

(REPRINTED WITH ADOPTED AMENDMENTS)
SECOND REPRINT **A.B. 653**

ASSEMBLY BILL NO. 653—COMMITTEE ON TAXATION

MARCH 26, 2001

Referred to Committee on Taxation

SUMMARY—Makes various changes to formula for distribution of certain revenues.
(BDR 32-1459)

FISCAL NOTE: Effect on Local Government: Yes.
Effect on the State: 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 taxation; revising the formula for the distribution of certain revenues among local governments; providing for an adjustment to the base allocation of certain local governments; extending the date for expiration of the legislative committee to study distribution among local governments of revenue from state and local taxes; requiring the advisory committee to the committee to conduct a study; 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 360.680 is hereby amended to read as follows:
2 360.680 1. On or before July 1 of each year, the executive director
3 shall allocate to each enterprise district an amount equal to the amount that
4 the enterprise district received from the account in the immediately
5 preceding fiscal year.
6 2. Except as otherwise provided in NRS 360.690 and 360.730, the
7 executive director, after subtracting the amount allocated to each enterprise
8 district pursuant to subsection 1, shall allocate to each local government or
9 special district which is eligible for an allocation from the account pursuant
10 to NRS 360.670 an amount from the account that is equal to the amount
11 allocated to the local government or special district for the preceding fiscal
12 year, *minus any excess amount allocated pursuant to subsection 4 of*
13 *NRS 360.690*, multiplied by one plus the percentage change in the
14 Consumer Price Index (All Items) for the year ending on December 31
15 immediately preceding the year in which the allocation is made.
16 **Sec. 2.** NRS 360.690 is hereby amended to read as follows:
17 360.690 1. Except as otherwise provided in NRS 360.730, the
18 executive director shall estimate monthly the amount each local
19 government, special district and enterprise district will receive from the
20 account pursuant to the provisions of this section.



1 2. The executive director shall establish a base monthly allocation for
2 each local government, special district and enterprise district by dividing
3 the amount determined pursuant to NRS 360.680 for each local
4 government, special district and enterprise district by 12 and the state
5 treasurer shall, except as otherwise provided in subsections 3, 4 and 5,
6 remit monthly that amount to each local government, special district and
7 enterprise district.

8 3. If, after making the allocation to each enterprise district for the
9 month, the executive director determines there is not sufficient money
10 available in the county's subaccount in the account to allocate to each local
11 government and special district the base monthly allocation determined
12 pursuant to subsection 2, he shall prorate the money in the county's
13 subaccount and allocate to each local government and special district an
14 amount equal to the percentage of the amount that the local government or
15 special district received from the total amount which was distributed to all
16 local governments and special districts within the county for the fiscal year
17 immediately preceding the year in which the allocation is made. The state
18 treasurer shall remit that amount to the local government or special district.

19 4. Except as otherwise provided in subsection 5, if the executive
20 director determines that there is money remaining in the county's
21 subaccount in the account after the base monthly allocation determined
22 pursuant to subsection 2 has been allocated to each local government,
23 special district and enterprise district, he shall immediately determine and
24 allocate each:

25 (a) Local government's share of the remaining money by:

26 (1) Multiplying one-twelfth of *the sum of:*

27 *(I) Twenty-five percent of the amount allocated pursuant to NRS*
28 *360.680 multiplied by one plus the sum of the* ~~the~~
29 ~~percentage~~ *average percentage of* change in the population of
30 the local government for the fiscal year immediately preceding the year in
31 which the allocation is *made and the 4 fiscal years immediately preceding*
32 *the year in which the allocation is* made, as certified by the governor
33 pursuant to NRS 360.285, except as otherwise provided in subsection 6 ~~and~~
34 ~~and~~

35 ~~and~~ *(II) Average*, *and the average* percentage of change in the
36 assessed valuation of the taxable property in the local government,
37 including assessed valuation attributable to a redevelopment agency but
38 excluding the portion attributable to the net proceeds of minerals, over the
39 year in which the allocation is made, as projected by the department
40 pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the
41 year in which the allocation is made; and

42 *(II) Seventy-five percent of the amount allocated pursuant to*
43 *NRS 360.680 multiplied by one plus the sum of the average percentage of*
44 *change in the population of the local government for the fiscal year*
45 *immediately preceding the year in which the allocation is made and the 4*
46 *fiscal years immediately preceding the year in which the allocation is*
47 *made, as certified by the governor pursuant to NRS 360.285, except as*
48 *otherwise provided in subsection 6, and the average percentage of*
49 *change in the assessed valuation of the taxable property in the local*



