THE ONE HUNDRED AND SIXTEENTH DAY

CARSON CITY (Thursday), May 30, 2013

Assembly called to order at 12:39 p.m.

Madam Speaker presiding.

Roll called.

All present except Assemblywoman Pierce, who was excused.

Prayer by the Chaplain, Pastor Bruce Henderson.

Father,

Here we are on our last Thursday of this session. The day is named after the Norse god Thor who was the god of sky and thunder. Well, confined in this building, we haven't seen too much sky, but we have had plenty of thunder!

Lord, we look forward to soon being finished and back in the outdoors and back home. So please give us peace and calm and sanity so we can finish well.

I pray in the Name of the Prince of Peace.

AMEN.

Pledge of allegiance to the Flag.

Assemblyman Horne moved that further reading of the Journal be dispensed with and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

REPORTS OF COMMITTEES

Madam Speaker:

Your Committee on Government Affairs, to which was referred Senate Bill No. 44, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

TERESA BENITEZ-THOMPSON, *Chair*

Madam Speaker:

Your Committee on Legislative Operations and Elections, to which was referred Senate Joint Resolution No. 8, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JAMES OHRENSCHALL, *Chair*

Madam Speaker:

Your Committee on Ways and Means, to which was referred Assembly Bill No. 488, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Ways and Means, to which were referred Senate Bills Nos. 430, 481, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Ways and Means, to which were rereferred Assembly Bills Nos. 215, 388, 413, 425, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MAGGIE CARLTON, *Chair*

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 29, 2013

To the Honorable the Assembly:

It is my pleasure to inform your esteemed body that the Senate on this day passed Assembly Bill No. 465; Senate Bills Nos. 487, 519.

Also, it is my pleasure to inform your esteemed body that the Senate on this day adopted Assembly Concurrent Resolution No. 7.

Also, it is my pleasure to inform your esteemed body that the Senate on this day passed, as amended, Senate Bills Nos. 3, 21, 340, 374, 406, 407, 502, 518.

Also, it is my pleasure to inform your esteemed body that the Senate on this day concurred in the Assembly Amendments Nos. 724, 845 to Senate Bill No. 27; Assembly Amendment No. 644 to Senate Bill No. 94; Assembly Amendments Nos. 728, 840 to Senate Bill No. 131; Assembly Amendment No. 726 to Senate Bill No. 208; Assembly Amendments Nos. 745, 861 to Senate Bill No. 220; Assembly Amendments Nos. 732, 879 to Senate Bill No. 224; Assembly Amendment No. 680 to Senate Bill No. 229; Assembly Amendment No. 843 to Senate Bill No. 230; Assembly Amendments Nos. 643, 818 to Senate Bill No. 235; Assembly Amendment No. 711 to Senate Bill No. 301; Assembly Amendment No. 747 to Senate Bill No. 314; Assembly Amendments Nos. 782, 824 to Senate Bill No. 319; Assembly Amendment No. 685 to Senate Bill No. 383; Assembly Amendments Nos. 856, 886 to Senate Bill No. 384; Assembly Amendments Nos. 823, 875 to Senate Bill No. 399; Assembly Amendment No. 598 to Senate Bill No. 405; Assembly Amendment No. 663 to Senate Bill No. 414; Assembly Amendment No. 664 to Senate Bill No. 427; Assembly Amendment No. 641 to Senate Bill No. 443; Assembly Amendment No. 687 to Senate Bill No. 478.

Also, it is my pleasure to inform your esteemed body that the Senate on this day respectfully refused to concur in the Assembly Amendment No. 751 to Senate Bill No. 425.

SHERRY L. RODRIGUEZ
Assistant Secretary of the Senate

MOTIONS, RESOLUTIONS AND NOTICES

NOTICE OF WAIVER

A Waiver requested by: Speaker Kirkpatrick and Senator Denis.
For: A New BDR No. 32-1246
Revises provisions governing taxation.
To Waive:

Subsection 1 of Joint Standing Rule No. 14 (2 BDRs from Assemblymen and 4 BDRs from Senators requested by 8th day).
Subsection 1 of Joint Standing Rule No. 14.2 (dates for introduction of BDRs requested by individual legislators and committees).
Subsection 1 of Joint Standing Rule No. 14.3 (out of final committee of house of origin by 68th day).
Subsection 2 of Joint Standing Rule No. 14.3 (out of house of origin by 79th day).
Subsection 3 of Joint Standing Rule No. 14.3 (out of final committee of 2nd house by 103rd day).
Subsection 4 of Joint Standing Rule No. 14.3 (out of 2nd house by 110th day).

Has been granted effective: Wednesday, May 29, 2013.

SENATOR MOISES DENIS
Senate Majority Leader

ASSEMBLYWOMAN MARILYN K. KIRKPATRICK
Speaker of the Assembly

By the Committee on Legislative Operations and Elections:

Assembly Resolution No. 14—Designating certain members of the Assembly as regular and alternate members of the Legislative Commission for the 2013-2015 biennium.

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, That, pursuant to the provisions of NRS 218E.150 and the Joint Standing Rules of the Legislature, the following members of the Assembly are designated regular and alternate members of the Legislative Commission to serve until their successors are designated: Ms. Marilyn Kirkpatrick, Mr. Jason Frierson, Mr. Skip Daly, Mr. Ira Hansen, Mr. Lynn D. Stewart and Mr. Wesley Duncan are designated as the regular Assembly members; Ms. Olivia Diaz and Mr. Elliot T. Anderson are designated as the first and second alternate members, respectively, for Ms. Marilyn Kirkpatrick; Ms. Irene Bustamante Adams and Ms. Dina Neal are designated as the first and second alternate members, respectively, for Mr. Jason Frierson; Ms. Teresa Benitez-Thompson and Mr. Michael Sprinkle are designated as the first and second alternate members, respectively, for Mr. Skip Daly; Mr. Jim Wheeler and Mr. Tom Grady are designated as the first and second alternate members, respectively, for Mr. Ira Hansen; Mr. Peter Livermore and Ms. Michele Fiore are designated as the first and second alternate members, respectively, for Mr. Lynn D. Stewart; and Mr. James Oscarson and Mr. John Ellison are designated as the first and second alternate members, respectively, for Mr. Wesley Duncan.

Assemblyman Ohrenschall moved the adoption of the resolution.

Remarks by Assemblyman Ohrenschall.

Resolution adopted.

INTRODUCTION, FIRST READING AND REFERENCE

By Assemblymen Hickey, Duncan, Hardy, Hambrick, Kirner, Paul Anderson, Ellison, Grady, Livermore, Oscarson and Stewart; Senators Roberson, Kieckhefer, Brower, Hutchison and Hammond (Emergency Request of Assembly Minority Leader):

Assembly Bill No. 504—AN ACT relating to constructional defects; prohibiting a controlling party from seeking indemnification under certain circumstances; revising the definition of "constructional defect"; requiring an attorney to obtain an affidavit from a claimant and file the affidavit with the court under certain circumstances; and providing other matters properly relating thereto.

Assemblyman Bobzien moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

By the Committee on Ways and Means:

Assembly Bill No. 505—AN ACT relating to projects of capital improvement; authorizing certain expenditures by the State Public Works Board; levying a property tax to support the Consolidated Bond Interest and Redemption Fund; making appropriations; and providing other matters properly relating thereto.

Assemblywoman Carlton moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

By the Committee on Taxation:

Assembly Bill No. 506—AN ACT relating to taxation; revising provisions governing the application of sales and use taxes to food, meals or nonalcoholic drinks provided on a complimentary basis to certain persons; and providing other matters properly relating thereto.

Assemblywoman Bustamante Adams moved that the bill be referred to the Committee on Taxation.

Motion carried.

Senate Bill No. 3.

Assemblywoman Dondero Loop moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Senate Bill No. 21.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Senate Bill No. 340.

Assemblywoman Dondero Loop moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Senate Bill No. 374.

Assemblyman Frierson moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Senate Bill No. 406.

Assemblywoman Bustamante Adams moved that the bill be referred to the Committee on Taxation.

Motion carried.

Senate Bill No. 407.

Assemblyman Elliot Anderson moved that the bill be referred to the Committee on Education.

Motion carried.

Senate Bill No. 487.

Assemblywoman Carlton moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 502.

Assemblywoman Dondero Loop moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Senate Bill No. 518.

Assemblywoman Carlton moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 519.

Assemblyman Frierson moved that the bill be referred to the Committee on Judiciary.

Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 138.

Bill read third time.

Remarks by Assemblyman Sprinkle.

ASSEMBLYMAN SPRINKLE:

Assembly Bill 138, as amended, allows a new or expanding business who makes a capital investment in an institution within the Nevada System of Higher Education to receive a partial abatement of taxes on personal property.

If the business meets the eligibility requirements, it may receive a partial abatement of its personal property taxes for five years. The total amount of the abatement received may not exceed 50 percent of the personal property taxes imposed on the business during the period of the abatement or 50 percent of the amount of the capital investment, whichever is less.

Roll call on Assembly Bill No. 138:

YEAS—41.

NAYS—None.

EXCUSED—Pierce.

Assembly Bill No. 138 having received a constitutional majority, Madam Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 224.

Bill read third time.

Remarks by Assemblyman Elliot Anderson.

ASSEMBLYMAN ELLIOT ANDERSON:

Assembly Bill 224 requires the Nevada Department of Education's system of accountability information to include, as funding for this purpose is available, a unique identifier for each student whose parent or guardian is a member of the Armed Forces or the National Guard.

Roll call on Assembly Bill No. 224:

YEAS—41.

NAYS—None.

EXCUSED—Pierce.

Assembly Bill No. 224 having received a constitutional majority, Madam Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 260.

Bill read third time.

Remarks by Assemblyman Elliot Anderson.

ASSEMBLYMAN ELLIOT ANDERSON:

Assembly Bill 260 revises the group of veterans against whom out-of-state tuition cannot be charged.

Roll call on Assembly Bill No. 260:

YEAS—41.

NAYS—None.

EXCUSED—Pierce.

Assembly Bill No. 260 having received a constitutional majority, Madam Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 294.

Bill read third time.

Remarks by Assemblywoman Bustamante Adams.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:

Assembly Bill 294 provides for the certification of local emerging small businesses by the Office of Economic Development (OED) and sets forth certain criteria for that certification. The measure further requires the OED to post a list of the certified local emerging small businesses on its website and to adopt certain regulations relevant to the certification procedure. The OED must establish an outreach program for local emerging small businesses, goals concerning the participation of local emerging small businesses, a recognition program in cooperation with the Office of the Governor, and submit reports twice per year.

Roll call on Assembly Bill No. 294:

YEAS—41.

NAYS—None.

EXCUSED—Pierce.

Assembly Bill No. 294 having received a constitutional majority, Madam Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 338.
Bill read third time.
Remarks by Assemblyman Hambrick.

ASSEMBLYMAN HAMBRICK:
This will be the last bill we will hear this session addressing the scourge of human trafficking. Assembly Bill 338 will give resources to educators, school nurses, teachers, and counselors. It will help the Department of Education get needed resources, and it will give law enforcement guidance on how to deal with those who have suffered the scourge of trafficking, including the foreign nationals. It will also require those institutions and corporations that have been deemed a public nuisance to post guidelines and hotlines for those that feel they have been victims of human trafficking. Ladies and gentlemen of this body, you have seen these bracelets before, but I am going to ask you again to be a voice against human trafficking and approve this bill.

Roll call on Assembly Bill No. 338:
YEAS—41.
NAYS—None.
EXCUSED—Pierce.
Assembly Bill No. 338 having received a constitutional majority, Madam Speaker declared it passed.
Bill ordered transmitted to the Senate.

Assembly Bill No. 501.
Bill read third time.
Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:
I rise in support of Assembly Bill 501. It authorizes the Board of Regents of the University of Nevada to issue not more than $85 million in general obligation bonds of the state of Nevada, funded with a portion of the existing $250 annual slot machine excise tax to finance the planning, improvement, refurbishing, and renovation of the Thomas and Mack Center at the University of Nevada, Las Vegas, and certain capital improvements at the University of Nevada, Reno. I would be happy to stand for any other questions.

Roll call on Assembly Bill No. 501:
YEAS—40.
NAYS—Wheeler.
EXCUSED—Pierce.
Assembly Bill No. 501 having received a constitutional majority, Madam Speaker declared it passed.
Bill ordered transmitted to the Senate.

Senate Bill No. 83.
Bill read third time.
Remarks by Assemblymen Carrillo and Hansen.

ASSEMBLYMAN CARRILLO:
Senate Bill 83 makes various changes to penalties relating to animal fighting. Specifically, the bill increases criminal penalties for willfully procuring or permitting a house, apartment, pit, or other place to be used for animal baiting or animal fighting or knowingly being connected

with such a place; taking action in the furtherance of a fight between animals; owning, possessing, training, promoting, or purchasing an animal with the intent to use it to fight another animal; and selling an animal knowing that it will be used to fight another animal.

Penalties for these actions are increased from a gross misdemeanor to a category E felony for a first offense and from a category E felony to a category D felony for a second offense. A category D felony is already in place for any subsequent offense.

Senate Bill 83 also increases penalties for knowingly attending a fight between animals in an exhibition or for amusement or gain. These penalties are increased from a misdemeanor to a gross misdemeanor for a first offense and from a gross misdemeanor to a category E felony for a second offense. I urge its passage.

ASSEMBLYMAN HANSEN:

I rise in opposition to S.B. 83. In our hearing we found out that there have only been about two cases in the last 20 years where this has actually been brought up. The existing penalty of a gross misdemeanor has been more than adequate to prevent this kind of activity. In our Judiciary Committee, we worked very hard to try to reduce the number of felonies because of the cost to our prison system To now make it a felony for attending something like this is just way overboard. So while I certainly don't support animal cruelty, I think we need to be kind of practical and recognize that the existing law has been completely sufficient. I would urge this body, for fiscal reasons, to vote no.

Roll call on Senate Bill No. 83:

YEAS—28.

NAYS—Bustamante Adams, Diaz, Duncan, Ellison, Fiore, Frierson, Grady, Hansen, Hickey, Livermore, Neal, Stewart, Woodbury—13.

EXCUSED—Pierce.

Senate Bill No. 83 having received a constitutional majority, Madam Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 92.

Bill read third time.

Remarks by Assemblyman Sprinkle.

ASSEMBLYMAN SPRINKLE:

Senate Bill 92 requires any physician, midwife, or nurse attending or assisting any infant at childbirth at certain obstetric centers or hospitals to examine the infant for critical congenital heart disease. The measure requires the examiner to report any results to the State Health Officer and discuss such results with the parents or other persons responsible for the infant. The measure provides an exception to the examination in the event of written parental objection.

Roll call on Senate Bill No. 92:

YEAS—41.

NAYS—None.

EXCUSED—Pierce.

Senate Bill No. 92 having received a constitutional majority, Madam Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 142.

Bill read third time.

Remarks by Assemblyman Elliot Anderson.

ASSEMBLYMAN ELLIOT ANDERSON:

Senate Bill 142 requires the board of trustees of a school district to adopt a policy setting forth the process for evaluating whether certain work on a school building will be performed pursuant to a performance contract and sets forth requirements pertaining to that policy.

Roll call on Senate Bill No. 142:

YEAS—41.

NAYS—None.

EXCUSED—Pierce.

Senate Bill No. 142 having received a constitutional majority, Madam Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 164.

Bill read third time.

The following amendment was proposed by Assemblyman Elliot Anderson:

Amendment No. 910.

AN ACT relating to education; revising provisions relating to the reporting of incidents of bullying, cyber-bullying, harassment and intimidation by the State Board of Education and the board of trustees of each school district in their respective annual reports of accountability; requiring each public school to disseminate information annually on bullying; revising the definition of "bullying"; revising provisions governing training in the prevention, identification and reporting of bullying and similar conduct; requiring training for administrators in preventing and responding to violence and suicide associated with bullying; requiring notice to the parent or guardian of any pupil allegedly involved in a reported incident of bullying or similar conduct; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for a safe and respectful learning environment in public schools and prohibits bullying, cyber-bullying, harassment or intimidation. (NRS 388.121-388.139) Existing law also requires the board of trustees of each school district to review and compile reports for submission to the Department of Education relating to the number of reported violations of provisions relating to bullying, cyber-bullying, harassment and intimidation occurring at the public schools within the school district and any actions taken by the public schools to reduce the number of those violations. (NRS 388.1353) In addition, existing law requires the Superintendent of Public Instruction to compile each report submitted by each school district and submit the written compilation to the Attorney General. (NRS 388.1355)

Section 11.5 of this bill eliminates these reporting requirements, and **sections 1 and 2** of this bill require the contents of those reports to be included within the annual reports of accountability prepared by the State Board of Education and the board of trustees of each school district. (NRS 385.3469, 385.347)

Section 3 of this bill requires each public school to disseminate information on bullying and the facilitation of positive relations among pupils during the annual "Week of Respect" proclaimed by the Governor.

Section 4.5 of this bill revises the definition of bullying to include: (1) only repeated acts or conduct; and (2) acts or conduct that exploit an imbalance in power.

Sections 5-7 of this bill revise various provisions governing the training of all administrators, principals, teachers and other school employees on the subject of bullying, cyber-bullying, harassment and intimidation. Existing law requires the Department of Education to prescribe a policy for such training. (NRS 388.133) **Section 5** requires the policy to encompass members of the boards of trustees of school districts and provide for training in methods to prevent, identify and report incidents of bullying and similar conduct. Existing law also requires the board of trustees of each school district to adopt the training policy prescribed by the Department and provide the appropriate training to employees of the district. (NRS 388.134) **Section 6** requires the members of the board of trustees to receive this training and requires that newly elected trustees and new employees of the school district receive the training within 180 days after the beginning of their term of office or their employment, as applicable. Existing law requires the Department to recommend certain programs of training in this area for members of the boards of trustees of school districts and school employees. (NRS 388.1342) **Section 7** requires the Department to establish these programs and a program to train administrators in the prevention of and response to violence and suicide associated with bullying and similar conduct. **Section 7** also requires each administrator to complete this training: (1) within 90 days after becoming an administrator; (2) at least once during any school year in which the training is revised or updated; and (3) at least once every 3 years otherwise.

Section 8 of this bill provides that a principal, or his or her designee, who receives a report of bullying, cyber-bullying, harassment or intimidation must give notice of the report to the parent or legal guardian of each pupil involved in the incident that is the subject of the report.

Existing law provides immunity from liability for a pupil, school employee or volunteer who reports an incident of bullying, cyber-bullying, harassment or intimidation unless he or she acts with malice, intentional misconduct, gross negligence, or intentional or knowing violation of the law. (NRS 388.137) Where such a malicious, intentional or grossly negligent

report is made, **section 11** of this bill authorizes disciplinary action against the pupil or other person making the report.

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

Section 1. NRS 385.3469 is hereby amended to read as follows:

385.3469 1. The State Board shall prepare an annual report of accountability that includes, without limitation:

(a) Information on the achievement of all pupils based upon the results of the examinations administered pursuant to NRS 389.015 and 389.550, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(b) Except as otherwise provided in subsection 2, pupil achievement, reported separately by gender and reported separately for the following groups of pupils:

(1) Pupils who are economically disadvantaged, as defined by the State Board;

(2) Pupils from major racial and ethnic groups, as defined by the State Board;

(3) Pupils with disabilities;

(4) Pupils who are limited English proficient; and

(5) Pupils who are migratory children, as defined by the State Board.

(c) A comparison of the achievement of pupils in each group identified in paragraph (b) of subsection 1 of NRS 385.361 with the annual measurable objectives of the State Board.

(d) The percentage of all pupils who were not tested, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(e) Except as otherwise provided in subsection 2, the percentage of pupils who were not tested, reported separately by gender and reported separately for the groups identified in paragraph (b).

(f) The most recent 3-year trend in the achievement of pupils in each subject area tested and each grade level tested pursuant to NRS 389.015 and 389.550, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole, which may include information regarding the trend in the achievement of pupils for more than 3 years, if such information is available.

(g) Information on whether each school district has made adequate yearly progress, including, without limitation, the name of each school district, if any, designated as demonstrating need for improvement pursuant to NRS 385.377 and the number of consecutive years that the school district has carried that designation.

(h) Information on whether each public school, including, without limitation, each charter school, has made:

(1) Adequate yearly progress, including, without limitation, the name of each public school, if any, designated as demonstrating need for improvement pursuant to NRS 385.3623 and the number of consecutive years that the school has carried that designation.

(2) Progress based upon the model adopted by the Department pursuant to NRS 385.3595, if applicable for the grade level of pupils enrolled at the school.

(i) Information on the results of pupils who participated in the examinations of the National Assessment of Educational Progress required pursuant to NRS 389.012.

(j) The ratio of pupils to teachers in kindergarten and at each grade level for all elementary schools, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole, and the average class size for each core academic subject, as set forth in NRS 389.018, for each secondary school, reported for each school district and for this State as a whole.

(k) The total number of persons employed by each school district in this State, including without limitation, each charter school in the district. Each such person must be reported as either an administrator, a teacher or other staff and must not be reported in more than one category. In addition to the total number of persons employed by each school district in each category, the report must include the number of employees in each of the three categories expressed as a percentage of the total number of persons employed by the school district. As used in this paragraph:

(1) "Administrator" means a person who spends at least 50 percent of his or her work year supervising other staff or licensed personnel, or both, and who is not classified by the board of trustees of a school district as a professional-technical employee.

(2) "Other staff" means all persons who are not reported as administrators or teachers, including, without limitation:

(I) School counselors, school nurses and other employees who spend at least 50 percent of their work year providing emotional support, noninstructional guidance or medical support to pupils;

(II) Noninstructional support staff, including, without limitation, janitors, school police officers and maintenance staff; and

(III) Persons classified by the board of trustees of a school district as professional-technical employees, including, without limitation, technical employees and employees on the professional-technical pay scale.

(3) "Teacher" means a person licensed pursuant to chapter 391 of NRS who is classified by the board of trustees of a school district:

(I) As a teacher and who spends at least 50 percent of his or her work year providing instruction or discipline to pupils; or

(II) As instructional support staff, who does not hold a supervisory position and who spends not more than 50 percent of his or her work year providing instruction to pupils. Such instructional support staff includes, without limitation, librarians and persons who provide instructional support.

(l) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, information on the professional qualifications of teachers employed by the school districts and charter schools, including, without limitation:

(1) The percentage of teachers who are:

(I) Providing instruction pursuant to NRS 391.125;

(II) Providing instruction pursuant to a waiver of the requirements for licensure for the grade level or subject area in which the teachers are employed; or

(III) Otherwise providing instruction without an endorsement for the subject area in which the teachers are employed;

(2) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, in this State that are not taught by highly qualified teachers;

(3) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, in this State that are not taught by highly qualified teachers, in the aggregate and disaggregated by high-poverty compared to low-poverty schools, which for the purposes of this subparagraph means schools in the top quartile of poverty and the bottom quartile of poverty in this State;

(4) For each middle school, junior high school and high school:

(I) The number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as long-term substitute teachers, including the total number of days long-term substitute teachers were employed at each school, identified by grade level and subject area; and

(II) The number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term substitute teachers, including the total number of days short-term substitute teachers were employed at each school, identified by grade level and subject area; and

(5) For each elementary school:

(I) The number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as long-term substitute teachers, including the total number of days long-term substitute teachers were employed at each school, identified by grade level; and

(II) The number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term substitute teachers,

including the total number of days short-term substitute teachers were employed at each school, identified by grade level.

(m) The total expenditure per pupil for each school district in this State, including, without limitation, each charter school in the district. If this State has a financial analysis program that is designed to track educational expenditures and revenues to individual schools, the State Board shall use that statewide program in complying with this paragraph. If a statewide program is not available, the State Board shall use the Department's own financial analysis program in complying with this paragraph.

(n) The total statewide expenditure per pupil. If this State has a financial analysis program that is designed to track educational expenditures and revenues to individual schools, the State Board shall use that statewide program in complying with this paragraph. If a statewide program is not available, the State Board shall use the Department's own financial analysis program in complying with this paragraph.

(o) For all elementary schools, junior high schools and middle schools, the rate of attendance, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(p) The annual rate of pupils who drop out of school in grade 8 and a separate reporting of the annual rate of pupils who drop out of school in grades 9 to 12, inclusive, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole. The reporting for pupils in grades 9 to 12, inclusive, excludes pupils who:

(1) Provide proof to the school district of successful completion of the examinations of general educational development.

(2) Are enrolled in courses that are approved by the Department as meeting the requirements for an adult standard diploma.

(3) Withdraw from school to attend another school.

(q) The attendance of teachers who provide instruction, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(r) Incidents involving weapons or violence, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(s) Incidents involving the use or possession of alcoholic beverages or controlled substances, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(t) The suspension and expulsion of pupils required or authorized pursuant to NRS 392.466 and 392.467, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(u) The number of pupils who are deemed habitual disciplinary problems pursuant to NRS 392.4655, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(v) The number of pupils in each grade who are retained in the same grade pursuant to NRS 392.033 or 392.125, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(w) The transiency rate of pupils, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole. For the purposes of this paragraph, a pupil is not a transient if the pupil is transferred to a different school within the school district as a result of a change in the zone of attendance by the board of trustees of the school district pursuant to NRS 388.040.

(x) Each source of funding for this State to be used for the system of public education.

(y) A compilation of the programs of remedial study purchased in whole or in part with money received from this State that are used in each school district, including, without limitation, each charter school in the district. The compilation must include:

(1) The amount and sources of money received for programs of remedial study.

(2) An identification of each program of remedial study, listed by subject area.

(z) The percentage of pupils who graduated from a high school or charter school in the immediately preceding year and enrolled in remedial courses in reading, writing or mathematics at a university, state college or community college within the Nevada System of Higher Education, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(aa) The technological facilities and equipment available for educational purposes, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(bb) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, the number and percentage of pupils who received:

(1) A standard high school diploma, reported separately for pupils who received the diploma pursuant to:

(I) Paragraph (a) of subsection 1 of NRS 389.805; and

(II) Paragraph (b) of subsection 1 of NRS 389.805.

(2) An adult diploma.

(3) An adjusted diploma.

(4) A certificate of attendance.

(cc) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, the number and percentage of pupils who failed to pass the high school proficiency examination.

(dd) The number of habitual truants who are reported to a school police officer or local law enforcement agency pursuant to paragraph (a) of subsection 2 of NRS 392.144 and the number of habitual truants who are referred to an advisory board to review school attendance pursuant to paragraph (b) of subsection 2 of NRS 392.144, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(ee) Information on the paraprofessionals employed at public schools in this State, including, without limitation, the charter schools in this State. The information must include:

(1) The number of paraprofessionals employed, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole; and

(2) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, the number and percentage of all paraprofessionals who do not satisfy the qualifications set forth in 20 U.S.C. § 6319(c). The reporting requirements of this subparagraph apply to paraprofessionals who are employed in programs supported with Title I money and to paraprofessionals who are not employed in programs supported with Title I money.

(ff) An identification of appropriations made by the Legislature to improve the academic achievement of pupils and programs approved by the Legislature to improve the academic achievement of pupils.

(gg) A compilation of the special programs available for pupils at individual schools, listed by school and by school district, including, without limitation, each charter school in the district.

(hh) For each school district, including, without limitation, each charter school in the district and for this State as a whole, information on pupils enrolled in career and technical education, including, without limitation:

(1) The number of pupils enrolled in a course of career and technical education;

(2) The number of pupils who completed a course of career and technical education;

(3) The average daily attendance of pupils who are enrolled in a program of career and technical education;

(4) The annual rate of pupils who dropped out of school and were enrolled in a program of career and technical education before dropping out;

(5) The number and percentage of pupils who completed a program of career and technical education and who received a standard high school diploma, an adjusted diploma or a certificate of attendance; and

(6) The number and percentage of pupils who completed a program of career and technical education and who did not receive a high school diploma because the pupils failed to pass the high school proficiency examination.

(ii) ***For each school district, including, without limitation, each charter school in the district, and for this State as a whole:***

(1) The number of reported violations of NRS 388.135 occurring at a school or otherwise involving a pupil enrolled at a school, regardless of the outcome of the investigation conducted pursuant to NRS 388.1351;

(2) The number of incidents determined to be bullying, cyber-bullying, harassment or intimidation after an investigation is conducted pursuant to NRS 388.1351;

(3) The number of incidents resulting in suspension or expulsion for bullying, cyber-bullying, harassment or intimidation ~~[, reported for each school district, including, without limitation, each charter school in the district, and for the State as a whole.]~~ ***; and***

~~[(3)]~~ ***(4) Any actions taken to reduce the number of incidents of bullying, cyber-bullying, harassment and intimidation, including, without limitation, training that was offered or other policies, practices and programs that were implemented.***

2. A separate reporting for a group of pupils must not be made pursuant to this section if the number of pupils in that group is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual pupil. The State Board shall prescribe a mechanism for determining the minimum number of pupils that must be in a group for that group to yield statistically reliable information.

3. The annual report of accountability must:

(a) Comply with 20 U.S.C. § 6311(h)(1) and the regulations adopted pursuant thereto;

(b) Be prepared in a concise manner; and

(c) Be presented in an understandable and uniform format and, to the extent practicable, provided in a language that parents can understand.

4. On or before October 15 of each year, the State Board shall:

(a) Provide for public dissemination of the annual report of accountability by posting a copy of the report on the Internet website maintained by the Department; and

(b) Provide written notice that the report is available on the Internet website maintained by the Department. The written notice must be provided to the:

(1) Governor;

(2) Committee;

(3) Bureau;

(4) Board of Regents of the University of Nevada;

(5) Board of trustees of each school district; ~~[and]~~

(6) Governing body of each charter school ~~[.]~~ ***; and***

(7) The Attorney General, with a specific reference to the information that is reported pursuant to paragraph (ii) of subsection 1.

5. Upon the request of the Governor, ***the Attorney General,*** an entity described in paragraph (b) of subsection 4 or a member of the general public, the State Board shall provide a portion or portions of the annual report of accountability.

6. As used in this section:

(a) "Bullying" has the meaning ascribed to it in NRS 388.122.

(b) "Cyber-bullying" has the meaning ascribed to it in NRS 388.123.

(c) "Harassment" has the meaning ascribed to it in NRS 388.125.

(d) "Highly qualified" has the meaning ascribed to it in 20 U.S.C. § 7801(23).

(e) "Intimidation" has the meaning ascribed to it in NRS 388.129.

(f) "Paraprofessional" has the meaning ascribed to it in NRS 391.008.

Sec. 2. NRS 385.347 is hereby amended to read as follows:

385.347 1. The board of trustees of each school district in this State, in cooperation with associations recognized by the State Board as representing licensed educational personnel in the district, shall adopt a program providing for the accountability of the school district to the residents of the district and to the State Board for the quality of the schools and the educational achievement of the pupils in the district, including, without limitation, pupils enrolled in charter schools sponsored by the school district. The board of trustees of each school district shall report the information required by subsection 2 for each charter school sponsored by the school district. The information for charter schools must be reported separately.

2. The board of trustees of each school district shall, on or before September 30 of each year, prepare an annual report of accountability concerning:

(a) The educational goals and objectives of the school district.

(b) Pupil achievement for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district. The board of trustees of the district shall base its report on the results of the examinations administered pursuant to NRS 389.015 and 389.550 and shall compare the results of those examinations for the current school year with those of previous school years. The report must include, for each school in the district, including, without limitation, each charter school sponsored by the district, and each grade in which the examinations were administered:

(1) The number of pupils who took the examinations.

(2) A record of attendance for the period in which the examinations were administered, including an explanation of any difference in the number of pupils who took the examinations and the number of pupils who are enrolled in the school.

(3) Except as otherwise provided in this paragraph, pupil achievement, reported separately by gender and reported separately for the following groups of pupils:

(I) Pupils who are economically disadvantaged, as defined by the State Board;

(II) Pupils from major racial and ethnic groups, as defined by the State Board;

(III) Pupils with disabilities;

(IV) Pupils who are limited English proficient; and

(V) Pupils who are migratory children, as defined by the State Board.

(4) A comparison of the achievement of pupils in each group identified in paragraph (b) of subsection 1 of NRS 385.361 with the annual measurable objectives of the State Board.

(5) The percentage of pupils who were not tested.

(6) Except as otherwise provided in this paragraph, the percentage of pupils who were not tested, reported separately by gender and reported separately for the groups identified in subparagraph (3).

(7) The most recent 3-year trend in pupil achievement in each subject area tested and each grade level tested pursuant to NRS 389.015 and 389.550, which may include information regarding the trend in the achievement of pupils for more than 3 years, if such information is available.

(8) Information that compares the results of pupils in the school district, including, without limitation, pupils enrolled in charter schools sponsored by the district, with the results of pupils throughout this State. The information required by this subparagraph must be provided in consultation with the Department to ensure the accuracy of the comparison.

(9) For each school in the district, including, without limitation, each charter school sponsored by the district, information that compares the results of pupils in the school with the results of pupils throughout the school district and throughout this State. The information required by this subparagraph must be provided in consultation with the Department to ensure the accuracy of the comparison.

(10) Information on whether each school in the district, including, without limitation, each charter school sponsored by the district, has made progress based upon the model adopted by the Department pursuant to NRS 385.3595.

➥ A separate reporting for a group of pupils must not be made pursuant to this paragraph if the number of pupils in that group is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual pupil. The State Board shall prescribe the mechanism for determining the minimum number of pupils that must be in a group for that group to yield statistically reliable information.

(c) The ratio of pupils to teachers in kindergarten and at each grade level for each elementary school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district, and the average class size for each core academic subject, as set forth in NRS 389.018, for each secondary school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district.

(d) The total number of persons employed for each elementary school, middle school or junior high school, and high school in the district, including, without limitation, each charter school sponsored by the district. Each such person must be reported as either an administrator, a teacher or other staff and must not be reported in more than one category. In addition to the total number of persons employed by each school in each category, the report must include the number of employees in each of the three categories for each school expressed as a percentage of the total number of persons employed by the school. As used in this paragraph:

(1) "Administrator" means a person who spends at least 50 percent of his or her work year supervising other staff or licensed personnel, or both, and who is not classified by the board of trustees of the school district as a professional-technical employee.

(2) "Other staff" means all persons who are not reported as administrators or teachers, including, without limitation:

(I) School counselors, school nurses and other employees who spend at least 50 percent of their work year providing emotional support, noninstructional guidance or medical support to pupils;

(II) Noninstructional support staff, including, without limitation, janitors, school police officers and maintenance staff; and

(III) Persons classified by the board of trustees of the school district as professional-technical employees, including, without limitation, technical employees and employees on the professional-technical pay scale.

(3) "Teacher" means a person licensed pursuant to chapter 391 of NRS who is classified by the board of trustees of the school district:

(I) As a teacher and who spends at least 50 percent of his or her work year providing instruction or discipline to pupils; or

(II) As instructional support staff, who does not hold a supervisory position and who spends not more than 50 percent of his or her work year

providing instruction to pupils. Such instructional support staff includes, without limitation, librarians and persons who provide instructional support.

(e) The total number of persons employed by the school district, including without limitation, each charter school sponsored by the district. Each such person must be reported as either an administrator, a teacher or other staff and must not be reported in more than one category. In addition to the total number of persons employed by the school district in each category, the report must include the number of employees in each of the three categories expressed as a percentage of the total number of persons employed by the school district. As used in this paragraph, "administrator," "other staff" and "teacher" have the meanings ascribed to them in paragraph (d).

(f) Information on the professional qualifications of teachers employed by each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district. The information must include, without limitation:

(1) The percentage of teachers who are:

(I) Providing instruction pursuant to NRS 391.125;

(II) Providing instruction pursuant to a waiver of the requirements for licensure for the grade level or subject area in which the teachers are employed; or

(III) Otherwise providing instruction without an endorsement for the subject area in which the teachers are employed;

(2) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, that are not taught by highly qualified teachers;

(3) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, that are not taught by highly qualified teachers, in the aggregate and disaggregated by high-poverty compared to low-poverty schools, which for the purposes of this subparagraph means schools in the top quartile of poverty and the bottom quartile of poverty in this State;

(4) For each middle school, junior high school and high school:

(I) The number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as long-term substitute teachers, including the total number of days long-term substitute teachers were employed at each school, identified by grade level and subject area; and

(II) The number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term substitute teachers, including the total number of days short-term substitute teachers were employed at each school, identified by grade level and subject area; and

(5) For each elementary school:

(I) The number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as

long-term substitute teachers, including the total number of days long-term substitute teachers were employed at each school, identified by grade level; and

(II) The number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term substitute teachers, including the total number of days short-term substitute teachers were employed at each school, identified by grade level.

(g) The total expenditure per pupil for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district. If this State has a financial analysis program that is designed to track educational expenditures and revenues to individual schools, each school district shall use that statewide program in complying with this paragraph. If a statewide program is not available, each school district shall use its own financial analysis program in complying with this paragraph.

(h) The curriculum used by the school district, including:

(1) Any special programs for pupils at an individual school; and

(2) The curriculum used by each charter school sponsored by the district.

(i) Records of the attendance and truancy of pupils in all grades, including, without limitation:

(1) The average daily attendance of pupils, for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district.

(2) For each elementary school, middle school and junior high school in the district, including, without limitation, each charter school sponsored by the district that provides instruction to pupils enrolled in a grade level other than high school, information that compares the attendance of the pupils enrolled in the school with the attendance of pupils throughout the district and throughout this State. The information required by this subparagraph must be provided in consultation with the Department to ensure the accuracy of the comparison.

(j) The annual rate of pupils who drop out of school in grade 8 and a separate reporting of the annual rate of pupils who drop out of school in grades 9 to 12, inclusive, for each such grade, for each school in the district and for the district as a whole. The reporting for pupils in grades 9 to 12, inclusive, excludes pupils who:

(1) Provide proof to the school district of successful completion of the examinations of general educational development.

(2) Are enrolled in courses that are approved by the Department as meeting the requirements for an adult standard diploma.

(3) Withdraw from school to attend another school.

(k) Records of attendance of teachers who provide instruction, for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district.

(l) Efforts made by the school district and by each school in the district, including, without limitation, each charter school sponsored by the district, to increase:

(1) Communication with the parents of pupils enrolled in the district;

(2) The participation of parents in the educational process and activities relating to the school district and each school, including, without limitation, the existence of parent organizations and school advisory committees; and

(3) The involvement of parents and the engagement of families of pupils enrolled in the district in the education of their children.

(m) Records of incidents involving weapons or violence for each school in the district, including, without limitation, each charter school sponsored by the district.

(n) Records of incidents involving the use or possession of alcoholic beverages or controlled substances for each school in the district, including, without limitation, each charter school sponsored by the district.

(o) Records of the suspension and expulsion of pupils required or authorized pursuant to NRS 392.466 and 392.467.

(p) The number of pupils who are deemed habitual disciplinary problems pursuant to NRS 392.4655, for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district.

(q) The number of pupils in each grade who are retained in the same grade pursuant to NRS 392.033 or 392.125, for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district.

(r) The transiency rate of pupils for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district. For the purposes of this paragraph, a pupil is not transient if the pupil is transferred to a different school within the school district as a result of a change in the zone of attendance by the board of trustees of the school district pursuant to NRS 388.040.

(s) Each source of funding for the school district.

(t) A compilation of the programs of remedial study that are purchased in whole or in part with money received from this State, for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district. The compilation must include:

(1) The amount and sources of money received for programs of remedial study for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district.

(2) An identification of each program of remedial study, listed by subject area.

(u) For each high school in the district, including, without limitation, each charter school sponsored by the district, the percentage of pupils who graduated from that high school or charter school in the immediately preceding year and enrolled in remedial courses in reading, writing or mathematics at a university, state college or community college within the Nevada System of Higher Education.

(v) The technological facilities and equipment available at each school, including, without limitation, each charter school sponsored by the district, and the district's plan to incorporate educational technology at each school.

(w) For each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district, the number and percentage of pupils who received:

(1) A standard high school diploma, reported separately for pupils who received the diploma pursuant to:

(I) Paragraph (a) of subsection 1 of NRS 389.805; and

(II) Paragraph (b) of subsection 1 of NRS 389.805.

(2) An adult diploma.

(3) An adjusted diploma.

(4) A certificate of attendance.

(x) For each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district, the number and percentage of pupils who failed to pass the high school proficiency examination.

(y) The number of habitual truants who are reported to a school police officer or law enforcement agency pursuant to paragraph (a) of subsection 2 of NRS 392.144 and the number of habitual truants who are referred to an advisory board to review school attendance pursuant to paragraph (b) of subsection 2 of NRS 392.144, for each school in the district and for the district as a whole.

(z) The amount and sources of money received for the training and professional development of teachers and other educational personnel for each school in the district and for the district as a whole, including, without limitation, each charter school sponsored by the district.

(aa) Whether the school district has made adequate yearly progress. If the school district has been designated as demonstrating need for improvement pursuant to NRS 385.377, the report must include a statement indicating the number of consecutive years the school district has carried that designation.

(bb) Information on whether each public school in the district, including, without limitation, each charter school sponsored by the district, has made adequate yearly progress, including, without limitation:

(1) The number and percentage of schools in the district, if any, that have been designated as needing improvement pursuant to NRS 385.3623; and

(2) The name of each school, if any, in the district that has been designated as needing improvement pursuant to NRS 385.3623 and the number of consecutive years that the school has carried that designation.

(cc) Information on the paraprofessionals employed by each public school in the district, including, without limitation, each charter school sponsored by the district. The information must include:

(1) The number of paraprofessionals employed at the school; and

(2) The number and percentage of all paraprofessionals who do not satisfy the qualifications set forth in 20 U.S.C. § 6319(c). The reporting requirements of this subparagraph apply to paraprofessionals who are employed in positions supported with Title I money and to paraprofessionals who are not employed in positions supported with Title I money.

(dd) For each high school in the district, including, without limitation, each charter school sponsored by the district that operates as a high school, information that provides a comparison of the rate of graduation of pupils enrolled in the high school with the rate of graduation of pupils throughout the district and throughout this State. The information required by this paragraph must be provided in consultation with the Department to ensure the accuracy of the comparison.

(ee) An identification of the appropriations made by the Legislature that are available to the school district or the schools within the district and programs approved by the Legislature to improve the academic achievement of pupils.

(ff) For each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district, information on pupils enrolled in career and technical education, including, without limitation:

(1) The number of pupils enrolled in a course of career and technical education;

(2) The number of pupils who completed a course of career and technical education;

(3) The average daily attendance of pupils who are enrolled in a program of career and technical education;

(4) The annual rate of pupils who dropped out of school and were enrolled in a program of career and technical education before dropping out;

(5) The number and percentage of pupils who completed a program of career and technical education and who received a standard high school diploma, an adjusted diploma or a certificate of attendance; and

(6) The number and percentage of pupils who completed a program of career and technical education and who did not receive a high school diploma because the pupils failed to pass the high school proficiency examination.

(gg) ***For each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district:***

(1) The number of reported violations of NRS 388.135 occurring at a school or otherwise involving a pupil enrolled at a school, regardless of the outcome of the investigation conducted pursuant to NRS 388.1351;

(2) The number of incidents determined to be bullying, cyber-bullying, harassment or intimidation after an investigation is conducted pursuant to NRS 388.1351;

(3) The number of incidents resulting in suspension or expulsion for bullying, cyber-bullying, harassment or intimidation ~~[, for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district.]~~ ***; and***

~~[(3)]~~ ***(4) Any actions taken to reduce the number of incidents of bullying, cyber-bullying, harassment and intimidation, including, without limitation, training that was offered or other policies, practices and programs that were implemented.***

(hh) Such other information as is directed by the Superintendent of Public Instruction.

3. The State Public Charter School Authority and each college or university within the Nevada System of Higher Education that sponsors a charter school shall, on or before September 30 of each year, prepare an annual report of accountability of the charter schools sponsored by the State Public Charter School Authority or institution, as applicable, concerning the accountability information prescribed by the Department pursuant to this section. The Department, in consultation with the State Public Charter School Authority and each college or university within the Nevada System of Higher Education that sponsors a charter school, shall prescribe by regulation the information that must be prepared by the State Public Charter School Authority and institution, as applicable, which must include, without limitation, the information contained in paragraphs (a) to (hh), inclusive, of subsection 2, as applicable to charter schools. The Department shall provide for public dissemination of the annual report of accountability prepared pursuant to this section in the manner set forth in 20 U.S.C. § 6311(h)(2)(E) by posting a copy of the report on the Internet website maintained by the Department.

4. The records of attendance maintained by a school for purposes of paragraph (k) of subsection 2 or maintained by a charter school for purposes of the reporting required pursuant to subsection 3 must include the number of teachers who are in attendance at school and the number of teachers who are

absent from school. A teacher shall be deemed in attendance if the teacher is excused from being present in the classroom by the school in which the teacher is employed for one of the following reasons:

(a) Acquisition of knowledge or skills relating to the professional development of the teacher; or

(b) Assignment of the teacher to perform duties for cocurricular or extracurricular activities of pupils.

5. The annual report of accountability prepared pursuant to subsection 2 or 3, as applicable, must:

(a) Comply with 20 U.S.C. § 6311(h)(2) and the regulations adopted pursuant thereto; and

(b) Be presented in an understandable and uniform format and, to the extent practicable, provided in a language that parents can understand.

6. The Superintendent of Public Instruction shall:

(a) Prescribe forms for the reports required pursuant to subsections 2 and 3 and provide the forms to the respective school districts, the State Public Charter School Authority and each college or university within the Nevada System of Higher Education that sponsors a charter school.

(b) Provide statistical information and technical assistance to the school districts, the State Public Charter School Authority and each college or university within the Nevada System of Higher Education that sponsors a charter school to ensure that the reports provide comparable information with respect to each school in each district, each charter school and among the districts and charter schools throughout this State.

(c) Consult with a representative of the:

(1) Nevada State Education Association;

(2) Nevada Association of School Boards;

(3) Nevada Association of School Administrators;

(4) Nevada Parent Teacher Association;

(5) Budget Division of the Department of Administration;

(6) Legislative Counsel Bureau; and

(7) Charter School Association of Nevada,

➥ concerning the program and consider any advice or recommendations submitted by the representatives with respect to the program.

7. The Superintendent of Public Instruction may consult with representatives of parent groups other than the Nevada Parent Teacher Association concerning the program and consider any advice or recommendations submitted by the representatives with respect to the program.

8. On or before September 30 of each year:

(a) The board of trustees of each school district shall submit to each advisory board to review school attendance created in the county pursuant to NRS 392.126 the information required in paragraph (i) of subsection 2.

(b) The State Public Charter School Authority and each college or university within the Nevada System of Higher Education that sponsors a charter school shall submit to each advisory board to review school attendance created in a county pursuant to NRS 392.126 the information regarding the records of the attendance and truancy of pupils enrolled in the charter school located in that county, if any, in accordance with the regulations prescribed by the Department pursuant to subsection 3.

9. On or before September 30 of each year:

(a) The board of trustees of each school district, the State Public Charter School Authority and each college or university within the Nevada System of Higher Education that sponsors a charter school shall provide written notice that the report required pursuant to subsection 2 or 3, as applicable, is available on the Internet website maintained by the school district, State Public Charter School Authority or institution, if any, or otherwise provide written notice of the availability of the report. The written notice must be provided to the:

(1) Governor;

(2) State Board;

(3) Department;

(4) Committee; ~~[and]~~

(5) Bureau ~~[.]~~ ***; and***

(6) The Attorney General, with a specific reference to the information that is reported pursuant to paragraph (gg) of subsection 2.

(b) The board of trustees of each school district, the State Public Charter School Authority and each college or university within the Nevada System of Higher Education that sponsors a charter school shall provide for public dissemination of the annual report of accountability prepared pursuant to subsection 2 or 3, as applicable, in the manner set forth in 20 U.S.C. § 6311(h)(2)(E) by posting a copy of the report on the Internet website maintained by the school district, the State Public Charter School Authority or the institution, if any. If a school district does not maintain a website, the district shall otherwise provide for public dissemination of the annual report by providing a copy of the report to the schools in the school district, including, without limitation, each charter school sponsored by the district, the residents of the district, and the parents and guardians of pupils enrolled in schools in the district, including, without limitation, each charter school sponsored by the district. If the State Public Charter School Authority or the institution does not maintain a website, the State Public Charter School Authority or the institution, as applicable, shall otherwise provide for public

dissemination of the annual report by providing a copy of the report to each charter school it sponsors and the parents and guardians of pupils enrolled in each charter school it sponsors.

10. Upon the request of the Governor, ***the Attorney General,*** an entity described in paragraph (a) of subsection 9 or a member of the general public, the board of trustees of a school district, the State Public Charter School Authority or a college or university within the Nevada System of Higher Education that sponsors a charter school, as applicable, shall provide a portion or portions of the report required pursuant to subsection 2 or 3, as applicable.

11. As used in this section:

(a) "Bullying" has the meaning ascribed to it in NRS 388.122.

(b) "Cyber-bullying" has the meaning ascribed to it in NRS 388.123.

(c) "Harassment" has the meaning ascribed to it in NRS 388.125.

(d) "Highly qualified" has the meaning ascribed to it in 20 U.S.C. § 7801(23).

(e) "Intimidation" has the meaning ascribed to it in NRS 388.129.

(f) "Paraprofessional" has the meaning ascribed to it in NRS 391.008.

Sec. 3. Chapter 388 of NRS is hereby amended by adding thereto a new section to read as follows:

The board of trustees of each school district and the governing body of each charter school shall determine the most effective manner for the delivery of information to the pupils of each public school during the "Week of Respect" proclaimed by the Governor each year pursuant to NRS 236.073. The information delivered during the "Week of Respect" must focus on:

1. Methods to prevent, identify and report incidents of bullying, cyber-bullying, harassment and intimidation;

2. Methods to improve the school environment in a manner that will facilitate positive human relations among pupils; and

3. Methods to facilitate positive human relations among pupils by eliminating the use of bullying, cyber-bullying, harassment and intimidation.

Sec. 4. NRS 388.121 is hereby amended to read as follows:

388.121 As used in NRS 388.121 to 388.139, inclusive, ***and section 3 of this act,*** unless the context otherwise requires, the words and terms defined in NRS 388.122 to 388.129, inclusive, have the meanings ascribed to them in those sections.

Sec. 4.5. NRS 388.122 is hereby amended to read as follows:

388.122 "Bullying" means a willful act which is written, verbal or physical, or a course of conduct on the part of one or more persons which is not authorized by law and which exposes a person ~~[one time or]~~ repeatedly

and over time to one or more negative actions which is highly offensive to a reasonable person and:

1. Is intended to cause or actually causes the person to suffer harm or serious emotional distress;

2. ***Exploits an imbalance in power between the person engaging in the act or conduct and the person who is the subject of the act or conduct;***

3. Places the person in reasonable fear of harm or serious emotional distress; or

~~[3.]~~ ***4.*** Creates an environment which is hostile to a pupil by interfering with the education of the pupil.

Sec. 5. NRS 388.133 is hereby amended to read as follows:

388.133 1. The Department shall, in consultation with the boards of trustees of school districts, educational personnel, local associations and organizations of parents whose children are enrolled in public schools throughout this State, and individual parents and legal guardians whose children are enrolled in public schools throughout this State, prescribe by regulation a policy for all school districts and public schools to provide a safe and respectful learning environment that is free of bullying, cyber-bullying, harassment and intimidation.

2. The policy must include, without limitation:

(a) Requirements and methods for reporting violations of NRS 388.135; and

(b) A policy for use by school districts to train ***members of the board of trustees and all*** administrators, principals, teachers and all other personnel employed by the board of trustees of a school district. The policy must include, without limitation:

(1) Training in the appropriate methods to facilitate positive human relations among pupils ~~[without]~~ ***by eliminating*** the use of bullying, cyber-bullying, harassment and intimidation so that pupils may realize their full academic and personal potential;

(2) ***Training in methods to prevent, identify and report incidents of bullying, cyber-bullying, harassment and intimidation in public schools;***

(3) Methods to improve the school environment in a manner that will facilitate positive human relations among pupils; and

~~[(3)]~~ ***(4)*** Methods to teach skills to pupils so that the pupils are able to replace inappropriate behavior with positive behavior.

Sec. 6. NRS 388.134 is hereby amended to read as follows:

388.134 The board of trustees of each school district shall:

1. Adopt the policy prescribed pursuant to NRS 388.133 and the policy prescribed pursuant to subsection 2 of NRS 389.520. The board of trustees may adopt an expanded policy for one or both of the policies if each

expanded policy complies with the policy prescribed pursuant to NRS 388.133 or pursuant to subsection 2 of NRS 389.520, as applicable.

2. Provide for the appropriate training of ***members of the board of trustees and*** all administrators, principals, teachers and all other personnel employed by the board of trustees in accordance with the policies prescribed pursuant to NRS 388.133 and pursuant to subsection 2 of NRS 389.520. ***For members of the board of trustees who have not previously been elected or appointed to the board of trustees or for employees of the school district who have not previously been employed by the district, the training required by this subsection must be provided within 180 days after the member begins his or her term of office or after the employee begins his or her employment, as applicable.***

3. Post the policies adopted pursuant to subsection 1 on the Internet website maintained by the school district.

4. Ensure that the parents and legal guardians of pupils enrolled in the school district have sufficient information concerning the availability of the policies, including, without limitation, information that describes how to access the policies on the Internet website maintained by the school district. Upon the request of a parent or legal guardian, the school district shall provide the parent or legal guardian with a written copy of the policies.

5. Review the policies adopted pursuant to subsection 1 on an annual basis and update the policies if necessary. If the board of trustees of a school district updates the policies, the board of trustees must submit a copy of the updated policies to the Department within 30 days after the update.

Sec. 7. NRS 388.1342 is hereby amended to read as follows:

388.1342 1. The Department, in consultation with persons who possess knowledge and expertise in bullying, cyber-bullying, harassment and intimidation in public schools, shall:

(a) Establish a program of training on methods to prevent, identify and report incidents of bullying, cyber-bullying, harassment and intimidation in public schools for members of the State Board.

(b) ~~[~~Recommend~~]~~ ***Establish*** a program of training on methods to prevent, identify and report incidents of bullying, cyber-bullying, harassment and intimidation in public schools for members of the boards of trustees of school districts.

