and continue the operation of the  
18 Nevada Early Literacy Intervention Program through the regional  
19 training program established pursuant to paragraph (a).

20 3. Any remaining balance of the transfers made by subsection  
21 1 for the 2003-2004 Fiscal Year must be added to the money  
22 received by the school districts for the 2004-2005 Fiscal Year and  
23 may be expended as that money is expended. Any remaining  
24 balance of the transfers made by subsection 1 for the 2004-2005  
25 Fiscal Year, including any money added from the transfer for the  
26 previous fiscal year, must not be committed for expenditure after  
27 June 30, 2005, and reverts to the State Distributive School Account  
28 as soon as all payments of money committed have been made.

29 **Sec. 189.42.** 1. The Legislative Bureau of Educational  
30 Accountability and Program Evaluation is hereby authorized to  
31 receive from the State Distributive School Account to spend for an  
32 evaluation of the regional training programs for the professional  
33 development of teachers and administrators established pursuant to  
34 NRS 391.512:

35 For Fiscal Year 2003-2004 ..... \$100,000  
36 For Fiscal Year 2004-2005 ..... \$100,000

37 2. Any remaining balance of the sums authorized for  
38 expenditure by subsection 1 for the 2003-2004 Fiscal Year must be  
39 added to the money authorized for expenditure for the 2004-2005  
40 Fiscal Year and may be expended as that money is expended. Any  
41 remaining balance of the sums authorized for expenditure pursuant  
42 to subsection 1 for the 2004-2005 Fiscal Year, including any money  
43 added from the authorization for the previous fiscal year, must not  
44 be committed for expenditure after June 30, 2005, and reverts to the





1 State Distributive School Account as soon as all payments of money  
2 committed have been made.

3 **Sec. 189.44.** 1. The Department of Education shall transfer  
4 from the State Distributive School Account to the Statewide Council  
5 for the Coordination of the Regional Training Programs created by  
6 NRS 391.516 the sum of \$80,000 in each Fiscal Year 2003-2004  
7 and 2004-2005 for additional training opportunities for educational  
8 administrators in Nevada.

9 2. The Statewide Council shall use the money:

10 (a) To support the goals of Nevada Project LEAD (Leadership  
11 in Educational Administration Development), as established through  
12 the Department of Educational Leadership in the College of  
13 Education, located at the University of Nevada, Reno. In supporting  
14 the goals of Nevada Project LEAD, the Statewide Council shall:

15 (1) Disseminate research-based knowledge related to  
16 effective educational leadership behaviors and skills; and

17 (2) Develop, support and maintain on-going activities,  
18 programs, training and networking opportunities.

19 (b) For purposes of providing additional training for educational  
20 administrators, including, without limitation, paying:

21 (1) Travel expenses of administrators who attend the training  
22 program;

23 (2) Travel and per-diem expenses for any consultants  
24 contracted to provide additional training; and

25 (3) Any charges to obtain a conference room for the  
26 provision of the additional training.

27 (c) To supplement and not replace the money that the school  
28 district, Nevada Project LEAD or the regional training program  
29 would otherwise expend for training for administrators as described  
30 in this section.

31 3. Any remaining balance of the transfers made by subsection  
32 1 for the 2003-2004 Fiscal Year must be added to the money  
33 received by the Statewide Council for the 2004-2005 Fiscal Year  
34 and may be expended as that money is expended. Any remaining  
35 balance of the transfers made by subsection 1 for the 2004-2005  
36 Fiscal Year, including any money added from the transfer for the  
37 previous fiscal year, must not be committed for expenditure after  
38 June 30, 2005, and reverts to the State Distributive School Account  
39 as soon as all payments of money committed have been made.

40 **Sec. 189.46.** 1. The Department of Education shall transfer  
41 from the State Distributive School Account the following sums for  
42 remedial education programs for certain schools:

43 For Fiscal Year 2003-2004..... \$5,179,109  
44 For Fiscal Year 2004-2005 ..... \$5,013,874



1 The money allocated must be used to provide remedial education  
2 programs that have been approved by the Department as being  
3 effective in improving pupil achievement.

