

SENATE BILL NO. 246—SENATOR TOWNSEND

MARCH 12, 2007

Referred to Committee on Commerce and Labor

**SUMMARY**—Restricts and takes away authority of cities and counties to impose franchise fees and other similar fees upon certain public utilities. (BDR 58-235)

**FISCAL NOTE:** Effect on Local Government: May have Fiscal Impact.  
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 public utilities; restricting and taking away the authority of cities and counties to impose franchise fees and other similar fees upon certain public utilities; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law authorizes cities and counties to impose franchise fees and similar fees upon public utilities. (NRS 244.335, 268.088, 268.095, 709.050, 711.200) **Sections 8 and 9** of this bill provide for an annual reduction of applicable franchise fees and similar fees beginning on July 1, 2009, until the fees are completely eliminated on July 1, 2014. **Sections 1-5** of this bill require the franchise fees and similar fees authorized by these sections to be reduced and eliminated in accordance with **sections 8 and 9**. **Section 7** of this bill expands the definition of “fee” to apply more broadly to franchise fees and similar fees and then exempts from this newly broadened definition the surcharges for emergency (“911”) calls. **Section 11** of this bill repeals those sections of NRS which become superfluous after the elimination of franchise fees and similar fees in accordance with **sections 8 and 9**. **Section 12** of this bill provides transitory language to address the applicability of this bill to existing and future agreements and ordinances and to address conflicts between this bill and such agreements and ordinances.

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

**Section 1.** NRS 709.050 is hereby amended to read as follows:  
709.050 1. The board of county commissioners may grant to any person, company, corporation or association the franchise, right and privilege to construct, install, operate and maintain street



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1 railways, electric light, heat and power lines, gas and water mains,  
2 telephone and telegraph lines, and all necessary or proper appliances  
3 used in connection therewith or appurtenant thereto, in the streets,  
4 alleys, avenues and other places in any unincorporated town in the  
5 county, and along the public roads and highways of the county,  
6 when the applicant complies with the terms and provisions of NRS  
7 709.050 to 709.170, inclusive.

8 2. The board of county commissioners shall not:

9 (a) Impose any terms or conditions on a franchise granted  
10 pursuant to subsection 1 for the provision of telecommunications  
11 service or interactive computer service other than terms or  
12 conditions concerning ~~the~~ :

13 (1) *The* placement and location of the telephone or telegraph  
14 lines ; and

15 (2) *Except as otherwise provided in NRS 354.59883*, fees  
16 imposed for a business license or the franchise, right or privilege to  
17 construct, install or operate such lines.

18 (b) Require a company that provides telecommunications  
19 service or interactive computer service to obtain a franchise if it  
20 provides telecommunications service over the telephone or telegraph  
21 lines owned by another company.

22 3. As used in NRS 709.050 to 709.170, inclusive:

23 (a) "Interactive computer service" has the meaning ascribed to it  
24 in 47 U.S.C. § 230(e)(2), as that section existed on July 16, 1997.

25 (b) "Street railway" means:

26 (1) A system of public transportation operating over fixed  
27 rails on the surface of the ground; or

28 (2) An overhead or underground system, other than a  
29 monorail, used for public transportation.

30 ➡ The term does not include a super speed ground transportation  
31 system as defined in NRS 705.4292.

32 (c) "Telecommunications service" has the meaning ascribed to it  
33 in 47 U.S.C. § 153(46), as that section existed on July 16, 1997.

34 4. As used in this section, "monorail" has the meaning ascribed  
35 to it in NRS 705.650.

36 **Sec. 2.** NRS 711.200 is hereby amended to read as follows:

37 711.200 1. The total amount of fees paid in any one year to a  
38 local government for a franchise must not exceed ~~[5 percent of]~~ *the*  
39 *amount permitted by NRS 354.59883, as calculated using* the  
40 company's gross revenue for the preceding year.

