

Amendment No. 416

Senate Amendment to Senate Bill No. 294

(BDR 32-1029)

Proposed by: Senate Committee on Taxation**Amends:** Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold dashed underlining* is newly added transitory language.

SJC/BJE



Date: 4/15/2009

S.B. No. 294—Revises the formula for the allocation of money distributed from the Local Government Tax Distribution Account. (BDR 32-1029)



SENATE BILL NO. 294—SENATOR LEE

MARCH 16, 2009

Referred to Committee on Taxation

SUMMARY—~~[Revises the formula for the allocation of money distributed from the Local Government Tax Distribution Account.]~~ Authorizes certain requests for legislation and requires an interim study regarding the distribution of taxes among local governmental entities in this State. (BDR 32-1029)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 taxation; ~~[revising the formula for]~~ authorizing the Committee on Local Government Finance to consider certain proposals and make certain requests for legislation regarding the allocation of money ~~[distributed from]~~ in the Local Government Tax Distribution Account; requiring an interim study of the distribution of taxes among local governmental entities in this State; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the deposit of certain proceeds from liquor taxes, cigarette taxes, real property transfer taxes, city-county relief taxes and governmental services taxes into the Local Government Tax Distribution Account. (NRS 369.173, 370.260, 375.070, 377.055, 377.057, 482.181) Under existing law, the Executive Director of the Department of Taxation is required to establish a base monthly allocation from the Account for each local government and special district in a county and to allocate any proceeds which exceed that base monthly allocation in accordance with a mathematical formula that incorporates certain changes in population and assessed valuation. (NRS 360.690) ~~[This bill revises that formula for the allocation of any proceeds that exceed the base monthly allocation.]~~ Section 2 of this bill authorizes the Committee on Local Government Finance to consider proposals to revise the allocation of money from the Account and requires the Committee to submit its findings on those proposals to the Legislative Commission. Section 4 of this bill allows the Committee to request one bill draft for each regular session of the Legislature to carry out those findings.

Section 7 of this bill creates an interim committee to study the distribution of taxes among local governmental entities in this State and report the results of the study to the standing committees on taxation for the 2011 Legislature.

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

Section 1. ~~[NRS 360.690 is hereby amended to read as follows:]~~

~~360.690 1. Except as otherwise provided in NRS 360.730, the Executive Director shall estimate monthly the amount each local government, special district and enterprise district will receive from the Account pursuant to the provisions of this section.~~

~~2. The Executive Director shall establish a base monthly allocation for each local government, special district and enterprise district by dividing the amount determined pursuant to NRS 360.680 for each local government, special district and enterprise district by 12, and the State Treasurer shall, except as otherwise provided in subsections 3 to 8, inclusive, remit monthly that amount to each local government, special district and enterprise district.~~

~~3. If, after making the allocation to each enterprise district for the month, the Executive Director determines there is not sufficient money available in the county's subaccount in the Account to allocate to each local government and special district the base monthly allocation determined pursuant to subsection 2, he shall prorate the money in the county's subaccount and allocate to each local government and special district an amount equal to its proportionate percentage of the total amount of the base monthly allocations determined pursuant to subsection 2 for all local governments and special districts within the county. The State Treasurer shall remit that amount to the local government or special district.~~

~~4. Except as otherwise provided in subsections 5 to 8, inclusive, if the Executive Director determines that there is money remaining in the county's subaccount in the Account after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local government, special district and enterprise district, he shall immediately determine and allocate each:~~

~~(a) Local government's share of the remaining money by:~~

~~(1) Multiplying one twelfth of the amount allocated pursuant to NRS 360.680 by the [sum of the] remainder obtained by subtracting 1 from the product obtained by multiplying the following two sums:~~

~~(I) [Average] The sum obtained by adding 1 to the average percentage of change in the population of the local government over the 5 fiscal years immediately preceding the year in which the allocation is made, as certified by the Governor pursuant to NRS 360.285, except as otherwise provided in subsection 9; and~~

~~(II) [Average] The sum obtained by adding 1 to the average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department pursuant to NRS 261.290, and the 4 fiscal years immediately preceding the year in which the allocation is made; and~~

~~(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each local government an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (b), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount; and~~

~~(b) Special district's share of the remaining money by:~~

~~(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by the average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and~~

~~(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each special district an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (a), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount;~~

~~→ The State Treasurer shall remit the amount allocated to each local government or special district pursuant to this subsection;~~