4 2. A school may submit an application to the Department of  
5 Education on or before November 1 of each fiscal year for  
6 transmission to the State Board of Examiners for an allocation from  
7 the amount authorized by subsection 1 if the school:

8 (a) Receives a designation as demonstrating need for  
9 improvement.

10 (b) Did not receive a designation as demonstrating need for  
11 improvement, but the school failed to meet adequate yearly  
12 progress; or

13 (c) Did not receive a designation as demonstrating need for  
14 improvement, but more than 40 percent of the pupils enrolled in the  
15 school received an average score below the 26th percentile on all  
16 four subjects tested pursuant to NRS 389.015.

17 3. The Department of Education shall, in consultation with the  
18 Budget Division of the Department of Administration and the  
19 Legislative Bureau of Educational Accountability and Program  
20 Evaluation, develop a form for such applications. The form must  
21 include, without limitation, a notice that money received by a school  
22 to implement or continue remedial education programs that have  
23 been approved by the Department as being effective in improving  
24 pupil achievement will be used to implement or continue the  
25 programs in a manner that has been approved by the vendor of the  
26 remedial program.

27 4. Upon receipt of an application submitted pursuant to  
28 subsection 2, the Department of Education shall review the  
29 application jointly with the Budget Division of the Department of  
30 Administration and the Legislative Bureau of Educational  
31 Accountability and Program Evaluation. The Department of  
32 Education shall transmit the application to the State Board  
33 of Examiners with the recommendation of the Department of  
34 Education concerning the allocation of money based upon each  
35 application so received. The State Board of Examiners, or the Clerk  
36 of the Board if authorized by the Board to act on its behalf, shall  
37 consider each such application and, if it finds that an allocation  
38 should be made, recommend the amount of the allocation to the  
39 Interim Finance Committee. The Interim Finance Committee shall  
40 consider each such recommendation, but is not bound to follow the  
41 recommendation of the State Board of Examiners when determining  
42 the allocation to be received by a school. In determining the amount  
43 of the allocation, the State Board of Examiners and the Interim  
44 Finance Committee shall consider:



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1 (a) The total number of pupils enrolled in the school who failed  
2 to meet adequate yearly progress;

3 (b) The percentage of pupils enrolled in the school who failed to  
4 meet adequate yearly progress;

5 (c) The total number of subgroups of pupils, as prescribed by the  
6 No Child Left Behind Act of 2001, 20 U.S.C. §§ 6301 et seq.,  
7 enrolled in the school who failed to meet adequate yearly progress;  
8 and

9 (d) The financial need of the particular school.

10 5. In addition to the considerations set forth in subsection 4, in  
11 determining whether to approve an application for a school that has  
12 received an allocation in the immediately preceding year and in  
13 determining the amount of the allocation for such a school, the State  
14 Board of Examiners and the Interim Finance Committee shall  
15 consider whether the school has carried out the program of remedial  
16 study for which it received an allocation in a manner that has been  
17 approved by the vendor of the remedial program and whether the  
18 program has been successful, as measured by the academic  
19 achievement of the pupils enrolled in the school on the examinations  
20 administered pursuant to NRS 389.015 or 389.550 and any  
21 assessments related to the program of remedial study.

22 6. A school that receives an allocation of money pursuant to  
23 this section shall use the money to:

24 (a) Pay the costs incurred by the school in providing the  
25 program of remedial study required by NRS 385.389. The money  
26 must first be applied to those pupils who failed to meet adequate  
27 yearly progress.

28 (b) Pay for the salaries, training or other compensation of  
29 teachers and other educational personnel to provide the program  
30 of remedial study, instructional materials required for the program  
31 of remedial study, equipment necessary to offer the program of  
32 remedial study and all other additional operating costs attributable to  
33 the program of remedial study, to the extent that the training,  
34 materials and equipment are those that are approved by the vendor  
35 of the remedial program.

36 (c) Supplement and not replace the money the school would  
37 otherwise expend for programs of remedial study.