41 2. In determining the gross revenue of a company , the  
42 governing body shall:

43 (a) Consider any applicable regulations of the Federal  
44 Communications Commission; and



(b) Deduct an amount equal to any fees or annual assessment paid by the company for the use of pay or premium channels.

**Sec. 3.** NRS 244.335 is hereby amended to read as follows:

244.335 1. Except as otherwise provided in subsections 2, 3 and 4, a board of county commissioners may:

(a) Except as otherwise provided in NRS 244.331 to 244.3345, inclusive, 598D.150 and 640C.100, regulate all character of lawful trades, callings, industries, occupations, professions and business conducted in its county outside of the limits of incorporated cities and towns.

(b) Except as otherwise provided in NRS 244.3359 , 354.59883 and 576.128, fix, impose and collect a license tax for revenue or for regulation, or for both revenue and regulation, on such trades, callings, industries, occupations, professions and business.

2. The county license boards have the exclusive power in their respective counties to regulate entertainers employed by an entertainment by referral service and the business of conducting a dancing hall, escort service, entertainment by referral service or gambling game or device permitted by law, outside of an incorporated city. The county license boards may fix, impose and collect license taxes for revenue or for regulation, or for both revenue and regulation, on such employment and businesses.

3. A board of county commissioners shall not require that a person who is licensed as a contractor pursuant to chapter 624 of NRS obtain more than one license to engage in the business of contracting or pay more than one license tax related to engaging in the business of contracting, regardless of the number of classifications or subclassifications of licensing for which the person is licensed pursuant to chapter 624 of NRS.

4. The board of county commissioners or county license board shall not require a person to obtain a license or pay a license tax on the sole basis that the person is a professional. No license to engage in any type of business may be granted unless the applicant for the license signs an affidavit affirming that the business has complied with the provisions of NRS 360.780. The county license board shall provide upon request an application for a business license pursuant to NRS 360.780. As used in this subsection, "professional" means a person who:

(a) Holds a license, certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS 622.060, or who is regulated pursuant to the Nevada Supreme Court Rules; and

(b) Practices his profession for any type of compensation as an employee.



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5. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license presents written evidence that:

(a) The Department of Taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or

(b) Another regulatory agency of the State has issued or will issue a license required for this activity.

6. Any license tax levied for the purposes of NRS 244.3358 or 244A.597 to 244A.655, inclusive, constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien has the same priority as a lien for general taxes. The lien must be enforced:

(a) By recording in the office of the county recorder, within 6 months after the date on which the tax became delinquent or was otherwise determined to be due and owing, a notice of the tax lien containing the following:

(1) The amount of tax due and the appropriate year;

(2) The name of the record owner of the property;

(3) A description of the property sufficient for identification;

and

(4) A verification by the oath of any member of the board of county commissioners or the county fair and recreation board; and

(b) By an action for foreclosure against the property in the same manner as an action for foreclosure of any other lien, commenced within 2 years after the date of recording of the notice of the tax lien, and accompanied by appropriate notice to other lienholders.

7. The board of county commissioners may delegate the authority to enforce liens from taxes levied for the purposes of NRS 244A.597 to 244A.655, inclusive, to the county fair and recreation board. If the authority is so delegated, the board of county commissioners shall revoke or suspend the license of a business upon certification by the county fair and recreation board that the license tax has become delinquent, and shall not reinstate the license until the tax is paid. Except as otherwise provided in NRS 244.3357, all information concerning license taxes levied by an ordinance authorized by this section or other information concerning the business affairs or operation of any licensee obtained as a result of the payment of such license taxes or as the result of any audit or examination of the books by any authorized employee of a county fair and recreation board of the county for any license tax levied for the purpose of NRS 244A.597 to 244A.655, inclusive, is confidential and must not be disclosed by any member, officer or employee of the county fair and recreation board or the county imposing the license tax unless the disclosure is authorized by the



1 affirmative action of a majority of the members of the appropriate  
2 county fair and recreation board. Continuing disclosure may be so  
3 authorized under an agreement with the Department of Taxation for  
4 the exchange of information concerning taxpayers.

