

EXEMPT
(REPRINTED WITH ADOPTED AMENDMENTS)
FIRST REPRINT

A.B. 474

ASSEMBLY BILL NO. 474—ASSEMBLYMEN EVANS, PERKINS, DINI, ARBERRY, MARVEL, GIUNCHIGLIANI, HETTRICK, BEERS, GOLDWATER, CEGAVSKE, CHOWNING, PARKS, DE BRAGA, PRICE, LESLIE, SEGERBLOM, THOMAS, GIBBONS, OHRENSCHALL, VON TOBEL, MANENDO, BUCKLEY, BACHE, PARNELL, WILLIAMS, ANDERSON, FREEMAN, KOIVISTO, MCCLAIN, ANGLE, GUSTAVSON, CLABORN, MORTENSON, HUMKE, LEE, CARPENTER, COLLINS, BERMAN, TIFFANY, NEIGHBORS, BROWER AND NOLAN

MARCH 11, 1999

JOINT SPONSORS: SENATORS AMODEI, CARLTON, JACOBSEN, JAMES, MATHEWS, MCGINNESS, NEAL, O'CONNELL, O'DONNELL, PORTER, RAGGIO, RAWSON, RHOADS, SCHNEIDER, SHAFFER, TITUS, TOWNSEND, WASHINGTON AND WIENER

Referred to Concurrent Committees on Health and
Human Services and Ways and Means

SUMMARY—Facilitates use of money from federal tobacco settlements. (BDR 40-1207)

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; creating the fund for a healthy Nevada; creating the task force for the fund for a healthy Nevada; providing for subsidies to be granted to senior citizens for pharmaceutical services; creating the trust fund for public health; creating the board of trustees of the trust fund for public health; providing for the allocation and use of certain proceeds from settlement agreements and civil litigation between the State of Nevada and tobacco companies; making appropriations; 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.** Chapter 439 of NRS is hereby amended by adding thereto
2 the provisions set forth as sections 2 to 20, inclusive, of this act.

3 **Sec. 2. 1.** *The legislature hereby declares that its priorities in*
4 *expending the proceeds to the State of Nevada from settlement*
5 *agreements with and civil actions against manufacturers of tobacco*
6 *products are:*

7 *(a) To increase the number of Nevada students who attend and*
8 *graduate from Nevada institutions of higher education; and*

9 *(b) To assist Nevada residents in obtaining and maintaining good*
10 *health.*

11 **2.** *To further these priorities, the legislature hereby declares that it is*
12 *in the best interest of the residents of this state that all money received by*
13 *the State of Nevada pursuant to any settlement entered into by the State*
14 *of Nevada and a manufacturer of tobacco products and all money*
15 *recovered by the State of Nevada from a judgment in a civil action*
16 *against a manufacturer of tobacco products be dedicated solely toward*
17 *the achievement of the following goals:*

18 *(a) Increasing the number of Nevada residents who enroll in and*
19 *attend a university or community college of the University and*
20 *Community College System of Nevada;*

21 *(b) Reducing and preventing the use of tobacco products, alcohol and*
22 *illegal drugs, especially by children;*

23 *(c) Expanding the availability of health insurance and health care for*
24 *children and adults in this state, especially for children and for adults*
25 *with disabilities;*

26 *(d) Assisting senior citizens who have modest incomes in purchasing*
27 *prescription drugs and assisting those senior citizens in meeting their*
28 *needs related to health care, home care, respite care and their ability to*
29 *live independent of institutional care; and*

30 *(e) Promoting the general health of all residents of the State of*
31 *Nevada.*

32 **Sec. 3. 1.** *The fund for a healthy Nevada is hereby created in the*
33 *state treasury. The state treasurer shall deposit in the fund:*

34 *(a) Fifty percent of all money received by this state pursuant to any*
35 *settlement entered into by the State of Nevada and a manufacturer of*
36 *tobacco products; and*