~~5. Except as otherwise provided in subsection 6 or 7, if the Executive Director determines that there is money remaining in the county's subaccount in the Account after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local government, special district and enterprise district and that the average amount over the 5 fiscal years immediately preceding the year in which the allocation is made of the assessed valuation of taxable property which is attributable to the net proceeds of minerals in the county is equal to at least \$50,000,000 or that the average percentage of change in population of the county over the 5 fiscal years immediately preceding the year in which the allocation is made, as certified by the Governor pursuant to NRS 360.285, except as otherwise provided in subsection 9, is a negative figure or that the average amount over the 5 fiscal years immediately preceding the year in which the allocation is made of the assessed valuation of taxable property which is attributable to the net proceeds of minerals in the county is equal to at least \$50,000,000 and the average percentage of change in population of the county over the 5 fiscal years immediately preceding the year in which the allocation is made, as certified by the Governor pursuant to NRS 360.285, except as otherwise provided in subsection 9, is a negative figure, he shall immediately determine and allocate each:~~

~~(a) Local government's share of the remaining money by:~~

~~(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by 1 plus the sum of the:~~

~~(I) Average percentage of change in the population of the local government over the 5 fiscal years immediately preceding the year in which the allocation is made, as certified by the Governor pursuant to NRS 360.285, except as otherwise provided in subsection 9; and~~

~~(II) Average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and~~

~~(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each local government an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (b), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount; and~~

~~(b) Special district's share of the remaining money by:~~

~~(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by 1 plus the average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and~~

~~(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each special district an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (a), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount.~~

~~→ The State Treasurer shall remit the amount allocated to each local government or special district pursuant to this subsection.~~

~~6. Except as otherwise provided in subsection 8, if the Executive Director determines that there is money remaining in the county's subaccount in the Account after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local government, special district and enterprise district, that the sum [of] **obtained by adding** the average percentage of change in population and the average percentage of change in the assessed valuation of taxable property, as calculated pursuant to subparagraph (1) of paragraph (a) of subsection 4 for each of those local governments, is a negative figure, and that the average change in the assessed valuation of the taxable property in each of those special districts, as calculated pursuant to subparagraph (1) of paragraph (b) of subsection 4, is a negative figure, he shall immediately determine and allocate each:~~

~~(a) Local government's share of the remaining money by:~~

~~(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by 1 plus the sum of the:~~

~~(I) Average percentage of change in the population of the local government over the 5 fiscal years immediately preceding the year in which the allocation is made, as certified by the Governor pursuant to NRS 360.285, except as otherwise provided in subsection 9; and~~

~~(II) Average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and~~

~~(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each local government an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (b), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount; and~~

~~(b) Special district's share of the remaining money by:~~

~~(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by 1 plus the average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the~~

Department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and

~~(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each special district an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (a), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount;~~

~~→ The State Treasurer shall remit the amount allocated to each local government or special district pursuant to this subsection.~~

~~7. Except as otherwise provided in subsection 8, if the Executive Director determines that there is money remaining in the county's subaccount in the Account after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local government, special district and enterprise district, that the sum [of] obtained by adding the average percentage of change in population and the average percentage of change in the assessed valuation of taxable property, as calculated pursuant to subparagraph (1) of paragraph (a) of subsection 4 for each of those local governments, is a negative figure, and that the average change in the assessed valuation of the taxable property in any of those special districts, as calculated pursuant to subparagraph (1) of paragraph (b) of subsection 4, is a positive figure, he shall immediately determine and allocate each:~~

~~— (a) Local government's share of the remaining money by:~~

~~— (1) Multiplying one twelfth of the amount allocated pursuant to NRS 360.680 by 1 plus the sum of the:~~

~~(I) Average percentage of change in the population of the local government over the 5 fiscal years immediately preceding the year in which the allocation is made, as certified by the Governor pursuant to NRS 360.285, except as otherwise provided in subsection 9; and~~

~~(II) Average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and~~

~~(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each local government an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (b), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount; and~~

~~— (b) Special district's share of the remaining money by:~~

~~(1) Multiplying one twelfth of the amount allocated pursuant to NRS 360.680 by 1 plus the sum of the:~~

~~(I) Average percentage of change in the population of the county over the 5 fiscal years immediately preceding the year in which the allocation is made, as certified by the Governor pursuant to NRS 360.285, except as otherwise provided in subsection 9; and~~

~~(II) Average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department pursuant to~~

1 NRS 361.290, and the 4 fiscal years immediately preceding the year in which the
2 allocation is made; and

3 ~~— (2) Using the figure calculated pursuant to subparagraph (1) to calculate~~
4 ~~and allocate to each special district an amount equal to the proportion that the figure~~
5 ~~calculated pursuant to subparagraph (1) bears to the total amount of the figures~~
6 ~~calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of~~
7 ~~paragraph (a), respectively, for the local governments and special districts located~~
8 ~~in the same county multiplied by the total amount available in the subaccount.~~