5 **Sec. 4.** NRS 268.088 is hereby amended to read as follows:

6 268.088 The governing body of an incorporated city shall not:

7 1. Impose any terms or conditions on a franchise for the  
8 provision of telecommunications service or interactive computer  
9 service other than terms or conditions concerning ~~the~~ :

10 (a) *The* placement and location of the telephone or telegraph  
11 lines ; and

12 (b) *Except as otherwise provided in NRS 354.59883*, fees  
13 imposed for a business license or the franchise, right or privilege to  
14 construct, install or operate such lines.

15 2. Require a company that provides telecommunications  
16 service or interactive computer service to obtain a franchise if it  
17 provides telecommunications service over the telephone or telegraph  
18 lines owned by another company.

19 3. Require a person who holds a franchise for the provision of  
20 telecommunications service to place its facilities in ducts or conduits  
21 or on poles owned or leased by the city.

22 4. As used in this section:

23 (a) "Interactive computer service" has the meaning ascribed to it  
24 in 47 U.S.C. § 230(e)(2), as that section existed on July 16, 1997.

25 (b) "Telecommunications service" has the meaning ascribed to it  
26 in 47 U.S.C. § 153(46), as that section existed on July 16, 1997.

27 **Sec. 5.** NRS 268.095 is hereby amended to read as follows:

28 268.095 1. Except as otherwise provided in subsection 4, the  
29 city council or other governing body of each incorporated city in  
30 this State, whether organized under general law or special charter,  
31 may:

32 (a) Except as otherwise provided in subsection 2 and NRS  
33 268.0968 , *354.59883* and 576.128, fix, impose and collect for  
34 revenues or for regulation, or both, a license tax on all character of  
35 lawful trades, callings, industries, occupations, professions and  
36 businesses conducted within its corporate limits.

37 (b) Assign the proceeds of any one or more of such license taxes  
38 to the county within which the city is situated for the purpose or  
39 purposes of making the proceeds available to the county:

40 (1) As a pledge as additional security for the payment of any  
41 general obligation bonds issued pursuant to NRS 244A.597 to  
42 244A.655, inclusive;

43 (2) For redeeming any general obligation bonds issued  
44 pursuant to NRS 244A.597 to 244A.655, inclusive;



(3) For defraying the costs of collecting or otherwise administering any such license tax so assigned, of the county fair and recreation board and of officers, agents and employees hired thereby, and of incidentals incurred thereby;

(4) For operating and maintaining recreational facilities under the jurisdiction of the county fair and recreation board;

(5) For improving, extending and bettering recreational facilities authorized by NRS 244A.597 to 244A.655, inclusive; and

(6) For constructing, purchasing or otherwise acquiring such recreational facilities.

(c) Pledge the proceeds of any tax imposed on the revenues from the rental of transient lodging pursuant to this section for the payment of any general or special obligations issued by the city for a purpose authorized by the laws of this State.

(d) Use the proceeds of any tax imposed pursuant to this section on the revenues from the rental of transient lodging:

(1) To pay the principal, interest or any other indebtedness on any general or special obligations issued by the city pursuant to the laws of this State;

(2) For the expense of operating or maintaining, or both, any facilities of the city; and

(3) For any other purpose for which other money of the city may be used.

2. The city council or other governing body of an incorporated city shall not require that a person who is licensed as a contractor pursuant to chapter 624 of NRS obtain more than one license to engage in the business of contracting or pay more than one license tax related to engaging in the business of contracting, regardless of the number of classifications or subclassifications of licensing for which the person is licensed pursuant to chapter 624 of NRS.

3. The proceeds of any tax imposed pursuant to this section that are pledged for the repayment of general obligations may be treated as "pledged revenues" for the purposes of NRS 350.020.