37 *(b) Fifty percent of all money recovered by this state from a judgment*
38 *in a civil action against a manufacturer of tobacco products.*

39 **2.** *The state treasurer shall administer the fund. As administrator of*
40 *the fund, the state treasurer:*

41 *(a) Shall maintain the financial records of the fund;*

42 *(b) Shall invest the money in the fund as the money in other state*
43 *funds*

is

invested;

- 1 (c) Shall manage any account associated with the fund;
- 2 (d) Shall maintain any instruments that evidence investments made
- 3 with the money in the fund;
- 4 (e) May contract with vendors for any good or service that is
- 5 necessary to carry out the provisions of this section; and
- 6 (f) May perform any other duties necessary to administer the fund.
- 7 3. The interest and income earned on the money in the fund must,
- 8 after deducting any applicable charges, be credited to the fund. All
- 9 claims against the fund must be paid as other claims against the state are
- 10 paid.

11 4. Not more than 2 percent of the money in the fund may be used to

12 pay the costs of administering the fund.

13 5. The money in the fund remains in the fund and does not revert to

14 the state general fund at the end of any fiscal year.

15 6. All money that is deposited or paid into the fund is hereby

16 appropriated to the department and, except as otherwise provided in

17 paragraphs (c) and (d) of subsection 1 of section 5 of this act, may only

18 be expended pursuant to an allocation made by the task force for the

19 fund for a healthy Nevada. Money expended from the fund for a healthy

20 Nevada must not be used to supplant existing methods of funding that

21 are available to public agencies.

22 **Sec. 4. 1.** The task force for the fund for a healthy Nevada is

23 hereby created. The membership of the task force consists of:

24 (a) Three members appointed by the majority leader of the senate, one

25 of whom must be a senator and one of whom must be a member of a

26 nonprofit organization dedicated to health issues in this state; and

27 (b) Three members appointed by the speaker of the assembly, one of

28 whom must be an assemblyman and one of whom must be a member of a

29 nonprofit organization dedicated to health issues in this state; and

30 (c) Three members appointed by the governor, one of whom

31 must have experience with and knowledge of matters relating to health

32 care.

33 Each member appointed pursuant this subsection must be a resident of

34 this state and must not be employed in the executive or judicial branch of

35 state government.

36 2. Each person who appoints members pursuant to subsection 1 shall

37 ensure that insofar as practicable, the members whom he appoints reflect

38 the ethnic and geographical diversity of this state.

39 3. For each day or portion of a day during which a member of the

40 task force who is a legislator attends a meeting of the task force or is

41 otherwise engaged in the work of the task force, except during a regular

42 or special session of the legislature, he is entitled to receive the:

1 (a) Compensation provided for a majority of the members of the
2 legislature during the first 60 days of the preceding session;

3 (b) Per diem allowance provided for state officers and employees
4 generally; and

5 (c) Travel expenses provided pursuant to NRS 218.2207.

6 The compensation, per diem allowances and travel expenses of the
7 legislative members of the task force must be paid from the legislative
8 fund.

9 4. Members of the task force who are not legislators serve without
10 salary, except that they are entitled to receive travel expenses provided for
11 state officers and employees generally. The travel expenses of:

12 (a) A member of the task force who is an officer or employee of a
13 local government thereof must be paid by the local government that
14 employs him.

15 (b) Each remaining member of the task force must be paid from the
16 legislative fund.

17 5. Each member of the task force who is an officer or employee of a
18 local government must be relieved from his duties without loss of his
19 regular compensation so that he may perform his duties relating to the
20 task force in the most timely manner practicable. A local government
21 shall not require an officer or employee who is a member of the task
22 force to:

23 (a) Make up the time he is absent from work to fulfill his obligations
24 as a member of the task force; or

25 (b) Take annual leave or compensatory time for the absence.

26 6. The department shall provide such administrative support to the
27 task force as is required to carry out the duties of the task force. The state
28 health officer shall provide such technical advice and assistance to the
29 task force as is requested by the task force.

