

Amendment No. 868

Senate Amendment to Senate Bill No. 434 (BDR 31-1175)

Proposed by: Senate Committee on Finance**Amends:** Summary: No 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 underlining* is newly added transitory language.

SJC/BJE



Date: 6/5/2011

S.B. No. 434—Makes various changes regarding funding and autonomy of Nevada System of Higher Education. (BDR 31-1175)



SENATE BILL NO. 434—COMMITTEE ON FINANCE

(ON BEHALF OF THE DIVISION OF BUDGET AND PLANNING)

MARCH 28, 2011

Referred to Committee on Finance

SUMMARY—Makes various changes regarding funding and autonomy of Nevada System of Higher Education. (BDR 31-1175)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 the Nevada System of Higher Education; ~~creating the Nevada System of Higher Education Stabilization Account; requiring the preparation of a separate budget for certain fees imposed by the System;~~ revising provisions governing the retention ~~and use~~ of certain appropriations to the System; ~~temporarily redirecting a portion of the taxes ad valorem levied in Clark and Washoe Counties to the System;~~ revising provisions related to capital improvements constructed by or on behalf of the System; ~~requiring the adoption of certain standards for measuring the preparation of pupils for college; requiring certain annual reports;~~ and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~Section 2 of this bill creates the Nevada System of Higher Education Stabilization Account within the Fund to Stabilize the Operation of the State Government, requires the State Controller to deposit money reverted from the Nevada System of Higher Education at the close of the previous fiscal year into that Account and establishes a maximum allowed balance for the Account. Section 2 authorizes the Board of Regents of the University of Nevada to request an allocation from the Account to offset any reserves required to be set aside by the Nevada System of Higher Education.~~

~~Existing law requires the preparation of a budget for the Executive Department of the State Government. (NRS 253.150-253.246) Section 3 of this bill excludes from that budget the tuition charges and other fees assessed by the Board of Regents of the University of Nevada and requires the Board of Regents to present to the Legislature a separate budget for the expenditure of those proceeds.~~

Section 5 of this bill provides that the portion of any appropriations of money made to the Nevada System of Higher Education from the State General Fund that are not expended during a fiscal year will be retained by the System instead of being returned to the State General Fund. ~~except for any amounts needed to maintain the maximum allowed balance for the Nevada System of Higher Education Stabilization Account.~~

~~Section 6 of this bill allows the Nevada System of Higher Education to transfer the money included in any appropriations made to the System among any of the budget accounts of the System.~~

~~Existing law authorizes a county to impose an ad valorem tax for capital projects in the amount of 5 cents per \$100 of the assessed valuation of the county. (NRS 254.59815) Section 8 of this bill requires the distribution to the Nevada System of Higher Education of a portion of the proceeds of any such tax imposed during the next 2 fiscal years in a county whose population is 100,000 or more (currently Clark and Washoe Counties).]~~

Existing law ~~[requires]~~ authorizes the State Public Works Board , upon the request of the head of a state agency, to ~~[provide certain services to the Nevada System of Higher Education with respect to capital improvements. (NRS 341.141, 341.155, 341.201) Sections 9-12 of this bill exclude the System from the provisions of chapter 341 of NRS and remove all references to the System from that chapter. Section 14 of this bill requires the Board of Regents of the University of Nevada to manage or provide for the management of the System's capital improvements.]~~ delegate to the state agency the Board's authority to manage public works projects. (NRS 341.119) Section 9.5 of this bill requires the Board, upon the request of the Board of Regents of the University of Nevada, to delegate that authority to the Nevada System of Higher Education with regard to specific works designated by the Board of Regents of the University of Nevada. Section 17 of this bill ~~[authorizes the Board of Regents.]~~ requires the State Controller and the State Treasurer, when specific projects are authorized by the Legislature, to ~~[use]~~ transfer money in the Capital Construction Fund for Higher Education and the Special Capital Construction Fund for Higher Education to the Board of Regents for the construction of capital improvement projects for the System.

