

SENATE BILL NO. 63—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE STATE CONTROLLER)

PREFILED DECEMBER 9, 2008

Referred to Committee on Government Affairs

SUMMARY—Makes various changes concerning public financial administration. (BDR 31-493)

FISCAL NOTE: Effect on Local Government: No.
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 financial administration; eliminating the requirement to submit certain reports and statements to the State Controller; moving certain accounts to different funds; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The Nevada College Savings Program is Nevada's qualified state tuition program under federal law. (NRS 353B.340; 26 U.S.C. § 529) Under existing state law, money contributed by participants in the Program as well as legislative appropriations, grants from governmental entities and gifts from private sources are deposited into the Nevada College Savings Trust Fund. (NRS 353B.340) **Section 1** of this bill limits the sources of money of the Trust Fund only to money deposited in accordance with savings trust agreements and earnings on that money. **Section 2** of this bill moves the Administrative Account and the Endowment Account in the Trust Fund to the State General Fund.

Sections 3-5, 9 and 10 of this bill remove the State Controller from the distribution list for: (1) reports of outstanding indebtedness by local governments (NRS 354.6025); (2) statements by the county auditor of the assessed valuations of property and taxes levied thereon in each county (NRS 361.470); and (3) the annual statements of revenues, expenditures and the balances of the State Sheep Inspection Account and the Woolgrowers' State Account for Control of Predatory Animals prepared by the county treasurer in a county that administers either or both Accounts pursuant to an interlocal agreement. (NRS 562.195, 567.125)

Sections 6-8 of this bill move the Revolving Account for the Issuance of Special License Plates, the allocations to that Account for the manufacture of pre-1982 license plates and the Revolving Account for the Issuance of Salvage Titles from the Motor Vehicle Fund to the State Highway Fund. (NRS 482.1805, 482.266, 487.825)



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

Section 1. NRS 353B.340 is hereby amended to read as follows:

353B.340 1. The Nevada College Savings Trust Fund is hereby created.

2. The Trust Fund is an instrumentality of this State, and its property and income are exempt from all taxation by this State and any political subdivision thereof.

3. The Trust Fund consists of:

(a) ~~[All legislative appropriations made thereto;~~

~~—(b) All money acquired by or for the use of the Trust Fund from:~~

~~—(1) Any other governmental source, including, without limitation, any grant from the Federal Government, or a state or local government; or~~

~~—(2) Any private source, including, without limitation, any gift, bequest, devise or endowment;~~

~~—(c)] All money deposited in accordance with savings trust agreements; and~~

~~[(d)] (b) All earnings on the money in the Trust Fund.~~

4. ~~[All money deposited in accordance with savings trust agreements and all earnings on such money:]~~ *Money in the Trust Fund:*

(a) ~~[Are]~~ *Is* not the property of this State, and this State has no claim to or interest in such money; and

(b) Must not be commingled with money of this State.

5. A savings trust agreement or any other contract entered into by or on behalf of the Trust Fund does not constitute a debt or obligation of this State, and no account owner is entitled to any money in the Trust Fund except for that money on deposit in or accrued to his account.

6. The money in the Trust Fund must be preserved, invested and expended solely pursuant to and for the purposes authorized by NRS 353B.300 to 353B.370, inclusive, and must not be loaned or otherwise transferred or used by this State for any other purpose.

Sec. 2. NRS 353B.350 is hereby amended to read as follows:

353B.350 1. The Trust Fund *and any account established by the State Treasurer pursuant to this section* must be administered by the State Treasurer.

2. The State Treasurer shall establish such accounts ~~[within the Trust Fund]~~ *as he determines necessary [] to carry out his duties*



1 *pursuant to NRS 353B.300 to 353B.370, inclusive*, including,
2 without limitation ~~[, and]~~ :

3 (a) A Program Account ~~[, and]~~ *in the Trust Fund; and*

4 (b) *An* Administrative Account and an Endowment Account ~~[, and]~~
5 *in the State General Fund.*

6 3. The Program Account must be used for the receipt,
7 investment and disbursement of money pursuant to savings trust
8 agreements.

9 4. The Administrative Account must be used for the deposit
10 and disbursement of money to administer and market the Nevada
11 College Savings Program and to supplement the administration and
12 marketing of the Nevada Higher Education Prepaid Tuition Program
13 set forth in NRS 353B.010 to 353B.190, inclusive.

14 5. The Endowment Account must be used for the deposit of
15 any money received by the ~~[Trust Fund]~~ *Nevada College Savings*
16 *Program* that is not received pursuant to a savings trust agreement
17 and, in the determination of the State Treasurer, is not necessary for
18 the use of the Administrative Account. The money in the
19 Endowment Account may be expended for any purpose related to
20 the Nevada College Savings Program or otherwise to assist the
21 residents of this State to attain postsecondary education.

22 **Sec. 3.** NRS 354.6025 is hereby amended to read as follows:

23 354.6025 1. Each local government shall submit to the
24 Department of Taxation , annually, an itemized report showing all
25 its outstanding indebtedness. The Department of Taxation shall
26 prescribe the form and time of filing for all such reports.