38 7. Before a school amends a plan for expenditure of an  
39 allocation of money received pursuant to this section, the school  
40 district in which the school is located must submit the proposed  
41 amendment to the Department of Education to receive approval  
42 from the Department of Education, the Budget Division of the  
43 Department of Administration and the Legislative Bureau of  
44 Educational Accountability and Program Evaluation, or the Interim  
45 Finance Committee.



1       8. The sums authorized for expenditure in subsection 1 are  
2 available for either fiscal year. Any remaining balance of those sums  
3 must not be committed for expenditure after June 30, 2005, and  
4 reverts to the State Distributive School Account as soon as all  
5 payments of money committed have been made.

6       **Sec. 189.48.** 1. The Department of Education shall transfer  
7 from the State Distributive School Account the following sums for  
8 supplemental services or tutoring for pupils in non-Title I schools  
9 that failed to meet adequate yearly progress on the examinations  
10 administered pursuant to NRS 389.550:

11           For the Fiscal Year 2003-2004..... \$1,000,000  
12           For the Fiscal Year 2004-2005 ..... \$1,500,000

13       2. The supplemental services or tutoring for which money is  
14 provided pursuant to this section must:

15           (a) Be conducted before or after school, on weekends, during the  
16 summer or between sessions in schools with year-round school  
17 calendars; and

18           (b) Be selected by the Department as an approved provider in  
19 accordance with the No Child Left Behind Act of 2001, 20 U.S.C.  
20 §§ 6301 et seq.

21       3. A school may submit an application to the Department of  
22 Education on or before November 1 of each fiscal year for  
23 transmission to the State Board of Examiners for an allocation from  
24 the amount authorized by subsection 1 if the school:

25           (a) Receives a designation as demonstrating need for  
26 improvement; and

27           (b) Is not receiving money from Title I, 20 U.S.C. §§ 6301 et  
28 seq.

29       4. The Department of Education shall, in consultation with the  
30 Budget Division of the Department of Administration and the  
31 Legislative Bureau of Educational Accountability and Program  
32 Evaluation, develop a form for such applications.

33       5. Upon receipt of an application submitted pursuant to  
34 subsection 3, the Department of Education shall review the  
35 application jointly with the Budget Division of the Department of  
36 Administration and the Legislative Bureau of Educational  
37 Accountability and Program Evaluation. The Department  
38 of Education shall transmit the application to the State Board of  
39 Examiners with the recommendation of the Department of  
40 Education concerning the allocation of money based upon each  
41 application so received. The State Board of Examiners, or the Clerk  
42 of the Board if authorized by the Board to act on its behalf, shall  
43 consider each such application and, if it finds that an allocation  
44 should be made, recommend the amount of the allocation to the  
45 Interim Finance Committee. The Interim Finance Committee shall



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1 consider each such recommendation, but is not bound to follow the  
2 recommendation of the State Board of Examiners when determining  
3 the allocation to be received by a school district.

4 6. A school that receives an allocation of money pursuant to  
5 this section shall use the money to:

6 (a) Provide supplemental services or tutoring that has been  
7 selected and approved by the Department of Education.

8 (b) Pay the costs incurred by the school in providing the  
9 supplemental services or tutoring. The money must be applied to  
10 those pupils who failed to meet adequate yearly progress.

11 (c) Pay for the salaries, training or other compensation of  
12 teachers and other educational personnel to provide the  
13 supplemental services or tutoring, instructional materials required  
14 for the program, equipment necessary to offer the program and all  
15 other additional operating costs attributable to the program.

16 (d) Supplement and not replace the money the school district  
17 would otherwise expend for supplemental services or tutoring.

18 7. Before a school amends a plan for expenditure of an  
19 allocation of money received pursuant to this section, the school  
20 district in which the school is located must submit the proposed  
21 amendment to the Department of Education to receive approval  
22 from the Department of Education, the Budget Division of the  
23 Department of Administration and the Legislative Bureau of  
24 Educational Accountability and Program Evaluation, or the Interim  
25 Finance Committee.