~~[Section 15 of this bill requires the Board of Regents of the University of Nevada to adopt standards for measuring the preparation of pupils in kindergarten through grade 12 to participate successfully in programs of higher education.]~~

~~Section 16 of this bill requires the Board of Regents of the University of Nevada to prepare, for dissemination to the Governor and the Legislature, annual reports containing certain information regarding the preparation of students for college and the performance and budgets of the Nevada System of Higher Education.~~

~~Section 18 of this bill requires the distribution to the Nevada System of Higher Education of the portion of the property taxes levied for the next 2 fiscal years for operating purposes by Clark and Washoe Counties at the rate of 4 cents per \$100 of assessed valuation.]~~

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

Section 1. ~~[Chapter 353 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.]~~ (Deleted by amendment.)

Sec. 2. ~~[1. The Nevada System of Higher Education Stabilization Account is hereby created in the Fund to Stabilize the Operation of the State Government created by NRS 353.288.~~

~~2. Except as otherwise provided in subsection 3, the State Controller shall, after the close of the previous fiscal year and before the issuance of the State Controller's annual report, transfer from the State General Fund to the Nevada System of Higher Education Stabilization Account any money which was reverted from the Nevada System of Higher Education to the State General Fund at the close of the previous fiscal year. Money transferred pursuant to this subsection to the Nevada System of Higher Education Stabilization Account is hereby appropriated as a continuing appropriation solely for the purpose of authorizing the expenditure of the transferred money for the purposes set forth in this section.~~

~~3. The balance in the Nevada System of Higher Education Stabilization Account must not exceed 10 percent of the combined sum of:~~

~~1. (a) Money appropriated by the Legislature to the Nevada System of Higher Education for operating expenses; and~~

~~2. (b) Any revenue from taxes ad valorem approved by the Legislature for expenditure by the Nevada System of Higher Education.~~

~~3. 4. Except as otherwise provided in subsection 3, the interest and income earned on the sum of:~~

~~4. (a) The money in the Nevada System of Higher Education Stabilization Account; and~~

~~5. (b) Unexpended appropriations made to the Nevada System of Higher Education Stabilization Account from the State General Fund;~~

~~6. must be credited to the Nevada System of Higher Education Stabilization Account. If the amount of such credit would cause the Account to exceed the maximum allowed balance in the Account established pursuant to subsection 3, the amount of such excess credit must be deposited for credit to the Fund to Stabilize the Operation of the State Government or, if the amount of such excess credit would cause that Fund to exceed the maximum allowed balance in that Fund established pursuant to subsection 3 of NRS 353.288, the amount of such excess credit must be deposited for credit to the State General Fund.~~

~~7. 5. The money in the Nevada System of Higher Education Stabilization Account must not be used to replace or supplant money otherwise available from other sources for the operation of the Nevada System of Higher Education.~~

~~8. 6. The money in the Nevada System of Higher Education Stabilization Account may only be allocated by the Legislature or, if the Legislature is not in session, by the Interim Finance Committee pursuant to subsection 7, 8 or 9.~~

~~9. 7. If the Board of Regents of the University of Nevada is required to set aside any reserves pursuant to NRS 353.225 or other specific statute and the Legislature is in session, the Board of Regents may submit a request for an allocation from the Nevada System of Higher Education Stabilization Account to the Director of the Legislative Counsel Bureau for transmission to the Legislature. If the Legislature finds that an allocation should be made from the Nevada System of Higher Education Stabilization Account, the Legislature shall by resolution establish the amount and purpose of the allocation and direct the State Controller to transfer that amount to the Nevada System of Higher Education. The State Controller shall thereupon make the transfer.~~

~~10. 8. If the Board of Regents of the University of Nevada is required to set aside any reserves pursuant to NRS 353.225 or other specific statute and the Legislature is not in session, the Board of Regents may submit a request for an allocation from the Nevada System of Higher Education Stabilization Account to the State Board of Examiners. The State Board of Examiners shall consider the request and shall, if it finds that an allocation should be made, recommend the amount of the allocation to the Interim Finance Committee for its independent evaluation and action. The Interim Finance Committee is not bound to follow the recommendations of the State Board of Examiners.~~