(c) ~~[~~Recommend~~]~~ ***Establish*** a program of training for school district ***and charter school*** personnel to assist those persons with carrying out their powers and duties pursuant to NRS 388.121 to 388.139, inclusive ~~[.]~~ ***, and section 3 of this act.***

(d) Establish a program of training for administrators in the prevention of violence and suicide associated with bullying, cyber-bullying,

harassment and intimidation in public schools and appropriate methods to respond to incidents of violence or suicide.

2. Each member of the State Board shall, within 1 year after the member is elected or appointed to the State Board, complete the program of training on bullying, cyber-bullying, harassment and intimidation in public schools established pursuant to paragraph (a) of subsection 1 and undergo the training at least one additional time while the person is a member of the State Board.

3. ~~[Each]~~ ***Except as otherwise provided in NRS 388.134, each*** member of a board of trustees of a school district ~~[may]~~ ***shall, within 1 year after the member is elected or appointed to the board of trustees,*** complete the program of training on bullying, cyber-bullying, harassment and intimidation in public schools ~~[recommended]~~ ***established*** pursuant to paragraph (b) of subsection 1 and ~~[may]~~ undergo the training at least one additional time while the person is a member of the board of trustees.

4. Each ***administrator of a public school shall complete the program of training established pursuant to paragraph (d) of subsection 1:***

(a) Within 90 days after becoming an administrator;

(b) Except as otherwise provided in paragraph (c), at least once every 3 years thereafter; and

(c) At least once during any school year within which the program of training is revised or updated.

5. Each program of training established ~~[and recommended]~~ pursuant to subsection 1 must, to the extent money is available, be made available on the Internet website maintained by the Department or through another provider on the Internet.

~~[5.]~~ ***6.*** The board of trustees of a school district may allow school district personnel to attend the program ~~[recommended]~~ ***established*** pursuant to paragraph (c) ***or (d)*** of subsection 1 during regular school hours.

~~[6.]~~ ***7.*** The Department shall review each program of training established ~~[and recommended]~~ pursuant to subsection 1 on an annual basis to ensure that the program contains current information ***.*** ~~[concerning the prevention of bullying, cyber-bullying, harassment and intimidation.]~~

Sec. 8. NRS 388.1351 is hereby amended to read as follows:

388.1351 1. A teacher or other staff member who witnesses a violation of NRS 388.135 or receives information that a violation of NRS 388.135 has occurred shall verbally report the violation to the principal or his or her designee on the day on which the teacher or other staff member witnessed the violation or received information regarding the occurrence of a violation.

2. The principal or his or her designee shall initiate an investigation not later than 1 day after receiving notice of the violation pursuant to subsection 1. ***The principal or the designee shall provide written notice of a reported***

violation of NRS 388.135 to the parent or legal guardian of each pupil involved in the reported violation. The notice must include, without limitation, a statement that the principal or the designee will be conducting an investigation into the reported violation and that the parent or legal guardian may discuss with the principal or the designee any counseling and intervention services that are available to the pupil. The investigation must be completed within 10 days after the date on which the investigation is initiated and, if a violation is found to have occurred, include recommendations concerning the imposition of disciplinary action or other measures to be imposed as a result of the violation, in accordance with the policy governing disciplinary action adopted by the board of trustees of the school district.

3. The parent or legal guardian of a pupil involved in the reported violation of NRS 388.135 may appeal a disciplinary decision of the principal or his or her designee, made against the pupil as a result of the violation, in accordance with the policy governing disciplinary action adopted by the board of trustees of the school district.

Sec. 9. (Deleted by amendment.)

Sec. 10. (Deleted by amendment.)

Sec. 11. NRS 388.137 is hereby amended to read as follows:

388.137 ***1.*** No cause of action may be brought against a pupil or an employee or volunteer of a school who reports a violation of NRS 388.135 unless the person who made the report acted with malice, intentional misconduct, gross negligence, or intentional or knowing violation of the law.

2. If a principal determines that a report of a violation of NRS 388.135 is false and that the person who made the report acted with malice, intentional misconduct, gross negligence, or intentional or knowing violation of the law, the principal may recommend the imposition of disciplinary action or other measures against the person in accordance with the policy governing disciplinary action adopted by the board of trustees of the school district.

Sec. 11.5. NRS 388.1353 and 388.1355 are hereby repealed.

Sec. 12. This act becomes effective on July 1, 2013.

TEXT OF REPEALED SECTIONS

388.1353 Principal required to submit report of violations for each semester to school district; review and compilation of reports by school district; submission of compilation to Department.

1. On or before January 1 and June 30 of each year, the principal of each public school shall submit to the board of trustees of the school district a report on the violations of NRS 388.135 which are reported during the previous school semester. The report must include, without limitation:

(a) The number of violations of NRS 388.135 occurring at the school or otherwise involving a pupil enrolled at the school which are reported during that period; and

(b) Any actions taken at the school to reduce the number of incidents of bullying, cyber-bullying, harassment and intimidation, including, without limitation, training that was offered or other policies, practices and programs that were implemented.

2. The board of trustees of each school district shall review and compile the reports submitted pursuant to subsection 1 and, on or before August 1, submit a compilation of the reports to the Department.

388.1355 Compilation of reports by Superintendent of Public Instruction; submission of written compilation to Attorney General. The Superintendent of Public Instruction shall:

1. Compile the reports submitted pursuant to NRS 388.1353 and prepare a written report of the compilation.

2. On or before October 1 of each year, submit the written compilation to the Attorney General.

Assemblyman Elliot Anderson moved the adoption of the amendment.

Remarks by Assemblyman Elliot Anderson.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Senate Bill No. 362.

Bill read third time.

Remarks by Assemblyman Eisen.

ASSEMBLYMAN EISEN:

Senate Bill 362 prescribes certain provisions for health care facilities with more than 70 beds that are located in a county whose population is 100,000 or more.

The measure prohibits a medical facility from retaliating or discriminating against a CNA or licensed nurse who requests to be relieved of, refuses, or objects to a work assignment. This bill also requires the Health Division of the Department of Health and Human Services to adopt necessary regulations to carry out certain provisions of the bill and to ensure general compliance with those provisions. Finally, it allows the Division to enforce the requirements of the measure as part of its existing inspection process.

I just want to say that I think this is a very important step forward in ensuring that we have made clear the minimum standard for staffing for nursing personnel—RNs, LPNs, and certified nursing assistants—in our hospitals, and this is an important move to protect the safety of patients in Nevada facilities.

Roll call on Senate Bill No. 362:

YEAS—41.

NAYS—None.

EXCUSED—Pierce.

Senate Bill No. 362 having received a constitutional majority, Madam Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 416.

Bill read third time.

Remarks by Assemblymen Horne and Hickey.

ASSEMBLYMAN HORNE:

Senate Bill 416 clarifies that a "restricted license" or "restricted operation" means a state gaming license for the operation of not more than 15 slot machines and which does not include a race book or sports pool. The measure clarifies that the acceptance and payment of wagers and transactions, in person or through mechanical means such as a kiosk or similar device, are considered with the operation of a race book and sports pool, and the measure requires that a separate license be obtained for each location at which such an operation is conducted. The measure also clarifies that the exception to having a single license at one establishment applies only to these nonrestricted licenses at an establishment with 16 or more slot machines or at an establishment with any number of slot machines together with any other game, gaming device, race book, or sports pool.

The measure provides that in a county whose population is 100,000 or more, a restricted license may only be granted at certain establishments if it contains a minimum of 2,500 square feet of space available for patrons; a permanent, physical bar; and a restaurant that meets certain requirements.

Section 4 of the bill amends subsection 3 of NRS 463.245 and authorizes a person who is licensed to operate a sports pool or race book at a gaming establishment to operate at a second establishment if the second establishment is operated by a nonrestricted licensee. This provision should not be construed as limiting the person licensed to operate a sports pool or race book to just two locations. In drafting, the word "second" was substituted for the word "another," only to maintain consistency within the sentence. I urge your support.

ASSEMBLYMAN HICKEY:

I rise in support of Senate Bill 416. One of the concerns I had when I first read the bill was the impression that it might inhibit small business owners' ability to sell or transfer their business. I understand it has been made clear by LCB that there is not a provision in this bill that would require an existing business to add a kitchen or meet the 2,500 square foot requirement upon sale or transfer of the business. Therefore, I am confident that the standards set forth in this bill do nothing to harm a person's ability to transfer his or her property. I urge this body's support.

Roll call on Senate Bill No. 416:

YEAS—41.

NAYS—None.

EXCUSED—Pierce.

Senate Bill No. 416 having received a constitutional majority, Madam Speaker declared it passed.

Bill ordered transmitted to the Senate.

Madam Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 1:23 p.m.

ASSEMBLY IN SESSION

At 1:28 p.m.
Madam Speaker presiding.
Quorum present.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Horne moved that Assembly Bills Nos. 215, 388, 413, and 425, just reported out of committee, be placed at the top of the General File.
Motion carried.

Assemblyman Horne moved that Assembly Bill No. 488; Senate Bill No. 44; Senate Joint Resolution No. 8, just reported out of committee, be placed on the Second Reading File.
Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Ways and Means:
Assembly Bill No. 507—AN ACT relating to state financial administration; making appropriations from the State General Fund and the State Highway Fund for the support of the civil government of the State of Nevada for the 2013-2015 biennium; providing for the use of the money so appropriated; making various other changes relating to the financial administration of the State; and providing other matters properly relating thereto.
Assemblywoman Carlton moved that the bill be referred to the Committee on Ways and Means.
Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 215.
Bill read third time.
The following amendment was proposed by the Committee on Ways and Means:
Amendment No. 892.
AN ACT relating to graywater; requiring the State Board of Health to adopt regulations concerning systems for the collection and application of graywater for a single-family residence; requiring a permit for such graywater systems; providing that state and local governmental agencies must not prohibit graywater systems that meet certain requirements; allowing restrictions on graywater systems within common-interest communities; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the State Board of Health to adopt regulations concerning residential individual systems for the disposal of sewage, which are commonly known as septic systems, and such regulations are effective statewide except in health districts in which the district boards of health have adopted regulations concerning such systems for the district. (NRS 444.650)

~~[Sections]~~ **Section 8** ~~[and 14]~~ of this bill ~~[require]~~ **requires** the State Board of Health to adopt regulations ~~[on or before October 1, 2014,]~~ concerning graywater systems for a single-family residence, and such regulations are effective statewide except in health districts in which the district boards of health have adopted regulations concerning such systems for the district. ~~[Section 3 of this bill defines "graywater" to mean wastewater that: (1) is collected separately from sewage; (2) originates from a clothes washer or a bathroom tub, shower or sink; and (3) does not contain industrial chemicals, hazardous wastes or wastewater from toilets, kitchen sinks or dishwashers.]~~ **Section 4** of this bill defines "graywater system" to mean any system for the collection and application of graywater originating from a single-family residence to be used for household gardening, composting or landscape irrigation.

Section 8 provides that the regulations adopted by the State Board of Health or a district board of health must: (1) prohibit graywater systems where certain conditions exist; and (2) where graywater systems are allowed, require a person to apply for and obtain a permit for the use of a graywater system. **Section 8** allows issuance of such a permit only if certain requirements are met. Finally, **section 8** provides that local governments may not prohibit the use of such graywater systems.

Section 10 of this bill provides that the State Environmental Commission may not require a person to obtain a permit under the Nevada Water Pollution Control Law (NRS 445A.300-445A.730) to use a graywater system if the person has obtained a permit from the appropriate board under the laws governing graywater systems.

Section 13 of this bill provides that the governing documents of a unit-owners' association may prohibit or restrict the use of graywater systems within common-interest communities. (Chapter 116 of NRS) **Section 13** also provides that if the governing documents do not prohibit or restrict the use of graywater systems, such use must comply with the laws governing graywater systems.

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

Section 1. Chapter 444 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 8, inclusive, of this act.

Sec. 2. *As used in NRS 444.650 and sections 2 to 8, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 7, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. ~~*[“Graywater” means wastewater that:*~~

~~*1. Is collected separately from sewage;*~~

~~*2. Originates from a clothes washer or a bathroom tub, shower or sink; and*~~

~~*3. Does not contain industrial chemicals, hazardous wastes or wastewater from toilets, kitchen sinks or dishwashers.]*~~ **(Deleted by amendment.)**

Sec. 4. *“Graywater system” means any system for the collection and application of graywater originating from a single-family residence to be used for household gardening, composting or landscape irrigation.*

Sec. 5. *“Recycled water” means water that has been used and subsequently treated to make it suitable for use again.*

Sec. 6. ~~*[1. “Residential individual system for the disposal of sewage” means an individual system for the disposal of sewage from a parcel or other unit of real property or unit of personal property, including all structures thereon, that is zoned for use by single-family residences.*~~

~~*2. The term does not include a graywater system.]*~~ **(Deleted by amendment.)**

Sec. 7. ~~*[“Single family residence” means a parcel or other unit of real property or unit of personal property which is intended or designed to be occupied by one family with facilities for living, sleeping, cooking and eating.]*~~ **(Deleted by amendment.)**

Sec. 8. *1. The State Board of Health shall adopt regulations concerning the use of graywater systems. Those regulations are effective except in a health district in which a district board of health has adopted regulations concerning the use of graywater systems in that district.*

2. Except as otherwise provided in subsection 3, any regulations adopted by the State Board of Health or a district board of health concerning the use of graywater systems:

(a) Must prohibit the use of a graywater system in any area of the State where there is:

(1) The reasonable potential for return flow to a river system or a lake;

(2) A requirement for return flow of effluent to a river system; or

(3) An existing alternative program for recycled water;

(b) In any area of the State not prohibited pursuant to paragraph (a), must require a person to apply for and obtain a permit for the use of a graywater system; and

(c) Must not conflict with the provisions of NRS 445A.300 to 445A.730, inclusive, and section 10 of this act and any regulations adopted pursuant to those provisions.

3. Notwithstanding any regulations adopted pursuant to this section or NRS 444.650, in any area of the State where the use of a graywater system is otherwise prohibited for a single-family residence, a person who owns, leases or occupies a single-family residence that uses a residential individual system for the disposal of sewage may apply to obtain a permit for the use of a graywater system for that single-family residence.

4. The State Board of Health or a district board of health shall not issue a permit pursuant to this section unless:

(a) The distribution system for the graywater provides for overflow into the sewer system or a residential individual system for the disposal of sewage;

(b) The storage tank for the graywater is covered to restrict access and to eliminate habitat for mosquitoes or other vectors;

(c) ~~[The graywater system is located outside the boundaries of a floodplain;~~

~~(d)]~~ The graywater is vertically separated from and at least ~~[5]~~ 4 feet above the groundwater table;

~~[(e)]~~ (d) All piping for the graywater is clearly identified as containing nonpotable water;

~~[(f)]~~ (e) The graywater is used on the site where it is generated and does not run off the property;

~~[(g)]~~ (f) The graywater is applied in a manner that ~~[minimizes the potential for]~~ prevents contact with people or domestic pets;

~~[(h)]~~ (g) The application of the graywater is managed to ~~[minimize]~~ prevent standing water on the surface, avoid ponding and ensure that the hydraulic capacity of the soil is not exceeded;

~~[(i)]~~ (h) The graywater is ~~[not sprayed;~~

~~(j)]~~ discharged below the surface of the ground;

(i) The graywater is not discharged into a natural watercourse; and

~~[(k)]~~ (j) The use of the graywater complies with the provisions of NRS 445A.300 to 445A.730, inclusive, and section 10 of this act and any regulations adopted pursuant to those provisions.

5. A district board of health which adopts regulations concerning graywater systems shall consider and take into account the geological, hydrological and topographical characteristics of the area within its jurisdiction.

6. A board of county commissioners of a county, the governing body of a city or the town board or board of county commissioners having

jurisdiction over the affairs of a town shall not prohibit the use of a graywater system that meets the requirements of this section.

Sec. 9. NRS 444.650 is hereby amended to read as follows:

444.650 1. The State Board of Health shall adopt regulations to control the use of a residential individual system for ***the*** disposal of sewage in this State. Those regulations are effective except in health districts in which a district board of health has adopted regulations to control the use of a residential individual system for ***the*** disposal of sewage in that district.

2. A board which adopts such regulations shall consider and take into account the geological, hydrological and topographical characteristics of the area within its jurisdiction.

3. The regulations adopted pursuant to this section must not conflict with the provisions of NRS 445A.300 to 445A.730, inclusive, ***and section 10 of this act*** and any regulations adopted pursuant to those provisions.

~~[4. As used in this section, "residential individual system for disposal of sewage" means an individual system for disposal of sewage from a parcel of land, including all structures thereon, that is zoned for single family residential use.]~~

Sec. 10. Chapter 445A of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Commission shall not require a person to obtain a permit pursuant to this section and NRS 445A.300 to 445A.730, inclusive, for the use of a graywater system if the person has obtained a permit that meets the requirements of section 8 of this act.

2. As used in this section, "graywater system" has the meaning ascribed to it in section 4 of this act.

Sec. 11. NRS 445A.310 is hereby amended to read as follows:

445A.310 As used in NRS 445A.300 to 445A.730, inclusive, ***and section 10 of this act,*** unless the context otherwise requires, the words and terms defined in NRS 445A.315 to 445A.420, inclusive, have the meanings ascribed to them in those sections.

Sec. 12. NRS 445A.425 is hereby amended to read as follows:

445A.425 1. Except as specifically provided in NRS 445A.625 to 445A.645, inclusive, the Commission shall:

(a) Adopt regulations carrying out the provisions of NRS 445A.300 to 445A.730, inclusive, ***and section 10 of this act,*** including standards of water quality and amounts of waste which may be discharged into the waters of the State.

(b) Adopt regulations providing for the certification of laboratories that perform analyses for the purposes of NRS 445A.300 to 445A.730, inclusive, ***and section 10 of this act*** to detect the presence of hazardous waste or a regulated substance in soil or water.

(c) Adopt regulations controlling the injection of fluids through a well to prohibit those injections into underground water, if it supplies or may reasonably be expected to supply any public water system, as defined in NRS 445A.840, which may result in that system's noncompliance with any regulation regarding primary drinking water or may otherwise have an adverse effect on human health.

(d) Advise, consult and cooperate with other agencies of the State, the Federal Government, other states, interstate agencies and other persons in furthering the provisions of NRS 445A.300 to 445A.730, inclusive ~~[.]~~ ***, and section 10 of this act.***

(e) Determine and prescribe the qualifications and duties of the supervisors and technicians responsible for the operation and maintenance of plants for sewage treatment.

2. The Commission may by regulation require that supervisors and technicians responsible for the operation and maintenance of plants for sewage treatment be certified by the Department. The regulations may include a schedule of fees to pay the costs of certification. The provisions of this subsection apply only to a package plant for sewage treatment whose capacity is more than 5,000 gallons per day and to any other plant whose capacity is more than 10,000 gallons per day.

3. In adopting regulations, standards of water quality and effluent limitations pursuant to NRS 445A.300 to 445A.730, inclusive, ***and section 10 of this act,*** the Commission shall recognize the historical irrigation practices in the respective river basins of this State, the economy thereof and their effects.

4. The Commission may hold hearings, issue notices of hearings, issue subpoenas requiring the attendance of witnesses and the production of evidence, administer oaths and take testimony as it considers necessary to carry out the provisions of this section and for the purpose of reviewing standards of water quality.

5. As used in this section, "plant for sewage treatment" means any facility for the treatment, purification or disposal of sewage.

Sec. 13. Chapter 116 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Notwithstanding the provisions of NRS 444.650 and sections 2 to 8, inclusive, of this act, the governing documents of an association may prohibit or restrict the use of a graywater system within the common-interest community.

2. If the governing documents of an association do not prohibit or restrict the use of a graywater system within the common-interest community, the use of a graywater system within the common-interest

community must comply with the provisions of NRS 444.650 and sections 2 to 8, inclusive, of this act.

3. As used in this section, "graywater system" has the meaning ascribed to it in section 4 of this act.

Sec. 14. ~~[Notwithstanding the provisions of section 8 of this act, the State Board of Health shall adopt the regulations required pursuant to section 8 of this act on or before October 1, 2014.]~~ **(Deleted by amendment.)**

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 388.

Bill read third time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 893.

SUMMARY—Revises provisions relating to renewable energy **.** ~~[systems.]~~ (BDR 58-517)

AN ACT relating to renewable energy; ~~[authorizing the Director of the Office of Energy, in consultation with the Office of Economic Development, to grant to certain businesses partial abatements of certain property taxes and local sales and use taxes imposed on certain renewable energy systems; revising provisions governing net metering;]~~ **revising provisions governing certain energy-related tax incentives; revising provisions governing portfolio energy systems; revising provisions governing jurisdiction of the courts of this State with respect to certain claims or actions relating to certain renewable energy projects;** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~[Section 9 of this bill authorizes a person who intends to locate a new business in this State to apply to the Director of the Office of Energy for a partial abatement of certain property taxes and local sales and use taxes imposed on certain renewable energy systems which are installed on the property of the business and which are for the purpose of supplying all or a part of the electricity requirements of the new business. Section 9 requires the Director to hold a public hearing concerning each application. Section 10 of this bill requires the Director to consult with the Office of Economic Development and to make certain determinations before approving any application. Section 11 of this bill sets forth the duration and maximum amount of the partial abatements.~~

~~Existing law provides generally that a renewable energy system does not qualify as a net metering system if the system exceeds a generating capacity of 1 megawatt. (NRS 704.771) Section 15 of this bill authorizes the Director, in consultation with the Office of Economic Development, to make a determination that a renewable energy system for which a partial abatement has been approved pursuant to sections 2-16 of this bill is deemed to be a net metering system regardless of the generating capacity of the system. Section 17 of this bill revises certain other provisions governing net metering to provide that excess electricity which is generated by a net metering system and fed back to the utility must be credited to the customer-generator based on the value of the electricity under the otherwise applicable rate or time-of-use rate charged by the utility rather than the number of kilowatt hours of excess electricity generated by the customer generator.~~ **Existing law provides for the partial abatement of certain taxes for certain renewable energy facilities. (NRS 701A.300-701A.390) Section 3 of this bill removes the requirement that an application for a partial abatement of certain taxes for certain geothermal facilities be approved by the board of county commissioners before the application can be approved by the Director of the Office of Energy.**

Under existing law, a provider of electric service is entitled to one portfolio energy credit for each kilowatt-hour of electricity that the provider generates, acquires or saves from a portfolio energy system or efficiency measure for the purpose of satisfying the renewable portfolio standard of the provider. (NRS 704.78215) Section 4 of this bill revises provisions governing the calculation of the portfolio energy credits attributable to certain portfolio energy systems.

Section 5 of this bill clarifies that a court of this State has jurisdiction over a claim or action relating to a renewable energy project located upon certain Indian tribal land under certain circumstances.

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

Delete existing sections 1 through 19 of this bill and replace with the following new sections 1 through 5:

Section 1. **NRS 701A.340 is hereby amended to read as follows:**

701A.340 1. "Renewable energy" means:

(a) Biomass;

(b) Fuel cells;

(c) ***Geothermal energy;***

(d) Solar energy;

~~[(d)]~~ ***(e)*** Waterpower; or

~~[(e)]~~ ***(f)*** Wind.

2. The term does not include coal, natural gas, oil, propane or any other fossil fuel ~~[, geothermal energy]~~ or nuclear energy.

Sec. 2. **NRS 701A.360 is hereby amended to read as follows:**

701A.360 1. A person who intends to locate a facility for the generation of process heat from solar renewable energy, a wholesale facility for the generation of electricity from renewable energy ~~[, a facility for the generation of electricity from geothermal resources]~~ or a facility for the transmission of electricity produced from renewable energy ~~[or geothermal resources]~~ in this State may apply to the Director for a partial abatement of the local sales and use taxes, the taxes imposed pursuant to chapter 361 of NRS, or both local sales and use taxes and taxes imposed pursuant to chapter 361 of NRS.

2. A facility that is owned, operated, leased or otherwise controlled by a governmental entity is not eligible for an abatement pursuant to NRS 701A.300 to 701A.390, inclusive.

3. As soon as practicable after the Director receives an application for a partial abatement, the Director shall forward a copy of the application to:

(a) The Chief of the Budget Division of the Department of Administration;

(b) The Department of Taxation;

(c) The board of county commissioners;

(d) The county assessor;

(e) The county treasurer; and

(f) The Office of Economic Development.

4. With the copy of the application forwarded to the county treasurer, the Director shall include a notice that the local jurisdiction may request a presentation regarding the facility. A request for a presentation must be made within 30 days after receipt of the application.

5. The Director shall hold a public hearing on the application. The hearing must not be held earlier than 30 days after all persons listed in subsection 3 have received a copy of the application.

Sec. 3. **NRS 701A.365 is hereby amended to read as follows:**

701A.365 1. ~~[Except as otherwise provided in subsection 2, the]~~ ***The*** Director, in consultation with the Office of Economic Development, shall approve an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, if the Director, in consultation with the Office of Economic Development, makes the following determinations:

(a) The applicant has executed an agreement with the Director which must:

(1) State that the facility will, after the date on which a certificate of eligibility for the abatement is issued pursuant to NRS 701A.370, continue in operation in this State for a period specified by the Director, which must be

at least 10 years, and will continue to meet the eligibility requirements for the abatement; and

(2) Bind the successors in interest in the facility for the specified period.

(b) The facility is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the facility operates.

(c) No funding is or will be provided by any governmental entity in this State for the acquisition, design or construction of the facility or for the acquisition of any land therefor, except any private activity bonds as defined in 26 U.S.C. § 141.

(d) If the facility will be located in a county whose population is 100,000 or more or a city whose population is 60,000 or more, the facility meets the following requirements:

(1) There will be 75 or more full-time employees working on the construction of the facility during the second quarter of construction, including, unless waived by the Director for good cause, at least 30 percent who are residents of Nevada;

(2) Establishing the facility will require the facility to make a capital investment of at least $10,000,000 in this State;

(3) The average hourly wage that will be paid by the facility to its employees in this State is at least 110 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year; and

(4) The average hourly wage of the employees working on the construction of the facility will be at least 150 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The employees working on the construction of the facility must be provided a health insurance plan that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost of the benefits provided to the employees working on the construction of the facility will meet the minimum requirements for benefits established by the Director by regulation pursuant to NRS 701A.390.

(e) If the facility will be located in a county whose population is less than 100,000 or a city whose population is less than 60,000, the facility meets the following requirements:

(1) There will be 50 or more full-time employees working on the construction of the facility during the second quarter of construction,

including, unless waived by the Director for good cause, at least 30 percent who are residents of Nevada;

(2) Establishing the facility will require the facility to make a capital investment of at least $3,000,000 in this State;

(3) The average hourly wage that will be paid by the facility to its employees in this State is at least 110 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year; and

(4) The average hourly wage of the employees working on the construction of the facility will be at least 150 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The employees working on the construction of the facility must be provided a health insurance plan that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost of the benefits provided to the employees working on the construction of the facility will meet the minimum requirements for benefits established by the Director by regulation pursuant to NRS 701A.390.

(f) The financial benefits that will result to this State from the employment by the facility of the residents of this State and from capital investments by the facility in this State will exceed the loss of tax revenue that will result from the abatement.

(g) The facility is consistent with the State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053.

2. ~~[The Director shall not approve an application for a partial abatement of the taxes imposed pursuant to chapter 361 of NRS submitted pursuant to NRS 701A.360 by a facility for the generation of electricity from geothermal resources unless the application is approved pursuant to this subsection. The board of county commissioners of a county must approve or deny the application not later than 30 days after the board receives a copy of the application. The board of county commissioners must not condition the approval of the application on a requirement that the facility for the generation of electricity from geothermal resources agree to purchase, lease or otherwise acquire in its own name or on behalf of the county any infrastructure, equipment, facilities or other property in the county that is not directly related to or otherwise necessary for the construction and operation of the facility. If the board of county commissioners does not approve or~~

~~deny the application within 30 days after the board receives the application, the application shall be deemed denied.~~

~~— 3.]~~ Notwithstanding the provisions of subsection 1, the Director, in consultation with the Office of Economic Development, may, if the Director, in consultation with the Office, determines that such action is necessary:

(a) Approve an application for a partial abatement for a facility that does not meet the requirements set forth in paragraph (d) or (e) of subsection 1; or

(b) Add additional requirements that a facility must meet to qualify for a partial abatement.

~~[4.]~~ ***3.*** The Director shall cooperate with the Office of Economic Development in carrying out the provisions of this section.

~~[5.]~~ ***4.*** The Director shall submit to the Office of Economic Development an annual report, at such a time and containing such information as the Office may require, regarding the partial abatements granted pursuant to this section.

Sec. 4. **NRS 704.78215 is hereby amended to read as follows:**

704.78215 1. Except as otherwise provided in this section or by specific statute, a provider is entitled to one portfolio energy credit for each kilowatt-hour of electricity that the provider generates, acquires or saves from a portfolio energy system or efficiency measure.

2. The Commission may adopt regulations that give a provider more than one portfolio energy credit for each kilowatt-hour of electricity saved by the provider during its peak load period from energy efficiency measures.

3. Except as otherwise provided in this subsection, for portfolio energy systems placed into operation on or after January 1, 2016, the amount of electricity generated or acquired from a portfolio energy system does not include the amount of any electricity used by the portfolio energy system for its basic operations that reduce the amount of renewable energy delivered to the transmission grid for distribution and sale to customers of the provider. The provisions of this subsection do not apply to a portfolio energy system placed into operation on or after January 1, 2016, if a provider entered into a contract for the purchase of electricity generated by the portfolio energy system on or before December 31, 2012. For the purposes of this subsection, the amount of any electricity used by a portfolio energy system for its basic operations does not include the electricity used by a portfolio energy system that generates electricity from geothermal energy for the extraction and transportation of geothermal brine.

Sec. 5. **Chapter 41 of NRS is hereby amended by adding thereto a new section to read as follows:**

1. A court of this State has jurisdiction pursuant to subsection 1 of NRS 14.065 with respect to any claim or action relating to a renewable energy project located upon Indian tribal land if:

(a) The Indian tribe occupying the tribal land has a reservation of not less than 60,000 acres;

(b) The Indian tribal land is located in a county whose population is 700,000 or more; and

(c) The governing body of the Indian tribe has expressly waived its sovereign immunity with respect to such claim or action in a written agreement, contract or other instrument which expressly states that the terms of the agreement, contract or other instrument must be governed by the applicable laws of this State.

2. As used in this section, "renewable energy project" means a project for the construction or installation of a facility for the generation of renewable energy, as defined in NRS 701.070.

Assemblyman Bobzien moved the adoption of the amendment.

Remarks by Assemblyman Bobzien.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 413.

Bill read third time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 895.

AN ACT relating to taxation; authorizing certain larger counties to impose additional taxes on fuels for motor vehicles; **providing for the imposition by the State of additional taxes on fuels for motor vehicles if a ballot question authorizing such additional taxes is approved by a majority of the voters in this State; providing for the imposition by the boards of county commissioners of certain counties of additional taxes on fuels for motor vehicles if a ballot question authorizing such additional taxes is approved by a majority of the voters in the county; requiring the approval by voters of additional ballot measures to continue the imposition of the additional taxes; requiring the Department of Motor Vehicles to adopt regulations establishing a system for the reimbursement and repayment of any amounts owed pursuant to certain cooperative agreements;** providing for the administration, allocation, disbursement and use of the additional taxes; removing the exemption for the sale of revenue bonds secured by county fuel taxes from certain requirements; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes counties to impose certain taxes on motor vehicle fuels and special fuels used in motor vehicles. (Chapter 373 of NRS) **Section ~~[1]~~ 1.1** of this bill authorizes the board of county commissioners of a county whose population is 700,000 or more and in which a regional transportation commission has been created and a county tax is imposed on motor vehicle fuel (currently Clark County) to impose additional county taxes on motor vehicle fuel and various special fuels used in motor vehicles. **Section ~~[1]~~ 1.1** also authorizes the board of county commissioners to provide for annual increases in these taxes, for the period beginning on January 1, 2014, and ending on December 31, 2016, in an amount equal to the lesser of: (1) a percentage established by the ordinance imposing the tax; or (2) a percentage based on historical increases in the cost of highway and street construction. **Section ~~[1]~~ 1.1** additionally provides that for the period beginning on January 1, 2017 **~~[, the]~~ : (1) the board of county commissioners must not impose any additional increases in certain taxes authorized by that section; and (2)** increases in **~~[these]~~ the remainder of the** taxes **authorized by that section** may not be effectuated unless a majority of the voters in the county at the general election in November 2016 authorize the board of county commissioners to continue to provide for the annual increases.

Upon approval by a majority of the voters in the State at the general election in November 2016, section 1.2 of this bill requires the State to impose additional state taxes on motor vehicle fuel and various special fuels used in motor vehicles. Section 1.2 also authorizes the Legislature to provide for annual increases in these taxes, for the period beginning on January 1, 2017, and ending on December 31, 2026. Section 1.2 additionally provides that for the period beginning on January 1, 2027, the increases in these taxes may not be effectuated unless a majority of the voters in the State at the general election in November 2026 authorize the Legislature to continue to provide for the annual increases.

Upon approval by a majority of the voters in any county, other than Washoe County or, under certain circumstances, Clark County, at the general election in November 2016, section 1.3 of this bill requires the board of county commissioners of the county to impose additional county taxes on motor vehicle fuel and various special fuels used in motor vehicles. Section 1.3 also authorizes the board of county commissioners to provide for annual increases in these taxes, for the period beginning on January 1, 2017, and ending on December 31, 2026. Section 1.3 additionally provides that for the period beginning on January 1, 2027, the increases in these taxes may not be effectuated unless a majority of the voters in the county at the general election in

November 2026 authorize the board of county commissioners to continue to provide for the annual increases.

The Department of Motor Vehicles is a party to the International Fuel Tax Agreement, a multistate agreement which facilitates the calculation and collection of certain fuel taxes from interstate trucking companies and others who use special fuel (primarily diesel fuel) in vehicles operated or intended to operate interstate. (NRS 366.175) Sections 1.7-1.9 of this bill require the Department to adopt regulations establishing a system for the reimbursement and repayment of any amounts owed pursuant to the International Fuel Tax Agreement as a result of any additional taxes authorized or required by this bill.

Sections ~~[2]~~ 2-2.7 and ~~[4-11]~~ 4-11.3 of this bill require the administration, allocation, disbursement and use of these taxes in the same manner as certain existing fuel taxes. Additionally, ~~[section 2 requires]~~ **sections 2-2.7 require** the annual review of these taxes by the regional transportation commission.

~~[Section 3]~~ **Sections 3-3.9** of this bill ~~[applies]~~ **apply** the current exemptions from fuel taxes to the taxes authorized by this bill, other than the exemption for certain undyed special fuel which is sold or used for any purpose other than to propel a motor vehicle upon the public highways.

Section 11.5 of this bill revises provisions of existing law to remove the exemption for the sale of revenue bonds that are secured by county fuel taxes from various requirements concerning the sale of bonds by competitive bid or negotiated sale.

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

Section 1. Chapter 373 of NRS is hereby amended by adding thereto ~~[a new section to read as follows:]~~ **the provisions set forth as sections 1.1 to 1.9, inclusive, of this act.**

Sec. 1.1. 1. Except as otherwise provided in this section, in a county whose population is 700,000 or more and in which a commission has been created and a tax is imposed pursuant to NRS 373.030:

(a) The board may by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 3.6 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 3.6 cents per gallon to the amount of the

tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(b) The board may by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 1.75 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 1.75 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(c) The board may by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 1 cent per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 1 cent per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(d) The board may by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 9 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 9 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(e) The board may by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 18.455 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 18.455 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(f) The board may by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 18.4 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 18.4 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(g) The board may by ordinance impose:

(1) An excise tax on each gallon of special fuel that consists of an emulsion of water-phased hydrocarbon fuel sold in the county in an amount equal to the product obtained by multiplying 19 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 19 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(h) The board may by ordinance impose:

(1) An excise tax on each gallon of special fuel that consists of liquefied petroleum gas sold in the county in an amount equal to the product obtained by multiplying 22 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 22 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(i) The board may by ordinance impose:

(1) An excise tax on each gallon of special fuel that consists of compressed natural gas sold in the county in an amount equal to the product obtained by multiplying 21 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 21 cents per gallon to the amount of the

tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(j) The board may by ordinance impose:

(1) An excise tax on each gallon of special fuel sold in the county, other than any special fuel described in paragraph (g), (h) or (i), in an amount equal to the product obtained by multiplying 27.75 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 27.75 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(k) The board may by ordinance impose:

(1) An excise tax on each gallon of special fuel that consists of liquefied petroleum gas sold in the county in an amount equal to the product obtained by multiplying 18.3 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 18.3 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(l) The board may by ordinance impose:

(1) An excise tax on each gallon of special fuel that consists of compressed natural gas sold in the county in an amount equal to the product obtained by multiplying 18.3 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street

construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 18.3 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(m) The board may by ordinance impose:

(1) An excise tax on each gallon of special fuel sold in the county, other than any special fuel described in paragraph (k) or (l), which is taxed by the Federal Government at a rate per gallon or gallon equivalent of 24.4 cents or more, in an amount equal to the product obtained by multiplying 24.4 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 24.4 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

2. If the board adopts an ordinance authorized by this section, the ordinance must impose all of the taxes authorized by this section. Upon the adoption of such an ordinance, and except as otherwise provided in subsection 5, no further action by the board is necessary to effectuate the annual increases in the taxes imposed by the ordinance.

3. If the board adopts an ordinance imposing the taxes authorized by this section, the ordinance:

(a) Must be adopted ~~[on or]~~ before October 1, 2013;

(b) Must become effective on January 1, 2014; and

(c) Is not affected by any changes in the population of the county which occur after the adoption of the ordinance.

4. The applicable percentage specified by the board for the taxes imposed pursuant to this section must be the same percentage for each tax imposed pursuant to this section. Except as otherwise provided in

subsection 5, the board may amend the applicable percentage by ordinance from time to time, but any such amendment must not become effective earlier than 90 days after the date of the adoption of the ordinance amending the applicable percentage. Except as otherwise provided in subsection 4 of NRS 373.120, the applicable percentage must not be amended to reduce the applicable percentage at any time that bonds are outstanding secured by the taxes imposed pursuant to this section.

5. Upon the adoption of an ordinance authorized by this section:

(a) For the period beginning on January 1, 2014, and ending on December 31, 2016, no further action by the board is necessary to effectuate the annual increases in the taxes imposed by the ordinance.

(b) For the period beginning on January 1, 2017 ~~[, the]~~ :

(1) The board shall not impose any additional annual increases in the taxes authorized by paragraphs (e) and (g) to (j), inclusive, of subsection 1 and imposed by the ordinance after November 8, 2016, but any annual increases in the taxes authorized by paragraphs (e) and (g) to (j), inclusive, of subsection 1 and imposed by the ordinance on or before November 8, 2016, are not affected, amended, reduced or eliminated and must be continued for any period during which bonds are outstanding that are secured by the taxes authorized by paragraphs (e) and (g) to (j), inclusive, of subsection 1 and imposed by the ordinance.

(2) The annual increases in the taxes authorized by paragraphs (a) to (d), inclusive, (f), (k), (l) and (m) of subsection 1 and imposed by the ordinance may not be effectuated unless a question is placed on the ballot at the general election on November 8, 2016, which asks the voters in the county whether to authorize the board to impose, for the period beginning on January 1, 2017, the increases authorized by ~~[this section]~~ paragraphs (a) to (d), inclusive, (f), (k), (l) and (m) of subsection 1 in the taxes imposed by the ordinance and the question is approved by a majority of the registered voters voting on the question. If the question is approved by a majority of such voters, no further action by the board is necessary to effectuate the annual increases in the taxes authorized by paragraphs (a) to (d), inclusive, (f), (k), (l) and (m) of subsection 1 and imposed by the ordinance. If the question is not approved by a majority of such voters, the board shall not impose any additional annual increases in the taxes authorized by paragraphs (a) to (d), inclusive, (f), (k), (l) and (m) of subsection 1 and imposed by the ordinance after November 8, 2016, but any annual increases in ~~[the]~~ such taxes imposed by the ordinance ~~[in effect]~~ on or before November 8, 2016, are not affected, amended, reduced or eliminated and must be continued for any period during which bonds are outstanding that are secured by ~~[the]~~ such taxes imposed by the ordinance.

6. As used in this section:

(a) "Adjusted average highway and street construction inflation index" means:

(1) For the fiscal year in which an ordinance adopted pursuant to this section becomes effective, the percentage obtained by adding the average highway and street construction inflation index for that fiscal year to:

(I) If the average highway and street construction inflation index for the immediately preceding fiscal year is greater than the applicable percentage, the remainder obtained by subtracting the applicable percentage from the average highway and street construction inflation index for the immediately preceding fiscal year; or

(II) If the average highway and street construction inflation index for the immediately preceding fiscal year is less than or equal to the applicable percentage, zero; and

(2) For each fiscal year following the fiscal year in which the ordinance becomes effective, the percentage obtained by adding the average highway and street construction inflation index for that fiscal year to:

(I) If the adjusted average highway and street construction inflation index for the immediately preceding fiscal year is greater than the applicable percentage, the remainder obtained by subtracting the applicable percentage from the adjusted average highway and street construction inflation index for the immediately preceding fiscal year; or

(II) If the adjusted average highway and street construction inflation index for the immediately preceding fiscal year is less than or equal to the applicable percentage, zero.

(b) "Applicable percentage" means the lesser of 7.8 percent or the percentage specified by the board in any ordinance imposing a tax pursuant to this section.

(c) "Average highway and street construction inflation index" means for a fiscal year the average percentage increase in the highway and street construction inflation index for the 10 calendar years immediately preceding the beginning of that fiscal year.

(d) "Highway and street construction inflation index" means:

(1) The Producer Price Index for Highway and Street Construction until that index ceased to be published; and

(2) The Producer Price Index for Other Nonresidential Construction thereafter or, if that index ceases to be published by the United States Department of Labor, the published index that most closely measures inflation in the costs of highway and street construction, as determined by the commission.

(e) "Special fuel" has the meaning ascribed to it in NRS 366.060.

Sec. 1.2. 1. In addition to any other tax imposed pursuant to chapter 365 or 366 of NRS:

(a) There is hereby imposed:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in this State in an amount equal to the product obtained by multiplying 18.455 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which this section becomes effective; and

(2) Except as otherwise provided in subsection 3, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 18.455 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(b) There is hereby imposed:

(1) An excise tax on each gallon of special fuel that consists of an emulsion of water-phased hydrocarbon fuel sold in this State in an amount equal to the product obtained by multiplying 19 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which this section becomes effective; and

(2) Except as otherwise provided in subsection 3, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 19 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(c) There is hereby imposed:

(1) An excise tax on each gallon of special fuel that consists of liquefied petroleum gas sold in this State in an amount equal to the product obtained by multiplying 22 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which this section becomes effective; and

(2) Except as otherwise provided in subsection 3, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 22 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(d) There is hereby imposed:

(1) An excise tax on each gallon of special fuel that consists of compressed natural gas sold in this State in an amount equal to the product obtained by multiplying 21 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which this section becomes effective; and

(2) Except as otherwise provided in subsection 3, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 21 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(e) There is hereby imposed:

(1) An excise tax on each gallon of special fuel sold in this State, other than any special fuel described in paragraph (b), (c) or (d), in an amount equal to the product obtained by multiplying 27.75 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which this section becomes effective; and

(2) Except as otherwise provided in subsection 3, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 27.75 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

2. The applicable percentage for the taxes imposed pursuant to this section must be the same percentage for each tax imposed pursuant to this section. Except as otherwise provided in subsection 3, the Legislature may amend the applicable percentage from time to time, but any such amendment must not become effective earlier than 90 days after the date of the action by the Legislature amending the applicable percentage. Except as otherwise provided in section 1.5 of this act, the applicable percentage must not be amended to reduce the applicable percentage at any time that bonds are outstanding which are secured by the taxes imposed pursuant to this section.

3. For the period:

(a) Beginning on January 1, 2017, and ending on December 31, 2026, no further action by the Legislature is necessary to effectuate the annual increases in the taxes imposed by this section.

(b) Beginning on January 1, 2027, the annual increases in the taxes imposed by this section must not be effectuated unless a question is placed on the ballot at the general election on November 3, 2026, which asks the voters in this State whether to authorize the Legislature to impose, for the period beginning on January 1, 2027, the increases authorized by this section in the taxes imposed by this section and the question is approved by a majority of the registered voters in this State voting on the question. If the question is approved by a majority of such voters, no further action by the Legislature is necessary to effectuate the annual increases in the taxes imposed by this section. If the question is not approved by a majority of such voters, the Legislature shall not impose any additional annual increases in the taxes imposed by this section after November 3, 2026, but any annual increases in the taxes imposed by this section in effect on or before November 3, 2026, are not affected, amended, reduced or eliminated and must be continued for any period during which bonds are outstanding that are secured by the taxes imposed by this section.

4. All money received from the taxes imposed pursuant to this section must be deposited with the State Treasurer to the credit of the State Highway Fund.

5. As used in this section:

(a) "Adjusted average highway and street construction inflation index" means:

(1) For the fiscal year in which this section becomes effective, the percentage obtained by adding the average highway and street construction inflation index for that fiscal year to:

(I) If the average highway and street construction inflation index for the immediately preceding fiscal year is greater than the applicable percentage, the remainder obtained by subtracting the applicable

percentage from the average highway and street construction inflation index for the immediately preceding fiscal year; or

(II) If the average highway and street construction inflation index for the immediately preceding fiscal year is less than or equal to the applicable percentage, zero; and

(2) For each fiscal year following the fiscal year in which this section becomes effective, the percentage obtained by adding the average highway and street construction inflation index for that fiscal year to:

(I) If the adjusted average highway and street construction inflation index for the immediately preceding fiscal year is greater than the applicable percentage, the remainder obtained by subtracting the applicable percentage from the adjusted average highway and street construction inflation index for the immediately preceding fiscal year; or

(II) If the adjusted average highway and street construction inflation index for the immediately preceding fiscal year is less than or equal to the applicable percentage, zero.

(b) "Applicable percentage" means the lesser of 7.8 percent or the percentage specified by the Legislature in any act amending the applicable percentage of a tax imposed pursuant to this section.

(c) "Average highway and street construction inflation index" means for a fiscal year the average percentage increase in the highway and street construction inflation index for the 10 calendar years immediately preceding the beginning of that fiscal year.

(d) "Highway and street construction inflation index" means:

(1) The Producer Price Index for Highway and Street Construction until that index ceased to be published; and

(2) The Producer Price Index for Other Nonresidential Construction thereafter or, if that index ceases to be published by the United States Department of Labor, the published index that most closely measures inflation in the costs of highway and street construction, as determined by the Legislature.

(e) "Special fuel" has the meaning ascribed to it in NRS 366.060.

Sec. 1.3. 1. In addition to any other tax imposed pursuant to this chapter:

(a) The board shall by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 3.6 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 4, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each

fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 3.6 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(b) The board shall by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 1.75 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 4, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 1.75 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(c) The board shall by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 1 cent per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 4, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 1 cent per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(d) The board shall by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 9 cents per gallon by the lesser of the applicable percentage or

the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 4, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 9 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(e) The board shall by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 18.4 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 4, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 18.4 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(f) The board shall by ordinance impose:

(1) An excise tax on each gallon of special fuel that consists of liquefied petroleum gas sold in the county in an amount equal to the product obtained by multiplying 18.3 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 4, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 18.3 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(g) The board shall by ordinance impose:

(1) An excise tax on each gallon of special fuel that consists of compressed natural gas sold in the county in an amount equal to the product obtained by multiplying 18.3 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 4, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 18.3 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(h) The board shall by ordinance impose:

(1) An excise tax on each gallon of special fuel sold in the county, other than any special fuel described in paragraph (f) or (g), which is taxed by the Federal Government at a rate per gallon or gallon equivalent of 24.4 cents or more, in an amount equal to the product obtained by multiplying 24.4 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 4, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 24.4 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

2. Upon the adoption of the ordinance required by subsection 1, and except as otherwise provided in subsection 4, no further action by the board is necessary to effectuate the annual increases in the taxes imposed by the ordinance.

3. The applicable percentage specified by the board for the taxes imposed pursuant to this section must be the same percentage for each tax imposed by the board pursuant to this section. Except as otherwise provided in subsection 4, the board may amend the applicable percentage by ordinance from time to time, but any such amendment must not become

effective earlier than 90 days after the date of the adoption of the ordinance amending the applicable percentage. Except as otherwise provided in subsection 4 of NRS 373.120, the applicable percentage must not be amended to reduce the applicable percentage at any time that bonds are outstanding which are secured by the taxes imposed pursuant to this section.

4. Upon the adoption of an ordinance authorized by this section:

(a) For the period beginning on January 1, 2017, and ending on December 31, 2026, no further action by the board is necessary to effectuate the annual increases in the taxes imposed by the ordinance.

(b) For the period beginning on January 1, 2027, the annual increases in the taxes imposed by the ordinance may not be effectuated unless a question is placed on the ballot at the general election on November 3, 2026, which asks the voters in the county whether to authorize the board to impose, for the period beginning on January 1, 2027, the increases authorized by this section in the taxes imposed by the ordinance and the question is approved by a majority of the registered voters in the county voting on the question. If the question is approved by a majority of such voters, no further action by the board is necessary to effectuate the annual increases in the taxes imposed by the ordinance. If the question is not approved by a majority of such voters, the board shall not impose any additional annual increases in the taxes imposed by the ordinance after November 3, 2026, but any annual increases in the taxes imposed by the ordinance in effect on or before November 3, 2026, are not affected, amended, reduced or eliminated and must be continued for any period during which bonds are outstanding that are secured by the taxes imposed by the ordinance.

5. As used in this section:

(a) "Adjusted average highway and street construction inflation index" means:

(1) For the fiscal year in which an ordinance adopted pursuant to this section becomes effective, the percentage obtained by adding the average highway and street construction inflation index for that fiscal year to:

(I) If the average highway and street construction inflation index for the immediately preceding fiscal year is greater than the applicable percentage, the remainder obtained by subtracting the applicable percentage from the average highway and street construction inflation index for the immediately preceding fiscal year; or

(II) If the average highway and street construction inflation index for the immediately preceding fiscal year is less than or equal to the applicable percentage, zero; and

(2) For each fiscal year following the fiscal year in which the ordinance becomes effective, the percentage obtained by adding the average highway and street construction inflation index for that fiscal year to:

(I) If the adjusted average highway and street construction inflation index for the immediately preceding fiscal year is greater than the applicable percentage, the remainder obtained by subtracting the applicable percentage from the adjusted average highway and street construction inflation index for the immediately preceding fiscal year; or

(II) If the adjusted average highway and street construction inflation index for the immediately preceding fiscal year is less than or equal to the applicable percentage, zero.

(b) "Applicable percentage" means the lesser of 7.8 percent or the percentage specified by the board in any ordinance imposing a tax pursuant to this section.

(c) "Average highway and street construction inflation index" means for a fiscal year the average percentage increase in the highway and street construction inflation index for the 10 calendar years immediately preceding the beginning of that fiscal year.

(d) "Highway and street construction inflation index" means:

(1) The Producer Price Index for Highway and Street Construction until that index ceased to be published; and

(2) The Producer Price Index for Other Nonresidential Construction thereafter or, if that index ceases to be published by the United States Department of Labor, the published index that most closely measures inflation in the costs of highway and street construction, as determined by the commission.

(e) "Special fuel" has the meaning ascribed to it in NRS 366.060.

Sec. 1.5. 1. Except as otherwise provided in subsection 2, any continuing increases in any taxes imposed pursuant to section 1.2 of this act must not be pledged beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations which are secured by the taxes imposed pursuant to section 1.2 of this act are issued or incurred, but the taxes imposed pursuant to section 1.2 of this act that are in effect on that June 30 must continue to be pledged to those bonds or other obligations until they are paid in full.

2. At any time after bonds are issued or other obligations incurred with a pledge of the taxes imposed pursuant to section 1.2 of this act, the Legislature may, except as otherwise provided in paragraph (b) of subsection 3 of section 1.2 of this act:

(a) Continue the pledge of the increase in taxes imposed pursuant to section 1.2 of this act beyond June 30 of the fiscal year that is 5 full fiscal

years after bonds or other obligations secured by the taxes imposed pursuant to section 1.2 of this act are issued or incurred, but not beyond June 30 of the fiscal year that is 5 full fiscal years after the action by the Legislature authorized by this paragraph. The process set forth in this paragraph may be repeated until all bonds or other obligations secured by the taxes imposed pursuant to section 1.2 of this act have been paid in full.

(b) Specify a different applicable percentage, including an applicable percentage of zero, but:

(1) The applicable percentage must not exceed 7.8 percent;

(2) The applicable percentage must not be reduced with respect to any fiscal year preceding the fiscal year following the effective date of any action of the Legislature authorized by this subsection; and

(3) The effective date of any action by the Legislature reducing the applicable percentage must not be sooner than the later of:

(I) June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.2 of this act are issued or incurred; or

(II) June 30 of the fiscal year that is 5 full fiscal years after the date of any action by the Legislature authorized by paragraph (a).

3. As used in this section, "applicable percentage" has the meaning ascribed to it in paragraph (b) of subsection 5 of section 1.2 of this act.

Sec. 1.7. The Department shall adopt regulations establishing a system to provide for the reimbursement and repayment of any amounts owed by any person pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax pursuant to NRS 373.066 or section 1.1 of this act. The system established by the Department:

1. Must provide that any reimbursement of any amounts owed to any person pursuant to an agreement entered into pursuant to NRS 366.175 be paid from only money received by a county pursuant to any tax imposed pursuant to NRS 373.066 or section 1.1 of this act; and

2. Must not be administered in a manner that directly or indirectly impairs adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter.

