

Senate Bill No. 477–Committee on Government Affairs

CHAPTER.....

AN ACT relating to taxation; raising the tax on the rental of transient lodging within Washoe County to pay certain costs related to the promotion of tourism; requiring the Reno/Sparks Convention and Visitors Authority to grant to the Lake Tahoe Incline Village and Crystal Bay Visitors Bureau a certain percentage of the taxes collected from the rental of transient lodging in Incline Village and Crystal Bay to pay certain costs related to the promotion of tourism; imposing certain requirements with respect to air travel by officers and employees of certain county fair and recreation boards; and providing other matters properly relating thereto.

WHEREAS, The legislature hereby finds and declares that a general law cannot be made applicable for all provisions of this act because of the economic and geographical diversity of the local governments of this state, the unique growth patterns in those local governments and the special conditions experienced in Washoe County related to the need to revitalize specific areas of Washoe County; now, therefore,

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

Section 1. 1. A tax at the rate of:

(a) Three percent of the gross receipts from the rental of transient lodging is hereby imposed in:

- (1) The unincorporated area of Washoe County; and
- (2) Each incorporated city in Washoe County, except in a district described in NRS 268.780 to 268.785, inclusive, in which a 1 percent tax is imposed on the gross receipts from the rental of transient lodging for railroad grade separation projects.

(b) Two percent of the gross receipts from the rental of transient lodging is hereby imposed in a district described in NRS 268.780 to 268.785, inclusive, in which a 1 percent tax is imposed on the gross receipts from the rental of transient lodging for railroad grade separation projects.

2. The tax imposed pursuant to this section must:

(a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in Washoe County and the incorporated cities in Washoe County;

(b) Be collected and enforced in the same manner as provided for the collection of the tax imposed by NRS 244.3352;

(c) Be paid to the Reno/Sparks Convention and Visitors Authority, which shall distribute the proceeds from the tax in the manner set forth in section 2 of this act; and

(d) Not be collected after the date on which the notes, bonds and other obligations described in subsections 1 and 2 of section 2 of this act have been fully paid.

3. All decisions, and any deliberations leading to those decisions, that are made by any body, including, without limitation, the Reno/Sparks Convention and Visitors Authority, the Truckee Meadows Tourism Facility and Revitalization Steering Committee and the Sparks Tourism and Marketing Committee, concerning the expenditure, commitment or other use of money derived from the proceeds of the tax imposed pursuant to this section must be made at a public meeting that complies with the provisions of chapter 241 of NRS, whether or not the body is determined to be a public body to which that chapter is applicable.

4. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

Sec. 2. The proceeds of the tax imposed pursuant to section 1 of this act and any applicable penalty or interest must be distributed as follows:

1. An amount equal to:

(a) Two-thirds of the proceeds collected in:

(1) The unincorporated area of Washoe County; and

(2) Each incorporated city in Washoe County, except in a district described in NRS 268.780 to 268.785, inclusive, in which a 1 percent tax is imposed on the gross receipts from the rental of transient lodging for railroad grade separation projects; and

(b) All of the proceeds collected in a district described in NRS 268.780 to 268.785, inclusive, in which a 1 percent tax is imposed on the gross receipts from the rental of transient lodging for railroad grade separation projects,

must be used by the Reno/Sparks Convention and Visitors Authority to reconstruct, expand, improve, equip, operate and maintain the Reno/Sparks Convention Center, including, but not limited to, parking and facilities ancillary to the Reno/Sparks Convention Center and the acquisition of real property and other appurtenances therefor. The Reno/Sparks Convention and Visitors Authority may irrevocably pledge and use any money received from the proceeds of the tax pursuant to this subsection, together with the proceeds of other tax revenues and facilities revenues received by the Reno/Sparks Convention and Visitors Authority legally available therefor, for the payment of general and special obligations issued for the purpose of reconstructing, expanding, improving and equipping the Reno/Sparks Convention Center, including, but not limited to, parking and facilities ancillary to the Reno/Sparks Convention Center and the acquisition of real property and other appurtenances therefor.

2. From the remaining one-third of the proceeds collected in the area described in subparagraphs (1) and (2) of paragraph (a) of subsection 1, the sum of \$1,500,000 and, beginning June 1, 2000, and each year thereafter, an additional amount equal to \$1,500,000 multiplied by the percentage by which the proceeds of the tax imposed pursuant to section 1 of this act increased during the immediately preceding 12-month period, if any, must be used as follows:

(a) Two-thirds for the marketing and promotion of tourism as approved by the Reno/Sparks Convention and Visitors Authority; and

(b) One-third for the support of the National Bowling Stadium, until such time as the Truckee Meadows Tourism Facility and Revitalization Steering Committee identifies particular capital improvement projects pursuant to section 6 of this act. After the Truckee Meadows Tourism Facility and Revitalization Steering Committee identifies particular capital improvement projects pursuant to section 6 of this act, the money described in this subsection must, notwithstanding the provisions of NRS 279.619, be used to acquire, establish, construct, expand and equip such projects, and to pay the principal and interest on notes, bonds or other obligations issued by the Reno Redevelopment Agency to fund the acquisition, establishment, construction or expansion of the projects so identified.

