

CHAPTER.....

AN ACT relating to financial matters; clarifying the intent of provisions concerning the applicability of certain laws relating to installment loans; prohibiting the reduction of certain local property taxes without the approval of the State Board of Finance; limiting the security which may be provided for certain special obligation bonds of the State; repealing certain revisions to exemptions from execution; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 28 of Assembly Bill No. 478 of this session provides that the provisions of chapter 675 of NRS apply to any person who: (1) makes installment loans that are not subject to regulation pursuant to chapter 604A of NRS; (2) is an affiliate, subsidiary or holding company of certain financial institutions or an insurance company; or (3) seeks to evade application of chapter 675 of NRS by any device, subterfuge or pretense. **Section 1** of this bill amends subsection 2 of section 28 of Assembly Bill No. 478 of this session to require all three conditions to be present for the chapter to apply.

Section 47 of Assembly Bill No. 595 of this session provides for the allocation of a portion of certain property taxes imposed in a county whose population is 100,000 or more (currently Clark and Washoe Counties) to the State Highway Fund for use in the construction and maintenance of the public highways in that county. **Section 2** of this bill prohibits a board of county commissioners from reducing the rate of such a tax without the approval of the State Board of Finance.

Section 3 of this bill limits the security that may be provided for certain special obligation bonds issued by the State Board of Finance to provide funding for highway construction projects to ensure that those bonds are not subject to the constitutional limitation on state indebtedness.

Sections 46–48 of Senate Bill No. 483 of this session amend existing law to limit the exemption from execution for payments received pursuant to the federal Social Security Act to such payments made for the individual support of the judgment debtor. **Section 5** of this bill resolves a conflict with federal law by repealing sections 46–48 of Senate Bill No. 483 of this session so that the exemption is not limited to payments for individual support. (42 U.S.C. § 407)

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

Section 1. Section 28 of Assembly Bill No. 478 of this session is hereby amended to read as follows:

Sec. 28. Chapter 675 of NRS is hereby amended by adding thereto a new section to read as follows:

The provisions of this chapter apply to any person who:

1. Makes installment loans that are not subject to regulation pursuant to chapter 604A of NRS;



2. *Is an affiliate, subsidiary or holding company of a bank, national banking association, savings bank, trust company, savings and loan association, credit union, development corporation, mortgage broker, mortgage banker, thrift company or insurance company; and*

3. *Seeks to evade its application by any device, subterfuge or pretense, including, without limitation:*

(a) *Calling a loan by any other name;*

(b) *Using any agents, affiliates or subsidiaries in an attempt to avoid the application of the provisions of this chapter; or*

(c) *Having any affiliation or other business arrangement with an entity that is exempt from the provisions of this chapter pursuant to subsection 1 of NRS 675.040, the effect of which is to evade the provisions of this chapter, including, without limitation, making a loan while purporting to be the agent of such an exempt entity where the purported agent holds, acquires or maintains a material economic interest in the revenues generated by the loan.*

Sec. 2. Section 47 of Assembly Bill No. 595 of this session is hereby amended to read as follows:

Sec. 47. NRS 354.59815 is hereby amended to read as follows:

354.59815 1. In addition to the allowed revenue from taxes ad valorem determined pursuant to NRS 354.59811, the board of county commissioners may levy a tax ad valorem on all taxable property in the county at a rate not to exceed 5 cents per \$100 of the assessed valuation of the county.

2. ~~The~~ *If a tax is levied pursuant to subsection 1 in:*

(a) *A county whose population is less than 100,000, the board of county commissioners shall direct the county treasurer to distribute quarterly the proceeds of ~~any tax levied pursuant to the provisions of subsection 1~~ the tax* among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all of the local governments in the county for the 1990-1991 Fiscal Year.

(b) *A county whose population is 100,000 or more, the board of county commissioners shall direct the county treasurer to distribute quarterly, from the proceeds of the tax for:*

(1) *The fiscal year beginning on July 1, 2008:*



(I) Eighty-eight percent of those proceeds among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all the local governments in the county for the 1990-1991 Fiscal Year; and

(II) Twelve percent of those proceeds to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of NRS 408.235.

(2) The fiscal year beginning on July 1, 2009:

(I) Seventy-six percent of those proceeds among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all the local governments in the county for the 1990-1991 Fiscal Year; and

(II) Twenty-four percent of those proceeds to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of NRS 408.235.

(3) The fiscal year beginning on July 1, 2010:

(I) Sixty-four percent of those proceeds among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all the local governments in the county for the 1990-1991 Fiscal Year; and

(II) Thirty-six percent of those proceeds to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of NRS 408.235.

(4) The fiscal year beginning on July 1, 2011:

(I) Fifty-two percent of those proceeds among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all the local governments in the county for the 1990-1991 Fiscal Year; and



(II) Forty-eight percent of those proceeds to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of NRS 408.235.

(5) Each fiscal year beginning on or after July 1, 2012:

(I) Forty percent of those proceeds among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all the local governments in the county for the 1990-1991 Fiscal Year; and

(II) Sixty percent of those proceeds to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of NRS 408.235.

3. The board of county commissioners shall not reduce the rate of any tax levied pursuant to the provisions of subsection 1 without the approval of *the State Board of Finance and* each of the local governments that receives a portion of the tax, except that, if a local government declines to receive its portion of the tax in a particular year the levy may be reduced by the amount that local government would have received.

Sec. 3. Assembly Bill No. 595 of this session is hereby amended by adding thereto a new section to be designated as sec. 47.7, immediately following sec. 47.6, to read as follows:

Sec. 47.7. NRS 408.273 is hereby amended to read as follows:

408.273 1. The State Board of Finance shall, when so requested by the Board, issue special obligation bonds of the State of Nevada to provide money to enable the Department to complete pending and currently projected highway construction projects, in an amount specified in the request. The bonds may be issued at one time or from time to time, and must be issued in accordance with the State Securities Law. These bonds must be secured by:

(a) A pledge of the appropriate federal highway grants payable to the State; or

(b) The appropriate federal highway grants payable to the State and taxes which are credited to the State Highway Fund, *other than any taxes that would cause the bonds to create a public debt within the meaning of Section 3 of Article 9 of the Constitution of the State of Nevada,*



➔ and must mature within not more than 20 years from their date.

2. The Department shall cooperate with the State Treasurer in the issuance of the bonds.

3. The State Treasurer may employ any necessary legal, financial or other professional services in connection with the issuance of the bonds.

Sec. 4. Section 57 of Assembly Bill No. 595 of this session is hereby amended to read as follows:

Sec. 57. 1. This section and sections 1 to 46, inclusive, 49.5, 49.7, 55 and 56 of this act become effective upon passage and approval.

2. Sections 46.5, 47.1 to 47.4, inclusive, 47.7, 55.3 and 55.5 of this act become effective on July 1, 2007.

3. Sections 47.5 and 49 of this act become effective on October 1, 2007.

4. Sections 47 and 47.6 of this act become effective on July 1, 2008.

5. Section 55.5 of this act expires by limitation on December 31, 2015.

Sec. 5. Sections 46, 47 and 48 of Senate Bill No. 483 of this session are hereby repealed.

Sec. 6. This act becomes effective upon passage and approval.