26 8. The sums transferred pursuant to subsection 1 are available  
27 for either fiscal year. Any remaining balance of those sums must not  
28 be committed for expenditure after June 30, 2005, and reverts to the  
29 State Distributive School Account as soon as all payments of money  
30 committed have been made.

31 **Sec. 189.50.** 1. The Department of Education shall transfer  
32 from the State Distributive School Account the following sums for  
33 early childhood education:

34 For the Fiscal Year 2003-2004..... \$2,896,583  
35 For the Fiscal Year 2004-2005..... \$2,896,583

36 2. Of the sums transferred pursuant to subsection 1, \$301,000  
37 in each fiscal year of the 2003-2005 biennium must be used for the  
38 Classroom on Wheels Program.

39 3. The remaining money transferred by subsection 1 must be  
40 used by the Department of Education for competitive state grants to  
41 school districts and community-based organizations for early  
42 childhood education programs.

43 4. To receive a grant of money pursuant to subsections 2 and 3,  
44 school districts, community-based organizations and the Classroom



1 on Wheels Program must submit a comprehensive plan to the  
2 Department of Education that includes, without limitation:

3 (a) A detailed description of the proposed early childhood  
4 education program;

5 (b) A description of the manner in which the money will be  
6 used, which must supplement and not replace the money that would  
7 otherwise be expended for early childhood education programs; and

8 (c) A plan for the longitudinal evaluation of the program to  
9 determine the effectiveness of the program on the academic  
10 achievement of children who participate in the program.

11 5. A school district, community-based organization or  
12 Classroom on Wheels Program that receives a grant of money shall:

13 (a) Use the money to initiate or expand prekindergarten  
14 education programs that meet the criteria set forth in the publication  
15 of the Department of Education, entitled "August 2000 Public  
16 Support for Prekindergarten Education For School Readiness in  
17 Nevada."

18 (b) Use the money to supplement and not replace the money that  
19 the school district, community-based organization or Classroom on  
20 Wheels Program would otherwise expend for early childhood  
21 education programs, as described in this section.

22 (c) Use the money to pay for the salaries and other items directly  
23 related to the instruction of pupils in the classroom.

24 (d) Submit a longitudinal evaluation of the program in  
25 accordance with the plan submitted pursuant to paragraph (c) of  
26 subsection 4.

27 The money must not be used to remodel classrooms or facilities or  
28 for playground equipment.

29 6. The Department of Education shall develop statewide  
30 performance and outcome indicators to measure the effectiveness of  
31 the early childhood education programs for which grants of money  
32 were awarded pursuant to this section. The indicators must include,  
33 without limitation:

34 (a) Longitudinal measures of the developmental progress of  
35 children before and after their completion of the program;

36 (b) Longitudinal measures of parental involvement in the  
37 program before and after completion of the program; and

38 (c) The percentage of participants who drop out of the program  
39 before completion.

40 7. The Department of Education shall review the evaluations of  
41 the early childhood education programs submitted by each school  
42 district, community-based organization and the Classroom on  
43 Wheels Program pursuant to paragraph (d) of subsection 5 and  
44 prepare a compilation of the evaluations for inclusion in the report  
45 submitted pursuant to subsection 8.



1       8. The Department of Education shall, on an annual basis,  
2 provide a written report to the Governor, Legislative Committee on  
3 Education and the Legislative Bureau of Educational Accountability  
4 and Program Evaluation regarding the effectiveness of the early  
5 childhood programs for which grants of money were received. The  
6 report must include, without limitation:

7       (a) The number of grants awarded;  
8       (b) An identification of each school district, community-based  
9 organization and the Classroom on Wheels Program that received a  
10 grant of money and the amount of each grant awarded;

11       (c) For each school district, community based-organization and  
12 the Classroom on Wheels Program that received a grant of money:

13           (1) The number of children who received services through a  
14 program funded by the grant for each year that the program received  
15 funding from the State for early childhood programs; and

16           (2) The average per child expenditure for the program for  
17 each year the program received funding from the State for early  
18 childhood programs;

19       (d) A compilation of the evaluations reviewed pursuant to  
20 subsection 7 that includes, without limitation:

21           (1) A longitudinal comparison of the data showing the  
22 effectiveness of the different programs; and

23           (2) A description of the programs in this state that are the  
24 most effective; and

25       (e) Any recommendations for legislation.