Sec. 1.8. The Department shall adopt regulations establishing a system to provide for the reimbursement and repayment of any amounts owed by any person pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax pursuant to NRS 373.066 or section 1.1 or 1.3 of this act. The system established by the Department:

1. Must provide that any reimbursement of any amounts owed to any person pursuant to an agreement entered into pursuant to NRS 366.175 be

paid from only money received by a county pursuant to any tax imposed pursuant to NRS 373.066 or section 1.1 or 1.3 of this act; and

2. Must not be administered in a manner that directly or indirectly impairs adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter.

Sec. 1.9. The Department shall adopt regulations establishing a system to provide for the reimbursement and repayment of any amounts owed by any person pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax pursuant to NRS 373.066 or section 1.3 of this act. The system established by the Department:

1. Must provide that any reimbursement of any amounts owed to any person pursuant to an agreement entered into pursuant to NRS 366.175 be paid from only money received by a county pursuant to any tax imposed pursuant to NRS 373.066 or section 1.3 of this act; and

2. Must not be administered in a manner that directly or indirectly impairs adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter.

Sec. 2. NRS 373.067 is hereby amended to read as follows:

373.067 1. Any ordinance that imposes a tax pursuant to:

(a) The provisions of paragraph (a) of subsection 1 of NRS 373.066 ***or paragraph (a) of subsection 1 of section ~~[1]~~ 1.1 of this act*** must require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.180.

(b) The provisions of paragraph (b) of subsection 1 of NRS 373.066 ***or paragraph (b) of subsection 1 of section ~~[1]~~ 1.1 of this act*** must require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.190.

(c) The provisions of paragraph (c) of subsection 1 of NRS 373.066 ***or paragraph (c) of subsection 1 of section ~~[1]~~ 1.1 of this act*** must require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.192.

(d) Any of the provisions of paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (d) to (m), inclusive, of subsection 1 of section ~~[1]~~ 1.1 of this act*** must, except as otherwise required by subsection 6 of NRS 373.140, require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 373.030.

2. Any ordinance adopted pursuant to NRS 373.066 ***or section ~~[1]~~ 1.1 of this act*** must:

(a) Include a provision prohibiting the imposition of any penalties and interest for the failure to make any payments of any tax imposed by the ordinance which become due within the initial 6 months after the ordinance becomes effective. This provision must apply only to taxes imposed pursuant to NRS 373.066 ***or section ~~[1]~~ 1.1 of this act*** and must not apply to any tax imposed pursuant to any other ordinance.

(b) Require the commission:

(1) To review, at a public meeting conducted after the provision of public notice and before the effective date of each annual increase imposed by the ordinance:

(I) The amount of that increase and the accuracy of its calculation;

(II) The amounts of any annual increases imposed by the ordinance in previous years and the revenue collected pursuant to those increases;

(III) Any improvements to the regional system of transportation resulting from revenue collected pursuant to any annual increases imposed by the ordinance in previous years; and

(IV) Any other information relevant to the effect of the annual increases on the public; and

(2) To submit to the board any information the commission receives suggesting that the annual increase should be adjusted.

Sec. 2.3. **NRS 373.067 is hereby amended to read as follows:**

373.067 1. Any ordinance that imposes a tax pursuant to:

(a) The provisions of paragraph (a) of subsection 1 of NRS 373.066**,** ***paragraph (a) of subsection 1 of section 1.1 of this act or paragraph (a) of subsection 1 of section 1.3 of this act*** must require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.180.

(b) The provisions of paragraph (b) of subsection 1 of NRS 373.066**,** ***paragraph (b) of subsection 1 of section 1.1 of this act or paragraph (b) of subsection 1 of section 1.3 of this act*** must require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.190.

(c) The provisions of paragraph (c) of subsection 1 of NRS 373.066**,** ***paragraph (c) of subsection 1 of section 1.1 of this act or paragraph (c) of subsection 1 of section 1.3 of this act*** must require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.192.

(d) Any of the provisions of paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***, paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** must, except as otherwise required by subsection 6 of NRS 373.140, require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 373.030.

2. Any ordinance adopted pursuant to NRS 373.066 ***or section 1.1 or 1.3 of this act*** must:

(a) Include a provision prohibiting the imposition of any penalties and interest for the failure to make any payments of any tax imposed by the ordinance which become due within the initial 6 months after the ordinance becomes effective. This provision must apply only to taxes imposed pursuant to NRS 373.066 ***or section 1.1 or 1.3 of this act*** and must not apply to any tax imposed pursuant to any other ordinance.

(b) Require the commission:

(1) To review, at a public meeting conducted after the provision of public notice and before the effective date of each annual increase imposed by the ordinance:

(I) The amount of that increase and the accuracy of its calculation;

(II) The amounts of any annual increases imposed by the ordinance in previous years and the revenue collected pursuant to those increases;

(III) Any improvements to the regional system of transportation resulting from revenue collected pursuant to any annual increases imposed by the ordinance in previous years; and

(IV) Any other information relevant to the effect of the annual increases on the public; and

(2) To submit to the board any information the commission receives suggesting that the annual increase should be adjusted.

Sec. 2.7. **NRS 373.067 is hereby amended to read as follows:**

373.067 1. Any ordinance that imposes a tax pursuant to:

(a) The provisions of paragraph (a) of subsection 1 of NRS 373.066 ***or paragraph (a) of subsection 1 of section 1.3 of this act*** must require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.180.

(b) The provisions of paragraph (b) of subsection 1 of NRS 373.066 ***or paragraph (b) of subsection 1 of section 1.3 of this act*** must require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.190.

(c) The provisions of paragraph (c) of subsection 1 of NRS 373.066 ***or paragraph (c) of subsection 1 of section 1.3 of this act*** must require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.192.

(d) Any of the provisions of paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** must, except as otherwise required by subsection 6 of NRS 373.140, require the allocation, disbursement and use in the county of the proceeds of that tax in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 373.030.

2. Any ordinance adopted pursuant to NRS 373.066 ***or section 1.3 of this act*** must:

(a) Include a provision prohibiting the imposition of any penalties and interest for the failure to make any payments of any tax imposed by the ordinance which become due within the initial 6 months after the ordinance becomes effective. This provision must apply only to taxes imposed pursuant to NRS 373.066 ***or section 1.3 of this act*** and must not apply to any tax imposed pursuant to any other ordinance.

(b) Require the commission:

(1) To review, at a public meeting conducted after the provision of public notice and before the effective date of each annual increase imposed by the ordinance:

(I) The amount of that increase and the accuracy of its calculation;

(II) The amounts of any annual increases imposed by the ordinance in previous years and the revenue collected pursuant to those increases;

(III) Any improvements to the regional system of transportation resulting from revenue collected pursuant to any annual increases imposed by the ordinance in previous years; and

(IV) Any other information relevant to the effect of the annual increases on the public; and

(2) To submit to the board any information the commission receives suggesting that the annual increase should be adjusted.

Sec. 3. NRS 373.068 is hereby amended to read as follows:

373.068 1. Any tax imposed pursuant to the provisions of:

(a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (a) to (f), inclusive, of subsection 1 of section ~~[1]~~ 1.1 of this act*** does not apply to any fuel described in NRS 365.220 or 365.230.

(b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (g) to (m), inclusive, of subsection 1 of section ~~[1]~~ 1.1 of this act*** does not apply to any sales or uses described in NRS 366.200, except to

any sales or uses described in subsection 1 of that section of any special fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:

(1) As special fuel to which dye has been added pursuant to such law; and

(2) As special fuel to which dye has not been added pursuant to such law.

2. Each tax imposed pursuant to NRS 373.066 ***or section ~~[1]~~ 1.1 of this act*** is in addition to any other motor vehicle fuel taxes and special fuel taxes imposed pursuant to the provisions of this chapter and chapters 365, 366 and 590 of NRS, except that on the effective date of an ordinance adopted pursuant to:

(a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(b) Paragraph (b) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(c) Paragraph (c) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (c) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(d) Paragraph (d) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (d) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

Sec. 3.1. **NRS 373.068 is hereby amended to read as follows:**

373.068 1. Any tax imposed pursuant to the provisions of:

(a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS 373.066 **, *paragraphs (a) to (f), inclusive, of subsection 1 of section 1.1 of this act, paragraph (a) of subsection 1 of section 1.2 of this act or paragraphs (a) to***

(e), inclusive, of subsection 1 of section 1.3 of this act does not apply to any fuel described in NRS 365.220 or 365.230.

(b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS 373.066 , ***paragraphs (g) to (m), inclusive, of subsection 1 of section 1.1 of this act, paragraphs (b) to (e), inclusive, of subsection 1 of section 1.2 of this act or paragraphs (f), (g) and (h) of subsection 1 of section 1.3 of this act*** does not apply to any sales or uses described in NRS 366.200, except to any sales or uses described in subsection 1 of that section of any special fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:

(1) As special fuel to which dye has been added pursuant to such law; and

(2) As special fuel to which dye has not been added pursuant to such law.

2. Each tax imposed pursuant to NRS 373.066 ***or section 1.1, 1.2 or 1.3 of this act*** is in addition to any other motor vehicle fuel taxes and special fuel taxes imposed pursuant to the provisions of this chapter and chapters 365, 366 and 590 of NRS, except that on the effective date of an ordinance adopted pursuant to:

(a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(b) Paragraph (b) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(c) Paragraph (c) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (c) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(d) Paragraph (d) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (d) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to

that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

Sec. 3.2. **NRS 373.068 is hereby amended to read as follows:**

373.068 1. Any tax imposed pursuant to the provisions of:

(a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS 373.066**, *paragraphs (a) to (f), inclusive, of subsection 1 of section 1.1 of this act or paragraph (a) of subsection 1 of section 1.2 of this act*** does not apply to any fuel described in NRS 365.220 or 365.230.

(b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS 373.066**, *paragraphs (g) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (b) to (e), inclusive, of subsection 1 of section 1.2 of this act*** does not apply to any sales or uses described in NRS 366.200, except to any sales or uses described in subsection 1 of that section of any special fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:

(1) As special fuel to which dye has been added pursuant to such law; and

(2) As special fuel to which dye has not been added pursuant to such law.

2. Each tax imposed pursuant to NRS 373.066 ***or section 1.1 or 1.2 of this act*** is in addition to any other motor vehicle fuel taxes and special fuel taxes imposed pursuant to the provisions of this chapter and chapters 365, 366 and 590 of NRS, except that on the effective date of an ordinance adopted pursuant to:

(a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(b) Paragraph (b) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(c) Paragraph (c) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (c) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(d) Paragraph (d) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (d) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

Sec. 3.3. **NRS 373.068 is hereby amended to read as follows:**

373.068 1. Any tax imposed pursuant to the provisions of:

(a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS 373.066**, *paragraphs (a) to (f), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (a) to (e), inclusive, of subsection 1 of section 1.3 of this act*** does not apply to any fuel described in NRS 365.220 or 365.230.

(b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS 373.066**, *paragraphs (g) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (f), (g) and (h) of subsection 1 of section 1.3 of this act*** does not apply to any sales or uses described in NRS 366.200, except to any sales or uses described in subsection 1 of that section of any special fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:

(1) As special fuel to which dye has been added pursuant to such law; and

(2) As special fuel to which dye has not been added pursuant to such law.

2. Each tax imposed pursuant to NRS 373.066 ***or section 1.1 or 1.3 of this act*** is in addition to any other motor vehicle fuel taxes and special fuel taxes imposed pursuant to the provisions of this chapter and chapters 365, 366 and 590 of NRS, except that on the effective date of an ordinance adopted pursuant to:

(a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(b) Paragraph (b) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(c) Paragraph (c) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (c) of

subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(d) Paragraph (d) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (d) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

Sec. 3.5. **NRS 373.068 is hereby amended to read as follows:**

373.068 1. Any tax imposed pursuant to the provisions of:

(a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS 373.066**, *paragraph (a) of subsection 1 of section 1.2 of this act or paragraphs (a) to (e), inclusive, of subsection 1 of section 1.3 of this act*** does not apply to any fuel described in NRS 365.220 or 365.230.

(b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS 373.066**, *paragraphs (b) to (e), inclusive, of subsection 1 of section 1.2 of this act or paragraphs (f), (g) and (h) of subsection 1 of section 1.3 of this act*** does not apply to any sales or uses described in NRS 366.200, except to any sales or uses described in subsection 1 of that section of any special fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:

(1) As special fuel to which dye has been added pursuant to such law; and

(2) As special fuel to which dye has not been added pursuant to such law.

2. Each tax imposed pursuant to NRS 373.066 ***or section 1.2 or 1.3 of this act*** is in addition to any other motor vehicle fuel taxes and special fuel taxes imposed pursuant to the provisions of this chapter and chapters 365, 366 and 590 of NRS, except that on the effective date of an ordinance adopted pursuant to:

(a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(b) Paragraph (b) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to

that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(c) Paragraph (c) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (c) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(d) Paragraph (d) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (d) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

Sec. 3.7. **NRS 373.068 is hereby amended to read as follows:**

373.068 1. Any tax imposed pursuant to the provisions of:

(a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS 373.066 ***or paragraph (a) of subsection 1 of section 1.2 of this act*** does not apply to any fuel described in NRS 365.220 or 365.230.

(b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (b) to (e), inclusive, of subsection 1 of section 1.2 of this act*** does not apply to any sales or uses described in NRS 366.200, except to any sales or uses described in subsection 1 of that section of any special fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:

(1) As special fuel to which dye has been added pursuant to such law; and

(2) As special fuel to which dye has not been added pursuant to such law.

2. Each tax imposed pursuant to NRS 373.066 ***or section 1.2 of this act*** is in addition to any other motor vehicle fuel taxes and special fuel taxes imposed pursuant to the provisions of this chapter and chapters 365, 366 and 590 of NRS, except that on the effective date of an ordinance adopted pursuant to:

(a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(b) Paragraph (b) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (b) of

subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(c) Paragraph (c) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (c) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(d) Paragraph (d) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (d) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

Sec. 3.9. **NRS 373.068 is hereby amended to read as follows:**

373.068 1. Any tax imposed pursuant to the provisions of:

(a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (a) to (e), inclusive, of subsection 1 of section 1.3 of this act*** does not apply to any fuel described in NRS 365.220 or 365.230.

(b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (f), (g) and (h) of subsection 1 of section 1.3 of this act*** does not apply to any sales or uses described in NRS 366.200, except to any sales or uses described in subsection 1 of that section of any special fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:

(1) As special fuel to which dye has been added pursuant to such law; and

(2) As special fuel to which dye has not been added pursuant to such law.

2. Each tax imposed pursuant to NRS 373.066 ***or section 1.3 of this act*** is in addition to any other motor vehicle fuel taxes and special fuel taxes imposed pursuant to the provisions of this chapter and chapters 365, 366 and 590 of NRS, except that on the effective date of an ordinance adopted pursuant to:

(a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(b) Paragraph (b) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(c) Paragraph (c) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (c) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(d) Paragraph (d) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (d) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

Sec. 4. NRS 373.070 is hereby amended to read as follows:

373.070 1. Any fuel tax ordinance enacted under this chapter must include provisions in substance as follows:

(a) A provision imposing the additional excise tax and stating the amount of the tax per gallon of fuel.

(b) If the ordinance imposes a tax on motor vehicle fuel:

(1) Provisions identical to those contained in chapter 365 of NRS on the date of enactment of the ordinance, insofar as applicable, except that:

(I) The name of the county as taxing agency must be substituted for that of the State; and

(II) An additional supplier's license is not required.

(2) A provision that all amendments to chapter 365 of NRS subsequent to the date of enactment of the ordinance, not inconsistent with this chapter, automatically become a part of the motor vehicle fuel tax ordinance of the county.

(c) If the ordinance imposes a tax on special fuel:

(1) Provisions identical to those contained in chapter 366 of NRS on the date of enactment of the ordinance, insofar as applicable and not inconsistent with this chapter, except that:

(I) The name of the county as taxing agency must be substituted for that of the State;

(II) An additional special fuel supplier's license is not required;

(III) The ordinance must not include any provisions identical to NRS 366.175 other than the provisions relating to auditing; and

(IV) The ordinance must include provisions which carry out the requirements of paragraph (b) of subsection 1 of NRS 373.068 and which prohibit the refund of any tax paid on any taxable sales or uses described in that paragraph.

(2) A provision that all amendments to chapter 366 of NRS subsequent to the date of enactment of the ordinance, not inconsistent with this chapter, automatically become a part of the special fuel tax ordinance of the county.

(d) A provision that the county shall contract before the effective date of the county fuel tax ordinance with the Department to perform all functions incident to the administration or operation of the fuel tax ordinance of the county, including, if the ordinance is enacted pursuant to NRS 373.065 or 373.066, ***or section ~~[1]~~ 1.1 of this act,*** the calculation of each annual increase in the tax imposed pursuant to the ordinance.

2. The provisions of this section do not subject any county fuel taxes imposed pursuant to this chapter to the provisions of NRS 366.175 or any agreement made pursuant thereto, except for those provisions of NRS 366.175 and any agreement made pursuant thereto which relate to auditing. The administration, collection and distribution of any county fuel taxes imposed pursuant to this chapter do not affect, and are not affected by, the administration, collection and distribution of any fuel taxes under any agreement made pursuant to NRS 366.175.

Sec. 4.3. **NRS 373.070 is hereby amended to read as follows:**

373.070 1. Any fuel tax ordinance enacted under this chapter must include provisions in substance as follows:

(a) A provision imposing the additional excise tax and stating the amount of the tax per gallon of fuel.

(b) If the ordinance imposes a tax on motor vehicle fuel:

(1) Provisions identical to those contained in chapter 365 of NRS on the date of enactment of the ordinance, insofar as applicable, except that:

(I) The name of the county as taxing agency must be substituted for that of the State; and

(II) An additional supplier's license is not required.

(2) A provision that all amendments to chapter 365 of NRS subsequent to the date of enactment of the ordinance, not inconsistent with this chapter, automatically become a part of the motor vehicle fuel tax ordinance of the county.

(c) If the ordinance imposes a tax on special fuel:

(1) Provisions identical to those contained in chapter 366 of NRS on the date of enactment of the ordinance, insofar as applicable and not inconsistent with this chapter, except that:

(I) The name of the county as taxing agency must be substituted for that of the State;

(II) An additional special fuel supplier's license is not required;

(III) The ordinance must not include any provisions identical to NRS 366.175 other than the provisions relating to auditing; and

(IV) The ordinance must include provisions which carry out the requirements of paragraph (b) of subsection 1 of NRS 373.068 and which prohibit the refund of any tax paid on any taxable sales or uses described in that paragraph.

(2) A provision that all amendments to chapter 366 of NRS subsequent to the date of enactment of the ordinance, not inconsistent with this chapter, automatically become a part of the special fuel tax ordinance of the county.

(d) A provision that the county shall contract before the effective date of the county fuel tax ordinance with the Department to perform all functions incident to the administration or operation of the fuel tax ordinance of the county, including, if the ordinance is enacted pursuant to NRS 373.065 or 373.066, ***or section 1.1 or 1.3 of this act,*** the calculation of each annual increase in the tax imposed pursuant to the ordinance.

2. The provisions of this section do not subject any county fuel taxes imposed pursuant to this chapter to the provisions of NRS 366.175 or any agreement made pursuant thereto, except for those provisions of NRS 366.175 and any agreement made pursuant thereto which relate to auditing. The administration, collection and distribution of any county fuel taxes imposed pursuant to this chapter do not affect, and are not affected by, the administration, collection and distribution of any fuel taxes under any agreement made pursuant to NRS 366.175.

Sec. 4.7. **NRS 373.070 is hereby amended to read as follows:**

373.070 1. Any fuel tax ordinance enacted under this chapter must include provisions in substance as follows:

(a) A provision imposing the additional excise tax and stating the amount of the tax per gallon of fuel.

(b) If the ordinance imposes a tax on motor vehicle fuel:

(1) Provisions identical to those contained in chapter 365 of NRS on the date of enactment of the ordinance, insofar as applicable, except that:

(I) The name of the county as taxing agency must be substituted for that of the State; and

(II) An additional supplier's license is not required.

(2) A provision that all amendments to chapter 365 of NRS subsequent to the date of enactment of the ordinance, not inconsistent with this chapter, automatically become a part of the motor vehicle fuel tax ordinance of the county.

(c) If the ordinance imposes a tax on special fuel:

(1) Provisions identical to those contained in chapter 366 of NRS on the date of enactment of the ordinance, insofar as applicable and not inconsistent with this chapter, except that:

(I) The name of the county as taxing agency must be substituted for that of the State;

(II) An additional special fuel supplier's license is not required;

(III) The ordinance must not include any provisions identical to NRS 366.175 other than the provisions relating to auditing; and

(IV) The ordinance must include provisions which carry out the requirements of paragraph (b) of subsection 1 of NRS 373.068 and which prohibit the refund of any tax paid on any taxable sales or uses described in that paragraph.

(2) A provision that all amendments to chapter 366 of NRS subsequent to the date of enactment of the ordinance, not inconsistent with this chapter, automatically become a part of the special fuel tax ordinance of the county.

(d) A provision that the county shall contract before the effective date of the county fuel tax ordinance with the Department to perform all functions incident to the administration or operation of the fuel tax ordinance of the county, including, if the ordinance is enacted pursuant to NRS 373.065 or 373.066, ***or section 1.3 of this act,*** the calculation of each annual increase in the tax imposed pursuant to the ordinance.

2. The provisions of this section do not subject any county fuel taxes imposed pursuant to this chapter to the provisions of NRS 366.175 or any agreement made pursuant thereto, except for those provisions of NRS 366.175 and any agreement made pursuant thereto which relate to auditing. The administration, collection and distribution of any county fuel taxes imposed pursuant to this chapter do not affect, and are not affected by, the administration, collection and distribution of any fuel taxes under any agreement made pursuant to NRS 366.175.

Sec. 5. NRS 373.080 is hereby amended to read as follows:

373.080 All fuel taxes collected during any month by the Department pursuant to a contract with a county must be transmitted each month by the Department to the county and the Department shall, in accordance with the terms of the contract, charge the county for the Department's services specified in this section and in NRS 373.070, except that in the case of a fuel tax imposed pursuant to NRS 373.065 or 373.066, ***or section ~~[1]~~ 1.1 of this act,*** the charge must not exceed 1 percent of the tax collected by the Department.

Sec. 5.3. **NRS 373.080 is hereby amended to read as follows:**

373.080 All fuel taxes collected during any month by the Department pursuant to a contract with a county must be transmitted each month by the Department to the county and the Department shall, in accordance with the

terms of the contract, charge the county for the Department's services specified in this section and in NRS 373.070, except that in the case of a fuel tax imposed pursuant to NRS 373.065 or 373.066, ***or section 1.1 or 1.3 of this act,*** the charge must not exceed 1 percent of the tax collected by the Department.

Sec. 5.7. **NRS 373.080 is hereby amended to read as follows:**

373.080 All fuel taxes collected during any month by the Department pursuant to a contract with a county must be transmitted each month by the Department to the county and the Department shall, in accordance with the terms of the contract, charge the county for the Department's services specified in this section and in NRS 373.070, except that in the case of a fuel tax imposed pursuant to NRS 373.065 or 373.066, ***or section 1.3 of this act,*** the charge must not exceed 1 percent of the tax collected by the Department.

Sec. 6. NRS 373.110 is hereby amended to read as follows:

373.110 All the net proceeds of any county fuel tax:

1. Imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (d) to (m), inclusive, of subsection 1 of section ~~[1]~~ 1.1 of this act*** which are received by the county pursuant to NRS 373.080 must, except as otherwise provided in NRS 373.119, be deposited by the county treasurer in a fund to be known as the regional street and highway fund in the county treasury, and disbursed only in accordance with the provisions of this chapter and chapter 277A of NRS. After July 1, 1975, the regional street and highway fund must be accounted for as a separate fund and not as a part of any other fund.

2. Imposed pursuant to the provisions of paragraph (a), (b) or (c) of subsection 1 of NRS 373.065 or paragraph (a), (b) or (c) of subsection 1 of NRS 373.066 ***or paragraph (a), (b) or (c) of subsection 1 of section ~~[1]~~ 1.1 of this act*** which are received by the county pursuant to NRS 373.080 must be allocated, disbursed and used as provided in the ordinance imposing the tax.

Sec. 6.3. **NRS 373.110 is hereby amended to read as follows:**

373.110 All the net proceeds of any county fuel tax:

1. Imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 ***,*** ~~[or]~~ paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***, paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** which are received by the county pursuant to NRS 373.080 must, except as otherwise provided in NRS 373.119, be deposited by the county treasurer in a fund to be known as the regional street and highway fund in the county treasury, and disbursed only in accordance with the provisions of this chapter and chapter 277A of

NRS. After July 1, 1975, the regional street and highway fund must be accounted for as a separate fund and not as a part of any other fund.

2. Imposed pursuant to the provisions of paragraph (a), (b) or (c) of subsection 1 of NRS 373.065**, [**or**]** paragraph (a), (b) or (c) of subsection 1 of NRS 373.066***, paragraph (a), (b) or (c) of subsection 1 of section 1.1 of this act or paragraph (a), (b) or (c) of subsection 1 of section 1.3 of this act*** which are received by the county pursuant to NRS 373.080 must be allocated, disbursed and used as provided in the ordinance imposing the tax.

Sec. 6.7. **NRS 373.110 is hereby amended to read as follows:**

373.110 All the net proceeds of any county fuel tax:

1. Imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066***, or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** which are received by the county pursuant to NRS 373.080 must, except as otherwise provided in NRS 373.119, be deposited by the county treasurer in a fund to be known as the regional street and highway fund in the county treasury, and disbursed only in accordance with the provisions of this chapter and chapter 277A of NRS. After July 1, 1975, the regional street and highway fund must be accounted for as a separate fund and not as a part of any other fund.

2. Imposed pursuant to the provisions of paragraph (a), (b) or (c) of subsection 1 of NRS 373.065 or paragraph (a), (b) or (c) of subsection 1 of NRS 373.066***, or paragraph (a), (b) or (c) of subsection 1 of section 1.3 of this act*** which are received by the county pursuant to NRS 373.080 must be allocated, disbursed and used as provided in the ordinance imposing the tax.

Sec. 7. NRS 373.119 is hereby amended to read as follows:

373.119 1. Except to the extent pledged before July 1, 1985, the board may use that portion of the revenue collected pursuant to the provisions of this chapter from any taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (d) to (m), inclusive, of subsection 1 of section*** ***[1]*** ***1.1 of this act*** that represents collections from the sale of fuel for use in boats at marinas in the county to make capital improvements or to conduct programs to encourage safety in boating. If the county does not control a body of water, where an improvement or program is appropriate, the board may contract with an appropriate person or governmental organization for the improvement or program.

2. Each marina shall report monthly to the Department the number of gallons of motor vehicle fuel sold for use in boats. The report must be made on or before the 25th day of each month for sales during the preceding month.

Sec. 7.3. **NRS 373.119 is hereby amended to read as follows:**

373.119 1. Except to the extent pledged before July 1, 1985, the board may use that portion of the revenue collected pursuant to the provisions of this chapter from any taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066***, paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** that represents collections from the sale of fuel for use in boats at marinas in the county to make capital improvements or to conduct programs to encourage safety in boating. If the county does not control a body of water, where an improvement or program is appropriate, the board may contract with an appropriate person or governmental organization for the improvement or program.

2. Each marina shall report monthly to the Department the number of gallons of motor vehicle fuel sold for use in boats. The report must be made on or before the 25th day of each month for sales during the preceding month.

Sec. 7.7. **NRS 373.119 is hereby amended to read as follows:**

373.119 1. Except to the extent pledged before July 1, 1985, the board may use that portion of the revenue collected pursuant to the provisions of this chapter from any taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066***or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** that represents collections from the sale of fuel for use in boats at marinas in the county to make capital improvements or to conduct programs to encourage safety in boating. If the county does not control a body of water, where an improvement or program is appropriate, the board may contract with an appropriate person or governmental organization for the improvement or program.

2. Each marina shall report monthly to the Department the number of gallons of motor vehicle fuel sold for use in boats. The report must be made on or before the 25th day of each month for sales during the preceding month.

Sec. 8. NRS 373.120 is hereby amended to read as follows:

373.120 1. No county fuel tax ordinance may be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which revenues from such ordinance have been pledged or otherwise made payable from such revenues pursuant to this chapter have been discharged in full, but

the board, with the approval of the governing body of each participating city, may at any time dissolve the commission and provide that no further obligations may be incurred thereafter.

2. The faith of the State of Nevada is hereby pledged that this chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto, including without limitation, provisions for the distribution to any county designated in NRS 373.030, 373.065 or 373.066, ***or section ~~[1]~~ 1.1 of this act,*** of the proceeds of the fuel taxes collected thereunder will not be repealed, amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which any such tax proceeds have been pledged or otherwise made payable from such tax proceeds pursuant to this chapter have been discharged in full, but the State of Nevada may at any time provide by act that no further obligations may be incurred thereafter.

3. Except as otherwise provided in subsection 4, any continuing increases in any taxes imposed pursuant to section ~~[1]~~ 1.1 of this act must not be pledged beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section ~~[1]~~ 1.1 of this act are issued or incurred, but the taxes imposed pursuant to section ~~[1]~~ 1.1 of this act that are in effect on that June 30 must continue to be pledged to those bonds or other obligations until they are paid in full.

4. At any time after bonds are issued or other obligations incurred with a pledge of the taxes imposed pursuant to section ~~[1]~~ 1.1 of this act, the board may, except as otherwise provided in subsection 5 of section ~~[1]~~ 1.1 of this act, by ordinance:

(a) Continue the pledge of the increase in taxes imposed pursuant to section ~~[1]~~ 1.1 of this act beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section ~~[1]~~ 1.1 of this act are issued or incurred, but not beyond June 30 of the fiscal year that is 5 full fiscal years after the adoption of the ordinance pursuant to this paragraph. The process set forth in this paragraph may be repeated until all bonds or other obligations secured by the taxes imposed pursuant to section ~~[1]~~ 1.1 of this act have been paid in full.

(b) Amend the ordinance imposing the tax to specify a different applicable percentage, including an applicable percentage of zero, but:

(1) The applicable percentage must not exceed 7.8 percent;

(2) The applicable percentage must not be reduced with respect to any fiscal year preceding the fiscal year following the effective date of an ordinance adopted pursuant to this subsection; and

(3) The effective date of any ordinance reducing the applicable percentage must not be sooner than the later of:

(I) June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section ~~[1]~~ 1.1 of this act are issued or incurred; or

(II) June 30 of the fiscal year that is 5 full fiscal years after the date of adoption of any ordinance pursuant to paragraph (a).

5. As used in this section, "applicable percentage" has the meaning ascribed to it in paragraph (b) of subsection 6 of section ~~[1]~~ 1.1 of this act.

Sec. 8.1. **NRS 373.120 is hereby amended to read as follows:**

373.120 1. No county fuel tax ordinance may be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which revenues from such ordinance have been pledged or otherwise made payable from such revenues pursuant to this chapter have been discharged in full, but the board, with the approval of the governing body of each participating city, may at any time dissolve the commission and provide that no further obligations may be incurred thereafter.

2. The faith of the State of Nevada is hereby pledged that this chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto, including without limitation, provisions for the distribution to any county designated in NRS 373.030, 373.065 or 373.066, ***or section 1.1, 1.2 or 1.3 of this act,*** of the proceeds of the fuel taxes collected thereunder will not be repealed, amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which any such tax proceeds have been pledged or otherwise made payable from such tax proceeds pursuant to this chapter have been discharged in full, but the State of Nevada may at any time provide by act that no further obligations may be incurred thereafter.

3. Except as otherwise provided in subsection 4, any continuing increases in any taxes imposed pursuant to section 1.1 or 1.3 of this act must not be pledged beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, are issued or incurred, but the taxes imposed pursuant to section 1.1 or 1.3 of this act that are in effect on that June 30 must continue to be pledged to those bonds or other obligations until they are paid in full.

4. At any time after bonds are issued or other obligations incurred with a pledge of the taxes imposed pursuant to section 1.1 or 1.3 of this act, the board may, except as otherwise provided in subsection 5 of section 1.1 of

this act or subsection 4 of section 1.3 of this act, as applicable, by ordinance:

(a) Continue the pledge of the increase in taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, are issued or incurred, but not beyond June 30 of the fiscal year that is 5 full fiscal years after the adoption of the ordinance pursuant to this paragraph. The process set forth in this paragraph may be repeated until all bonds or other obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, have been paid in full.

(b) Amend the ordinance imposing the tax to specify a different applicable percentage, including an applicable percentage of zero, but:

(1) The applicable percentage must not exceed 7.8 percent;

(2) The applicable percentage must not be reduced with respect to any fiscal year preceding the fiscal year following the effective date of an ordinance adopted pursuant to this subsection; and

(3) The effective date of any ordinance reducing the applicable percentage must not be sooner than the later of:

(I) June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, are issued or incurred; or

(II) June 30 of the fiscal year that is 5 full fiscal years after the date of adoption of any ordinance pursuant to paragraph (a).

5. As used in this section, "applicable percentage":

(a) With regard to any tax imposed pursuant to section 1.1 of this act, has the meaning ascribed to it in paragraph (b) of subsection 6 of section 1.1 of this act.

(b) With regard to any tax imposed pursuant to section 1.3 of this act, has the meaning ascribed to it in paragraph (b) of subsection 5 of section 1.3 of this act.

Sec. 8.2. **NRS 373.120 is hereby amended to read as follows:**

373.120 1. No county fuel tax ordinance may be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which revenues from such ordinance have been pledged or otherwise made payable from such revenues pursuant to this chapter have been discharged in full, but the board, with the approval of the governing body of each participating city, may at any time dissolve the commission and provide that no further obligations may be incurred thereafter.

2. The faith of the State of Nevada is hereby pledged that this chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto, including without limitation, provisions for the distribution to any county designated in NRS 373.030, 373.065 or 373.066, ***or section 1.1 or 1.2 of this act,*** of the proceeds of the fuel taxes collected thereunder will not be repealed, amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which any such tax proceeds have been pledged or otherwise made payable from such tax proceeds pursuant to this chapter have been discharged in full, but the State of Nevada may at any time provide by act that no further obligations may be incurred thereafter.

3. Except as otherwise provided in subsection 4, any continuing increases in any taxes imposed pursuant to section 1.1 or 1.3 of this act must not be pledged beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 of this act are issued or incurred, but the taxes imposed pursuant to section 1.1 of this act that are in effect on that June 30 must continue to be pledged to those bonds or other obligations until they are paid in full.

4. At any time after bonds are issued or other obligations incurred with a pledge of the taxes imposed pursuant to section 1.1 of this act, the board may, except as otherwise provided in subsection 5 of section 1.1 of this act, by ordinance:

(a) Continue the pledge of the increase in taxes imposed pursuant to section 1.1 of this act beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 of this act are issued or incurred, but not beyond June 30 of the fiscal year that is 5 full fiscal years after the adoption of the ordinance pursuant to this paragraph. The process set forth in this paragraph may be repeated until all bonds or other obligations secured by the taxes imposed pursuant to section 1.1 of this act have been paid in full.

(b) Amend the ordinance imposing the tax to specify a different applicable percentage, including an applicable percentage of zero, but:

(1) The applicable percentage must not exceed 7.8 percent;

(2) The applicable percentage must not be reduced with respect to any fiscal year preceding the fiscal year following the effective date of an ordinance adopted pursuant to this subsection; and

(3) The effective date of any ordinance reducing the applicable percentage must not be sooner than the later of:

(I) June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 of this act are issued or incurred; or

(II) June 30 of the fiscal year that is 5 full fiscal years after the date of adoption of any ordinance pursuant to paragraph (a).

5. As used in this section, "applicable percentage" has the meaning ascribed to it in paragraph (b) of subsection 6 of section 1.1 of this act.

Sec. 8.3. **NRS 373.120 is hereby amended to read as follows:**

373.120 1. No county fuel tax ordinance may be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which revenues from such ordinance have been pledged or otherwise made payable from such revenues pursuant to this chapter have been discharged in full, but the board, with the approval of the governing body of each participating city, may at any time dissolve the commission and provide that no further obligations may be incurred thereafter.

2. The faith of the State of Nevada is hereby pledged that this chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto, including without limitation, provisions for the distribution to any county designated in NRS 373.030, 373.065 or 373.066, ***or section 1.1 or 1.3 of this act,*** of the proceeds of the fuel taxes collected thereunder will not be repealed, amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which any such tax proceeds have been pledged or otherwise made payable from such tax proceeds pursuant to this chapter have been discharged in full, but the State of Nevada may at any time provide by act that no further obligations may be incurred thereafter.

3. Except as otherwise provided in subsection 4, any continuing increases in any taxes imposed pursuant to section 1.1 or 1.3 of this act must not be pledged beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, are issued or incurred, but the taxes imposed pursuant to section 1.1 or 1.3 of this act that are in effect on that June 30 must continue to be pledged to those bonds or other obligations until they are paid in full.

4. At any time after bonds are issued or other obligations incurred with a pledge of the taxes imposed pursuant to section 1.1 or 1.3 of this act, the board may, except as otherwise provided in subsection 5 of section 1.1 of this act or subsection 4 of section 1.3 of this act, as applicable, by ordinance:

(a) Continue the pledge of the increase in taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, are issued or incurred, but not beyond June 30 of the fiscal year that is 5 full fiscal years after the adoption of the ordinance pursuant to this paragraph. The process set forth in this paragraph may be repeated until all bonds or other obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, have been paid in full.

(b) Amend the ordinance imposing the tax to specify a different applicable percentage, including an applicable percentage of zero, but:

(1) The applicable percentage must not exceed 7.8 percent;

(2) The applicable percentage must not be reduced with respect to any fiscal year preceding the fiscal year following the effective date of an ordinance adopted pursuant to this subsection; and

(3) The effective date of any ordinance reducing the applicable percentage must not be sooner than the later of:

(I) June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, are issued or incurred; or

(II) June 30 of the fiscal year that is 5 full fiscal years after the date of adoption of any ordinance pursuant to paragraph (a).

5. As used in this section, "applicable percentage":

(a) With regard to any tax imposed pursuant to section 1.1 of this act, has the meaning ascribed to it in paragraph (b) of subsection 6 of section 1.1 of this act.

(b) With regard to any tax imposed pursuant to section 1.3 of this act, has the meaning ascribed to it in paragraph (b) of subsection 5 of section 1.3 of this act.

Sec. 8.5. **NRS 373.120 is hereby amended to read as follows:**

373.120 1. No county fuel tax ordinance may be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which revenues from such ordinance have been pledged or otherwise made payable from such revenues pursuant to this chapter have been discharged in full, but the board, with the approval of the governing body of each participating city, may at any time dissolve the commission and provide that no further obligations may be incurred thereafter.

2. The faith of the State of Nevada is hereby pledged that this chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto, including without limitation, provisions for the distribution to any

county designated in NRS 373.030, 373.065 or 373.066, ***or section 1.2 or 1.3 of this act,*** of the proceeds of the fuel taxes collected thereunder will not be repealed, amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which any such tax proceeds have been pledged or otherwise made payable from such tax proceeds pursuant to this chapter have been discharged in full, but the State of Nevada may at any time provide by act that no further obligations may be incurred thereafter.

3. Except as otherwise provided in subsection 4, any continuing increases in any taxes imposed pursuant to section 1.3 of this act must not be pledged beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.3 of this act are issued or incurred, but the taxes imposed pursuant to section 1.3 of this act that are in effect on that June 30 must continue to be pledged to those bonds or other obligations until they are paid in full.

4. At any time after bonds are issued or other obligations incurred with a pledge of the taxes imposed pursuant to section 1.3 of this act, the board may, except as otherwise provided in subsection 4 of section 1.3 of this act, by ordinance:

(a) Continue the pledge of the increase in taxes imposed pursuant to section 1.3 of this act beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.3 of this act are issued or incurred, but not beyond June 30 of the fiscal year that is 5 full fiscal years after the adoption of the ordinance pursuant to this paragraph. The process set forth in this paragraph may be repeated until all bonds or other obligations secured by the taxes imposed pursuant to section 1.3 of this act have been paid in full.

(b) Amend the ordinance imposing the tax to specify a different applicable percentage, including an applicable percentage of zero, but:

(1) The applicable percentage must not exceed 7.8 percent;

(2) The applicable percentage must not be reduced with respect to any fiscal year preceding the fiscal year following the effective date of an ordinance adopted pursuant to this subsection; and

(3) The effective date of any ordinance reducing the applicable percentage must not be sooner than the later of:

(I) June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.3 of this act are issued or incurred; or

(II) June 30 of the fiscal year that is 5 full fiscal years after the date of adoption of any ordinance pursuant to paragraph (a).

5. As used in this section, "applicable percentage" has the meaning ascribed to it in paragraph (b) of subsection 5 of section 1.3 of this act.

Sec. 8.7. **NRS 373.120 is hereby amended to read as follows:**

373.120 1. No county fuel tax ordinance may be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which revenues from such ordinance have been pledged or otherwise made payable from such revenues pursuant to this chapter have been discharged in full, but the board, with the approval of the governing body of each participating city, may at any time dissolve the commission and provide that no further obligations may be incurred thereafter.

2. The faith of the State of Nevada is hereby pledged that this chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto, including without limitation, provisions for the distribution to any county designated in NRS 373.030, 373.065 or 373.066, ***or section 1.2 of this act,*** of the proceeds of the fuel taxes collected thereunder will not be repealed, amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which any such tax proceeds have been pledged or otherwise made payable from such tax proceeds pursuant to this chapter have been discharged in full, but the State of Nevada may at any time provide by act that no further obligations may be incurred thereafter.

Sec. 8.9. **NRS 373.120 is hereby amended to read as follows:**

373.120 1. No county fuel tax ordinance may be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which revenues from such ordinance have been pledged or otherwise made payable from such revenues pursuant to this chapter have been discharged in full, but the board, with the approval of the governing body of each participating city, may at any time dissolve the commission and provide that no further obligations may be incurred thereafter.

2. The faith of the State of Nevada is hereby pledged that this chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto, including without limitation, provisions for the distribution to any county designated in NRS 373.030, 373.065 or 373.066, ***or section 1.3 of this act,*** of the proceeds of the fuel taxes collected thereunder will not be repealed, amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations

for which any such tax proceeds have been pledged or otherwise made payable from such tax proceeds pursuant to this chapter have been discharged in full, but the State of Nevada may at any time provide by act that no further obligations may be incurred thereafter.

3. Except as otherwise provided in subsection 4, any continuing increases in any taxes imposed pursuant to section 1.3 of this act must not be pledged beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.3 of this act are issued or incurred, but the taxes imposed pursuant to section 1.3 of this act that are in effect on that June 30 must continue to be pledged to those bonds or other obligations until they are paid in full.

4. At any time after bonds are issued or other obligations incurred with a pledge of the taxes imposed pursuant to section 1.3 of this act, the board may, except as otherwise provided in subsection 4 of section 1.3 of this act, by ordinance:

(a) Continue the pledge of the increase in taxes imposed pursuant to section 1.3 of this act beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.3 of this act are issued or incurred, but not beyond June 30 of the fiscal year that is 5 full fiscal years after the adoption of the ordinance pursuant to this paragraph. The process set forth in this paragraph may be repeated until all bonds or other obligations secured by the taxes imposed pursuant to section 1.3 of this act have been paid in full.

(b) Amend the ordinance imposing the tax to specify a different applicable percentage, including an applicable percentage of zero, but:

(1) The applicable percentage must not exceed 7.8 percent;

(2) The applicable percentage must not be reduced with respect to any fiscal year preceding the fiscal year following the effective date of an ordinance adopted pursuant to this subsection; and

(3) The effective date of any ordinance reducing the applicable percentage must not be sooner than the later of:

(I) June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.3 of this act are issued or incurred; or

(II) June 30 of the fiscal year that is 5 full fiscal years after the date of adoption of any ordinance pursuant to paragraph (a).

5. As used in this section, "applicable percentage" has the meaning ascribed to it in paragraph (b) of subsection 5 of section 1.3 of this act.

Sec. 9. NRS 373.131 is hereby amended to read as follows:

373.131 1. Money for the payment of the cost of a project within the area embraced by a regional plan for transportation established pursuant to NRS 277A.210 may be obtained by the issuance of revenue bonds and other

revenue securities as provided in subsection 2 or, subject to any pledges, liens and other contractual limitations made pursuant to the provisions of this chapter and chapter 277A of NRS, may be obtained by direct distribution from the regional street and highway fund, except to the extent any such use is prevented by the provisions of NRS 373.150, or may be obtained both by the issuance of such securities and by such direct distribution, as the board may determine. Money for street and highway construction outside the area embraced by the plan may be distributed directly from the regional street and highway fund as provided in NRS 373.150.

2. The board or, in a county whose population is 100,000 or more, a commission, may, after the enactment of any ordinance authorized by the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, ***or paragraphs (d) to (m), inclusive, of subsection 1 of section ~~[1]~~ 1.1 of this act,*** issue revenue bonds and other revenue securities, on the behalf and in the name of the county or the commission, as the case may be:

(a) The total of all of which, issued and outstanding at any one time, must not be in an amount requiring a total debt service in excess of the estimated receipts to be derived from the taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 ***,*** ~~[and]~~ paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***,*** ~~[;]~~ ***paragraphs (d) to (m), inclusive, of subsection 1 of section ~~[1]~~ 1.1 of this act and, with respect to notes, warrants or interim debentures described in paragraphs (a) and (b) of subsection 6, the proceeds of bonds or interim debentures;***

(b) Which must not be general obligations of the county or the commission or a charge on any real estate within the county; and

(c) Which may be secured as to principal and interest by a pledge authorized by this chapter of the receipts from the fuel taxes designated in this chapter, except such portion of the receipts as may be required for the direct distributions authorized by NRS 373.150.

3. A county or a commission as provided in subsection 2 is authorized to issue bonds or other securities without the necessity of their being authorized at any election in such manner and with such terms as provided in this chapter.

4. Subject to the provisions of this chapter and chapter 277A of NRS, for any project authorized therein, the board of any county may, on the behalf and in the name of the county, or, in a county whose population is 100,000 or more, a commission may, on behalf and in the name of the commission, borrow money, otherwise become obligated, and evidence obligations by the issuance of bonds and other county or commission securities, and in connection with the undertaking or project, the board or the commission, as

the case may be, may otherwise proceed as provided in the Local Government Securities Law.

5. All such securities constitute special obligations payable from the net receipts of the fuel taxes designated in this chapter except as otherwise provided in NRS 373.150, and the pledge of revenues to secure the payment of the securities must be limited to those net receipts.

6. Except for:

(a) Any notes or warrants which are funded with the proceeds of interim debentures or bonds;

(b) Any interim debentures which are funded with the proceeds of bonds;

(c) Any temporary bonds which are exchanged for definitive bonds;

(d) Any bonds which are reissued or which are refunded; and

(e) The use of any profit from any investment and reinvestment for the payment of any bonds or other securities issued pursuant to the provisions of this chapter,

➥ all bonds and other securities issued pursuant to the provisions of this chapter must be payable solely from the proceeds of fuel taxes collected by or remitted to the county pursuant to chapter 365 of NRS, as supplemented by this chapter. Receipts of the taxes levied in NRS 365.180 and 365.190 and pursuant to the provisions of paragraphs (a) and (b) of subsection 1 of NRS 373.065 and paragraphs (a) and (b) of subsection 1 of NRS 373.066 ***and paragraphs (a) and (b) of subsection 1 of section ~~[1]~~ 1.1 of this act*** may be used by the county for the payment of securities issued pursuant to the provisions of this chapter and may be pledged therefor. Such taxes may also be used by a commission in a county whose population is 100,000 or more for the payment of bonds or other securities issued pursuant to the provisions of this chapter and may be pledged therefor if the board of the county consents to such use. If during any period any securities payable from these tax proceeds are outstanding, the tax receipts must not be used directly for the construction, maintenance and repair of any streets, roads or other highways nor for any purchase of equipment therefor, and the receipts of the tax levied in NRS 365.190 must not be apportioned pursuant to subsection 2 of NRS 365.560 unless, at any time the tax receipts are so apportioned, provision has been made in a timely manner for the payment of such outstanding securities as to the principal of, any prior redemption premiums due in connection with, and the interest on the securities as they become due, as provided in the securities, the ordinance, in the case of securities issued by a county, or the resolution, in the case of securities issued by a commission, authorizing their issuance and any other instrument appertaining to the securities.

7. The ordinance, in the case of securities issued by a county, or the resolution, in the case of securities issued by a commission, authorizing the

issuance of any bond or other revenue security under this section must describe the purpose for which it is issued at least in general terms and may describe the purpose in detail. This section does not require the purpose so stated to be set forth in the detail in which the project approved by the commission pursuant to subsection 2 of NRS 373.140 is stated, or prevent the modification by the board or commission, as the case may be, of details as to the purpose stated in the ordinance authorizing the issuance of any bond or other security after its issuance, subject to approval by the commission of the project as so modified, if such bond or other security is issued by the county and not the commission.

8. Notwithstanding any other provision of this chapter, no commission has authority to issue bonds or other securities pursuant to this chapter unless the commission has executed an interlocal agreement with the county relating to the issuance of bonds or other securities by the commission. Any such interlocal agreement must include an acknowledgment of the authority of the commission to issue bonds and other securities and contain provisions relating to the pledge of revenues for the repayment of the bonds or other securities, the lien priority of the pledge of revenues securing the bonds or other securities, and related matters.

Sec. 9.3. **NRS 373.131 is hereby amended to read as follows:**

373.131 1. Money for the payment of the cost of a project within the area embraced by a regional plan for transportation established pursuant to NRS 277A.210 may be obtained by the issuance of revenue bonds and other revenue securities as provided in subsection 2 or, subject to any pledges, liens and other contractual limitations made pursuant to the provisions of this chapter and chapter 277A of NRS, may be obtained by direct distribution from the regional street and highway fund, except to the extent any such use is prevented by the provisions of NRS 373.150, or may be obtained both by the issuance of such securities and by such direct distribution, as the board may determine. Money for street and highway construction outside the area embraced by the plan may be distributed directly from the regional street and highway fund as provided in NRS 373.150.

2. The board or, in a county whose population is 100,000 or more, a commission, may, after the enactment of any ordinance authorized ***or required*** by the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065**,** ~~[or]~~ paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, ***paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act,*** issue revenue bonds and other revenue securities, on the behalf and in the name of the county or the commission, as the case may be:

(a) The total of all of which, issued and outstanding at any one time, must not be in an amount requiring a total debt service in excess of the estimated

receipts to be derived from the taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065**_ , ~~[and]~~** paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066**_ ~~[.]~~ *and paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act and paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act and, with respect to notes, warrants or interim debentures described in paragraphs (a) and (b) of subsection 6, the proceeds of bonds or interim debentures;***

(b) Which must not be general obligations of the county or the commission or a charge on any real estate within the county; and

(c) Which may be secured as to principal and interest by a pledge authorized by this chapter of the receipts from the fuel taxes designated in this chapter, except such portion of the receipts as may be required for the direct distributions authorized by NRS 373.150.

3. A county or a commission as provided in subsection 2 is authorized to issue bonds or other securities without the necessity of their being authorized at any election in such manner and with such terms as provided in this chapter.

4. Subject to the provisions of this chapter and chapter 277A of NRS, for any project authorized therein, the board of any county may, on the behalf and in the name of the county, or, in a county whose population is 100,000 or more, a commission may, on behalf and in the name of the commission, borrow money, otherwise become obligated, and evidence obligations by the issuance of bonds and other county or commission securities, and in connection with the undertaking or project, the board or the commission, as the case may be, may otherwise proceed as provided in the Local Government Securities Law.

5. All such securities constitute special obligations payable from the net receipts of the fuel taxes designated in this chapter except as otherwise provided in NRS 373.150, and the pledge of revenues to secure the payment of the securities must be limited to those net receipts.

6. Except for:

(a) Any notes or warrants which are funded with the proceeds of interim debentures or bonds;

(b) Any interim debentures which are funded with the proceeds of bonds;

(c) Any temporary bonds which are exchanged for definitive bonds;

(d) Any bonds which are reissued or which are refunded; and

(e) The use of any profit from any investment and reinvestment for the payment of any bonds or other securities issued pursuant to the provisions of this chapter,

➥ all bonds and other securities issued pursuant to the provisions of this chapter must be payable solely from the proceeds of fuel taxes collected by

or remitted to the county pursuant to chapter 365 of NRS, as supplemented by this chapter. Receipts of the taxes levied in NRS 365.180 and 365.190 and pursuant to the provisions of paragraphs (a) and (b) of subsection 1 of NRS 373.065, ~~[and]~~ paragraphs (a) and (b) of subsection 1 of NRS 373.066, ***paragraphs (a) and (b) of subsection 1 of section 1.1 of this act and paragraphs (a) and (b) of subsection 1 of section 1.3 of this act*** may be used by the county for the payment of securities issued pursuant to the provisions of this chapter and may be pledged therefor. Such taxes may also be used by a commission in a county whose population is 100,000 or more for the payment of bonds or other securities issued pursuant to the provisions of this chapter and may be pledged therefor if the board of the county consents to such use. If during any period any securities payable from these tax proceeds are outstanding, the tax receipts must not be used directly for the construction, maintenance and repair of any streets, roads or other highways nor for any purchase of equipment therefor, and the receipts of the tax levied in NRS 365.190 must not be apportioned pursuant to subsection 2 of NRS 365.560 unless, at any time the tax receipts are so apportioned, provision has been made in a timely manner for the payment of such outstanding securities as to the principal of, any prior redemption premiums due in connection with, and the interest on the securities as they become due, as provided in the securities, the ordinance, in the case of securities issued by a county, or the resolution, in the case of securities issued by a commission, authorizing their issuance and any other instrument appertaining to the securities.

7. The ordinance, in the case of securities issued by a county, or the resolution, in the case of securities issued by a commission, authorizing the issuance of any bond or other revenue security under this section must describe the purpose for which it is issued at least in general terms and may describe the purpose in detail. This section does not require the purpose so stated to be set forth in the detail in which the project approved by the commission pursuant to subsection 2 of NRS 373.140 is stated, or prevent the modification by the board or commission, as the case may be, of details as to the purpose stated in the ordinance authorizing the issuance of any bond or other security after its issuance, subject to approval by the commission of the project as so modified, if such bond or other security is issued by the county and not the commission.

