

ASSEMBLY BILL NO. 418—COMMITTEE ON
GROWTH AND INFRASTRUCTURE

(ON BEHALF OF CLARK COUNTY)

MARCH 24, 2005

Referred to Committee on Growth and Infrastructure

SUMMARY—Authorizes Board of County Commissioners of Clark County to increase sales tax to employ and equip additional police officers. (BDR S-413)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: 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 taxation; authorizing the Board of County Commissioners of Clark County to increase sales and use tax to employ and equip additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department; 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.** This act may be cited as the Clark County Sales and
2 Use Tax Act of 2005.
3 **Sec. 2.** The Legislature hereby finds and declares that:
4 1. Nevada continues to be the fastest-growing state in the
5 nation, with the overwhelming majority of this population growth
6 occurring in Clark County, which adds 6,000 to 7,000 new residents
7 each month;
8 2. The increase in the number of police officers to protect the
9 residents of Clark County has not kept pace with the explosive
10 growth in the numbers of these residents, so, while the nation as a



1 whole averages 2.5 police officers for each 1,000 residents, the
2 current ratio in Clark County is now only 1.7 police officers for each
3 1,000 residents;

4 3. The crime rate in Clark County is increasing, and so is the
5 time it takes for police officers to respond when a resident reports a
6 crime, while the very real threat of terrorism means that police now
7 must assume added responsibilities for homeland security;

8 4. A majority of the voters in Clark County approved at the
9 November 2, 2004, general election Advisory Question No. 9,
10 indicating their support for an increase in the sales tax of up to one-
11 half of 1 percent for the purpose of employing and equipping more
12 police officers to protect the residents of Clark County;

13 5. It is intended that 80 percent of any additional police officers
14 employed and equipped pursuant to this act be assigned to uniform
15 operations for marked patrol units in the community and for the
16 control of traffic;

17 6. It is further intended that each police department that
18 receives proceeds from any sales and use tax imposed pursuant to
19 this act establish a program that promotes community participation
20 in protecting the residents of the community that includes, without
21 limitation:

22 (a) A written policy of the department that sets forth its position
23 on providing law enforcement services oriented toward the
24 involvement of residents of the community;

25 (b) The provision of training for all police officers employed by
26 the department that includes, without limitation, training related to:

27 (1) Methods that may be used to analyze, respond to and
28 solve problems commonly confronted by police officers in the
29 community;

30 (2) The cultural and racial diversity of the residents of the
31 community;

32 (3) The proper utilization of community resources, such as
33 local housing authorities, public utilities and local public officials,
34 that are available to assist in providing law enforcement services;
35 and

36 (4) Issues concerning not only the prevention of crime, but
37 also concerning improving the quality of life for the residents of the
38 community; and

39 (c) The formation of partnerships with the residents of the
40 community and public and private agencies and organizations to
41 address mutual concerns related to the provision of law enforcement
42 services;

43 7. A general law cannot be made applicable to the purposes,
44 objects, powers, rights, privileges, immunities, liabilities, duties and
45 disabilities provided in this act because of the demographic,



1 economic and geographic diversity of the local governments of this
2 State, the unique growth patterns occurring in Clark County and the
3 special financial conditions experienced in the County related to the
4 need to employ and equip more police officers; and

5 8. The powers, rights, privileges, immunities, liabilities, duties
6 and disabilities provided in this act comply in all respects with any
7 requirement or limitation pertaining thereto and imposed by any
8 constitutional provisions.

9 **Sec. 3.** Except as otherwise provided in this act or unless the
10 context otherwise requires, terms used or referred to in this act have
11 the meanings ascribed to them in chapter 374 of NRS, as from time
12 to time amended, but the definitions in sections 4 to 8, inclusive, of
13 this act, unless the context otherwise requires, govern the
14 construction of this act.

15 **Sec. 4.** "Act" means the Clark County Sales and Use Tax Act
16 of 2005.

17 **Sec. 5.** "Board" means the Board of County Commissioners of
18 Clark County.

19 **Sec. 6.** "County" means Clark County.

20 **Sec. 7.** "County Treasurer" means the County Treasurer of
21 Clark County.

22 **Sec. 8.** "Department" means the Department of Taxation
23 created pursuant to NRS 360.120.

24 **Sec. 9.** 1. The Board may enact an ordinance imposing a
25 local sales and use tax to employ and equip additional police
26 officers for the Boulder City Police Department, Henderson Police
27 Department, Las Vegas Metropolitan Police Department, Mesquite
28 Police Department and North Las Vegas Police Department.

29 2. Before enacting such an ordinance, the Board shall hold a
30 public hearing to present its plan for implementing the local sales
31 and use tax.

32 3. The proceeds from the tax authorized pursuant to this
33 section, including interest and other income earned thereon, must
34 be:

35 (a) Allocated among the police departments within the County
36 in the same ratio that the population served by each department
37 bears to the total population of the County. As used in this
38 paragraph, "population" means the estimated annual population
39 determined pursuant to NRS 360.283.