26       9. Any balance of the sums transferred pursuant to subsection 1  
27 remaining at the end of the respective fiscal years must not be  
28 committed for expenditure after June 30 of the respective fiscal  
29 years and reverts to the State Distributive School Account as soon as  
30 all payments of money committed have been made.

31       **Sec. 189.52.** 1. The Department of Education shall transfer  
32 from the State Distributive School Account the following sums to  
33 purchase one-fifth of a year of service for certain teachers in  
34 accordance with NRS 391.165:

35           For the Fiscal Year 2003-2004..... \$2,689,206

36           For the Fiscal Year 2004-2005..... \$7,045,056

37       2. The Department of Education shall distribute the money  
38 appropriated by subsection 1 to the school districts to assist the  
39 school districts with paying for the retirement credit for certain  
40 teachers in accordance with NRS 391.165. The amount of money  
41 distributed to each school district must be proportionate to the total  
42 costs of paying for the retirement credit pursuant to NRS 391.165  
43 for each fiscal year. If insufficient money is available from the  
44 appropriation to pay the total costs necessary to pay the retirement



1 credit for each fiscal year, the school district shall pay the difference  
2 to comply with NRS 391.165.

3 3. Any balance of the sums appropriated by subsection 1  
4 remaining at the end of the respective fiscal years must not be  
5 committed for expenditure after June 30 of the respective fiscal  
6 years and reverts to the State General Fund as soon as all payments  
7 of money committed have been made.

8 **Sec. 189.54.** 1. The Department of Education shall transfer  
9 from the State Distributive School Account the following sum to  
10 purchase one-fifth of a year of service for certain licensed  
11 educational personnel in accordance with NRS 391.165:

12 For the Fiscal Year 2004-2005..... \$5,732,643

13 2. The Department of Education shall distribute the money  
14 appropriated by subsection 1 to the school districts to assist the  
15 school districts with paying for the retirement credit for certain  
16 licensed educational personnel in accordance with NRS 391.165.  
17 The amount of money distributed to each school district must be  
18 proportionate to the total costs of paying for the retirement credit  
19 pursuant to NRS 391.165 for each fiscal year. If insufficient money  
20 is available to pay the total costs necessary to pay the retirement  
21 credit for each fiscal year, the school district shall pay the difference  
22 to comply with NRS 391.165.

23 3. Any remaining balance of the appropriation made by  
24 subsection 1 must not be committed for expenditure after June 30,  
25 2005, and reverts to the State General Fund as soon as all payments  
26 of money committed have been made.

27 **Sec. 189.56.** Of the amounts included in the basic support  
28 guarantee amounts enumerated in sections 189.22 and 189.24 of this  
29 act, \$64,425,447 for Fiscal Year 2003-2004 and \$66,721,434 for  
30 Fiscal Year 2004-2005 must be expended for the purchase of  
31 textbooks, instructional supplies and instructional hardware as  
32 prescribed in section 164.50 of this act.

33 **Sec. 189.58.** All funding remaining in the Fund for School  
34 Improvement at the close of Fiscal Year 2002-2003 shall be  
35 transferred to the budget for the State Distributive School Account  
36 and shall be authorized for expenditure in that account.

37 **Sec. 189.60.** The sums appropriated or authorized in sections  
38 189.40 to 189.54, inclusive, of this act:

39 1. Must be accounted for separately from any other money  
40 received by the school districts of this state and used only for the  
41 purposes specified in the applicable section of this act.

42 2. May not be used to settle or arbitrate disputes between a  
43 recognized organization representing employees of a school district  
44 and the school district, or to settle any negotiations.



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1       3. May not be used to adjust the district-wide schedules of  
2 salaries and benefits of the employees of a school district.