8. Notwithstanding any other provision of this chapter, no commission has authority to issue bonds or other securities pursuant to this chapter unless the commission has executed an interlocal agreement with the county relating to the issuance of bonds or other securities by the commission. Any such interlocal agreement must include an acknowledgment of the authority of the commission to issue bonds and other securities and contain provisions

relating to the pledge of revenues for the repayment of the bonds or other securities, the lien priority of the pledge of revenues securing the bonds or other securities, and related matters.

Sec. 9.7. **NRS 373.131 is hereby amended to read as follows:**

373.131 1. Money for the payment of the cost of a project within the area embraced by a regional plan for transportation established pursuant to NRS 277A.210 may be obtained by the issuance of revenue bonds and other revenue securities as provided in subsection 2 or, subject to any pledges, liens and other contractual limitations made pursuant to the provisions of this chapter and chapter 277A of NRS, may be obtained by direct distribution from the regional street and highway fund, except to the extent any such use is prevented by the provisions of NRS 373.150, or may be obtained both by the issuance of such securities and by such direct distribution, as the board may determine. Money for street and highway construction outside the area embraced by the plan may be distributed directly from the regional street and highway fund as provided in NRS 373.150.

2. The board or, in a county whose population is 100,000 or more, a commission, may, after the enactment of any ordinance authorized ***or required*** by the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, ***or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act,*** issue revenue bonds and other revenue securities, on the behalf and in the name of the county or the commission, as the case may be:

(a) The total of all of which, issued and outstanding at any one time, must not be in an amount requiring a total debt service in excess of the estimated receipts to be derived from the taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 , ~~[and]~~ paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ~~[,]~~ ***and paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act and, with respect to notes, warrants or interim debentures described in paragraphs (a) and (b) of subsection 6, the proceeds of bonds or interim debentures;***

(b) Which must not be general obligations of the county or the commission or a charge on any real estate within the county; and

(c) Which may be secured as to principal and interest by a pledge authorized by this chapter of the receipts from the fuel taxes designated in this chapter, except such portion of the receipts as may be required for the direct distributions authorized by NRS 373.150.

3. A county or a commission as provided in subsection 2 is authorized to issue bonds or other securities without the necessity of their being authorized at any election in such manner and with such terms as provided in this chapter.

4. Subject to the provisions of this chapter and chapter 277A of NRS, for any project authorized therein, the board of any county may, on the behalf and in the name of the county, or, in a county whose population is 100,000 or more, a commission may, on behalf and in the name of the commission, borrow money, otherwise become obligated, and evidence obligations by the issuance of bonds and other county or commission securities, and in connection with the undertaking or project, the board or the commission, as the case may be, may otherwise proceed as provided in the Local Government Securities Law.

5. All such securities constitute special obligations payable from the net receipts of the fuel taxes designated in this chapter except as otherwise provided in NRS 373.150, and the pledge of revenues to secure the payment of the securities must be limited to those net receipts.

6. Except for:

(a) Any notes or warrants which are funded with the proceeds of interim debentures or bonds;

(b) Any interim debentures which are funded with the proceeds of bonds;

(c) Any temporary bonds which are exchanged for definitive bonds;

(d) Any bonds which are reissued or which are refunded; and

(e) The use of any profit from any investment and reinvestment for the payment of any bonds or other securities issued pursuant to the provisions of this chapter,

➥ all bonds and other securities issued pursuant to the provisions of this chapter must be payable solely from the proceeds of fuel taxes collected by or remitted to the county pursuant to chapter 365 of NRS, as supplemented by this chapter. Receipts of the taxes levied in NRS 365.180 and 365.190 and pursuant to the provisions of paragraphs (a) and (b) of subsection 1 of NRS 373.065 and paragraphs (a) and (b) of subsection 1 of NRS 373.066 ***and paragraphs (a) and (b) of subsection 1 of section 1.3 of this act*** may be used by the county for the payment of securities issued pursuant to the provisions of this chapter and may be pledged therefor. Such taxes may also be used by a commission in a county whose population is 100,000 or more for the payment of bonds or other securities issued pursuant to the provisions of this chapter and may be pledged therefor if the board of the county consents to such use. If during any period any securities payable from these tax proceeds are outstanding, the tax receipts must not be used directly for the construction, maintenance and repair of any streets, roads or other highways nor for any purchase of equipment therefor, and the receipts of the tax levied in NRS 365.190 must not be apportioned pursuant to subsection 2 of NRS 365.560 unless, at any time the tax receipts are so apportioned, provision has been made in a timely manner for the payment of such outstanding securities as to the principal of, any prior redemption premiums

due in connection with, and the interest on the securities as they become due, as provided in the securities, the ordinance, in the case of securities issued by a county, or the resolution, in the case of securities issued by a commission, authorizing their issuance and any other instrument appertaining to the securities.

7. The ordinance, in the case of securities issued by a county, or the resolution, in the case of securities issued by a commission, authorizing the issuance of any bond or other revenue security under this section must describe the purpose for which it is issued at least in general terms and may describe the purpose in detail. This section does not require the purpose so stated to be set forth in the detail in which the project approved by the commission pursuant to subsection 2 of NRS 373.140 is stated, or prevent the modification by the board or commission, as the case may be, of details as to the purpose stated in the ordinance authorizing the issuance of any bond or other security after its issuance, subject to approval by the commission of the project as so modified, if such bond or other security is issued by the county and not the commission.

8. Notwithstanding any other provision of this chapter, no commission has authority to issue bonds or other securities pursuant to this chapter unless the commission has executed an interlocal agreement with the county relating to the issuance of bonds or other securities by the commission. Any such interlocal agreement must include an acknowledgment of the authority of the commission to issue bonds and other securities and contain provisions relating to the pledge of revenues for the repayment of the bonds or other securities, the lien priority of the pledge of revenues securing the bonds or other securities, and related matters.

Sec. 10. NRS 373.140 is hereby amended to read as follows:

373.140 1. After the enactment of ordinances as authorized in NRS 277A.170 and 373.030, all street and highway construction, surfacing or resurfacing projects in the county which are proposed to be financed from any county fuel tax imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (d) to (m), inclusive, of subsection 1 of section ~~[1]~~ 1.1 of this act*** must first be submitted to the commission.

2. If the project is within the area covered by a regional plan for transportation established pursuant to NRS 277A.210, the commission shall evaluate it in terms of:

(a) The priorities established by the plan;

(b) The relation of the proposed work to other projects already constructed or authorized;

(c) The relative need for the project in comparison with others proposed; and

(d) The money available.

➥ If the commission approves the project, the board may authorize the project, using all or any part of the proceeds of any county fuel tax authorized pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, ***or paragraphs (d) to (m), inclusive, of subsection 1 of section ~~1~~ 1.1 of this act,*** except as otherwise required by subsection 6 or to the extent any such use is prevented by the provisions for direct distribution required by NRS 373.150 or is prevented by any pledge to secure the payment of outstanding bonds, other securities or other obligations incurred under this chapter, and other contractual limitations appertaining to such obligations as authorized by NRS 373.160, and the proceeds of revenue bonds or other securities issued or to be issued as provided in NRS 373.131. Except as otherwise provided in subsection 3, if the board authorizes the project, the responsibilities for letting construction and other necessary contracts, contract administration, supervision and inspection of work and the performance of other duties related to the acquisition of the project must be specified in written agreements executed by the board and the governing bodies of the cities and towns within the area covered by a regional plan for transportation established pursuant to NRS 277A.210.

3. In a county in which two or more governmental entities are represented on the commission, the governing bodies of those governmental entities may enter into a written master agreement that allows a written agreement described in subsection 2 to be executed by only the commission and the governmental entity that receives funding for the approved project. The provisions of a written master agreement must not be used until the governing body of each governmental entity represented on the commission ratifies the written master agreement.

4. If the project is outside the area covered by a plan, the commission shall evaluate it in terms of:

(a) Its relation to the regional plan for transportation established pursuant to NRS 277A.210, if any;

(b) The relation of the proposed work to other projects constructed or authorized;

(c) The relative need for the proposed work in relation to others proposed by the same city or town; and

(d) The availability of money.

➥ If the commission approves the project, the board shall direct the county treasurer to distribute the sum approved to the city or town requesting the project, in accordance with NRS 373.150.

5. In counties whose population is less than 100,000, the commission shall certify the adoption of the plan in compliance with subsections 2 and 4.

6. The proceeds of a tax imposed pursuant to any of the provisions of paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (d) to (m), inclusive, of subsection 1 of section ~~1~~ 1.1 of this act*** must be expended in accordance with priorities for projects established in coordination and cooperation with the Department of Transportation.

Sec. 10.3. **NRS 373.140 is hereby amended to read as follows:**

373.140 1. After the enactment of ordinances as authorized in NRS 277A.170 and 373.030, all street and highway construction, surfacing or resurfacing projects in the county which are proposed to be financed from any county fuel tax imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 **,** ~~[or]~~ paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***, paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** must first be submitted to the commission.

2. If the project is within the area covered by a regional plan for transportation established pursuant to NRS 277A.210, the commission shall evaluate it in terms of:

(a) The priorities established by the plan;

(b) The relation of the proposed work to other projects already constructed or authorized;

(c) The relative need for the project in comparison with others proposed; and

(d) The money available.

➥ If the commission approves the project, the board may authorize the project, using all or any part of the proceeds of any county fuel tax authorized pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 **,** ~~[or]~~ paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, ***paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act,*** except as otherwise required by subsection 6 or to the extent any such use is prevented by the provisions for direct distribution required by NRS 373.150 or is prevented by any pledge to secure the payment of outstanding bonds, other securities or other obligations incurred under this chapter, and other contractual limitations appertaining to such obligations as authorized by NRS 373.160, and the proceeds of revenue bonds or other securities issued or to be issued as provided in NRS 373.131. Except as otherwise provided in subsection 3, if the board authorizes the project, the responsibilities for letting construction and other necessary contracts, contract administration, supervision and inspection of work and the

performance of other duties related to the acquisition of the project must be specified in written agreements executed by the board and the governing bodies of the cities and towns within the area covered by a regional plan for transportation established pursuant to NRS 277A.210.

3. In a county in which two or more governmental entities are represented on the commission, the governing bodies of those governmental entities may enter into a written master agreement that allows a written agreement described in subsection 2 to be executed by only the commission and the governmental entity that receives funding for the approved project. The provisions of a written master agreement must not be used until the governing body of each governmental entity represented on the commission ratifies the written master agreement.

4. If the project is outside the area covered by a plan, the commission shall evaluate it in terms of:

(a) Its relation to the regional plan for transportation established pursuant to NRS 277A.210, if any;

(b) The relation of the proposed work to other projects constructed or authorized;

(c) The relative need for the proposed work in relation to others proposed by the same city or town; and

(d) The availability of money.

➥ If the commission approves the project, the board shall direct the county treasurer to distribute the sum approved to the city or town requesting the project, in accordance with NRS 373.150.

5. In counties whose population is less than 100,000, the commission shall certify the adoption of the plan in compliance with subsections 2 and 4.

6. The proceeds of a tax imposed pursuant to any of the provisions of paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 **, *paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** must be expended in accordance with priorities for projects established in coordination and cooperation with the Department of Transportation.

Sec. 10.7. **NRS 373.140 is hereby amended to read as follows:**

373.140 1. After the enactment of ordinances as authorized in NRS 277A.170 and 373.030, all street and highway construction, surfacing or resurfacing projects in the county which are proposed to be financed from any county fuel tax imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** must first be submitted to the commission.

2. If the project is within the area covered by a regional plan for transportation established pursuant to NRS 277A.210, the commission shall evaluate it in terms of:

(a) The priorities established by the plan;

(b) The relation of the proposed work to other projects already constructed or authorized;

(c) The relative need for the project in comparison with others proposed; and

(d) The money available.

➥ If the commission approves the project, the board may authorize the project, using all or any part of the proceeds of any county fuel tax authorized pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, ***or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act,*** except as otherwise required by subsection 6 or to the extent any such use is prevented by the provisions for direct distribution required by NRS 373.150 or is prevented by any pledge to secure the payment of outstanding bonds, other securities or other obligations incurred under this chapter, and other contractual limitations appertaining to such obligations as authorized by NRS 373.160, and the proceeds of revenue bonds or other securities issued or to be issued as provided in NRS 373.131. Except as otherwise provided in subsection 3, if the board authorizes the project, the responsibilities for letting construction and other necessary contracts, contract administration, supervision and inspection of work and the performance of other duties related to the acquisition of the project must be specified in written agreements executed by the board and the governing bodies of the cities and towns within the area covered by a regional plan for transportation established pursuant to NRS 277A.210.

3. In a county in which two or more governmental entities are represented on the commission, the governing bodies of those governmental entities may enter into a written master agreement that allows a written agreement described in subsection 2 to be executed by only the commission and the governmental entity that receives funding for the approved project. The provisions of a written master agreement must not be used until the governing body of each governmental entity represented on the commission ratifies the written master agreement.

4. If the project is outside the area covered by a plan, the commission shall evaluate it in terms of:

(a) Its relation to the regional plan for transportation established pursuant to NRS 277A.210, if any;

(b) The relation of the proposed work to other projects constructed or authorized;

(c) The relative need for the proposed work in relation to others proposed by the same city or town; and

(d) The availability of money.

➥ If the commission approves the project, the board shall direct the county treasurer to distribute the sum approved to the city or town requesting the project, in accordance with NRS 373.150.

5. In counties whose population is less than 100,000, the commission shall certify the adoption of the plan in compliance with subsections 2 and 4.

6. The proceeds of a tax imposed pursuant to any of the provisions of paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** must be expended in accordance with priorities for projects established in coordination and cooperation with the Department of Transportation.

Sec. 11. NRS 373.160 is hereby amended to read as follows:

373.160 1. The ordinance or ordinances, or the resolution or resolutions, providing for the issuance of any bonds or other securities issued under this chapter payable from the receipts from the fuel excise taxes designated in this chapter may at the discretion of the board or, in the case of bonds or other securities issued by a commission, the commission, in addition to covenants and other provisions authorized in the Local Government Securities Law, contain covenants or other provisions as to the pledge of and the creation of a lien upon the receipts of the taxes collected for the county pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, ***and paragraphs (d) to (m), inclusive, of subsection 1 of section ~~[1]~~ 1.1 of this act,*** excluding any tax proceeds to be distributed directly under the provisions of NRS 373.150, or the proceeds of the bonds or other securities pending their application to defray the cost of the project, or both such tax proceeds and security proceeds, to secure the payment of revenue bonds or other securities issued under this chapter.

2. If the board or, in the case of bonds or other securities issued by a commission, the commission, determines in any ordinance or resolution authorizing the issuance of any bonds or other securities under this chapter that the proceeds of the taxes levied and collected pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***and paragraphs (d) to (m), inclusive, of subsection 1 of section ~~[1]~~ 1.1 of this act*** are sufficient to pay all bonds and securities, including the proposed issue, from the proceeds thereof, the board or, in the case of bonds or other securities issued by a commission, the commission with the consent of the board as provided in subsection 6 of NRS 373.131, may additionally secure the payment of any bonds or other securities issued pursuant to the ordinance

or resolution under this chapter by a pledge of and the creation of a lien upon not only the proceeds of any fuel tax authorized at the time of the issuance of such securities to be used for such payment in subsection 6 of NRS 373.131, but also the proceeds of any such tax thereafter authorized to be used or pledged, or used and pledged, for the payment of such securities, whether such tax be levied or collected by the county, the State of Nevada, or otherwise, or be levied in at least an equivalent value in lieu of any such tax existing at the time of the issuance of such securities or be levied in supplementation thereof.

3. The pledges and liens authorized by subsections 1 and 2 extend to the proceeds of any tax collected for use by the county on any fuel so long as any bonds or other securities issued under this chapter remain outstanding and are not limited to any type or types of fuel in use when the bonds or other securities are issued.

Sec. 11.1. **NRS 373.160 is hereby amended to read as follows:**

373.160 1. The ordinance or ordinances, or the resolution or resolutions, providing for the issuance of any bonds or other securities issued under this chapter payable from the receipts from the fuel excise taxes designated in this chapter may at the discretion of the board or, in the case of bonds or other securities issued by a commission, the commission, in addition to covenants and other provisions authorized in the Local Government Securities Law, contain covenants or other provisions as to the pledge of and the creation of a lien upon the receipts of the taxes collected for the county pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, ***paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act and paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act,*** excluding any tax proceeds to be distributed directly under the provisions of NRS 373.150, or the proceeds of the bonds or other securities pending their application to defray the cost of the project, or both such tax proceeds and security proceeds, to secure the payment of revenue bonds or other securities issued under this chapter.

2. If the board or, in the case of bonds or other securities issued by a commission, the commission, determines in any ordinance or resolution authorizing the issuance of any bonds or other securities under this chapter that the proceeds of the taxes levied and collected pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 , ***paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act and paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** are sufficient to pay all bonds and securities, including the proposed issue, from the proceeds thereof, the board or, in the case of bonds or other

securities issued by a commission, the commission with the consent of the board as provided in subsection 6 of NRS 373.131, may additionally secure the payment of any bonds or other securities issued pursuant to the ordinance or resolution under this chapter by a pledge of and the creation of a lien upon not only the proceeds of any fuel tax authorized at the time of the issuance of such securities to be used for such payment in subsection 6 of NRS 373.131, but also the proceeds of any such tax thereafter authorized to be used or pledged, or used and pledged, for the payment of such securities, whether such tax be levied or collected by the county, the State of Nevada, or otherwise, or be levied in at least an equivalent value in lieu of any such tax existing at the time of the issuance of such securities or be levied in supplementation thereof.

3. The pledges and liens authorized by subsections 1 and 2 extend to the proceeds of any tax collected for use by the county on any fuel so long as any bonds or other securities issued under this chapter remain outstanding and are not limited to any type or types of fuel in use when the bonds or other securities are issued.

Sec. 11.3. **NRS 373.160 is hereby amended to read as follows:**

373.160 1. The ordinance or ordinances, or the resolution or resolutions, providing for the issuance of any bonds or other securities issued under this chapter payable from the receipts from the fuel excise taxes designated in this chapter may at the discretion of the board or, in the case of bonds or other securities issued by a commission, the commission, in addition to covenants and other provisions authorized in the Local Government Securities Law, contain covenants or other provisions as to the pledge of and the creation of a lien upon the receipts of the taxes collected for the county pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, ***and paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act,*** excluding any tax proceeds to be distributed directly under the provisions of NRS 373.150, or the proceeds of the bonds or other securities pending their application to defray the cost of the project, or both such tax proceeds and security proceeds, to secure the payment of revenue bonds or other securities issued under this chapter.

2. If the board or, in the case of bonds or other securities issued by a commission, the commission, determines in any ordinance or resolution authorizing the issuance of any bonds or other securities under this chapter that the proceeds of the taxes levied and collected pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ***and paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*** are sufficient to pay all bonds and securities, including the proposed issue, from

the proceeds thereof, the board or, in the case of bonds or other securities issued by a commission, the commission with the consent of the board as provided in subsection 6 of NRS 373.131, may additionally secure the payment of any bonds or other securities issued pursuant to the ordinance or resolution under this chapter by a pledge of and the creation of a lien upon not only the proceeds of any fuel tax authorized at the time of the issuance of such securities to be used for such payment in subsection 6 of NRS 373.131, but also the proceeds of any such tax thereafter authorized to be used or pledged, or used and pledged, for the payment of such securities, whether such tax be levied or collected by the county, the State of Nevada, or otherwise, or be levied in at least an equivalent value in lieu of any such tax existing at the time of the issuance of such securities or be levied in supplementation thereof.

3. The pledges and liens authorized by subsections 1 and 2 extend to the proceeds of any tax collected for use by the county on any fuel so long as any bonds or other securities issued under this chapter remain outstanding and are not limited to any type or types of fuel in use when the bonds or other securities are issued.

Sec. 11.5. NRS 350.155 is hereby amended to read as follows:

350.155 1. Except as otherwise provided in subsection 2, a municipality shall sell the bonds it issues by competitive bid if the credit rating for the bonds or any other bonds of the municipality with the same security, determined without regard to insurance for the bonds or any other independent enhancement of credit, is rated by a nationally recognized rating service as "A-," "A," "AA," "AAA," or their equivalents, 90 days before and on the day the bonds are sold and:

(a) The bonds are general obligation bonds;

(b) The primary security for the bonds is an excise tax; or

(c) The bonds are issued pursuant to chapter 271 of NRS and are secured by a pledge of the taxing power and the general fund of the municipality.

2. The provisions of subsection 1 and NRS 350.175 and 350.185 do not apply to:

(a) Any bond which is issued with a variable rate of interest.

(b) A bond issue whose principal amount is $1,000,000 or less.

(c) A bond issue with a term of 3 years or less.

(d) A bond issue for which an invitation for competitive bids was issued and for which no bids were received or all bids were rejected.

(e) Leases, contracts for purchase by installment and certificates of participation if the obligations of the municipality thereunder will terminate when the municipality fails to appropriate money to pay that obligation for the next fiscal year.

(f) Economic development revenue bonds issued pursuant to the city economic development revenue bond law or the county economic development revenue bond law.

(g) Bonds sold by the municipality to:

(1) The United States or any agency or instrumentality thereof;

(2) The State of Nevada;

(3) Any other municipality; or

(4) Not more than 10 investors, each of whom certifies that he or she:

(I) Has a net worth of $500,000 or more; and

(II) Is purchasing for investment and not for resale.

(h) Bonds which require unusual methods of financing, if the chief administrative officer of the municipality certifies in writing that the proposed method of financing:

(1) Has not been used previously by any municipality in this state; and

(2) May provide a substantial benefit to the municipality.

(i) Refunding bonds, if the chief administrative officer of the municipality certifies in writing that the use of a negotiated sale may provide a substantial benefit to the municipality which would not be available if the bonds were sold by competitive bid.

(j) Bonds which are sold at a time when, because of particular conditions in the market, a negotiated sale may provide a benefit to the municipality which would not be available if the bonds were sold by competitive bid, if the chief administrative officer of the municipality so certifies in writing.

(k) Bonds which are issued pursuant to chapter 271 of NRS and are not secured by a pledge of the taxing power and general fund of the municipality.

(l) Revenue bonds which are issued pursuant to chapter 350A of NRS and are secured by a pledge of the allocable local revenues of the municipality.

~~[(m) Revenue bonds which are sold pursuant to chapter 373 of NRS.]~~

3. The certificate required by paragraph (h) of subsection 2 must specifically describe the proposed method of financing. The certificate required by paragraph (i) of subsection 2 must specifically describe the circumstances that may provide a substantial benefit if the refunding bonds are negotiated. The certificate required by paragraph (j) of subsection 2 must specifically describe the particular conditions in the market which indicate that a negotiated sale of the bonds may provide a benefit to the municipality. Each certificate required pursuant to subsection 2 must be submitted to the governing body of the municipality at a regularly scheduled meeting of that body and include:

(a) The estimated amount of the benefit which will accrue to the municipality.

(b) If the municipality has a financial adviser, a written report prepared by that financial adviser which specifically describes the method of sale which will be used for the proposed financing.

4. A copy of:

(a) The certificate required by paragraph (h), (i) or (j) of subsection 2; and

(b) The report required pursuant to subsection 3,

➥ must be filed with the debt management commission of the county where the municipality is located, the county clerk and the Department of Taxation. Before entering into a contract to sell bonds, at least two-thirds of the members of the governing body of the municipality must approve the certificate.

5. If a municipality is required to sell the bonds it issues by competitive bid pursuant to the provisions of this section, it must cause an invitation for competitive bids, or notice thereof, to be published before the date of the sale in the daily or weekly version of the Bond Buyer, published at One State Street Plaza in New York City, New York, or any successor publication.

6. As used in this section, "invitation for competitive bids" means a process by which sealed bids or the reasonable equivalent thereof, as approved by the governing body of a municipality, are solicited, received and publicly opened at a specified time, place and date.

Sec. 12. **If an ordinance authorized by section 1.1 of this act is not adopted before October 1, 2013:**

1. A question must be placed on the ballot at the general election on November 8, 2016, in each county in this State which asks the voters whether to authorize the State to impose, for the period beginning on January 1, 2017, and ending on December 31, 2026, the taxes authorized by section 1.2 of this act and the increases in those taxes authorized by that section.

2. A question must be placed on the ballot at the general election on November 8, 2016, in each county in this State other than Washoe County, which asks the voters in the county whether to authorize the board of county commissioners of the county to impose, for the period beginning on January 1, 2017, and ending on December 31, 2026, the taxes authorized by section 1.3 of this act and the additional annual increases in those taxes authorized by that section.

Sec. 13. **If an ordinance authorized by section 1.1 of this act is adopted before October 1, 2013:**

1. A question must be placed on the ballot at the general election on November 8, 2016, in each county in this State which asks the voters whether to authorize the State to impose, for the period beginning on January 1, 2017, and ending on December 31, 2026, the taxes authorized

by section 1.2 of this act and the increases in those taxes authorized by that section.

2. A question must be placed on the ballot at the general election on November 8, 2016, in each county in this State other than Clark County and Washoe County, which asks the voters in the county whether to authorize the board of county commissioners of the county to impose, for the period beginning on January 1, 2017, and ending on December 31, 2026, the taxes authorized by section 1.3 of this act and the additional annual increases in those taxes authorized by that section.

~~[Sec. 12.]~~ ***Sec. 14.*** **1.** This **section and sections 1, 1.1, 1.7, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 11.5 of this** act ~~[becomes]~~ **become** effective upon passage and approval.

2. Section 12 of this act becomes effective on October 1, 2013, if and only if a board of county commissioners does not adopt an ordinance authorized by section 1.1 of this act before October 1, 2013.

3. Section 13 of this act becomes effective on October 1, 2013, if and only if a board of county commissioners adopts an ordinance authorized by section 1.1 of this act before October 1, 2013.

4. Sections 1.2, 1.5, 3.2 and 8.2 of this act become effective on January 1, 2017, if:

(a) A board of county commissioners adopts an ordinance authorized by section 1.1 of this act before October 1, 2013;

(b) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 1 of section 13 of this act is approved by a majority of the registered voters in this State voting on the question; and

(c) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 2 of section 13 of this act is not approved by a majority of the registered voters in every county in this State voting on the question.

5. Sections 1.2, 1.3, 1.5, 1.8, 2.3, 3.1, 4.3, 5.3, 6.3, 7.3, 8.1, 9.3, 10.3 and 11.1 of this act become effective on January 1, 2017, if:

(a) A board of county commissioners adopts an ordinance authorized by section 1.1 of this act before October 1, 2013;

(b) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 1 of section 13 of this act is approved by a majority of the registered voters in this State voting on the question; and

(c) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 2 of section 13 of this act is approved by a majority of the registered voters in any county in this State voting on the question.

6. Sections 1.3, 1.8, 2.3, 3.3, 4.3, 5.3, 6.3, 7.3, 8.3, 9.3, 10.3 and 11.1 of this act become effective on January 1, 2017, if:

(a) A board of county commissioners adopts an ordinance authorized by section 1.1 of this act before October 1, 2013;

(b) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 1 of section 13 of this act is not approved by a majority of the registered voters in this State voting on the question; and

(c) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 2 of section 13 of this act is approved by a majority of the registered voters in any county in this State voting on the question.

7. Sections 1.2, 1.5, 3.7 and 8.7 of this act become effective on January 1, 2017, if:

(a) A board of county commissioners does not adopt an ordinance authorized by section 1.1 of this act before October 1, 2013;

(b) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 1 of section 12 of this act is approved by a majority of the registered voters in this State voting on the question; and

(c) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 2 of section 12 of this act is not approved by a majority of the registered voters in every county in this State voting on the question.

8. Sections 1.2, 1.3, 1.5, 1.9, 2.7, 3.5, 4.7, 5.7, 6.7, 7.7, 8.5, 9.7, 10.7 and 11.3 of this act become effective on January 1, 2017, if:

(a) A board of county commissioners does not adopt an ordinance authorized by section 1.1 of this act before October 1, 2013;

(b) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 1 of section 12 of this act is approved by a majority of the registered voters in this State voting on the question; and

(c) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 2 of section 12 of this act is approved by a majority of the registered voters in any county in this State voting on the question.

9. Sections 1.3, 1.9, 2.7, 3.9, 4.7, 5.7, 6.7, 7.7, 8.9, 9.7, 10.7 and 11.3 of this act become effective on January 1, 2017, if:

(a) A board of county commissioners does not adopt an ordinance authorized by section 1.1 of this act before October 1, 2013;

(b) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 1 of section 12 of this act is

not approved by a majority of the registered voters in this State voting on the question; and

(c) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 2 of section 12 of this act is approved by a majority of the registered voters in any county in this State voting on the question.

10. Sections 1.1, 1.7, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 of this act expire by limitation on October 1, 2013, if a board of county commissioners does not adopt an ordinance authorized by section 1.1 of this act before October 1, 2013.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 425.

Bill read third time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 914.

AN ACT relating to insurance; establishing certification provisions for certain enrollment facilitators by the Commissioner of Insurance; **revising provisions relating to federal law and to conform with federal law; revising provisions relating to the general tax on insurance premiums; revising provisions relating to public inspection of information filed with the Commissioner; revising provisions relating to dental insurance;** providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 1-26 of this bill establish certification provisions for exchange enrollment facilitators, who will be certified by the Commissioner of Insurance and appointed as navigators or assisters by the Silver State Health Insurance Exchange as part of the requirement that the Exchange implement a state-based health insurance exchange pursuant to the federal Patient Protection and Affordable Care Act, Public Law 111-148, as amended by the federal Health Care and Education Reconciliation Act of 2010, Public Law 111-152. (NRS 695I.210) **Section 119** of this bill repeals numerous sections of the Nevada Insurance Code (Title 57 of NRS) to conform to the federal acts, and **sections 27-118** of this bill **generally** make conforming changes based on **the federal acts and on** the repeal of those sections **[.] of NRS.**

Section 31.5 of this bill revises a credit which may be used against an insurer's liability for the general tax on insurance premiums imposed pursuant to NRS 680B.027. Sections 32.1 and 32.8 of this bill revise

provisions relating to contracts for coverage for dental care which are sold to small employers. Section 32.5 of this bill limits, for specified periods, public inspection of certain information filed with the Commissioner of Insurance.

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

Section 1. Title 57 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 26, inclusive, of this act.

Sec. 2. ***As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 2.5 to 7, inclusive, of this act have the meanings ascribed to them in those sections.***

Sec. 2.5. ***"Appointment" means a contract, agreement or other arrangement under which a person may act on behalf of the Exchange as an assister, navigator or any other designation authorized or required by the Federal Act.***

Sec. 3. ***"Assister" has the meaning ascribed to it by regulations adopted by the Board of Directors of the Exchange pursuant to NRS 695I.370.***

Sec. 4. ***"Exchange" means the Silver State Health Insurance Exchange established by NRS 695I.200.***

Sec. 5. ***"Exchange enrollment facilitator" means a person certified pursuant to this chapter who is engaged in the business of facilitating enrollment in qualified health plans offered by the Exchange.***

Sec. 6. ***"Navigator" means a person or entity that meets the requirements of 45 C.F.R. 155.210 and any other requirements of the Exchange.***

Sec. 7. ***"Qualified health plan" has the meaning ascribed to it in NRS 695I.080.***

Sec. 8. ***1. The provisions of NRS 683A.341 and 683A.351 apply to exchange enrollment facilitators.***

2. For the purposes of subsection 1, unless the context requires that NRS 683A.341 or 683A.351 apply only to producers of insurance or insurers, any reference in those sections to "producer of insurance" or "insurer" must be replaced by a reference to "exchange enrollment facilitator."

Sec. 9. ***1. An applicant for an initial certificate as an exchange enrollment facilitator must:***

(a) Be a natural person of not less than 18 years of age;

(b) Apply on a form prescribed by the Commissioner;

(c) Pass a written examination established by the Commissioner by regulation;

(d) Successfully complete a course of instruction established by the Commissioner by regulation;

(e) Submit fingerprints as required pursuant to section 10 of this act; and

(f) Pay the nonrefundable:

(1) Application and certificate fee set forth in NRS 680B.010;

(2) Initial fee set forth in NRS 680C.110; and

(3) Additional fee of not more than $15 for the processing of the application established pursuant to section 25 of this act.

2. The additional fee for the processing of applications pursuant to subparagraph (3) of paragraph (f) of subsection 1 must be deposited in the Insurance Recovery Account created pursuant to NRS 679B.305.

Sec. 10. *1. The Commissioner shall prescribe the form for application for a certificate as an exchange enrollment facilitator. The form must require the applicant to declare, under penalty of refusal to issue, or suspension or revocation of, the certificate of the applicant, that the statements made in the application are true, correct and complete to the best of his or her knowledge and belief.*

2. Before approving an application, the Commissioner must find that the applicant:

(a) Meets the requirements of section 9 of this act.

(b) Has not committed any act that is a ground for refusal to issue, or suspension or revocation of a certificate pursuant to NRS 683A.451.

(c) Paid all applicable fees prescribed pursuant to section 9 of this act.

(d) Meets the requirements of subsections 3 and 5.

3. An applicant must, as part of his or her application and at the applicant's own expense:

(a) Arrange to have a complete set of his or her fingerprints taken by a law enforcement agency or other authorized entity acceptable to the Commissioner; and

(b) Submit to the Commissioner:

(1) A completed fingerprint card and written permission authorizing the Commissioner to submit the applicant's fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for a report on the applicant's background and to such other law enforcement agencies as the Commissioner deems necessary; or

(2) Written verification, on a form prescribed by the Commissioner, stating that the fingerprints of the applicant were taken and directly forwarded electronically or by another means to the Central Repository

and that the applicant has given written permission to the law enforcement agency or other authorized entity taking the fingerprints to submit the fingerprints to the Central Repository for submission to the Federal Bureau of Investigation for a report on the applicant's background and to such other law enforcement agencies as the Commissioner deems necessary.

4. The Commissioner may:

(a) Unless the applicant's fingerprints are directly forwarded pursuant to subparagraph (2) of paragraph (b) of subsection 3, submit those fingerprints to the Central Repository for submission to the Federal Bureau of Investigation and to such other law enforcement agencies as the Commissioner deems necessary;

(b) Request from each such agency any information regarding the applicant's background as the Commissioner deems necessary; and

(c) Adopt regulations concerning the procedures for obtaining the information described in paragraph (b).

5. The Commissioner may require from the applicant any document reasonably necessary to verify information contained in an application.

6. Except as otherwise provided in section 23 of this act, a certificate issued pursuant to this chapter is valid for 3 years after the date of issuance unless it is suspended, revoked or otherwise terminated.

Sec. 11. *1. A person taking the examination required pursuant to section 9 of this act must apply to the Commissioner to take the examination and pay a nonrefundable fee in an amount prescribed in the regulations adopted pursuant to section 25 of this act.*

2. A person who fails to appear for the examination as scheduled or fails to pass the examination must reapply for examination and pay the required fees in order to be scheduled for another examination.

Sec. 12. *1. A certificate may be renewed for an additional 3-year period by submitting to the Commissioner an application for renewal and:*

(a) If the application is made:

(1) On or before the expiration date of the certificate, all applicable renewal fees and an additional fee established by the Commissioner of not more than $15 for deposit in the Insurance Recovery Account created pursuant to NRS 679B.305; or

(2) Except as otherwise provided in subsection 3:

(I) Not more than 30 days after the expiration date of the certificate, all applicable renewal fees plus any late fee required and an additional fee established by the Commissioner of not more than $15 for deposit in the Insurance Recovery Account created pursuant to NRS 679B.305; or

(II) More than 30 days but not more than 1 year after the expiration date of the certificate, all applicable renewal fees plus a penalty of twice all

applicable renewal fees, except for any fee required pursuant to NRS 680C.110.

(b) Proof of the successful completion of appropriate courses of study required for renewal, as established by the Commissioner by regulation.

2. The fees specified in this section are not refundable.

3. An exchange enrollment facilitator who is unable to renew his or her certificate because of military service, extended medical disability or other extenuating circumstance may request a waiver of the time limit and of any fine or sanction otherwise required or imposed because of the failure to renew.

Sec. 13. ***1. An applicant for the issuance or renewal of a certificate to act as an exchange enrollment facilitator shall submit to the Commissioner the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.***

2. The Commissioner shall include the statement required pursuant to subsection 1 in:

(a) The application or any other forms that must be submitted for the issuance or renewal of the certificate; or

(b) A separate form prescribed by the Commissioner.

3. A certificate to act as an exchange enrollment facilitator may not be issued or renewed by the Commissioner if the applicant is a natural person who:

(a) Fails to submit the statement required pursuant to subsection 1; or

(b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Commissioner shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

Sec. 14. ***1. If the Commissioner receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a certificate to act as an***

exchange enrollment facilitator, the Commissioner shall deem the certificate issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Commissioner receives a letter issued to the holder of the certificate by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the certificate has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

2. The Commissioner shall reinstate a certificate to act as an exchange enrollment facilitator that has been suspended by a district court pursuant to NRS 425.540 if the Commissioner receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose certificate was suspended stating that the person whose certificate was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

Sec. 15. ***The application of a natural person who applies for the issuance or renewal of a certificate as an exchange enrollment facilitator must include the social security number of the applicant.***

Sec. 16. ***1. A certificate issued pursuant to this chapter must state the certificate holder's name, address, personal identification number, the date of issuance and the date of expiration, and must contain any other information the Commissioner considers necessary. The certificate must be made available by the certificate holder for public inspection upon request.***

2. A certificate holder shall inform the Commissioner of all locations from which he or she conducts business and of each change of business or residence address, in writing or by other means acceptable to the Commissioner, within 30 days after the date on which the change takes place. If a certificate holder changes his or her business or residence address without giving written notice and the Commissioner is unable to locate the certificate holder after diligent effort, the Commissioner may revoke the certificate without a hearing. The mailing of a letter by certified mail, return receipt requested, addressed to the certificate holder at his or her last mailing address appearing on the records of the Division, and the return of the letter undelivered, constitutes a diligent effort by the Commissioner.

Sec. 17. ***1. If the Commissioner believes that a temporary certificate is necessary to carry on the business of facilitating selection of a qualified health plan, the Commissioner may issue a temporary certificate as an exchange enrollment facilitator for 180 days or less without requiring an examination to:***

(a) The surviving spouse, personal representative or guardian of an exchange enrollment facilitator who dies or becomes incompetent, to allow adequate time for the sale of the business, the recovery or return of the

exchange enrollment facilitator, or the training and certification of new personnel to operate the business;

(b) A member or employee of a business organization appointed by the Exchange, upon the death or disability of the natural person designated in its application or certificate;

(c) The designee of an exchange enrollment facilitator entering active service in the Armed Forces of the United States; or

(d) A person in any other circumstance in which the Commissioner believes that the public interest will be best served by issuing the certificate.

2. The Commissioner may by order limit the authority of a person who holds a temporary certificate as the Commissioner believes necessary to protect persons insured and the public. The Commissioner may require the person who holds a temporary certificate to have a suitable sponsor who is an exchange enrollment facilitator and who assumes responsibility for all acts of the person who holds the temporary certificate, and may impose similar requirements to protect persons insured and the public. The Commissioner may order revocation of a temporary certificate if the interests of persons insured or the public are endangered. A temporary certificate expires when the owner or the personal representative or guardian of the owner disposes of the business.

Sec. 18. *An entity other than a natural person that is appointed by the Exchange must require that each natural person who is authorized to act for the entity be an exchange enrollment facilitator. Each exchange enrollment facilitator must be named in the partnership's or corporation's appointment.*

Sec. 19. *An exchange enrollment facilitator:*

1. May not concurrently hold a license as a producer of insurance, an insurance consultant or a surplus lines broker's license in any line.

2. Shall not:

(a) Sell, solicit or negotiate insurance;

(b) Receive any consideration, directly or indirectly, from any health insurance issuer or issuer of stop-loss insurance in connection with the enrollment of any individuals or employees in a qualified health plan or health insurance plan; or

(c) Employ, be employed by or be in partnership with, or receive any remuneration arising out of his or her activities as an exchange enrollment facilitator from, any licensed producer of insurance, insurance consultant or surplus lines broker or insurer.

Sec. 20. *An exchange enrollment facilitator is obligated under his or her certificate to:*

1. Serve with objectivity and complete loyalty the interests of his or her client; and

2. Render to his or her client information, counsel and service which, to the best of the exchange enrollment facilitator's knowledge, understanding and opinion, best serves the client's insurance needs and interests.

Sec. 21. *1. A nonresident who is an exchange enrollment facilitator shall appoint the Commissioner, in writing, as his or her registered agent upon whom may be served all legal process issued in connection with any action or proceeding brought or pending in this State against or involving the nonresident certificate holder and relating to transactions under his or her Nevada certificate. The appointment is irrevocable and remains in force so long as such an action or proceeding exists or may arise. Duplicate copies of process must be served upon the Commissioner, or other person in apparent charge of the Division during the Commissioner's absence, accompanied by payment of the fee for service of process. Promptly after any such service, the Commissioner shall forward a copy of the process by certified mail, return receipt requested, to the nonresident certificate holder at his or her business address of most recent record with the Division. Process so served and the copy so forwarded constitutes personal service upon the certificate holder for all purposes.*

2. Each such nonresident certificate holder shall also file with the Commissioner a written agreement to appear before the Commissioner pursuant to notice of hearing, order to show cause or subpoena issued by the Commissioner and sent by certified mail to the certificate holder at his or her business address of most recent record with the Division, and that if the nonresident certificate holder fails to appear, the nonresident certificate holder thereby consents to any subsequent suspension, revocation or refusal to renew his or her certificate.

Sec. 22. *1. The Commissioner may place an exchange enrollment facilitator on probation, suspend his or her certificate for not more than 12 months, or revoke or refuse to renew his or her certificate, or may impose an administrative fine or take any combination of the foregoing actions, for one or more of the causes set forth in NRS 683A.451.*

2. The provisions of NRS 683A.461 also apply to an exchange enrollment facilitator.

Sec. 23. *1. Upon the suspension, limitation or revocation of the certificate of an exchange enrollment facilitator, the Commissioner shall immediately notify the certificate holder in person or by mail addressed to the certificate holder at his or her most recent address of record with the Division. Notice by mail is effective when mailed.*

2. Upon the suspension, limitation or revocation of the certificate of an exchange enrollment facilitator, the Commissioner shall immediately notify the Executive Director of the Exchange. Upon receipt of such

notification, the Executive Director shall immediately terminate the certificate holder's appointment.

3. The Commissioner shall not again issue a certificate under this chapter to any natural person whose certificate has been revoked until at least 1 year after the revocation has become final, and thereafter not until the person again qualifies for a certificate under this chapter. A person whose certificate has been revoked twice is not eligible for any certificate under this title.

Sec. 24. ***1. If an exchange enrollment facilitator fails to obtain an appointment by the Exchange within 30 days after the date on which the certificate was issued, the exchange enrollment facilitator's certificate expires and the exchange enrollment facilitator shall promptly deliver his or her certificate to the Commissioner.***

2. If the Exchange terminates an exchange enrollment facilitator's appointment, the exchange enrollment facilitator is prohibited from engaging in the business of an exchange enrollment facilitator under his or her certificate until such time as the exchange enrollment facilitator receives a new appointment by the Exchange. If the exchange enrollment facilitator does not obtain a new appointment by the Exchange within 30 days after the date the appointment was terminated, the exchange enrollment facilitator's certificate expires and the exchange enrollment facilitator shall promptly deliver his or her certificate to the Commissioner.

3. Except as otherwise provided in subsection 4, if the Exchange terminates the appointment of an entity other than a natural person:

(a) The appointments of exchange enrollment facilitators named on the entity's appointment also terminate; and

(b) The exchange enrollment facilitator is prohibited from engaging in the business of an exchange enrollment facilitator under his or her certificate until such time as the exchange enrollment facilitator receives a new appointment by the Exchange. If the exchange enrollment facilitator does not obtain a new appointment by the Exchange within 30 days after the date on which the appointment was terminated, the exchange enrollment facilitator's certificate expires and the exchange enrollment facilitator shall promptly deliver his or her certificate to the Commissioner.

4. The provisions of subsection 3 do not apply to any appointments the exchange enrollment facilitator may have individually or through an entity other than the terminated entity.

5. Upon the termination of an appointment for an entity or certificate holder, the Executive Director of the Exchange shall notify the Commissioner of the effective date of the termination and the grounds for termination.

Sec. 25. ***1. The Commissioner shall adopt regulations:***

(a) For establishing and conducting an examination required by this chapter for the initial issuance and renewal of a certificate;

(b) For the establishment of a course of instruction as required by this chapter for the initial issuance and renewal of a certificate;

(c) Establishing the fee required by section 9 of this act for the processing of an application;

(d) Establishing the fee required by section 11 of this act for the administration of the examination; and

(e) For carrying out the provisions of this chapter.

2. The Commissioner may contract with a person to perform functions required by this chapter, including, without limitation:

(a) Administering examinations;

(b) Providing courses of instruction;

(c) Processing applications; and

(d) Collecting fees.

Sec. 26. ***1. No person may engage in the business of an exchange enrollment facilitator unless a certificate has been issued to the person by the Commissioner.***

2. A person who violates subsection 1 is subject to an administrative fine of not more than $1,000 for each act or violation.

Sec. 27. Chapter 679A of NRS is hereby amended by adding thereto the provisions set forth as sections 28, 28.5 and 29 of this act.

Sec. 28. ***"Federal Act" means the federal Patient Protection and Affordable Care Act, Public Law 111-148, as amended by the federal Health Care and Education Reconciliation Act of 2010, Public Law 111-152, and any amendments to, or regulations or guidance issued pursuant to, those acts.***

Sec. 28.5.

Grandfathered plan" means a health benefit plan that meets the requirements of 42 U.S.C. § 18011.

Sec. 29. ***"Rating characteristic" means age, family composition, tobacco use or geographic rating area.***

Sec. 30. NRS 679A.020 is hereby amended to read as follows:

679A.020 As used in this Code, unless the context otherwise requires, the words and terms defined in NRS 679A.030 to 679A.130, inclusive, ***and sections 28, 28.5 and 29 of this act*** have the meanings ascribed to them in those sections.

Sec. 31. NRS 680B.010 is hereby amended to read as follows:

680B.010 The Commissioner shall collect in advance and receipt for, and persons so served must pay to the Commissioner, fees and miscellaneous charges as follows:

1. Insurer's certificate of authority:

(a) Filing initial application $2,450
(b) Issuance of certificate:
(1) For any one kind of insurance as defined in NRS 681A.010 to 681A.080, inclusive 283
(2) For two or more kinds of insurance as so defined 578
(3) For a reinsurer 2,450
(c) Each annual continuation of a certificate 2,450
(d) Reinstatement pursuant to NRS 680A.180, 50 percent of the annual continuation fee otherwise required.
(e) Registration of additional title pursuant to NRS 680A.240 50
(f) Annual renewal of the registration of additional title pursuant to NRS 680A.240 25
2. Charter documents, other than those filed with an application for a certificate of authority. Filing amendments to articles of incorporation, charter, bylaws, power of attorney and other constituent documents of the insurer, each document $10
3. Annual statement or report. For filing annual statement or report ... $25
4. Service of process:
(a) Filing of power of attorney $5
(b) Acceptance of service of process 30
5. Licenses, appointments and renewals for producers of insurance:
(a) Application and license $125
(b) Appointment fee for each insurer 15
(c) Triennial renewal of each license 125
(d) Temporary license $10
(e) Modification of an existing license 50
6. Surplus lines brokers:
(a) Application and license $125
(b) Triennial renewal of each license 125
7. Managing general agents' licenses, appointments and renewals:
(a) Application and license $125
(b) Appointment fee for each insurer 15
(c) Triennial renewal of each license 125
8. Adjusters' licenses and renewals:
(a) Independent and public adjusters:
(1) Application and license $125
(2) Triennial renewal of each license 125
(b) Associate adjusters:
(1) Application and license 125
(2) Triennial renewal of each license 125
9. Licenses and renewals for appraisers of physical damage to motor vehicles:

(a) Application and license..... $125
(b) Triennial renewal of each license 125
10. Additional title and property insurers pursuant to NRS 680A.240:
(a) Original registration..... $50
(b) Annual renewal..... 25
11. Insurance vending machines:
(a) Application and license, for each machine $125
(b) Triennial renewal of each license 125
12. Permit for solicitation for securities:
(a) Application for permit $100
(b) Extension of permit 50
13. Securities salespersons for domestic insurers:
(a) Application and license..... $25
(b) Annual renewal of license 15
14. Rating organizations:
(a) Application and license..... $500
(b) Annual renewal..... 500
15. Certificates and renewals for administrators licensed pursuant to chapter 683A of NRS:
(a) Application and certificate of registration $125
(b) Triennial renewal..... 125
16. For copies of the insurance laws of Nevada, a fee which is not less than the cost of producing the copies.
17. Certified copies of certificates of authority and licenses issued pursuant to the Code..... $10
18. For copies and amendments of documents on file in the Division, a reasonable charge fixed by the Commissioner, including charges for duplicating or amending the forms and for certifying the copies and affixing the official seal.
19. Letter of clearance for a producer of insurance or other licensee if requested by someone other than the licensee $10
20. Certificate of status as a producer of insurance or other licensee if requested by someone other than the licensee $10
21. Licenses, appointments and renewals for bail agents:
(a) Application and license..... $125
(b) Appointment for each surety insurer 15
(c) Triennial renewal of each license……...125
22. Licenses and renewals for bail enforcement agents:
(a) Application and license..... $125
(b) Triennial renewal of each license 125
23. Licenses, appointments and renewals for general agents

for bail:
(a) Application and license..... $125
(b) Initial appointment by each insurer 15
(c) Triennial renewal of each license 125
24. Licenses and renewals for bail solicitors:
(a) Application and license..... $125
(b) Triennial renewal of each license 125
25. Licenses and renewals for title agents and escrow officers:
(a) Application and license..... $125
(b) Triennial renewal of each license 125
(c) Appointment fee for each title insurer 15
(d) Change in name or location of business or in association 10
26. Certificate of authority and renewal for a seller of prepaid funeral contracts..... $125
27. Licenses and renewals for agents for prepaid funeral contracts:
(a) Application and license..... $125
(b) Triennial renewal of each license 125
28. Licenses, appointments and renewals for agents for fraternal benefit societies:
(a) Application and license..... $125
(b) Appointment for each insurer..... 15
(c) Triennial renewal of each license $125
29. Reinsurance intermediary broker or manager:
(a) Application and license..... $125
(b) Triennial renewal of each license 125
30. Agents for and sellers of prepaid burial contracts:
(a) Application and certificate or license $125
(b) Triennial renewal..... 125
31. Risk retention groups:
(a) Initial registration $250
(b) Each annual continuation of a certificate of registration 250
32. Required filing of forms:
(a) For rates and policies..... $25
(b) For riders and endorsements..... 10
33. Viatical settlements:
(a) Provider of viatical settlements:
(1) Application and license..... $1,000
(2) Annual renewal..... 1,000
(b) Broker of viatical settlements:
(1) Application and license..... 500
(2) Annual renewal..... 500
(c) Registration of producer of insurance acting as a viatical

settlement broker 250

34. Insurance consultants:

(a) Application and license..... $125

(b) Triennial renewal..... 125

35. Licensee's association with or appointment or sponsorship by an organization:

(a) Initial appointment, association or sponsorship, for each Organization $50

(b) Renewal of each association or sponsorship 50

(c) Annual renewal of appointment..... 15

36. Purchasing groups:

(a) Initial registration and review of an application $100

(b) Each annual continuation of registration..... 100

37. ***Exchange enrollment facilitators:***

(a) Application and certificate $125

(b) Triennial renewal of each certificate 125

(c) Temporary certificate..... 10

(d) Modification of an existing certificate 50

38. In addition to any other fee or charge, all applicable fees required of any person, including, without limitation, persons listed in this section, pursuant to NRS 680C.110.

Sec. 31.5. **NRS 680B.050 is hereby amended to read as follows:**

680B.050 1. Except as otherwise provided in this section, a domestic or foreign insurer ***, including, without limitation, an insurer that is exempt from federal taxation pursuant to 26 U.S.C. § 501(c)(29),*** which owns and substantially occupies and uses any building in this state as its home office or as a regional home office is entitled to the following credits against the tax otherwise imposed by NRS 680B.027:

(a) An amount equal to 50 percent of the aggregate amount of the tax as determined under NRS 680B.025 to 680B.039, inclusive; and

(b) An amount equal to the full amount of ad valorem taxes paid by the insurer during the calendar year next preceding the filing of the report required by NRS 680B.030, upon the home office or regional home office together with the land, as reasonably required for the convenient use of the office, upon which the home office or regional home office is situated.

➥ These credits must not reduce the amount of tax payable to less than 20 percent of the tax otherwise payable by the insurer under NRS 680B.027.

2. As used in this section, a "regional home office" means an office of the insurer performing for an area covering two or more states, with a minimum of 25 employees on its office staff, the supervision, underwriting, issuing and servicing of the insurance business of the insurer.

3. The insurer shall, on or before March 15 of each year, furnish proof to the satisfaction of the Executive Director of the Department of Taxation, on forms furnished by or acceptable to the Executive Director, as to its entitlement to the tax reduction provided for in this section. A determination of the Executive Director of the Department of Taxation pursuant to this section is not binding upon the Commissioner for the purposes of NRS 682A.240.

4. An insurer is not entitled to the credits provided in this section unless:

(a) The insurer owned the property upon which the reduction is based for the entire year for which the reduction is claimed; and

(b) The insurer occupied at least 70 percent of the usable space in the building to transact insurance or the insurer is a general or limited partner and occupies 100 percent of its ownership interest in the building.

5. If two or more insurers under common ownership or management and control jointly own in equal interest, and jointly occupy and use such a home office or regional home office in this state for the conduct and administration of their respective insurance businesses as provided in this section, each of the insurers is entitled to the credits provided for by this section if otherwise qualified therefor under this section.

