ASSEMBLY BILL NO. 124–COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF CONTROLLER)

FEBRUARY 4, 1999

Referred to Committee on Government Affairs

SUMMARY—Makes various changes regarding certain funds and accounts. (BDR 31-666)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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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; changing the designation of certain funds to accounts; changing the designation of the account to which certain proceeds of the tax on liquor are transferred; changing the designation of the department of human resources' gift fund from a special revenue fund to a trust fund; and providing other matters properly relating thereto.

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

Section 1. NRS 354.598747 is hereby amended to read as follows:

354.598747 1. For the purpose of calculating the amount to be distributed pursuant to the provisions of NRS 360.680 and 360.690 from a county's ~~[account]~~ ***subaccount*** in the local government tax distribution ~~[fund]~~ ***account*** to a local government, special district or enterprise district after it assumes the functions of another local government, special district or enterprise district:

(a) Except as otherwise provided in this subsection and subsection 2, the executive director of the department of taxation shall:

(1) Add the amounts calculated pursuant to subsection 1 or 2 of NRS 360.680 for each local government, special district or enterprise district and allocate the combined amount to the local government, special district or enterprise district that assumes the functions; and

(2) If applicable, add the population and average change in the assessed valuation of taxable property that would otherwise be allowed to the local government or special district whose functions are assumed,

except any assessed valuation attributable to the net proceeds of minerals, pursuant to subsection 3 of NRS 360.690 to the population and average change in assessed valuation for the local government, special district or enterprise district that assumes the functions.

(b) If two or more local governments, special districts or enterprise districts assume the functions of another local government, special district or enterprise district, the additional revenue must be divided among the local governments, special districts or enterprise districts that assume the functions on the basis of the proportionate costs of the functions assumed. The Nevada tax commission shall not allow any increase in the allowed revenue from the taxes contained in the county's ~~[account]~~ ***subaccount*** in the local government tax distribution ~~[fund]~~ ***account*** if the increase would result in a decrease in revenue of any local government, special district or enterprise district in the county that does not assume those functions. If more than one local government, special district or enterprise district assumes the functions, the Nevada tax commission shall determine the appropriate amounts calculated pursuant to subparagraphs (1) and (2) of paragraph (a).

2. If a city disincorporates, the board of county commissioners of the county in which the city is located must determine the amount the unincorporated town created by the disincorporation will receive pursuant to the provisions of NRS 360.600 to 360.740, inclusive.

3. As used in this section:

(a) "Enterprise district" has the meaning ascribed to it in NRS 360.620.

(b) "Local government" has the meaning ascribed to it in NRS 360.640.

(c) "Special district" has the meaning ascribed to it in NRS 360.650.

Sec. 2. NRS 116.1117 is hereby amended to read as follows:

116.1117 1. There is hereby created the ~~[fund]~~ ***account*** for the ombudsman for owners in common-interest communities in the state ~~[treasury. The fund]~~ ***general fund. The account*** must be administered by the administrator of the real estate division of the department of business and industry.

2. The fees collected pursuant to NRS 116.31155 must be credited to the ~~[fund.]~~ ***account.***

3. The interest and income earned on the money in the ~~[fund,]~~ ***account,*** after deducting any applicable charges, must be credited to the ~~[fund.]~~ ***account.***

4. The money in the ~~[fund]~~ ***account*** must be used solely to defray the costs and expenses of administering the office of the ombudsman for owners in common-interest communities.

Sec. 3. NRS 116.31155 is hereby amended to read as follows:

116.31155 1. An association that is not a master association and levies an annual assessment against each unit in the common-interest community of $500 or more shall:

(a) If the association is required to pay the fee imposed by NRS 78.150 or 82.193, pay to the secretary of state at the time it is required to pay the fee imposed by those sections a fee established by regulation of the administrator of the real estate division of the department of business and industry for every unit in the association.