~~11. 9. If the Interim Finance Committee, after independent determination, finds that an allocation should and may lawfully be made from the Nevada System of Higher Education Stabilization Account, the Committee shall by resolution establish the amount and purpose of the allocation and direct the State Controller to transfer that amount to the Nevada System of Higher Education. The State Controller shall thereupon make the transfer. In acting upon a request for an allocation, the Interim Finance Committee shall consider, among other things:~~

~~12. (a) The need for the allocation; and~~

~~(b) The intent of the Legislature in creating the Nevada System of Higher Education Stabilization Account.~~

~~10. An allocation to offset any reserves required to be set aside by the Board of Regents of the University of Nevada pursuant to NRS 353.225 or other specific statute must be made from the Nevada System of Higher Education Stabilization Account in accordance with this section before any allocation is made from the Fund to Stabilize the Operation of the State Government for the same purpose. No allocation may be made from the Fund to Stabilize the Operation of the State Government to offset any reserves required to be set aside by the Board of Regents of the University of Nevada pursuant to NRS 353.225 or other specific statute until all money which is available in the Nevada System of Higher Education Stabilization Account has been allocated.~~ **(Deleted by amendment.)**

Sec. 3. ~~[Notwithstanding any other statutory provision to the contrary:~~

~~1. The proceeds of any tuition charges, registration fees and other fees assessed against students by the Board of Regents of the University of Nevada, and the expenditure of such proceeds, must be excluded from each budget prepared for the Executive Department of the State Government pursuant to NRS 353.150 to 353.245, inclusive.~~

~~2. The Board of Regents of the University of Nevada shall submit to the Legislature in the same format as the proposed executive budget a separate budget for the expenditure of the proceeds of any tuition charges, registration fees and other fees assessed against students by the Board of Regents.~~ **(Deleted by amendment.)**

Sec. 4. ~~[NRS 353.150 is hereby amended to read as follows:~~

~~353.150 NRS 353.150 to 353.246, inclusive, and section 3 of this act may be cited as the State Budget Act.]~~ **(Deleted by amendment.)**

Sec. 5. NRS 353.253 is hereby amended to read as follows:

353.253 1. Every agency, department and institution of the State of Nevada shall deposit all money received from the Federal Government, the counties or other sources, in the State Treasury as provided in NRS 353.250 unless otherwise provided by law. These deposits must be made to work program accounts directly or to other budget accounts.

2. Except for the balance in any proprietary fund and appropriated or authorized reserves, any balance remaining at the end of a fiscal year in a budget account of an agency, department or institution of the State of Nevada, whether or not authorized for expenditure under a work program, reverts to the source of funding supporting the agency, department or institution. If that source of funding is federal money or a source of revenue the use of which is restricted by statute, then the balance may be authorized for expenditure under a work program for the subsequent fiscal year in accordance with the provisions of this chapter.

3. No provision of this chapter may be construed to authorize or direct the transfer, expenditure or reversion of any money received from the Federal Government contrary to the conditions upon which that money was received or to any federal law or regulation respecting the accountability therefor.

4. ~~[This]~~ **Except as otherwise provided in subsection 5, this** section does not apply to the Board of Regents of the University of Nevada and the Nevada State Museum.

5. **Any sums appropriated to the Nevada System of Higher Education do not lapse to the State General Fund at the end of any fiscal year, except for such amounts as may be necessary to maintain the maximum allowed balance in the Nevada System of Higher Education Stabilization Account.]**