4. The city council or other governing body of an incorporated city shall not require a person to obtain a license or pay a license tax on the sole basis that the person is a professional. No license to engage in any type of business may be granted unless the applicant for the license signs an affidavit affirming that the business has complied with the provisions of NRS 360.780. The city licensing agency shall provide upon request an application for a business license pursuant to NRS 360.780. As used in this subsection, "professional" means a person who:

(a) Holds a license, certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS



1 622.060, or who is regulated pursuant to the Nevada Supreme Court  
2 Rules; and

3 (b) Practices his profession for any type of compensation as an  
4 employee.

5 5. No license to engage in business as a seller of tangible  
6 personal property may be granted unless the applicant for the license  
7 presents written evidence that:

8 (a) The Department of Taxation has issued or will issue a permit  
9 for this activity, and this evidence clearly identifies the business by  
10 name; or

11 (b) Another regulatory agency of the State has issued or will  
12 issue a license required for this activity.

13 6. Any license tax levied under the provisions of this section  
14 constitutes a lien upon the real and personal property of the business  
15 upon which the tax was levied until the tax is paid. The lien has the  
16 same priority as a lien for general taxes. The lien must be enforced:

17 (a) By recording in the office of the county recorder, within 6  
18 months following the date on which the tax became delinquent or  
19 was otherwise determined to be due and owing, a notice of the tax  
20 lien containing the following:

21 (1) The amount of tax due and the appropriate year;

22 (2) The name of the record owner of the property;

23 (3) A description of the property sufficient for identification;

24 and

25 (4) A verification by the oath of any member of the board of  
26 county commissioners or the county fair and recreation board; and

27 (b) By an action for foreclosure against such property in the  
28 same manner as an action for foreclosure of any other lien,  
29 commenced within 2 years after the date of recording of the notice  
30 of the tax lien, and accompanied by appropriate notice to other  
31 lienholders.

32 7. The city council or other governing body of each  
33 incorporated city may delegate the power and authority to enforce  
34 such liens to the county fair and recreation board. If the authority is  
35 so delegated, the governing body shall revoke or suspend the license  
36 of a business upon certification by the board that the license tax has  
37 become delinquent, and shall not reinstate the license until the tax is  
38 paid. Except as otherwise provided in NRS 268.0966, all  
39 information concerning license taxes levied by an ordinance  
40 authorized by this section or other information concerning the  
41 business affairs or operation of any licensee obtained as a result of  
42 the payment of those license taxes or as the result of any audit or  
43 examination of the books of the city by any authorized employee of  
44 a county fair and recreation board for any license tax levied for the  
45 purpose of NRS 244A.597 to 244A.655, inclusive, is confidential



1 and must not be disclosed by any member, official or employee of  
2 the county fair and recreation board or the city imposing the license  
3 tax unless the disclosure is authorized by the affirmative action of a  
4 majority of the members of the appropriate county fair and  
5 recreation board. Continuing disclosure may be so authorized under  
6 an agreement with the Department of Taxation for the exchange of  
7 information concerning taxpayers.

8 8. The powers conferred by this section are in addition and  
9 supplemental to, and not in substitution for, and the limitations  
10 imposed by this section do not affect the powers conferred by, any  
11 other law. No part of this section repeals or affects any other law or  
12 any part thereof, it being intended that this section provide a  
13 separate method of accomplishing its objectives, and not an  
14 exclusive one.

15 **Sec. 6.** NRS 354.59881 is hereby amended to read as follows:

16 354.59881 As used in NRS 354.59881 to ~~[354.59889,]~~  
17 **354.59883**, inclusive, unless the context otherwise requires, the  
18 words and terms defined in NRS 354.598811 to ~~[354.598818,]~~  
19 **354.598817**, inclusive, have the meanings ascribed to them in those  
20 sections.