(b) If the association is organized as a trust or partnership, pay to the administrator of the real estate division of the department of business and industry a fee established by regulation of the administrator for each unit in the association. The fee must be paid on or before January 1 of each year.

2. The fees required to be paid pursuant to this section must be:

(a) Deposited with the state treasurer for credit to the ~~[fund]~~ ***account*** for the ombudsman for owners in common-interest communities created pursuant to NRS 116.1117.

(b) Established on the basis of the actual cost of administering the office of the ombudsman for owners in common-interest communities and not on a basis which includes any subsidy for the office.

Sec. 4. NRS 232.355 is hereby amended to read as follows:

232.355 1. Except for gifts or grants specifically accounted for in another fund, all gifts or grants of money or other property which the divisions of the department of human resources are authorized to accept must be accounted for in the department of human resources' gift fund, hereby created as a ~~[special revenue]~~ ***trust*** fund. The fund is a continuing fund without reversion. The department may establish such accounts in the fund as are necessary to account properly for gifts received. All money received by the division must be deposited in the state treasury for credit to the fund. The money in the fund must be paid out on claims as other claims against the state are paid. Unless otherwise specifically provided by statute, claims against the fund must be approved by the director or his delegate.

2. Gifts of property other than money may be sold or exchanged when this is deemed by the head of the facility or agency responsible for the gift to be in the best interest of the facility or agency. The sale price must not be less than 90 percent of the value determined by a qualified appraiser appointed by the head of the facility or agency. All money received from the sale must be deposited in the state treasury to the credit of the appropriate gift account in the department of human resources' gift fund. The money may be spent only for the purposes of the facility or agency named in the title of the account. The property may not be sold or exchanged if to do so would violate the terms of the gift.

Sec. 5. Chapter 360 of NRS is hereby amended by adding thereto a new section to read as follows:

"Account" means the local government tax distribution account created pursuant to NRS 360.660.

Sec. 6. NRS 360.600 is hereby amended to read as follows:

360.600 As used in NRS 360.600 to 360.740, inclusive, unless the context otherwise requires, the words and terms defined in NRS 360.610 to 360.650, inclusive, ***and section 5 of this act,*** have the meanings ascribed to them in those sections.

Sec. 7. NRS 360.620 is hereby amended to read as follows:

360.620 "Enterprise district" means a governmental entity which:

1. Is not a county, city or town;
2. Receives any portion of the proceeds of a tax which is included in the **[~~fund;~~]** ***account;*** and
3. The executive director determines is an enterprise district pursuant to the provisions of NRS 360.710.

Sec. 8. NRS 360.640 is hereby amended to read as follows:

360.640 "Local government" means any county, city or town that receives any portion of the proceeds of a tax which is included in the **[~~fund.~~]** ***account.***

Sec. 9. NRS 360.650 is hereby amended to read as follows:

360.650 "Special district" means a governmental entity that receives any portion of the proceeds of a tax which is included in the **[~~fund~~]** ***account*** and which is not:

1. A county;
2. A city;
3. A town; or
4. An enterprise district.

Sec. 10. NRS 360.660 is hereby amended to read as follows:

360.660 The local government tax distribution **[~~fund~~]** ***account*** is hereby created in the **[~~state treasury as a special revenue~~]** ***intergovernmental*** fund. The executive director shall administer the **[~~fund.~~]** ***account.***

Sec. 11. NRS 360.670 is hereby amended to read as follows:

360.670 Except as otherwise provided in NRS 360.740, each:

1. Local government that receives, before July 1, 1998, any portion of the proceeds of a tax which is included in the **[~~fund;~~]** ***account;***
2. Special district that receives, before July 1, 1998, any portion of the proceeds of a tax which is included in the **[~~fund;~~]** ***account;*** and
3. Enterprise district,

is eligible for an allocation from the **[~~fund~~]** ***account*** in the manner prescribed in NRS 360.680.