40 (b) Used only as approved pursuant to section 13 of this act and
41 only for the purposes set forth in this section unless the Legislature
42 changes the use. The Board shall, before submitting to the
43 Legislature any request to change the uses for the proceeds from the
44 tax, submit an advisory question to the voters of the County
45 pursuant to NRS 293.482, asking whether the uses for the proceeds



1 from the tax should be so changed. The Board shall not submit such
2 a request to the Legislature if a majority of the voters in the County
3 disapprove the proposed change.

4 **Sec. 10.** An ordinance enacted pursuant to this act must
5 include provisions in substance as follows:

6 1. A provision imposing a tax on the gross receipts of any
7 retailer from the sale of all tangible personal property sold at retail
8 or stored, used or otherwise consumed in the County, including
9 incorporated cities in the County, at a rate of:

10 (a) One-quarter of 1 percent if the date on which the tax must
11 first be imposed is on October 1, 2005; and

12 (b) Up to an additional one-quarter of 1 percent if the date on
13 which the increased rate must first be imposed is on or after
14 October 1, 2009, and if the Legislature first approves the increased
15 rate,

16 ➡ the total rate not to exceed one-half of 1 percent.

17 2. Provisions substantially identical to those contained in
18 chapter 374 of NRS, insofar as applicable.

19 3. A provision that an amendment to chapter 374 of NRS
20 enacted after the effective date of the ordinance, not inconsistent
21 with this act, automatically becomes part of the ordinance imposing
22 the tax.

23 4. A provision that the Board shall contract with the
24 Department, before the effective date of the ordinance, to perform
25 all the functions incident to the administration or operation of the
26 tax in the County.

27 5. A provision that exempts from the tax the gross receipts
28 from the sale of, and the storage, use or other consumption in the
29 County, including incorporated cities in the County, of, tangible
30 personal property used for the performance of a written contract for
31 the construction of an improvement to real property:

32 (a) That was entered into on or before the effective date of the
33 tax; or

34 (b) For which a binding bid was submitted before that date if the
35 bid was afterward accepted, and pursuant to the terms of the
36 contract or bid, the contract price or bid amount may not be adjusted
37 to reflect the imposition of the tax.

38 6. A provision that specifies the date on which the tax must
39 first be imposed, which must not be earlier than the first day of the
40 second calendar month following the effective date of the ordinance.

41 **Sec. 11.** (Deleted by amendment.)

42 **Sec. 12.** An ordinance amending an ordinance enacted
43 pursuant to this act, except an ordinance authorizing the issuance of
44 bonds or other securities, must include a provision in substance that
45 the Board shall amend a contract made pursuant to subsection 4 of



1 section 10 of this act by a contract made between the Board and the
2 Department before the effective date of the amendatory ordinance,
3 unless the Board determines with the written concurrence of the
4 Department that no such amendment of the contract is needed.

5 **Sec. 13.** 1. A police department shall not expend proceeds
6 received from any sales and use tax imposed pursuant to this act
7 unless the expenditure has been approved by the body designated
8 pursuant to this section for the approval of expenditures of that
9 police department. The body designated pursuant to this section
10 must approve the expenditure of the proceeds by the police
11 department if it determines that:

12 (a) The proposed use of the money conforms to all provisions of
13 this act; and

14 (b) The proposed use will not replace or supplant existing
15 funding for the police department.

16 2. The body designated to approve an expenditure for:

17 (a) The Boulder City Police Department is the City Council of
18 the City of Boulder City;

19 (b) The Henderson Police Department is the City Council of the
20 City of Henderson;

21 (c) The Las Vegas Metropolitan Police Department is the
22 Metropolitan Police Committee on Fiscal Affairs;

23 (d) The Mesquite Police Department is the City Council of the
24 City of Mesquite; and

25 (e) The North Las Vegas Police Department is the City Council
26 of the City of North Las Vegas.

27 3. In determining whether a proposed use meets the
28 requirement set forth in paragraph (b) of subsection 1, a body
29 designated pursuant to paragraph (a), (b), (d) or (e) of subsection 2,
30 shall determine whether the amount approved for expenditure by the
31 body for the fiscal year for the support of the police department, not
32 including any money received or expended pursuant to this act, is
33 equal to or greater than the amount approved for expenditure in the
34 immediately preceding fiscal year for the support of the police
35 department.

36 4. In determining whether a proposed use meets the
37 requirements set forth in paragraph (b) of subsection 1, a body
38 designated pursuant to paragraph (c) of subsection 2 shall determine
39 whether:

40 (a) The amount approved for expenditure by the City of Las
41 Vegas for the fiscal year for the support of the police department,
42 not including any money received or expended pursuant to this act
43 or any money collected pursuant to an additional ad valorem tax
44 approved by the voters pursuant to NRS 280.265, is equal to or
45 greater than the amount determined by multiplying the sum of the



1 amounts approved for expenditure by both the City of Las Vegas
2 and Clark County for the support of the police department during
3 the immediately preceding fiscal year by the percentage of the
4 expense of the operating and maintaining the police department
5 apportioned to the City of Las Vegas for the fiscal year pursuant to
6 NRS 280.201; and

7 (b) The amount approved for expenditure by the County for the
8 fiscal year for the support of the police department, not including
9 any money received or expended pursuant to this act or any money
10 collected pursuant to an additional ad valorem tax approved by the
11 voters pursuant to NRS 280.265, is equal to or greater than the
12 amount determined by multiplying the sum of the amounts approved
13 for expenditure by both the City of Las Vegas and the County for
14 the support of the police department during the immediately
15 preceding fiscal year by the percentage of the expense of operating
16 and maintaining the police department apportioned to the County for
17 the fiscal year pursuant to NRS 280.210.

