

SENATE BILL NO. 196—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE DEPARTMENT OF CULTURAL AFFAIRS)

MARCH 1, 2007

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to organizations for the promotion of culture. (BDR 18-548)

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 organizations for the promotion of culture; limiting the total face amount of bonds that the Commission for Cultural Affairs may issue annually to provide financial assistance for the preservation and promotion of cultural resources; exempting artifacts donated to the Department of Cultural Affairs from the procedures otherwise applicable to state agencies for the acceptance of gifts or grants of property or services; exempting certain property from taxation; changing the name of the Nevada State Museum and Historical Society; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Commission for Cultural Affairs to provide financial assistance, in an amount not to exceed \$3,000,000 per year from the proceeds of bonds, to governmental entities and nonprofit corporations formed for educational and charitable purposes. (NRS 233C.220, 233C.225) **Section 1** of this bill eliminates the \$3,000,000 annual cap on financial assistance that may be granted from the proceeds of bonds and provides instead that the face amount of the bonds issued annually to provide such financial assistance may not exceed \$3,000,000, thereby allowing additional bond sale proceeds or premiums to be used to provide financial assistance.

Section 3 of this bill exempts artifacts donated to the Department of Cultural Affairs from the procedures otherwise applicable to state agencies for the acceptance of gifts or grants of property or services. (NRS 353.335)



Section 4 of this bill provides an exemption from taxation for the Boulder City Museum and Historical Association.

Section 5 of this bill changes the name of the "Nevada State Museum and Historical Society" to the "Nevada State Museum Las Vegas." (NRS 120A.360, 381.004, 381.207)

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

Section 1. NRS 233C.225 is hereby amended to read as follows:

233C.225 1. The Commission shall determine annually the total amount of financial assistance it will grant from the proceeds of bonds issued pursuant to this section in that calendar year pursuant to NRS 233C.200 to 233C.230, inclusive. The Commission shall notify the State Board of Examiners and the State Board of Finance of that amount. ~~In no case may the amount to be granted from the proceeds of such bonds exceed \$3,000,000 per year.~~

2. After receiving the notice given pursuant to subsection 1, the State Board of Finance shall issue general obligation bonds of the State of Nevada in the amount necessary to generate the amount to be granted by the Commission from the proceeds of bonds issued pursuant to this section and to pay the expenses related to the issuance of the bonds. The expenses related to the issuance of bonds pursuant to this section must be paid from the proceeds of the bonds, and must not exceed 2 percent of the face amount of the bonds sold. *In no case may the total face amount of the bonds issued pursuant to this section exceed \$3,000,000 per year.* No public debt is created, within the meaning of Section 3 of Article 9 of the Constitution of the State of Nevada, until the issuance of the bonds.

3. The proceeds from the sale of the bonds authorized by this section, after deducting the expenses relating to the issuance of the bonds, must be deposited with the State Treasurer and credited to the Fund for the Preservation and Promotion of Cultural Resources.

4. The provisions of the State Securities Law, contained in chapter 349 of NRS, apply to the issuance of bonds pursuant to this section.

~~[5. The amount of financial assistance granted from the proceeds of bonds issued pursuant to this section must not exceed \$30,000,000 in any 10 year period. The total face amount of the bonds issued pursuant to this section must not exceed the sum of:~~

~~—(a) The amount of financial assistance granted pursuant to this section; and~~



~~(b) The amount necessary to pay the expenses related to the issuance of the bonds, which must not exceed 2 percent of the face amount of the bonds sold.]~~

Sec. 2. NRS 120A.360 is hereby amended to read as follows:

120A.360 1. Except as otherwise provided in subsections 4, 5 and 6, all abandoned property other than money delivered to the Administrator under this chapter must, within 2 years after the delivery, be sold by the Administrator to the highest bidder at public sale in whatever manner affords in his judgment the most favorable market for the property involved. The Administrator may decline the highest bid and reoffer the property for sale if he considers the price bid insufficient.

2. Any sale held under this section must be preceded by a single publication of notice thereof at least 2 weeks in advance of the sale in a newspaper of general circulation in the county where the property is to be sold.

3. The purchaser at any sale conducted by the Administrator pursuant to this chapter is vested with title to the property purchased, free from all claims of the owner or prior holder and of all persons claiming through or under them. The Administrator shall execute all documents necessary to complete the transfer of title.