6. For the purposes of subsection 1, any insurer that is exempt from federal taxation pursuant to 26 U.S.C.§ 501(c)(29) and is restricted or prohibited from purchasing or owning real property pursuant to a contract with the Federal Government, including any entity thereof, shall be deemed to own any portion of any real property that the insurer occupies. The provisions of this subsection expire upon the expiration, cancellation, repayment or any other termination of the contract restricting or prohibiting such purchase or ownership.

Sec. 32. NRS 680C.110 is hereby amended to read as follows:

680C.110 1. In addition to any other fee or charge, the Commissioner shall collect in advance and receipt for, and persons so served must pay to the Commissioner, the fees required by this section.

2. A fee required by this section must be:

(a) If an initial fee, paid at the time of an initial application or issuance of a license, as applicable;

(b) If an annual fee, paid on or before March 1 of every year;

(c) If a triennial fee, paid on or before the time of continuation, renewal or other similar action in regard to a certificate, license, permit or other type of authorization, as applicable; and

(d) Deposited in the Fund for Insurance Administration and Enforcement created by NRS 680C.100.

3. The fees required pursuant to this section are not refundable.

4. The following fees must be paid by the following persons to the Commissioner:

(a) Associations of self-insured private employers, as defined in NRS 616A.050:

(1) Initial fee $1,300

(2) Annual fee $1,300

(b) Associations of self-insured public employers, as defined in NRS 616A.055:

(1) Initial fee $1,300

(2) Annual fee $1,300

(c) Independent review organizations, as provided for in NRS 616A.469 or 683A.3715, or both:

(1) Initial fee $60

(2) Annual fee$ $60

(d) Insurers not otherwise provided for in this subsection:

(1) Initial fee $1,300

(2) Annual fee $1,300

(e) Producers of insurance, as defined in NRS 679A.117:

(1) Initial fee $60

(2) Triennial fee $60

(f) Accredited reinsurers, as provided for in NRS 681A.160:

(1) Initial fee $1,300

(2) Annual fee $1,300

(g) Intermediaries, as defined in NRS 681A.330:

(1) Initial fee $60

(2) Triennial fee $60

(h) Reinsurers, as defined in NRS 681A.370:

(1) Initial fee $1,300

(2) Annual fee $1,300

(i) Administrators, as defined in NRS 683A.025:

(1) Initial fee $60

(2) Triennial fee $60

(j) Managing general agents, as defined in NRS 683A.060:

(1) Initial fee $60

(2) Triennial fee $60

(k) Agents who perform utilization reviews, as defined in NRS 683A.376:

(1) Initial fee $60

(2) Annual fee $60

(l) Insurance consultants, as defined in NRS 683C.010:

(1) Initial fee $60

(2) Triennial fee $60

(m) Independent adjusters, as defined in NRS 684A.030:
(1) Initial fee $60
(2) Triennial fee $60
(n) Public adjusters, as defined in NRS 684A.030:
(1) Initial fee $60
(2) Triennial fee $60
(o) Associate adjusters, as defined in NRS 684A.030:
(1) Initial fee $60
(2) Triennial fee $60
(p) Motor vehicle physical damage appraisers, as defined in NRS 684B.010:
(1) Initial fee $60
(2) Triennial fee $60
(q) Brokers, as defined in NRS 685A.031:
(1) Initial fee $60
(2) Triennial fee $60
(r) Eligible surplus line insurers, as provided for in NRS 685A.070:
(1) Initial fee $1,300
(2) Annual fee $1,300
(s) Companies, as defined in NRS 686A.330:
(1) Initial fee $1,300
(2) Annual fee $1,300
(t) Rate service organizations, as defined in NRS 686B.020:
(1) Initial fee $1,300
(2) Annual fee $1,300
(u) Brokers of viatical settlements, as defined in NRS 688C.030:
(1) Initial fee $60
(2) Annual fee $60
(v) Providers of viatical settlements, as defined in NRS 688C.080:
(1) Initial fee $60
(2) Annual fee $60
(w) Agents for prepaid burial contracts subject to the provisions of chapter 689 of NRS:
(1) Initial fee $60
(2) Triennial fee $60
(x) Agents for prepaid funeral contracts subject to the provisions of chapter 689 of NRS:
(1) Initial fee $60
(2) Triennial fee $60
(y) Sellers of prepaid burial contracts subject to the provisions of chapter 689 of NRS:
(1) Initial fee $60

(2) Triennial fee..... $60
(z) Sellers of prepaid funeral contracts subject to the provisions of chapter 689 of NRS:
(1) Initial fee..... $60
(2) Triennial fee..... $60
(aa) Providers, as defined in NRS 690C.070:
(1) Initial fee..... $1,300
(2) Annual fee..... $1,300
(bb) Escrow officers, as defined in NRS 692A.028:
(1) Initial fee..... $60
(2) Triennial fee..... $60
(cc) Title agents, as defined in NRS 692A.060:
(1) Initial fee..... $60
(2) Triennial fee..... $60
(dd) Captive insurers, as defined in NRS 694C.060:
(1) Initial fee..... $250
(2) Annual fee..... $250
(ee) Fraternal benefit societies, as defined in NRS 695A.010:
(1) Initial fee..... $1,300
(2) Annual fee..... $1,300
(ff) Insurance agents for societies, as provided for in NRS 695A.330:
(1) Initial fee..... $60
(2) Triennial fee..... $60
(gg) Corporations subject to the provisions of chapter 695B of NRS:
(1) Initial fee..... $1,300
(2) Annual fee..... $1,300
(hh) Health maintenance organizations, as defined in NRS 695C.030:
(1) Initial fee..... $1,300
(2) Annual fee..... $1,300
(ii) Organizations for dental care, as defined in NRS 695D.060:
(1) Initial fee..... $1,300
(2) Annual fee..... $1,300
(jj) Purchasing groups, as defined in NRS 695E.100:
(1) Initial fee..... $250
(2) Annual fee..... $250
(kk) Risk retention groups, as defined in NRS 695E.110:
(1) Initial fee..... $250
(2) Annual fee..... $250
(ll) Prepaid limited health service organizations, as defined in NRS 695F.050:

(1) Initial fee $1,300
(2) Annual fee $1,300
(mm) Medical discount plans, as defined in NRS 695H.050:
(1) Initial fee $1,300
(2) Annual fee $1,300
(nn) Club agents, as defined in NRS 696A.040:
(1) Initial fee $60
(2) Triennial fee $60
(oo) Motor clubs, as defined in NRS 696A.050:
(1) Initial fee $1,300
(2) Annual fee $1,300
(pp) Bail agents, as defined in NRS 697.040:
(1) Initial fee $60
(2) Triennial fee $60
(qq) Bail enforcement agents, as defined in NRS 697.055:
(1) Initial fee $60
(2) Triennial fee $60
(rr) Bail solicitors, as defined in NRS 697.060:
(1) Initial fee $60
(2) Triennial fee $60
(ss) General agents, as defined in NRS 697.070:
(1) Initial fee $60
(2) Triennial fee $60
(tt) Exchange enrollment facilitators, as defined in section 5 of this act:
(1) Initial fee $60
(2) Triennial fee $60

Sec. 32.1. **NRS 686B.030 is hereby amended to read as follows:**

686B.030 1. Except as otherwise provided in subsection 2 ~~[,]~~ ***and NRS 686B.125,*** NRS 686B.010 to 686B.1799, inclusive, apply to all kinds and lines of direct insurance written on risks or operations in this State by any insurer authorized to do business in this State, except:

(a) Ocean marine insurance;
(b) Contracts issued by fraternal benefit societies;
(c) Life insurance and credit life insurance;
(d) Variable and fixed annuities;
(e) Credit accident and health insurance;
(f) Property insurance for business and commercial risks;
(g) Casualty insurance for business and commercial risks other than insurance covering the liability of a practitioner licensed pursuant to chapters 630 to 640, inclusive, of NRS;
(h) Surety insurance;

(i) Health insurance offered through a group health plan maintained by a large employer; and

(j) Credit involuntary unemployment insurance.

2. The exclusions set forth in paragraphs (f) and (g) of subsection 1 extend only to issues related to the determination or approval of premium rates.

Sec. 32.2. NRS 686B.070 is hereby amended to read as follows:

686B.070 1. Every authorized insurer and every rate service organization licensed under NRS 686B.140 which has been designated by any insurer for the filing of rates under subsection 2 of NRS 686B.090 shall file with the Commissioner all:

(a) Rates and proposed increases thereto;

(b) Forms of policies to which the rates apply;

(c) Supplementary rate information; and

(d) Changes and amendments thereof,

➥ made by it for use in this state.

2. If an insurer makes a filing for a proposed increase in a rate for insurance covering the liability of a practitioner licensed pursuant to chapter 630, 631, 632 or 633 of NRS for a breach of the practitioner's professional duty toward a patient, the insurer shall not include in the filing any component that is directly or indirectly related to the following:

(a) Capital losses, diminished cash flow from any dividends, interest or other investment returns, or any other financial loss that is materially outside of the claims experience of the professional liability insurance industry, as determined by the Commissioner.

(b) Losses that are the result of any criminal or fraudulent activities of a director, officer or employee of the insurer.

➥ If the Commissioner determines that a filing includes any such component, the Commissioner shall, pursuant to NRS 686B.110, disapprove the proposed increase, in whole or in part, to the extent that the proposed increase relies upon such a component.

3. If an insurer makes a filing for a proposed increase in a rate for a health benefit plan, as that term is defined in section 33.4 of this act, the filing must include a unified rate review template, a written description justifying the rate increase and any rate filing documentation.

4. As used in this section, "rate filing documentation," "unified rate review template" and "written description justifying the rate increase" have the meanings ascribed in 45 C.F.R. 154.215.

Sec. 32.5. **NRS 686B.080 is hereby amended to read as follows:**

686B.080 ~~[Each]~~

1. Except as otherwise provided in subsections 2 and 3, each filing and any supporting information filed under NRS 686B.010 to 686B.1799,

inclusive, must, as soon as filed, be open to public inspection at any reasonable time. Copies may be obtained by any person on request and upon payment of a reasonable charge therefor.

2. All approved rates for health benefit plans available for purchase by individuals are considered proprietary and to constitute trade secrets, and are not subject to disclosure by the Commissioner to persons outside the Division except as agreed to by the carrier or as ordered by a court of competent jurisdiction.

3. The provisions of subsection 2 expire annually on the date 30 days before open enrollment.

4. For the purposes of this section, "open enrollment" has the meaning ascribed to it in 45 C.F.R. 147.104(b)(1)(ii).

Sec. 32.8. **NRS 686B.125 is hereby amended to read as follows:**

686B.125 ~~[No]~~

1. Except as otherwise provided in this section, no insurer, organization or person licensed pursuant to this title may sell or offer to sell any contract providing coverage for dental care at a rate which is excessive for the benefits offered to the insured or member. For the purpose of this section, a ratio of losses to premiums collected which is less than 75 percent is presumed to show an excessive rate.

2. The provisions of subsection 1 do not apply to a contract providing coverage for dental care that is sold to a small employer pursuant to the provisions of chapter 689C of NRS.

3. As used in this section, "small employer" has the meaning ascribed to it in NRS 689C.095.

Sec. 33. Chapter 687B of NRS is hereby amended by adding thereto the provisions set forth as sections 33.4 **~~[~~, 33.6 and~~]~~ to** 33.8 **, inclusive,** of this act.

Sec. 33.4. ***1. "Health benefit plan" means a policy, contract, certificate or agreement offered by a carrier to provide for, deliver payment for, arrange for the payment of, pay for or reimburse any of the costs of health care services. Except as otherwise provided in this section, the term includes catastrophic health insurance policies and a policy that pays on a cost-incurred basis.***

2. The term does not include:

(a) Coverage that is only for accident or disability income insurance, or any combination thereof;

(b) Coverage issued as a supplement to liability insurance;

(c) Liability insurance, including general liability insurance and automobile liability insurance;

(d) Workers' compensation or similar insurance;

(e) Coverage for medical payments under a policy of automobile insurance;

(f) Credit insurance;

(g) Coverage for on-site medical clinics;

(h) Other similar insurance coverage specified pursuant to the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, under which benefits for medical care are secondary or incidental to other insurance benefits;

(i) Coverage under a short-term health insurance policy; and

(j) Coverage under a blanket student accident and health insurance policy.

3. The term does not include the following benefits if the benefits are provided under a separate policy, certificate or contract of insurance or are otherwise not an integral part of a health benefit plan:

(a) Limited-scope dental or vision benefits;

(b) Benefits for long-term care, nursing home care, home health care or community-based care, or any combination thereof; and

(c) Such other similar benefits as are specified in any federal regulations adopted pursuant to the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.

4. The term does not include the following benefits if the benefits are provided under a separate policy, certificate or contract, there is no coordination between the provisions of the benefits and any exclusion of benefits under any group health plan maintained by the same plan sponsor, and the benefits are paid for a claim without regard to whether benefits are provided for such a claim under any group health plan maintained by the same plan sponsor:

(a) Coverage that is only for a specified disease or illness; and

(b) Hospital indemnity or other fixed indemnity insurance.

5. The term does not include any of the following, if offered as a separate policy, certificate or contract of insurance:

(a) Medicare supplemental health insurance as defined in section 1882(g)(1) of the Social Security Act, 42 U.S.C.§ 1395ss, as that section existed on July 16, 1997;

(b) Coverage supplemental to the coverage provided pursuant to the Civilian Health and Medical Program of Uniformed Services, CHAMPUS, 10 U.S.C. §§ 1071 et seq.; and

(c) Similar supplemental coverage provided under a group health plan.

Sec. 33.5. 1. All health benefit plans must be made available in the manner required by 45 C.F.R 147.104.

2. In addition to the requirements of subsection 1, any health benefit plan for individuals that is not purchased on the Silver State Health Insurance Exchange established by NRS 695I.210:

(a) Must be made available for purchase at any time during the calendar year;

(b) Is subject to a waiting period of not more than 90 days after the date on which the application for coverage was received;

(c) Is effective upon the first day of the month immediately succeeding the month in which the waiting period expires; and

(d) Is not retroactive to the date on which the application for coverage was received.

Sec. 33.6. ***1. A carrier that offers coverage in the group or individual market must, before making any network plan available for sale in this State, demonstrate the capacity to deliver services adequately by applying to the Commissioner for the issuance of a network plan and submitting a description of the procedures and programs to be implemented to meet the requirements described in subsection 2.***

2. The Commissioner shall determine, within 90 days after receipt of the application required pursuant to subsection 1, if the carrier, with respect to the network plan:

(a) Has demonstrated the willingness and ability to ensure that health care services will be provided in a manner to ensure both availability and accessibility of adequate personnel and facilities in a manner that enhances availability, accessibility and continuity of service;

(b) Has organizational arrangements established in accordance with regulations promulgated by the Commissioner; and

(c) Has a procedure established in accordance with regulations promulgated by the Commissioner to develop, compile, evaluate and report statistics relating to the cost of its operations, the pattern of utilization of its services, the availability and accessibility of its services and such other matters as may be reasonably required by the Commissioner.

3. The Commissioner may certify that the carrier and the network plan meet the requirements of subsection 2, or may determine that the carrier and the network plan do not meet such requirements. Upon a determination that the carrier and the network plan do not meet the requirements of subsection 2, the Commissioner shall specify in what respects the carrier and the network plan are deficient.

4. A carrier approved to issue a network plan pursuant to this section must file annually with the Commissioner a summary of information compiled pursuant to subsection 2 in a manner determined by the Commissioner.

5. The Commissioner shall, not less than once each year, or more often if deemed necessary by the Commissioner for the protection of the interests of the people of this State, make a determination concerning the availability and accessibility of the health care services of any network plan approved pursuant to this section.

6. The expense of any determination made by the Commissioner pursuant to this section must be assessed against the carrier and remitted to the Commissioner.

7. As used in this section, "network plan" has the meaning ascribed to it in NRS 689B.570.

Sec. 33.8. ***1. The premium rate charged by a health insurer for health benefit plans offered in the individual or small group market may vary with respect to the particular plan or coverage involved based solely on these characteristics:***

(a) Whether the plan or coverage applies to an individual or a family;

(b) Geographic rating area;

(c) Tobacco use, except that the rate shall not vary by a ratio of more than 1.5 to 1 for like individuals who vary in tobacco use; and

(d) Age, except that the rate must not vary by a ratio of more than 3 to 1 for like individuals of different age who are age 21 years or older and that the variation in rate must be actuarially justified for individuals who are under the age of 21 years, consistent with the uniform age rating curve established in the Federal Act. For the purpose of identifying the appropriate age adjustment under this paragraph and the age band defined in the Federal Act to a specific enrollee, the enrollee's age as of the date of policy issuance or renewal must be used.

2. The provisions of subsection 1:

(a) Apply to a fraternal benefit society organized under chapter 695A of NRS; and

(b) Do not apply to grandfathered plans.

Sec. 34. NRS 689A.020 is hereby amended to read as follows:

689A.020 Nothing in this chapter applies to or affects:

1. Any policy of liability or workers' compensation insurance with or without supplementary expense coverage therein.

2. Any group or blanket policy.

3. Life insurance, endowment or annuity contracts, or contracts supplemental thereto which contain only such provisions relating to health insurance as to:

(a) Provide additional benefits in case of death or dismemberment or loss of sight by accident or accidental means; or

(b) Operate to safeguard such contracts against lapse, or to give a special surrender value or special benefit or an annuity if the insured or annuitant

becomes totally and permanently disabled, as defined by the contract or supplemental contract.

4. Reinsurance, except as otherwise provided in NRS 689A.470 to 689A.740, inclusive, and 689C.610 to ~~[~~689C.980,~~]~~ ***689C.940,*** inclusive, relating to the program of reinsurance.

Sec. 35. NRS 689A.030 is hereby amended to read as follows:

689A.030 A policy of health insurance must not be delivered or issued for delivery to any person in this State unless it otherwise complies with this Code, and complies with the following:

1. The entire money and other considerations for the policy must be expressed therein.

2. The time when the insurance takes effect and terminates must be expressed therein.

3. It must purport to insure only one person, except that a policy may insure, originally or by subsequent amendment, upon the application of an adult member of a family, who shall be deemed the policyholder, any two or more eligible members of that family, including the husband, wife, ***domestic partner as defined in NRS 122A.030,*** dependent children, from the time of birth, adoption or placement for the purpose of adoption as provided in NRS 689A.043, or any ~~[~~children under a specified age which must not exceed~~]~~ ~~[~~19~~]~~ ***child on or before the last day of the month in which the child attains 26*** years ~~*[,]*~~ ~~[~~except as provided in NRS 689A.045,~~]~~ ***of age,*** and any other person dependent upon the policyholder.

4. The style, arrangement and overall appearance of the policy must not give undue prominence to any portion of the text, and every printed portion of the text of the policy and of any endorsements or attached papers must be plainly printed in light-faced type of a style in general use, the size of which must be uniform and not less than 10 points with a lowercase unspaced alphabet length not less than 120 points. "Text" includes all printed matter except the name and address of the insurer, the name or the title of the policy, the brief description, if any, and captions and subcaptions.

5. The exceptions and reductions of indemnity must be set forth in the policy and, other than those contained in NRS 689A.050 to 689A.290, inclusive, must be printed, at the insurer's option, with the benefit provision to which they apply or under an appropriate caption such as "Exceptions" or "Exceptions and Reductions," except that if an exception or reduction specifically applies only to a particular benefit of the policy, a statement of that exception or reduction must be included with the benefit provision to which it applies.

6. Each such form, including riders and endorsements, must be identified by a number in the lower left-hand corner of the first page thereof.

7. The policy must not contain any provision purporting to make any portion of the charter, rules, constitution or bylaws of the insurer a part of the policy unless that portion is set forth in full in the policy, except in the case of the incorporation of or reference to a statement of rates or classification of risks, or short-rate table filed with the Commissioner.

8. The policy must provide benefits for expense arising from care at home or health supportive services if that care or service was prescribed by a physician and would have been covered by the policy if performed in a medical facility or facility for the dependent as defined in chapter 449 of NRS.

9. The policy must provide, at the option of the applicant, benefits for expenses incurred for the treatment of abuse of alcohol or drugs, unless the policy provides coverage only for a specified disease or provides for the payment of a specific amount of money if the insured is hospitalized or receiving health care in his or her home.

10. The policy must provide benefits for expense arising from hospice care.

Sec. 36. NRS 689A.040 is hereby amended to read as follows:

689A.040 1. Except as otherwise provided in subsections 2 and 3, each such policy delivered or issued for delivery to any person in this State must contain the provisions specified in NRS 689A.050 to 689A.170, inclusive, in the words in which the provisions appear, except that the insurer may, at its option, substitute for one or more of the provisions corresponding provisions of different wording approved by the Commissioner which are in each instance not less favorable in any respect to the insured or the beneficiary. Each such provision must be preceded individually by the applicable caption shown or, at the option of the insurer, by such appropriate individual or group captions or subcaptions as the Commissioner may approve.

2. ~~[Each policy delivered or issued for delivery in this State after November 1, 1973, must contain a provision, if applicable, setting forth the provisions of NRS 689A.045.~~

~~3.]~~ If any such provision is in whole or in part inapplicable to or inconsistent with the coverage provided by a particular form of policy, the insurer, with the approval of the Commissioner, may omit from the policy any inapplicable provision or part of a provision, and shall modify any inconsistent provision or part of a provision in such a manner as to make the provision as contained in the policy consistent with the coverage provided by the policy.

Sec. 37. ~~[NRS 689A.0435 is hereby amended to read as follows:~~

~~689A.0435 1. A health benefit plan must provide an option of coverage for screening for and diagnosis of autism spectrum disorders and for treatment of autism spectrum disorders for persons covered by the policy~~

~~under the age of 18 or, if enrolled in high school, until the person reaches the age of 22.~~

~~— 2. Optional coverage provided pursuant to this section must be subject to:~~

~~— (a) A maximum benefit of not less than $36,000 per year for applied behavior analysis treatment; and~~

~~— (b) Copayment, deductible and coinsurance provisions and any other general exclusions or limitations of a policy of health insurance to the same extent as other medical services or prescription drugs covered by the policy.~~

~~— 3. A health benefit plan that offers or issues a policy of health insurance which provides coverage for outpatient care shall not:~~

~~— (a) Require an insured to pay a higher deductible, copayment or coinsurance or require a longer waiting period for [optional] coverage for outpatient care related to autism spectrum disorders than is required for other outpatient care covered by the policy; or~~

~~— (b) Refuse to issue a policy of health insurance or cancel a policy of health insurance solely because the person applying for or covered by the policy uses or may use in the future any of the services listed in subsection 1.~~

~~— 4. Except as provided in subsections 1 and 2, an insurer who offers optional coverage pursuant to subsection 1 shall not limit the number of visits an insured may make to any person, entity or group for treatment of autism spectrum disorders.~~

~~— 5. Treatment of autism spectrum disorders must be identified in a treatment plan and may include medically necessary habilitative or rehabilitative care, prescription care, psychiatric care, psychological care, behavior therapy or therapeutic care that is:~~

~~— (a) Prescribed for a person diagnosed with an autism spectrum disorder by a licensed physician or licensed psychologist; and~~

~~— (b) Provided for a person diagnosed with an autism spectrum disorder by a licensed physician, licensed psychologist, licensed behavior analyst or other provider that is supervised by the licensed physician, psychologist or behavior analyst.~~

~~— An insurer may request a copy of and review a treatment plan created pursuant to this subsection.~~

~~— 6. Nothing in this section shall be construed as requiring an insurer to provide reimbursement to an early intervention agency or school for services delivered through early intervention or school services.~~

~~— 7. As used in this section:~~

~~— (a) "Applied behavior analysis" means the design, implementation and evaluation of environmental modifications using behavioral stimuli and consequences to produce socially significant improvement in human behavior, including, without limitation, the use of direct observation,~~

~~measurement and functional analysis of the relations between environment and behavior.~~

~~(b) "Autism spectrum disorders" means a neurobiological medical condition including, without limitation, autistic disorder, Asperger's Disorder and Pervasive Developmental Disorder Not Otherwise Specified.~~

~~(c) "Behavioral therapy" means any interactive therapy derived from evidence based research, including, without limitation, discrete trial training, early intensive behavioral intervention, intensive intervention programs, pivotal response training and verbal behavior provided by a licensed psychologist, licensed behavior analyst, licensed assistant behavior analyst or certified autism behavior interventionist.~~

~~(d) "Certified autism behavior interventionist" means a person who is certified as an autism behavior interventionist by the Board of Psychological Examiners and who provides behavior therapy under the supervision of:~~

~~(1) A licensed psychologist;~~

~~(2) A licensed behavior analyst; or~~

~~(3) A licensed assistant behavior analyst.~~

~~(e) "Evidence based research" means research that applies rigorous, systematic and objective procedures to obtain valid knowledge relevant to autism spectrum disorders.~~

~~(f) "Habilitative or rehabilitative care" means counseling, guidance and professional services and treatment programs, including, without limitation, applied behavior analysis, that are necessary to develop, maintain and restore, to the maximum extent practicable, the functioning of a person.~~

~~(g) "Licensed assistant behavior analyst" means a person who holds current certification or meets the standards to be certified as a board certified assistant behavior analyst issued by the Behavior Analyst Certification Board, Inc., or any successor in interest to that organization, who is licensed as an assistant behavior analyst by the Board of Psychological Examiners and who provides behavioral therapy under the supervision of a licensed behavior analyst or psychologist.~~

~~(h) "Licensed behavior analyst" means a person who holds current certification or meets the standards to be certified as a board certified behavior analyst or a board certified assistant behavior analyst issued by the Behavior Analyst Certification Board, Inc., or any successor in interest to that organization, and who is licensed as a behavior analyst by the Board of Psychological Examiners.~~

~~(i) "Prescription care" means medications prescribed by a licensed physician and any health related services deemed medically necessary to determine the need or effectiveness of the medications.~~

~~(j) "Psychiatric care" means direct or consultative services provided by a psychiatrist licensed in the state in which the psychiatrist practices.~~

~~(k) "Psychological care" means direct or consultative services provided by a psychologist licensed in the state in which the psychologist practices.~~

~~(l) "Screening for autism spectrum disorders" means medically necessary assessments, evaluations or tests to screen and diagnose whether a person has an autism spectrum disorder.~~

~~(m) "Therapeutic care" means services provided by licensed or certified speech pathologists, occupational therapists and physical therapists.~~

~~(n) "Treatment plan" means a plan to treat an autism spectrum disorder that is prescribed by a licensed physician or licensed psychologist and may be developed pursuant to a comprehensive evaluation in coordination with a licensed behavior analyst.~~**]** **(Deleted by amendment.)**

Sec. 38. NRS 689A.044 is hereby amended to read as follows:

689A.044 1. A policy of health insurance must provide coverage for benefits payable for expenses incurred for administering the human papillomavirus vaccine **[**~~to women and girls at such ages~~**]** as recommended for vaccination by a competent authority, including, without limitation, the Centers for Disease Control and Prevention of the United States Department of Health and Human Services, the Food and Drug Administration or the manufacturer of the vaccine.

2. A policy of health insurance must not require an insured to obtain prior authorization for any service provided pursuant to subsection 1.

3. A policy subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after July 1, 2007, has the legal effect of including the coverage required by subsection 1, and any provision of the policy or the renewal which is in conflict with subsection 1 is void.

4. For the purposes of this section, "human papillomavirus vaccine" means the Quadrivalent Human Papillomavirus Recombinant Vaccine or its successor which is approved by the Food and Drug Administration for the prevention of human papillomavirus infection and cervical cancer.

Sec. 39. NRS 689A.0455 is hereby amended to read as follows:

689A.0455 1. **[**~~Notwithstanding any provisions of this Title to the contrary, a~~**]** ***A*** policy of health insurance delivered or issued for delivery in this state pursuant to this chapter must provide coverage for the treatment of conditions relating to severe mental illness.

2. **[**~~The coverage required by this section:~~

~~(a) Must provide:~~

~~(1) Benefits for at least 40 days of hospitalization as an inpatient per policy year and 40 visits for treatment as an outpatient per policy year, excluding visits for the management of medication; and~~

~~(2) That two visits for partial or respite care, or a combination thereof, may be substituted for each 1 day of hospitalization not used by the insured.~~

~~In no event is the policy required to provide coverage for more than 40 days of hospitalization as an inpatient per policy year.~~

~~(b) Is not required to provide benefits for psychosocial rehabilitation or care received as a custodial inpatient.~~

~~3. Any deductibles and copayments required to be paid for the coverage required by this section must not be greater than 150 percent of the out-of-pocket expenses required to be paid for medical and surgical benefits provided pursuant to the policy of health insurance.~~

~~4. The provisions of this section do not apply to a policy of health insurance if, at the end of the policy year, the premiums charged for that policy, or a standard grouping of policies, increase by more than 2 percent as a result of providing the coverage required by this section and the insurer obtains an exemption from the Commissioner pursuant to subsection 5.~~

~~5. To obtain the exemption required by subsection 4, an insurer must submit to the Commissioner a written request therefor that is signed by an actuary and sets forth the reasons and actuarial assumptions upon which the request is based. To determine whether an exemption may be granted, the Commissioner shall subtract from the amount of premiums charged during the policy year the amount of premiums charged during the period immediately preceding the policy year and the amount of any increase in the premiums charged that is attributable to factors that are unrelated to providing the coverage required by this section. The Commissioner shall verify the information within 30 days after receiving the request. The request shall be deemed approved if the Commissioner does not deny the request within that time.~~

~~6. The provisions of this section do not:~~

~~(a) Limit the provision of specialized services covered by Medicaid for persons with conditions relating to mental health or substance abuse.~~

~~(b) Supersede any provision of federal law, any federal or state policy relating to Medicaid, or the terms and conditions imposed on any Medicaid waiver granted to this state with respect to the provisions of services to persons with conditions relating to mental health or substance abuse.~~

~~7. A policy of health insurance subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after January 1, 2000, has the legal effect of including the coverage required by this section, and any provision of the policy or the renewal which is in conflict with this section is void, unless the policy is otherwise exempt from the provisions of this section pursuant to subsection 4.~~

~~8.~~**]** As used in this section, "severe mental illness" means any of the following mental illnesses that are biologically based and for which diagnostic criteria are prescribed in the ***most recent edition of the*** Diagnostic

and Statistical Manual of Mental Disorders, ~~[Fourth Edition,]~~ published by the American Psychiatric Association:

(a) Schizophrenia.
(b) Schizoaffective disorder.
(c) Bipolar disorder.
(d) Major depressive disorders.
(e) Panic disorder.
(f) Obsessive-compulsive disorder.

Sec. 39.5. **NRS 689A.230 is hereby amended to read as follows:**

689A.230 1. There may be a provision as follows:

Coordination of Benefits: If, with respect to a person covered under this policy, benefits for allowable expense incurred during a claim determination period under this policy, together with benefits for allowable expense during such period under all other valid coverage (without giving effect to this provision or to any "coordination of benefits provision" applying to such other valid coverage), exceed the total of such person's allowable expense during such period, this insurer shall be liable only for such proportionate amount of the benefits for allowable expense under this policy during such period as (a) the total allowable expense during such period bears to (b) the total amount of benefits payable during such period for such expense under this policy and all other valid coverage (without giving effect to this provision or to any "coordination of benefits provision" applying to such other valid coverage) less in both (a) and (b) any amount of benefits for allowable expense payable under other valid coverage which does not contain a "coordination of benefits provision." In no event shall this provision operate to increase the amount of benefits for allowable expense payable under this policy with respect to a person covered under this policy above the amount which would have been paid in the absence of this provision. This insurer may pay benefits to any insurer providing other valid coverage in the event of overpayment by such insurer. Any such payment shall discharge the liability of this insurer as fully as if the payment had been made directly to the insured or the assignee or beneficiary of the insured. If this insurer pays benefits to the insured or the assignee or beneficiary of the insured, in excess of the amount which would have been payable if the existence of other valid coverage had been disclosed, this insurer shall have a right of action against the insured or the assignee or beneficiary of the insured to recover the amount which would not have been paid had there been a disclosure of the existence of the other valid coverage. The amount of other valid coverage which is on a provision of service basis shall be computed as the amount the services rendered would have cost in the absence of such coverage.

For the purposes of this provision:

(1) "Allowable expense" means 100 percent of any necessary, reasonable and customary item of expense which is covered, in whole or in part, as a hospital, surgical, medical or major medical expense under this policy or under any other valid coverage.

(2) "Claim determination period" with respect to any covered person means the initial period of ..... (insert period of not less than 30 days) and each successive period of a like number of days, during which allowable expense covered under this policy is incurred on account of such person. The first such period begins on the date when the first such expense is incurred, and successive periods shall begin when such expense is incurred after expiration of a prior period.

or, in lieu thereof:

(2) "Claim determination period" with respect to any covered person means each ..... (insert calendar or policy period of not less than a month) during which allowable expense covered under this policy is incurred on account of such person.

(3) "Coordination of benefits provision" means this provision and any other provision which may reduce an insurer's liability because of the existence of benefits under other valid coverage.

2. The foregoing policy provisions may be inserted in all policies providing hospital, surgical, medical or major medical benefits for which the application includes a question as to other coverages subject to this provision. If the policy provision stated in subsection 1 is included in a policy which also contains the policy provision stated in NRS 689A.240, there shall be added to the caption of the provision stated in subsection 1 of the phrase "expense-incurred benefits." The insurer may make this provision applicable to either or both:

(a) Other valid coverage with other insurers; and

(b) Other valid coverage with the same insurer.

➥ The insurer shall include in this provision a definition of "other valid coverage" approved as to form by the Commissioner. Such term may include hospital, surgical, medical or major medical benefits provided by individual or family-type coverage, government programs or workers' compensation. Such term shall not include any ~~[group insurance,]~~ automobile medical payments or third-party liability coverage. The insurer shall not include a subrogation clause in the policy. The insurer may require, as part of the proof of claim, the information necessary to administer this provision.

3. If by application of any of the foregoing provisions the insurer effects a material reduction of benefits otherwise payable under the policy, the insurer shall refund to the insured any premium unearned on the policy by

reason of such reduction of coverage during the policy year current and that next preceding at the time the loss commenced, subject to the insurer's right to provide in the policy that no such reduction of benefits or refund will be made unless the unearned premium to be so refunded amounts to $5 or such larger sum as the insurer may so specify.

Sec. 40. NRS 689A.470 is hereby amended to read as follows:

689A.470 As used in NRS 689A.470 to 689A.740, inclusive, unless the context otherwise requires, the words and terms defined in NRS 689A.475 to ~~[~~689A.605,~~]~~ ***689A.600,*** inclusive, have the meanings ascribed to them in those sections.

Sec. 41. NRS 689A.520 is hereby amended to read as follows:

689A.520 ~~[~~"Established geographic~~]~~ ***"Geographic*** service area" means a geographic area, as approved by the Commissioner **,** ~~[~~and based on the certificate of authority of the carrier to transact insurance in this state,~~]~~ within which the carrier is authorized to provide coverage.

Sec. 42. NRS 689A.525 is hereby amended to read as follows:

689A.525 "Geographic ***rating*** area" means an area established by the Commissioner for use in adjusting the rates for a health benefit plan.

Sec. 43. NRS 689A.630 is hereby amended to read as follows:

689A.630 1. Except as otherwise provided in this section, coverage under an individual health benefit plan must be renewed by the individual carrier that issued the plan, at the option of the individual, unless:

(a) The individual has failed to pay premiums or contributions in accordance with the terms of the health benefit plan or the individual carrier has not received timely premium payments.

(b) The individual has performed an act or a practice that constitutes fraud or has made an intentional misrepresentation of material fact under the terms of the coverage.

(c) The individual carrier decides to discontinue offering and renewing all health benefit plans delivered or issued for delivery in this state. If the individual carrier decides to discontinue offering and renewing such plans, the individual carrier shall:

(1) Provide notice of its intention to the Commissioner and the chief regulatory officer for insurance in each state in which the individual carrier is licensed to transact insurance at least 60 days before the date on which notice of cancellation or nonrenewal is delivered or mailed to the persons covered by the insurance to be discontinued pursuant to subparagraph (2).

(2) Provide notice of its intention to all persons covered by the discontinued insurance and to the Commissioner and the chief regulatory officer for insurance in each state in which such a person is known to reside. The notice must be made at least 180 days before the nonrenewal of any health benefit plan by the individual carrier.

(3) Discontinue all health insurance issued or delivered for issuance for individuals in this state and not renew coverage under any health benefit plan issued to such individuals.

(d) The Commissioner finds that the continuation of the coverage in this state by the individual carrier would not be in the best interests of the policyholders or certificate holders of the individual carrier or would impair the ability of the individual carrier to meet its contractual obligations. If the Commissioner makes such a finding, the Commissioner shall assist the persons covered by the discontinued insurance in this state in finding replacement coverage.

2. An individual carrier may discontinue the issuance and renewal of a form of a product of a health benefit plan if the Commissioner finds that the form of the product offered by the individual carrier is obsolete and is being replaced with comparable coverage. A form of a product of a health benefit plan may be discontinued by the individual carrier pursuant to this subsection only if:

(a) The individual carrier notifies the Commissioner and the chief regulatory officer for insurance in each state in which it is licensed of its decision pursuant to this subsection to discontinue the issuance and renewal of the form of the product at least 60 days before the individual carrier notifies the persons covered by the discontinued insurance pursuant to paragraph (b).

(b) The individual carrier notifies each person covered by the discontinued insurance, the Commissioner and the chief regulatory officer for insurance in each state in which a person covered by the discontinued insurance is known to reside of the decision of the individual carrier to discontinue offering the form of the product. The notice must be made to persons covered by the discontinued insurance at least 180 days before the date on which the individual carrier will discontinue offering the form of the product.

(c) The individual carrier offers to each person covered by the discontinued insurance the option to purchase any other health benefit plan currently offered by the individual carrier to individuals in this state.

(d) In exercising the option to discontinue the form of the product and in offering the option to purchase other coverage pursuant to paragraph (c), the individual carrier acts uniformly without regard to the claim experience of the persons covered by the discontinued insurance or any health status-related factor relating to those persons or beneficiaries covered by the discontinued form of the product or any persons or beneficiaries who may become eligible for such coverage.

3. An individual carrier may discontinue the issuance and renewal of a health benefit plan that is made available to individuals pursuant to this chapter only through a bona fide association if:

(a) The membership of the individual in the association was the basis for the provision of coverage;

(b) The membership of the individual in the association ceases; and

(c) The coverage is terminated pursuant to this subsection uniformly without regard to any health status-related factor relating to the covered individual.

4. An individual carrier that elects not to renew a health benefit plan pursuant to paragraph (c) of subsection 1 shall not write new business for individuals pursuant to this chapter for 5 years after the date on which notice is provided to the Commissioner pursuant to subparagraph (2) of paragraph (c) of subsection 1.

5. If an individual carrier does business in only one ~~[established]~~ geographic service area of this state, the provisions of this section apply only to the operations of the individual carrier in that service area.

Sec. 44. NRS 689A.635 is hereby amended to read as follows:

689A.635 1. An individual carrier that offers coverage through a network plan is not required pursuant to NRS 689A.630 to offer coverage to or accept an application from ~~[an eligible]~~ ***a*** person if the ~~[eligible]~~ person does not reside or work in the ~~[established]~~ geographic service area or in a geographic ***rating*** area **,** ~~[for which the individual carrier is authorized to transact insurance,]~~ provided that the coverage is refused or terminated uniformly without regard to any health status-related factor of any eligible person.

2. As used in this section, "network plan" means a health benefit plan offered by a health carrier under which the financing and delivery of medical care is provided, in whole or in part, through a defined set of providers under contract with the carrier. The term does not include an arrangement for the financing of premiums.

Sec. 45. NRS 689A.637 is hereby amended to read as follows:

689A.637 1. An individual carrier that offers a health benefit plan that includes a provision for a restricted network shall use its best efforts to contract with at least one health center in each ~~[established]~~ geographic service area to provide health care services to persons covered by the plan if the health center:

(a) Meets all conditions imposed by the carrier on similarly situated providers of health care with which the carrier contracts, including, without limitation:

(1) Certification for participation in the Medicaid or Medicare program; and

(2) Requirements relating to the appropriate credentials for providers of health care; and

(b) Agrees to reasonable reimbursement rates that are generally consistent with those offered by the carrier to similarly situated providers of health care with which the carrier contracts.

2. As used in this section, "health center" has the meaning ascribed to it in 42 U.S.C. § 254b.

Sec. 46. (Deleted by amendment.)

Sec. 47. NRS 689A.690 is hereby amended to read as follows:

689A.690 1. As part of its solicitation and sales materials for an individual health benefit plan, an individual carrier shall disclose, to the extent reasonable:

(a) The extent to which premium rates for an individual and the dependent of the individual are established or adjusted based upon rating characteristics;

(b) The right of the individual carrier to change premium rates and the factors, other than claims experience, that may affect changes in premium rates; ***and***

(c) Any provisions in the individual health benefit plan relating to the renewability of the plan **.** **[**~~, and~~

~~(d) Any provisions in the individual health benefit plan relating to an exclusion for a preexisting condition.~~**]**

2. For the purposes of this section, an individual carrier shall maintain at its principal place of business a complete and detailed description of its rating practices and underwriting practices, including information and documentation that demonstrate that its rating methods and practices are based upon commonly accepted actuarial assumptions and are in accordance with sound actuarial principles.

[~~3. On or before March 1 of each year, an individual carrier shall file with the Commissioner an actuarial certification that the individual carrier is in compliance with NRS 689A.680 to 689A.700, inclusive, and that the rating methods of the individual carrier are actuarially sound. The certification must be in such a form and must contain such information as specified by the Commissioner. A copy of the certification must be retained by the individual carrier at its principal place of business.~~

~~4. As used in this section, "actuarial certification" means a written statement signed by a member of the American Academy of Actuaries or any other person acceptable to the Commissioner that an individual carrier is in compliance with the provisions of NRS 689A.680 to 689A.700, inclusive, based upon an examination conducted by the person which included a review of the appropriate records and the actuarial assumptions and methods used by the individual carrier in establishing premium rates for applicable health benefit plans.~~**]**

Sec. 47.5. NRS 689A.695 is hereby amended to read as follows:

689A.695 An individual carrier shall make the information and documents described in NRS ~~[689A.680 to]~~ ***689A.690, 689A.695 and*** 689A.700, ~~[inclusive,]~~ available to the Commissioner upon request. Except in cases of violations of the provisions of this chapter, the information, other than the premium rates charged by the individual carrier, is proprietary, constitutes a trade secret and is not subject to disclosure by the Commissioner to persons outside of the Division except as agreed to by the individual carrier or as ordered by a court of competent jurisdiction.

Sec. 48. NRS 689A.700 is hereby amended to read as follows:

689A.700 The Commissioner may adopt regulations to carry out the provisions of NRS ~~[689A.680 to]~~ ***689A.690, 689A.695 and*** 689A.700, ~~[inclusive,]~~ and to ensure that the practices used by individual carriers relating to the establishment of rates are consistent with the purposes of NRS 689A.470 to 689A.740, inclusive ***.*** ~~[, including, but not limited to, determining the manner in which geographic rating areas are designated by all individual carriers.]~~

Sec. 49. NRS 689A.710 is hereby amended to read as follows:

689A.710 1. Except as otherwise provided in this section, an individual carrier or a producer shall not, directly or indirectly:

(a) Encourage or direct an ~~[eligible person]~~ ***individual or family*** to refrain from filing an application for coverage with an individual carrier because of the health status, claims experience, industry, occupation or geographic location of the ~~[eligible person.]~~ ***individual or family.***

(b) Encourage or direct an ~~[eligible person]~~ ***individual or family*** to seek coverage from another carrier because of the health status, claims experience, industry, occupation or geographic location of the ~~[eligible person.]~~ ***individual or family.***

2. The provisions of subsection 1 do not apply to information provided to an ~~[eligible person]~~ ***individual or family*** by an individual carrier or a producer relating to the ~~[established]~~ geographic service area or a provision for a restricted network of the individual carrier.

3. Except as otherwise provided in this subsection, an individual carrier shall not, directly or indirectly, enter into any contract, agreement or arrangement with a producer if the contract, agreement or arrangement provides for or results in a variation to the compensation paid to a producer for the sale of a health benefit plan because of the health status, claims experience, industry, occupation or geographic location of the individual at the time that the health benefit plan is issued to or renewed by the individual. ~~[The provisions of this subsection do not apply to any arrangement for compensation that provides payment to a producer on the basis of a percentage of premiums, except that the percentage may not vary because of~~

~~the health status, claims experience, industry, occupation or geographic area of the individual.~~**]**

4. An individual carrier shall not terminate, fail to renew, or limit its contract or agreement of representation with a producer for any reason related to the health status, claims experience, industry, occupation or geographic location of an individual at the time that the health benefit plan is issued to or renewed by the individual placed by the producer with the individual carrier.

5. A denial by an individual carrier of an application for coverage from an **[**~~eligible person~~**]** ***individual or family*** must be in writing and must state the reason for the denial.

6. The Commissioner may adopt regulations that set forth additional standards to provide for the fair marketing and broad availability of health benefit plans to **[**~~eligible persons~~**]** ***individuals or families*** in this state.

7. A violation of any provision of this section by an individual carrier may constitute an unfair trade practice for the purposes of chapter 686A of NRS.

8. The provisions of this section apply to a third-party administrator if the third-party administrator enters into a contract, agreement or other arrangement with an individual carrier to provide administrative, marketing or other services related to the offering of a health benefit plan to **[**~~eligible persons~~**]** ***individuals or families*** in this state.

9. Nothing in this section interferes with the right and responsibility of a **[**~~broker~~**]** ***producer*** to advise and represent the best interests of an **[**~~eligible person~~**]** ***individual or family*** who is seeking health insurance coverage from an individual carrier.

Sec. 50. NRS 689A.725 is hereby amended to read as follows:

689A.725 For the purposes of NRS 689A.470 to 689A.740, inclusive, a plan for coverage of a bona fide association must:

1. Conform with **[**~~NRS 689A.680 to~~**]** ***689A.690, 689A.695 and*** 689A.700, **[**~~inclusive,~~**]** concerning rates.

2. Provide for the renewability of coverage for members of the bona fide association, and their dependents, if such coverage meets the criteria set forth in NRS 689A.630.

~~**[**3. Provide for the availability of coverage for members of the bona fide association, and their dependents, if such coverage conforms with NRS 689A.640, except that the bona fide association is not required to offer basic and standard health benefit plan coverage to its members or their dependents.~~

~~4. Conform with subsection 1 of NRS 689A.660, relating to preexisting conditions.~~**]**

Sec. 51. (Deleted by amendment.)

Sec. 52. NRS 689B.0313 is hereby amended to read as follows:

689B.0313 1. A policy of group health insurance must provide coverage for benefits payable for expenses incurred for administering the human papillomavirus vaccine ~~[to women and girls at such ages]~~ as recommended for vaccination by a competent authority, including, without limitation, the Centers for Disease Control and Prevention of the United States Department of Health and Human Services, the Food and Drug Administration or the manufacturer of the vaccine.

2. A policy of group health insurance must not require an insured to obtain prior authorization for any service provided pursuant to subsection 1.

3. A policy subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after July 1, 2007, has the legal effect of including the coverage required by subsection 1, and any provision of the policy or the renewal which is in conflict with subsection 1 is void.

4. For the purposes of this section, "human papillomavirus vaccine" means the Quadrivalent Human Papillomavirus Recombinant Vaccine or its successor which is approved by the Food and Drug Administration for the prevention of human papillomavirus infection and cervical cancer.

Sec. 53. NRS 689B.033 is hereby amended to read as follows:

689B.033 1. All group health insurance policies providing coverage on an expense-incurred basis and all employee welfare plans providing medical, surgical or hospital care or benefits established or maintained for employees or their families or dependents, or for both, must as to the family members' coverage provide that the health benefits applicable for children are payable with respect to:

(a) A newly born child of the insured from the moment of birth;

(b) An adopted child from the date the adoption becomes effective, if the child was not placed in the home before adoption; and

(c) A child placed with the insured for the purpose of adoption from the moment of placement as certified by the public or private agency making the placement. The coverage of such a child ceases if the adoption proceedings are terminated as certified by the public or private agency making the placement.

➥ The policies must provide the coverage specified in subsection 3 and must not exclude premature births.

2. The policy or contract may require that notification of:

(a) The birth of a newly born child;

(b) The effective date of adoption of a child; or

(c) The date of placement of a child for adoption,

➥ and payments of the required premium or fees, if any, must be furnished to the insurer or welfare plan within 31 days after the date of birth, adoption or

placement for adoption in order to have the coverage continue beyond the 31-day period.

3. The coverage for newly born and adopted children and children placed for adoption consists of coverage of injury or sickness, including the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities and, within the limits of the policy, necessary transportation costs from place of birth to the nearest specialized treatment center under major medical policies, and with respect to basic policies to the extent such costs are charged by the treatment center.

~~[4. An insurer shall not restrict the coverage of a dependent child adopted or placed for adoption solely because of a preexisting condition the child has at the time the child would otherwise become eligible for coverage pursuant to the group health policy. Any provision relating to an exclusion for a preexisting condition must comply with NRS 689B.500.]~~

Sec. 54. NRS 689B.061 is hereby amended to read as follows:

689B.061 A policy of group health insurance which offers a difference of payment between preferred providers of health care and providers of health care who are not preferred:

1. ~~[~~May not require a deductible of more than $600 difference per admission to a facility for inpatient treatment which is not a preferred provider of health care.

~~2. May not require a deductible of more than $500 difference per treatment, other than inpatient treatment at a hospital, by a provider which is not preferred.~~

~~3.]~~ May not require an insured, another insurer who issues policies of group health insurance, a nonprofit medical service corporation or a health maintenance organization to pay any amount in excess of the deductible or coinsurance due from the insured based on the rates agreed upon with a provider.

~~[4. May not provide for a difference in percentage rates of payment for coinsurance of more than 30 percentage points between the payment for coinsurance required to be paid by the insured to a preferred provider of health care and the payment for coinsurance required to be paid by the insured to a provider of health care who is not preferred.~~

~~5.]~~ ***2.*** Must require that the deductible and payment for coinsurance paid by the insured to a preferred provider of health care be applied to the negotiated reduced rates of that provider.

~~[6.]~~ ***3.*** Must include for providers of health care who are not preferred a provision establishing the point at which an insured's payment for coinsurance is no longer required to be paid if such a provision is included for preferred providers of health care. Such provisions must be based on a calendar year. The point at which an insured's payment for coinsurance is no

longer required to be paid for providers of health care who are not preferred must not be greater than twice the amount for preferred providers of health care, regardless of the method of payment.

~~[7.]~~ ***4.*** Must provide that if there is a particular service which a preferred provider of health care does not provide and the provider of health care who is treating the insured requests the service and the insurer determines that the use of the service is necessary for the health of the insured, the service shall be deemed to be provided by the preferred provider of health care.

~~[8.]~~ ***5.*** Must require the insurer to process a claim of a provider of health care who is not preferred not later than 30 working days after the date on which proof of the claim is received.

Sec. 54.5. **NRS 689B.063 is hereby amended to read as follows:**

689B.063 1. When a policy of group insurance is primary, its benefits are determined before those of another policy and the benefits of another policy are not considered. When a policy of group insurance is secondary, its benefits are determined after those of another policy. Secondary benefits may not be reduced because of benefits under the primary policy. When there are more than two policies, a policy may be primary as to one and may be secondary as to another.

2. The benefits payable under a policy of group health insurance may not be reduced because of any benefits payable under ~~[an individual health insurance policy,]~~ health insurance on a franchise plan or first-party coverage under an automobile insurance policy.

3. As used in this section, "a policy of group insurance" includes Medicare.

Sec. 55. NRS 689B.340 is hereby amended to read as follows:

689B.340 As used in NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, unless the context otherwise requires, the words and terms defined in NRS 689B.350 to 689B.460, inclusive, have the meanings ascribed to them in those sections.

Sec. 56. (Deleted by amendment.)

Sec. 57. (Deleted by amendment.)

Sec. 58. NRS 689B.480 is hereby amended to read as follows:

689B.480 1. In determining the applicable creditable coverage of a person for the purposes of NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, a period of creditable coverage must not be included if, after the expiration of that period but before the enrollment date, there was a 63-day period during all of which the person was not covered under any creditable coverage. To establish a period of creditable coverage, a person must present any certificates of coverage provided to the person in accordance with NRS 689B.490 and such other evidence of coverage as required by regulations adopted by the Commissioner. For the purposes of this

subsection, any waiting period for coverage or an affiliation period must not be considered in determining the applicable period of creditable coverage.

2. In determining the period of creditable coverage of a person **, [**~~for the purposes of NRS 689B.500,~~**]** a carrier shall include each applicable period of creditable coverage without regard to the specific benefits covered during that period, except that the carrier may elect to include applicable periods of creditable coverage based on coverage of specific benefits as specified in the regulations of the United States Department of Health and Human Services, if such an election is made on a uniform basis for all participants and beneficiaries of the health benefit plan or coverage. Pursuant to such an election, the carrier shall include each applicable period of creditable coverage with respect to any class or category of benefits if any level of benefits is covered within that class or category, as specified by those regulations.

3. Regardless of whether coverage is actually provided, if a carrier elects in accordance with subsection 2 to determine creditable coverage based on specified benefits, a statement that such an election has been made and a description of the effect of the election must be:

(a) Included prominently in any disclosure statement concerning the health benefit plan; and

(b) Provided to each person at the time of enrollment in the health benefit plan.