Sec. 12. NRS 360.680 is hereby amended to read as follows:

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

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

Sec. 13. NRS 360.690 is hereby amended to read as follows:

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

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

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

4. Except as otherwise provided in subsection 5, if the executive director determines that there is money remaining in the county's ***subaccount in the*** account ~~[in the fund]~~ after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local

government, special district and enterprise district, he shall immediately determine and allocate each:

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

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

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

(II) Average percentage change in the assessed valuation of taxable property in the local government, except any assessed valuation attributable to the net proceeds of minerals, over the 5 fiscal years immediately preceding the year in which the allocation is made; and

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

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

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

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

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

5. The executive director shall not allocate any amount to a local government or special district pursuant to subsection 4, unless the amount distributed and allocated to each of the local governments and special districts in the county in each preceding month of the fiscal year in which the allocation is to be made was at least equal to the base monthly allocation determined pursuant to subsection 2. If the amounts distributed to the local governments and special districts in the county for the preceding months of the fiscal year in which the allocation is to be made

were less than the base monthly allocation determined pursuant to subsection 2 and the executive director determines there is money remaining in the county's ***subaccount in the*** account **[**~~in the fund~~**]** after the distribution for the month has been made, he shall:

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

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

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

6. If the Bureau of the Census of the United States Department of Commerce issues population totals that conflict with the totals certified by the governor pursuant to NRS 360.285, the percentage change calculated pursuant to paragraph (a) of subsection 4 must be an estimate of the change in population for the calendar year, based upon the population totals issued by the Bureau of the Census.

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

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

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

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

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

Sec. 14. NRS 360.700 is hereby amended to read as follows:

360.700 The executive director shall ensure that each local government, special district or enterprise district that:

1. Received, before July 1, 1998, any portion of the proceeds of a tax which is included in the ~~[fund;]~~ ***account;*** and

2. Pledged a portion of the money described in subsection 1 to secure the payment of bonds or other types of obligations,

receives an amount at least equal to that amount which the local government, special district or enterprise district would have received before July 1, 1998, that is pledged to secure the payment of those bonds or other types of obligations.

Sec. 15. NRS 360.720 is hereby amended to read as follows:

360.720 1. An enterprise district shall not pledge any portion of the revenues from any of the taxes included in the ~~[fund]~~ ***account*** to secure the payment of bonds or other obligations.

2. The executive director shall ensure that a governmental entity created between July 1, 1996, and July 1, 1998, does not receive money from the taxes included in the ~~[fund]~~ ***account*** unless that governmental entity provides police protection and at least two of the following services:

(a) Fire protection;

(b) Construction, maintenance and repair of roads; or

(c) Parks and recreation.

3. As used in this section:

(a) “Fire protection” has the meaning ascribed to it in NRS 360.740.

(b) “Parks and recreation” has the meaning ascribed to it in NRS 360.740.

(c) “Police protection” has the meaning ascribed to it in NRS 360.740.

(d) “Construction, maintenance and repair of roads” has the meaning ascribed to it in NRS 360.740.

Sec. 16. NRS 360.730 is hereby amended to read as follows:

360.730 1. The governing bodies of two or more local governments or special districts, or any combination thereof, may, pursuant to the provisions of NRS 277.045, enter into a cooperative agreement that sets forth an alternative formula for the distribution of the taxes included in the ~~[fund]~~ ***account*** to the local governments or special districts which are parties to the agreement. The governing bodies of each local government or special district that is a party to the agreement must approve the alternative formula by majority vote.

2. The county clerk of a county in which a local government or special district that is a party to a cooperative agreement pursuant to subsection 1 is located shall transmit a copy of the cooperative agreement to the executive director:

(a) Within 10 days after the agreement is approved by each of the governing bodies of the local governments or special districts that are parties to the agreement; and

(b) Not later than December 31 of the year immediately preceding the initial year of distribution that will be governed by the cooperative agreement.