3. From the remaining one-third of the proceeds collected in the area described in subparagraphs (1) and (2) of paragraph (a) of subsection 1, if any, after the amount described in subsection 2 is set aside for use pursuant to that subsection, the amounts set forth in this subsection must be paid to the City Council of the City of Sparks on the dates set forth in this subsection to be used by the City Council and the Sparks Tourism and Marketing Committee for the marketing and promotion of tourism in the City of Sparks and for the operation and maintenance of capital improvements within redevelopment areas in the City of Sparks:

(a) On July 1, 2000, an amount not to exceed \$100,000.

(b) On July 1, 2001, an amount not to exceed \$100,000.

(c) On July 1, 2002, an amount not to exceed \$200,000.

(d) On July 1, 2003, an amount not to exceed \$200,000.

(e) On July 1, 2004, an amount not to exceed \$250,000.

(f) On July 1, 2005, an amount not to exceed \$250,000.

(g) On July 1, 2006, an amount not to exceed \$350,000.

(h) On July 1, 2007, and each year thereafter, an amount equal to the sum of \$350,000 plus an additional amount equal to \$350,000 multiplied by the percentage by which the proceeds of the tax imposed pursuant to section 1 of this act increased during the immediately preceding 12-month period, if any.

4. The remainder of the one-third of the proceeds collected in the area described in subparagraphs (1) and (2) of paragraph (a) of subsection 1, if any, after the amounts described in subsections 2 and 3 are set aside for use pursuant to those subsections, must be distributed in the following manner:

(a) Two-thirds to the Reno/Sparks Convention and Visitors Authority to reconstruct, expand, improve, equip, operate and maintain the Reno/Sparks Convention Center, including, but not limited to, parking and facilities ancillary to the Reno/Sparks Convention Center and the acquisition of real property and other appurtenances therefor and the payment of general and special obligations issued for those purposes.

(b) One-third to be used as set forth in subsection 2

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Sec. 3. 1. Except as otherwise provided in subsection 2, the Reno/Sparks Convention and Visitors Authority shall, until the date on which the notes, bonds and other obligations described in subsection 2 of section 2 of this act have been fully paid, grant 50 percent of the proceeds it receives from a tax imposed on the revenue from the rental of transient lodging which are collected in Incline Village and Crystal Bay to the Lake Tahoe Incline Village and Crystal Bay Visitors Bureau to be used for:

- (a) The operation and maintenance of facilities; and
- (b) The marketing and promotion of tourism in Incline Village and Crystal Bay.

2. The provisions of subsection 1 apply only to those proceeds from a tax imposed previously on the revenue from the rental of transient lodging which are available to the Reno/Sparks Convention and Visitors Authority to carry out its operations, including, without limitation, advertising and the promotion of tourism. The provisions of subsection 1 do not apply to those proceeds from a tax imposed on the revenue from the rental of transient lodging which is imposed pursuant to section 1 of this act or which the Reno/Sparks Convention and Visitors Authority is required by law before March 1, 1999, to:

- (a) Pay over or otherwise distribute to, in whole or in part, to another governmental entity; or
- (b) Expend, pledge, use for or commit to a different purpose, or that the Reno/Sparks Convention and Visitors Authority expends for or pledges to notes, bonds or other obligations payable from the rental of transient lodging which are issued by or on behalf of the Reno/Sparks Convention and Visitors Authority.

Sec. 4. 1. The Sparks Tourism and Marketing Committee, consisting of three members, is hereby created. The membership of the Committee consists of:

- (a) Two members of the City Council of the City of Sparks, appointed by the City Council of the City of Sparks.
- (b) One member who is a member of the Nevada Resort Association who represents a property in the City of Sparks, appointed by the City Council of the City of Sparks from a list submitted by the Nevada Resort Association.

2. The Committee shall elect a chairman from among its members.

3. A vacancy on the Committee must be filled in the same manner as the original appointment.

4. The Committee shall meet at least quarterly or by a call of the chairman or a majority of the members of the Committee.

5. Members of the Committee serve without compensation, except that while engaged in the business of the Committee, each member may be paid the per diem allowance and travel expenses provided for state officers and employees generally, as the budget of the Committee allows.