4. The provisions of this section apply only to grandfathered plans.

Sec. 59. NRS 689B.500 is hereby amended to read as follows:

689B.500 **[**~~1. Except as otherwise provided in this section, a~~**]** ***A*** carrier that issues a group health plan or coverage under blanket accident and health insurance or group health insurance shall not deny, exclude or limit a benefit for a preexisting condition **. [**~~for:~~

~~(a) More than 12 months after the effective date of coverage if the employee or other insured enrolls through open enrollment or after the first day of the waiting period for that enrollment, whichever is earlier; or~~

~~(b) More than 18 months after the effective date of coverage for a late enrollee.~~

~~➥ A carrier may not define a preexisting condition more restrictively than that term is defined in NRS 689B.450.~~

~~2. The period of any exclusion for a preexisting condition imposed by a group health plan or coverage under blanket accident and health insurance or group health insurance on a person to be insured in accordance with the provisions of this chapter must be reduced by the aggregate period of creditable coverage of that person, if the creditable coverage was continuous to a date not more than 63 days before the effective date of the coverage. The period of continuous coverage must not include:~~

~~(a) Any waiting period for the effective date of the new coverage applied by the employer or the carrier; or~~

~~(b) Any affiliation period not to exceed 60 days for a new enrollee and 90 days for a late enrollee required before becoming eligible to enroll in the group health plan.~~

~~3. A health maintenance organization authorized to transact insurance pursuant to chapter 695C of NRS that does not restrict coverage for a preexisting condition may require an affiliation period before coverage becomes effective under a plan of insurance if the affiliation period applies uniformly to all employees or other persons insured and without regard to any health status-related factors. During the affiliation period, the carrier shall not collect any premiums for coverage of the employee or other insured.~~

~~4. An insurer that restricts coverage for preexisting conditions shall not impose an affiliation period.~~

~~5. A carrier shall not impose any exclusion for a preexisting condition:~~

~~(a) Relating to pregnancy.~~

~~(b) In the case of a person who, as of the last day of the 30 day period beginning on the date of the birth of the person, is covered under creditable coverage.~~

~~(c) In the case of a child who is adopted or placed for adoption before attaining the age of 18 years and who, as of the last day of the 30 day period beginning on the date of adoption or placement for adoption, whichever is earlier, is covered under creditable coverage. The provisions of this paragraph do not apply to coverage before the date of adoption or placement for adoption.~~

~~(d) In the case of a condition for which medical advice, diagnosis, care or treatment was recommended or received for the first time while the covered person held creditable coverage, and the medical advice, diagnosis, care or treatment was a benefit under the plan, if the creditable coverage was continuous to a date not more than 63 days before the effective date of the new coverage.~~

~~➥ The provisions of paragraphs (b) and (c) do not apply to a person after the end of the first 63 day period during all of which the person was not covered under any creditable coverage.~~

~~6. As used in this section, "late enrollee" means an eligible employee, or a dependent of the eligible employee, who requests enrollment in a group health plan following the initial period of enrollment, if that initial period of enrollment is at least 30 days, during which the person is entitled to enroll under the terms of the health benefit plan. The term does not include an eligible employee or a dependent of the eligible employee if:~~

~~(a) The employee or dependent:~~

~~(1) Was covered under creditable coverage at the time of the initial enrollment;~~

~~(2) Lost coverage under creditable coverage as a result of cessation of contributions by his or her employer, termination of employment or eligibility, reduction in the number of hours of employment, involuntary termination of creditable coverage, or death of, or divorce or legal separation from, a covered spouse; and~~

~~(3) Requests enrollment not later than 30 days after the date on which the creditable coverage of the employee or dependent was terminated or on which the change in conditions that gave rise to the termination of the coverage occurred.~~

~~(b) The employee enrolls during the open enrollment period, as provided in the contract or as otherwise specifically provided by specific statute.~~

~~(c) The employer of the employee offers several health benefit plans and the employee elected a different plan during an open enrollment period.~~

~~(d) A court has ordered coverage to be provided to the spouse or a minor or dependent child of an employee under a health benefit plan of the employee and a request for enrollment is made within 30 days after the issuance of the court order.~~

~~(e) The employee changes status from not being an eligible employee to being an eligible employee and requests enrollment, subject to any waiting period, within 30 days after the change in status.~~

~~(f) The person has continued coverage in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985, Public Law 99-272, and that coverage has been exhausted.~~**]**

Sec. 60. NRS 689B.560 is hereby amended to read as follows:

689B.560 1. Except as otherwise provided in this section, coverage under a policy of group health insurance must be renewed by the carrier at the option of the plan sponsor, unless:

(a) The plan sponsor has failed to pay premiums or contributions in accordance with the terms of the group health insurance or the carrier has not received timely premium payments;

(b) The plan sponsor has performed an act or a practice that constitutes fraud or has made an intentional misrepresentation of material fact under the terms of the coverage;

(c) The plan sponsor has failed to comply with any material provision of the group health insurance relating to employer contributions and group participation; or

(d) The carrier decides to discontinue offering coverage under group health insurance. If the carrier decides to discontinue offering and renewing such insurance, the carrier shall:

(1) Provide notice of its intention to the Commissioner and the chief regulatory officer for insurance in each state in which the carrier is licensed to transact insurance at least 60 days before the date on which notice of cancellation or nonrenewal is delivered or mailed to the persons covered by the discontinued insurance pursuant to subparagraph (2).

(2) Provide notice of its intention to all persons covered by the discontinued insurance and to the Commissioner and the chief regulatory officer for insurance in each state in which such a person is known to reside. The notice must be made at least 180 days before the discontinuance of any group health plan by the carrier.

(3) Discontinue all health insurance issued or delivered for issuance for persons in this state and not renew coverage under any group health insurance issued to such persons.

2. A carrier may discontinue the issuance and renewal of a form of a product of group health insurance if the Commissioner finds that the form of the product offered by the carrier is obsolete and is being replaced with comparable coverage. A form of a product may be discontinued by the carrier pursuant to this subsection only if:

(a) The carrier notifies the Commissioner and the chief regulatory officer in each state in which it is licensed of its decision pursuant to this subsection to discontinue the issuance and renewal of the form of the product at least 60 days before the individual carrier notifies the persons covered by the discontinued insurance pursuant to paragraph (b).

(b) The carrier notifies each person covered by the discontinued insurance and the Commissioner and the chief regulatory officer in each state in which such a person is known to reside of the decision of the carrier to discontinue offering the form of the product. The notice must be made at least 180 days before the date on which the carrier will discontinue offering the form of the product.

(c) The carrier offers to each person covered by the discontinued insurance the option to purchase any other health benefit plan currently offered by the carrier to large groups in this state.

(d) In exercising the option to discontinue the form of the product and in offering the option to purchase other coverage pursuant to paragraph (c), the carrier acts uniformly without regard to the claim experience of the persons covered by the discontinued insurance or any health status-related factor relating to those persons or beneficiaries covered by the discontinued form of the product or any person or beneficiary who may become eligible for such coverage.

3. A carrier may discontinue the issuance and renewal of any type of group health insurance offered by the carrier in this state that is made

available pursuant to this chapter only to a member of a bona fide association if:

(a) The membership of the person in the bona fide association was the basis for the provision of coverage under the group health insurance;

(b) The membership of the person in the bona fide association ceases; and

(c) Coverage is terminated pursuant to this subsection for all such former members uniformly without regard to any health status-related factor relating to the former member.

4. A carrier that elects not to renew group health insurance pursuant to paragraph (d) of subsection 1 shall not write new business pursuant to this chapter for 5 years after the date on which notice is provided to the Commissioner pursuant to subparagraph (2) of paragraph (d) of subsection 1.

5. If the carrier does business in only one ~~[established]~~ geographic service area of this state, the provisions of this section apply only to the operations of the carrier in that service area.

6. As used in this section, "bona fide association" has the meaning ascribed to it in NRS 689A.485.

Sec. 61. NRS 689B.570 is hereby amended to read as follows:

689B.570 1. A carrier that offers coverage through a network plan is not required to offer coverage to or accept an application from an employer that does not employ or no longer employs any enrollees who reside or work in the ~~[established]~~ geographic service area of the carrier **,** ~~[or the geographic rating area for which the carrier is authorized to transact insurance,]~~ provided that such coverage is refused or terminated uniformly without regard to any health status-related factor for any employee of the employer.

2. As used in this section, "network plan" means a health benefit plan offered by a health carrier under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the carrier. The term does not include an arrangement for the financing of premiums.

Sec. 62. (Deleted by amendment.)

Sec. 63. NRS 689B.580 is hereby amended to read as follows:

689B.580 1. A plan sponsor of a governmental plan that is a group health plan to which the provisions of NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, otherwise apply may elect to exclude the governmental plan from compliance with those sections. Such an election:

(a) Must be made in such a form and in such a manner as the Commissioner prescribes by regulation.

(b) Is effective for a single specified year of the plan or, if the plan is provided pursuant to a collective bargaining agreement, for the term of that agreement.

(c) May be extended by subsequent elections.

(d) Excludes the governmental plan from those provisions in this chapter that apply only to group health plans.

2. If a plan sponsor of a governmental plan makes an election pursuant to this section, the plan sponsor shall:

(a) Annually and at the time of enrollment, notify the enrollees in the plan of the election and the consequences of the election; and

(b) Provide certification and disclosure of creditable coverage under the plan with respect to those enrollees pursuant to NRS 689B.490.

3. As used in this section, "governmental plan" has the meaning ascribed to in section 3(32) of the Employee Retirement Income Security Act of 1974, as that section existed on July 16, 1997.

Sec. 64. NRS 689C.055 is hereby amended to read as follows:

689C.055 "Dependent" means a spouse ***, a domestic partner as defined in NRS 122A.030,*** or ~~[~~:

~~1. An unmarried~~**]** ***a*** child ~~[under]~~ **[**~~19~~**]** ***on or before the last day of the month in which the child attains 26*** years of age **.** ~~[~~;

~~2. An unmarried child who is a full-time student under 24 years of age and who is financially dependent upon the parent; or~~

~~3. An unmarried child of any age who is medically certified as disabled and dependent upon the parent,~~

~~➥ who the parent claimed as his or her dependent on the form for income tax returns which the parent filed with the Internal Revenue Service for the previous fiscal year.~~**]**

Sec. 65. NRS 689C.067 is hereby amended to read as follows:

689C.067 **[**~~"Established geographic~~**]** ***"Geographic*** service area" means a geographic area, as approved by the Commissioner **,** **[**~~and based on the certificate of authority of the carrier to transact insurance in this state,~~**]** within which the carrier is authorized to provide coverage.

Sec. 66. NRS 689C.071 is hereby amended to read as follows:

689C.071 "Geographic ***rating*** area" means an area established by the Commissioner for use in adjusting the rates for a health benefit plan.

Sec. 66.5. NRS 689C.095 is hereby amended to read as follows:

689C.095 **[**~~1.~~**]** "Small employer" **[**~~means, with respect to a calendar year and a plan year, an employer who employed on business days during the preceding calendar year an average of at least 2 employees, but not more than 50 employees, who have a normal workweek of 30 hours or more, and who employs at least 2 employees on the first day of the plan year. For the purposes of determining the number of eligible employees, organizations which are affiliated or which are eligible to file a combined tax return for the purposes of taxation constitute one employer.~~

~~2. For the purposes of this section, organizations are "affiliated" if one directly, or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, the other, as determined pursuant to the provisions of NRS 692C.050.~~**]** ***has the meaning ascribed to it in 42 U.S.C. § 18024(b)(2).***

Sec. 67. NRS 689C.125 is hereby amended to read as follows:

689C.125 1. A carrier serving small employers shall apply rating factors **[**~~, including characteristics,~~**]** consistently with respect to all small employers **. [**~~in a class of business.~~**]** Rating factors must produce premiums for identical groups that differ only by the amounts attributable to the design of the plans and the terms of the coverage and do not reflect differences based on the nature of the groups that will select particular health benefit plans. As used in this subsection, "premium" means all money paid by a small employer and eligible employees to a carrier as a condition of receiving coverage from a carrier, including any fees or other contributions associated with the health benefit plan.

2. A carrier serving small employers shall treat all health benefit plans issued or renewed in the same calendar month as having the same rating period, if the terms of coverage provided in the plans are the same.

Sec. 68. (Deleted by amendment.)

Sec. 69. NRS 689C.155 is hereby amended to read as follows:

689C.155 The Commissioner may adopt regulations to carry out the provisions of NRS **[**~~689C.107~~**]** ***689C.109*** to **[**~~689C.145,~~**]** ***689C.142,*** inclusive, 689C.156 to 689C.159, inclusive, 689C.165, 689C.183, 689C.187, 689C.191 ***, 689C.192*** to 689C.198, inclusive, 689C.203, 689C.207, 689C.265, **[**~~689C.283, 689C.287,~~**]** 689C.325, **[**~~689C.342 to 689C.348, inclusive,~~**]** 689C.355 and 689C.610 to **[**~~689C.980,~~**]** ***689C.940,*** inclusive, and to ensure that rating practices used by carriers serving small employers are consistent with those sections, including regulations that:

1. Ensure that differences in rates charged for health benefit plans by such carriers are reasonable and reflect only differences in the designs of the plans, the terms of the coverage, the amount contributed by the employers to the cost of coverage and differences based on the rating factors established by the carrier.

2. Prescribe the manner in which **[**~~characteristics~~**]** ***rating factors*** may be used by such carriers.

Sec. 70. NRS 689C.156 is hereby amended to read as follows:

689C.156 1. As a condition of transacting business in this State with small employers, a carrier shall actively market to a small employer each health benefit plan which is actively marketed in this State by the carrier to any small employer in this State. **[**~~The health insurance plans marketed pursuant to this section by the carrier must include, without limitation, a~~

~~basic health benefit plan and a standard health benefit plan.]~~ A carrier shall be deemed to be actively marketing a health benefit plan when it makes available any of its plans to a small employer that is not currently receiving coverage under a health benefit plan issued by that carrier.

2. A carrier shall issue to a small employer any health benefit plan marketed in accordance with this section if the eligible small employer applies for the plan and agrees to make the required premium payments and satisfy the other reasonable provisions of the health benefit plan that are not inconsistent with NRS 689C.015 to 689C.355, inclusive, and 689C.610 to ~~[~~689C.980,~~]~~ ***689C.940,*** inclusive, except that a carrier is not required to issue a health benefit plan to a self-employed person who is covered by, or is eligible for coverage under, a health benefit plan offered by another employer.

3. If a health benefit plan marketed pursuant to this section provides, delivers, arranges for, pays for or reimburses any cost of health care services through managed care, the carrier shall provide a system for resolving any complaints of an employee concerning those health care services that complies with the provisions of NRS 695G.200 to 695G.310, inclusive.

Sec. 71. NRS 689C.159 is hereby amended to read as follows:

689C.159 The provisions of NRS 689C.156 ~~[, 689C.157]~~ and 689C.190 do not apply to health benefit plans offered by a carrier if the carrier makes the health benefit plan available in the small employer market only through a bona fide association.

Sec. 72. NRS 689C.160 is hereby amended to read as follows:

689C.160 The requirements used by a carrier serving small employers to determine whether to provide coverage to a small employer, including, without limitation, ~~[~~standards for medical underwriting,~~]~~ requirements for minimum participation of eligible employees and minimum employer's contributions, must be applied uniformly among all small employers with the same number of eligible employees applying for coverage or receiving coverage from the carrier.

Sec. 73. NRS 689C.169 is hereby amended to read as follows:

689C.169 1. ~~[~~Notwithstanding any provisions of this title to the contrary, a~~]~~ ***A*** policy of group health insurance delivered or issued for delivery in this State pursuant to this chapter must provide coverage for the treatment of conditions relating to severe mental illness.

2. ~~[~~The coverage required by this section:

~~(a) Must provide:~~

~~(1) Benefits for at least 40 days of hospitalization as an inpatient per policy year and 40 visits for treatment as an outpatient per policy year, excluding visits for the management of medication; and~~

~~(2) That two visits for partial or respite care, or a combination thereof, may be substituted for each 1 day of hospitalization not used by the insured. In no event is the policy required to provide coverage for more than 40 days of hospitalization as an inpatient per policy year.~~

~~(b) Is not required to provide benefits for psychosocial rehabilitation or care received as a custodial inpatient.~~

~~3. Any deductibles and copayments required to be paid for the coverage required by this section must not be greater than 150 percent of the out-of-pocket expenses required to be paid for medical and surgical benefits provided pursuant to the policy of group health insurance.~~

~~4. The provisions of this section do not apply to a policy of group health insurance if, at the end of the policy year, the premiums charged for that policy, or a standard grouping of policies, increase by more than 2 percent as a result of providing the coverage required by this section and the insurer obtains an exemption from the Commissioner pursuant to subsection 5.~~

~~5. To obtain the exemption required by subsection 4, an insurer must submit to the Commissioner a written request therefor that is signed by an actuary and sets forth the reasons and actuarial assumptions upon which the request is based. To determine whether an exemption may be granted, the Commissioner shall subtract from the amount of premiums charged during the policy year the amount of premiums charged during the period immediately preceding the policy year and the amount of any increase in the premiums charged that is attributable to factors that are unrelated to providing the coverage required by this section. The Commissioner shall verify the information within 30 days after receiving the request. The request shall be deemed approved if the Commissioner does not deny the request within that time.~~

~~6. The provisions of this section do not:~~

~~(a) Limit the provision of specialized services covered by Medicaid for persons with conditions relating to mental health or substance abuse.~~

~~(b) Supersede any provision of federal law, any federal or state policy relating to Medicaid, or the terms and conditions imposed on any Medicaid waiver granted to this State with respect to the provisions of services to persons with conditions relating to mental health or substance abuse.~~

~~7. A policy of group health insurance subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after October 3, 2009, has the legal effect of including the coverage required by this section, and any provision of the policy or the renewal which is in conflict with this section is void, unless the policy is otherwise exempt from the provisions of this section pursuant to subsection 4.~~

~~8.~~ As used in this section, "severe mental illness" means any of the following mental illnesses that are biologically based and for which

diagnostic criteria are prescribed in the ***latest edition of the*** Diagnostic and Statistical Manual of Mental Disorders, ~~[Fourth Edition,]~~ published by the American Psychiatric Association:

(a) Schizophrenia.

(b) Schizoaffective disorder.

(c) Bipolar disorder.

(d) Major depressive disorders.

(e) Panic disorder.

(f) Obsessive-compulsive disorder.

Sec. 74. NRS 689C.190 is hereby amended to read as follows:

689C.190 ~~[1. Except as otherwise provided in this section, a]~~ ***A*** carrier serving small employers that issues a health benefit plan shall not deny, exclude or limit a benefit for a preexisting condition **.** ~~[:~~

~~(a) For more than 12 months after the effective date of coverage if the employee enrolls through open enrollment or after the first day of the waiting period for such enrollment, whichever is earlier; or~~

~~(b) For more than 18 months after the effective date of coverage for a late enrollee. A carrier may not define a preexisting condition in its health benefit plan more restrictively than that term is defined in NRS 689C.082.~~

~~2. The period of any exclusion for a preexisting condition imposed by a health benefit plan on a person to be insured in accordance with the provisions of this chapter must be reduced by the aggregate period of creditable coverage of that person, if the creditable coverage was continuous to a date not more than 63 days before the effective date of the new coverage. The period of continuous coverage must not include:~~

~~(a) Any waiting period for the effective date of the new coverage applied by the employer or the carrier; or~~

~~(b) Any affiliation period, not to exceed 60 days for a new enrollee and 90 days for a late enrollee, required before becoming eligible to enroll in the health benefit plan.~~

~~3. A health maintenance organization authorized to transact insurance pursuant to chapter 695C of NRS that does not restrict coverage for a preexisting condition may require an affiliation period before coverage becomes effective under a plan of insurance if the affiliation period applies uniformly to all employees and without regard to any health status related factors. During the affiliation period, the carrier shall not collect any premiums for coverage of the employee.~~

~~4. A carrier that restricts coverage for preexisting conditions shall not impose an affiliation period.~~

~~5. A carrier shall not impose any exclusion for a preexisting condition:~~

~~(a) Relating to pregnancy.~~

(b) In the case of a person who, as of the last day of the 30-day period beginning on the date of the person's birth, is covered under creditable coverage.

(c) In the case of a child who is adopted or placed for adoption before attaining the age of 18 years and who, as of the last day of the 30-day period beginning on the date of adoption or placement for adoption, whichever is earlier, is covered under creditable coverage. The provisions of this paragraph do not apply to coverage before the date of adoption or placement for adoption.

(d) In the case of a condition for which medical advice, diagnosis, care or treatment was recommended or received for the first time while the covered person held creditable coverage, and the medical advice, diagnosis, care or treatment was a covered benefit under the plan, if the creditable coverage was continuous to a date not more than 90 days before the effective date of the new coverage.

➥ The provisions of paragraphs (b) and (c) do not apply to a person after the end of the first 63-day period during all of which the person was not covered under any creditable coverage.

6. As used in this section, "late enrollee" means an eligible employee, or a dependent of the eligible employee, who requests enrollment in a health benefit plan of a small employer following the initial period of enrollment, if the initial period of enrollment is at least 30 days, during which the person is entitled to enroll under the terms of the health benefit plan. The term does not include an eligible employee or a dependent of the eligible employee if:

(a) The employee or dependent:

(1) Was covered under creditable coverage at the time of the initial enrollment;

(2) Lost coverage under creditable coverage as a result of cessation of employer contribution, termination of employment or eligibility, reduction in the number of hours of employment, involuntary termination of creditable coverage, or the death of, or divorce or legal separation from, a covered spouse; and

(3) Requests enrollment not later than 30 days after the date on which his or her creditable coverage was terminated or on which the change in conditions that gave rise to the termination of the coverage occurred.

(b) The person enrolls during the open enrollment period, as provided in the contract or as otherwise provided by specific statute.

(c) The person is employed by an employer which offers multiple health benefit plans and the person elected a different plan during an open enrollment period.

(d) A court has ordered coverage to be provided to the spouse or a minor or dependent child of an employee under a health benefit plan of the

~~employee and a request for enrollment is made within 30 days after the issuance of the court order.~~

~~(e) The person changes status from not being an eligible employee to being an eligible employee and requests enrollment, subject to any waiting period, within 30 days after the change in status.~~

~~(f) The person has continued coverage in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 and such coverage has been exhausted.~~**]**

Sec. 75. NRS 689C.191 is hereby amended to read as follows:

689C.191 1. In determining the applicable creditable coverage of a person **, [**~~for the purposes of NRS 689C.190,~~**]** a period of creditable coverage must not be included if, after the expiration of that period but before the enrollment date, there was a 63-day period during all of which the person was not covered under any creditable coverage. To establish a period of creditable coverage, an eligible employee must present any certificates of coverage provided to the eligible employee in accordance with NRS 689C.192 and such other evidence of coverage as required by regulations adopted by the Commissioner. For the purposes of this subsection, any waiting period for coverage or an affiliation period must not be considered in determining the applicable period of creditable coverage.

2. In determining the period of creditable coverage of a person **, [**~~for the purposes of NRS 689C.190,~~**]** a carrier shall include each applicable period of creditable coverage without regard to the specific benefits covered during that period, except that the carrier may elect to include applicable periods of creditable coverage based on coverage of specific benefits as specified by the United States Department of Health and Human Services by regulation, if such an election is made on a uniform basis for all participants and beneficiaries of the health benefit plan or coverage. Pursuant to such an election, the carrier shall include each applicable period of creditable coverage with respect to any class or category of benefits if any level of benefits is covered within that class or category, as specified by those regulations.

3. Regardless of whether coverage is actually provided, if a carrier elects in accordance with subsection 2 to determine creditable coverage based on specified benefits, a statement that such an election has been made and a description of the effect of the election must be:

(a) Included prominently in any disclosure statement concerning the health benefit plan; and

(b) Provided to each eligible employee at the time of enrollment in the health benefit plan.

4. The provisions of this section apply only to grandfathered plans.

Sec. 76. NRS 689C.193 is hereby amended to read as follows:

689C.193 1. A carrier shall not place any restriction on a small employer or an eligible employee or a dependent of the eligible employee as a condition of being a participant in or a beneficiary of a health benefit plan that is inconsistent with NRS 689C.015 to 689C.355, inclusive.

2. A carrier that offers health insurance coverage to small employers pursuant to this chapter shall not establish rules of eligibility, including, but not limited to, rules which define applicable waiting periods, for the initial or continued enrollment under a health benefit plan offered by the carrier that are based on the following factors relating to the eligible employee or a dependent of the eligible employee:

(a) Health status.

(b) Medical condition, including physical and mental illnesses, or both.

(c) Claims experience.

(d) Receipt of health care.

(e) Medical history.

(f) Genetic information.

(g) Evidence of insurability, including conditions which arise out of acts of domestic violence.

(h) Disability.

3. Except as otherwise provided in NRS 689C.190, the provisions of subsection 1 do not **[**~~:~~

~~(a) Require~~**]** ***require*** a carrier to provide particular benefits other than those that would otherwise be provided under the terms of the health benefit plan or coverage **.** **[**~~; or~~

~~(b) Prevent a carrier from establishing limitations or restrictions on the amount, level, extent or nature of the benefits or coverage for similarly situated persons.~~**]**

4. As a condition of enrollment or continued enrollment under a health benefit plan, a carrier shall not require any person to pay a premium or contribution that is greater than the premium or contribution for a similarly situated person covered by similar coverage on the basis of any factor described in subsection 2 in relation to the person or a dependent of the person.

5. Nothing in this section:

(a) Restricts the amount that a small employer may be charged for coverage by a carrier;

(b) Prevents a carrier from establishing premium discounts or rebates or from modifying otherwise applicable copayments or deductibles in return for adherence by the insured person to programs of health promotion and disease prevention; or

(c) Precludes a carrier from establishing rules relating to employer contribution or group participation when offering health insurance coverage to small employers in this State.

6. As used in this section:

(a) "Contribution" means the minimum employer contribution toward the premium for enrollment of participants and beneficiaries in a health benefit plan.

(b) "Group participation" means the minimum number of participants or beneficiaries that must be enrolled in a health benefit plan in relation to a specified percentage or number of eligible persons or employees of the employer.

Sec. 77. NRS 689C.200 is hereby amended to read as follows:

689C.200 A carrier serving small employers is not required to accept applications from or offer coverage to:

1. A small employer if the employer is not physically located in the carrier's ~~[~~established~~]~~ geographic ***service*** area; or

2. An employee if the employee does not work or reside within the carrier's ~~[~~established~~]~~ geographic ***service*** area.

Sec. 78. NRS 689C.250 is hereby amended to read as follows:

689C.250 ~~[A carrier serving small employers shall make the information and documents described in NRS 689C.210 to 689C.240, inclusive, available to the Commissioner upon request.]~~

1. Except in cases of violations of NRS 689C.015 to 689C.355, inclusive, the ~~[~~information is~~]~~ ***unified rate review template and rate filing documentation used by carriers servicing small employers are considered*** proprietary, ~~[~~constitutes~~]~~ ***constitute*** a trade secret, and ~~[~~is~~]~~ ***are*** not subject to disclosure by the Commissioner to persons outside of the Division except as agreed to by the carrier or as ordered by a court of competent jurisdiction.

2. As used in this section, "rate filing documentation" and "unified rate review template" ascribed to in 45 C.F.R 154.215.

Sec. 79. NRS 689C.310 is hereby amended to read as follows:

689C.310 1. Except as otherwise provided in subsections 2 and 3, a carrier shall renew a health benefit plan at the option of the small employer who purchased the plan.

2. A carrier may refuse to issue or to renew a health benefit plan if:

(a) The carrier discontinues transacting insurance in this state or in the geographic ~~***[rating]***~~ ***service*** area of this state where the employer is located;

(b) The employer fails to pay the premiums or contributions required by the terms of the plan;

(c) The employer misrepresents any information regarding the employees covered under the plan or other information regarding eligibility for coverage under the plan;

(d) The plan sponsor has engaged in an act or practice that constitutes fraud to obtain or maintain coverage under the plan;

(e) The employer is not in compliance with the minimum requirements for participation or employer contribution as set forth in the plan; or

(f) The employer fails to comply with any of the provisions of this chapter.

3. A carrier may require a small employer to exclude a particular employee or a dependent of the particular employee from coverage under a health benefit plan as a condition to renewal of the plan if the employee or dependent of the employee commits fraud upon the carrier or misrepresents a material fact which affects his or her coverage under the plan.

4. A carrier shall discontinue the issuance and renewal of coverage to a small employer if the Commissioner finds that the continuation of the coverage would not be in the best interests of the policyholders or certificate holders of the carrier in this state or would impair the ability of the carrier to meet its contractual obligations. If the Commissioner makes such a finding, the Commissioner shall assist the affected small employers in finding replacement coverage.

5. A carrier may discontinue the issuance and renewal of a form of a product of a health benefit plan offered to small employers pursuant to this chapter if the Commissioner finds that the form of the product offered by the carrier is obsolete and is being replaced with comparable coverage. A form of a product of a health benefit plan may be discontinued by a carrier pursuant to this subsection only if:

(a) The carrier notifies the Commissioner and the chief regulatory officer for insurance in each state in which it is licensed of its decision pursuant to this subsection to discontinue the issuance and renewal of the form of the product at least 60 days before the carrier notifies the affected small employers pursuant to paragraph (b).

(b) The carrier notifies each affected small employer and the Commissioner and the chief regulatory officer for insurance in each state in which any affected small employer is located or eligible employee resides of the decision of the carrier to discontinue offering the form of the product. The notice must be made at least 180 days before the date on which the carrier will discontinue offering the form of the product.

(c) The carrier offers to each affected small employer the option to purchase any other health benefit plan currently offered by the carrier to small employers in this state.

(d) In exercising the option to discontinue the particular form of the product and in offering the option to purchase other coverage pursuant to paragraph (c), the carrier acts uniformly without regard to the claims experience of the affected small employers or any health status-related factor

relating to any participant or beneficiary covered by the discontinued product or any new participant or beneficiary who may become eligible for such coverage.

6. A carrier may discontinue the issuance and renewal of a health benefit plan offered to a small employer or an eligible employee pursuant to this chapter only through a bona fide association if:

(a) The membership of the small employer or eligible employee in the association was the basis for the provision of coverage;

(b) The membership of the small employer or eligible employee in the association ceases; and

(c) The coverage is terminated pursuant to this subsection uniformly without regard to any health status-related factor relating to the small employer or eligible employee or dependent of the eligible employee.

7. If a carrier does business in only one ~~[~~established~~]~~ geographic service area of this state, the provisions of this section apply only to the operations of the carrier in that service area.

Sec. 80. NRS 689C.320 is hereby amended to read as follows:

689C.320 1. A carrier that discontinues transacting insurance in this State or in a particular geographic ***service*** area of this State shall:

(a) Notify the Commissioner and the chief regulatory officer for insurance in each state in which the carrier is licensed to transact insurance at least 60 days before a notice of cancellation or nonrenewal is delivered or mailed to the affected small employers pursuant to paragraph (b).

(b) Notify the Commissioner and each small employer affected not less than 180 days before the expiration of any policy or contract of insurance under any health benefit plan issued to a small employer pursuant to this chapter.

2. A carrier that cancels any health benefit plan because it has discontinued transacting insurance in this State or in a particular geographic ***service*** area of this State:

(a) Shall discontinue the issuance and delivery for issuance of all health benefit plans pursuant to this chapter in this State and not renew coverage under any health benefit plan issued to a small employer; and

(b) May not issue any health benefit plans pursuant to this chapter in this State or in the particular geographic area for 5 years after it gives notice to the Commissioner pursuant to paragraph (b) of subsection 1.

Sec. 81. NRS 689C.325 is hereby amended to read as follows:

689C.325 A carrier that offers coverage through a network plan is not required to offer coverage to or accept any applications for coverage from the eligible employees of a small employer pursuant to NRS 689C.310 and 689C.320 if:

1. The eligible employees do not reside or work in the ~~[established]~~ geographic service area of the network plan.

2. For a small employer whose eligible employees reside or work in the ~~[established]~~ geographic service area of the network plan, the carrier demonstrates to the satisfaction of the Commissioner that the carrier does not have the capacity to deliver adequate service to additional small employers and eligible employees because of the existing obligations of the carrier. If a carrier is authorized by the Commissioner not to offer coverage pursuant to this subsection, the carrier shall not thereafter offer coverage to additional small employers and eligible employees within that ~~[established]~~ geographic service area until the carrier demonstrates to the satisfaction of the Commissioner that it has regained the capacity to deliver adequate service to additional small employers and eligible employees within that service area.

Sec. 82. (Deleted by amendment.)

Sec. 83. NRS 689C.350 is hereby amended to read as follows:

689C.350 A health benefit plan which offers a difference of payment between preferred providers of health care and providers of health care who are not preferred:

1. ~~[~~May not require a deductible of more than $600 difference per admission to a facility for inpatient treatment which is not a preferred provider of health care.

~~2. May not require a deductible of more than $500 difference per treatment, other than inpatient treatment at a hospital, by a provider which is not preferred.~~

~~3. May not provide for a difference in percentage rates of payment for coinsurance of more than 30 percentage points between the payment for coinsurance required to be paid by the insured to a preferred provider of health care and the payment for coinsurance required to be paid by the insured to a provider of health care who is not preferred.~~

~~4.]~~ Must require that the deductible and payment for coinsurance paid by the insured to a preferred provider of health care be applied to the negotiated reduced rates of that provider.

~~[5.]~~ ***2.*** Must include for providers of health care who are not preferred a provision establishing the point at which an insured's payment for coinsurance is no longer required to be paid if such a provision is included for preferred providers of health care. Such provisions must be based on a ~~[calendar]~~ ***plan*** year. The point at which an insured's payment for coinsurance is no longer required to be paid for providers of health care who are not preferred must not be greater than twice the amount for preferred providers of health care, regardless of the method of payment.

~~[6.]~~ ***3.*** Must provide that if there is a particular service which a preferred provider of health care does not provide and the provider of health care who

is treating the insured requests the service and the insurer determines that the use of the service is necessary for the health of the insured, the service shall be deemed to be provided by the preferred provider of health care.

~~[7. Must require the insurer to process a claim of a provider of health care who is not preferred not later than 30 working days after the date on which proof of the claim is received.]~~

Sec. 84. NRS 689C.355 is hereby amended to read as follows:

689C.355 1. Except as otherwise provided in this section, a carrier or a producer shall not, directly or indirectly:

(a) Encourage or direct a small employer to refrain from filing an application for coverage with the carrier because of the health status, claims experience, industry, occupation or geographic location of the small employer.

(b) Encourage or direct a small employer to seek coverage from another carrier because of the health status, claims experience, industry, occupation or geographic location of the small employer.

2. The provisions of subsection 1 do not apply to information provided to a small employer by a carrier or a producer relating to the ~~[~~established~~]~~ geographic service area or a provision for a restricted network of the carrier.

3. Except as otherwise provided in this subsection, a carrier shall not, directly or indirectly, enter into any contract, agreement or arrangement with a producer if the contract, agreement or arrangement provides for or results in a variation to the compensation that is paid to a producer for the sale of a health benefit plan because of the health status, claims experience, industry, occupation or geographic location of the small employer at the time that the health benefit plan is issued to or renewed by the small employer. ~~[The provisions of this subsection do not apply to any arrangement for compensation that provides payment to a producer on the basis of percentage of premium, except that the percentage may not vary because of the health status, claims experience, industry, occupation or geographic area of the small employer.]~~

4. A carrier shall not terminate, fail to renew, or limit its contract or agreement of representation with a producer for any reason related to the health status, claims experience, occupation or geographic location of a small employer at the time that the health benefit plan is issued to or renewed by the small employer placed by the producer with the carrier.

5. A carrier or producer shall not induce or otherwise encourage a small employer to separate or otherwise exclude an employee or a dependent of the employee from health coverage or benefits provided in connection with the employment of the employee.

6. A violation of any provision of this section by a carrier may constitute an unfair trade practice for the purposes of chapter 686A of NRS.

7. The provisions of this section apply to a third-party administrator if the third-party administrator enters into a contract, agreement or other arrangement with a carrier to provide administrative, marketing or other services related to the offering of a health benefit plan to small employers in this state.

8. Nothing in this section interferes with the right and responsibility of a ~~[broker]~~ ***producer*** to advise and represent the best interests of a small employer who is seeking health insurance coverage from a small employer carrier.

Sec. 85. NRS 689C.390 is hereby amended to read as follows:

689C.390 "Dependent" means a spouse, ~~[an unmarried]~~ ***a domestic partner as defined in NRS 122A.030, or a*** child ~~[who has not attained]~~ ~~[19]~~ ***on or before the last day of the month in which the child attains 26*** years of age **.** ~~[, an unmarried child who is a full-time student who has not attained 24 years of age and who is financially dependent upon the parent, and an unmarried child of any age who is medically certified as disabled and dependent upon the parent.]~~

Sec. 86. NRS 689C.610 is hereby amended to read as follows:

689C.610 As used in NRS 689C.610 to ~~[689C.980,]~~ ***689C.940,*** inclusive, unless the context otherwise requires, the words and terms defined in NRS ~~[689C.620 to 689C.730, inclusive,]~~ ***689C.630, 689C.660 and 689C.670*** have the meanings ascribed to them in those sections.

Sec. 87. (Deleted by amendment.)

Sec. 88. NRS 695A.152 is hereby amended to read as follows:

695A.152 1. To the extent reasonably applicable, a fraternal benefit society shall comply with the provisions of NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, and chapter 689C of NRS relating to the portability and availability of health insurance offered by the society to its members. If there is a conflict between the provisions of this chapter and the provisions of NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, and chapter 689C of NRS, the provisions of NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, and chapter 689C of NRS control.

2. For the purposes of subsection 1, unless the context requires that a provision apply only to a group health plan or a carrier that provides coverage under a group health plan, any reference in those sections to "group health plan" or "carrier" must be replaced by "fraternal benefit society."

Sec. 89. NRS 695A.159 is hereby amended to read as follows:

695A.159 1. If a person:

(a) Adopts a dependent child; or

(b) Assumes and retains a legal obligation for the total or partial support of a dependent child in anticipation of adopting the child,

➥ while the person is eligible for group coverage under a certificate for health benefits, the society issuing that certificate shall not restrict the coverage, in accordance with NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, and chapter 689C of NRS relating to the portability and availability of health insurance, of the child solely because of a preexisting condition the child has at the time he or she would otherwise become eligible for coverage pursuant to that policy.

2. For the purposes of this section, "child" means a person who is under 18 years of age at the time of his or her adoption or the assumption of a legal obligation for his or her support in anticipation of his or her adoption.

Sec. 90. NRS 695B.187 is hereby amended to read as follows:

695B.187 Except as otherwise provided by the provisions of NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, and chapter 689C of NRS relating to the portability and availability of health insurance:

1. A group contract for hospital, medical or dental services issued by a nonprofit hospital, medical or dental service corporation to replace any discontinued policy or coverage for group health insurance must:

(a) Provide coverage for all persons who were covered under the previous policy or coverage on the date it was discontinued; and

(b) Except as otherwise provided in subsection 2, provide benefits which are at least as extensive as the benefits provided by the previous policy or coverage, except that the benefits may be reduced or excluded to the extent that such a reduction or exclusion was permissible under the terms of the previous policy or coverage,

➥ if that contract is issued within 60 days after the date on which the previous policy or coverage was discontinued.

2. If an employer obtains a replacement contract pursuant to subsection 1 to cover the employees of the employer, any benefits provided by the previous policy or coverage may be reduced if notice of the reduction is given to the employees of the employer pursuant to NRS 608.1577.

3. Any corporation which issues a replacement contract pursuant to subsection 1 may submit a written request to the insurer which provided the previous policy or coverage for a statement of benefits which were provided under that policy or coverage. Upon receiving such a request, the insurer shall give a written statement to the corporation which indicates what benefits were provided and what exclusions or reductions were in effect under the previous policy or coverage.

4. The provisions of this section apply to a self-insured employer who provides health benefits to the employees of the self-insured employer and replaces those benefits with a group contract for hospital, medical or dental services issued by a nonprofit hospital, medical or dental service corporation.

Sec. 91. NRS 695B.189 is hereby amended to read as follows:

695B.189 A group contract issued by a corporation under the provisions of this chapter must contain a provision which permits the continuation of coverage pursuant to the provisions of NRS ~~[689B.245 to 689B.249, inclusive, and]~~ 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, and chapter 689C of NRS relating to the portability and availability of health insurance.

Sec. 92. NRS 695B.192 is hereby amended to read as follows:

695B.192 1. No hospital, medical or dental service contract issued by a corporation pursuant to the provisions of this chapter may contain any exclusion, reduction or other limitation of coverage relating to complications of pregnancy, unless the provision applies generally to all benefits payable under the contract and complies with the provisions of NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, and chapter 689C of NRS relating to the portability and availability of health insurance.

2. As used in this section, the term "complications of pregnancy" includes any condition which requires hospital confinement for medical treatment and:

(a) If the pregnancy is not terminated, is caused by an injury or sickness not directly related to the pregnancy or by acute nephritis, nephrosis, cardiac decompensation, missed abortion or similar medically diagnosed conditions; or

(b) If the pregnancy is terminated, results in nonelective cesarean section, ectopic pregnancy or spontaneous termination.

3. A contract subject to the provisions of this chapter which is issued or delivered on or after July 1, 1977, has the legal effect of including the coverage required by this section, and any provision of the contract which is in conflict with this section is void.

Sec. 93. NRS 695B.251 is hereby amended to read as follows:

695B.251 1. Except as otherwise provided in the provisions of this section, NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, and chapter 689C of NRS relating to the portability and availability of health insurance, all group subscriber contracts delivered or issued for delivery in this state providing for hospital, surgical or major medical coverage, or any combination of these coverages, on a service basis or an expense-incurred basis, or both, must contain a provision that the employee or member is entitled to have issued to him or her a subscriber contract of health coverage when the employee or member is no longer covered by the group subscriber contract.

2. The requirement in subsection 1 does not apply to contracts providing benefits only for specific diseases or accidental injuries.

3. If an employee or member was a recipient of benefits under the coverage provided pursuant to NRS 695B.1944, the employee or member is not entitled to have issued to him or her by a replacement insurer a subscriber

contract of health coverage unless the employee or member has reported for his or her normal employment for a period of 90 consecutive days after last being eligible to receive any benefits under the coverage provided pursuant to NRS 695B.1944.

Sec. 94. NRS 695B.259 is hereby amended to read as follows:

695B.259 The medical service corporation may continue coverage identical to that provided under the group contract instead of issuing a converted contract. Coverage may be offered by amending the group certificate or by issuing an individual contract and **[**~~, except as otherwise provided in NRS 689B.245 to 689B.249, inclusive,~~**]** must otherwise comply with every requirement of NRS 695B.251 to 695B.259, inclusive.

Sec. 95. NRS 695B.318 is hereby amended to read as follows:

695B.318 1. Nonprofit hospital, medical or dental service corporations are subject to the provisions of NRS 689B.340 to **[**~~689B.590,~~**]** ***689B.580,*** inclusive, and chapter 689C of NRS relating to the portability and availability of health insurance offered by such organizations. If there is a conflict between the provisions of this chapter and the provisions of NRS 689B.340 to **[**~~689B.590,~~**]** ***689B.580,*** inclusive, and chapter 689C of NRS, the provisions of NRS 689B.340 to **[**~~689B.590,~~**]** ***689B.580,*** inclusive, and chapter 689C of NRS control.

2. For the purposes of subsection 1, unless the context requires that a provision apply only to a group health plan or a carrier that provides coverage under a group health plan, any reference in those sections to:

(a) "Carrier" must be replaced by "corporation."

(b) "Group health plan" must be replaced by "group contract for hospital, medical or dental services."

Sec. 95.5. NRS 695B.320 is hereby amended to read as follows:

695B.320 Nonprofit hospital and medical or dental service corporations are subject to the provisions of this chapter, and to the provisions of chapters 679A and 679B of NRS, NRS 686A.010 to 686A.315, inclusive, 687B.010 to 687B.040, inclusive, 687B.070 to 687B.140, inclusive, 687B.150, 687B.160, 687B.180, 687B.200 to 687B.255, inclusive, 687B.270, 687B.310 to 687B.380, inclusive, 687B.410, 687B.420, 687B.430, ***and section 33.8 of this act,*** and chapters 692C and 696B of NRS, to the extent applicable and not in conflict with the express provisions of this chapter.

Sec. 96. NRS 695C.050 is hereby amended to read as follows:

695C.050 1. Except as otherwise provided in this chapter or in specific provisions of this title, the provisions of this title are not applicable to any health maintenance organization granted a certificate of authority under this chapter. This provision does not apply to an insurer licensed and regulated pursuant to this title except with respect to its activities as a health maintenance organization authorized and regulated pursuant to this chapter.

2. Solicitation of enrollees by a health maintenance organization granted a certificate of authority, or its representatives, must not be construed to violate any provision of law relating to solicitation or advertising by practitioners of a healing art.

3. Any health maintenance organization authorized under this chapter shall not be deemed to be practicing medicine and is exempt from the provisions of chapter 630 of NRS.

4. The provisions of NRS 695C.110, 695C.125, 695C.1691, 695C.1693, 695C.170 to 695C.173, inclusive, 695C.1733 to 695C.200, inclusive, ~~[~~695C.250~~]~~ and 695C.265 do not apply to a health maintenance organization that provides health care services through managed care to recipients of Medicaid under the State Plan for Medicaid or insurance pursuant to the Children's Health Insurance Program pursuant to a contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services. This subsection does not exempt a health maintenance organization from any provision of this chapter for services provided pursuant to any other contract.

5. The provisions of NRS 695C.1694, 695C.1695 and 695C.1731 apply to a health maintenance organization that provides health care services through managed care to recipients of Medicaid under the State Plan for Medicaid.

Sec. 96.5. NRS 695C.055 is hereby amended to read as follows:

695C.055 1. The provisions of NRS 449.465, 679A.200, 679B.700, subsections 2, 4, 18, 19 and 32 of NRS 680B.010, NRS 680B.020 to 680B.060, inclusive, ***and section 33.8 of this act,*** and chapters 686A and 695G of NRS apply to a health maintenance organization.

2. For the purposes of subsection 1, unless the context requires that a provision apply only to insurers, any reference in those sections to "insurer" must be replaced by "health maintenance organization."

Sec. 97. NRS 695C.057 is hereby amended to read as follows:

695C.057 1. A health maintenance organization is subject to the provisions of NRS 689B.340 to ~~[~~689B.590,~~]~~ ***689B.580,*** inclusive, and chapter 689C of NRS relating to the portability and availability of health insurance offered by such organizations. If there is a conflict between the provisions of this chapter and the provisions of NRS 689B.340 to ~~[~~689B.590,~~]~~ ***689B.580,*** inclusive, and chapter 689C of NRS, the provisions of NRS 689B.340 to ~~[~~689B.590,~~]~~ ***689B.580,*** inclusive, and chapter 689C of NRS control.

2. For the purposes of subsection 1, unless the context requires that a provision apply only to a group health plan or a carrier that provides coverage under a group health plan, any reference in those sections to "group

health plan" or "carrier" must be replaced by "health maintenance organization."

Sec. 98. NRS 695C.080 is hereby amended to read as follows:

695C.080 1. ~~[Upon receipt of an application for issuance of a certificate of authority, the Commissioner shall forthwith transmit copies of such application and accompanying documents to the State Board of Health.~~

2.~~]~~ The ~~[State Board of Health]~~ ***Commissioner*** shall determine whether the applicant for a certificate of authority, with respect to health care services to be furnished:

(a) Has demonstrated the willingness and ability to ensure that such health care services will be provided in a manner to ensure both availability and accessibility of adequate personnel and facilities and in a manner enhancing availability, accessibility and continuity of service;

(b) Has organizational arrangements, established in accordance with regulations promulgated by the ***Commissioner and in consultation with the*** State Board of Health; and

(c) Has a procedure established in accordance with regulations of the ~~[State Board of Health]~~ ***Commissioner*** to develop, compile, evaluate and report statistics relating to the cost of its operations, the pattern of utilization of its services, the availability and accessibility of its services and such other matters as may be reasonably required by the ~~[State Board of Health.~~

~~3.]~~ ***Commissioner.***

2. Within 90 days of receipt of the application for issuance of a certificate of authority, the ~~[State Board of Health shall certify to the]~~ Commissioner ***shall certify*** whether the proposed health maintenance organization meets the requirements of subsection ~~[2.]~~ ***1.*** If the ~~[State Board of Health]~~ ***Commissioner*** certifies that the health maintenance organization does not meet such requirements, it shall specify in what respects it is deficient.

Sec. 99. NRS 695C.090 is hereby amended to read as follows:

695C.090 The Commissioner shall issue or deny a certificate of authority to any person filing an application pursuant to NRS 695C.060 within 90 days ~~[of receipt of the]~~ ***after*** certification ***.*** ~~[from the State Board of Health.]~~ Issuance of a certificate of authority must be granted upon payment of the fees prescribed in NRS 695C.230 if the Commissioner is satisfied that the following conditions are met:

1. The persons responsible for the conduct of the affairs of the applicant are competent, trustworthy and possess good reputations.

2. The ~~[State Board of Health]~~ ***Commissioner*** certifies, in accordance with NRS 695C.080, that the health maintenance organization's proposed plan of operation meets the requirements of subsection ~~[2]~~ ***1*** of NRS 695C.080.

3. The health care plan furnishes comprehensive health care services.

4. The health maintenance organization is financially responsible and may reasonably be expected to meet its obligations to enrollees and prospective enrollees. In making this determination, the Commissioner may consider:

(a) The financial soundness of the health care plan's arrangements for health care services and the schedule of charges used in connection therewith;

(b) The adequacy of working capital;

(c) Any agreement with an insurer, a government, or any other organization for insuring the payment of the cost of health care services;

(d) Any agreement with providers for the provision of health care services; and

(e) Any surety bond or deposit of cash or securities submitted in accordance with NRS 695C.270 as a guarantee that the obligations will be duly performed.

5. The enrollees will be afforded an opportunity to participate in matters of program content pursuant to NRS 695C.110.

6. Nothing in the proposed method of operation, as shown by the information submitted pursuant to NRS 695C.060, 695C.070 and 695C.140, or by independent investigation is contrary to the public interest.

Sec. 100. NRS 695C.140 is hereby amended to read as follows:

695C.140 1. A health maintenance organization shall, unless otherwise provided for in this chapter, file notice with the Commissioner **[**~~and the State Board of Health~~**]** before any material modification of the operations described in the information required by NRS 695C.070. If the Commissioner does not disapprove within 90 days after filing of the notice, the modification is deemed approved.

2. The Commissioner may adopt regulations to carry out the provisions of this section.

Sec. 101. NRS 695C.1693 is hereby amended to read as follows:

695C.1693 1. Except as otherwise provided in NRS 695C.050, a health care plan issued by a health maintenance organization must provide coverage for medical treatment which an enrollee receives as part of a clinical trial or study if:

(a) The medical treatment is provided in a Phase I, Phase II, Phase III or Phase IV study or clinical trial for the treatment of cancer or in a Phase II, Phase III or Phase IV study or clinical trial for the treatment of chronic fatigue syndrome;

(b) The clinical trial or study is approved by:

(1) An agency of the National Institutes of Health as set forth in 42 U.S.C. § 281(b);

(2) A cooperative group;

(3) The Food and Drug Administration as an application for a new investigational drug;

(4) The United States Department of Veterans Affairs; or

(5) The United States Department of Defense;

(c) In the case of:

(1) A Phase I clinical trial or study for the treatment of cancer, the medical treatment is provided at a facility authorized to conduct Phase I clinical trials or studies for the treatment of cancer; or

(2) A Phase II, Phase III or Phase IV study or clinical trial for the treatment of cancer or chronic fatigue syndrome, the medical treatment is provided by a provider of health care and the facility and personnel for the clinical trial or study have the experience and training to provide the treatment in a capable manner;

(d) There is no medical treatment available which is considered a more appropriate alternative medical treatment than the medical treatment provided in the clinical trial or study;

(e) There is a reasonable expectation based on clinical data that the medical treatment provided in the clinical trial or study will be at least as effective as any other medical treatment;

(f) The clinical trial or study is conducted in this State; and

(g) The enrollee has signed, before participating in the clinical trial or study, a statement of consent indicating that the enrollee has been informed of, without limitation:

(1) The procedure to be undertaken;

(2) Alternative methods of treatment; and

(3) The risks associated with participation in the clinical trial or study, including, without limitation, the general nature and extent of such risks.

2. Except as otherwise provided in subsection 3, the coverage for medical treatment required by this section is limited to:

(a) Coverage for any drug or device that is approved for sale by the Food and Drug Administration without regard to whether the approved drug or device has been approved for use in the medical treatment of the enrollee.

(b) The cost of any reasonably necessary health care services that are required as a result of the medical treatment provided in a Phase II, Phase III or Phase IV clinical trial or study or as a result of any complication arising out of the medical treatment provided in a Phase II, Phase III or Phase IV clinical trial or study, to the extent that such health care services would otherwise be covered under the health care plan.

(c) The cost of any routine health care services that would otherwise be covered under the health care plan for an enrollee in a Phase I clinical trial or study.

(d) The initial consultation to determine whether the enrollee is eligible to participate in the clinical trial or study.

(e) Health care services required for the clinically appropriate monitoring of the enrollee during a Phase II, Phase III or Phase IV clinical trial or study.

(f) Health care services which are required for the clinically appropriate monitoring of the enrollee during a Phase I clinical trial or study and which are not directly related to the clinical trial or study.

➥ Except as otherwise provided in NRS 695C.1691, the services provided pursuant to paragraphs (b), (c), (e) and (f) must be covered only if the services are provided by a provider with whom the health maintenance organization has contracted for such services. If the health maintenance organization has not contracted for the provision of such services, the health maintenance organization shall pay the provider the rate of reimbursement that is paid to other providers with whom the health maintenance organization has contracted for similar services and the provider shall accept that rate of reimbursement as payment in full.

3. Particular medical treatment described in subsection 2 and provided to an enrollee is not required to be covered pursuant to this section if that particular medical treatment is provided by the sponsor of the clinical trial or study free of charge to the enrollee.

4. The coverage for medical treatment required by this section does not include:

(a) Any portion of the clinical trial or study that is customarily paid for by a government or a biotechnical, pharmaceutical or medical industry.

(b) Coverage for a drug or device described in paragraph (a) of subsection 2 which is paid for by the manufacturer, distributor or provider of the drug or device.

(c) Health care services that are specifically excluded from coverage under the enrollee's health care plan, regardless of whether such services are provided under the clinical trial or study.