3. The governing bodies of two or more local governments or special districts shall not enter into more than one cooperative agreement pursuant to subsection 1 that involves the same local governments or special districts.

4. If at least two cooperative agreements exist among the local governments and special districts that are located in the same county, the executive director shall ensure that the terms of those cooperative agreements do not conflict.

5. Any local government or special district that is not a party to a cooperative agreement pursuant to subsection 1 must continue to receive money from the ~~[fund]~~ ***account*** pursuant to the provisions of NRS 360.680 and 360.690.

6. The governing bodies of the local governments and special districts that have entered into a cooperative agreement pursuant to subsection 1 may, by majority vote, amend the terms of the agreement. The governing bodies shall not amend the terms of a cooperative agreement more than once during the first 2 years after the cooperative agreement is effective and once every year thereafter, unless the committee on local government finance approves the amendment. The provisions of this subsection do not apply to any interlocal agreements for the consolidation of governmental services entered into by local governments or special districts pursuant to the provisions of NRS 277.080 to 277.180, inclusive, that do not relate to the distribution of taxes included in the ~~[fund.]~~ ***account.***

7. A cooperative agreement executed pursuant to this section may not be terminated unless the governing body of each local government or special district that is a party to a cooperative agreement pursuant to subsection 1 agrees to terminate the agreement.

8. For each fiscal year the cooperative agreement is in effect, the executive director shall continue to calculate the amount each local government or special district that is a party to a cooperative agreement pursuant to subsection 1 would receive pursuant to the provisions of NRS 360.680 and 360.690.

9. If the governing bodies of the local governments or special districts that are parties to a cooperative agreement terminate the agreement pursuant to subsection 7, the executive director must distribute to those local governments or special districts an amount equal to the amount the local government or special district would have received pursuant to the provisions of NRS 360.680 and 360.690 according to the calculations performed pursuant to subsection 8.

Sec. 17. NRS 360.740 is hereby amended to read as follows:

360.740 1. The governing body of a local government or special district that is created after July 1, 1998, and which provides police protection and at least two of the following services:

(a) Fire protection;

(b) Construction, maintenance and repair of roads; or

(c) Parks and recreation,

may, by majority vote, request the Nevada tax commission to direct the executive director to allocate money from the ~~[fund]~~ ***account*** to the local government or special district pursuant to the provisions of NRS 360.680 and 360.690.

2. On or before December 31 of the year immediately preceding the first fiscal year that the local government or special district would receive money from the ~~[fund,]~~ ***account,*** a governing body that submits a request pursuant to subsection 1 must:

(a) Submit the request to the executive director; and

(b) Provide copies of the request and any information it submits to the executive director in support of the request to each local government and special district that:

(1) Receives money from the ~~[fund;]~~ ***account;*** and

(2) Is located within the same county.

3. The executive director shall review each request submitted pursuant to subsection 1 and submit his findings to the committee on local government finance. In reviewing the request, the executive director shall:

(a) For the initial year of distribution, establish an amount to be allocated to the new local government or special district pursuant to the provisions of NRS 360.680 and 360.690. If the new local government or special district will provide a service that was provided by another local government or special district before the creation of the new local government or special district, the amount allocated to the local government or special district which previously provided the service must be decreased by the amount allocated to the new local government or special district; and

(b) Consider:

(1) The effect of the distribution of money in the ~~[fund,]~~ ***account,*** pursuant to the provisions of NRS 360.680 and 360.690, to the new local

government or special district on the amounts that the other local governments and special districts that are located in the same county will receive from the ~~[fund;]~~ ***account;*** and

(2) The comparison of the amount established to be allocated pursuant to the provisions of NRS 360.680 and 360.690 for the new local government or special district to the amounts allocated to the other local governments and special districts that are located in the same county.