1 **Sec. 6.** ~~[NRS 353.255 is hereby amended to read as follows:~~
2 ~~353.255 1. [The] Except as otherwise provided in subsection 2, the sums~~
3 ~~appropriated for the various branches of expenditure in the public service of the~~
4 ~~State [shall] must be applied solely to the objects for which they are respectively~~
5 ~~made, and for no others.~~
6 ~~2. Any sums appropriated to the Nevada System of Higher Education may~~
7 ~~be transferred among the various budget accounts of the Nevada System of~~
8 ~~Higher Education in the same manner and within the same limits as allowed for~~
9 ~~revisions of work programs in NRS 353.220.~~
10 ~~3. Any person violating the provisions of subsection 1 shall be punished by a~~
11 ~~fine of not more than \$500.] (Deleted by amendment.)~~

12 **Sec. 7.** ~~[NRS 353.288 is hereby amended to read as follows:~~
13 ~~353.288 1. The Fund to Stabilize the Operation of the State Government is~~
14 ~~hereby created as a special revenue fund. Except as otherwise provided in~~
15 ~~subsections 3 and 4, each year after the close of the previous fiscal year and before~~
16 ~~the issuance of the State Controller's annual report, the State Controller shall~~
17 ~~transfer from the State General Fund to the Fund to Stabilize the Operation of the~~
18 ~~State Government:~~
19 ~~(a) Forty percent of the unrestricted balance of the State General Fund, as of~~
20 ~~the close of the previous fiscal year, which remains after subtracting an amount~~
21 ~~equal to 7 percent of all appropriations made from the State General Fund during~~
22 ~~that previous fiscal year for the operation of all departments, institutions and~~
23 ~~agencies of State Government and for the funding of schools; and~~
24 ~~(b) Commencing with the fiscal year that begins on July 1, 2011, 1 percent of~~
25 ~~the total anticipated revenue for the fiscal year in which the transfer will be made,~~
26 ~~as projected by the Economic Forum for that fiscal year pursuant to paragraph (c)~~
27 ~~of subsection 1 of NRS 353.228 and as adjusted by any legislation enacted by the~~
28 ~~Legislature that affects state revenue for that fiscal year.~~
29 ~~2. Money transferred pursuant to subsection 1 to the Fund to Stabilize the~~
30 ~~Operation of the State Government is a continuing appropriation solely for the~~
31 ~~purpose of authorizing the expenditure of the transferred money for the purposes set~~
32 ~~forth in this section.~~
33 ~~3. The balance in the Fund to Stabilize the Operation of the State~~
34 ~~Government, excluding the aggregate balance in the Disaster Relief Account and~~
35 ~~the Emergency Assistance Subaccount, must not exceed 20 percent of the total of~~
36 ~~all appropriations from the State General Fund for the operation of all departments,~~
37 ~~institutions and agencies of the State Government and for the funding of schools~~
38 ~~and authorized expenditures from the State General Fund for the regulation of~~
39 ~~gaming for the fiscal year in which that revenue will be transferred to the Fund to~~
40 ~~Stabilize the Operation of the State Government.~~
41 ~~4. Except as otherwise provided in this subsection and NRS 353.2735,~~
42 ~~beginning with the fiscal year that begins on July 1, 2003, the State Controller shall,~~
43 ~~at the end of each quarter of a fiscal year, transfer from the State General Fund to~~
44 ~~the Disaster Relief Account created pursuant to NRS 353.2725 an amount equal to~~
45 ~~not more than 10 percent of the aggregate balance in the Fund to Stabilize the~~
46 ~~Operation of the State Government during the previous quarter, excluding the~~
47 ~~aggregate balance in the Disaster Relief Account and the Emergency Assistance~~
48 ~~Subaccount created pursuant to NRS 414.135. The State Controller shall not~~
49 ~~transfer more than \$500,000 for any quarter pursuant to this subsection.~~
50 ~~5. [The] Except as otherwise provided in section 2 of this act, the Chief of~~
51 ~~the Budget Division of the Department of Administration may submit a request to~~
52 ~~the State Board of Examiners to transfer money from the Fund to Stabilize the~~
53 ~~Operation of the State Government to the State General Fund;~~

~~(a) If the total actual revenue of the State falls short by 5 percent or more of the total anticipated revenue for the biennium in which the transfer will be made, as determined by the Legislature, or the Interim Finance Committee if the Legislature is not in session; or~~