21 **Sec. 7.** NRS 354.598814 is hereby amended to read as  
22 follows:

23 354.598814 "Fee" means ~~[a]~~ **any fee or** charge imposed by a  
24 city or county upon a public utility for **the privilege of conducting**  
25 **business in the city or county or for** a business license, a franchise  
26 or a right-of-way over **any** streets or other public areas ~~[, except:]~~ **of**  
27 **the city or county, regardless of the name given to the fee or**  
28 **charge, except that the term does not include:**

29 1. **Any charge paid pursuant to the provisions of NRS**  
30 **244A.7641 to 244A.7647, inclusive;**

31 2. Any charge paid pursuant to the provisions of NRS 709.110,  
32 709.230 or 709.270; or

33 ~~[2.]~~ **3.** A term or condition of a franchise granted by:

34 (a) A county whose population is 400,000 or more, or by an  
35 incorporated city that is located in whole or in part within such a  
36 county, that requires a community antenna television company to  
37 provide channels for public, educational or governmental access.

38 (b) A county or an incorporated city not specified in paragraph  
39 (a) that requires a community antenna television company to  
40 provide channels, facilities or equipment for public, educational or  
41 governmental access.

42 **Sec. 8.** NRS 354.59883 is hereby amended to read as follows:

43 354.59883 **1.** A city or county shall not adopt an ordinance  
44 imposing or increasing a fee ~~[~~

45 ~~1. If that] if:~~





(a) *The ordinance would alter the terms of any existing franchise agreement between the city or county and a public utility*  
~~[-~~

~~2. That~~ , *unless an alteration in the terms of any existing franchise agreement is necessary to comply with the provisions of subsection 2;*

(b) *The fee applies to any public utility which does not derive revenue from customers located within the jurisdiction of the city or county*  
~~[-~~

~~3. If, after~~ ;

(c) *After the adoption of the ordinance*  
~~[-~~

~~(a) Any~~ , *any* part of a fee to which the ordinance applies will be based upon any revenue of a public utility other than its revenue from customers located within the jurisdiction of the city or county  
~~[-~~

~~(b) The total cumulative amount of all fees the city or county imposes upon a public utility to which the ordinance applies will exceed;~~

~~(1) Except as otherwise provided in subparagraph (2), 5 percent of the utility's gross revenue from customers located within the jurisdiction of the city or county.~~

~~(2)~~ ; or

(d) *The ordinance would violate the provisions of subsection 2. Notwithstanding any other statute or local charter, ordinance or franchise agreement to the contrary:*

(a) For a public utility that sells or resells personal wireless services ~~[-, 5]~~ :

*(1) On and after July 1, 2009, until June 30, 2010, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 5 percent of its gross revenue from the first \$15 charged monthly for each line of access for each of its customers whose place of primary use is located within the jurisdiction of the city or county.*

*(2) On and after July 1, 2010, until June 30, 2011, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 4 percent of its gross revenue from the first \$15 charged monthly for each line of access for each of its customers whose place of primary use is located within the jurisdiction of the city or county.*

*(3) On and after July 1, 2011, until June 30, 2012, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 3 percent of its gross revenue from the first \$15 charged monthly for each line of access for each of its customers whose place of primary use is located within the jurisdiction of the city or county.*



(4) On and after July 1, 2012, until June 30, 2013, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 2 percent of its gross revenue from the first \$15 charged monthly for each line of access for each of its customers whose place of primary use is located within the jurisdiction of the city or county.

(5) On and after July 1, 2013, until June 30, 2014, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 1 percent of its gross revenue from the first \$15 charged monthly for each line of access for each of its customers whose place of primary use is located within the jurisdiction of the city or county.

(b) For all other public utilities:

(1) On and after July 1, 2009, until June 30, 2010, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 5 percent of the utility's gross revenue from customers located within the jurisdiction of the city or county.

(2) On and after July 1, 2010, until June 30, 2011, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 4 percent of the utility's gross revenue from customers located within the jurisdiction of the city or county.

(3) On and after July 1, 2011, until June 30, 2012, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 3 percent of the utility's gross revenue from customers located within the jurisdiction of the city or county.

(4) On and after July 1, 2012, until June 30, 2013, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 2 percent of the utility's gross revenue from customers located within the jurisdiction of the city or county.

(5) On and after July 1, 2013, until June 30, 2014, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 1 percent of the utility's gross revenue from customers located within the jurisdiction of the city or county.