4. The committee on local government finance shall review the findings submitted by the executive director pursuant to subsection 3. If the committee determines that the distribution of money in the ~~[fund]~~ ***account*** to the new local government or special district is appropriate, it shall submit a recommendation to the Nevada tax commission. If the committee determines that the distribution is not appropriate, that decision is not subject to review by the Nevada tax commission.

5. The Nevada tax commission shall schedule a public hearing within 30 days after the committee on local government finance submits its recommendation. The Nevada tax commission shall provide public notice of the hearing at least 10 days before the date on which the hearing will be held. The executive director shall provide copies of all documents relevant to the recommendation of the committee on local government finance to the governing body of each local government and special district that is located in the same county as the new local government or special district.

6. If, after the public hearing, the Nevada tax commission determines that the recommendation of the committee on local government finance is appropriate, it shall order the executive director to distribute money in the ~~[fund]~~ ***account*** to the new local government or special district pursuant to the provisions of NRS 360.680 and 360.690.

7. For the purposes of this section, the local government or special district may enter into an interlocal agreement with another governmental entity for the provision of the services set forth in subsection 1 if that local government or special district compensates the governmental entity that provides the services in an amount equal to the value of those services.

8. As used in this section:

(a) "Fire protection" includes the provision of services related to:

(1) The prevention and suppression of fire; and

(2) Rescue,

and the acquisition and maintenance of the equipment necessary to provide those services.

(b) "Parks and recreation" includes the employment by the local government or special district, on a permanent and full-time basis, of persons who administer and maintain recreational facilities and parks. "Parks and recreation" does not include the construction or maintenance of roadside parks or rest areas that are constructed or maintained by the local government or special district as part of the construction, maintenance and repair of roads.

(c) "Police protection" includes the employment by the local government or special district, on a permanent and full-time basis, of at least three persons whose primary functions specifically include:

(1) Routine patrol;
(2) Criminal investigations;
(3) Enforcement of traffic laws; and
(4) Investigation of motor vehicle accidents.

(d) "Construction, maintenance and repair of roads" includes the acquisition, operation or use of any material, equipment or facility that is used exclusively for the construction, maintenance or repair of a road and that is necessary for the safe and efficient use of the road except alleys and pathways for bicycles that are separate from the roadway and, including, without limitation:

(1) Grades or regrades;
(2) Gravel;
(3) Oiling;
(4) Surfacing;
(5) Macadamizing;
(6) Paving;
(7) Cleaning;
(8) Sanding or snow removal;
(9) Crosswalks;
(10) Sidewalks;
(11) Culverts;
(12) Catch basins;
(13) Drains;
(14) Sewers;
(15) Manholes;
(16) Inlets;
(17) Outlets;
(18) Retaining walls;
(19) Bridges;
(20) Overpasses;
(21) Tunnels;
(22) Underpasses;
(23) Approaches;
(24) Sprinkling facilities;
(25) Artificial lights and lighting equipment;
(26) Parkways;
(27) Fences or barriers that control access to the road;
(28) Control of vegetation;

(29) Rights of way;
(30) Grade separators;
(31) Traffic separators;
(32) Devices and signs for control of traffic;
(33) Facilities for personnel who construct, maintain or repair roads; and
(34) Facilities for the storage of equipment or materials used to construct, maintain or repair roads.

Sec. 18. NRS 369.173 is hereby amended to read as follows:

369.173 The department shall apportion, on a monthly basis, from the tax on liquor containing more than 22 percent of alcohol by volume, the portion of the tax collected during the preceding month which is equivalent to 50 cents per wine gallon, among Carson City and the counties of this state in proportion to their respective populations. The state controller shall deposit the amounts apportioned to Carson City and each county in the local government tax distribution ~~[fund]~~ ***account*** created by NRS 360.660 for credit to the respective accounts of Carson City and each county.

Sec. 19. NRS 369.174 is hereby amended to read as follows:

369.174 Each month, the state controller shall transfer to the ~~[account for alcohol and drug abuse in the department of human resources' gift fund,]~~ ***tax on liquor program account in the state general fund,*** from the tax on liquor containing more than 22 percent of alcohol by volume, the portion of the tax which exceeds $1.90 per wine gallon.