27 2. Upon receipt of the annual local government reports of
28 indebtedness, the Department of Taxation shall compile the
29 information into a state report of local government indebtedness.
30 Copies of such report shall be submitted to the Governor ~~[, the State~~
31 ~~Controller]~~ and *the* Fiscal Analysis Division of the Legislative
32 Counsel Bureau.

33 3. As used in this section, "indebtedness" does not include any
34 liability which is incurred by a local government for the purchase of
35 goods and services on open accounts.

36 **Sec. 4.** NRS 361.470 is hereby amended to read as follows:

37 361.470 On delivering the assessment roll to the ex officio tax
38 receiver, the county auditor shall ~~[, and]~~

39 ~~—1. Charge]~~ *charge* the ex officio tax receiver with the full
40 amount of the taxes levied ~~[, and]~~

41 ~~—2. Forthwith transmit by mail to the State Controller a~~
42 ~~statement showing the assessed valuation of all property in the~~
43 ~~county and the amount of taxes levied thereon for state and county~~
44 ~~purposes.] as shown on the roll.~~



1 **Sec. 5.** NRS 361.725 is hereby amended to read as follows:

2 361.725 1. On the first Monday of September and May in
3 each fiscal year, the district attorney shall attend at the office of the
4 county auditor with the delinquent list or lists, and the county
5 auditor shall then carefully compare the same with the statements
6 filed by the district attorney. If the same shall be found to be correct,
7 the county auditor shall give to the district attorney a receipt
8 specifying the same.

9 2. The district attorney shall at the same time deliver to the
10 county auditor a written statement of all delinquent taxes upon the
11 delinquent list or lists remaining uncollected, or for which suit has
12 not been brought, with his reason in detail for not being able to
13 collect the same, or for not bringing suit.

14 3. The county auditor shall immediately file the delinquent list
15 or lists and statement with the clerk of the board of county
16 commissioners, and the board of county commissioners shall revise
17 the same by striking off such taxes as cannot be collected. The
18 delinquent list or lists ~~[shall]~~ **must** then be returned to the county
19 auditor, who shall note the changes made ~~[]~~ and shall then return
20 the same to the district attorney, taking his receipt therefor.

21 ~~[4. The county auditor shall, in his report to the State~~
22 ~~Controller, state the amounts stricken off the delinquent list or lists~~
23 ~~by the board of county commissioners.]~~

24 **Sec. 6.** NRS 482.1805 is hereby amended to read as follows:

25 482.1805 1. The Revolving Account for the Issuance of
26 Special License Plates is hereby created as a special account in the
27 ~~[Motor Vehicle]~~ **State Highway** Fund. An amount equal to \$35 of
28 the fee received by the Department for the initial issuance of a
29 special license plate, not including any additional fee which may be
30 added to generate financial support for a particular cause or
31 charitable organization, must be deposited in the ~~[Motor Vehicle]~~
32 **State Highway** Fund for credit to the Account.

33 2. The Department shall use the money in the Account to:

34 (a) Pay the expenses involved in issuing special license plates;
35 and

36 (b) Purchase improved and upgraded technology, including,
37 without limitation, digital technology for the production of special
38 license plates, to ensure that special license plates are produced in
39 the most efficient manner possible.

40 3. Money in the Account must be used only for the purposes
41 specified in subsection 2.

42 4. At the end of each fiscal year, the State Controller shall
43 transfer from the Account to the State Highway Fund an amount of
44 money equal to the balance in the Account which exceeds \$50,000.



Sec. 7. NRS 482.266 is hereby amended to read as follows:

482.266 1. A person who desires to have regular or personalized license plates that are substantially in the same color and form as license plates manufactured before January 1, 1982, must:

(a) Submit a written request for such license plates to the Department in a manner and form prescribed by the Department; and

(b) In addition to all other applicable registration fees, licensing fees and governmental services taxes, pay the manufacturing fee prescribed by the Department.

↪ A person requesting license plates pursuant to this section must comply with all requirements for registration and licensing pursuant to this chapter. A request for license plates pursuant to this section does not, by itself, constitute a request for special license plates pursuant to subsection 3 of NRS 482.265.

2. After receiving a request and the full amount of the payment due for license plates requested pursuant to subsection 1, the Department shall manufacture the license plates using substantially the same process, dies and materials as were used to manufacture license plates before January 1, 1982. The Department shall deliver license plates requested pursuant to this section to a person who requests such license plates within 180 days after acceptance of the written request or after receipt of payment therefor, whichever occurs last.

3. The Department shall:

(a) Prescribe, by regulation, a manner and form for submitting a written request pursuant to subsection 1. The form must include, without limitation, an indication of whether the requester desires to have the same letters and numbers on the license plates requested as are on the license plates that are registered to him at the time of the request.

