ASSEMBLY BILL NO. 359–ASSEMBLYMAN DINI

MARCH 2, 1999

Referred to Committee on Commerce and Labor

SUMMARY—Dedicates portion of insurance premium tax for support of state fire marshal division of department of motor vehicles and public safety. (BDR 57-1067)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: 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 the state fire marshal; dedicating a portion of the general tax on insurance premiums for the support of the state fire marshal division of the department of motor vehicles and public safety; specifying the permissible uses of the tax so dedicated; 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 680B.060 is hereby amended to read as follows:

680B.060 1. Except as otherwise provided in ~~[subsection 6,]~~ ***subsections 6 and 7,*** the taxes imposed under NRS 680B.027 must be collected by the department of taxation and promptly deposited with the state treasurer for credit to the state general fund.

2. If the tax is not paid by the insurer on or before the date required for payment, the tax then becomes delinquent, and payment thereof may be enforced by court action instituted on behalf of the state by the attorney general. The attorney general may employ additional counsel in the city where the home office of the insurer is located, subject to approval of compensation for such services by the state board of examiners. The administrative and substantive enforcement provisions of chapters 360 and 372 of NRS apply to the enforcement of the taxes imposed under NRS 680B.027.

3. Upon the tax becoming delinquent, the executive director of the department of taxation shall notify the commissioner, who shall suspend or revoke the insurer's certificate of authority pursuant to NRS 680A.190.

4. If a dispute arises between an insurer and the state as to the amount of tax, if any, payable, the insurer is entitled to pay under protest the tax in the amount assessed by the department of taxation, without waiving or otherwise affecting any right of the insurer to recover any amount determined, through appropriate legal action taken by the insurer against the department of taxation, to have been in excess of the amount of tax lawfully payable.

5. Except as otherwise provided in **[**~~subsection 6,~~**]** ***subsections 6 and 7,*** all taxes, fees, licenses, fines and charges collected under this code, including the general premium tax provided for under NRS 680B.027 and as increased in any instances pursuant to NRS 680A.330, must be promptly deposited with the state treasurer for credit to the state general fund.

6. The taxes collected pursuant to NRS 680B.027 from insurers that are writing industrial insurance in this state, including the state industrial insurance system, which are attributable to industrial insurance must be promptly deposited with the state treasurer for credit to the account for the administration of extended claims established in the state insurance fund pursuant to NRS 616B.087, until the commissioner notifies the state treasurer that the balance in the account is sufficient to satisfy all obligations and liabilities of the account as they become due. Upon receipt of such a notice, the state treasurer shall discontinue depositing the taxes in the account and shall deposit the taxes collected from these insurers for credit to the state general fund.

7. One percent of the taxes collected pursuant to NRS 680B.027 from insurers that are writing casualty insurance in this state which are attributable to fire insurance must be promptly deposited with the state treasurer for credit to the appropriate account of the state fire marshal division of the department of motor vehicles and public safety, for use by the state fire marshal division pursuant to section 2 of this act. The commissioner shall determine which types of casualty insurance qualify as fire insurance for the purpose of this subsection and notify the executive director of the department of taxation concerning that determination.

Sec. 2. Chapter 477 of NRS is hereby amended by adding thereto a new section to read as follows:

Money deposited with the state treasurer and credited to the appropriate account of the state fire marshal division pursuant to subsection 7 of NRS 680B.060 must be used to pay expenses relating to:

1. The operation of the state fire marshal division; and

2. The provision of training programs administered by the state fire marshal.

Sec. 3. 1. This section and section 2 of this act become effective on July 1, 1999.

2. Section 1 of this act becomes effective at 12:01 a.m. on July 1, 1999.

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