

ASSEMBLY BILL NO. 376—ASSEMBLYMAN PERKINS

MARCH 23, 2005

Referred to Concurrent Committees on
Government Affairs and Ways and Means

SUMMARY—Provides for various benefits for members of Nevada National Guard who are called into active service.
(BDR 36-1072)

FISCAL NOTE: Effect on Local Government: Yes.
Effect on the State: Contains Appropriation not included
in Executive Budget.

~

EXPLANATION – Matter in **bolded italics** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to the uniformed services; creating the Patriot Relief Fund to provide reimbursement to certain members of the Nevada National Guard for the cost of premiums paid for coverage under certain policies of group life insurance and certain textbooks and to provide certain other monetary relief; increasing the number of days of paid leave of absence that a public employer is required to grant to a public officer or employee for certain military duty; providing for additional pay for state officers and employees who perform certain active military service in certain circumstances; applying the exemption for the gross receipts from the sale, storage, use or other consumption of tangible personal property sold to the State of Nevada, its unincorporated agencies and instrumentalities to certain members of the Nevada National Guard and certain relatives of such members; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Under existing federal law, a member of the Nevada National Guard who is
- 2 called into active service is eligible to purchase a policy of group life insurance
- 3 procured by the Federal Government that provides up to \$250,000 in benefits in the
- 4 event of the death of the member. (38 U.S.C. §§ 1965 et seq.)



* A B 3 7 6 R 1 *

This bill creates the Patriot Relief Fund to provide certain benefits to members of the Nevada National Guard. Such benefits consist of: (1) reimbursement for the cost of premiums paid by members called into active service to purchase such policies of life insurance from the Federal Government; (2) reimbursement for the cost of textbooks for a course of study in which a member is enrolled at an institution within the University and Community College System of Nevada; and (3) monetary relief for certain economic hardships. This bill also makes an appropriation to the Patriot Relief Fund in the amount of \$2,500,000 for the Fiscal Year 2005-2006 and \$2,500,000 for the Fiscal Year 2006-2007.

Existing law requires a public employer to grant a public officer or employee paid leave of absence of 15 working days each year for certain military duty. (NRS 281.145)

This bill increases the number of days of paid leave of absence required to be granted for such military duty to 39 working days each year.

This bill also provides statutorily for civil leave with reduced pay during any period in which a state officer or employee performs certain active military service. If the amount of pay that such an officer or employee receives for the active military service is less than the amount of pay that he would otherwise receive as a state officer or employee, the officer or employee is entitled to payment for the difference between those amounts. This bill also specifies that the calculation of such additional pay must be based on the base pay that the officer or employee receives for the active military service and must not include any other type of pay that the officer or employee is entitled to receive for the active military service, such as imminent danger pay and family separation allowance.

Existing law provides an exemption from the Sales and Use Tax Act of 1955 for the gross receipts from the sale of tangible personal property to the State of Nevada, its unincorporated agencies and instrumentalities. (NRS 372.325) The State of Nevada, its unincorporated agencies and instrumentalities are granted an identical exemption from the Local School Support Tax Law (NRS 374.330), which imposes an additional sales tax on retail sales for the support of local schools, and from various other sales and use tax laws, which incorporate the provisions of the Local School Support Tax Law. (NRS 354.705, 374A.020, 376A.060, 377.040, 377A.030, 377B.110 and 543.600 and various special and local acts)

This bill applies the existing exemption to the Sales and Use Tax Act, the Local School Support Tax Law and various other sales and use tax laws for the gross receipts from sales of tangible personal property to the State of Nevada, its unincorporated agencies and instrumentalities to: (1) members of the Nevada National Guard who are engaged in full-time National Guard duty or under an order to perform training or other duty; and (2) a relative of such a member who is related within the first degree of consanguinity or affinity to the member and who resides with the member.

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

Section 1. Chapter 412 of NRS is hereby amended by adding thereto a new section to read as follows:

1. There is hereby created in the State Treasury the Patriot Relief Fund to be administered by the Office.

2. The Patriot Relief Fund is a continuing fund without reversion. The money in the Patriot Relief Fund must be invested



1 *as the money in other state funds is invested. The interest and*
2 *income earned on the money in the Patriot Relief Fund, after*
3 *deducting any applicable charges, must be credited to the Patriot*
4 *Relief Fund. All claims against the Patriot Relief Fund must be*
5 *paid as other claims against the State are paid.*

6 *3. The Office may accept gifts, grants and donations from*
7 *any source for deposit in the Patriot Relief Fund.*

8 *4. The money in the Patriot Relief Fund may only be used to*
9 *provide:*

10 *(a) Reimbursement to members of the Nevada National Guard*
11 *for the cost of:*

12 *(1) Premiums on a policy of group life insurance purchased*
13 *pursuant to the provisions of 38 U.S.C. §§ 1965 et seq.; and*

14 *(2) Textbooks required for a course of study in which the*
15 *member is enrolled at an institution within the University and*
16 *Community College System of Nevada; and*

17 *(b) Monetary relief from economic hardships experienced by*
18 *members of the Nevada National Guard who have been called into*
19 *active service.*

20 *5. The Adjutant General shall adopt any regulations*
21 *necessary to determine eligibility for reimbursement or monetary*
22 *relief from the Patriot Relief Fund and to carry out a program to*
23 *provide such reimbursement and monetary relief.*

24 **Sec. 2.** NRS 281.145 is hereby amended to read as follows:

25 281.145 Any public officer or employee of the State or any
26 agency thereof, or of a political subdivision or an agency of a
27 political subdivision, who is an active member of the United States
28 Army Reserve, the United States Naval Reserve, the United States
29 Marine Corps Reserve, the United States Coast Guard Reserve, the
30 United States Air Force Reserve, or the Nevada National Guard
31 must be relieved from his duties, upon his request, to serve under
32 orders without loss of his regular compensation for a period of not
33 more than ~~145~~ 39 working days in any 1 calendar year. No such
34 absence may be a part of the employee's annual vacation provided
35 for by law.