3       **Sec. 189.62.** 1. The Department of Education shall transfer  
4 from the State Distributive School Account the following sums for  
5 special transportation costs to school districts:

6           For the 2003-2004 school year..... \$47,715

7           For the 2004-2005 school year..... \$47,715

8       2. Pursuant to NRS 392.015, the Department of Education shall  
9 use the money transferred in subsection 1 to reimburse school  
10 districts for the additional costs of transportation for any pupil to a  
11 school outside the school district in which his residence is located.

12       **Sec. 189.64.** There is hereby appropriated from the State  
13 General Fund to the State Distributive School Account created by  
14 NRS 387.030 in the State General Fund the sum of \$3,152,559 for  
15 an unanticipated shortfall in money in Fiscal Year 2002-2003. This  
16 appropriation is supplemental to that made by section 4 of chapter  
17 565, Statutes of Nevada 2001, at page 2832 and to that made  
18 pursuant to Assembly Bill No. 253 of the 72nd Legislative Session.

19       **Sec. 189.66.** Each school district shall expend the revenue  
20 made available through this act, as well as other revenue from state,  
21 local and federal sources, in a manner that is consistent with NRS  
22 288.150 and that is designed to attain the goals of the Legislature  
23 regarding educational reform in this state, especially with regard to  
24 assisting pupils in need of remediation and pupils who are not  
25 proficient in the English language. Materials and supplies for  
26 classrooms are subject to negotiation by employers with recognized  
27 employee organizations.

28       **Sec. 190.** 1. Section 170 of this act does not apply to any  
29 license fees precollected pursuant to chapter 463 of NRS on or  
30 before the effective date of that section.

31       2. Sections 122.3, 122.4 and 122.5 of this act do not apply to  
32 any taxes precollected pursuant to chapter 370 of NRS on or before  
33 the effective date of those sections.

34       3. Sections 122.1, 122.2 and 169.5 of this act do not affect the  
35 amount of any license fees or taxes due for any period ending on or  
36 before July 31, 2003.

37       4. For a licensed gaming establishment that is exempt from the  
38 payment of the casino entertainment tax imposed by NRS 463.401  
39 before September 1, 2003, but is required to pay that tax on and  
40 after that date, sections 171 and 172 of this act apply to any taxable  
41 receipts that are collected pursuant to those sections on or after  
42 September 1, 2003, and before January 1, 2004.

43       5. Sections 65 to 100, inclusive, of this act apply to any taxable  
44 receipts that are collected pursuant to the provisions of those  
45 sections on or after January 1, 2004.



1     **Sec. 191.** 1. The provisions of subsection 3 of section 186 of  
2 this act do not:

3     (a) Affect any rights, duties or liability of any person relating  
4 to any taxes imposed pursuant to chapter 364A of NRS for any  
5 period ending before October 1, 2003.

6     (b) Apply to the administration, collection and enforcement of  
7 any taxes imposed pursuant to chapter 364A of NRS for any period  
8 ending before October 1, 2003.

9     2. The provisions of subsection 4 of section 186 of this act do  
10 not:

11     (a) Affect any rights, duties or liability of any person relating  
12 to any taxes imposed pursuant to NRS 463.401 before January 1,  
13 2004.

14     (b) Apply to the administration, collection and enforcement of  
15 any taxes imposed pursuant to NRS 463.401 before January 1, 2004.

16     **Sec. 192.** The Legislative Committee on Taxation, Public  
17 Revenue and Tax Policy established by the provisions of section  
18 156 of this act shall:

19     1. Review and study:

20     (a) The impact, if any, that the imposition of the tax on live  
21 entertainment imposed pursuant to section 78 of this act has had on  
22 revenue received by the state and local governments from special  
23 events conducted in this state.

24     (b) Whether promoters of special events are contracting with  
25 entities in other states to hold the special events in those other states  
26 as a result of the imposition of the tax.

27     (c) The loss of revenue, if any, from special events resulting  
28 from the imposition of the tax.

29     (d) The feasibility and need for exempting such special events  
30 from the tax.