18 **Sec. 14.** 1. All fees, taxes, interest and penalties imposed and
19 all amounts of tax required to be paid to the County pursuant to this
20 act must be paid to the Department in the form of remittances
21 payable to the Department.

22 2. The Department shall deposit the payments with the State
23 Treasurer for credit to the Sales and Use Tax Account in the State
24 General Fund.

25 3. The State Controller, acting upon the collection data
26 furnished by the Department, shall monthly:

27 (a) Transfer from the Sales and Use Tax Account to the
28 appropriate account in the State General Fund a percentage of all
29 fees, taxes, interest and penalties collected pursuant to this act
30 during the preceding month as compensation to the State for the cost
31 of collecting the tax. The percentage to be transferred pursuant to
32 this paragraph must be the same percentage as the percentage of
33 proceeds transferred pursuant to paragraph (a) of subsection 3 of
34 NRS 374.785, but the percentage must be applied to the proceeds
35 collected pursuant to this act only.

36 (b) Determine the amount equal to all fees, taxes, interest and
37 penalties collected in or for the County pursuant to this act during
38 the preceding month, less the amount transferred to the State
39 General Fund pursuant to paragraph (a).

40 (c) Transfer the amount determined pursuant to paragraph (b) to
41 the Intergovernmental Fund and remit the money to the County
42 Treasurer.

43 **Sec. 15.** The Department may redistribute any proceeds from
44 the tax, interest or penalty collected pursuant to this act which is
45 determined to be improperly distributed, but no such redistribution



1 may be made as to amounts originally distributed more than 6
2 months before the date on which the Department obtains knowledge
3 of the improper distribution.

4 **Sec. 16.** 1. The County Treasurer shall deposit money
5 received from the State Controller pursuant to paragraph (c) of
6 subsection 3 of section 14 of this act into the County Treasury for
7 credit to a fund created for the use of the proceeds from the tax
8 authorized by this act.

9 2. The fund of the County created for the use of the proceeds
10 from the tax authorized by this act must be accounted for as a
11 separate fund and not as a part of any other fund.

12 3. The County Treasurer upon receipt of the money remitted to
13 him pursuant to this section shall distribute it to the appropriate
14 accounts in accordance with the allotments established pursuant to
15 section 9 of this act.

16 **Sec. 17.** 1. The City Treasurers of Boulder City, Henderson,
17 Mesquite and North Las Vegas and the Las Vegas Metropolitan
18 Police Department shall deposit the money received from the
19 County Treasurer pursuant to subsection 3 of section 16 of this act
20 into a special revenue fund created for the use of the proceeds from
21 the tax authorized by this act.

22 2. Each special revenue fund created for the use of the
23 proceeds from the tax authorized by this act pursuant to subsection 1
24 must be accounted for as a separate fund and not as a part of any
25 other fund.

26 3. Interest earned on a special revenue fund created pursuant to
27 subsection 1 must be credited to the fund. The money in each such
28 fund must remain in the fund and must not revert to the County
29 Treasury at the end of any fiscal year.

30 **Secs. 18-19.** (Deleted by amendment.)

31 **Sec. 20.** In a proceeding arising from an ordinance imposing a
32 tax pursuant to this act, the Department may act for and on behalf of
33 the County.

34 **Sec. 21.** 1. The powers conferred by this act are in addition
35 and supplemental to, and not in substitution for, the powers
36 conferred by any other law and the limitations imposed by this act
37 do not affect the powers conferred by any other law.

38 2. This act must not be construed to prevent the exercise of any
39 power granted by any other law to the County or any officer, agent
40 or employee of the County.

41 3. This act must not be construed to repeal or otherwise affect
42 any other law or part thereof.

43 4. This act is intended to provide a separate method of
44 accomplishing the objectives of the act, but not an exclusive
45 method.



1 5. If any provision of this act, or application thereof to any
2 person, thing or circumstance, is held invalid, the invalidity shall not
3 affect the provisions or application of this act which can be given
4 effect without the invalid provision or application, and to this end
5 the provisions of this act are declared to be severable.

6 **Sec. 22.** (Deleted by amendment.)

7 **Sec. 23.** 1. This act becomes effective:

8 (a) Upon passage and approval for the purposes of enacting
9 ordinances and performing any other preparatory administrative
10 tasks that are necessary to carry out the provisions of this act; and

11 (b) On October 1, 2005, for all other purposes.

12 2. This act expires by limitation on October 1, 2025.