30 **Sec. 5. 1. The task force for the fund for a healthy Nevada shall:**

31 (a) Conduct public hearings to accept public testimony from a wide
32 variety of sources and perspectives regarding existing or proposed
33 programs that:

34 (1) Promote public health;

35 (2) Improve health services for children, senior citizens and persons
36 with disabilities;

37 (3) Reduce or prevent the use of tobacco;

38 (4) Reduce or prevent the abuse of and addiction to alcohol and
39 drugs; and

40 (5) Offer other general or specific information on health care in
41 this state.

42 (b) Establish a process to evaluate the health and health needs of the
43 residents of this state and a system to rank the health problems of the

1 residents of this state, including, without limitation, the specific health
2 problems that are endemic to urban and rural communities.

3 (c) Reserve not more than 30 percent of all revenues deposited in the
4 fund for a healthy Nevada each year for direct expenditure by the
5 department to pay for prescription drugs and pharmaceutical services for
6 senior citizens pursuant to sections 6 to 17, inclusive, of this act. The
7 department shall submit a quarterly report to the governor and interim
8 finance committee regarding the general manner in which expenditures
9 have been made pursuant to this paragraph and the status of the
10 program.

11 (d) Reserve not more than 30 percent of all revenues deposited in the
12 fund for a healthy Nevada each year for allocation by the aging services
13 division of the department in the form of grants for existing or new
14 programs that assist senior citizens with independent living, including,
15 without limitation, programs that provide:

16 (1) Respite care or relief of family caretakers;

17 (2) Transportation to new or existing services to assist senior
18 citizens in living independently; and

19 (3) Care in the home which allows senior citizens to remain at
20 home instead of in institutional care.

21 (e) Allocate for expenditure not more than 20 percent of all revenues
22 deposited in the fund for a healthy Nevada each year for programs that
23 prevent, reduce or treat the use of tobacco and the consequences of the
24 use of tobacco.

25 (f) Allocate for expenditure not more than 20 percent of all revenues
26 deposited in the fund each year for a healthy Nevada for programs that
27 improve health services for children and for persons with disabilities.

28 (g) Maximize expenditures through local, federal and private
29 matching contributions.

30 (h) Ensure that any money expended from the fund for a healthy
31 Nevada will not be used to supplant existing methods of funding that are
32 available to public agencies.

33 (i) Develop policies and procedures for the administration and
34 distribution of grants and other expenditures to nonprofit organizations,
35 universities and community colleges. A condition of any such grant must
36 be that not more than 8 percent of the grant may be used for
37 administrative expenses or other indirect costs. The procedures must
38 require at least one competitive round of requests for proposals.

39 (j) To make the allocations required by paragraph (e) and (f) of
40 subsection 1:

41 (1) Prioritize and quantify the needs for these programs;

42 (2) Develop, solicit and accept grant applications for allocations;

1 (3) Conduct annual evaluations of programs to which allocations
2 have been awarded; and

3 (4) Submit annual reports concerning the programs to the governor
4 and the interim finance committee.

5 (k) Transmit a report of all findings, recommendations and
6 expenditures to the governor and each regular session of the legislature.

7 2. The task force may take such other actions as are necessary to
8 carry out its duties.

9 3. The department shall take all actions necessary to ensure that all
10 allocations for expenditures made by the task force are carried out as
11 directed by the task force.

12 4. To make the allocations required by paragraph (d) of subsection 1,
13 the aging services division of the department shall:

14 (a) Prioritize and quantify the needs of senior citizens for these
15 programs;

16 (b) Develop, solicit and accept grant applications for allocations;

17 (c) As appropriate, expand or augment existing state programs for
18 senior citizens upon approval of the interim finance committee;

19 (d) Award grants or other allocations;

20 (e) Conduct annual evaluations of programs to which grants or other
21 allocations have been awarded; and

22 (f) Submit annual reports concerning the grant program to the
23 governor and the interim finance committee.