1 *government, including assessed valuation attributable to a redevelopment*
2 *agency but excluding the portion attributable to the net proceeds of*
3 *minerals, over the year in which the allocation is made, as projected by*
4 *the department pursuant to NRS 361.390, and the 4 fiscal years*
5 *immediately preceding the year in which the allocation is made; and*
6 (2) Using the figure calculated pursuant to subparagraph (1) to
7 calculate and allocate to each local government an amount equal to the
8 proportion that the figure calculated pursuant to subparagraph (1) bears to
9 the total amount of the figures calculated pursuant to subparagraph (1) of
10 this paragraph and subparagraph (1) of paragraph (b), respectively, for the
11 local governments and special districts located in the same county
12 multiplied by the total amount available in the subaccount; and
13 (b) Special district's share of the remaining money by:
14 (1) Multiplying one-twelfth of *the sum of:*
15 *(I) Twenty-five percent of* the amount allocated pursuant to NRS
16 360.680 *multiplied by* ~~one plus~~ the average change in the assessed
17 valuation of the taxable property in the special district, including assessed
18 valuation attributable to a redevelopment agency but excluding the portion
19 attributable to the net proceeds of minerals, over the 5 fiscal years
20 immediately preceding the year in which the allocation is made; and
21 *(II) Seventy-five percent of the amount allocated pursuant to*
22 *NRS 360.680 multiplied by one plus the average change in the assessed*
23 *valuation of the taxable property in the special district, including*
24 *assessed valuation attributable to a redevelopment agency but excluding*
25 *the portion attributable to the net proceeds of minerals, over the 5 fiscal*
26 *years immediately preceding the year in which the allocation is made;*
27 *and*
28 (2) Using the figure calculated pursuant to subparagraph (1) to
29 calculate and allocate to each special district an amount equal to the
30 proportion that the figure calculated pursuant to subparagraph (1) bears to
31 the total amount of the figures calculated pursuant to subparagraph (1) of
32 this paragraph and subparagraph (1) of paragraph (a), respectively, for the
33 local governments and special districts located in the same county
34 multiplied by the total amount available in the subaccount.
35 The state treasurer shall remit the amount allocated to each local
36 government or special district pursuant to this subsection.
37 5. The executive director shall not allocate any amount to a local
38 government or special district pursuant to subsection 4, unless the amount
39 distributed and allocated to each of the local governments and special
40 districts in the county in each preceding month of the fiscal year in which
41 the allocation is to be made was at least equal to the base monthly
42 allocation determined pursuant to subsection 2. If the amounts distributed
43 to the local governments and special districts in the county for the
44 preceding months of the fiscal year in which the allocation is to be made
45 were less than the base monthly allocation determined pursuant to
46 subsection 2 and the executive director determines there is money
47 remaining in the county's subaccount in the account after the distribution
48 for the month has been made, he shall:



1 (a) Determine the amount by which the base monthly allocations
2 determined pursuant to subsection 2 for each local government and special
3 district in the county for the preceding months of the fiscal year in which
4 the allocation is to be made exceeds the amounts actually received by the
5 local governments and special districts in the county for the same period;
6 and

7 (b) Compare the amount determined pursuant to paragraph (a) to the
8 amount of money remaining in the county's subaccount in the account to
9 determine which amount is greater.

10 If the executive director determines that the amount determined pursuant to
11 paragraph (a) is greater, he shall allocate the money remaining in the
12 county's subaccount in the account pursuant to the provisions of subsection
13 3. If the executive director determines that the amount of money remaining
14 in the county's subaccount in the account is greater, he shall first allocate
15 the money necessary for each local government and special district to
16 receive the base monthly allocation determined pursuant to subsection 2
17 and the state treasurer shall remit that money so allocated. The executive
18 director shall allocate any additional money in the county's subaccount in
19 the account pursuant to the provisions of subsection 4.

20 6. The percentage change calculated pursuant to paragraph (a) of
21 subsection 4 must:

22 (a) If the Bureau of the Census of the United States Department of
23 Commerce issues population totals that conflict with the totals certified by
24 the governor pursuant to NRS 360.285, be an estimate of the change in
25 population for the calendar year, based upon the population totals issued by
26 the Bureau of the Census.

27 (b) If a new method of determining population is established pursuant to
28 NRS 360.283, be adjusted in a manner that will result in the percentage
29 change being based on population determined pursuant to the new method
30 for both the fiscal year in which the allocation is made and the fiscal year
31 immediately preceding the year in which the allocation is made.