~~(b) If the Legislature, or the Interim Finance Committee if the Legislature is not in session, and the Governor declare that a fiscal emergency exists;~~

~~6. The State Board of Examiners shall consider a request made pursuant to subsection 5 and shall, if it finds that a transfer should be made, recommend the amount of the transfer to the Interim Finance Committee for its independent evaluation and action. The Interim Finance Committee is not bound to follow the recommendation of the State Board of Examiners.~~

~~7. If the Interim Finance Committee finds that a transfer recommended by the State Board of Examiners should and may lawfully be made, the Committee shall by resolution establish the amount and direct the State Controller to transfer that amount to the State General Fund. The State Controller shall thereupon make the transfer.~~

~~8. In addition to the manner of allocation authorized pursuant to subsections 5, 6 and 7, the money in the Fund to Stabilize the Operation of the State Government may be allocated directly by the Legislature to be used for any other purpose.~~ **(Deleted by amendment.)**

Sec. 8. [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. 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 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 408.225;~~

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

~~(I) Seventy-six percent of those proceeds to the State Treasurer for deposit in the State General Fund; 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 408.225;~~

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

~~(I) Sixty-four percent of those proceeds to the State Treasurer for deposit in the State General Fund; 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 408.225.~~

~~(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 408.225.~~

~~(5) , all of those proceeds to the Board of Regents of the University of Nevada for the maintenance and support of the Nevada System of Higher Education.~~

~~(5) The fiscal year beginning on July 1, 2012, all of those proceeds to the Board of Regents of the University of Nevada for the maintenance and support of the Nevada System of Higher Education.~~

~~(6) Each fiscal year beginning on or after July 1, [2012:] 2013.~~

~~(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 408.225.~~

~~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.] (Deleted by amendment.)~~

~~Sec. 9. [Chapter 341 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~The provisions of this chapter do not apply to capital improvements constructed by or on behalf of the Nevada System of Higher Education.] (Deleted by amendment.)~~

~~Sec. 9.5. NRS 341.119 is hereby amended to read as follows:~~

~~341.119 1. Upon the request of the head of a state agency, the Board may delegate to that agency any of the authority granted the Board pursuant to NRS 341.141 to 341.148, inclusive.~~

~~2. Upon the request of the Board of Regents of the University of Nevada, the State Public Works Board shall delegate to the Nevada System of Higher Education any of the authority granted to the State Public Works Board pursuant to NRS 341.141 to 341.148, inclusive, regarding specific buildings, facilities, improvements and structures designated by the Board of Regents to be constructed by or on behalf of the Nevada System of Higher Education. The Board of Regents shall provide the Manager with such information regarding those specific buildings, facilities, improvements and structures as the Manager~~

determines to be necessary to carry out the provisions of paragraph (g) of subsection 8 of NRS 341.100.

3. This section does not limit any of the authority of the Legislature when the Legislature is in regular or special session or the Interim Finance Committee when the Legislature is not in regular or special session to consult with the Board concerning a construction project or to approve the advance planning of a project.

Sec. 10. NRS 341.141 is hereby amended to read as follows:

341.141 1. The Board shall furnish engineering and architectural services to the Nevada System of Higher Education and all other ~~state~~ state departments, boards or commissions charged with the construction of any building constructed on state property or for which the money is appropriated by the Legislature, except:

(a) Buildings used in maintaining highways;

(b) Improvements, other than nonresidential buildings with more than 1,000 square feet in floor area, made:

(1) In state parks by the State Department of Conservation and Natural Resources; or

(2) By the Department of Wildlife; ~~and~~

(c) Buildings on property controlled by other state agencies if the Board has delegated its authority in accordance with subsection 1 of NRS 341.119 ~~and~~; and

(d) Buildings, facilities, improvements and structures regarding which the Board has delegated its authority to the Nevada System of Higher Education in accordance with subsection 2 of NRS 341.119.