9 ~~— The State Treasurer shall remit the amount allocated to each local government or~~
10 ~~special district pursuant to this subsection.~~

11 ~~— 8. The Executive Director shall not allocate any amount to a local government~~
12 ~~or special district pursuant to subsection 4, 5, 6 or 7 unless the amount distributed~~
13 ~~and allocated to each of the local governments and special districts in the county in~~
14 ~~each preceding month of the fiscal year in which the allocation is to be made was at~~
15 ~~least equal to the base monthly allocation determined pursuant to subsection 2. If~~
16 ~~the amounts distributed to the local governments and special districts in the county~~
17 ~~for the preceding months of the fiscal year in which the allocation is to be made~~
18 ~~were less than the base monthly allocation determined pursuant to subsection 2 and~~
19 ~~the Executive Director determines there is money remaining in the county's~~
20 ~~subaccount in the Account after the distribution for the month has been made, he~~
21 ~~shall:~~

22 ~~— (a) Determine the amount by which the base monthly allocations determined~~
23 ~~pursuant to subsection 2 for each local government and special district in the county~~
24 ~~for the preceding months of the fiscal year in which the allocation is to be made~~
25 ~~exceeds the amounts actually received by the local governments and special~~
26 ~~districts in the county for the same period; and~~

27 ~~— (b) Compare the amount determined pursuant to paragraph (a) to the amount of~~
28 ~~money remaining in the county's subaccount in the Account to determine which~~
29 ~~amount is greater.~~

30 ~~— If the Executive Director determines that the amount determined pursuant to~~
31 ~~paragraph (a) is greater, he shall allocate the money remaining in the county's~~
32 ~~subaccount in the Account pursuant to the provisions of subsection 3. If the~~
33 ~~Executive Director determines that the amount of money remaining in the county's~~
34 ~~subaccount in the Account is greater, he shall first allocate the money necessary for~~
35 ~~each local government and special district to receive the base monthly allocation~~
36 ~~determined pursuant to subsection 2 and the State Treasurer shall remit that money~~
37 ~~so allocated. The Executive Director shall allocate any additional money in the~~
38 ~~county's subaccount in the Account pursuant to the provisions of subsection 4, 5, 6~~
39 ~~or 7, as appropriate.~~

40 ~~— 9. The percentage changes in population calculated pursuant to subsections 4~~
41 ~~to 7, inclusive, must:~~

42 ~~— (a) Except as otherwise provided in paragraph (c), if the Bureau of the Census~~
43 ~~of the United States Department of Commerce issues population totals that conflict~~
44 ~~with the totals certified by the Governor pursuant to NRS 360.285, be an estimate~~
45 ~~of the change in population for the calendar year, based upon the population totals~~
46 ~~issued by the Bureau of the Census.~~

47 ~~— (b) If a new method of determining population is established pursuant to NRS~~
48 ~~360.283, be adjusted in a manner that will result in the percentage change being~~
49 ~~based on population determined pursuant to the new method for both the fiscal year~~
50 ~~in which the allocation is made and the fiscal year immediately preceding the year~~
51 ~~in which the allocation is made.~~

52 ~~— (c) If a local government files a formal appeal with the Bureau of the Census~~
53 ~~concerning the population total of the local government issued by the Bureau of the~~

~~Census, be calculated using the population total certified by the Governor pursuant to NRS 360.285 until the appeal is resolved. If additional money is allocated to the local government because the population total certified by the Governor is greater than the population total issued by the Bureau of the Census, the State Treasurer shall deposit that additional money in a separate interest-bearing account. Upon resolution of the appeal, if the population total finally determined pursuant to the appeal is:~~

~~(1) Equal to or less than the population total initially issued by the Bureau of the Census, the State Treasurer shall transfer the total amount in the separate interest-bearing account, including interest but excluding any administrative fees, to the Local Government Tax Distribution Account for allocation among the local governments in the county pursuant to subsection 4, 5, 6 or 7, as appropriate;~~

~~(2) Greater than the population total initially issued by the Bureau of the Census, the Executive Director shall calculate the amount that would have been allocated to the local government pursuant to subsection 4, 5, 6 or 7, as appropriate, if the population total finally determined pursuant to the appeal had been used and the State Treasurer shall remit to the local government an amount equal to the difference between the amount actually distributed and the amount calculated pursuant to this subparagraph or the total amount in the separate interest-bearing account, including interest but excluding any administrative fees, whichever is less.~~

