

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.

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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 the uniformed services; creating the Patriot Relief Account to provide reimbursements 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; 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:

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

This bill creates the Patriot Relief Account 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)



9 reimbursement for the cost of textbooks for a course of study in which a member is
10 enrolled at an institution within the University and Community College System of
11 Nevada; and (3) monetary relief for certain economic hardships. This bill also
12 makes an appropriation to the Patriot Relief Account in the amount of \$500,000 for
13 the Fiscal Year 2005-2006 and \$500,000 for the Fiscal Year 2006-2007.

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

24 Existing law provides an exemption from the Sales and Use Tax Act of 1955
25 for the gross receipts from the sale of tangible personal property to the State of
26 Nevada, its unincorporated agencies and instrumentalities. (NRS 372.325) The
27 State of Nevada, its unincorporated agencies and instrumentalities are granted an
28 identical exemption from the Local School Support Tax Law (NRS 374.330),
29 which imposes an additional sales tax on retail sales for the support of local
30 schools, and from various other sales and use tax laws, which incorporate the
31 provisions of the Local School Support Tax Law. (NRS 354.705, 374A.020,
32 376A.060, 377.040, 377A.030, 377B.110 and 543.600 and various special and local
33 acts)

34 This bill applies the existing exemption to the Sales and Use Tax Act, the Local
35 School Support Tax Law and various other sales and use tax laws for the gross
36 receipts from sales of tangible personal property to the State of Nevada, its
37 unincorporated agencies and instrumentalities to: (1) members of the Nevada
38 National Guard who are engaged in full-time National Guard duty; and (2) a
39 relative of such a member who is related within the first degree of consanguinity or
40 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:

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

3 ***1. The Patriot Relief Account is hereby created as a special***
4 ***account in the State General Fund.***

5 ***2. The money in the Patriot Relief Account does not lapse to***
6 ***the State General Fund at the end of any fiscal year. The interest***
7 ***and income earned on the money in the Patriot Relief Account,***
8 ***after deducting any applicable charges, must be credited to the***
9 ***Account. All claims against the Patriot Relief Account must be***
10 ***paid as other claims against the State are paid.***

11 ***3. The Office may accept gifts, grants and donations from***
12 ***any source for deposit in the Patriot Relief Account.***

13 ***4. The money in the Patriot Relief Account may only be used***
14 ***to provide:***



1 (a) *Reimbursement to members of the Nevada National Guard*
2 *for the cost of:*

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

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

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

11 5. *The Adjutant General shall adopt any regulations*
12 *necessary to determine eligibility for reimbursement or monetary*
13 *relief from the Patriot Relief Fund and to carry out a program to*
14 *provide such reimbursement and monetary relief.*

15 **Sec. 2.** Chapter 284 of NRS is hereby amended by adding
16 thereto a new section to read as follows:

17 1. *An officer or employee in the public service who performs*
18 *active military service in the Armed Forces of the United States or*
19 *any other category of persons designated by the President of the*
20 *United States or the Governor of this State, including, without*
21 *limitation, the Commissioned Corps of the United States Public*
22 *Health Service, in time of war or emergency is entitled to civil*
23 *leave with reduced pay for the period of such service.*

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

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

38 **Sec. 3.** Chapter 372 of NRS is hereby amended by adding
39 thereto the provisions set forth as sections 4 and 5 of this act.

40 **Sec. 4.** *In administering the provisions of NRS 372.325, the*
41 *Department shall apply the exemption for the sale of tangible*
42 *personal property to the State of Nevada, its unincorporated*
43 *agencies and instrumentalities to include all tangible personal*
44 *property that is sold to:*



1 1. A member of the Nevada National Guard who is engaged
2 in full-time National Guard duty, as defined in 10 U.S.C. §
3 101(d)(5).

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

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

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

10 Sec. 5. 1. A person who wishes to claim an exemption
11 pursuant to section 4 of this act must file an application with the
12 Department to obtain a letter of exemption. The application must
13 be on a form and contain such information as is required by the
14 Department.

15 2. If the Department determines that a person is eligible for
16 the exemption provided pursuant to section 4 of this act, the
17 Department shall issue a letter of exemption to the person. The
18 letter of exemption expires on the date on which the person no
19 longer meets the qualifications for eligibility.

20 3. To claim an exemption pursuant to section 4 of this act for
21 the sale of tangible personal property to such a person:

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

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

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

28 Sec. 6. Chapter 374 of NRS is hereby amended by adding
29 thereto the provisions set forth as sections 7 and 8 of this act.

30 Sec. 7. In administering the provisions of NRS 374.330, the
31 Department shall apply the exemption for the sale of tangible
32 personal property to the State of Nevada, its unincorporated
33 agencies and instrumentalities to include all tangible personal
34 property that is sold to:

35 1. A member of the Nevada National Guard who is engaged
36 in full-time National Guard duty, as defined in 10 U.S.C. §
37 101(d)(5).

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

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

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

44 Sec. 8. 1. A person who wishes to claim an exemption
45 pursuant to section 7 of this act must file an application with the



1 *Department to obtain a letter of exemption. The application must*
2 *be on a form and contain such information as is required by the*
3 *Department.*

4 *2. If the Department determines that a person is eligible for*
5 *the exemption provided pursuant to section 7 of this act, the*
6 *Department shall issue a letter of exemption to the person. The*
7 *letter of exemption expires on the date on which the person no*
8 *longer meets the qualifications for eligibility.*

9 *3. To claim an exemption pursuant to section 7 of this act, for*
10 *the sale of tangible personal property to such a person:*

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

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

15 *4. The Department shall adopt such regulations as are*
16 *necessary to carry out the provisions of this section.*

17 **Sec. 9.** There is hereby appropriated from the State General
18 Fund to the Patriot Relief Account created pursuant to section 1 of
19 this act:

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

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

22 **Sec. 10.** This act becomes effective on July 1, 2005.