24 5. The aging services division of the department shall submit each
25 proposed grant which would be used to expand or augment an existing
26 state program to the interim finance committee for approval before the
27 grant is awarded. The request for approval must include a description of
28 the proposed use of the money and the person or entity that would be
29 authorized to expend the money.

30 6. The department, on behalf of the task force, shall submit each
31 allocation proposed pursuant to paragraph (e) or (f) of subsection 1 of
32 section 5, which would be used to expand or augment an existing state
33 program to the interim finance committee for approval before the grant
34 is awarded. The request for approval must include a description of the
35 proposed use of the money and the person or entity that would be
36 authorized to expend the money.

37 Sec. 6. As used in sections 6 to 17, inclusive, of this act, unless the
38 context otherwise requires, the words and terms defined in sections 7, 8
39 and 9 of this act have the meanings ascribed to them in those sections.

40 Sec. 7. "Household income" has the meaning ascribed to it in NRS
41 361.820.

42 Sec. 8. "Income" has the meaning ascribed to it in NRS 361.823.

1 **Sec. 9.** *“Senior citizen” means a person who is domiciled in this*
2 *state and is 62 years of age or older.*

3 **Sec. 10.** 1. *The department shall enter into contracts with private*
4 *insurers who transact health insurance in this state to arrange for the*
5 *availability, at a reasonable cost, of policies of health insurance that*
6 *provide coverage to senior citizens for prescription drugs and*
7 *pharmaceutical services.*

8 2. *Within the limits of the money available for this purpose in the*
9 *fund for a healthy Nevada, a senior citizen who is not eligible for*
10 *Medicaid and who purchases a policy of health insurance that is made*
11 *available pursuant to subsection 1 is entitled to an annual grant from the*
12 *trust fund to subsidize a portion of the cost of that insurance if he has*
13 *been domiciled in this state for at least 1 year immediately preceding the*
14 *date of his application and his household income is within one of the*
15 *income ranges for which grants are provided pursuant to this subsection*
16 *to the extent determined by the percentage shown opposite his household*
17 *income on the following schedule:*

<i>Percent of</i>	
<i>Amount of Household</i>	<i>Cost of Insurance Allowable</i>
<i>Income Is Over</i>	<i>But Not Over</i>
<i>\$0—\$12,700</i>	<i>90</i>
<i>12,700—14,800</i>	<i>80</i>
<i>14,800—17,000</i>	<i>50</i>
<i>17,000—19,100</i>	<i>25</i>
<i>19,100—21,500</i>	<i>10</i>

27
28 3. *The amount of any subsidy granted pursuant to this section must*
29 *not exceed the annual cost of insurance that provides coverage for*
30 *prescription drugs and pharmaceutical services or \$480 per year,*
31 *whichever is less.*

32 **Sec. 11.** 1. *A senior citizen who wishes to receive a subsidy*
33 *pursuant to section 10 of this act must file a request therefor with the*
34 *department.*

35 2. *The request must be made under oath and filed in such form and*
36 *content, and accompanied by such proof, as the department may*
37 *prescribe.*

38 3. *The department shall, within 45 days after receiving a request for*
39 *a subsidy, examine the request, grant or deny it, and if granted, shall*
40 *determine the amount of the subsidy to which the senior citizen is*
41 *entitled.*

42 4. *The department shall determine which senior citizens are eligible*
43 *to receive a subsidy pursuant to section 10 of this act and pay the subsidy*

1 *directly to an insurer with whom the department has entered into a*
2 *contract pursuant to section 10 of this act.*

3 **Sec. 12.** *Any subsidy granted pursuant to section 10 of this act to a*
4 *senior citizen who is not qualified for such a subsidy may be revoked by*
5 *the department. If a subsidy is so revoked, the senior citizen shall make*
6 *restitution to the department for any subsidy he has improperly received,*
7 *and the department shall take all proper actions to collect the amount of*
8 *the subsidy as a debt.*