~~10. On or before February 15 of each year, the Executive Director shall provide to each local government, special district and enterprise district a preliminary estimate of the revenue it will receive from the Account for that fiscal year.~~

~~11. On or before March 15 of each year, the Executive Director shall:~~

~~(a) Make an estimate of the receipts from each tax included in the Account on an accrual basis for the next fiscal year in accordance with generally accepted accounting principles, including an estimate for each county of the receipts from each tax included in the Account; and~~

~~(b) Provide to each local government, special district and enterprise district an estimate of the amount that local government, special district or enterprise district would receive based upon the estimate made pursuant to paragraph (a) and calculated pursuant to the provisions of this section.~~

~~12. A local government, special district or enterprise district may use the estimate provided by the Executive Director pursuant to subsection 11 in the preparation of its budget. (Deleted by amendment.)~~

Sec. 2. Chapter 360 of NRS is hereby amended by adding thereto a new section to read as follows:

A local government or special district that desires the enactment by the Legislature of an increase in the amount of money allocated to the local government or special district pursuant to NRS 360.680 or a revision of the formula for the allocation of money in the Account pursuant to NRS 360.690 may submit a proposal for such an increase or revision to the Committee on Local Government Finance. The Committee on Local Government Finance shall:

1. Schedule a public hearing on the proposal and provide notice of the hearing, and a copy of the proposal, to the governing body of each local government and special district that could be affected by the proposal.

2. Provide an opportunity for any local government or special district to submit information to assist the Committee on Local Government Finance in its consideration of the proposal.

3. Consider the proposal at the public hearing and submit its findings regarding the proposal to the Director of the Legislative Counsel Bureau for submission to the Legislative Commission.

4. Adopt such regulations, in the manner prescribed for state agencies in chapter 233B of NRS, as it determines to be appropriate for the administration of this section. The regulations may include, without limitation, a schedule for the submission and hearing of proposals pursuant to this section.

Sec. 3. NRS 360.600 is hereby amended to read as follows:

360.600 As used in NRS 360.600 to 360.740, inclusive, and section 2 of this act, unless the context otherwise requires, the words and terms defined in NRS 360.605 to 360.650, inclusive, have the meanings ascribed to them in those sections.

Sec. 4. Chapter 218 of NRS is hereby amended by adding thereto a new section to read as follows:

1. If the Committee on Local Government Finance determines that any legislation would be appropriate to carry out any of the findings made by the Committee pursuant to section 2 of this act, the Committee may directly request the Legislative Counsel and the Legal Division of the Legislative Counsel Bureau to prepare not more than one legislative measure for a regular legislative session to carry out those findings.

2. A request for the drafting of a legislative measure pursuant to this section must:

(a) Be submitted to the Legislative Counsel on or before September 1 preceding the commencement of a regular session of the Legislature; and

(b) Set forth the substance of the provisions desired and the reasons therefor.

Sec. 5. NRS 218.240 is hereby amended to read as follows:

218.240 1. The Legislative Counsel and the Legal Division of the Legislative Counsel Bureau shall prepare and assist in the preparation and amendment of legislative measures when requested or upon suggestion as provided in NRS 218.240 to 218.255, inclusive, and section 4 of this act. Except as otherwise provided in those provisions, the Legislative Counsel and the Legal Division of the Legislative Counsel Bureau shall not prepare or assist in the preparation and amendment of legislative measures directly submitted or requested by a natural person, corporation, firm, association or other entity, including an organization that represents governmental agencies, unless the requester, or if the requester is a natural person the office or other position held by the person, is created by the Constitution or laws of this State.

2. The Legislative Counsel shall give consideration to and service concerning any measure before the Legislature which is requested by the Governor, the Senate or Assembly, or any committee of the Legislature having the measure before it for consideration.

Sec. 6. NRS 218.2405 is hereby amended to read as follows:

218.2405 1. Except as otherwise provided by specific statute, joint rule or concurrent resolution of the Legislature, the Legislative Counsel shall honor:

(a) The number of requests for the drafting of a bill or resolution for a regular session of the Legislature only as provided in NRS 218.240 to 218.255, inclusive, and section 4 of this act.

(b) A request for the drafting of a bill or resolution for any session of the Legislature which is submitted by a state agency, board or department, a local government, the judiciary or another authorized nonlegislative requester only if the request is in a subject related to the function of the requester.

2. The Legislative Counsel shall not:

(a) Assign a number to a request for the drafting of a bill or resolution for any session of the Legislature to establish the priority of the request until sufficient detail has been received to allow complete drafting of the legislative measure.

(b) Honor a request to change the subject matter of a request for the drafting of a bill or resolution for any session of the Legislature after it has been submitted for drafting.