→ The Board of Regents of the University of Nevada and all ~~and~~

~~(d) Buildings, facilities, improvements and structures constructed by or on behalf of the Nevada System of Higher Education.~~

~~All~~ other state departments, boards or commissions shall use those services.

2. The services must consist of:

(a) Preliminary planning;

(b) Designing;

(c) Estimating of costs; and

(d) Preparation of detailed plans and specifications.

Sec. 11. ~~[NRS 341.155 is hereby amended to read as follows:]~~

~~341.155 With the concurrence of the Board, [the Board of Regents of the University of Nevada and any other] any state department, board or commission may enter into agreements with persons, associations or corporations to provide consulting services to determine and plan the construction work that may be necessary to meet the needs of the programs of those agencies. These contracts must [be:]~~

~~1. Be for a term not exceeding 5 years; and [must provide]~~

~~2. Provide for payment of a fee for those services not to exceed one-half of 1 percent of the total value of [;~~

~~1. In the case of the Nevada System of Higher Education, building construction contracts relating to the construction of a branch or facility within the Nevada System of Higher Education; and~~

~~2. In the case of another state department, board or commission,] all construction contracts relating to construction for [that agency;~~

~~→] the applicable state department, board or commission during the term and in the area covered by the contract.] (Deleted by amendment.)~~

Sec. 12. ~~[NRS 341.201 is hereby amended to read as follows:]~~

~~341.201 The Board shall inspect all state buildings periodically [including all buildings at the University of Nevada, Reno, and at the University of Nevada, Las Vegas,] and all physical plant facilities at all state institutions. Reports of all inspections, including findings and recommendations, must be submitted to the~~

appropriate state agencies, and [.] if the Board finds any matter of serious concern in a report, it shall submit that report to the Legislative Commission.] (Deleted by amendment.)

Sec. 13. ~~[Chapter 396 of NRS is hereby amended by adding thereto the provisions set forth as sections 14, 15 and 16 of this act.]~~ (Deleted by amendment.)

Sec. 14. ~~[1. The Board of Regents shall manage or cause to be managed all capital improvements constructed by or on behalf of the System.~~

~~2. In carrying out the provisions of subsection 1, the Board of Regents may procure or cause to be procured such architectural, consulting, contracting and engineering services as the Board may determine to be necessary or advisable.~~

~~3. The Board of Regents shall recommend to the Governor and to the Legislature the priority of construction of any and all buildings, facilities, improvements, structures or other construction work now authorized or that may hereafter be authorized or proposed. The Board shall submit before October 1 of each even-numbered year its recommendations for capital improvements in the next biennium.]~~ (Deleted by amendment.)

Sec. 15. ~~[The Board of Regents, with the assistance of the Superintendent of Public Instruction, shall adopt standards for determining the extent to which pupils in kindergarten through grade 12 are being prepared to participate successfully in programs of higher education.]~~ (Deleted by amendment.)

Sec. 16. ~~[1. The Board of Regents shall, on or before February 1 of each year, submit to the Governor and to the Director of the Legislative Counsel Bureau for transmission to the next regular session of the Legislature an annual report regarding the performance and budgets of the System.~~

~~2. The report required by this section must include:~~

~~(a) Information for the immediately preceding 5 fiscal years regarding:~~

~~(1) The extent to which students first entering the System are prepared to participate successfully in programs of higher education;~~

~~(2) The average period of retention of students in the System;~~

~~(3) The percentage of students who graduate within a 6-year period from universities and other 4-year programs within the System;~~

~~(4) The percentage of students enrolled in community colleges within the System who are:~~

~~(I) Placed into positions of employment; or~~

~~(II) Transferred to universities or other 4-year programs within the System;~~

~~(5) The percentage of students who pass their licensing or certification examinations after completing pertinent programs of study within the System; and~~

~~(6) The extent of improvement in the information described in subparagraphs (1) to (5), inclusive, since the immediately preceding annual report;~~

~~(b) Budgetary information regarding:~~

~~(1) The revenues to be expended within each of the System's functional areas; and~~

~~(2) The anticipated amount to be expended from each source of revenue of the System for each full-time student at each institution within the System; and~~

~~(c) A description of:~~

~~(1) All student fees approved by the Board of Regents; and~~

~~(2) The allocation of those fees, as categorized by the purpose of each fee, to the state supported operating budgets and any self-supporting operating budgets of the System.]~~ (Deleted by amendment.)