9 **Sec. 13.** 1. *The department shall deny any request for a subsidy*
10 *received pursuant to section 11 of this act to which the senior citizen is*
11 *not entitled or any amount in excess of that to which the senior citizen is*
12 *entitled.*

13 2. *The department may deny in total any request which it finds to*
14 *have been filed with fraudulent intent. If any such request has been paid*
15 *and is afterward denied, the amount of the subsidy must be repaid by the*
16 *senior citizen to the department.*

17 3. *Any amounts received by the department pursuant to this section*
18 *must be deposited with the state treasurer for credit to the fund for a*
19 *healthy Nevada.*

20 **Sec. 14.** *Any person who is aggrieved by a decision of the*
21 *department denying a request for a subsidy submitted pursuant to section*
22 *11 of this act is entitled to judicial review thereof.*

23 **Sec. 15.** *The department is responsible for the administration of the*
24 *provisions of sections 6 to 17, inclusive, of this act and may:*

25 1. *Prescribe the content and form of a request for a subsidy required*
26 *to be submitted pursuant to section 11 of this act.*

27 2. *Designate the proof that must be submitted with such a request.*

28 3. *Adopt regulations to protect the confidentiality of information*
29 *supplied by a senior citizen requesting a subsidy pursuant to section 11 of*
30 *this act.*

31 4. *Adopt such other regulations as may be required to carry out the*
32 *provisions of sections 6 to 17, inclusive, of this act.*

33 **Sec. 16.** *No person may publish, disclose or use any personal or*
34 *confidential information contained in a request for a subsidy submitted*
35 *pursuant to section 11 of this act except for purposes relating to the*
36 *administration of sections 6 to 17, inclusive, of this act.*

37 **Sec. 17.** *The department of human resources shall, in cooperation*
38 *with the department of taxation and the various counties in this state:*

39 1. *Combine all possible administrative procedures required for*
40 *determining those persons who are eligible for assistance pursuant to*
41 *NRS 361.800 to 361.877, inclusive, and sections 6 to 17, inclusive, of this*
42 *act;*

1 2. Coordinate the collection of information required to carry out
2 those provisions in a manner that requires persons requesting assistance
3 to furnish information in as few reports as possible; and

4 3. Design forms that may be used jointly by the department of
5 human resources, the department of taxation and the various counties in
6 this state to carry out the provisions of NRS 361.800 to 361.877,
7 inclusive, and sections 6 to 16, inclusive, of this act.

8 **Sec. 18.** 1. The trust fund for public health is hereby created in the
9 state treasury. The state treasurer shall deposit in the trust fund:

10 (a) Ten percent of all money received by this state pursuant to any
11 settlement entered into by the State of Nevada and a manufacturer of
12 tobacco products; and

13 (b) Ten percent of all money recovered by this state from a judgment
14 in a civil action against a manufacturer of tobacco products.

15 2. The state treasurer shall administer the trust fund. As
16 administrator of the trust fund, the state treasurer:

17 (a) Shall maintain the financial records of the trust fund;

18 (b) Shall invest the money in the trust fund as the money in other state
19 funds is invested;

20 (c) Shall manage any account associated with the trust fund;

21 (d) Shall maintain any instruments that evidence investments made
22 with the money in the trust fund;

23 (e) May contract with vendors for any good or service that is
24 necessary to carry out the provisions of this section; and

25 (f) May perform any other duties necessary to administer the trust
26 fund.

27 3. The interest and income earned on the money in the trust fund is
28 hereby appropriated to the board of trustees of the trust fund for public
29 health and must, after deducting any applicable charges, be credited to
30 the fund and accounted for separately. All claims against the fund must
31 be paid as other claims against the state are paid.