(d) Health care services that are customarily provided by the sponsors of the clinical trial or study free of charge to the participants in the trial or study.

(e) Extraneous expenses related to participation in the clinical trial or study including, without limitation, travel, housing and other expenses that a participant may incur.

(f) Any expenses incurred by a person who accompanies the enrollee during the clinical trial or study.

(g) Any item or service that is provided solely to satisfy a need or desire for data collection or analysis that is not directly related to the clinical management of the enrollee.

(h) Any costs for the management of research relating to the clinical trial or study.

5. A health maintenance organization that delivers or issues for delivery a health care plan specified in subsection 1 may require copies of the approval or certification issued pursuant to paragraph (b) of subsection 1, the statement of consent signed by the enrollee, protocols for the clinical trial or study and any other materials related to the scope of the clinical trial or study relevant to the coverage of medical treatment pursuant to this section.

6. A health maintenance organization that delivers or issues for delivery a health care plan specified in subsection 1 shall ~~[~~:

~~(a) Include in the disclosure required pursuant to NRS 695C.193 notice to each enrollee of the availability of the benefits required by this section.~~

~~(b) Provide~~~~]~~ ***provide*** the coverage required by this section subject to the same deductible, copayment, coinsurance and other such conditions for coverage that are required under the plan.

7. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2006, has the legal effect of including the coverage required by this section, and any provision of the plan that conflicts with this section is void.

8. A health maintenance organization that delivers or issues for delivery a health care plan specified in subsection 1 is immune from liability for:

(a) Any injury to an enrollee caused by:

(1) Any medical treatment provided to the enrollee in connection with his or her participation in a clinical trial or study described in this section; or

(2) An act or omission by a provider of health care who provides medical treatment or supervises the provision of medical treatment to the enrollee in connection with his or her participation in a clinical trial or study described in this section.

(b) Any adverse or unanticipated outcome arising out of an enrollee's participation in a clinical trial or study described in this section.

9. As used in this section:

(a) "Cooperative group" means a network of facilities that collaborate on research projects and has established a peer review program approved by the National Institutes of Health. The term includes:

(1) The Clinical Trials Cooperative Group Program; and

(2) The Community Clinical Oncology Program.

(b) "Facility authorized to conduct Phase I clinical trials or studies for the treatment of cancer" means a facility or an affiliate of a facility that:

(1) Has in place a Phase I program which permits only selective participation in the program and which uses clear-cut criteria to determine eligibility for participation in the program;

(2) Operates a protocol review and monitoring system which conforms to the standards set forth in the Policies and Guidelines Relating to the

Cancer-Center Support Grant published by the Cancer Centers Branch of the National Cancer Institute;

(3) Employs at least two researchers and at least one of those researchers receives funding from a federal grant;

(4) Employs at least three clinical investigators who have experience working in Phase I clinical trials or studies conducted at a facility designated as a comprehensive cancer center by the National Cancer Institute;

(5) Possesses specialized resources for use in Phase I clinical trials or studies, including, without limitation, equipment that facilitates research and analysis in proteomics, genomics and pharmacokinetics;

(6) Is capable of gathering, maintaining and reporting electronic data; and

(7) Is capable of responding to audits instituted by federal and state agencies.

(c) "Provider of health care" means:

(1) A hospital; or

(2) A person licensed pursuant to chapter 630, 631 or 633 of NRS.

Sec. 102. NRS 695C.1705 is hereby amended to read as follows:

695C.1705 Except as otherwise provided in the provisions of NRS 689B.340 to **[**~~689B.590,~~**]** ***689B.580,*** inclusive, and chapter 689C of NRS relating to the portability and accountability of health insurance:

1. A group health care plan issued by a health maintenance organization to replace any discontinued policy or coverage for group health insurance must:

(a) Provide coverage for all persons who were covered under the previous policy or coverage on the date it was discontinued; and

(b) Except as otherwise provided in subsection 2, provide benefits which are at least as extensive as the benefits provided by the previous policy or coverage, except that benefits may be reduced or excluded to the extent that such a reduction or exclusion was permissible under the terms of the previous policy or coverage,

➥ if that plan is issued within 60 days after the date on which the previous policy or coverage was discontinued.

2. If an employer obtains a replacement plan pursuant to subsection 1 to cover the employees of the employer, any benefits provided by the previous policy or coverage may be reduced if notice of the reduction is given to the employees pursuant to NRS 608.1577.

3. Any health maintenance organization which issues a replacement plan pursuant to subsection 1 may submit a written request to the insurer which provided the previous policy or coverage for a statement of benefits which were provided under that policy or coverage. Upon receiving such a request, the insurer shall give a written statement to the organization indicating what

benefits were provided and what exclusions or reductions were in effect under the previous policy or coverage.

4. If an employee or enrollee was a recipient of benefits under the coverage provided pursuant to NRS 695C.1709, the employee or enrollee is not entitled to have issued to him or her by a health maintenance organization a replacement plan unless the employee or enrollee has reported for his or her normal employment for a period of 90 consecutive days after last being eligible to receive any benefits under the coverage provided pursuant to NRS 695C.1709.

5. The provisions of this section apply to a self-insured employer who provides health benefits to the employees of the self-insured employer and replaces those benefits with a group health care plan issued by a health maintenance organization.

Sec. 103. NRS 695C.172 is hereby amended to read as follows:

695C.172 1. No health maintenance organization may issue evidence of coverage under a health care plan to any enrollee in this state if it contains any exclusion, reduction or other limitation of coverage relating to complications of pregnancy unless the provision applies generally to all benefits payable under the policy and complies with the provisions of NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, and chapter 689C of NRS relating to the portability and accountability of health insurance.

2. As used in this section, the term "complications of pregnancy" includes any condition which requires hospital confinement for medical treatment and:

(a) If the pregnancy is not terminated, is caused by an injury or sickness not directly related to the pregnancy or by acute nephritis, nephrosis, cardiac decompensation, missed abortion or similar medically diagnosed conditions; or

(b) If the pregnancy is terminated, results in nonelective cesarean section, ectopic pregnancy or spontaneous termination.

3. Evidence of coverage under a health care plan subject to the provisions of this chapter which is issued on or after July 1, 1977, has the legal effect of including the coverage required by this section, and any provision which is in conflict with this section is void.

Sec. 104. NRS 695C.1727 is hereby amended to read as follows:

695C.1727 1. No evidence of coverage that provides coverage for hospital, medical or surgical expenses may be delivered or issued for delivery in this state unless the evidence of coverage includes coverage for the management and treatment of diabetes, including, without limitation, coverage for the self-management of diabetes.

2. An insurer who delivers or issues for delivery an evidence of coverage specified in subsection 1 ~~[:~~

~~(a) Shall include in the disclosure required pursuant to NRS 695C.193 notice to each enrollee under the evidence of coverage of the availability of the benefits required by this section.~~

~~(b) Shall~~**]** ***shall*** provide the coverage required by this section subject to the same deductible, copayment, coinsurance and other such conditions for the evidence of coverage that are required under the evidence of coverage.

3. Evidence of coverage subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 1998, has the legal effect of including the coverage required by this section, and any provision of the evidence of coverage that conflicts with this section is void.

4. As used in this section:

(a) "Coverage for the management and treatment of diabetes" includes coverage for medication, equipment, supplies and appliances that are medically necessary for the treatment of diabetes.

(b) "Coverage for the self-management of diabetes" includes:

(1) The training and education provided to the enrollee after the enrollee is initially diagnosed with diabetes which is medically necessary for the care and management of diabetes, including, without limitation, counseling in nutrition and the proper use of equipment and supplies for the treatment of diabetes;

(2) Training and education which is medically necessary as a result of a subsequent diagnosis that indicates a significant change in the symptoms or condition of the enrollee and which requires modification of the enrollee's program of self-management of diabetes; and

(3) Training and education which is medically necessary because of the development of new techniques and treatment for diabetes.

(c) "Diabetes" includes type I, type II and gestational diabetes.

Sec. 105. NRS 695C.1745 is hereby amended to read as follows:

695C.1745 1. A health care plan of a health maintenance organization must provide coverage for benefits payable for expenses incurred for administering the human papillomavirus vaccine **[**~~to women and girls at such ages~~**]** as recommended for vaccination by a competent authority, including, without limitation, the Centers for Disease Control and Prevention of the United States Department of Health and Human Services, the Food and Drug Administration or the manufacturer of the vaccine.

2. A health care plan of a health maintenance organization must not require an insured to obtain prior authorization for any service provided pursuant to subsection 1.

3. Any evidence of coverage subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after July 1, 2007, has the legal effect of including the coverage required by subsection 1, and

any provision of the evidence of coverage or the renewal which is in conflict with subsection 1 is void.

4. For the purposes of this section, "human papillomavirus vaccine" means the Quadrivalent Human Papillomavirus Recombinant Vaccine or its successor which is approved by the Food and Drug Administration for the prevention of human papillomavirus infection and cervical cancer.

Sec. 106. NRS 695C.200 is hereby amended to read as follows:

695C.200 The Commissioner shall within a reasonable period approve any form if the requirements of NRS 695C.170 are met **.** ~~[and any schedule of charges if the requirements of NRS 695C.180 are met.]~~ It is unlawful to issue such form or to use such schedule of charges until approved. If the Commissioner disapproves such filing, the Commissioner shall notify the filer. In the notice, the Commissioner shall specify the reasons for disapproval. A hearing will be granted within 90 days after a request in writing by the person filing.

Sec. 107. NRS 695C.210 is hereby amended to read as follows:

695C.210 1. Every health maintenance organization shall file with the Commissioner on or before March 1 of each year a report showing its financial condition on the last day of the preceding calendar year. The report must be verified by at least two principal officers of the organization. ~~[The organization shall file a copy of the report with the State Board of Health.]~~

2. The report must be on forms prescribed by the Commissioner and must include:

(a) A financial statement of the organization, including its balance sheet and receipts and disbursements for the preceding calendar year;

(b) Any material changes in the information submitted pursuant to NRS 695C.070;

(c) The number of persons enrolled during the year, the number of enrollees as of the end of the year, the number of enrollments terminated during the year and, if requested by the Commissioner, a compilation of the reasons for such terminations;

(d) The number and amount of malpractice claims initiated against the health maintenance organization and any of the providers used by it during the year broken down into claims with and without form of legal process, and the disposition, if any, of each such claim, if requested by the Commissioner;

(e) A summary of information compiled pursuant to paragraph (c) of subsection ~~[2]~~ ***1*** of NRS 695C.080 in such form as required by the ~~[State Board of Health;]~~ ***Commissioner;*** and

(f) Such other information relating to the performance of the health maintenance organization as is necessary to enable the Commissioner to carry out his or her duties pursuant to this chapter.

3. Every health maintenance organization shall file with the Commissioner annually an audited financial statement of the organization prepared by an independent certified public accountant. The statement must cover the preceding 12-month period and must be filed with the Commissioner within 120 days after the end of the organization's fiscal year. Upon written request, the Commissioner may grant a 30-day extension.

4. If an organization fails to file timely the report or financial statement required by this section, it shall pay an administrative penalty of $100 per day until the report or statement is filed, except that the total penalty must not exceed $3,000. The Attorney General shall recover the penalty in the name of the State of Nevada.

5. The Commissioner may grant a reasonable extension of time for filing the report or financial statement required by this section, if the request for an extension is submitted in writing and shows good cause.

Sec. 108. NRS 695C.310 is hereby amended to read as follows:

695C.310 1. The Commissioner shall make an examination of the affairs of any health maintenance organization and providers with whom such organization has contracts, agreements or other arrangements pursuant to its health care plan as often as the Commissioner deems it necessary for the protection of the interests of the people of this State. An examination must be made not less frequently than once every 3 years.

2. The **[**~~State Board of Health~~**]** ***Commissioner*** shall make an examination concerning the quality of health care services of any health maintenance organization and providers with whom such organization has contracts, agreements or other arrangements pursuant to its health care plan as often as it deems necessary for the protection of the interests of the people of this State. An examination must be made not less frequently than once every 3 years.

3. Every health maintenance organization and provider shall submit its books and records relating to the health care plan to an examination made pursuant to subsection 1 or 2 and in every way facilitate the examination. Medical records of natural persons and records of physicians providing service pursuant to a contract to the health maintenance organization are not subject to such examination, although the records are subject to subpoena upon a showing of good cause. For the purpose of examinations, the Commissioner **[**~~and the State Board of Health~~**]** may administer oaths to, and examine the officers and agents of the health maintenance organization and the principals of such providers concerning their business.

4. The expenses of examinations pursuant to this section must be assessed against the organization being examined and remitted to the Commissioner **. [**~~or the State Board of Health, whichever is appropriate.~~**]**

5. In lieu of such examination, the Commissioner may accept the report of an examination made by the insurance commissioner or the state board of health of another state.

Sec. 109. NRS 695C.330 is hereby amended to read as follows:

695C.330 1. The Commissioner may suspend or revoke any certificate of authority issued to a health maintenance organization pursuant to the provisions of this chapter if the Commissioner finds that any of the following conditions exist:

(a) The health maintenance organization is operating significantly in contravention of its basic organizational document, its health care plan or in a manner contrary to that described in and reasonably inferred from any other information submitted pursuant to NRS 695C.060, 695C.070 and 695C.140, unless any amendments to those submissions have been filed with and approved by the Commissioner;

(b) The health maintenance organization issues evidence of coverage or uses a schedule of charges for health care services which do not comply with the requirements of NRS 695C.1691 to 695C.200, inclusive, or 695C.207;

(c) The health care plan does not furnish comprehensive health care services as provided for in NRS 695C.060;

(d) The ~~[State Board of Health certifies to the]~~ Commissioner ***certifies*** that the health maintenance organization:

(1) Does not meet the requirements of subsection ~~[2]~~ ***1*** of NRS 695C.080; or

(2) Is unable to fulfill its obligations to furnish health care services as required under its health care plan;

(e) The health maintenance organization is no longer financially responsible and may reasonably be expected to be unable to meet its obligations to enrollees or prospective enrollees;

(f) The health maintenance organization has failed to put into effect a mechanism affording the enrollees an opportunity to participate in matters relating to the content of programs pursuant to NRS 695C.110;

(g) The health maintenance organization has failed to put into effect the system required by NRS 695C.260 for:

(1) Resolving complaints in a manner reasonably to dispose of valid complaints; and

(2) Conducting external reviews of adverse determinations that comply with the provisions of NRS 695G.241 to 695G.310, inclusive;

(h) The health maintenance organization or any person on its behalf has advertised or merchandised its services in an untrue, misrepresentative, misleading, deceptive or unfair manner;

(i) The continued operation of the health maintenance organization would be hazardous to its enrollees;

(j) The health maintenance organization fails to provide the coverage required by NRS 695C.1691; or

(k) The health maintenance organization has otherwise failed to comply substantially with the provisions of this chapter.

2. A certificate of authority must be suspended or revoked only after compliance with the requirements of NRS 695C.340.

3. If the certificate of authority of a health maintenance organization is suspended, the health maintenance organization shall not, during the period of that suspension, enroll any additional groups or new individual contracts, unless those groups or persons were contracted for before the date of suspension.

4. If the certificate of authority of a health maintenance organization is revoked, the organization shall proceed, immediately following the effective date of the order of revocation, to wind up its affairs and shall conduct no further business except as may be essential to the orderly conclusion of the affairs of the organization. It shall engage in no further advertising or solicitation of any kind. The Commissioner may, by written order, permit such further operation of the organization as the Commissioner may find to be in the best interest of enrollees to the end that enrollees are afforded the greatest practical opportunity to obtain continuing coverage for health care.

Sec. 110. NRS 695C.340 is hereby amended to read as follows:

695C.340 1. When the Commissioner has cause to believe that grounds for the denial of an application for a certificate of authority exist, or that grounds for the suspension or revocation of a certificate of authority exist, the Commissioner shall notify the health maintenance organization **[**~~and the State Board of Health~~**]** in writing specifically stating the grounds for denial, suspension or revocation and fixing a time at least 30 days thereafter for a hearing on the matter.

2. **[**~~The State Board of Health or its delegated representative shall be in attendance at the hearing and shall participate in the proceedings. The recommendation and findings of the State Board of Health with respect to matters relating to the quality of health maintenance services provided in connection with any decision regarding denial, suspension or revocation of a certificate of authority are conclusive and binding upon the Commissioner.~~**]** After the hearing, or upon the failure of the health maintenance organization to appear at the hearing, the Commissioner shall take action as is deemed advisable on written findings which must be mailed to the health maintenance organization **.** **[**~~with a copy thereof to the State Board of Health.~~**]** The action of the Commissioner **[**~~and the recommendation and findings of the State Board of Health~~**]** are subject to review by the First Judicial District Court of the State of Nevada in and for Carson City. The

court may, in disposing of the issue before it, modify, affirm or reverse the order of the Commissioner in whole or in part.

Sec. 111. NRS 695C.350 is hereby amended to read as follows:

695C.350 1. The Commissioner may, in lieu of suspension or revocation of a certificate of authority under NRS 695C.330, levy an administrative penalty in an amount not more than $2,500 for each act or violation, if reasonable notice in writing is given of the intent to levy the penalty.

2. Any person who violates the provisions of this chapter is guilty of a misdemeanor.

3. If the Commissioner ~~[or the State Board of Health]~~ for any reason ~~[have]~~ ***has*** cause to believe that any violation of this chapter has occurred or is threatened, the Commissioner ~~[or the State Board of Health]~~ may give notice to the health maintenance organization and to the representatives, or other persons who appear to be involved in the suspected violation, to arrange a conference with the alleged violators or their authorized representatives to attempt to determine the facts relating to the suspected violation, and, if it appears that any violation has occurred or is threatened, to arrive at an adequate and effective means of correcting or preventing the violation.

4. The proceedings conducted pursuant to the provisions of subsection 3 must not be governed by any formal procedural requirements, and may be conducted in such manner as the Commissioner ~~[or the State Board of Health]~~ may deem appropriate under the circumstances.

5. The Commissioner may issue an order directing a health maintenance organization or a representative of a health maintenance organization to cease and desist from engaging in any act or practice in violation of the provisions of this chapter.

6. Within 30 days after service of the order to cease and desist, the respondent may request a hearing on the question of whether acts or practices in violation of this chapter have occurred. The hearing must be conducted pursuant to the provisions of chapter 233B of NRS and judicial review must be available as provided therein.

7. In the case of any violation of the provisions of this chapter, if the Commissioner elects not to issue a cease and desist order, or in the event of noncompliance with a cease and desist order issued pursuant to subsection 5, the Commissioner may institute a proceeding to obtain injunctive relief, or seek other appropriate relief in the district court of the judicial district of the county in which the violator resides.

Sec. 112. NRS 695F.090 is hereby amended to read as follows:

695F.090 Prepaid limited health service organizations are subject to the provisions of this chapter and to the following provisions, to the extent reasonably applicable:

1. NRS 687B.310 to 687B.420, inclusive, concerning cancellation and nonrenewal of policies.

2. NRS 687B.122 to 687B.128, inclusive, concerning readability of policies.

3. The requirements of NRS 679B.152.

4. The fees imposed pursuant to NRS 449.465.

5. NRS 686A.010 to 686A.310, inclusive, concerning trade practices and frauds.

6. The assessment imposed pursuant to NRS 679B.700.

7. Chapter 683A of NRS.

8. To the extent applicable, the provisions of NRS 689B.340 to **[**~~689B.590,~~**]** ***689B.580,*** inclusive, and chapter 689C of NRS relating to the portability and availability of health insurance.

9. NRS 689A.035, 689A.410, 689A.413 and 689A.415.

10. NRS 680B.025 to 680B.039, inclusive, concerning premium tax, premium tax rate, annual report and estimated quarterly tax payments. For the purposes of this subsection, unless the context otherwise requires that a section apply only to insurers, any reference in those sections to "insurer" must be replaced by a reference to "prepaid limited health service organization."

11. Chapter 692C of NRS, concerning holding companies.

12. NRS 689A.637, concerning health centers.

Sec. 113. NRS 695G.130 is hereby amended to read as follows:

695G.130 1. In addition to any other report which is required to be filed with the Commissioner **, [**~~or the State Board of Health,~~**]** each managed care organization shall file with the Commissioner **, [**~~and the State Board of Health,~~**]** on or before March 1 of each year, a report regarding its methods for reviewing the quality of health care services provided to its insureds.

2. Each managed care organization shall include in its report the criteria, data, benchmarks or studies used to:

(a) Assess the nature, scope, quality and accessibility of health care services provided to insureds; or

(b) Determine any reduction or modification of the provision of health care services to insureds.

3. Except as already required to be filed with the Commissioner **, [**~~or the State Board of Health,~~**]** if the managed care organization is not owned and operated by a public entity and has more than 100 insureds, the report filed pursuant to subsection 1 must include:

(a) A copy of all of its quarterly and annual financial reports;

(b) A statement of any financial interest it has in any other business which is related to health care that is greater than 5 percent of that business or $5,000, whichever is less; and

(c) A description of each complaint filed with or against it that resulted in arbitration, a lawsuit or other legal proceeding, unless disclosure is prohibited by law or a court order.

4. A report filed pursuant to this section must be made available for public inspection within a reasonable time after it is received by the Commissioner.

Sec. 114. NRS 695G.171 is hereby amended to read as follows:

695G.171 1. A health care plan issued by a managed care organization must provide coverage for benefits payable for expenses incurred for administering the human papillomavirus vaccine ~~[to women and girls at such ages]~~ as recommended for vaccination by a competent authority, including, without limitation, the Centers for Disease Control and Prevention of the United States Department of Health and Human Services, the Food and Drug Administration or the manufacturer of the vaccine.

2. A health care plan must not require an insured to obtain prior authorization for any service provided pursuant to subsection 1.

3. An evidence of coverage for a health care plan subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after July 1, 2007, has the legal effect of including the coverage required by subsection 1, and any provision of the evidence of coverage or the renewal thereof which is in conflict with subsection 1 is void.

4. For the purposes of this section, "human papillomavirus vaccine" means the Quadrivalent Human Papillomavirus Recombinant Vaccine or its successor which is approved by the Food and Drug Administration for the prevention of human papillomavirus infection and cervical cancer.

Sec. 115. NRS 695G.173 is hereby amended to read as follows:

695G.173 1. A health care plan issued by a managed care organization must provide coverage for medical treatment which a person insured under the plan receives as part of a clinical trial or study if:

(a) The medical treatment is provided in a Phase I, Phase II, Phase III or Phase IV study or clinical trial for the treatment of cancer or in a Phase II, Phase III or Phase IV study or clinical trial for the treatment of chronic fatigue syndrome;

(b) The clinical trial or study is approved by:

(1) An agency of the National Institutes of Health as set forth in 42 U.S.C. § 281(b);

(2) A cooperative group;

(3) The Food and Drug Administration as an application for a new investigational drug;

(4) The United States Department of Veterans Affairs; or

(5) The United States Department of Defense;

(c) In the case of:

(1) A Phase I clinical trial or study for the treatment of cancer, the medical treatment is provided at a facility authorized to conduct Phase I clinical trials or studies for the treatment of cancer; or

(2) A Phase II, Phase III or Phase IV study or clinical trial for the treatment of cancer or chronic fatigue syndrome, the medical treatment is provided by a provider of health care and the facility and personnel for the clinical trial or study have the experience and training to provide the treatment in a capable manner;

(d) There is no medical treatment available which is considered a more appropriate alternative medical treatment than the medical treatment provided in the clinical trial or study;

(e) There is a reasonable expectation based on clinical data that the medical treatment provided in the clinical trial or study will be at least as effective as any other medical treatment;

(f) The clinical trial or study is conducted in this State; and

(g) The insured has signed, before participating in the clinical trial or study, a statement of consent indicating that the insured has been informed of, without limitation:

(1) The procedure to be undertaken;

(2) Alternative methods of treatment; and

(3) The risks associated with participation in the clinical trial or study, including, without limitation, the general nature and extent of such risks.

2. Except as otherwise provided in subsection 3, the coverage for medical treatment required by this section is limited to:

(a) Coverage for any drug or device that is approved for sale by the Food and Drug Administration without regard to whether the approved drug or device has been approved for use in the medical treatment of the insured.

(b) The cost of any reasonably necessary health care services that are required as a result of the medical treatment provided in a Phase II, Phase III or Phase IV clinical trial or study or as a result of any complication arising out of the medical treatment provided in a Phase II, Phase III or Phase IV clinical trial or study, to the extent that such health care services would otherwise be covered under the health care plan.

(c) The cost of any routine health care services that would otherwise be covered under the health care plan for an insured in a Phase I clinical trial or study.

(d) The initial consultation to determine whether the insured is eligible to participate in the clinical trial or study.

(e) Health care services required for the clinically appropriate monitoring of the insured during a Phase II, Phase III or Phase IV clinical trial or study.

(f) Health care services which are required for the clinically appropriate monitoring of the insured during a Phase I clinical trial or study and which are not directly related to the clinical trial or study.

➥ Except as otherwise provided in NRS 695G.164, the services provided pursuant to paragraphs (b), (c), (e) and (f) must be covered only if the services are provided by a provider with whom the managed care organization has contracted for such services. If the managed care organization has not contracted for the provision of such services, the managed care organization shall pay the provider the rate of reimbursement that is paid to other providers with whom the managed care organization has contracted for similar services and the provider shall accept that rate of reimbursement as payment in full.

3. Particular medical treatment described in subsection 2 and provided to a person insured under the plan is not required to be covered pursuant to this section if that particular medical treatment is provided by the sponsor of the clinical trial or study free of charge to the person insured under the plan.

4. The coverage for medical treatment required by this section does not include:

(a) Any portion of the clinical trial or study that is customarily paid for by a government or a biotechnical, pharmaceutical or medical industry.

(b) Coverage for a drug or device described in paragraph (a) of subsection 2 which is paid for by the manufacturer, distributor or provider of the drug or device.

(c) Health care services that are specifically excluded from coverage under the insured's health care plan, regardless of whether such services are provided under the clinical trial or study.

(d) Health care services that are customarily provided by the sponsors of the clinical trial or study free of charge to the participants in the trial or study.

(e) Extraneous expenses related to participation in the clinical trial or study including, without limitation, travel, housing and other expenses that a participant may incur.

(f) Any expenses incurred by a person who accompanies the insured during the clinical trial or study.

(g) Any item or service that is provided solely to satisfy a need or desire for data collection or analysis that is not directly related to the clinical management of the insured.

(h) Any costs for the management of research relating to the clinical trial or study.

5. A managed care organization that delivers or issues for delivery a health care plan specified in subsection 1 may require copies of the approval or certification issued pursuant to paragraph (b) of subsection 1, the statement of consent signed by the insured, protocols for the clinical trial or study and any other materials related to the scope of the clinical trial or study relevant to the coverage of medical treatment pursuant to this section.

6. A managed care organization that delivers or issues for delivery a health care plan specified in subsection 1 shall ~~[~~:

~~(a) Include in the disclosure required pursuant to NRS 695C.193 notice to each person insured under the plan of the availability of the benefits required by this section.~~

~~(b) Provide~~] ***provide*** the coverage required by this section subject to the same deductible, copayment, coinsurance and other such conditions for coverage that are required under the plan.

7. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, 2006, has the legal effect of including the coverage required by this section, and any provision of the plan that conflicts with this section is void.

8. A managed care organization that delivers or issues for delivery a health care plan specified in subsection 1 is immune from liability for:

(a) Any injury to an insured caused by:

(1) Any medical treatment provided to the insured in connection with his or her participation in a clinical trial or study described in this section; or

(2) An act or omission by a provider of health care who provides medical treatment or supervises the provision of medical treatment to the insured in connection with his or her participation in a clinical trial or study described in this section.

(b) Any adverse or unanticipated outcome arising out of an insured's participation in a clinical trial or study described in this section.

9. As used in this section:

(a) "Cooperative group" means a network of facilities that collaborate on research projects and has established a peer review program approved by the National Institutes of Health. The term includes:

(1) The Clinical Trials Cooperative Group Program; and

(2) The Community Clinical Oncology Program.

(b) "Facility authorized to conduct Phase I clinical trials or studies for the treatment of cancer" means a facility or an affiliate of a facility that:

(1) Has in place a Phase I program which permits only selective participation in the program and which uses clear-cut criteria to determine eligibility for participation in the program;

(2) Operates a protocol review and monitoring system which conforms to the standards set forth in the Policies and Guidelines Relating to the

Cancer-Center Support Grant published by the Cancer Centers Branch of the National Cancer Institute;

(3) Employs at least two researchers and at least one of those researchers receives funding from a federal grant;

(4) Employs at least three clinical investigators who have experience working in Phase I clinical trials or studies conducted at a facility designated as a comprehensive cancer center by the National Cancer Institute;

(5) Possesses specialized resources for use in Phase I clinical trials or studies, including, without limitation, equipment that facilitates research and analysis in proteomics, genomics and pharmacokinetics;

(6) Is capable of gathering, maintaining and reporting electronic data; and

(7) Is capable of responding to audits instituted by federal and state agencies.

(c) "Provider of health care" means:

(1) A hospital; or

(2) A person licensed pursuant to chapter 630, 631 or 633 of NRS.

Sec. 116. NRS 695G.200 is hereby amended to read as follows:

695G.200 1. Each managed care organization shall establish a system for resolving complaints of an insured concerning:

(a) Payment or reimbursement for covered health care services;

(b) Availability, delivery or quality of covered health care services, including, without limitation, an adverse determination made pursuant to utilization review; or

(c) The terms and conditions of a health care plan.

➥ The system must be approved by the Commissioner in consultation with the State Board of Health.

2. If an insured makes an oral complaint, a managed care organization shall inform the insured that if the insured is not satisfied with the resolution of the complaint, the insured must file the complaint in writing to receive further review of the complaint.

3. Each managed care organization shall:

(a) Upon request, assign an employee of the managed care organization to assist an insured or other person in filing a complaint or appealing a decision of the review board;

(b) Authorize an insured who appeals a decision of the review board to appear before the review board to present testimony at a hearing concerning the appeal; and

(c) Authorize an insured to introduce any documentation into evidence at a hearing of a review board and require an insured to provide the documentation required by the health care plan of the insured to the review board not later than 5 business days before a hearing of the review board.

4. The Commissioner ~~[or the State Board of Health]~~ may examine the system for resolving complaints established pursuant to this section at such times as either deems necessary or appropriate.

Sec. 117. NRS 695G.220 is hereby amended to read as follows:

695G.220 1. Each managed care organization shall submit to the Commissioner ~~[and the State Board of Health]~~ an annual report regarding its system for resolving complaints established pursuant to NRS 695G.200 on a form prescribed by the Commissioner in consultation with the State Board of Health which includes, without limitation:

(a) A description of the procedures used for resolving complaints of an insured;

(b) The total number of complaints and appeals handled through the system for resolving complaints since the last report and a compilation of the causes underlying the complaints filed;

(c) The current status of each complaint and appeal filed; and

(d) The average amount of time that was needed to resolve a complaint and an appeal, if any.

2. Each managed care organization shall maintain records of complaints filed with it which concern something other than health care services and shall submit to the Commissioner a report summarizing such complaints at such times and in such format as the Commissioner may require.

Sec. 117.5. NRS 287.010 is hereby amended to read as follows:

287.010 1. The governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada may:

(a) Adopt and carry into effect a system of group life, accident or health insurance, or any combination thereof, for the benefit of its officers and employees, and the dependents of officers and employees who elect to accept the insurance and who, where necessary, have authorized the governing body to make deductions from their compensation for the payment of premiums on the insurance.

(b) Purchase group policies of life, accident or health insurance, or any combination thereof, for the benefit of such officers and employees, and the dependents of such officers and employees, as have authorized the purchase, from insurance companies authorized to transact the business of such insurance in the State of Nevada, and, where necessary, deduct from the compensation of officers and employees the premiums upon insurance and pay the deductions upon the premiums.

(c) Provide group life, accident or health coverage through a self-insurance reserve fund and, where necessary, deduct contributions to the maintenance of the fund from the compensation of officers and employees and pay the deductions into the fund. The money accumulated for this

purpose through deductions from the compensation of officers and employees and contributions of the governing body must be maintained as an internal service fund as defined by NRS 354.543. The money must be deposited in a state or national bank or credit union authorized to transact business in the State of Nevada. Any independent administrator of a fund created under this section is subject to the licensing requirements of chapter 683A of NRS, and must be a resident of this State. Any contract with an independent administrator must be approved by the Commissioner of Insurance as to the reasonableness of administrative charges in relation to contributions collected and benefits provided. The provisions of NRS 687B.408, 689B.030 to 689B.050, inclusive, ***and*** 689B.287 ~~[and 689B.575]~~ apply to coverage provided pursuant to this paragraph.

(d) Defray part or all of the cost of maintenance of a self-insurance fund or of the premiums upon insurance. The money for contributions must be budgeted for in accordance with the laws governing the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada.

2. If a school district offers group insurance to its officers and employees pursuant to this section, members of the board of trustees of the school district must not be excluded from participating in the group insurance. If the amount of the deductions from compensation required to pay for the group insurance exceeds the compensation to which a trustee is entitled, the difference must be paid by the trustee.

3. In any county in which a legal services organization exists, the governing body of the county, or of any school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada in the county, may enter into a contract with the legal services organization pursuant to which the officers and employees of the legal services organization, and the dependents of those officers and employees, are eligible for any life, accident or health insurance provided pursuant to this section to the officers and employees, and the dependents of the officers and employees, of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency.

4. If a contract is entered into pursuant to subsection 3, the officers and employees of the legal services organization:

(a) Shall be deemed, solely for the purposes of this section, to be officers and employees of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency with which the legal services organization has contracted; and

(b) Must be required by the contract to pay the premiums or contributions for all insurance which they elect to accept or of which they authorize the purchase.

5. A contract that is entered into pursuant to subsection 3:

(a) Must be submitted to the Commissioner of Insurance for approval not less than 30 days before the date on which the contract is to become effective.

(b) Does not become effective unless approved by the Commissioner.

(c) Shall be deemed to be approved if not disapproved by the Commissioner within 30 days after its submission.

6. As used in this section, "legal services organization" means an organization that operates a program for legal aid and receives money pursuant to NRS 19.031.

Sec. 118. NRS 287.045 is hereby amended to read as follows:

287.045 1. Except as otherwise provided in this section, every state officer or employee is eligible to participate in the Program on the first day of the month following the completion of 90 days of full-time employment.

2. Professional employees of the Nevada System of Higher Education who have annual employment contracts are eligible to participate in the Program on:

(a) The effective dates of their respective employment contracts, if those dates are on the first day of a month; or

(b) The first day of the month following the effective dates of their respective employment contracts, if those dates are not on the first day of a month.

3. Every officer or employee who is employed by a participating local governmental agency on a permanent and full-time basis on the date on which the participating local governmental agency enters into an agreement to participate in the Program pursuant to paragraph (a) of subsection 1 of NRS 287.025, and every officer or employee who commences employment with that participating local governmental agency after that date, is eligible to participate in the Program on the first day of the month following the completion of 90 days of full-time employment, unless that officer or employee is excluded pursuant to sub-subparagraph (III) of subparagraph (2) of paragraph (h) of subsection 2 of NRS 287.043.

4. Every member of the Senate and Assembly is eligible to participate in the Program on the first day of the month following the 90th day after the member's initial term of office begins.

5. Notwithstanding the provisions of subsections 1, 3 and 4, if the Board does not, pursuant to NRS 689B.580, elect to exclude the Program from compliance with NRS 689B.340 to ~~[689B.590,]~~ ***689B.580,*** inclusive, and if the coverage under the Program is provided by a health maintenance

organization authorized to transact insurance in this State pursuant to chapter 695C of NRS, any affiliation period imposed by the Program may not exceed the statutory limit for an affiliation period set forth in NRS 689B.500.

Sec. 119. NRS 689A.045, 689A.370, 689A.480, 689A.500, 689A.515, 689A.545, 689A.560, 689A.565, 689A.575, 689A.595, 689A.605, 689A.610, 689A.620, 689A.640, 689A.645, 689A.650, 689A.655, 689A.660, 689A.665, 689A.670, 689A.675, 689A.680, 689A.685, 689A.730, 689B.120, 689B.130, 689B.140, 689B.150, 689B.170, 689B.180, 689B.200, 689B.210, 689B.245, 689B.246, 689B.247, 689B.248, 689B.249, 689B.283, 689B.410, 689B.420, 689B.470, 689B.575, 689B.590, 689C.021, 689C.035, 689C.051, 689C.076, 689C.084, 689C.089, 689C.099, 689C.107, 689C.145, 689C.157, 689C.210, 689C.230, 689C.240, 689C.260, 689C.283, 689C.287, 689C.290, 689C.300, 689C.327, 689C.340, 689C.342, 689C.344, 689C.346, 689C.348, 689C.620, 689C.640, 689C.650, 689C.680, 689C.690, 689C.700, 689C.710, 689C.720, 689C.730, 689C.740, 689C.750, 689C.760, 689C.770, 689C.780, 689C.790, 689C.800, 689C.810, 689C.820, 689C.830, 689C.840, 689C.850, 689C.860, 689C.870, 689C.880, 689C.890, 689C.900, 689C.910, 689C.920, 689C.930, 689C.950, 689C.955, 689C.960, 689C.970, 689C.980, 695C.1707, 695C.180, 695C.193, 695C.195, 695C.250 and 695I.050 are hereby repealed.

Sec. 119.5. The provisions of sections 27 to 30, inclusive, 32.2**, 33** to 66, inclusive, and 67 to 118, inclusive, of this act apply to policies which are issued on or after October 1, 2013, and which become effective on or after January 1, 2014.

Sec. 120. 1. This section and sections 1 to 26, inclusive, 31 **[**and 32**]** **to 32.1, inclusive, 32.5 and 32.8** of this act become effective upon passage and approval.

2. Sections 27 to 30, inclusive, 32.2**, 33** to 66, inclusive, and 67 to 119.5, inclusive, of this act become effective:

(a) Upon passage and approval for the purpose of adopting regulations; and

(b) On January 1, 2014, for all other purposes.

3. Section 66.5 of this act becomes effective on January 1, 2016.

4. Sections 13, 14 and 15 of this act expire by limitation on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or enforce an obligation for the support of a child; or

(b) Are in arrears in the payment for the support of one or more children,

➥ are repealed by the Congress of the United States.

LEADLINES OF REPEALED SECTIONS

689A.045 Termination of coverage on dependent child.
689A.370 Health insurance on franchise plan.
689A.480 "Basic health benefit plan" defined.
689A.500 "Converted policy" defined.
689A.515 "Eligible person" defined.
689A.545 "Health status-related factor" defined.
689A.560 "Individual reinsuring carrier" defined.
689A.565 "Individual risk-assuming carrier" defined.
689A.575 "Plan of operation" defined.
689A.595 "Program of Reinsurance" defined.
689A.605 "Standard health benefit plan" defined.
689A.610 Applicability; ceding arrangement prohibited in certain circumstances.
689A.620 Certain person with break in coverage deemed eligible person.
689A.640 Each health benefit plan marketed in this State required to be offered to eligible persons.
689A.645 Coverage to eligible person who does not reside in established geographic service area not required; coverage within certain areas not required.
689A.650 Coverage to eligible persons not required under certain circumstances; notice to Commissioner of and prohibition on writing new business after election not to offer new coverage required.
689A.655 Requirement to file basic and standard health benefit plans with Commissioner; disapproval of plan.
689A.660 Prohibited acts concerning preexisting conditions and modification of health benefit plan.
689A.665 Certain health carriers not required to offer health benefit insurance coverage to individuals.
689A.670 Election to operate as individual risk-assuming carrier or individual reinsuring carrier: Notice to Commissioner; effective date; change in status.
689A.675 Election to act as individual risk-assuming carrier: Suspension by Commissioner; applicable statutes.
689A.680 Rates for individual health benefit plans to be developed based on rating characteristics: Prohibited characteristics; health status as rating factor.
689A.685 Amount of change in rate of single block of business; plan with provision for restricted network; involuntary transfer of individual or dependent prohibited; premiums adjusted for block of business.

689A.730 Producer may only sign up eligible persons if eligible persons are actively engaged in or related to association.

689B.120 Policies of group health insurance to contain provision for conversion; exceptions; conditions.

689B.130 Conversion privilege available to spouse and children; conditions.

689B.140 Denial of converted policy because of overinsurance; notice concerning cancellation of other coverage.

689B.150 Choice of plans for converted policy.

689B.170 Benefits payable under converted policy may be reduced by amount payable under group policy.

689B.180 Issuance and effective date of converted policy; premiums; persons covered.

689B.200 Notice of conversion privilege.

689B.210 Converted policy delivered outside Nevada: Form.

689B.245 Required provision concerning continuation of coverage.

689B.246 Notice of eligibility or election to continue coverage.

689B.247 Payment of premium for continued coverage.

689B.248 New insurer to provide continued coverage.

689B.249 Termination of continued coverage before end of period.

689B.283 Mandatory renewal of coverage under conversion health benefit plan.

689B.410 "Health benefit plan" defined.

689B.420 "Health status-related factor" defined.

689B.470 Certain plan, fund or program to be treated as employee welfare benefit plan which is group health plan; partnership deemed employer of each partner.

689B.575 Carrier that offers coverage through network plan: Contracts with certain federally qualified health centers.

689B.590 Converted policies: Carrier may only offer choice of basic and standard plans; election of basic or standard plan; premium; rates must be same for persons with similar case characteristics; losses must be spread across book.

689C.021 "Basic health benefit plan" defined.

689C.035 "Characteristics" defined.

689C.051 "Converted policy" defined.

689C.076 "Health status-related factor" defined.

689C.084 "Program of Reinsurance" defined.

689C.089 "Risk-assuming carrier" defined.

689C.099 "Standard health benefit plan" defined.

689C.107 Affiliated carriers deemed one carrier in certain circumstances; affiliated carrier that is health maintenance organization

considered separate carrier; ceding arrangement prohibited in certain circumstances.

689C.145 Characteristics that carrier may use to determine rating factors for establishing premiums.

689C.157 Requirement to file basic and standard health benefit plans with Commissioner; disapproval of plan.

689C.210 Procedure for increasing premium rates.

689C.230 Determination and application of index rate.

689C.240 Use of industry classifications as rating factor.

689C.260 Manner in which carrier may establish separate class of business; transferring small employer into or out of class of business.

689C.283 Election to operate as risk-assuming carrier or reinsuring carrier: Notice to Commissioner; effective date; change in status.

689C.287 Election to act as risk-assuming carrier: Suspension by Commissioner; applicable statutes.

689C.290 Commissioner authorized to suspend restriction on increase of premiums for new rating period based on new business for policy.

689C.300 Carrier to file actuarial certification annually with Commissioner.

689C.327 Carrier that offers network plan: Contracts with certain federally qualified health centers.

689C.340 Required provisions in health benefit plan of employer who employs less than 20 employees related to continuation of coverage.

689C.342 Notice of election and payment of premium.

689C.344 Amount of premium for continuation of coverage; change in rates; payment to insurer; termination.

689C.346 Effect of change in insurer during period of continued coverage.

689C.348 Continued coverage ceases before end of established period under certain circumstances.

689C.620 "Board" defined.

689C.640 "Committee" defined.

689C.650 "Eligible person" defined.

689C.680 "Individual reinsuring carrier" defined.

689C.690 "Individual risk-assuming carrier" defined.

689C.700 "Plan of operation" defined.

689C.710 "Program of Reinsurance" defined.

689C.720 "Reinsuring carrier" defined.

689C.730 "Risk-assuming carrier" defined.

689C.740 Creation.

689C.750 Board of Directors: Creation; members; term; vacancy.

689C.760 Meetings of Board; Chair of Board.

689C.770 Plan of operation: Submission by Board; approval by Commissioner; temporary plan when plan not suitable or not submitted.

689C.780 Requirements of plan of operation and temporary plan of operation.

689C.790 Program deemed to have powers and authority of insurance companies and health maintenance organizations; exceptions; powers.

689C.800 Amount of coverage to be reinsured; time within which reinsurance may begin; limitation on reimbursement to reinsuring carrier; termination of reinsurance; premium rate charged to federally qualified health maintenance organization; manner of handling managed care and claims by reinsuring carrier.

689C.810 Premium rates: Methodology for determining; minimum rates; review of methodology.

689C.820 Premiums for certain health benefit plans that are reinsured with program required to meet established requirements for premium rates.

689C.830 Board required to determine, account for and report to Commissioner net loss.

689C.840 Net loss from reinsuring small employers and eligible employees and dependents required to be recouped by assessments against reinsuring carriers.

689C.850 Net loss from reinsuring individual eligible persons and dependents required to be recouped by assessments against individual reinsuring carriers.

689C.860 Board required to determine, account for and report to Commissioner estimate of assessments needed to pay for losses; evaluation of operation of Program.

689C.870 Additional funding: Eligibility based on amount of assessment needed; Board to establish formula for additional assessments on all carriers.

689C.880 Use of excess assessments.

689C.890 Assessment against reinsuring carrier to be determined annually; penalty for late payment of assessments; deferment of assessment.

689C.900 Insurer to receive certificate of contribution for paying additional assessment; certain amount of contribution may be shown as asset and may offset liability for premium tax.

689C.910 Adjustment of assessment on federally qualified health maintenance organizations.

689C.920 Immunity from liability of Program and reinsuring carriers for certain acts.

689C.930 Board to develop standards setting forth manner and levels of compensation paid to producers for sale of health benefit plans.

689C.950 Certain provisions inapplicable to certain basic health benefit plan delivered to small employers or eligible persons.

689C.955 Member, agent or employee of Board immune from liability in certain circumstances.

689C.960 Creation; members; term; vacancy.

689C.970 Meetings; Chair; duties.

689C.980 Board and Committee to study and submit report concerning effectiveness of certain provisions.

695C.1707 Required provision for continuation of coverage.

695C.180 Schedule of charges.

695C.193 Summary of coverage: Contents of disclosure; approval by Commissioner; regulations.

695C.195 Summary of coverage: Copy to be provided before policy issued; policy not to be offered unless summary approved by Commissioner.

695C.250 Open enrollment.

695I.050 "Federal Act" defined.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

SECOND READING AND AMENDMENT

Assembly Bill No. 488.

Bill read second time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 852.

AN ACT relating to governmental administration; consolidating the Health Division and the Division of Mental Health and Developmental Services of the Department of Health and Human Services into the Division of Public and Behavioral Health of the Department; transferring the powers and duties concerning certain services to children with autism spectrum disorders from the Health Division to the Aging and Disability Services Division of the Department; transferring the authority for developmental services in the Division of Mental Health and Developmental Services to the Aging and Disability Services Division; ~~[providing for the appointment of a Chief Medical Officer in certain circumstances; requiring the directors of certain~~

~~facilities to report to the Chief Medical Officer and to operate under his or her oversight;~~ **replacing the State Health Officer with a Chief Medical Officer; providing the qualifications and duties of the Chief Medical Officer; renaming the Commission on Mental Health and Developmental Services of the Department the Commission on Behavioral Health; making the Aging and Disability Services Division of the Department responsible for services for and other oversight relating to persons with intellectual disabilities and persons with related conditions; making various other changes to provisions relating to the organization of the divisions of the Department;** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the Health Division and the Division of Mental Health and Developmental Services are ~~[two]~~ separate divisions within the Department of Health and Human Services. (NRS 232.300) This bill consolidates those ~~[two]~~ divisions into **one division named** the Division of Public and Behavioral Health of the Department of Health and Human Services. **Sections 1-5, 6, 7, 8, 10, 12, 14, 17, 18, 21, 21.7, 40, 42, 43, 46, 47, 66-68, 71-80, 81-88, 91-98 and 100-137 of this bill make conforming changes to carry out that consolidation.**

Existing law requires the Director of the Department of Health and Human Services to appoint the Administrator of the Health Division and the Administrator of the Division of Mental Health and Developmental Services. (NRS 232.320) ~~[Sections]~~ **Section 2** ~~[, 3 and 12 of this bill: (1) eliminate the position of Administrator of the Health Division and provide]~~ **eliminates those two Administrators and** instead **provides** for **the appointment of** an Administrator of the Division of Public and Behavioral Health **. ~~[; (2) set forth the qualifications of the Administrator; (3) require]~~ Section 3 requires** the Administrator, with the consent of the Director of the Department, to appoint four deputies **~~[; and (4) authorize]~~ , one of whom must have expertise or experience in mental health services. Section 12 authorizes** the Administrator to delegate his or her powers, duties and functions to ~~[a]~~ **any officer,** deputy **~~[.]~~ or employee of the Division. Section 21 establishes the qualifications of the Administrator.**

Section 4 renames the Commission on Mental Health and Developmental Services within the Department of Health and Human Services as the Commission on Behavioral Health. (NRS 232.361) The Commission retains its duties except that section 25 of this bill requires the State Board of Health, rather than the Commission, to adopt certain regulations regarding the care and treatment of persons with mental illness, persons with substance use disorders and persons with co-occurring disorders. In addition, although the Commission will continue

to consider certain issues relating to persons with intellectual disabilities and persons with related conditions, regulations regarding such persons are transferred to the Aging and Disability Services Division of the Department in section 50 of this bill.

Under existing law, the Health Division and the Division of Mental Health and Developmental Services have various responsibilities with respect to persons with intellectual disabilities and persons with related conditions. This bill transfers most of those responsibilities to the Aging and Disability Services Division. Sections 9.3 and 9.7 of this bill add to the duties of the Aging and Disability Services Division the duty to oversee those transferred responsibilities. Sections 49-59.7 of this bill duplicate certain provisions of NRS which applied to both mental health and intellectual disabilities to: (1) transfer the responsibilities relating to persons with intellectual disabilities and persons with other related conditions and applicable division facilities to the Aging and Disability Services Division; and (2) continue the statutory rights of persons with intellectual disabilities and persons with related conditions. Sections 7.5, 9-9.7, 10.3-20.5, 21.7, 27-39.8, 41, 45, 47, 60, 60.3, 61 and 137.2-137.8 of this bill make conforming changes to ensure the transfer of responsibilities regarding persons with intellectual disabilities and persons with related conditions and regarding applicable division facilities.

Section 61.5 of this bill designates the Department of Health and Human Services rather than the Division of Mental Health and Developmental Services as the official state agency responsible for developing and administering preventive and outpatient mental health services.

Existing law creates the position of State Health Officer within the Health Division of the Department of Health and Human Services and requires the State Health Officer to enforce all laws and regulations pertaining to the public health and to investigate matters relating to the health and life of the people of this State. (NRS 439.090, 439.130) **Section 64** of this bill **instead** provides ~~[that the State Health Officer serves as]~~ **for the appointment of a** Chief Medical Officer ~~[unless the Director of the Department determines that the appointment of a Chief Medical Officer is in the best interests of this State. Sections]~~ **to take over the responsibilities of the State Health Officer. Section 63** ~~[and 65]~~ of this bill ~~[establish the qualifications and]~~ **establishes the qualifications of the Chief Medical Officer. Section 65 of this bill sets forth the** duties of the Chief Medical Officer. **Section 13** of this bill provides that the medical director or other person in charge of certain facilities relating to mental health is subject to the oversight of the Chief Medical Officer and is required to report any information concerning the

facility to the Chief Medical Officer upon his or her request. **Sections 69.5-71, 74, 80.5, 92, 95, 103, 125 and 133 of this bill make conforming changes to existing law.**

~~[~~This~~]~~ **Sections 88-90 and 99-101 of this** bill also ~~[~~transfers:~~]~~ **transfer:** (1) the powers and duties concerning certain services to children with autism spectrum disorders from the Health Division to the Aging and Disability Services Division of the Department of Health and Human Services; and (2) the authority for developmental services from the Division of Mental Health and Developmental Services to the Aging and Disability Services Division.

~~[Section 142 of this bill provides, in part, for the Legislative Counsel to substitute appropriately throughout NRS any names changed by this bill, so that this bill does not need to include every section of NRS in which a name needs to be changed.~~]

Section 128 removes language from existing law concerning transferring money from one account of the Health Division to an account of the Division of Mental Health and Developmental Services. (NRS 453A.730) Since those Divisions are consolidated in this bill, there is no need to transfer the money. Sections 131.5 and 131.7 make conforming changes.

Section 139 of this bill repeals various sections of NRS which are no longer necessary because of the revisions made in this bill.

Sections 140-142 of this bill provide transitory provisions regarding the transfer of responsibilities, including the transfer and adoption of regulations, the effect of name changes on any existing contracts, revisions that may be necessary to other provisions of NRS and administrative regulations to conform to the changes made in this bill and other necessary directions to carry out the intent of this bill.

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

Section 1. NRS 232.300 is hereby amended to read as follows:

232.300 1. The Department of Health and Human Services is hereby created.

2. The Department consists of a Director and the following divisions:

(a) Aging and Disability Services Division.

(b) ~~[~~Health Division.

~~(c)]~~ Division of ~~[~~Mental Health and Developmental Services.

~~(d)]~~ ***Public and Behavioral Health.***

(c) Division of Welfare and Supportive Services.

~~[(e)]~~ ***(d)*** Division of Child and Family Services.

~~[(f)]~~ ***(e)*** Division of Health Care Financing and Policy.

3. The Department is the sole agency responsible for administering the provisions of law relating to its respective divisions.

Sec. 2. NRS 232.320 is hereby amended to read as follows:

232.320 1. The Director:

(a) Shall appoint, with the consent of the Governor, administrators of the divisions of the Department, who are respectively designated as follows:

(1) The Administrator of the Aging and Disability Services Division;

(2) ~~[The Administrator of the Health Division;~~

~~(3)]~~ The Administrator of the Division of Welfare and Supportive Services;

~~[(4)]~~ ***(3)*** The Administrator of the Division of Child and Family Services;

~~[(5)]~~ ***(4)*** The Administrator of the Division of Health Care Financing and Policy; and

~~[(6)]~~ ***(5)*** The Administrator of the Division of ~~[Mental Health and Developmental Services.]~~ ***Public and Behavioral Health.***

(b) Shall administer, through the divisions of the Department, the provisions of chapters 63, 424, 425, 427A, 432A to 442, inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, 422.580, 432.010 to 432.133, inclusive, 432B.621 to 432B.626, inclusive, 444.003 to 444.430, inclusive, and 445A.010 to 445A.055, inclusive, and all other provisions of law relating to the functions of the divisions of the Department, but is not responsible for the clinical activities of the ~~[Health]~~ Division ***of Public and Behavioral Health*** or the professional line activities of the other divisions.

