

ASSEMBLY BILL NO. 234—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF BUDGET DIVISION)

FEBRUARY 15, 1999

Referred to Committee on Ways and Means

SUMMARY—Repeals permanent net proceeds fund. (BDR 32-1439)

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 ~~for omitted material~~ is material to be omitted.

AN ACT relating to state financial administration; repealing the permanent net proceeds fund; 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- 1 **Section 1.** NRS 362.173 is hereby repealed.
- 2 **Sec. 2.** The state treasurer shall transfer any balance remaining
- 3 unexpended on the effective date of this act in the permanent net proceeds
- 4 fund to the state general fund.
- 5 **Sec. 3.** This act becomes effective upon passage and approval.

TEXT OF REPEALED SECTION

362.173 Permanent net proceeds fund: Creation; requirements for use of principal; sources of revenue.

1. The permanent net proceeds fund is hereby created as a trust fund. No portion of the principal of the fund may be removed except by direct legislative appropriation. Any such appropriation must receive the votes of a two-thirds majority of each house of the legislature.

2. On or before June 1 of each year, the state controller shall deposit in the fund 5 percent of the portion of the revenue from the tax on the net proceeds of minerals that is remaining after all of the distributions of the proceeds of the taxes paid for the previous calendar year have been made pursuant to NRS 362.170.

3. On or before June 15 of each odd-numbered year, the state controller shall transfer to the fund any revenue from the tax on the net proceeds of minerals that was received in payment for taxes due for the 2 previous fiscal years which, after subtracting the amount deposited pursuant to subsection 2 and the amount appropriated pursuant to NRS 362.170 for both fiscal years, exceeds \$55,000,000.

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