Sec. 20. NRS 370.260 is hereby amended to read as follows:

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

2. The department shall:

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

(b) From the remittances made to it pursuant to subsection 1 during the preceding month, less the amount transmitted pursuant to paragraph (a), transmit each month the portion of the tax which is equivalent to 12.5 mills per cigarette to the state treasurer for deposit to the credit of the account for the tax on cigarettes in the state general fund.

(c) Transmit the balance of the payments each month to the state treasurer for deposit in the local government tax distribution ~~[fund]~~ ***account*** created by NRS 360.660.

(d) Report to the state controller monthly the amount of collections.

3. The money deposited pursuant to paragraph (c) of subsection 2 in the local government tax distribution ~~[fund]~~ ***account*** is hereby appropriated to Carson City and to each of the counties in proportion to their respective populations and must be credited to the respective accounts of Carson City and each county.

Sec. 21. NRS 375.070 is hereby amended to read as follows:

375.070 1. The county recorder shall transmit the proceeds of the real property transfer tax at the end of each quarter in the following manner:

(a) An amount equal to that portion of the proceeds which is equivalent to 10 cents for each $500 of value or fraction thereof must be transmitted to the state treasurer who shall deposit that amount in the account for low-income housing created pursuant to NRS 319.500.

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

(c) The remaining proceeds must be transmitted to the state treasurer for deposit in the local government tax distribution ~~[fund]~~ ***account*** created by NRS 360.660 for credit to the respective accounts of Carson City and each county.

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

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

(a) The costs to acquire land and developmental rights;

(b) Related predevelopment expenses;

(c) The costs to develop the land, including the payment of related rebates;

(d) Contributions toward down payments made for the purchase of affordable housing; and

(e) The creation of related trust funds.

Sec. 22. NRS 377.055 is hereby amended to read as follows:

377.055 1. The department shall monthly determine for each county an amount of money equal to the sum of:

(a) Any fees and any taxes, interest and penalties which derive from the basic city-county relief tax collected in that county pursuant to this chapter during the preceding month, less the corresponding amount transferred to the state general fund pursuant to subsection 3 of NRS 377.050; and

(b) That proportion of the total amount of taxes which derive from that portion of the tax levied at the rate of one-half of 1 percent collected pursuant to this chapter during the preceding month from out-of-state businesses not maintaining a fixed place of business within this state, less the corresponding amount transferred to the state general fund pursuant to subsection 3 of NRS 377.050, which the population of that county bears to the total population of all counties which have in effect a city-county relief tax ordinance,

and deposit the money in the local government tax distribution ~~[fund]~~ ***account*** created by NRS 360.660 for credit to the respective ~~[accounts]~~ ***subaccounts*** of each county.

2. For the purpose of the distribution required by this section, the occasional sale of a vehicle shall be deemed to take place in the county to which the privilege tax payable by the buyer upon that vehicle is distributed.

Sec. 23. NRS 377.057 is hereby amended to read as follows:

377.057 1. The state controller, acting upon the relevant information furnished by the department, shall distribute monthly from the fees, taxes, interest and penalties which derive from the supplemental city-county relief tax collected in all counties and from out-of-state businesses during the preceding month, except as otherwise provided in subsection 2, to:

(a) Douglas, Esmeralda, Eureka, Lander, Lincoln, Lyon, Mineral, Nye, Pershing, Storey and White Pine counties, an amount equal to one-twelfth of the amount distributed in the immediately preceding fiscal year multiplied by one plus:

(1) The percentage change in the total receipts from the supplemental city-county relief tax for all counties and from out-of-state businesses, from the fiscal year 2 years preceding the immediately preceding fiscal year to the fiscal year preceding the immediately preceding fiscal year; or

