

SENATE BILL NO. 471—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF LEGISLATIVE COMMITTEE TO STUDY THE
DISTRIBUTION AMONG LOCAL GOVERNMENTS OF
REVENUE FROM STATE AND LOCAL TAXES)

MARCH 18, 1999

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing legislative measures which require local governments to establish, provide or increase programs or services. (BDR 17-980)

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 local governments; requiring a legislative measure to include on its face certain disclosures concerning unfunded mandates under certain circumstances; placing a monetary limitation on the programs and services for which a specified source for additional revenue must be authorized; 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 218 of NRS is hereby amended by adding thereto a
2 new section to read as follows:
3 *If any provision contained in a legislative measure will have the effect*
4 *of requiring one or more local governments to establish, provide or*
5 *increase a program or service which is estimated to cost in excess of*
6 *\$5,000 per local government and a specified source for the additional*
7 *revenue to pay the expense is not authorized by a specific statute, the face*
8 *of the measure must indicate:*
9 1. *That the measure contains an unfunded mandate; and*
10 2. *Whether the measure was requested by or on behalf of one or*
11 *more of the local governments that will be required by the measure to*
12 *establish, provide or increase the program or service.*

1 **Sec. 2.** NRS 354.599 is hereby amended to read as follows:

2 354.599 1. If the legislature directs one or more local governments to

3 ~~establish~~ :

4 (a) *Establish* a program or provide a service ~~[-or to increase]~~ ; or

5 (b) *Increase* a program or service already established which requires
6 additional funding,

7 *and the expense required to be paid by each local government to*

8 *establish, provide or increase the program or service is \$5,000 or more,* a

9 specified source for the additional revenue to pay the expense must be

10 authorized by a specific statute. The additional revenue may only be used

11 to pay expenses directly related to the program or service. If a local

12 government has money from any other source available to pay such

13 expenses, that money must be applied to the expenses before any money

14 from the revenue source specified by statute.

15 2. In any year in which the legislature by law increases or decreases the

16 revenues of a local government, and that increase or decrease was not

17 included or anticipated in the local government's final budget as adopted

18 pursuant to NRS 354.598, the governing body of any such local

19 government may, before August 15 of the budget year, file an amended

20 budget with the department of taxation increasing or decreasing its

21 anticipated revenues and expenditures from that contained in its final

22 budget to the extent of the actual increase or decrease of revenues resulting

23 from the legislative action.

24 3. In any year in which the legislature enacts a law requiring an

25 increase or decrease in expenditures of a local government, which was not

26 anticipated or included in its final budget as adopted pursuant to NRS

27 354.598, the governing body of any such local government may, before

28 August 15 of the budget year, file an amended budget with the department

29 of taxation providing for an increase or decrease in expenditures from that

30 contained in its final budget to the extent of the actual amount made

31 necessary by the legislative action.

32 4. The amended budget, as approved by the department of taxation, is

33 the budget of the local government for the current fiscal year.

34 **Sec. 3.** This act becomes effective upon passage and approval.