32 4. Only the interest and income earned on the money in the trust
33 fund may be expended. Such expenditures may only be made for:

34 (a) Grants made pursuant to section 20 of this act for:

35 (1) The promotion of public health and programs for the prevention
36 of disease or illness;

37 (2) Research on issues related to public health; and

38 (3) The provision of direct health care services to children and
39 senior citizens;

40 (b) Expenses related to the operation of the board of trustees of the
41 trust fund; and

42 (c) Actual costs incurred by the health division for providing
43 administrative assistance to the board, but in no event may more than 2

1 *percent of the money in the fund be used for administrative expenses or*
2 *other indirect costs.*

3 *5. The money in the trust fund remains in the fund and does not*
4 *revert to the state general fund at the end of any fiscal year.*

5 **Sec. 19. 1.** *The board of trustees of the trust fund for public health*
6 *is hereby created.*

7 *2. The board consists of 11 members composed of:*

8 *(a) The administrator or his designee.*

9 *(b) The state health officer or his designee.*

10 *(c) The chairman of the Nevada commission on aging or his designee.*

11 *(d) The chairman of the state board of health or his designee.*

12 *(e) The chairman of the advisory board on maternal and child health*
13 *or his designee.*

14 *(f) The superintendent of schools of the school district in this state*
15 *that has the highest number of enrolled pupils or his designee.*

16 *(g) The county health officers of the two most populous counties in*
17 *this state.*

18 *(h) One member appointed by the Nevada Association of Counties, or*
19 *its successor, who serves as a county health officer in a rural area of this*
20 *state.*

21 *(i) A representative of the University of Nevada School of Medicine*
22 *appointed by the Dean of the School of Medicine.*

23 *(j) One member appointed by the governor who possesses knowledge,*
24 *skill and experience in providing health care services.*

25 *3. The term of a member of the board who is appointed pursuant to*
26 *paragraph (h), (i) or (j) of subsection 2 is 4 years.*

27 *4. The board shall annually elect a chairman from among its*
28 *members. The board shall meet at least quarterly. A majority of the*
29 *members constitutes a quorum, and a majority of those present must*
30 *concur in any decision.*

31 *5. Each member of the board serves without compensation. While*
32 *engaged in the business of the board, each member is entitled to receive*
33 *the per diem allowance and travel expenses provided for state officers*
34 *and employees generally. The per diem allowance and travel expenses of:*

35 *(a) A member of the board who is an officer or employee of this state*
36 *or a local government thereof must be paid by the state agency or the*
37 *local government.*

38 *(b) Any other member of the board must be paid from the interest and*
39 *income earned on the money in the trust fund.*

40 *6. Each member of the board who is an officer or employee of this*
41 *state or a local government must be relieved from his duties without loss*
42 *of his regular compensation so that he may perform his duties relating to*
43 *the board in the most timely manner practicable. A state agency or local*

1 *government shall not require an officer or employee who is a member of*
2 *the board to:*

3 *(a) Make up the time he is absent from work to fulfill his obligations*
4 *as a member of the board; or*

5 *(b) Take annual leave or compensatory time for the absence.*

6 *7. The health division shall provide such administrative support to*
7 *the board as is required to carry out the duties of the board.*

8 **Sec. 20. 1. The board of trustees shall:**

9 *(a) In accordance with the provisions set forth in subsection 4 of*
10 *section 18 of this act, develop policies and procedures for the expenditure*
11 *of the interest and income earned on the money in the trust fund for*
12 *public health.*

13 *(b) After deducting authorized expenses, annually make grants in a*
14 *cumulative amount equal to the interest and income earned on the*
15 *money in the trust fund for public health.*

16 *(c) Develop forms for requests for proposals for grants and*
17 *disseminate information about the grant program. A condition of each*
18 *such grant must be that not more than 8 percent of the grant may be*
19 *used for administrative expenses and other indirect costs.*

20 *(d) Publish an annual report of the activities of the board and the*
21 *grants made by the board. A copy of each such report must be*
22 *transmitted to the governor and to the director of the legislative counsel*
23 *bureau for transmittal to the legislature.*

24 **2. The board may take such other actions as are necessary to carry**
25 **out its duties and the provisions of this section and sections 18 and 19 of**
26 **this act.**

27 **Sec. 21. NRS 218.6827 is hereby amended to read as follows:**

28 218.6827 1. Except as otherwise provided in subsections 2 and 3, the
29 interim finance committee may exercise the powers conferred upon it by
30 law only when the legislature is not in regular or special session.

