

Assembly Bill No. 172–Committee on Transportation

CHAPTER.....

AN ACT relating to license plates; requiring certain charitable organizations which receive proceeds from the issuance of special license plates to provide annually to the Commission on Special License Plates and to the Department of Motor Vehicles certain additional information pertaining to the charitable organization; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Under existing law, certain charitable organizations which receive additional fees from the issuance of special license plates during a fiscal year are required to file with the Commission on Special License Plates a balance sheet and recent bank statement on or before September 1 following the end of the fiscal year. (NRS 482.38277) **Section 1** of this bill requires these organizations to file additional information with the Commission and requires this additional information to be filed with the Department also. **Section 3** of this bill makes these additional information requirements subject to the existing law providing that if a charitable organization fails to comply with the requirements, the Department of Motor Vehicles may, after notice and opportunity for a hearing, suspend the collection of additional fees on behalf of the organization and the production of the organization’s special license plate. (NRS 482.38279)

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

Section 1. NRS 482.38277 is hereby amended to read as follows:

482.38277 1. ~~Each~~ *On or before September 1 of each fiscal year, each* charitable organization, not including a governmental entity whose budget is included in the executive budget, that receives additional fees shall ~~for each fiscal year, prepare~~ :

(a) Prepare a balance sheet for ~~that~~ *the immediately preceding* fiscal year on a form provided by the Commission on Special License Plates ~~Each such charitable organization shall file~~ *and file* the balance sheet, accompanied by a recent bank statement, with the Commission . ~~on or before September 1 following the end of that fiscal year.~~ The Commission shall prepare and make available, or cause to be prepared and made available, a form that must be used by a charitable organization to prepare such a balance sheet.

(b) Provide to the Commission and the Department:



(1) A list of the names of the persons, whether or not designated officers, who are responsible for overseeing the operation of the charitable organization;

(2) The current mailing address of the charitable organization; and

(3) The current telephone number of the charitable organization.

2. The Legislative Auditor shall prescribe:

(a) The form and content of the balance sheets required to be filed pursuant to subsection 1; and

(b) Any additional information that must accompany the balance sheets and bank statements required to be filed pursuant to subsection 1, including, without limitation, 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.

3. The Commission shall provide to the Legislative Auditor ~~the~~

:

(a) A copy of each balance sheet and bank statement that it receives from a charitable organization pursuant to ~~this section.~~ paragraph (a) of subsection 1; and

(b) A copy of the information that it receives from a charitable organization pursuant to paragraph (b) of subsection 1.

Sec. 2. NRS 482.38278 is hereby amended to read as follows:

482.38278 1. On or before September 30 following the end of each fiscal year, the Legislative Auditor shall present to the Commission on Special License Plates a final written report with respect to the charitable organizations for which the Commission provided to him a balance sheet pursuant to subsection 3 of NRS 482.38277.

2. The final written report must be distributed to each member of the Commission before the report is presented to the Commission.

3. Along with any statement of explanation or rebuttal from the audited charitable organization, the final written report may include, without limitation:

(a) Evidence regarding the inadequacy *or inaccuracy* of any forms or records filed by the charitable organization with the Commission ~~the~~ *or the Department;*

(b) Evidence regarding any improper practices of financial administration on the part of the charitable organization;

(c) Evidence regarding the methods and procedures, or lack thereof, used to ensure that all money received in the form of



additional fees is expended solely for the benefit of the intended recipient; and

(d) Any other evidence or information that the Legislative Auditor determines to be relevant to the propriety of the financial administration and recordkeeping of the charitable organization, including, without limitation, the disposition of any additional fees received by the charitable organization.

Sec. 3. NRS 482.38279 is hereby amended to read as follows:

482.38279 1. If the Commission on Special License Plates determines that a charitable organization has failed to comply with one or more of the provisions of NRS 482.38277 or if, in a report provided to the Commission by the Legislative Auditor pursuant to NRS 482.38278, the Legislative Auditor determines that a charitable organization has committed improper practices of financial administration, has filed with the Commission *or the Department* forms or records that are inadequate ~~H~~ *or inaccurate*, or has failed to use adequate methods and procedures to ensure that all money received in the form of additional fees is expended solely for the benefit of the intended recipient, the Commission shall notify the charitable organization of that determination.

2. A charitable organization may request in writing a hearing, within 20 days after receiving notification pursuant to subsection 1, to respond to the determinations of the Commission or Legislative Auditor. The hearing must be held not later than 30 days after the receipt of the request for a hearing unless the parties, by written stipulation, agree to extend the time.

3. The Commission shall issue a decision, immediately after the hearing, on whether to uphold the original determination of the Commission or the Legislative Auditor or to overturn that determination. The decision of the Commission pursuant to this subsection is a final decision for purposes of judicial review.

4. If the Commission upholds its own determination that a charitable organization has failed to comply with one or more of the provisions of NRS 482.38277 or upholds the determination of the Legislative Auditor that the organization has committed improper practices of financial administration, has filed with the Commission *or the Department* forms or records that are inadequate ~~H~~ *or inaccurate*, or has failed to use adequate methods and procedures to ensure that all money received in the form of additional fees is expended solely for the benefit of the intended recipient, the Commission may require that the Department:

(a) Suspend the collection of all additional fees collected on behalf of the charitable organization; and



(b) Suspend production of the particular design of special license plates from which the charitable organization receives additional fees, if the Department is still producing that design.

Sec. 4. This act becomes effective on July 1, 2009.