32 7. On or before February 15 of each year, the executive director shall
33 provide to each local government, special district and enterprise district a
34 preliminary estimate of the revenue it will receive from the account for that
35 fiscal year.

36 8. On or before March 15 of each year, the executive director shall:

37 (a) Make an estimate of the receipts from each tax included in the
38 account on an accrual basis for the next fiscal year in accordance with
39 generally accepted accounting principles, including an estimate for each
40 county of the receipts from each tax included in the account; and

41 (b) Provide to each local government, special district and enterprise
42 district an estimate of the amount that local government, special district or
43 enterprise district would receive based upon the estimate made pursuant to
44 paragraph (a) and calculated pursuant to the provisions of this section.

45 9. A local government, special district or enterprise district may use
46 the estimate provided by the executive director pursuant to subsection 8 in
47 the preparation of its budget.



1 **Sec. 2.3.** NRS 360.690 is hereby amended to read as follows:
2 360.690 1. Except as otherwise provided in NRS 360.730, the
3 executive director shall estimate monthly the amount each local
4 government, special district and enterprise district will receive from the
5 account pursuant to the provisions of this section.
6 2. The executive director shall establish a base monthly allocation for
7 each local government, special district and enterprise district by dividing
8 the amount determined pursuant to NRS 360.680 for each local
9 government, special district and enterprise district by 12 and the state
10 treasurer shall, except as otherwise provided in subsections 3, 4 and 5,
11 remit monthly that amount to each local government, special district and
12 enterprise district.
13 3. If, after making the allocation to each enterprise district for the
14 month, the executive director determines there is not sufficient money
15 available in the county's subaccount in the account to allocate to each local
16 government and special district the base monthly allocation determined
17 pursuant to subsection 2, he shall prorate the money in the county's
18 subaccount and allocate to each local government and special district an
19 amount equal to the percentage of the amount that the local government or
20 special district received from the total amount which was distributed to all
21 local governments and special districts within the county for the fiscal year
22 immediately preceding the year in which the allocation is made. The state
23 treasurer shall remit that amount to the local government or special district.
24 4. Except as otherwise provided in subsection 5, if the executive
25 director determines that there is money remaining in the county's
26 subaccount in the account after the base monthly allocation determined
27 pursuant to subsection 2 has been allocated to each local government,
28 special district and enterprise district, he shall immediately determine and
29 allocate each:
30 (a) Local government's share of the remaining money by:
31 (1) Multiplying one-twelfth of *the sum of:*
32 (I) *Fifty percent of the amount allocated pursuant to NRS 360.680*
33 *multiplied by one plus the sum of the* ~~+~~
34 ~~(I) Percentage~~ *average percentage of* change in the population of
35 the local government for the fiscal year immediately preceding the year in
36 which the allocation is *made and the 4 fiscal years immediately preceding*
37 *the year in which the allocation is* made, as certified by the governor
38 pursuant to NRS 360.285 , except as otherwise provided in subsection 6 ~~+~~
39 ~~and~~
40 ~~(II) Average~~ , *and the average* percentage of change in the
41 assessed valuation of the taxable property in the local government,
42 including assessed valuation attributable to a redevelopment agency but
43 excluding the portion attributable to the net proceeds of minerals, over the
44 year in which the allocation is made, as projected by the department
45 pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the
46 year in which the allocation is made; and
47 (II) *Fifty percent of the amount allocated pursuant to NRS*
48 *360.680 multiplied by one plus the sum of the average percentage of*
49 *change in the population of the local government for the fiscal year*



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1 *immediately preceding the year in which the allocation is made and the 4*
2 *fiscal years immediately preceding the year in which the allocation is*
3 *made, as certified by the governor pursuant to NRS 360.285, except as*
4 *otherwise provided in subsection 6, and the average percentage of*
5 *change in the assessed valuation of the taxable property in the local*
6 *government, including assessed valuation attributable to a redevelopment*
7 *agency but excluding the portion attributable to the net proceeds of*
8 *minerals, over the year in which the allocation is made, as projected by*
9 *the department pursuant to NRS 361.390, and the 4 fiscal years*
10 *immediately preceding the year in which the allocation is made; and*

11 (2) Using the figure calculated pursuant to subparagraph (1) to
12 calculate and allocate to each local government an amount equal to the
13 proportion that the figure calculated pursuant to subparagraph (1) bears to
14 the total amount of the figures calculated pursuant to subparagraph (1) of
15 this paragraph and subparagraph (1) of paragraph (b), respectively, for the
16 local governments and special districts located in the same county
17 multiplied by the total amount available in the subaccount; and