(c) Honor a request for the drafting of a bill or resolution for any session of the Legislature which has been combined in violation of Section 17 of Article 4 of the Nevada Constitution.

Sec. 7. 1. There is hereby created an interim committee to study the distribution of taxes among local governmental entities in this State, to consist of 11 members appointed as follows:

--- (a) The Legislative Commission shall appoint one member from among the Legislators who have experience serving as the chairman of a legislative standing committee on government affairs.

--- (b) The Board of County Commissioners of Clark County shall appoint one member from among the membership of the Board or its staff.

--- (c) The Board of County Commissioners of Washoe County shall appoint one member from among the membership of the Board or its staff.

--- (d) The City Council of the City of Henderson shall appoint one member from among the membership of the City Council or its staff.

--- (e) The City Council of the City of Las Vegas shall appoint one member from among the membership of the City Council or its staff.

--- (f) The City Council of the City of North Las Vegas shall appoint one member from among the membership of the City Council or its staff.

--- (g) The City Council of the City of Reno shall appoint one member from among the membership of the City Council or its staff.

--- (h) The City Council of the City of Sparks shall appoint one member from among the membership of the City Council or its staff.

--- (i) The Nevada Association of Counties shall appoint one member from among the membership of a board of county commissioners of a county other than Clark County or Washoe County, or from among the membership of the staff of such a board.

--- (j) The Nevada League of Cities and Municipalities shall appoint one member from among the membership of the governing body of a city located in a county other than Clark County or Washoe County, or from among the membership of the staff of such a governing body.

--- (k) The members of the interim committee appointed pursuant to paragraphs (a) to (i), inclusive, shall by majority vote appoint one additional member from among the membership of the board of trustees of a general improvement district that receives any allocation of money from the Local Government Tax Distribution Account, or from among the membership of the staff of such a board of trustees.

--- None of the members appointed pursuant to paragraphs (i), (j) and (k) may be from the same county as any other of those members.

2. The member of the interim committee appointed by the Legislative Commission shall serve as the chairman of the interim committee. The members of the interim committee shall elect a vice chairman by majority vote.

3. A vacancy on the interim committee must be filled in the same manner as the original appointment.

1 4. The members of the interim committee serve without any additional
2 compensation, except that, while engaged in the business of the interim
3 committee;

4 (a) Each member who is a Legislator is entitled to receive the
5 compensation provided for a majority of the members of the Legislature
6 during the first 60 days of the preceding regular session plus the per diem
7 allowance provided for state officers and employees generally and the travel
8 expenses provided pursuant to NRS 218.2207, which must be paid from the
9 Legislative Fund; and

10 (b) Each member who is not a Legislator is entitled to receive the per diem
11 allowance and travel expenses provided for state officers and employees
12 generally, which must be paid by the board of county commissioners, city
13 council, governing body or board of trustees of which he is a member or by
14 whom he is employed.

15 5. Each member of the interim committee who is an officer or employee
16 of a political subdivision of this State must be relieved from his duties without
17 loss of his regular compensation so that he may prepare for and attend
18 meetings of the interim committee and perform any work necessary to carry
19 out the duties of the interim committee in the most timely manner practicable.
20 A political subdivision of this State shall not require an officer or employee
21 who is a member of the interim committee to make up the time that he is
22 absent from work to carry out his duties as a member of the interim committee
23 or to use annual vacation or compensatory time for the absence.

24 6. The members of the interim committee shall meet at least quarterly
25 and at the times and places specified by a call of the chairman.

26 7. Six members of the interim committee constitute a quorum, and the
27 affirmative vote of a majority of the members present is sufficient for any
28 action of the interim committee.

29 8. The interim committee shall:

30 (a) Review the distribution among local governmental entities of the taxes
31 currently imposed in this State;

32 (b) Examine whether the current system of distribution results in an
33 appropriate allocation of those taxes among local governmental entities and, if
34 not, consider possible solutions to achieve a more appropriate distribution of
35 those taxes; and

36 (c) Report the results of the study to the Assembly Standing Committee on
37 Taxation and Senate Standing Committee on Taxation for the 76th Session of
38 the Legislature.

39 9. The Director of the Legislative Counsel Bureau shall provide such staff
40 and other support as is necessary for the interim committee to perform its
41 duties. The Executive Director of the Department of Taxation shall provide the
42 services of an employee of the Department to provide such expert assistance as
43 the interim committee may require.

44 ~~Sec. 2.~~ Sec. 8. 1. This act becomes effective on July 1, 2009.

45 2. Section 7 of this act expires by limitation on March 31, 2011.