1 **Sec. 17.** NRS 463.385 is hereby amended to read as follows:

2 463.385 1. In addition to any other license fees and taxes imposed by this
3 chapter, there is hereby imposed upon each slot machine operated in this State an
4 annual excise tax of \$250. If a slot machine is replaced by another, the replacement
5 is not considered a different slot machine for the purpose of imposing this tax.

6 2. The Commission shall:

7 (a) Collect the tax annually on or before June 30, as a condition precedent to
8 the issuance of a state gaming license to operate any slot machine for the ensuing
9 fiscal year beginning July 1, from a licensee whose operation is continuing.

10 (b) Collect the tax in advance from a licensee who begins operation or puts
11 additional slot machines into play during the fiscal year, prorated monthly after July
12 31.

13 (c) Include the proceeds of the tax in its reports of state gaming taxes collected.

14 3. Any other person, including, without limitation, an operator of an inter-
15 casino linked system, who is authorized to receive a share of the revenue from any
16 slot machine that is operated on the premises of a licensee is liable to the licensee
17 for that person's proportionate share of the license fees paid by the licensee
18 pursuant to this section and shall remit or credit the full proportionate share to the
19 licensee on or before the dates set forth in subsection 2. A licensee is not liable to
20 any other person authorized to receive a share of the licensee's revenue from any
21 slot machine that is operated on the premises of a licensee for that person's
22 proportionate share of the license fees to be remitted or credited to the licensee by
23 that person pursuant to this section.

24 4. The Commission shall pay over the tax as collected to the State Treasurer
25 to be deposited to the credit of the State Distributive School Account in the State
26 General Fund, and the Capital Construction Fund for Higher Education and the
27 Special Capital Construction Fund for Higher Education, which are hereby created
28 in the State Treasury as special revenue funds, in the amounts and to be expended
29 only for the purposes specified in this section, or for any other purpose authorized
30 by the Legislature.

31 5. During each fiscal year, the State Treasurer shall deposit the tax paid over
32 to him or her by the Commission as follows:

33 (a) The first \$5,000,000 of the tax in the Capital Construction Fund for Higher
34 Education;

35 (b) Twenty percent of the tax in the Special Capital Construction Fund for
36 Higher Education; and

37 (c) The remainder of the tax in the State Distributive School Account in the
38 State General Fund.

39 6. There is hereby appropriated from the balance in the Special Capital
40 Construction Fund for Higher Education on July 31 of each year the amount
41 necessary to pay the principal and interest due in that fiscal year on the bonds
42 issued pursuant to section 5 of chapter 679, Statutes of Nevada 1979, as amended
43 by chapter 585, Statutes of Nevada 1981, at page 1251, the bonds authorized to be
44 issued by section 2 of chapter 643, Statutes of Nevada 1987, at page 1503, the
45 bonds authorized to be issued by section 2 of chapter 614, Statutes of Nevada 1989,
46 at page 1377, the bonds authorized to be issued by section 2 of chapter 718,
47 Statutes of Nevada 1991, at page 2382, and the bonds authorized to be issued by
48 section 2 of chapter 629, Statutes of Nevada 1997, at page 3106. If in any year the
49 balance in that fund is not sufficient for this purpose, the remainder necessary is
50 hereby appropriated on July 31 from the Capital Construction Fund for Higher
51 Education. The balance remaining unappropriated in the Capital Construction Fund
52 for Higher Education on August 1 of each year and all amounts received thereafter
53 during the fiscal year must be transferred to the State General Fund for the support

of higher education. If bonds described in this subsection are refunded and if the amount required to pay the principal of and interest on the refunding bonds in any fiscal year during the term of the bonds is less than the amount that would have been required in the same fiscal year to pay the principal of and the interest on the original bonds if they had not been refunded, there is appropriated to the Nevada System of Higher Education an amount sufficient to pay the principal of and interest on the original bonds, as if they had not been refunded. The amount required to pay the principal of and interest on the refunding bonds must be used for that purpose from the amount appropriated. The amount equal to the saving realized in that fiscal year from the refunding must be used by the Nevada System of Higher Education to defray, in whole or in part, the expenses of operation and maintenance of the facilities acquired in part with the proceeds of the original bonds.