Sec. 5. 1. The Truckee Meadows Tourism Facility and Revitalization Steering Committee, consisting of nine members, is hereby created. The membership of the Committee consists of:

(a) Three persons appointed by the Board of Directors of the Reno/Sparks Convention and Visitors Authority, one of whom must be a member of the Nevada Resort Association who represents properties outside a district described in NRS 268.780 to 268.785, inclusive, in which a 1 percent tax is imposed on the gross receipts from the rental of transient lodging for railroad grade separation projects, and two of whom must represent the interests of Sparks, Washoe County, the motel industry or general business.

(b) Three members of the Reno Redevelopment Agency, appointed by the Chairman of the Agency.

(c) Three persons appointed by the Nevada Resort Association from those members of the Association whose properties are located in a district described in NRS 268.780 to 268.785, inclusive, in which a 1 percent tax is imposed on the gross receipts from the rental of transient lodging for railroad grade separation projects.

2. The Committee shall elect a chairman from among its members.

3. A vacancy on the Committee must be filled in the same manner as the original appointment.

4. The Committee shall meet at least quarterly or by a call of the chairman or majority of the members of the Committee.

5. Members of the Committee serve without compensation, except that while engaged in the business of the Committee, each member may be paid the per diem allowance and travel expenses provided for state officers and employees generally, as the budget of the Reno Redevelopment Agency allows.

Sec. 6. 1. The Truckee Meadows Tourism Facility and Revitalization Steering Committee shall develop a master plan which identifies:

(a) Proposed capital improvement projects that the Committee determines to be advisable to promote tourism in Washoe County; and

(b) The method or methods pursuant to which the proposed capital improvement projects identified in paragraph (a) will be financed.

2. Capital improvement projects identified pursuant to this section must be:

(a) Approved by a two-thirds vote of the members of the Committee; and

(b) Located in a district described in NRS 268.780 to 268.785, inclusive, in which a 1 percent tax is imposed on the gross receipts from the rental of transient lodging for railroad grade separation projects.

Sec. 7. NRS 244A.601 is hereby amended to read as follows:

244A.601 1. In [any](#) county whose population is 100,000 or more, and less than 400,000, the county fair and recreation board consists of 12 members who are appointed as follows:

(a) Two members by the board of county commissioners.
(b) Two members by the governing body of the largest incorporated city in the county.

(c) One member by the governing body of the next largest incorporated city in the county.

(d) Except as otherwise provided in subsection 2, seven members by the members appointed pursuant to paragraphs (a), (b) and (c). The members entitled to vote shall select:

(1) One member who is a representative of air service interests from a list of nominees submitted by the Airport Authority of Washoe County. The nominees must not be elected officers.

(2) One member who is a representative of motel operators from a list of nominees submitted by one or more associations that represent the motel industry.

(3) One member who is a representative of banking or other financial interests from a list of nominees submitted by the chamber of commerce of the largest incorporated city in the county.

(4) One member who is a representative of other business or commercial interests from a list of nominees submitted by the chamber of commerce of the largest incorporated city in the county.

(5) Three members who are representatives of the association of gaming establishments whose membership collectively paid the most gross revenue fees to the state pursuant to NRS 463.370 in the county in the preceding year, from a list of nominees submitted by the association. If there is no such association, the three appointed members must be representative of gaming.

If the members entitled to vote find the nominees on a list of nominees submitted pursuant to this paragraph unacceptable, they shall request a new list of nominees.

2. The terms of members appointed pursuant to paragraphs (a), (b) and (c) of subsection 1 are coterminous with their terms of office. The members appointed pursuant to paragraph (d) of subsection 1 must be appointed for 2-year terms. Any vacancy occurring on the board must be filled by the authority entitled to appoint the member whose position is vacant. Each member appointed pursuant to paragraph (d) of subsection 1 may succeed himself only once.

3. If a member ceases to be engaged in the business or occupation which he was appointed to represent, he ceases to be a member, and another person engaged in that business or occupation must be appointed for the unexpired term.

4. Any member appointed by the board of county commissioners or a governing body of a city must be a member of the appointing board or body.

5. If the duties of an officer or employee of the county fair and recreation board require the officer or employee to travel by air, the board:

(a) Shall pay only the cost required for the officer or employee to travel to and from the required destination on a regularly scheduled commercial air carrier in the class of service having the lowest cost.

(b) Shall not pay for the travel of a relative or spouse of the officer or employee or any other person who is not an officer or employee traveling as part of the duties of his position.

Sec. 8. 1. This act becomes effective upon passage and approval for the purpose of authorizing any actions that are necessary to prepare for the collection of the taxes imposed and authorized by this act, and on June 1, 1999, for all other purposes.

2. Section 7 of this act expires by limitation on June 30, 2001.

Sec. 9. If any provision of this act, or the application thereof to any person, thing or circumstance is held invalid, such invalidity shall not affect the provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are hereby declared to be severable.

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