(2) Except as otherwise provided in this paragraph, the percentage change in the population of the county, as certified by the governor pursuant to NRS 360.285, added to the percentage change in the Consumer Price Index for the year ending on December 31 next preceding the year of distribution,

whichever is less, except that the amount distributed to the county must not be less than the amount specified in subsection 5. If the Bureau of the

Census of the United States Department of Commerce issues population totals that conflict with the totals certified by the governor pursuant to NRS 360.285, the percentage change calculated pursuant to subparagraph (2) for the ensuing fiscal year must be an estimate of the change in population for the calendar year, based upon the population totals issued by the Bureau of the Census.

(b) All other counties, the amount remaining after making the distributions required by paragraph (a) to each of these counties in the proportion that the amount of supplemental city-county relief tax collected in the county for the month bears to the total amount of supplemental city-county relief tax collected for that month in the counties whose distribution will be determined pursuant to this paragraph.

2. If the amount of supplemental city-county relief tax collected in a county listed in paragraph (a) of subsection 1 for the 12 most recent months for which information concerning the actual amount collected is available on February 15 of any year exceeds by more than 10 percent the amount distributed pursuant to paragraph (a) to that county for the same period, the state controller shall distribute that county's portion of the proceeds from the supplemental city-county relief tax pursuant to paragraph (b) of subsection 1 in all subsequent fiscal years, unless a waiver is granted pursuant to subsection 3.

3. A county which, pursuant to subsection 2, is required to have its portion of the proceeds from the supplemental city-county relief tax distributed pursuant to paragraph (b) of subsection 1 may file a request with the Nevada tax commission for a waiver of the requirements of subsection 2. The request must be filed on or before February 20 next preceding the fiscal year for which the county will first receive its portion of the proceeds from the supplemental city-county relief tax pursuant to paragraph (b) of subsection 1 and must be accompanied by evidence which supports the granting of the waiver. The commission shall grant or deny a request for a waiver on or before March 10 next following the timely filing of the request. If the commission determines that the increase in the amount of supplemental city-county relief tax collected in the county was primarily caused by:

(a) Nonrecurring taxable sales, it shall grant the request.

(b) Normal or sustainable growth in taxable sales, it shall deny the request.

A county which is granted a waiver pursuant to this subsection is not required to obtain a waiver in any subsequent fiscal year to continue to receive its portion of the proceeds from the supplemental city-county relief tax pursuant to paragraph (a) of subsection 1 unless the amount of supplemental city-county relief tax collected in the county in a fiscal year again exceeds the threshold established in subsection 2.

4. The amount apportioned to each county must be deposited in the local government tax distribution ~~[fund]~~ ***account*** created by NRS 360.660 for credit to the respective accounts of each county.

5. The minimum amount which may be distributed to the following counties in a month pursuant to paragraph (a) of subsection 1 is as follows:

Douglas	$580,993
Esmeralda	53,093
Lander	155,106
Lincoln	72,973
Lyon	356,858
Mineral	118,299
Nye	296,609
Pershing	96,731
Storey	69,914
White Pine	158,863

6. As used in this section, unless the context otherwise requires:

(a) "Enterprise district" has the meaning ascribed to it in NRS 360.620.

(b) "Local government" has the meaning ascribed to it in NRS 360.640.

(c) "Special district" has the meaning ascribed to it in NRS 360.650.

Sec. 24. NRS 445A.255 is hereby amended to read as follows:

445A.255 1. The account to finance the construction of projects, to be known as the account for the revolving fund, is hereby created in the ~~[state treasury.]~~ ***fund for the municipal bond bank.***

2. The account to fund activities, other than projects, authorized by the Safe Drinking Water Act, to be known as the account for set-aside programs, is hereby created in the ~~[state treasury.]~~ ***fund for the municipal bond bank.***

3. The money in the account for the revolving fund and the account for set-aside programs may be used only for the purposes set forth in the Safe Drinking Water Act.