7. After the requirements of subsection 6 have been met for each fiscal year, when specific projects are authorized by the Legislature, money in the Capital Construction Fund for Higher Education and the Special Capital Construction Fund for Higher Education ~~must be transferred by the State Controller and the State Treasurer to the [State Public Works Board] [may be used by the]~~ **Board of Regents of the University of Nevada** for the construction of capital improvement projects for the Nevada System of Higher Education, including, but not limited to, capital improvement projects for the community colleges of the Nevada System of Higher Education. As used in this subsection, "construction" includes, but is not limited to, planning, designing, acquiring and developing a site, construction, reconstruction, furnishing, equipping, replacing, repairing, rehabilitating, expanding and remodeling. Any money remaining in either Fund at the end of a fiscal year does not revert to the State General Fund but remains in those Funds for authorized expenditure.

8. The money deposited in the State Distributive School Account in the State General Fund under this section must be apportioned as provided in NRS 387.030 among the several school districts and charter schools of the State at the times and in the manner provided by law.

9. The Board of Regents of the University of Nevada may use any money in the Capital Construction Fund for Higher Education and the Special Capital Construction Fund for Higher Education for the payment of interest and amortization of principal on bonds and other securities, whether issued before, on or after July 1, 1979, to defray in whole or in part the costs of any capital project authorized by the Legislature.

Sec. 18. ~~[1. Notwithstanding any other statutory provision to the contrary, the County Treasurer of Clark County shall distribute quarterly to the Board of Regents of the University of Nevada for the maintenance and support of the Nevada System of Higher Education, from the proceeds of the taxes ad valorem levied by that County for the operating expenses of the County during the fiscal years beginning on July 1, 2011, and July 1, 2012, the amount of those proceeds attributable to the levy of those taxes on all taxable property in the County at the rate of 4 cents per \$100 of assessed valuation. For the purposes of NRS 354.59811, the amount of the proceeds distributed to the Board of Regents pursuant to this subsection shall be deemed to constitute revenue received by Clark County from taxes ad valorem.~~

~~2. Notwithstanding any other statutory provision to the contrary, the County Treasurer of Washoe County shall distribute quarterly to the Board of Regents of the University of Nevada for the maintenance and support of the Nevada System of Higher Education, from the proceeds of the taxes ad valorem levied by that County for the operating expenses of the County during the fiscal years beginning on July~~

1 ~~1, 2011, and July 1, 2012, the amount of those proceeds attributable to the levy of~~
2 ~~those taxes on all taxable property in the County at the rate of 4 cents per \$100 of~~
3 ~~assessed valuation. For the purposes of NRS 254.59811, the amount of the proceeds~~
4 ~~distributed to the Board of Regents pursuant to this subsection shall be deemed to~~
5 ~~constitute revenue received by Washoe County from taxes ad valorem.] (Deleted~~
6 ~~by amendment.)~~

7 **Sec. 19.** ~~{The amendatory provisions of section 8 of this act must not be~~
8 ~~applied to modify, directly or indirectly, any taxes levied or revenues pledged in~~
9 ~~such a manner as to impair adversely any outstanding obligations of this State or of~~
10 ~~any county, city or town in this State, including, without limitation, bonds,~~
11 ~~medium term financing, letters of credit and any other financial obligation, until all~~
12 ~~such obligations have been discharged in full or provision for their payment and~~
13 ~~redemption has been fully made.] (Deleted by amendment.)~~

14 **Sec. 20.** This act becomes effective on July 1, 2011.