**Sec. 9.** NRS 354.59883 is hereby amended to read as follows:

354.59883 ~~{1. A city or county shall not adopt an ordinance imposing or increasing a fee if:~~

~~—(a) The ordinance would alter the terms of any existing franchise agreement between the city or county and a public utility, unless an alteration in the terms of any existing franchise agreement is necessary to comply with the provisions of subsection 2;~~



~~—(b) The fee applies to any public utility which does not derive revenue from customers located within the jurisdiction of the city or county;~~

~~—(c) After the adoption of the ordinance, any part of a fee to which the ordinance applies will be based upon any revenue of a public utility other than its revenue from customers located within the jurisdiction of the city or county; or~~

~~—(d) The ordinance would violate the provisions of subsection 2.~~

~~2.] Notwithstanding any other statute or local charter, ordinance or franchise agreement to the contrary [:~~

~~—(a) For a public utility that sells or resells personal wireless services:~~

~~—(1) On and after July 1, 2009, until June 30, 2010, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 5 percent of its gross revenue from the first \$15 charged monthly for each line of access for each of its customers whose place of primary use is located within the jurisdiction of the city or county.~~

~~—(2) On and after July 1, 2010, until June 30, 2011, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 4 percent of its gross revenue from the first \$15 charged monthly for each line of access for each of its customers whose place of primary use is located within the jurisdiction of the city or county.~~

~~—(3) On and after July 1, 2011, until June 30, 2012, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 3 percent of its gross revenue from the first \$15 charged monthly for each line of access for each of its customers whose place of primary use is located within the jurisdiction of the city or county.~~

~~—(4) On and after July 1, 2012, until June 30, 2013, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 2 percent of its gross revenue from the first \$15 charged monthly for each line of access for each of its customers whose place of primary use is located within the jurisdiction of the city or county.~~

~~—(5) On and after July 1, 2013, until June 30, 2014, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 1 percent of its gross revenue from the first \$15 charged monthly for each line of access for each of its customers whose place of primary use is located within the jurisdiction of the city or county.~~

~~—(b) For all other public utilities:~~

~~—(1) On and after July 1, 2009, until June 30, 2010, the total cumulative amount of all fees the city or county imposes upon the~~



~~public utility may not exceed 5 percent of the utility's gross revenue from customers located within the jurisdiction of the city or county.~~

~~—— (2) On and after July 1, 2010, until June 30, 2011, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 4 percent of the utility's gross revenue from customers located within the jurisdiction of the city or county.~~

~~—— (3) On and after July 1, 2011, until June 30, 2012, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 3 percent of the utility's gross revenue from customers located within the jurisdiction of the city or county.~~

~~—— (4) On and after July 1, 2012, until June 30, 2013, the total cumulative amount of all fees the city or county imposes upon the public utility may not exceed 2 percent of the utility's gross revenue from customers located within the jurisdiction of the city or county.~~

~~—— (5) On and after July 1, 2013, until June 30, 2014, the total cumulative amount of all fees the~~ , a city or county ~~[imposes upon the]~~ *shall not impose any fees upon a* public utility ~~[may not exceed 1 percent of the utility's gross revenue from]~~ *for providing service on or after July 1, 2014, to* customers located within the jurisdiction of the city or county ~~[ ]~~ *or within any other jurisdiction.*

**Sec. 10.** NRS 354.5989 is hereby amended to read as follows:

354.5989 1. A local government shall not increase any fee for a business license or adopt a fee for a business license issued for revenue or regulation, or both, except as permitted by this section. This prohibition does not apply to fees:

(a) Imposed by hospitals, county airports, airport authorities, convention authorities, the Las Vegas Valley Water District or the Clark County Sanitation District;

(b) Imposed on public utilities for the privilege of doing business pursuant to a franchise;

(c) For business licenses which are calculated as a fraction or percentage of the gross revenue of the business;

(d) Imposed pursuant to NRS 244.348, 268.0973, 268.821 or 269.182; or

(e) Regulated pursuant to NRS 354.59881 to ~~[354.59889,]~~ **354.59883**, inclusive.