18 (b) Special district's share of the remaining money by:

19 (1) Multiplying one-twelfth of *the sum of:*

20 *(I) Fifty percent of the amount allocated pursuant to NRS 360.680*
21 *multiplied by ~~one plus~~ the average change in the assessed valuation of the*
22 *taxable property in the special district, including assessed valuation*
23 *attributable to a redevelopment agency but excluding the portion*
24 *attributable to the net proceeds of minerals, over the 5 fiscal years*
25 *immediately preceding the year in which the allocation is made; and*

26 *(II) Fifty percent of the amount allocated pursuant to NRS*
27 *360.680 multiplied by one plus the average change in the assessed*
28 *valuation of the taxable property in the special district, including*
29 *assessed valuation attributable to a redevelopment agency but excluding*
30 *the portion attributable to the net proceeds of minerals, over the 5 fiscal*
31 *years immediately preceding the year in which the allocation is made;*
32 *and*

33 (2) Using the figure calculated pursuant to subparagraph (1) to
34 calculate and allocate to each special district an amount equal to the
35 proportion that the figure calculated pursuant to subparagraph (1) bears to
36 the total amount of the figures calculated pursuant to subparagraph (1) of
37 this paragraph and subparagraph (1) of paragraph (a), respectively, for the
38 local governments and special districts located in the same county
39 multiplied by the total amount available in the subaccount.

40 The state treasurer shall remit the amount allocated to each local
41 government or special district pursuant to this subsection.

42 5. The executive director shall not allocate any amount to a local
43 government or special district pursuant to subsection 4, unless the amount
44 distributed and allocated to each of the local governments and special
45 districts in the county in each preceding month of the fiscal year in which
46 the allocation is to be made was at least equal to the base monthly
47 allocation determined pursuant to subsection 2. If the amounts distributed
48 to the local governments and special districts in the county for the
49 preceding months of the fiscal year in which the allocation is to be made



1 were less than the base monthly allocation determined pursuant to
2 subsection 2 and the executive director determines there is money
3 remaining in the county's subaccount in the account after the distribution
4 for the month has been made, he shall:

5 (a) Determine the amount by which the base monthly allocations
6 determined pursuant to subsection 2 for each local government and special
7 district in the county for the preceding months of the fiscal year in which
8 the allocation is to be made exceeds the amounts actually received by the
9 local governments and special districts in the county for the same period;
10 and

11 (b) Compare the amount determined pursuant to paragraph (a) to the
12 amount of money remaining in the county's subaccount in the account to
13 determine which amount is greater.

14 If the executive director determines that the amount determined pursuant to
15 paragraph (a) is greater, he shall allocate the money remaining in the
16 county's subaccount in the account pursuant to the provisions of subsection
17 3. If the executive director determines that the amount of money remaining
18 in the county's subaccount in the account is greater, he shall first allocate
19 the money necessary for each local government and special district to
20 receive the base monthly allocation determined pursuant to subsection 2
21 and the state treasurer shall remit that money so allocated. The executive
22 director shall allocate any additional money in the county's subaccount in
23 the account pursuant to the provisions of subsection 4.

24 6. The percentage change calculated pursuant to paragraph (a) of
25 subsection 4 must:

26 (a) If the Bureau of the Census of the United States Department of
27 Commerce issues population totals that conflict with the totals certified by
28 the governor pursuant to NRS 360.285, be an estimate of the change in
29 population for the calendar year, based upon the population totals issued by
30 the Bureau of the Census.

31 (b) If a new method of determining population is established pursuant to
32 NRS 360.283, be adjusted in a manner that will result in the percentage
33 change being based on population determined pursuant to the new method
34 for both the fiscal year in which the allocation is made and the fiscal year
35 immediately preceding the year in which the allocation is made.

36 7. On or before February 15 of each year, the executive director shall
37 provide to each local government, special district and enterprise district a
38 preliminary estimate of the revenue it will receive from the account for that
39 fiscal year.

40 8. On or before March 15 of each year, the executive director shall:

41 (a) Make an estimate of the receipts from each tax included in the
42 account on an accrual basis for the next fiscal year in accordance with
43 generally accepted accounting principles, including an estimate for each
44 county of the receipts from each tax included in the account; and

45 (b) Provide to each local government, special district and enterprise
46 district an estimate of the amount that local government, special district or
47 enterprise district would receive based upon the estimate made pursuant to
48 paragraph (a) and calculated pursuant to the provisions of this section.