31 2. During a regular session, the interim finance committee may also
32 perform the duties imposed on it by *section 5 of this act*, subsection 5 of
33 NRS 284.115, subsection 2 of NRS 321.335, NRS 322.007, subsection 2 of
34 NRS 323.020, NRS 323.050, subsection 1 of NRS 323.100, subsection 1 of
35 NRS 341.145, NRS 353.220, 353.224, 353.2705 to 353.2771, inclusive,
36 and 353.335, paragraph (b) of subsection 4 of NRS 407.0762, NRS
37 428.375, subsection 6 of NRS 445B.830 and NRS 538.650. In performing
38 those duties, the senate standing committee on finance and the assembly
39 standing committee on ways and means may meet separately and transmit
40 the results of their respective votes to the chairman of the interim finance
41 committee to determine the action of the interim finance committee as a
42 whole.

1 3. During a regular or special session, the interim finance committee
2 may exercise the powers and duties conferred upon it pursuant to the
3 provisions of NRS 353.2705 to 353.2771, inclusive.

4 4. If the interim finance committee determines that a fundamental
5 review of the base budget of a state agency is necessary, it shall, by
6 resolution, notify the legislative commission of that finding for assignment
7 of the review to a legislative committee for the fundamental review of the
8 base budgets of state agencies established pursuant to NRS 218.5382.

9 **Sec. 22.** There is hereby appropriated the sum of \$2,000,000 from the
10 money:

11 1. Received by the State of Nevada pursuant to any settlement entered
12 into by the State of Nevada and a manufacturer of tobacco products; or

13 2. Recovered by the State of Nevada from a judgment in a civil action
14 against a manufacturer of tobacco products,
15 to public broadcasting stations KNPB and KLVX to carry out the
16 conversion to digital television required by Federal Communications
17 Commission DTV Standard, MM Docket No. 87-268.

18 **Sec. 23.** 1. The money appropriated by section 22 of this act:

19 (a) May be used only to convert the public broadcasting system in the
20 State of Nevada to digital television as carried out by television stations
21 KNPB and KLVX.

22 (b) May be disbursed only at a ratio of \$1 for every \$3 of matching
23 money received by the television stations from federal and private sources.

24 2. Television stations KNPB and KLVX shall report jointly to the
25 Interim Finance Committee every 3 months regarding:

26 (a) The status of the conversion to digital television and the programs
27 and benefits provided to the residents of the State of Nevada; and

28 (b) The amount of matching money that has been received from federal
29 and private sources.

30 3. As a condition of accepting the money appropriated by section 22 of
31 this act, television stations KNPB and KLVX must each agree to:

32 (a) Broadcast a public service announcement pertaining to the hazards
33 associated with using tobacco at least eight times each day for 10
34 consecutive years, for a cumulative total of 30,000 announcements over
35 that period, beginning as soon as practicable after the date on which the
36 stations begin to receive the money appropriated by section 22 of this act;
37 and

38 (b) Dedicate at least one or more of their multiple digital channels to
39 instructional television, telecourses, adult learning services and courses
40 provided in conjunction with the University and Community College
41 System of Nevada.

42 **Sec. 24.** Any remaining balance of the appropriation made by section
43 22 of this act must not be committed for expenditure after June 30, 2003,

1 and reverts to the fund for a healthy Nevada as soon as all payments of
2 money committed have been made.

