

SENATE BILL NO. 480—COMMITTEE ON TRANSPORTATION
AND HOMELAND SECURITY

(ON BEHALF OF THE COMMISSION OF SPECIAL LICENSE PLATES)

MARCH 26, 2007

Referred to Committee on Transportation and Homeland Security

SUMMARY—Requires the Legislative Auditor to conduct an audit
with respect to special license plates. (BDR S-862)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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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 motor vehicles; requiring the Legislative Auditor to conduct an audit to determine whether the money that is received from the additional fees that are charged for the issuance and renewal of special license plates is being used for the specific purposes intended by law; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, "special license plates" are certain license plates having a
2 design which differs from the design of standard-issue license plates. In the State of
3 Nevada, special license plates have been created in two different ways. In the past,
4 special license plates were authorized only by direct legislative enactment. More
5 recently, special license plates have been authorized through a process of
6 application and petition involving the Department of Motor Vehicles and the
7 Commission on Special License Plates. Many of the special license plates
8 authorized under both of these methods provide for the imposition of additional
9 fees (typically \$25 upon the issuance of the plates and \$20 annually at the time of
10 renewal) to benefit a particular cause or charitable organization. (NRS 482.367002-
11 482.367008, 482.3747, 482.37903-482.37945)

12 This bill requires the Legislative Auditor to conduct an audit to examine the
13 methods and procedures used by organizations and governmental entities to ensure
14 that any money those organizations and entities receive from the imposition of
15 additional fees in connection with the issuance and renewal of special license plates
16 is used for the benefit of the intended recipient or recipients.



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

Section 1. 1. The Legislative Auditor shall conduct an audit of organizations and governmental entities that receive money from additional fees. The audit:

(a) Must include, without limitation, an examination of the methods and procedures used to ensure that all money received in the form of additional fees is expended solely for the benefit of the intended recipient.

(b) May include, without limitation:

(1) An analysis of the revenue generated by the issuance and renewal of each special license plate; and

(2) An analysis of the distribution of that revenue by each applicable organization or governmental entity.

2. The Legislative Auditor shall prepare a final written report of the audit and present the report to the Audit Subcommittee of the Legislative Commission not later than February 2, 2009.

3. To the extent that the provisions of NRS 218.737 to 218.893, inclusive, are consistent with the requirements of this section, those provisions apply to the audit conducted pursuant to this section. For the purposes of this subsection, organizations and governmental entities that receive money from additional fees shall be deemed to be agencies of the State.

4. The organizations and governmental entities audited pursuant to this section shall, upon the request of the Legislative Auditor and within 6 months after the period for the submission of plans pursuant to paragraph (c) of subsection 1 of NRS 218.8235, submit to the Legislative Auditor a report specifying:

(a) The extent to which the recommendations of the Legislative Auditor have been carried out;

(b) The extent to which the recommendations of the Legislative Auditor have not been carried out; and

(c) The reasons for any failure to carry out the recommendations of the Legislative Auditor.

5. Upon the request of the Legislative Auditor or his authorized representative, the officers and employees of each organization and governmental entity that receives money from additional fees shall make available any of their books, accounts, claims, reports, vouchers or other forms of information, confidential or otherwise and irrespective of their form or location, which the Legislative Auditor deems necessary to conduct the audit described in this section.

6. As used in this section:



* S B 4 8 0 *

1 (a) "Additional fees" means the fees that are charged in
2 connection with the issuance or renewal of a special license plate for
3 the benefit of a particular cause or charitable organization. The term
4 does not include registration and license fees or governmental
5 services taxes.

6 (b) "Intended recipient" means the particular cause, fund or
7 charitable organization for the benefit of which additional fees are
8 imposed. In the case of special license plates:

9 (1) Authorized by enactment of the Legislature, the term
10 means the particular cause, fund or charitable organization identified
11 in statute as the required recipient of additional fees.

12 (2) Authorized pursuant to the system of application and
13 petition described in NRS 482.367002, the term means the
14 particular cause, fund or charitable organization identified as the
15 intended recipient of additional fees, as described in the application
16 that was submitted for those special license plates pursuant to
17 paragraph (c) of subsection 2 of that section.

18 (c) "Special license plate" has the meaning ascribed to it in
19 NRS 482.367008.

20 **Sec. 2.** This act becomes effective on July 1, 2007.