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1 9. A local government, special district or enterprise district may use
2 the estimate provided by the executive director pursuant to subsection 8 in
3 the preparation of its budget.

4 **Sec. 2.5.** NRS 360.690 is hereby amended to read as follows:

5 360.690 1. Except as otherwise provided in NRS 360.730, the
6 executive director shall estimate monthly the amount each local
7 government, special district and enterprise district will receive from the
8 account pursuant to the provisions of this section.

9 2. The executive director shall establish a base monthly allocation for
10 each local government, special district and enterprise district by dividing
11 the amount determined pursuant to NRS 360.680 for each local
12 government, special district and enterprise district by 12 and the state
13 treasurer shall, except as otherwise provided in subsections 3, 4 and 5,
14 remit monthly that amount to each local government, special district and
15 enterprise district.

16 3. If, after making the allocation to each enterprise district for the
17 month, the executive director determines there is not sufficient money
18 available in the county's subaccount in the account to allocate to each local
19 government and special district the base monthly allocation determined
20 pursuant to subsection 2, he shall prorate the money in the county's
21 subaccount and allocate to each local government and special district an
22 amount equal to the percentage of the amount that the local government or
23 special district received from the total amount which was distributed to all
24 local governments and special districts within the county for the fiscal year
25 immediately preceding the year in which the allocation is made. The state
26 treasurer shall remit that amount to the local government or special district.

27 4. Except as otherwise provided in subsection 5, if the executive
28 director determines that there is money remaining in the county's
29 subaccount in the account after the base monthly allocation determined
30 pursuant to subsection 2 has been allocated to each local government,
31 special district and enterprise district, he shall immediately determine and
32 allocate each:

33 (a) Local government's share of the remaining money by:

34 (1) Multiplying one-twelfth of *the sum of:*

35 *(I) Seventy-five percent of* the amount allocated pursuant to NRS
36 360.680 *multiplied by* ~~one plus~~ the sum of the ~~+~~

37 ~~(I) Percentage~~ *average percentage of* change in the population of
38 the local government for the fiscal year immediately preceding the year in
39 which the allocation is *made and the 4 fiscal years immediately preceding*
40 *the year in which the allocation is* made, as certified by the governor
41 pursuant to NRS 360.285 , except as otherwise provided in subsection 6 ~~+~~

42 ~~and~~
43 ~~(II) Average~~ , *and the average* percentage of change in the
44 assessed valuation of the taxable property in the local government,
45 including assessed valuation attributable to a redevelopment agency but
46 excluding the portion attributable to the net proceeds of minerals, over the
47 year in which the allocation is made, as projected by the department
48 pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the
49 year in which the allocation is made; and



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1 *(II) Twenty-five percent of the amount allocated pursuant to*
2 *NRS 360.680 multiplied by one plus the sum of the average percentage of*
3 *change in the population of the local government for the fiscal year*
4 *immediately preceding the year in which the allocation is made and the 4*
5 *fiscal years immediately preceding the year in which the allocation is*
6 *made, as certified by the governor pursuant to NRS 360.285, except as*
7 *otherwise provided in subsection 6, and the average percentage of*
8 *change in the assessed valuation of the taxable property in the local*
9 *government, including assessed valuation attributable to a redevelopment*
10 *agency but excluding the portion attributable to the net proceeds of*
11 *minerals, over the year in which the allocation is made, as projected by*
12 *the department pursuant to NRS 361.390, and the 4 fiscal years*
13 *immediately preceding the year in which the allocation is made; and*

14 (2) Using the figure calculated pursuant to subparagraph (1) to
15 calculate and allocate to each local government an amount equal to the
16 proportion that the figure calculated pursuant to subparagraph (1) bears to
17 the total amount of the figures calculated pursuant to subparagraph (1) of
18 this paragraph and subparagraph (1) of paragraph (b), respectively, for the
19 local governments and special districts located in the same county
20 multiplied by the total amount available in the subaccount; and

21 (b) Special district's share of the remaining money by:

22 (1) Multiplying one-twelfth of *the sum of:*

23 *(I) Seventy-five percent of the amount allocated pursuant to NRS*
24 *360.680 multiplied by ~~one plus~~ the average change in the assessed*
25 *valuation of the taxable property in the special district, including assessed*
26 *valuation attributable to a redevelopment agency but excluding the portion*
27 *attributable to the net proceeds of minerals, over the 5 fiscal years*
28 *immediately preceding the year in which the allocation is made; and*