4. The Administrator need not offer any property for sale if, in his opinion, the probable cost of the sale exceeds the value of the property. The Administrator may destroy or otherwise dispose of such property or may transfer it to:

(a) The Nevada ~~State~~ Museum ~~[and Historical Society,]~~ *Las Vegas*, the Nevada State Museum or the Nevada Historical Society, upon its written request, if the property has, in the opinion of the requesting institution, historical, artistic or literary value and is worthy of preservation;

(b) A genealogical library, upon its written request, if the property has genealogical value and is not wanted by the Nevada ~~State~~ Museum ~~[and Historical Society,]~~ *Las Vegas*, the Nevada State Museum or the Nevada Historical Society; or

(c) A veterans' or military museum, upon its written request, if the property has military or military historical value and is not wanted by the Nevada ~~State~~ Museum ~~[and Historical Society,]~~ *Las Vegas*, the Nevada State Museum or the Nevada Historical Society.

➤ An action may not be maintained by any person against the holder of the property because of that transfer, disposal or destruction.

5. Securities listed on an established stock exchange must be sold at the prevailing price for that security on the exchange at the time of sale. Other securities not listed on an established stock exchange may be sold:



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1 (a) Over the counter at the prevailing price for that security at
2 the time of sale; or

3 (b) By any other method the Administrator deems acceptable.

4 6. The Administrator shall hold property that was removed
5 from a safe-deposit box or other safekeeping repository for 1 year
6 after the date of the delivery of the property to the Administrator,
7 unless that property is a will or a codicil to a will, in which case the
8 Administrator shall hold the property for 10 years after the date of
9 the delivery of the property to the Administrator. If no claims are
10 filed for the property within that period, it may be destroyed.

11 **Sec. 3.** NRS 353.335 is hereby amended to read as follows:

12 353.335 1. Except as otherwise provided in subsections 5 and
13 6, a state agency may accept any gift or grant of property or services
14 from any source only if it is included in an act of the Legislature
15 authorizing expenditures of nonappropriated money or, when it is
16 not so included, if it is approved as provided in subsection 2.

17 2. If:

18 (a) Any proposed gift or grant is necessary because of an
19 emergency as defined in NRS 353.263 or for the protection or
20 preservation of life or property, the Governor shall take reasonable
21 and proper action to accept it and shall report the action and his
22 reasons for determining that immediate action was necessary to the
23 Interim Finance Committee at its first meeting after the action is
24 taken. Action by the Governor pursuant to this paragraph constitutes
25 acceptance of the gift or grant, and other provisions of this chapter
26 requiring approval before acceptance do not apply.

27 (b) The Governor determines that any proposed gift or grant
28 would be forfeited if the State failed to accept it before the
29 expiration of the period prescribed in paragraph (c), he may declare
30 that the proposed acceptance requires expeditious action by the
31 Interim Finance Committee. Whenever the Governor so declares,
32 the Interim Finance Committee has 15 days after the proposal is
33 submitted to its Secretary within which to approve or deny the
34 acceptance. Any proposed acceptance which is not considered
35 within the 15-day period shall be deemed approved.

36 (c) The proposed acceptance of any gift or grant does not qualify
37 pursuant to paragraph (a) or (b), it must be submitted to the Interim
38 Finance Committee. The Interim Finance Committee has 45 days
39 after the proposal is submitted to its Secretary within which to
40 consider acceptance. Any proposed acceptance which is not
41 considered within the 45-day period shall be deemed approved.

42 3. The Secretary shall place each request submitted to him
43 pursuant to paragraph (b) or (c) of subsection 2 on the agenda of the
44 next meeting of the Interim Finance Committee.



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4. In acting upon a proposed gift or grant, the Interim Finance Committee shall consider, among other things:

(a) The need for the facility or service to be provided or improved;

(b) Any present or future commitment required of the State;

(c) The extent of the program proposed; and

(d) The condition of the national economy, and any related fiscal or monetary policies.

5. A state agency may accept:

(a) Gifts, including grants from nongovernmental sources, not exceeding \$10,000 each in value; and

(b) Governmental grants not exceeding \$100,000 each in value, if the gifts or grants are used for purposes which do not involve the hiring of new employees and if the agency has the specific approval of the Governor or, if the Governor delegates this power of approval to the Chief of the Budget Division of the Department of Administration, the specific approval of the Chief.

6. This section does not apply to:

(a) The Nevada System of Higher Education; ~~for~~

(b) The Department of Health and Human Services while acting as the state health planning and development agency pursuant to paragraph (d) of subsection 2 of NRS 439A.081 or for donations, gifts or grants to be disbursed pursuant to NRS 433.395 ~~or~~; or

(c) *Artifacts donated to the Department of Cultural Affairs.*

Sec. 4. NRS 361.110 is hereby amended to read as follows:

361.110 1. Except as otherwise provided in subsection 2, the buildings, with their furniture and equipment, and the lots of ground on which they stand, used therewith and necessary thereto, of the Nevada Museum of Art, Inc., *the Boulder City Museum and Historical Association*, the Young Men's Christian Association, the Young Women's Christian Association, the American National Red Cross or any of its chapters in the State of Nevada, the Salvation Army Corps, the Girl Scouts of America, the Camp Fire Girls, Inc., the Boy Scouts of America and the Sierra Arts Foundation are exempt from taxation.