(b) Determine the cost of manufacturing a license plate pursuant to this section and prescribe a manufacturing fee, which must not exceed \$25, to defray the cost of manufacturing license plates pursuant to this section. The manufacturing fee must be:

(1) Collected by the Department;

(2) Deposited with the State Treasurer to the credit of the ~~Motor Vehicle~~ State Highway Fund; and

(3) Allocated to the Revolving Account for the Issuance of Special License Plates created pursuant to NRS 482.1805 to defray the costs of manufacturing license plates pursuant to this section.

4. A person who requests license plates pursuant to this section may keep the license plates which are registered to him at the time of the request if the license plates requested contain the same letters



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1 and numbers as the license plates which are registered to him at the
2 time of the request.

3 **Sec. 8.** NRS 487.825 is hereby amended to read as follows:

4 487.825 1. The Revolving Account for the Issuance of
5 Salvage Titles is hereby created as a special account in the ~~[Motor~~
6 ~~Vehicle]~~ *State Highway* Fund.

7 2. The Department shall use the money in the Account only to
8 pay the expenses relating to the issuance of salvage titles.

9 3. At the end of each fiscal year, the State Controller shall
10 transfer from the Account to the State Highway Fund an amount of
11 money equal to the balance in the Account which exceeds \$50,000.

12 **Sec. 9.** NRS 562.195 is hereby amended to read as follows:

13 562.195 1. The Board may enter into a cooperative
14 agreement with a board of county commissioners for the
15 administration of the State Sheep Inspection Account. Upon
16 execution of such an agreement, the State Controller shall transfer
17 all money in the State Sheep Inspection Account in the State
18 General Fund to the appropriate county treasurer for credit to the
19 State Sheep Inspection Account in the county treasury of the county
20 that executed the agreement. The agreement must require the county
21 treasurer to prepare an annual statement that includes an accounting
22 of revenues and expenditures and the balance in the State Sheep
23 Inspection Account. The statement must cover the most recent fiscal
24 year and must be submitted, within 90 days after the end of that
25 fiscal year, to the county treasurer, the ~~[President]~~ *Chairman* of the
26 Board, the Director of the Department of Administration ~~[, the State~~
27 ~~Controller]~~ and the Legislative Auditor.

28 2. The agreement may include a provision for reimbursement
29 of the county by the Board of any reasonable costs of administering
30 the Account.

31 3. Upon termination of an agreement executed pursuant to
32 subsection 1, the county treasurer shall transfer all money in the
33 State Sheep Inspection Account in the county treasury to the State
34 Sheep Inspection Account in the county treasury of another county
35 that executed an agreement pursuant to subsection 1 or, if no such
36 agreement has been executed, to the State Controller for deposit in
37 the State Sheep Inspection Account in the State General Fund.

38 **Sec. 10.** NRS 567.125 is hereby amended to read as follows:

39 567.125 1. The Board may enter into a cooperative
40 agreement with a board of county commissioners for the
41 administration of the Woolgrowers' State Account for Control of
42 Predatory Animals. Upon execution of such an agreement, the State
43 Controller shall transfer all money in the Woolgrowers' State
44 Account for Control of Predatory Animals in the State General Fund
45 to the appropriate county treasurer for credit to the Woolgrowers'



1 State Account for Control of Predatory Animals in the county
2 treasury of the county that executed the agreement. The agreement
3 must require the county treasurer to prepare an annual statement that
4 includes an accounting of revenues and expenditures and the
5 balance in the Woolgrowers' State Account for Control of Predatory
6 Animals. The statement must cover the most recent fiscal year and
7 must be submitted, within 90 days after the end of that fiscal year, to
8 the county treasurer, the ~~President~~ *Chairman* of the Board, the
9 Director of the Department of Administration ~~[-, the State Controller]~~
10 and the Legislative Auditor.

11 2. The agreement may include a provision for reimbursement
12 of the county by the Board of any reasonable costs of administering
13 the Account.

14 3. Upon termination of an agreement executed pursuant to
15 subsection 1, the county treasurer shall transfer all money in the
16 Woolgrowers' State Account for Control of Predatory Animals in
17 the county treasury to the Woolgrowers' State Account for Control
18 of Predatory Animals in the county treasury of another county that
19 executed an agreement pursuant to subsection 1 or, if no such
20 agreement has been executed, to the State Controller for deposit in
21 the Woolgrowers' State Account for Control of Predatory Animals
22 in the State General Fund.

23 **Sec. 11.** NRS 354.320 is hereby repealed.

24 **Sec. 12.** This act becomes effective on July 1, 2009.

TEXT OF REPEALED SECTION

354.320 County auditor to remit annual statement to State Controller. On or before the third Monday of July of each year each county auditor shall prepare and forward to the State Controller a statement showing:

1. The indebtedness of the county, funded and floating, stating the amount of each class, and the rate of interest borne by such indebtedness, or any part thereof, and the amount of cash in the county treasury, in its several funds.

2. A careful estimate of the value of all property owned by the county.

3. The aggregate value of the real and personal property in the county, as shown by the last assessment roll, stating each separately.

4. The rate of taxation in such year in the county and the number of registered voters.



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5. The amount of taxes so assessed, stating the portion, if any, which was delinquent.

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