29 *(II) Twenty-five percent of the amount allocated pursuant to*
30 *NRS 360.680 multiplied by one plus the average change in the assessed*
31 *valuation of the taxable property in the special district, including*
32 *assessed valuation attributable to a redevelopment agency but excluding*
33 *the portion attributable to the net proceeds of minerals, over the 5 fiscal*
34 *years immediately preceding the year in which the allocation is made;*
35 *and*

36 (2) Using the figure calculated pursuant to subparagraph (1) to
37 calculate and allocate to each special district an amount equal to the
38 proportion that the figure calculated pursuant to subparagraph (1) bears to
39 the total amount of the figures calculated pursuant to subparagraph (1) of
40 this paragraph and subparagraph (1) of paragraph (a), respectively, for the
41 local governments and special districts located in the same county
42 multiplied by the total amount available in the subaccount.

43 The state treasurer shall remit the amount allocated to each local
44 government or special district pursuant to this subsection.

45 5. The executive director shall not allocate any amount to a local
46 government or special district pursuant to subsection 4, unless the amount
47 distributed and allocated to each of the local governments and special
48 districts in the county in each preceding month of the fiscal year in which
49 the allocation is to be made was at least equal to the base monthly



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1 allocation determined pursuant to subsection 2. If the amounts distributed
2 to the local governments and special districts in the county for the
3 preceding months of the fiscal year in which the allocation is to be made
4 were less than the base monthly allocation determined pursuant to
5 subsection 2 and the executive director determines there is money
6 remaining in the county's subaccount in the account after the distribution
7 for the month has been made, he shall:

8 (a) Determine the amount by which the base monthly allocations
9 determined pursuant to subsection 2 for each local government and special
10 district in the county for the preceding months of the fiscal year in which
11 the allocation is to be made exceeds the amounts actually received by the
12 local governments and special districts in the county for the same period;
13 and

14 (b) Compare the amount determined pursuant to paragraph (a) to the
15 amount of money remaining in the county's subaccount in the account to
16 determine which amount is greater.

17 If the executive director determines that the amount determined pursuant to
18 paragraph (a) is greater, he shall allocate the money remaining in the
19 county's subaccount in the account pursuant to the provisions of subsection
20 3. If the executive director determines that the amount of money remaining
21 in the county's subaccount in the account is greater, he shall first allocate
22 the money necessary for each local government and special district to
23 receive the base monthly allocation determined pursuant to subsection 2
24 and the state treasurer shall remit that money so allocated. The executive
25 director shall allocate any additional money in the county's subaccount in
26 the account pursuant to the provisions of subsection 4.

27 6. The percentage change calculated pursuant to paragraph (a) of
28 subsection 4 must:

29 (a) If the Bureau of the Census of the United States Department of
30 Commerce issues population totals that conflict with the totals certified by
31 the governor pursuant to NRS 360.285, be an estimate of the change in
32 population for the calendar year, based upon the population totals issued by
33 the Bureau of the Census.

34 (b) If a new method of determining population is established pursuant to
35 NRS 360.283, be adjusted in a manner that will result in the percentage
36 change being based on population determined pursuant to the new method
37 for both the fiscal year in which the allocation is made and the fiscal year
38 immediately preceding the year in which the allocation is made.

39 7. On or before February 15 of each year, the executive director shall
40 provide to each local government, special district and enterprise district a
41 preliminary estimate of the revenue it will receive from the account for that
42 fiscal year.

43 8. On or before March 15 of each year, the executive director shall:

44 (a) Make an estimate of the receipts from each tax included in the
45 account on an accrual basis for the next fiscal year in accordance with
46 generally accepted accounting principles, including an estimate for each
47 county of the receipts from each tax included in the account; and

48 (b) Provide to each local government, special district and enterprise
49 district an estimate of the amount that local government, special district or



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1 enterprise district would receive based upon the estimate made pursuant to
2 paragraph (a) and calculated pursuant to the provisions of this section.

3 9. A local government, special district or enterprise district may use
4 the estimate provided by the executive director pursuant to subsection 8 in
5 the preparation of its budget.

6 **Sec. 2.7.** NRS 360.690 is hereby amended to read as follows:

7 360.690 1. Except as otherwise provided in NRS 360.730, the
8 executive director shall estimate monthly the amount each local
9 government, special district and enterprise district will receive from the
10 account pursuant to the provisions of this section.

