

SENATE BILL NO. 5—COMMITTEE ON FINANCE

(ON BEHALF OF THE COMMISSION ON TOURISM)

PREFILED JANUARY 26, 2005

Referred to Committee on Finance

SUMMARY—Revises provisions relating to certain money received, administered and disbursed by Committee for the Development of Projects Relating to Tourism. (BDR 18-383)

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 tourism; revising the manner in which the Committee for the Development of Projects Relating to Tourism receives, administers and disburses certain money relating to the Grant Program administered by the Committee; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law creates the Committee for the Development of Projects Relating to
2 Tourism, which provides grants to counties, cities, and local and regional
3 organizations in this State to develop publicly owned property, facilities and
4 infrastructure to support and attract visitors to this State. (NRS 231.330, 231.360)
5 The grants are made from money in the state Fund for the Promotion of Tourism,
6 which consists, in part, of revenue from the mandatory room tax imposed by
7 counties and cities, and from gifts, grants and other money that is made available to
8 the Committee. (NRS 231.250, 231.360, 244.3354, 268.0962) Existing law requires
9 the State Controller, upon request by the Committee, to transfer all money made
10 available to the Committee for its use in making grants to a special account in the
11 State General Fund, which is administered by the Committee. (NRS 231.360)

12 This bill requires the Committee for the Development of Projects Relating to
13 Tourism to administer the Fund for the Promotion of Tourism and, in relevant part,
14 provides that gifts, grants and other money received for the development of projects
15 relating to tourism must be deposited in the Fund. This bill also removes the State
16 Controller from the process of transferring money to the Committee and instead
17 provides that the Committee, as administrator of the Fund, may provide grants of



money to counties, cities and local and regional organizations in this State for the development of projects relating to tourism, to the extent authorized by the Legislature or the Interim Finance Committee.

Existing law limits the amount of revenue from the mandatory room tax imposed by counties and cities that is deposited in the state Fund for the Promotion of Tourism which may be made available in any biennium to the Committee for making grants. (NRS 231.250, 231.360, 244.3354, 268.0962) Under existing law, the State Controller is prohibited from transferring the money that is made available to the Committee from the mandatory room tax to the special account in the State General Fund that is administered by the Committee unless the Interim Finance Committee approves the transfer. (NRS 231.360)

This bill removes the limitation on the amount of money that may be disbursed through the Grant Program administered by the Committee and eliminates transfers of money to the State General Fund.

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

Section 1. NRS 231.250 is hereby amended to read as follows:

231.250 **1.** The Fund for the Promotion of Tourism is hereby created as a special revenue Fund.

2. The Fund must be administered by the Committee for the Development of Projects Relating to Tourism created by NRS 231.350. The money in the Fund **and in any account in the Fund** is hereby appropriated for the support of the Commission on Tourism ~~and for such other purposes as may be provided by law to carry out the provisions of NRS 231.160 to 231.360, inclusive.~~

3. Gifts, grants and other money received for the development of projects relating to tourism must be deposited in the Fund.

4. Any interest earned on the money in the Fund must be credited to the Fund quarterly.

5. The money in the Fund does not revert to the State General Fund at the end of any fiscal year and must be carried forward to the next fiscal year.

Sec. 2. NRS 231.360 is hereby amended to read as follows:

231.360 **1. ~~The~~ To the extent authorized by the Legislature, or by the Interim Finance Committee in accordance with NRS 353.220, the Committee for the Development of Projects Relating to Tourism** may provide grants of money to counties, cities, and local and regional organizations in this State for the development of projects relating to tourism ~~to the extent that:~~

~~—(a) Money if money in the Fund for the Promotion of Tourism created by NRS 231.250 is made available for that purpose. Not more than \$200,000 of revenue from taxes on the gross receipts from the rental of transient lodging may be made available for that purpose in any biennium.~~



~~—(b) Gifts, grants or other money is made available for that purpose.~~

~~—2. Except as otherwise provided in this subsection, the State Controller shall, upon the request of the Committee, transfer to the State General Fund all money made available for the use of the Committee pursuant to subsection 1. All such money must be accounted for separately in the State General Fund. The State Controller shall not transfer any revenue from taxes on the gross receipts from the rental of transient lodging from the Fund for the Promotion of Tourism to the State General Fund unless the transfer is approved by the Interim Finance Committee.~~

~~—3.} 2. The Committee {shall administer the account created pursuant to subsection 2 and} may make **the** grants **described in subsection 1** only from {that account. Any interest earned on the money in the account must be credited to the account quarterly. The money in the account does not revert to the State General Fund at the end of any fiscal year and must be carried forward to the next fiscal year.~~

~~—4.} ***the Fund for the Promotion of Tourism created by NRS 231.250.***~~

3. The Committee shall:

(a) Develop and administer the Grant Program ; ~~{for the Development of Projects Relating to Tourism;}~~

(b) Establish guidelines for the submission and review of applications to receive money from the Grant Program;

(c) Establish the criteria for eligibility to receive money from the Grant Program; and

(d) Consider and approve or disapprove applications for money from the Grant Program.

~~{5.} 4.~~ Except as otherwise provided in subsection ~~{6.} 5~~, as a condition of eligibility for a grant from the Committee pursuant to this section, an applicant must provide an amount of money, at least equal to the amount of the grant, for the same purpose.

~~{6.} 5.~~ If an applicant for a grant is from a county whose population is less than 100,000 and the Committee determines that the applicant is financially unable to provide the matching money otherwise required by subsection ~~{5.} 4~~, the Committee may provide a grant with less than equal matching money provided by the applicant.

Sec. 3. This act becomes effective on July 1, 2005.