4. All claims against the account for the revolving fund and the account for set-aside programs must be paid as other claims against the state are paid.

5. The faith of the state is hereby pledged that the money in the account for the revolving fund and the account for set-aside programs will not be used for purposes other than those authorized by the Safe Drinking Water Act.

Sec. 25. Chapter 458 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The tax on liquor program account is hereby created in the state general fund.

2. Money in the account that is received pursuant to NRS 369.174 must be used for the purposes specified in NRS 458.097.

3. All claims must be approved by the chief before they are paid.

Sec. 26. NRS 458.100 is hereby amended to read as follows:

458.100 1. All gifts or grants of money which the bureau is authorized to accept must be deposited in the state treasury for credit to the state grant and gift account for alcohol and drug abuse which is hereby created in the department of employment, training and rehabilitation's gift fund.

2. Money in the account ~~[which has been received:~~

~~(a) Pursuant to NRS 369.174 must be used for the purposes specified in NRS 458.097.~~

~~(b) From any other source]~~ must be used for the purpose of carrying out the provisions of NRS 458.010 to 458.360, inclusive, and other programs or laws administered by the bureau.

3. All claims must be approved by the chief before they are paid.

Sec. 27. NRS 482.180 is hereby amended to read as follows:

482.180 1. The motor vehicle fund is hereby created as an agency fund. Except as otherwise provided in subsection 4 or by a specific statute, all money received or collected by the department must be deposited in the state treasury for credit to the motor vehicle fund.

2. The interest and income on the money in the motor vehicle fund, after deducting any applicable charges, must be credited to the state highway fund.

3. Any check accepted by the department in payment of vehicle privilege tax or any other fee required to be collected ~~[under]~~ ***pursuant to*** this chapter must, if it is dishonored upon presentation for payment, be charged back against the motor vehicle fund or the county to which the payment was credited, in the proper proportion.

4. All money received or collected by the department for the basic vehicle privilege tax must be deposited in the local government tax distribution ~~[fund,]~~ ***account,*** created by NRS 360.660, for credit to the appropriate county pursuant to subsection 6.

5. Money for the administration of the provisions of this chapter must be provided by direct legislative appropriation from the state highway fund, upon the presentation of budgets in the manner required by law. Out of the appropriation the department shall pay every item of expense.

6. The privilege tax collected on vehicles subject to the provisions of chapter 706 of NRS and engaged in interstate or intercounty operation must be distributed among the counties in the following percentages:

Carson City	1.07 percent	Lincoln	3.12 percent
Churchill	5.21 percent	Lyon	2.90 percent
Clark	22.54 percent	Mineral	2.40 percent
Douglas	2.52 percent	Nye	4.09 percent
Elko	13.31 percent	Pershing	7.00 percent
Esmeralda	2.52 percent	Storey	.19 percent
Eureka	3.10 percent	Washoe	12.24 percent
Humboldt	8.25 percent	White Pine	5.66 percent
Lander	3.88 percent		

The distributions must be allocated among local governments within the respective counties pursuant to the provisions of NRS 482.181.

7. As commission to the department for collecting the privilege tax on vehicles subject to the provisions of this chapter and chapter 706 of NRS, the department shall deduct and withhold 1 percent of the privilege tax collected by a county assessor and 6 percent of the other privilege tax collected.

8. When the requirements of this section and NRS 482.181 have been met, and when directed by the department, the state controller shall transfer monthly to the state highway fund any balance in the motor vehicle fund.

9. If a statute requires that any money in the motor vehicle fund be transferred to another fund or account, the department shall direct the controller to transfer the money in accordance with the statute.

Sec. 28. NRS 360.630 is hereby repealed.

Sec. 29. This act becomes effective upon passage and approval.

TEXT OF REPEALED SECTION

360.630 "Fund" defined. "Fund" means the local government tax distribution fund created pursuant to NRS 360.660.

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