11 2. The executive director shall establish a base monthly allocation for
12 each local government, special district and enterprise district by dividing
13 the amount determined pursuant to NRS 360.680 for each local
14 government, special district and enterprise district by 12 and the state
15 treasurer shall, except as otherwise provided in subsections 3, 4 and 5,
16 remit monthly that amount to each local government, special district and
17 enterprise district.

18 3. If, after making the allocation to each enterprise district for the
19 month, the executive director determines there is not sufficient money
20 available in the county's subaccount in the account to allocate to each local
21 government and special district the base monthly allocation determined
22 pursuant to subsection 2, he shall prorate the money in the county's
23 subaccount and allocate to each local government and special district an
24 amount equal to the percentage of the amount that the local government or
25 special district received from the total amount which was distributed to all
26 local governments and special districts within the county for the fiscal year
27 immediately preceding the year in which the allocation is made. The state
28 treasurer shall remit that amount to the local government or special district.

29 4. Except as otherwise provided in subsection 5, if the executive
30 director determines that there is money remaining in the county's
31 subaccount in the account after the base monthly allocation determined
32 pursuant to subsection 2 has been allocated to each local government,
33 special district and enterprise district, he shall immediately determine and
34 allocate each:

35 (a) Local government's share of the remaining money by:

36 (1) Multiplying one-twelfth of the amount allocated pursuant to NRS
37 360.680 by ~~one plus~~ the sum of the:

38 (I) ~~Percentage~~ *Average percentage of* change in the population of
39 the local government for the fiscal year immediately preceding the year in
40 which the allocation is *made and the 4 fiscal years immediately preceding*
41 *the year in which the allocation is* made, as certified by the governor
42 pursuant to NRS 360.285 except as otherwise provided in subsection 6; and

43 (II) Average percentage of change in the assessed valuation of the
44 taxable property in the local government, including assessed valuation
45 attributable to a redevelopment agency but excluding the portion
46 attributable to the net proceeds of minerals, over the year in which the
47 allocation is made, as projected by the department pursuant to NRS
48 361.390, and the 4 fiscal years immediately preceding the year in which the
49 allocation is made; and



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1 (2) Using the figure calculated pursuant to subparagraph (1) to
2 calculate and allocate to each local government an amount equal to the
3 proportion that the figure calculated pursuant to subparagraph (1) bears to
4 the total amount of the figures calculated pursuant to subparagraph (1) of
5 this paragraph and subparagraph (1) of paragraph (b), respectively, for the
6 local governments and special districts located in the same county
7 multiplied by the total amount available in the subaccount; and
8 (b) Special district's share of the remaining money by:
9 (1) Multiplying one-twelfth of the amount allocated pursuant to NRS
10 360.680 by ~~one plus~~ the average change in the assessed valuation of the
11 taxable property in the special district, including assessed valuation
12 attributable to a redevelopment agency but excluding the portion
13 attributable to the net proceeds of minerals, over the 5 fiscal years
14 immediately preceding the year in which the allocation is made; and
15 (2) Using the figure calculated pursuant to subparagraph (1) to
16 calculate and allocate to each special district an amount equal to the
17 proportion that the figure calculated pursuant to subparagraph (1) bears to
18 the total amount of the figures calculated pursuant to subparagraph (1) of
19 this paragraph and subparagraph (1) of paragraph (a), respectively, for the
20 local governments and special districts located in the same county
21 multiplied by the total amount available in the subaccount.
22 The state treasurer shall remit the amount allocated to each local
23 government or special district pursuant to this subsection.
24 5. The executive director shall not allocate any amount to a local
25 government or special district pursuant to subsection 4, unless the amount
26 distributed and allocated to each of the local governments and special
27 districts in the county in each preceding month of the fiscal year in which
28 the allocation is to be made was at least equal to the base monthly
29 allocation determined pursuant to subsection 2. If the amounts distributed
30 to the local governments and special districts in the county for the
31 preceding months of the fiscal year in which the allocation is to be made
32 were less than the base monthly allocation determined pursuant to
33 subsection 2 and the executive director determines there is money
34 remaining in the county's subaccount in the account after the distribution
35 for the month has been made, he shall:
36 (a) Determine the amount by which the base monthly allocations
37 determined pursuant to subsection 2 for each local government and special
38 district in the county for the preceding months of the fiscal year in which
39 the allocation is to be made exceeds the amounts actually received by the
40 local governments and special districts in the county for the same period;
41 and
42 (b) Compare the amount determined pursuant to paragraph (a) to the
43 amount of money remaining in the county's subaccount in the account to
44 determine which amount is greater.
45 If the executive director determines that the amount determined pursuant to
46 paragraph (a) is greater, he shall allocate the money remaining in the
47 county's subaccount in the account pursuant to the provisions of subsection
48 3. If the executive director determines that the amount of money remaining
49 in the county's subaccount in the account is greater, he shall first allocate



* A B 6 5 3 R 2 *

1 the money necessary for each local government and special district to
2 receive the base monthly allocation determined pursuant to subsection 2
3 and the state treasurer shall remit that money so allocated. The executive
4 director shall allocate any additional money in the county's subaccount in
5 the account pursuant to the provisions of subsection 4.