2. The amount of revenue the local government derives or is allowed to derive, whichever is greater, from all fees for business licenses except:

(a) The fees excluded by subsection 1, for the fiscal year ended on June 30, 1991; and

(b) The fees collected for a particular type of business during the immediately preceding fiscal year ending on June 30 that a local government will not collect in the next subsequent fiscal year,



1    ➤ is the base from which the maximum allowable revenue from  
2 such fees must be calculated for the next subsequent fiscal year. To  
3 the base must be added the sum of the amounts respectively equal to  
4 the product of the base multiplied by the percentage increase in the  
5 population of the local government added to the percentage increase  
6 in the Consumer Price Index for the year ending on December 31  
7 next preceding the year for which the limit is being calculated. The  
8 amount so determined becomes the base for computing the allowed  
9 increase for each subsequent year.

10    3. A local government may not increase any fee for a business  
11 license which is calculated as a fraction or percentage of the gross  
12 revenue of the business if its total revenues from such fees have  
13 increased during the preceding fiscal year by more than the increase  
14 in the Consumer Price Index during that preceding calendar year.  
15 The provisions of this subsection do not apply to a fee imposed  
16 pursuant to NRS 244.348, 268.0973, 268.821 or 269.182, or  
17 regulated pursuant to NRS 354.59881 to ~~[354.59889,]~~ 354.59883,  
18 inclusive.

19    4. A local government may submit an application to increase  
20 its revenue from fees for business licenses beyond the amount  
21 allowable pursuant to this section to the Nevada Tax Commission,  
22 which may grant the application only if it finds that the rate of a  
23 business license of the local government is substantially below that  
24 of other local governments in the State.

25    5. The provisions of this section apply to a business license  
26 regardless of the fund to which the revenue from it is assigned. An  
27 ordinance or resolution enacted by a local government in violation  
28 of the provisions of this section is void.

29    6. As used in this section, "fee for a business license" does not  
30 include a tax imposed on the revenues from the rental of transient  
31 lodging.

32    **Sec. 11.** NRS 244A.76455, 354.598813, 354.5988165,  
33 354.598818, 354.59885, 354.59887, 354.59888, 354.59889 and  
34 711.200 are hereby repealed.

35    **Sec. 12.** 1. The provisions of this act apply to any franchise  
36 agreement between a city or county and a public utility entered into  
37 before, on or after July 1, 2009.

38    2. Any provision of a local charter, ordinance or franchise  
39 agreement that is in conflict with the provisions of this act is void  
40 and must not be given effect to the extent that it conflicts with the  
41 provisions of this act.

42    **Sec. 13.** 1. This section and sections 1 to 5, inclusive, 7, 8  
43 and 12 of this act become effective on July 1, 2009.

44    2. Sections 6, 9, 10 and 11 of this act become effective on  
45 July 1, 2014.



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LEADLINES OF REPEALED SECTIONS

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**244A.76455** Requiring deposit of business license fees imposed in county whose population is less than 100,000 on providers of personal wireless service into special revenue fund; exceptions.

**354.598813** Limitations on fees applicable to public utilities: "Delinquent amount" defined.

**354.5988165** Limitations on fees applicable to public utilities: "Place of primary use" defined.

**354.598818** Limitations on fees applicable to public utilities: "Revenue" defined.

**354.59885** Limitations on fees applicable to public utilities: Submission of certain information by public utility before commencement of service; quarterly statements of revenue required; identification of customers provided to public utility; information included in bill.

**354.59887** Limitations on fees applicable to public utilities: Rate; quarterly payments; collection; penalties and interest on delinquent amounts; apportionment among customers of public utility.

**354.59888** Limitations on fees applicable to public utilities: Errors concerning billing for certain fees or designation of place of primary use; notification by customers of certain public utilities.

**354.59889** Limitations on fees applicable to public utilities: Change of fees.

**711.200** Fees for franchise.