3 **Sec. 25.** 1. There is hereby appropriated the sum of \$5,000,000 from
4 the money:

5 (a) Received by the State of Nevada pursuant to any settlement entered
6 into by the State of Nevada and a manufacturer of tobacco products; or

7 (b) Recovered by the State of Nevada from a judgment in a civil action
8 against a manufacturer of tobacco products,

9 to the University of Nevada School of Medicine for capital improvements
10 required to establish a program in Las Vegas that is designed to provide
11 health care services to persons for whom health care is not readily

12 accessible in this state, including, without limitation, elderly persons,
13 persons who reside in the rural areas of the state, persons who are culturally
14 disadvantaged and persons who are at risk of contracting certain diseases.

15 2. Any remaining balance of the appropriation made by subsection 1
16 must not be committed for expenditure after completion of the capital
17 improvements and reverts to the fund for a healthy Nevada as soon as all
18 payments of money committed have been made.

19 **Sec. 26.** 1. There is hereby appropriated the sum of \$5,000,000 from
20 the money:

21 (a) Received by the State of Nevada pursuant to any settlement entered
22 into by the State of Nevada and a manufacturer of tobacco products; or

23 (b) Recovered by the State of Nevada from a judgment in a civil action
24 against a manufacturer of tobacco products,

25 to the Rehabilitation Division of the Department of Employment, Training
26 and Rehabilitation for disbursement to Accessible Space, Inc. to construct
27 an accessible housing and supportive services complex in Clark County for
28 disabled persons.

29 2. Any remaining balance of those sums must not be committed for
30 expenditure after the project is completed and reverts to the fund for a
31 healthy Nevada as soon as all payments of money committed have been
32 made.

33 **Sec. 27.** 1. There is hereby appropriated the sum of \$1,000,000 from
34 the money:

35 (a) Received by the State of Nevada pursuant to any settlement entered
36 into by the State of Nevada and a manufacturer of tobacco products; or

37 (b) Recovered by the State of Nevada from a judgment in a civil action
38 against a manufacturer of tobacco products,

39 to the office of rural health of the University of Nevada School of Medicine
40 for emergency medical services provided in counties whose populations are
41 less than 100,000, the improvement of technology used for billing by rural
42 hospitals, and the development of systems to provide health care services in

1 counties whose populations are less than 100,000 by the use of
2 telemedicine and other electronic means.

3 2. Any remaining balance of those sums must not be committed for
4 expenditure after the project is completed and reverts to the fund for a
5 healthy Nevada as soon as all payments of money committed have been
6 made.

7 **Sec. 28.** 1. Notwithstanding any other provisions of law to the
8 contrary, upon receipt of sufficient money received by the State of Nevada
9 pursuant to any settlement entered into by the State of Nevada and a
10 manufacturer of tobacco products or recovered by the State of Nevada from
11 a judgment in a civil action against a manufacturer of tobacco products, the
12 state controller shall:

13 (a) First disburse the money appropriated by section 22 of this act in its
14 entirety, then the money appropriated by section 25 of this act in its
15 entirety; and

16 (b) Thereafter, disburse all other money appropriated from this same
17 source on a pro rata basis by percentage allocated by law.

18 2. Notwithstanding the provisions of section 3 of this act, upon receipt
19 of sufficient money in the fund for a healthy Nevada, the state controller
20 shall first disburse the money appropriated by section 26 of this act in its
21 entirety and then disburse the money appropriated by section 27 of this act
22 in its entirety. Thereafter, the state controller shall disburse all other money
23 appropriated from the trust fund in the manner provided by law.

24 **Sec. 29.** Notwithstanding the provisions of subsection 2 of NRS
25 449.465, not more than \$15,000 from the amount of the fees collected
26 pursuant to subsection 2 of NRS 449.465 and deposited in the legislative
27 fund may be used for the preliminary operational support of the task force
28 for the fund for a healthy Nevada and for the travel expenses to be provided
29 to members of the task force pursuant to paragraph (b) of subsection 4 of
30 section 4 of this act.