6 6. The percentage change calculated pursuant to paragraph (a) of
7 subsection 4 must:

8 (a) If the Bureau of the Census of the United States Department of
9 Commerce issues population totals that conflict with the totals certified by
10 the governor pursuant to NRS 360.285, be an estimate of the change in
11 population for the calendar year, based upon the population totals issued by
12 the Bureau of the Census.

13 (b) If a new method of determining population is established pursuant to
14 NRS 360.283, be adjusted in a manner that will result in the percentage
15 change being based on population determined pursuant to the new method
16 for both the fiscal year in which the allocation is made and the fiscal year
17 immediately preceding the year in which the allocation is made.

18 7. On or before February 15 of each year, the executive director shall
19 provide to each local government, special district and enterprise district a
20 preliminary estimate of the revenue it will receive from the account for that
21 fiscal year.

22 8. On or before March 15 of each year, the executive director shall:

23 (a) Make an estimate of the receipts from each tax included in the
24 account on an accrual basis for the next fiscal year in accordance with
25 generally accepted accounting principles, including an estimate for each
26 county of the receipts from each tax included in the account; and

27 (b) Provide to each local government, special district and enterprise
28 district an estimate of the amount that local government, special district or
29 enterprise district would receive based upon the estimate made pursuant to
30 paragraph (a) and calculated pursuant to the provisions of this section.

31 9. A local government, special district or enterprise district may use
32 the estimate provided by the executive director pursuant to subsection 8 in
33 the preparation of its budget.

34 **Secs. 3 and 4.** (Deleted by amendment.)

35 **Sec. 4.5.** Section 9 of chapter 661, Statutes of Nevada 1997, at page
36 3309, is hereby amended to read as follows:

37 Sec. 9. This act becomes effective on July 1, 1997, and expires by
38 limitation on July 1, ~~2001~~ 2005.

39 **Sec. 5.** (Deleted by amendment.)

40 **Sec. 5.5.** For the fiscal year beginning on July 1, 2001, the executive
41 director of the department of taxation shall increase the amount that would
42 otherwise be allocated to the City of Henderson pursuant to NRS 360.680
43 by \$4,000,000 and that amount must be included in the calculation of all
44 future allocations.

45 **Sec. 6.** (Deleted by amendment.)

46 **Sec. 6.5.** The advisory committee to the legislative committee to study
47 the distribution among local governments of revenue from state and local
48 taxes created pursuant to subsection 2 of NRS 218.53881 shall conduct a
49 study of the effects of the formula for the distribution of certain revenues



1 among local governments set forth in NRS 360.600 to 360.740, inclusive,
2 and the amendatory provisions of this act. The advisory committee shall
3 report its findings to the legislative committee to study the distribution
4 among local governments of revenue from state and local taxes on or
5 before October 1, 2002.

6 **Sec. 7.** The legislature hereby finds and declares that the provisions of
7 section 5.5 of this act are necessary to correct certain discrepancies in the
8 formula for the distribution of certain revenues set forth in section 35 of
9 chapter 660, Statutes of Nevada 1997, as that formula relates to the region
10 of this state encompassed generally by Clark County and the unique
11 patterns of growth that exist in that region, and therefore a general law
12 cannot be made applicable.

13 **Sec. 8.** 1. This section and sections 5.5, 6 and 7 of this act become
14 effective upon passage and approval.

15 2. Sections 1, 2, 3 to 5, inclusive, and 6.5 of this act become effective
16 on July 1, 2001.

17 3. Section 2 of this act expires by limitation on June 30, 2002.

18 4. Section 2.3 of this act becomes effective on July 1, 2002, and
19 expires by limitation on June 30, 2003.

20 5. Section 2.5 of this act becomes effective on July 1, 2003, and
21 expires by limitation on June 30, 2004.

22 6. Section 2.7 of this act becomes effective on July 1, 2004.