31     (e) Standards and procedures that may be adopted for  
32 determining whether special events should be exempt from the tax  
33 and the qualifications for such an exemption.

34     2. Submit a report of the results of its review and any  
35 recommendations for legislation to the 73rd Session of the Nevada  
36 Legislature.

37     **Sec. 192.3.** The State Controller shall, on or before January 1,  
38 2004, adopt such regulations as are necessary to carry out section  
39 164.38 of this act.

40     **Sec. 192.5.** The Nevada Tax Commission shall report to the  
41 Legislative Committee on Taxation, Public Revenue and Tax Policy  
42 periodically concerning any increase or decrease in the number and  
43 subject of appeals filed with the Commission during the 2003-2005  
44 biennium.



- 1     **Sec. 193.** 1. This section and sections 110, 120, 121, 122,  
2 122.3, 122.4, 122.5, 127, 130, 141, 143, 145, 154 to 161, inclusive,  
3 164.10 to 164.34, inclusive, 166.5, 170, 185, 185.5, 185.7, 185.9,  
4 187 to 188.7, inclusive, and 190 to 192.5, inclusive, of this act and  
5 subsection 1 of section 186 of this act become effective upon  
6 passage and approval.
- 7     2. Sections 189.58 and 189.64 of this act become effective  
8 upon passage and approval and apply retroactively to June 30, 2003.
- 9     3. Sections 164.50, 164.60, 164.70, 165.2, 185.1, 185.3, 189,  
10 189.10, 189.14 to 189.56, inclusive, 189.60, 189.62 and 189.66 of  
11 this act become effective upon passage and approval and apply  
12 retroactively to July 1, 2003.
- 13     4. Sections 122.1, 122.2, 169.5 and 173.5 of this act become  
14 effective on August 1, 2003.
- 15     5. Sections 171 and 172 of this act and subsection 2 of section  
16 186 of this act become effective:
- 17         (a) Upon passage and approval for the purpose of adopting  
18 regulations and performing any other preparatory administrative  
19 tasks that are necessary to carry out the provisions of this act; and  
20         (b) On September 1, 2003, for all other purposes.
- 21     6. Sections 1 to 10, inclusive, 11 to 50, inclusive, 51 to 63,  
22 inclusive, 101 to 109, inclusive, 111 to 119, inclusive, 123 to 126,  
23 inclusive, 128, 129, 131 to 140, inclusive, 147 to 153, inclusive,  
24 163, 164, 165, 166, 167, 174, 176 to 179, inclusive, 181.30 to  
25 181.50, inclusive, 183 and 183.3 of this act and subsection 3 of  
26 section 186 of this act become effective:
- 27         (a) Upon passage and approval for the purpose of adopting  
28 regulations and performing any other preparatory administrative  
29 tasks that are necessary to carry out the provisions of this act; and  
30         (b) On October 1, 2003, for all other purposes.
- 31     7. Sections 10.5, 64 to 100, inclusive, 162, 164.38, 168, 169,  
32 173, 173.7, 175, 180, 181 and 182 of this act and subsection 4 of  
33 section 186 of this act become effective:
- 34         (a) Upon passage and approval for the purpose of adopting  
35 regulations and performing any other preparatory administrative  
36 tasks that are necessary to carry out the provisions of this act; and  
37         (b) On January 1, 2004, for all other purposes.
- 38     8. Sections 183.5 and 184 of this act become effective:
- 39         (a) Upon passage and approval for the purpose of adopting  
40 regulations and performing any other preparatory administrative  
41 tasks that are necessary to carry out the provisions of this act; and  
42         (b) On July 1, 2004, for all other purposes.
- 43     9. Sections 165.4 and 189.12 of this act become effective on  
44 July 1, 2004.
- 45     10. Sections 50.5, 109.5 and 119.5 of this act become effective:



- 1 (a) Upon passage and approval for the purpose of adopting  
2 regulations and performing any other preparatory administrative  
3 tasks that are necessary to carry out the provisions of this act; and  
4 (b) On July 1, 2005, for all other purposes.  
5 11. Sections 142, 144 and 146 of this act become effective at  
6 12:01 a.m. on October 1, 2029.  
7 12. Sections 154 to 160, inclusive, of this act expire by  
8 limitation on June 30, 2005.  
9 13. Sections 141, 143 and 145 of this act expire by limitation  
10 on September 30, 2029.