2. If any property exempt from taxation pursuant to subsection 1 is used for purposes other than those of the organizations described in subsection 1, respectively, and a rent or other valuable consideration is received for its use, the property must be taxed, unless the rent or other valuable consideration is paid or given by an organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c)(3).

Sec. 5. NRS 381.004 is hereby amended to read as follows:

381.004 1. The Division of Museums and History is hereby created in the Department.



2. The Division consists of the Office of the Administrator and a state system of museums consisting of the following museums and historical societies, which are hereby established as institutions of the Division:

(a) The Nevada State Museum;

(b) The Lost City Museum;

(c) The Nevada *State* Museum ~~{and Historical Society;}~~ *Las Vegas;*

(d) The Nevada Historical Society;

(e) The East Ely Depot Museum;

(f) The Nevada State Railroad Museum in Carson City; and

(g) The Nevada State Railroad Museum in Boulder City.

3. Each institution shall, in accordance with the duties assigned to it by the Administrator, collect, preserve and interpret the history, prehistory and natural history of this State.

Sec. 6. NRS 381.207 is hereby amended to read as follows:

381.207 1. The holder of a permit, except as otherwise provided in subsections 2 and 3, who does work upon aboriginal mounds and earthworks, ancient burial grounds, prehistoric sites, deposits of fossil bones or other archeological and vertebrate paleontological features within the State shall give to the State 50 percent of all articles, implements and materials found or discovered, to be deposited with the Nevada State Museum, for exhibition or other use within the State as determined by the Museum Director. The Museum Director may accept less than 50 percent of such items. Upon receipt of items pursuant to this subsection, the Museum Director shall notify the Office of Historic Preservation.

2. The holder of a permit who does any such work within the State under the authority and direction of the Nevada Historical Society, the Nevada *State* Museum ~~{and Historical Society;}~~ *Las Vegas,* or an institution or political subdivision of the State shall give 50 percent of all articles, implements and materials found or discovered to the Society, institution or political subdivision. The holder of the permit may retain the other 50 percent.

3. If the Nevada Historical Society, the Nevada *State* Museum ~~{and Historical Society;}~~ *Las Vegas,* or an institution or political subdivision of the State is the holder of the permit, it may retain all articles, implements and materials found or discovered.

4. Whenever the Office of Historic Preservation acquires articles, implements and materials under the provisions of this section, they must be transferred to the Museum Director for exhibition or other use within the State as determined by the Museum Director.



1 **Sec. 7.** 1. Any administrative regulations adopted by an
2 officer, agency or other entity whose name has been changed or
3 whose responsibilities have been transferred pursuant to the
4 provisions of this act to another officer, agency or other entity
5 remain in force until amended by the officer, agency or other entity
6 to which the responsibility for the adoption of the regulations has
7 been transferred.

8 2. Any contracts or other agreements entered into by an officer,
9 agency or other entity whose name has been changed or whose
10 responsibilities have been transferred pursuant to the provisions of
11 this act to another officer, agency or other entity are binding upon
12 the officer, agency or other entity to which the responsibility for the
13 administration of the provisions of the contract or other agreement
14 has been transferred. Such contracts and other agreements may be
15 enforced by the officer, agency or other entity to which the
16 responsibility for the enforcement of the provisions of the contract
17 or other agreement has been transferred.

18 3. Any action taken by an officer, agency or other entity whose
19 name has been changed or whose responsibilities have been
20 transferred pursuant to the provisions of this act to another officer,
21 agency or other entity remains in effect as if taken by the officer,
22 agency or other entity to which the responsibility for the
23 enforcement of such actions has been transferred.

24 **Sec. 8.** The Legislative Counsel shall:

25 1. In preparing the reprint and supplements to the Nevada
26 Revised Statutes, appropriately change any references to an officer,
27 agency or other entity whose name is changed or whose
28 responsibilities have been transferred pursuant to the provisions of
29 this act to refer to the appropriate officer, agency or other entity.

30 2. In preparing supplements to the Nevada Administrative
31 Code, appropriately change any references to an officer, agency or
32 other entity whose name is changed or whose responsibilities are
33 transferred pursuant to the provisions of this act to refer to the
34 appropriate officer, agency or other entity.

35 **Sec. 9.** This act becomes effective upon passage and approval.