36 **Sec. 3.** Chapter 284 of NRS is hereby amended by adding
37 thereto a new section to read as follows:

38 *1. An officer or employee in the public service who performs*
39 *active military service in the Armed Forces of the United States or*
40 *any other category of persons designated by the President of the*
41 *United States or the Governor of this State, including, without*
42 *limitation, the Commissioned Corps of the United States Public*
43 *Health Service, in time of war or emergency is entitled to civil*
44 *leave with reduced pay for the period of such service.*



2. *The pay that an officer or employee is entitled to receive pursuant to this section is the difference between the pay that he would have otherwise received as an officer or employee and his pay for active military service. If his pay for active military service is greater than the pay that he would have otherwise received as an officer or employee, the officer or employee is not entitled to receive any additional pay pursuant to this section while he performs active military service.*

3. *As used in this section, "pay for active military service" means the base pay that a person receives for active military service as determined by the rank or grade of the person. The term does not include any other type of pay that a person may be entitled to receive for active military service, including, without limitation, imminent danger pay or family separation allowance.*

Sec. 4. Chapter 372 of NRS is hereby amended by adding thereto the provisions set forth as sections 5 and 6 of this act.

Sec. 5. *In administering the provisions of NRS 372.325, the Department shall apply the exemption for the sale of tangible personal property to the State of Nevada, its unincorporated agencies and instrumentalities to include all tangible personal property that is sold to:*

1. *A member of the Nevada National Guard who is:*

(a) *Engaged in full-time National Guard duty, as defined in 10 U.S.C. § 101(d)(5); or*

(b) *Under an order to perform training or other duty pursuant to 32 U.S.C. § 502(f).*

2. *A relative of a member of the Nevada National Guard eligible for the exemption pursuant to subsection 1 who:*

(a) *Resides in the same home or dwelling in this State as the member; and*

(b) *Is related by blood, adoption or marriage within the first degree of consanguinity or affinity to the member.*

Sec. 6. 1. *A person who wishes to claim an exemption pursuant to section 5 of this act must file an application with the Department to obtain a letter of exemption. The application must be on a form and contain such information as is required by the Department.*

2. *If the Department determines that a person is eligible for the exemption provided pursuant to section 5 of this act, the Department shall issue a letter of exemption to the person. The letter of exemption expires on the date on which the person no longer meets the qualifications for eligibility.*

3. *To claim an exemption pursuant to section 5 of this act for the sale of tangible personal property to such a person:*



1 (a) The person must provide a copy of the letter of exemption
2 to the retailer from whom the person purchases the property; and

3 (b) The retailer must retain and present upon request a copy of
4 the letter of exemption to the Department.

5 4. The Department shall adopt such regulations as are
6 necessary to carry out the provisions of this section.

7 Sec. 7. Chapter 374 of NRS is hereby amended by adding
8 thereto the provisions set forth as sections 8 and 9 of this act.

9 Sec. 8. In administering the provisions of NRS 374.330, the
10 Department shall apply the exemption for the sale of tangible
11 personal property to the State of Nevada, its unincorporated
12 agencies and instrumentalities to include all tangible personal
13 property that is sold to:

14 1. A member of the Nevada National Guard who is:

15 (a) Engaged in full-time National Guard duty, as defined in 10
16 U.S.C. § 101(d)(5); or

17 (b) Under an order to perform training or other duty pursuant
18 to 32 U.S.C. § 502(f).

19 2. A relative of a member of the Nevada National Guard
20 eligible for the exemption pursuant to subsection 1 who:

21 (a) Resides in the same home or dwelling in this State as the
22 member; and

23 (b) Is related by blood, adoption or marriage within the first
24 degree of consanguinity or affinity to the member.

25 Sec. 9. 1. A person who wishes to claim an exemption
26 pursuant to section 8 of this act must file an application with the
27 Department to obtain a letter of exemption. The application must
28 be on a form and contain such information as is required by the
29 Department.

30 2. If the Department determines that a person is eligible for
31 the exemption provided pursuant to section 8 of this act, the
32 Department shall issue a letter of exemption to the person. The
33 letter of exemption expires on the date on which the person no
34 longer meets the qualifications for eligibility.

35 3. To claim an exemption pursuant to section 8 of this act, for
36 the sale of tangible personal property to such a person:

37 (a) The person must provide a copy of the letter of exemption
38 to the retailer from whom the person purchases the property; and

39 (b) The retailer must retain and present upon request a copy of
40 the letter of exemption to the Department.

41 4. The Department shall adopt such regulations as are
42 necessary to carry out the provisions of this section.



1 **Sec. 10.** There is hereby appropriated from the State General
2 Fund to the Nevada National Guard Life Insurance Reimbursement
3 Trust Fund created pursuant to section 1 of this act:

4 For the Fiscal Year 2005-2006..... \$2,500,000

5 For the Fiscal Year 2006-2007..... \$2,500,000

6 **Sec. 11.** This act becomes effective on July 1, 2005.