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## LEADLINES OF REPEALED SECTIONS

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- 364A.010 Definitions.  
364A.020 "Business" defined.  
364A.030 "Commission" defined.  
364A.040 "Employee" defined.  
364A.050 "Wages" defined.  
364A.060 Regulations of Nevada Tax Commission.  
364A.070 Maintenance and availability of records of  
business; penalty.  
364A.080 Examination of records by Department; payment  
of expenses of Department for examination of records outside  
State.  
364A.090 Authority of Executive Director to request  
information to carry out chapter.  
364A.100 Confidentiality of records and files of  
Department.  
364A.110 Business Tax Account: Deposits; refunds.  
364A.120 Activities constituting business.  
364A.130 Business license required; application for license;  
activities constituting conduct of business.  
364A.135 Revocation or suspension of business license for  
failure to comply with statutes or regulations.  
364A.140 Imposition, payment and amount of tax; filing  
and contents of return.  
364A.150 Calculation of total number of equivalent full-  
time employees; exclusion of hours of certain employees with  
lower incomes who received free child care from business.  
364A.151 Exclusion of hours from calculation for  
employment of pupil as part of program that combines work  
and study.



**364A.152** Responsibility of operator of facility for trade shows or conventions to pay tax on behalf of participants who do not have business license; exception.

**364A.1525** Requirements to qualify as organization created for religious, charitable or educational purposes.

**364A.160** Exemption for natural person with no employees during calendar quarter.

**364A.170** Partial abatement of tax on new or expanded business.

**364A.175** Exemption for activities conducted pursuant to certain contracts executed before July 1, 1991.

**364A.180** Extension of time for payment; payment of interest during period of extension.

**364A.190** Payment of penalty or interest not required under certain circumstances.

**364A.230** Remedies of state are cumulative.

**364A.240** Certification of excess amount collected; credit and refund.

**364A.250** Limitations on claims for refund or credit; form and contents of claim; failure to file claim constitutes waiver; service of notice of rejection of claim.

**364A.260** Interest on overpayments; disallowance of interest.

**364A.270** Injunction or other process to prevent collection of tax prohibited; filing of claim condition precedent to maintaining action for refund.

**364A.280** Action for refund: Time to sue; venue of action; waiver.

**364A.290** Right of appeal on failure of Department to mail notice of action on claim; allocation of judgment for claimant.

**364A.300** Allowance of interest in judgment for amount illegally collected.

**364A.310** Standing to recover.

**364A.320** Action for recovery of erroneous refund: Jurisdiction; venue; prosecution by Attorney General.

**364A.330** Cancellation of illegal determination: Procedure; limitation.

**364A.340** Proof of subcontractor's compliance with provisions of chapter.

**364A.350** Penalty for false or fraudulent returns, statements or records.

**375.025** Additional tax in certain counties.

**375.075** Additional tax in certain counties: Disposition and use of proceeds.

**463.4001** Definitions.



\* S B 8 R 1 \*

- 463.4002 “Auditorium” defined.
- 463.4004 “Casino showroom” defined.
- 463.4006 “Instrumental music” defined.
- 463.4008 “Mechanical music” defined.
- 463.4009 “Mechanical speech” defined.
- 463.401 Levy; amount; exemptions.
- 463.4015 Types of entertainment which are not subject to casino entertainment tax.
- 463.402 Forms for reports; regulations and standards.
- 463.403 Monthly reports and payments; overpayments and underpayments; interest.
- 463.404 Remittances must be deposited in State General Fund; refunds of tax erroneously paid.
- 463.4045 Refund of overpayment.
- 463.405 Records of receipts: Maintenance; inspection.
- 463.4055 Ticket for admission to certain establishments must indicate whether tax is included in price of ticket.
- 463.406 Penalties.