(c) Shall administer any state program for persons with developmental disabilities established pursuant to the Developmental Disabilities Assistance and Bill of Rights Act of 2000, 42 U.S.C. §§ 15001 et seq.

(d) Shall, after considering advice from agencies of local governments and nonprofit organizations which provide social services, adopt a master plan for the provision of human services in this State. The Director shall revise the plan biennially and deliver a copy of the plan to the Governor and the Legislature at the beginning of each regular session. The plan must:

(1) Identify and assess the plans and programs of the Department for the provision of human services, and any duplication of those services by federal, state and local agencies;

(2) Set forth priorities for the provision of those services;

(3) Provide for communication and the coordination of those services among nonprofit organizations, agencies of local government, the State and the Federal Government;

(4) Identify the sources of funding for services provided by the Department and the allocation of that funding;

(5) Set forth sufficient information to assist the Department in providing those services and in the planning and budgeting for the future provision of those services; and

(6) Contain any other information necessary for the Department to communicate effectively with the Federal Government concerning demographic trends, formulas for the distribution of federal money and any need for the modification of programs administered by the Department.

(e) May, by regulation, require nonprofit organizations and state and local governmental agencies to provide information regarding the programs of those organizations and agencies, excluding detailed information relating to their budgets and payrolls, which the Director deems necessary for the performance of the duties imposed upon him or her pursuant to this section.

(f) Has such other powers and duties as are provided by law.

2. Notwithstanding any other provision of law, the Director, or the Director's designee, is responsible for appointing and removing subordinate officers and employees of the Department, other than ~~[:~~

~~(a) The Executive Director of the Nevada Indian Commission who is appointed pursuant to NRS 233A.055; and~~

~~(b) The~~] ***the*** State Public Defender of the Office of State Public Defender who is appointed pursuant to NRS 180.010.

Sec. 3. NRS 232.350 is hereby amended to read as follows:

232.350 Unless federal law or regulation requires otherwise:

1. The administrators of the divisions of the Department, except as otherwise provided in subsections 2 ~~[and 3,]~~ ***, 3 and 4,*** may each appoint, with the consent of the Director, a deputy and a chief assistant in the unclassified service of the State.

2. The Administrator of the Division of Child and Family Services of the Department shall appoint, with the consent of the Director, four deputies in the unclassified service of the State, one of whom is the Deputy Administrator for Youth Corrections who is responsible only for correctional services for youths for which the Division is responsible, including, without limitation, juvenile correctional institutions, parole of juveniles, administration of juvenile justice and programs for juvenile justice.

3. The Administrator of the Division of Health Care Financing and Policy of the Department may appoint, with the consent of the Director, two deputies in the unclassified service of the State.

4. The Administrator of the Division of Public and Behavioral Health shall appoint, with the consent of the Director, four deputies in the unclassified service of the State ~~[.]~~ ***, one of whom must have expertise or experience in mental health services.***

Sec. 4. NRS 232.361 is hereby amended to read as follows:

232.361 1. There is hereby created in the Department a Commission on ~~[~~Mental Health and Developmental Services~~]~~ ***~~[Public and]~~ Behavioral Health*** consisting of 10 members appointed by the Governor, at least 3 of whom have training or experience in dealing with mental retardation.

2. The Governor shall appoint:

(a) A psychiatrist licensed to practice medicine in this State, from a list of three candidates submitted by the Nevada Psychiatric Association;

(b) A psychologist licensed to practice in this State and experienced in clinical practice, from a list of four candidates submitted by the Nevada State Psychological Association, two of whom must be from northern Nevada and two of whom must be from southern Nevada;

(c) A physician, other than a psychiatrist, licensed to practice medicine in this State and who has experience in dealing with mental retardation, from a list of three candidates submitted by the Nevada State Medical Association;

(d) A social worker who has a master's degree and has experience in dealing with mental illness or mental retardation, or both;

(e) A registered nurse licensed to practice in this State who has experience in dealing with mental illness or mental retardation, or both, from a list of three candidates submitted by the Nevada Nurses Association;

(f) A marriage and family therapist licensed to practice in this State, from a list of three candidates submitted by the Nevada Association for Marriage and Family Therapy;

(g) A person who has knowledge and experience in the prevention of alcohol and drug abuse and the treatment and recovery of alcohol and drug abusers through a program or service provided pursuant to chapter 458 of NRS, from a list of three candidates submitted by the Division of ~~[~~Mental Health and Developmental Services~~]~~ ***Public and Behavioral Health*** of the Department;

(h) A current or former recipient of mental health services provided by the State or any agency thereof;

(i) A representative of the general public who has a special interest in the field of mental health; and

(j) A representative of the general public who has a special interest in the field of mental retardation.

3. The Governor shall appoint the Chair of the Commission from among its members.

4. After the initial terms, each member shall serve a term of 4 years. If a vacancy occurs during a member's term, the Governor shall appoint a person qualified under this section to replace that member for the remainder of the unexpired term.

Sec. 5. NRS 178.3983 is hereby amended to read as follows:

178.3983 "Division" means the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department of Health and Human Services.

Sec. 5.5. **NRS 178.3984 is hereby amended to read as follows:**

178.3984 "Division facility" ~~[has the meaning ascribed to it]~~ ***means a division facility as defined*** in NRS 433.094 ~~[.]~~ ***and section 60 of this act.***

Sec. 6. Chapter 278 of NRS is hereby amended by adding thereto a new section to read as follows:

"Division" means the Division of Public and Behavioral Health of the Department of Health and Human Services.

Sec. 7. NRS 278.0238 is hereby amended to read as follows:

278.0238 As used in NRS 278.0238 to 278.02388, inclusive, ***and section 6 of this act,*** unless the context otherwise requires, the words and terms defined in NRS 278.02381 to 278.02385, inclusive, ***and section 6 of this act*** have the meanings ascribed to them in those sections.

Sec. 7.5. **NRS 353.335 is hereby amended to read as follows:**

353.335 1. Except as otherwise provided in subsections 5 and 6, a state agency may accept any gift or grant of property or services from any source only if it is included in an act of the Legislature authorizing expenditures of nonappropriated money or, when it is not so included, if it is approved as provided in subsection 2.

2. If:

(a) Any proposed gift or grant is necessary because of an emergency as defined in NRS 353.263 or for the protection or preservation of life or property, the Governor shall take reasonable and proper action to accept it and shall report the action and his or her reasons for determining that immediate action was necessary to the Interim Finance Committee at its first meeting after the action is taken. Action by the Governor pursuant to this paragraph constitutes acceptance of the gift or grant, and other provisions of this chapter requiring approval before acceptance do not apply.

(b) The Governor determines that any proposed gift or grant would be forfeited if the State failed to accept it before the expiration of the period prescribed in paragraph (c), the Governor may declare that the proposed acceptance requires expeditious action by the Interim Finance Committee. Whenever the Governor so declares, the Interim Finance Committee has 15 days after the proposal is submitted to its Secretary within which to approve or deny the acceptance. Any proposed acceptance which is not considered within the 15-day period shall be deemed approved.

(c) The proposed acceptance of any gift or grant does not qualify pursuant to paragraph (a) or (b), it must be submitted to the Interim Finance Committee. The Interim Finance Committee has 45 days after the proposal is

submitted to its Secretary within which to consider acceptance. Any proposed acceptance which is not considered within the 45-day period shall be deemed approved.

3. The Secretary shall place each request submitted to the Secretary pursuant to paragraph (b) or (c) of subsection 2 on the agenda of the next meeting of the Interim Finance Committee.

4. In acting upon a proposed gift or grant, the Interim Finance Committee shall consider, among other things:

(a) The need for the facility or service to be provided or improved;

(b) Any present or future commitment required of the State;

(c) The extent of the program proposed; and

(d) The condition of the national economy, and any related fiscal or monetary policies.

5. A state agency may accept:

(a) Gifts, including grants from nongovernmental sources, not exceeding $20,000 each in value; and

(b) Governmental grants not exceeding $150,000 each in value,

➥ if the gifts or grants are used for purposes which do not involve the hiring of new employees and if the agency has the specific approval of the Governor or, if the Governor delegates this power of approval to the Chief of the Budget Division of the Department of Administration, the specific approval of the Chief.

6. This section does not apply to:

(a) The Nevada System of Higher Education;

(b) The Department of Health and Human Services while acting as the state health planning and development agency pursuant to paragraph (d) of subsection 2 of NRS 439A.081 or for donations, gifts or grants to be disbursed pursuant to NRS 433.395 ~~[,]~~ ***or section 55.2 of this act;*** or

(c) Artifacts donated to the Department of Tourism and Cultural Affairs.

Sec. 8. NRS 353.349 is hereby amended to read as follows:

353.349 1. If the Administrator of the ~~[Health]~~ Division of ***Public and Behavioral Health of*** the Department of Health and Human Services determines that current claims exceed the amount of money available because revenue from billed services has not been collected or because of a delay in the receipt of money from federal grants, the Administrator may request from the Director of the Department of Administration a temporary advance from the State General Fund for the payment of authorized expenses.

2. The Director of the Department of Administration shall notify the State Controller and the Fiscal Analysis Division of the Legislative Counsel Bureau of the Director's approval of a request made pursuant to subsection 1.

The State Controller shall draw his or her warrant upon receipt of the approval by the Director of the Department of Administration.

3. An advance from the State General Fund:

(a) May be approved by the Director of the Department of Administration for the following budget accounts of the ~~[~~Health~~]~~ Division of ***Public and Behavioral Health of*** the Department of Health and Human Services:

(1) Consumer Health Protection;

(2) ~~[~~Bureau of Laboratory and Research;

~~(3)]~~ Community Health Services;

~~[(4)]~~ ***(3)*** Women, Infants and Children;

~~[(5)]~~ ***(4)*** Bureau of Health Facilities; and

~~[(6)]~~ ***(5)*** Radiological Health.

(b) Is limited to 25 percent of the revenues expected to be received in the current fiscal year from any source other than legislative appropriation.

4. Any money which is temporarily advanced from the State General Fund to an account pursuant to subsection 3 must be repaid by August 31 following the end of the immediately preceding fiscal year.

Sec. 9. NRS 353.351 is hereby amended to read as follows:

353.351 1. If the Administrator of the ***Aging and Disability Services*** Division ~~[~~of Mental Health and Developmental Services~~]~~ of the Department of Health and Human Services determines that current claims exceed the amount of money available because revenue from billed services has not been collected, the Administrator may request from the Director of the Department of Administration a temporary advance from the State General Fund for the payment of authorized expenses.

2. The Director of the Department of Administration shall notify the State Controller and the Fiscal Analysis Division of the Legislative Counsel Bureau of the Director's approval of a request made pursuant to subsection 1. The State Controller shall draw his or her warrant upon receipt of the approval by the Director of the Department of Administration.

3. An advance from the State General Fund:

(a) May be approved by the Director of the Department of Administration for the following budget accounts of the ***Aging and Disability Services*** Division ~~[~~of Mental Health and Developmental Services~~]~~ of the Department of Health and Human Services:

(1) Rural Regional Center;

(2) Desert Regional Center; and

(3) Sierra Regional Center.

(b) Is limited to 25 percent of the revenues expected to be received in the current fiscal year from any source other than legislative appropriation.

4. Any money which is temporarily advanced from the State General Fund to an account pursuant to subsection 3 must be repaid by August 31 following the end of the immediately preceding fiscal year.

Sec. 9.3. **NRS 427A.040 is hereby amended to read as follows:**

427A.040 1. The Division shall, consistent with the priorities established by the Commission pursuant to NRS 427A.038:

(a) Serve as a clearinghouse for information related to problems of the aged and aging.

(b) Assist the Director in all matters pertaining to problems of the aged and aging.

(c) Develop plans, conduct and arrange for research and demonstration programs in the field of aging.

(d) Provide technical assistance and consultation to political subdivisions with respect to programs for the aged and aging.

(e) Prepare, publish and disseminate educational materials dealing with the welfare of older persons.

(f) Gather statistics in the field of aging which other federal and state agencies are not collecting.

(g) Stimulate more effective use of existing resources and available services for the aged and aging.

(h) Develop and coordinate efforts to carry out a comprehensive State Plan for Providing Services to Meet the Needs of Older Persons. In developing and revising the State Plan, the Division shall consider, among other things, the amount of money available from the Federal Government for services to aging persons and the conditions attached to the acceptance of such money, and the limitations of legislative appropriations for services to aging persons.

(i) Coordinate all state and federal funding of service programs to the aging in the State.

2. The Division shall:

(a) Provide access to information about services or programs for persons with disabilities that are available in this State.

(b) Work with persons with disabilities, persons interested in matters relating to persons with disabilities and state and local governmental agencies in:

(1) Developing and improving policies of this State concerning programs or services for persons with disabilities, including, without limitation, policies concerning the manner in which complaints relating to services provided pursuant to specific programs should be addressed; and

(2) Making recommendations concerning new policies or services that may benefit persons with disabilities.

(c) Serve as a liaison between state governmental agencies that provide services or programs to persons with disabilities to facilitate communication and the coordination of information and any other matters relating to services or programs for persons with disabilities.

(d) Serve as a liaison between local governmental agencies in this State that provide services or programs to persons with disabilities to facilitate communication and the coordination of information and any other matters relating to services or programs for persons with disabilities. To inform local governmental agencies in this State of services and programs of other local governmental agencies in this State for persons with disabilities pursuant to this subsection, the Division shall:

(1) Provide technical assistance to local governmental agencies, including, without limitation, assistance in establishing an electronic network that connects the Division to each of the local governmental agencies that provides services or programs to persons with disabilities;

(2) Work with counties and other local governmental entities in this State that do not provide services or programs to persons with disabilities to establish such services or programs; and

(3) Assist local governmental agencies in this State to locate sources of funding from the Federal Government and other private and public sources to establish or enhance services or programs for persons with disabilities.

(e) Administer the following programs in this State that provide services for persons with disabilities:

(1) The program established pursuant to NRS 427A.791, 427A.793 and 427A.795 to provide services for persons with physical disabilities;

(2) The programs established pursuant to NRS 427A.800 to 427A.860, inclusive, to obtain information concerning traumatic brain injuries and provide services to persons with traumatic brain injuries;

(3) The program established pursuant to NRS 427A.797 to provide devices for telecommunication to persons who are deaf and persons with impaired speech or hearing;

(4) Any state program for independent living established pursuant to 29 U.S.C. §§ 796 et seq., with the Rehabilitation Division of the Department of Employment, Training and Rehabilitation acting as the designated state unit, as that term is defined in 34 C.F.R. § 364.4; and

(5) Any state program established pursuant to the Assistive Technology Act of 1998, 29 U.S.C. §§ 3001 et seq.

(f) Provide information to persons with disabilities on matters relating to the availability of housing for persons with disabilities and identify sources of funding for new housing opportunities for persons with disabilities.

(g) Before establishing policies or making decisions that will affect the lives of persons with disabilities, consult with persons with disabilities and

members of the public in this State through the use of surveys, focus groups, hearings or councils of persons with disabilities to receive:

(1) Meaningful input from persons with disabilities regarding the extent to which such persons are receiving services, including, without limitation, services described in their individual service plans, and their satisfaction with those services; and

(2) Public input regarding the development, implementation and review of any programs or services for persons with disabilities.

(h) Publish and make available to governmental entities and the general public a biennial report which:

(1) Provides a strategy for the expanding or restructuring of services in the community for persons with disabilities that is consistent with the need for such expansion or restructuring;

(2) Reports the progress of the Division in carrying out the strategic planning goals for persons with disabilities identified pursuant to chapter 541, Statutes of Nevada 2001;

(3) Documents significant problems affecting persons with disabilities when accessing public services, if the Division is aware of any such problems;

(4) Provides a summary and analysis of the status of the practice of interpreting and the practice of realtime captioning, including, without limitation, the number of persons engaged in the practice of interpreting in an educational setting in each professional classification established pursuant to NRS 656A.100 and the number of persons engaged in the practice of realtime captioning in an educational setting; and

(5) Recommends strategies and, if determined necessary by the Division, legislation for improving the ability of the State to provide services to persons with disabilities and advocate for the rights of persons with disabilities.

3. The Division shall confer with the Department as the sole state agency in the State responsible for administering the provisions of this chapter ~~[.]~~ ***and chapter 435 of NRS.***

4. The Division shall administer the provisions of ~~[chapter]~~ ***chapters 435 and*** 656A of NRS.

5. The Division may contract with any appropriate public or private agency, organization or institution, in order to carry out the provisions of this chapter ~~[.]~~ ***and chapter 435 of NRS.***

Sec. 9.7. **NRS 427A.070 is hereby amended to read as follows:**

427A.070 1. The Administrator shall:

(a) Subject to the approval of the Director, adopt rules and regulations:

(1) Necessary to carry out the purposes of this chapter ~~[;]~~ ***and chapter 435 of NRS;*** and

(2) Establishing a program to subsidize the transportation by taxicab of elderly persons and persons with permanent disabilities from money received pursuant to subsection 5 of NRS 706.8825;

(b) Establish appropriate administrative units within the Division;

(c) Appoint such personnel and prescribe their duties as the Administrator deems necessary for the proper and efficient performance of the functions of the Division;

(d) Prepare and submit to the Governor, through the Director before September 1 of each even-numbered year for the biennium ending June 30 of such year, reports of activities and expenditures and estimates of sums required to carry out the purposes of this chapter ~~[.]~~ ***and chapter 435 of NRS;***

(e) Make certification for disbursement of funds available for carrying out the purposes of this chapter ~~[.]~~ ***and chapter 435 of NRS;*** and

(f) Take such other action as may be necessary or appropriate for cooperation with public and private agencies and otherwise to carry out the purposes of this chapter ~~[.]~~ ***and chapter 435 of NRS.***

2. The Administrator may delegate to any officer or employee of the Division such of the powers and duties of the Administrator as the Administrator finds necessary to carry out the purposes of this chapter ~~[.]~~ ***and chapter 435 of NRS.***

Sec. 9.8. **NRS 427A.872 is hereby amended to read as follows:**

427A.872 1. The Division, in cooperation and guidance with the Department of Education, representatives of the school districts in this State and the Nevada Autism Task Force created by section 40 of chapter 348, Statutes of Nevada 2007, or its successor organization, shall prescribe by regulation a statewide standard for measuring outcomes and assessing and evaluating persons with autism spectrum disorders through the age of 21 years who receive services through the State or a local government or an agency thereof. The regulations must designate a protocol based upon accepted best practices guidelines which includes at least one standardized assessment instrument that requires direct observation by the professional conducting the assessment for determining whether a person is a person with autism spectrum disorder, which must be used by personnel employed by the State or a local government or an agency thereof who provide assessments, interventions and diagnoses of persons with autism spectrum disorders through the age of 21 years and by the persons with whom the State or a local government or an agency thereof contracts to provide assessments, interventions and diagnoses of persons with autism spectrum disorders through the age of 21 years. The protocol must require that the direct observation conducted by a professional pursuant to this subsection include, without limitation, an evaluation to measure behaviors of the person which

are consistent with autism spectrum disorder, cognitive functioning, language functioning and adaptive functioning.

2. The protocol designated pursuant to subsection 1 must be used upon intake of a person suspected of having autism spectrum disorder or at any later time if a person is suspected of having autism spectrum disorder after intake. The results of an assessment must be provided to the parent or legal guardian of the person, if applicable.

3. The Division shall prescribe the form and content of reports relating to persons with autism spectrum disorders through the age of 21 years that must be reported to the Division pursuant to NRS 388.483 ~~[, 442.760]~~ and 615.205. Except as otherwise provided in NRS 388.483, the Division shall ensure that the information is reported in a manner which:

(a) Allows the Division to document the services provided to and monitor the progress of each person with autism spectrum disorder through the age of 21 years who receives services from the State or an agency thereof; and

(b) Ensures that information reported for each person who receives services which identifies the person is kept confidential, consistent with the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. § 1232g, and any other applicable state and federal privacy laws.

4. The Division shall prepare annually a summary of the reports submitted pursuant to NRS 388.483 ~~[, 442.760]~~ and 615.205 and make the summary publicly available. The Division shall ensure that information contained in the summary does not identify a person who received services.

Sec. 10. NRS 432A.0273 is hereby amended to read as follows:

432A.0273 ~~[~~"Health~~]~~ **"** Division" means the ~~[~~Health~~]~~ Division ***of Public and Behavioral Health*** of the Department.

Sec. 10.3. **NRS 432B.6078 is hereby amended to read as follows:**

432B.6078 1. Not later than 5 days after a child who is in the custody of an agency which provides child welfare services has been admitted to a facility pursuant to NRS 432B.6076, the agency which provides child welfare services shall inform the child of his or her legal rights and the provisions of NRS 432B.607 to 432B.6085, inclusive, 433.456 to 433.543, inclusive, and 433.545 to 433.551, inclusive, and chapters 433A and 433B of NRS ***and sections 57.4 to 58.67, inclusive, of this act,*** and, if the child or the child's attorney desires, assist the child in requesting the court to authorize a second examination by an evaluation team that includes a physician, psychiatrist or licensed psychologist who are not employed by, connected to or otherwise affiliated with the facility other than a physician, psychiatrist or licensed psychologist who performed an original examination which authorized the court to order the admission of the child to the facility. A second examination must be conducted not later than 5 business days after the court authorizes the examination.

2. If the court authorizes a second examination of the child, the examination must:

(a) Include, without limitation, an evaluation concerning whether the child should remain in the facility and a recommendation concerning the appropriate placement of the child which must be provided to the facility; and

(b) Be paid for by the governmental entity that is responsible for the agency which provides child welfare services, if such payment is not otherwise provided by the State Plan for Medicaid.

Sec. 10.6. **NRS 432B.6082 is hereby amended to read as follows:**

432B.6082 In addition to the personal rights set forth in NRS 432B.607 to 432B.6085, inclusive, 433.456 to 433.543, inclusive, and 433.545 to 433.551, inclusive, and chapters 433A and 433B of NRS, ***and sections 57.4 to 58.67, inclusive, of this act,*** a child who is in the custody of an agency which provides child welfare services and who is admitted to a facility has the following personal rights, a list of which must be prominently posted in all facilities providing evaluation, treatment or training services to such children and must be otherwise brought to the attention of the child by such additional means as prescribed by regulation:

1. To receive an education as required by law; and

2. To receive an allowance from the agency which provides child welfare services in an amount equivalent to any allowance required to be provided to children who reside in foster homes.

Sec. 10.9. **NRS 432B.6085 is hereby amended to read as follows:**

432B.6085 1. Nothing in this chapter purports to deprive any person of any legal rights without due process of law.

2. Unless the context clearly indicates otherwise, the provisions of NRS 432B.607 to 432B.6085, inclusive, 433.456 to 433.543, inclusive, and 433.545 to 433.551, inclusive, and chapters 433A and 433B of NRS ***and sections 57.4 to 58.67, inclusive, of this act*** apply to all children who are in the custody of an agency which provides child welfare services.

Sec. 11. Chapter 433 of NRS is hereby amended by adding thereto the provisions set forth as sections 12 and 13 of this act.

Sec. 12. ***1. The Administrator may delegate to ~~[a]~~ any officer, deputy or employee of the Division the exercise or discharge in the name of the Administrator of any power, duty or function vested in or imposed upon the Administrator.***

2. The official act of any such person acting in the name of the Administrator and by his or her authority shall be deemed an official act of the Administrator.

Sec. 13. ***The medical director or other person in charge of any division facility or any other facility or center established pursuant to this chapter and chapters 433A, 433B and 436 of NRS:***

1. Is subject to the oversight of the Chief Medical Officer; and

2. Shall report to the Chief Medical Officer any information concerning the facility or center upon the request of the Chief Medical Officer.

Sec. 14. NRS 433.003 is hereby amended to read as follows:

433.003 The Legislature hereby declares that it is the intent of this ~~[title:]~~ ***chapter and chapters 433A, 433B and 436 of NRS:***

1. To eliminate the forfeiture of any civil and legal rights of any person and the imposition of any legal disability on any person, based on an allegation of mental illness**,** ~~[or mental retardation]~~ ~~[or a related condition,]~~ by any method other than a separate judicial proceeding resulting in a determination of incompetency, wherein the civil and legal rights forfeited and the legal disabilities imposed are specifically stated; and

2. To charge the Division of ~~[Mental and Developmental Services,]~~ ***Public and Behavioral Health,*** and the Division of Child and Family Services, of the Department with recognizing their duty to act in the best interests of their respective consumers by placing them in the least restrictive environment.

Sec. 15. NRS 433.005 is hereby amended to read as follows:

433.005 As used in this ~~[title,]~~ ***chapter and chapters 433A, 433B and 436 of NRS,*** unless the context otherwise requires, or except as otherwise defined by specific statute, the words and terms defined in NRS 433.014 to 433.227, inclusive, have the meanings ascribed to them in those sections.

Sec. 16. NRS 433.014 is hereby amended to read as follows:

433.014 "Administrative officer" means a person with overall executive and administrative responsibility for those state or nonstate mental health ~~[or mental retardation facilities]~~ ***centers*** designated by the Administrator.

Sec. 17. NRS 433.047 is hereby amended to read as follows:

433.047 "Commission" means the Commission on ~~[Mental Health and Developmental Services.]~~ ~~*[Public and]*~~ ***Behavioral Health.***

Sec. 18. NRS 433.084 is hereby amended to read as follows:

433.084 "Division" means the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department.

Sec. 19. NRS 433.134 is hereby amended to read as follows:

433.134 "Medical director" means the ~~[chief]~~ medical officer ***in charge*** of any division mental health ~~[or mental retardation]~~ program.

Sec. 20. NRS 433.233 is hereby amended to read as follows:

433.233 1. The division facilities providing mental health services are designated as:

(a) Northern Nevada Adult Mental Health Services;
(b) Southern Nevada Adult Mental Health Services;
(c) Rural clinics; and
(d) Lakes Crossing Center.

2. ~~[The division facilities providing services for persons with mental retardation and persons with related conditions are designated as:~~
~~(a) Desert Regional Center;~~
~~(b) Sierra Regional Center; and~~
~~(c) Rural Regional Center.~~
~~3.]~~ Division facilities established after July 1, 1981, must be named by the Administrator, subject to the approval of the Director of the Department.

Sec. 20.5. **NRS 433.234 is hereby amended to read as follows:**

433.234 The provisions of ~~[chapters 433 to]~~ ***this chapter and chapters 433A, 433B and*** 436 ~~[, inclusive,]~~ of NRS pertaining to division facilities must be administered by the respective administrative officers of the division facilities, subject to administrative supervision by the Administrator.

Sec. 21. NRS 433.244 is hereby amended to read as follows:

433.244 ~~[1.]~~ The Administrator must ~~*[:]*~~ ~~[have:]~~

~~[(a) *Have:*~~

~~*(1)* Training and demonstrated administrative qualities of leadership in any one of the professional fields of psychiatry, medicine, psychology, social work,] [education] *[public health* or administration; and]~~

~~[(b)] *[(2)* Administrative training or experience in programs relating to mental health, including care, treatment or training, or any combination thereof, of persons with mental illness] [or mental retardation] [and persons with related conditions] [.] *[; or*~~

~~*(b) Have not less than 2 years' experience, or the equivalent, in a responsible administrative position in:*~~

~~*(1) A full-time county or city health facility or department; or*~~

~~*(2) A major health program at a state or national level.]*~~ ***be selected on the basis of his or her education, training, experience, leadership qualities, demonstrated abilities and interest in the field of behavioral health or public health.***

2. The Administrator is in the unclassified service of the State.

Sec. 21.5. **NRS 433.264 is hereby amended to read as follows:**

433.264 1. Physicians shall be employed within the various division facilities as are necessary for the operation of the facilities. They shall hold degrees of doctor of medicine ***or doctor of osteopathic medicine*** from accredited medical schools and they shall be licensed to practice medicine ***or osteopathic medicine*** in Nevada as provided by law.

2. Except as otherwise provided by law, their only compensation shall be annual salaries, fixed in accordance with the pay plan adopted pursuant to the provisions of NRS 284.175.

3. The physicians shall perform such duties pertaining to the care and treatment of consumers as may be required.

Sec. 21.7. **NRS 433.279 is hereby amended to read as follows:**

433.279 1. The Division shall carry out a vocational and educational program for the certification of mental ~~[health-mental retardation]~~ ***health*** technicians, including forensic technicians:

(a) Employed by the Division, or other employees of the Division who perform similar duties, but are classified differently.

(b) Employed by the Division of Child and Family Services of the Department.

➥ The program must be carried out in cooperation with the Nevada System of Higher Education.

2. A mental ~~[health-mental retardation]~~ ***health*** technician is responsible to the director of the service in which his or her duties are performed. The director of a service may be a licensed physician, dentist, podiatric physician, psychiatrist, psychologist, rehabilitation therapist, social worker, registered nurse or other professionally qualified person. This section does not authorize a mental ~~[health-mental retardation]~~ ***health*** technician to perform duties which require the specialized knowledge and skill of a professionally qualified person.

3. The Division shall adopt regulations to carry out the provisions of this section.

4. As used in this section, "mental ~~[health-mental retardation]~~ ***health*** technician" means an employee of the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Services*** or the Division of Child and Family Services who, for compensation or personal profit, carries out procedures and techniques which involve cause and effect and which are used in the care, treatment and rehabilitation of persons with mental illness ~~[or mental retardation,]~~ ***and*** persons who are emotionally disturbed ~~[~~ , ~~and persons with related conditions,]~~ and who has direct responsibility for:

(a) Administering or carrying out specific therapeutic procedures, techniques or treatments, excluding medical interventions, to enable consumers to make optimal use of their therapeutic regime, their social and personal resources, and their residential care; or

(b) The application of interpersonal and technical skills in the observation and recognition of symptoms and reactions of consumers, for the accurate recording of such symptoms and reactions, and for carrying out treatments authorized by members of the interdisciplinary team that determines the treatment of the consumers.

Sec. 22. NRS 433.314 is hereby amended to read as follows:

433.314 The Commission shall:

1. Establish policies to ensure adequate development and administration of services for persons with mental illness , ~~[mental retardation]~~ ***persons with intellectual disabilities and persons with related conditions, persons with substance use disorders*** or ***persons with*** co-occurring disorders , ~~[and persons with related conditions,]~~ including services to prevent mental illness , ~~[mental retardation]~~ ***intellectual disabilities and related conditions, substance use disorders*** and co-occurring disorders ~~[and related conditions,]~~ and services provided without admission to a facility or institution;

2. Set policies for the care and treatment of persons with mental illness , ~~[mental retardation]~~ ***persons with intellectual disabilities and persons with related conditions, persons with substance use disorders*** or ***persons with*** co-occurring disorders ~~[and persons with related conditions]~~ provided by all state agencies;

3. Review the programs and finances of the Division; and

4. Report at the beginning of each year to the Governor and at the beginning of each odd-numbered year to the Legislature on the quality of the care and treatment provided for persons with mental illness , ~~[mental retardation]~~ ***persons with intellectual disabilities and persons with related conditions, persons with substance use disorders*** or ***persons with*** co-occurring disorders ~~[and persons with related conditions]~~ in this State and on any progress made toward improving the quality of that care and treatment.

Sec. 23. NRS 433.316 is hereby amended to read as follows:

433.316 The Commission may:

1. Collect and disseminate information pertaining to mental health , ~~[mental retardation]~~ ***intellectual disabilities and related conditions, substance use disorders*** and co-occurring disorders . ~~[and related conditions.]~~

2. Request legislation pertaining to mental health , ~~[mental retardation]~~ ***intellectual disabilities and related conditions, substance use disorders*** and co-occurring disorders . ~~[and related conditions.]~~

3. ~~[Investigate]~~ ***Review findings of investigations of*** complaints about the care of any person in a public facility for the treatment of persons with mental illness , ~~[mental retardation]~~ ***persons with intellectual disabilities and persons with related conditions, persons with substance use disorders*** or ***persons with*** co-occurring disorders . ~~[and persons with related conditions.]~~

4. Accept, as authorized by the Legislature, gifts and grants of money and property.

5. Take appropriate steps to increase the availability of and to enhance the quality of the care and treatment of persons with mental illness , ~~[mental retardation]~~ ***persons with intellectual disabilities and persons with related***

conditions, persons with substance use disorders or ***persons with*** co-occurring disorders ~~[and persons with related conditions]~~ provided through ~~[state agencies,]~~ ***private nonprofit organizations, governmental entities,*** hospitals and clinics.

6. Promote programs for the treatment of persons with mental illness ~~,~~ ~~[mental retardation]~~ ***persons with intellectual disabilities and persons with related conditions, persons with substance use disorders*** or co-occurring disorders ~~[and persons with related conditions]~~ and participate in and promote the development of facilities for training persons to provide services for persons with mental illness ~~,~~ ~~[mental retardation]~~ ***persons with intellectual disabilities and persons with related conditions, persons with substance use disorders*** or ***persons with*** co-occurring disorders ***.*** ~~[and persons with related conditions.]~~

7. Create a plan to coordinate the services for the treatment of persons with mental illness ~~,~~ ~~[mental retardation]~~ ***persons with intellectual disabilities and persons with related conditions, persons with substance use disorders*** or ***persons with*** co-occurring disorders ~~[and persons with related conditions]~~ provided in this State and to provide continuity in the care and treatment provided.

8. Establish and maintain an appropriate program which provides information to the general public concerning mental illness ~~,~~ ~~[mental retardation]~~ ***intellectual disabilities and related conditions, substance use disorders*** and co-occurring disorders ~~[and related conditions]~~ and consider ways to involve the general public in the decisions concerning the policy on mental illness ~~,~~ ~~[mental retardation]~~ ***intellectual disabilities and related conditions, substance use disorders*** and co-occurring disorders ***.*** ~~[and related conditions.]~~

9. Compile statistics on mental illness and study the cause, pathology and prevention of that illness.

10. Establish programs to prevent or postpone the commitment of residents of this State to facilities for the treatment of persons with mental illness ~~,~~ ~~[mental retardation]~~ ***persons with intellectual disabilities and persons with related conditions, persons with substance use disorders*** or ***persons with*** co-occurring disorders ***.*** ~~[and persons with related conditions.]~~

11. Evaluate the future needs of this State concerning the treatment of mental illness ~~,~~ ~~[mental retardation]~~ ***intellectual disabilities and related conditions, substance use disorders*** and co-occurring disorders ~~[and related conditions]~~ and develop ways to improve the treatment already provided.

12. Take any other action necessary to promote mental health in this State.

Sec. 24. NRS 433.318 is hereby amended to read as follows:

433.318 1. The Commission may appoint a subcommittee or an advisory committee composed of members who have experience and knowledge of matters relating to persons with mental illness , ~~[mental retardation]~~ ***persons with intellectual disabilities and persons with related conditions, persons with substance use disorders*** or ***persons with*** co-occurring disorders ~~[and related conditions]~~ and who, to the extent practicable, represent the ethnic and geographic diversity of this State.

2. A subcommittee or advisory committee appointed pursuant to this section shall consider specific issues and advise the Commission on matters related to the duties of the Commission.

3. The members of a subcommittee or advisory committee appointed pursuant to this section serve at the pleasure of the Commission. The members serve without compensation, except that each member is entitled, while engaged in the business of the subcommittee or advisory committee, to the per diem allowance and travel expenses provided for state officers and employees generally if funding is available for this purpose.

Sec. 25. NRS 433.324 is hereby amended to read as follows:

433.324 1. The ~~[Commission]~~ ***State Board of Health*** shall adopt regulations:

(a) For the care and treatment of persons with mental illness , ~~[mental retardation]~~ ***persons with substance use disorders*** or ***persons with*** co-occurring disorders ~~[and persons with related conditions]~~ by all state agencies and facilities, and their referral to private facilities;

(b) To ensure continuity in the care and treatment provided to persons with mental illness , ~~[mental retardation]~~ ***persons with substance use disorders*** or ***persons with*** co-occurring disorders ~~[and persons with related conditions]~~ in this State; and

(c) Necessary for the proper and efficient operation of the facilities of the Division.

2. The ~~[Commission]~~ ***State Board of Health*** may adopt regulations to promote programs relating to mental health , ~~[mental retardation]~~ ***substance use disorders*** and co-occurring disorders . ~~[and related conditions.]~~

Sec. 26. NRS 433.325 is hereby amended to read as follows:

433.325 The Commission or its designated agent may inspect any state facility providing services for persons with mental illness , ~~[mental retardation]~~ ***persons with intellectual disabilities and persons with related conditions, persons with substance use disorders*** or ***persons with*** co-occurring disorders ~~[and persons with related conditions]~~ to determine if the facility is in compliance with the provisions of this title ~~*[chapter and chapters 433A, 433B and 436 of NRS]*~~ and any regulations adopted pursuant ~~[to those provisions.]~~ ***thereto.***

Sec. 27. NRS 433.3315 is hereby amended to read as follows:

433.3315 The Division shall adopt regulations:

1. To define the term "consumer" for the purposes of this ~~[title.]~~ ***chapter and chapters 433A, 433B and 436 of NRS.***

2. To specify the circumstances under which a consumer is eligible to receive services from the Division pursuant to this ~~[title,]~~ ***chapter and chapters 433A, 433B and 436 of NRS,*** including, but not limited to, care, treatment, treatment to competency and training. Regulations adopted pursuant to this subsection must specify that a consumer is eligible to receive services only if the consumer:

(a) Has a documented diagnosis of a mental disorder based on the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association; and

(b) Except as otherwise provided in the regulations adopted pursuant to subsection 3, is not eligible to receive services through another public or private entity.

3. To specify the circumstances under which the provisions of paragraph (b) of subsection 2 do not apply, including, without limitation, when the copay or other payment required to obtain services through another public or private entity is prohibitively high.

4. To establish policies and procedures for the referral of each consumer who needs services that the Division is unable to provide to the most appropriate organization or resource who is able to provide the needed services to that consumer.

Sec. 28. NRS 433.334 is hereby amended to read as follows:

433.334 The Division may, by contract with general hospitals or other institutions having adequate facilities in the State of Nevada, provide for inpatient care of consumers with mental illness **.** ~~[or mental retardation]~~ ~~[and consumers with related conditions.]~~

Sec. 29. NRS 433.354 is hereby amended to read as follows:

433.354 For the purposes of ***this chapter and*** chapters ~~[433 to 436, inclusive,]~~ ***433A, 433B and 436*** of NRS, the Department through the Division may cooperate, financially or otherwise, and execute contracts or agreements with the Federal Government, any federal department or agency, any other state department or agency, a county, a city, a public district or any political subdivision of this state, a public or private corporation, an individual or a group of individuals. Such contracts or agreements may include provisions whereby the Division will render services, the payment for which will be reimbursed directly to the Division's budget. Cooperation pursuant to this section does not of itself relieve any person, department, agency or political subdivision of any responsibility or liability existing under any provision of law.

Sec. 30. NRS 433.364 is hereby amended to read as follows:

433.364 Nothing in this ~~[title]~~ ***chapter and chapters 433A, 433B and 436 of NRS*** precludes the involuntary court-ordered admission of a person with mental illness to a private institution where such admission is authorized by law.

Sec. 30.5. **NRS 433.384 is hereby amended to read as follows:**

433.384 Money to carry out the provisions of ~~[chapters 433 to]~~ ***this chapter and chapters 433A, 433B and*** 436 ~~[, inclusive,]~~ of NRS must be provided by legislative appropriation from the State General Fund, and paid out on claims as other claims against the State are paid. All claims relating to a division facility individually must be approved by the administrative officer of such facility before they are paid.

Sec. 31. NRS 433.394 is hereby amended to read as follows:

433.394 For the purposes of this ~~[title,]~~ ***chapter and chapters 433A, 433B and 436 of NRS,*** the Department may accept:

1. Moneys appropriated and made available by any act of the Congress of the United States;

2. Moneys and contributions made available by a county, a city, a public district or any political subdivision of this state; and

3. Moneys and contributions made available by a public or private corporation, a private foundation, an individual or a group of individuals.

Sec. 32. NRS 433.395 is hereby amended to read as follows:

433.395 1. Upon approval of the Director of the Department, the Administrator may accept:

(a) Donations of money and gifts of real or personal property; and

(b) Grants of money from the Federal Government,

➥ for use in public or private programs that provide services to persons in this State with mental illness . ~~[or mental retardation]~~ ~~[and persons with related conditions.]~~

2. The Administrator shall disburse any donations, gifts and grants received pursuant to this section to programs that provide services to persons with mental illness ~~[or mental retardation]~~ ~~[and persons with related conditions]~~ in a manner that supports the plan to coordinate services created by the Commission pursuant to subsection 7 of NRS 433.316. In the absence of a plan to coordinate services, the Administrator shall make disbursements to programs that will maximize the benefit provided to persons with mental illness ~~[or mental retardation]~~ ~~[and persons with related conditions]~~ in consideration of the nature and value of the donation, gift or grant.

3. Within limits of legislative appropriations or other available money, the Administrator may enter into a contract for services related to the evaluation and recommendation of recipients for the disbursements required by this section.

Sec. 33. NRS 433.404 is hereby amended to read as follows:

433.404 1. The Division shall establish a fee schedule for services rendered through any program supported by the State pursuant to the provisions of ***this chapter and*** chapters ~~[433 to 436, inclusive,]~~ ***433A, 433B and 436*** of NRS. The schedule must be submitted to the Commission and the Director of the Department for joint approval before enforcement. The fees collected by facilities operated by the Division pursuant to this schedule must be deposited in the State Treasury to the credit of the State General Fund, except as otherwise provided in NRS 433.354 for fees collected pursuant to contract or agreement **.** ~~[and in NRS 435.120 for fees collected for services to consumers with mental retardation and related conditions.]~~

2. For a facility providing services for the treatment of persons with mental illness**,** ~~[or mental retardation]~~ ~~[and persons with related conditions,]~~ the fee established must approximate the cost of providing the service, but if a consumer is unable to pay in full the fee established pursuant to this section, the Division may collect any amount the consumer is able to pay.

Sec. 34. NRS 433.424 is hereby amended to read as follows:

433.424 A mental health ~~[and mental retardation]~~ center revolving account up to the amount of $5,000 is hereby created for each division mental health ~~[and mental retardation]~~ center, and may be used for the payment of mental health ~~[or mental retardation]~~ center bills requiring immediate payment and for no other purposes. The respective administrative officers shall deposit the money for the respective revolving accounts in one or more banks or credit unions of reputable standing. Payments made from each account must be promptly reimbursed from appropriated money of the respective mental health ~~[or mental retardation]~~ centers on claims as other claims against the State are paid.

Sec. 35. NRS 433.434 is hereby amended to read as follows:

433.434 For purposes of this ~~[title,]~~ ***chapter and chapters 433A, 433B and 436 of NRS,*** the residence of a person is:

1. The domicile of such person;

2. If the domicile of the person cannot be ascertained, the place where the person was last employed; or

3. If the domicile of the person cannot be ascertained and he or she is not or was not employed, the place where the person made his or her home or headquarters.

Sec. 36. NRS 433.444 is hereby amended to read as follows:

433.444 1. For the purpose of facilitating the return of nonresident consumers to the state in which they have legal residence, the Administrator may enter into reciprocal agreements, consistent with the provisions of this ~~[title,]~~ ***chapter and chapters 433A, 433B and 436 of NRS,*** with the proper boards, commissioners or officers of other states for the mutual exchange of

consumers confined in, admitted or committed to a mental health ~~[or mental retardation]~~ facility in one state whose legal residence is in the other, and may give written permission for the return and admission to a division facility of any resident of this state when such permission is conformable to the provisions of this ~~[title]~~ ***chapter and chapters 433A, 433B and 436 of NRS*** governing admissions to a division facility.

2. The county clerk and board of county commissioners of each county, upon receiving notice from the Administrator that an application for the return of an alleged resident of this state has been received, shall promptly investigate and report to the Administrator their findings as to the legal residence of the consumer.

Sec. 37. NRS 433.458 is hereby amended to read as follows:

433.458 "Administrative officer" means a person with overall executive and administrative responsibility for a facility that provides services relating to mental health ~~[or mental retardation]~~ ~~[and related conditions]~~ and that is operated by any public or private entity.

Sec. 38. NRS 433.464 is hereby amended to read as follows:

433.464 ~~[This title does]~~ ***The provisions of this chapter and chapters 433A, 433B and 436 of NRS do*** not limit the right of any person detained hereunder to a writ of habeas corpus upon a proper application made at any time by such person or any other person on his or her behalf.

Sec. 39. NRS 433.494 is hereby amended to read as follows:

433.494 1. An individualized written plan of mental health ~~[or mental retardation]~~ services ~~[or plan of services for a related condition]~~ must be developed for each consumer of each facility. The plan must:

(a) Provide for the least restrictive treatment procedure that may reasonably be expected to benefit the consumer; and

(b) Be developed with the input and participation of:

(1) The consumer, to the extent that he or she is able to provide input and participate; and

(2) To the extent that the consumer is unable to provide input and participate, the parent or guardian of the consumer if the consumer is under 18 years of age and is not legally emancipated, or the legal guardian of a consumer who has been adjudicated mentally incompetent.

2. The plan must be kept current and must be modified, with the input and participation of the consumer, the parent or guardian of the consumer or the legal guardian of the consumer, as appropriate, when indicated. The plan must be thoroughly reviewed at least once every 3 months.

3. The person in charge of implementing the plan of services must be designated in the plan.

Sec. 39.2. **NRS 433.5493 is hereby amended to read as follows:**

433.5493 1. Except as otherwise provided in subsection 2, physical restraint may be used on a person with a disability who is a consumer only if:

(a) An emergency exists that necessitates the use of physical restraint;

(b) The physical restraint is used only for the period that is necessary to contain the behavior of the consumer so that the consumer is no longer an immediate threat of causing physical injury to himself or herself or others or causing severe property damage; and

(c) The use of force in the application of physical restraint does not exceed the force that is reasonable and necessary under the circumstances precipitating the use of physical restraint.

2. Physical restraint may be used on a person with a disability who is a consumer and the provisions of subsection 1 do not apply if the physical restraint is used to:

(a) Assist the consumer in completing a task or response if the consumer does not resist the application of physical restraint or if the consumer's resistance is minimal in intensity and duration;

(b) Escort or carry a consumer to safety if the consumer is in danger in his or her present location; or

(c) Conduct medical examinations or treatments on the consumer that are necessary.

3. If physical restraint is used on a person with a disability who is a consumer in an emergency, the use of the procedure must be reported as a denial of rights pursuant to NRS 433.534 ~~[.]~~ ***or section 58.47 of this act, as applicable,*** regardless of whether the use of the procedure is authorized by statute. The report must be made not later than 1 working day after the procedure is used.

Sec. 39.4. **NRS 433.5496 is hereby amended to read as follows:**

433.5496 1. Except as otherwise provided in subsections 2 and 4, mechanical restraint may be used on a person with a disability who is a consumer only if:

(a) An emergency exists that necessitates the use of mechanical restraint;

(b) A medical order authorizing the use of mechanical restraint is obtained from the consumer's treating physician before the application of the mechanical restraint or not later than 15 minutes after the application of the mechanical restraint;

(c) The physician who signed the order required pursuant to paragraph (b) or the attending physician examines the consumer not later than 1 working day immediately after the application of the mechanical restraint;

(d) The mechanical restraint is applied by a member of the staff of the facility who is trained and qualified to apply mechanical restraint;

(e) The consumer is given the opportunity to move and exercise the parts of his or her body that are restrained at least 10 minutes per every 60 minutes of restraint;

(f) A member of the staff of the facility lessens or discontinues the restraint every 15 minutes to determine whether the consumer will stop or control his or her inappropriate behavior without the use of the restraint;

(g) The record of the consumer contains a notation that includes the time of day that the restraint was lessened or discontinued pursuant to paragraph (f), the response of the consumer and the response of the member of the staff of the facility who applied the mechanical restraint;

(h) A member of the staff of the facility continuously monitors the consumer during the time that mechanical restraint is used on the consumer; and

(i) The mechanical restraint is used only for the period that is necessary to contain the behavior of the consumer so that the consumer is no longer an immediate threat of causing physical injury to himself or herself or others or causing severe property damage.

2. Mechanical restraint may be used on a person with a disability who is a consumer and the provisions of subsection 1 do not apply if the mechanical restraint is used to:

(a) Treat the medical needs of a consumer;

(b) Protect a consumer who is known to be at risk of injury to himself or herself because the consumer lacks coordination or suffers from frequent loss of consciousness;

(c) Provide proper body alignment to a consumer; or

(d) Position a consumer who has physical disabilities in a manner prescribed in the consumer's plan of services.

3. If mechanical restraint is used on a person with a disability who is a consumer in an emergency, the use of the procedure must be reported as a denial of rights pursuant to NRS 433.534 ~~[.]~~ ***or section 58.47 of this act, as applicable,*** regardless of whether the use of the procedure is authorized by statute. The report must be made not later than 1 working day after the procedure is used.

4. The provisions of this section do not apply to a forensic facility, as that term is defined in subsection 5 of NRS 433.5499.

Sec. 39.6. **NRS 433.5499 is hereby amended to read as follows:**

433.5499 1. Except as otherwise provided in subsection 3, mechanical restraint may be used on a person with a disability who is a consumer of a forensic facility only if:

(a) An emergency exists that necessitates the use of the mechanical restraint;

(b) The consumer's behavior presents an imminent threat of causing physical injury to himself or herself or to others or causing severe property damage and less restrictive measures have failed to modify the consumer's behavior;

(c) The consumer is in the care of the facility but not on the premises of the facility and mechanical restraint is necessary to ensure security; or

(d) The consumer is in the process of being transported to another location and mechanical restraint is necessary to ensure security.

2. If mechanical restraint is used pursuant to subsection 1, the forensic facility shall ensure that:

(a) The mechanical restraint is applied by a member of the staff of the facility who is trained and qualified to apply mechanical restraint;

(b) A member of the staff of the facility continuously monitors the consumer during the time that mechanical restraint is used on the consumer;

(c) The record of the consumer contains a notation that indicates the time period during which the restraint was used and the circumstances warranting the restraint; and

(d) The mechanical restraint is used only for the period that is necessary.

3. Mechanical restraint may be used on a person with a disability who is a consumer of a forensic facility, and the provisions of subsections 1 and 2 do not apply if the mechanical restraint is used to:

(a) Treat the medical needs of a consumer;

(b) Protect a consumer who is known to be at risk of injury to himself or herself because the consumer lacks coordination or suffers from frequent loss of consciousness;

(c) Provide proper body alignment to a consumer; or

(d) Position a consumer who has physical disabilities in a manner prescribed in the consumer's plan of services.

4. If mechanical restraint is used in an emergency on a person with a disability who is a consumer of a forensic facility, the use of the procedure must be reported as a denial of rights pursuant to NRS 433.534 **~~[,]~~** ***or section 58.47 of this act, as applicable,*** regardless of whether the use of the procedure is authorized by statute. The report must be made not later than 1 working day after the procedure is used.

5. As used in this section, "forensic facility" means a secure facility of the Division for offenders and defendants with a mental disorder who are ordered to the facility pursuant to chapter 178 of NRS.

Sec. 39.8. **NRS 433.5503 is hereby amended to read as follows:**

433.5503 1. Chemical restraint may only be used on a person with a disability who is a consumer if:

(a) The consumer has been diagnosed as mentally ill, as defined in NRS 433A.115, and is receiving mental health services from a facility;

(b) The chemical restraint is administered to the consumer while he or she is under the care of the facility;

(c) An emergency exists that necessitates the use of chemical restraint;

(d) A medical order authorizing the use of chemical restraint is obtained from the consumer's attending physician or psychiatrist;

(e) The physician or psychiatrist who signed the order required pursuant to paragraph (d) examines the consumer not later than 1 working day immediately after the administration of the chemical restraint; and

(f) The chemical restraint is administered by a person licensed to administer medication.

2. If chemical restraint is used on a person with a disability who is a consumer, the use of the procedure must be reported as a denial of rights pursuant to NRS 433.534 ~~[,]~~ ***or section 58.47 of this act, as applicable,*** regardless of whether the use of the procedure is authorized by statute. The report must be made not later than 1 working day after the procedure is used.

Sec. 40. NRS 433A.010 is hereby amended to read as follows:

433A.010 The provisions of this chapter apply to all mental health centers of the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department and of the Division of Child and Family Services of the Department. Such provisions apply to private institutions and facilities offering mental health services only when specified in the context.

Sec. 41. NRS 433A.012 is hereby amended to read as follows:

433A.012 "Administrative officer" means a person with overall executive and administrative responsibility for those state or nonstate facilities for mental health ~~[or mental retardation]~~ designated by the Administrator.

Sec. 42. NRS 433A.015 is hereby amended to read as follows:

433A.015 "Division" means:

1. Except as otherwise provided in subsection 2, the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department.

2. Regarding the provision of services for the mental health of children pursuant to chapter 433B of NRS, the Division of Child and Family Services of the Department.

Sec. 43. NRS 433A.017 is hereby amended to read as follows:

433A.017 "Medical director" means the ~~[chief]~~ medical officer ***in charge*** of any program of the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department.

Sec. 44. NRS 433A.020 is hereby amended to read as follows:

433A.020 The administrative officer of a facility of the Division must:

1. Be selected on the basis of training and demonstrated administrative qualities of leadership in any one of the fields of psychiatry, medicine, psychology, social work, ~~[education]~~ ***public health*** or administration.

2. Be appointed on the basis of merit as measured by administrative training or experience in programs relating to mental health, including care and treatment of persons with mental illness ***.*** ~~[or mental retardation]~~ ~~[and persons with related conditions.~~

~~3. Have additional qualifications which are in accordance with criteria prescribed by the Division of Human Resource Management of the Department of Administration.]~~

Sec. 45. NRS 433A.030 is hereby amended to read as follows:

433A.030 The administrative officers have the following powers and duties, subject to the administrative supervision of the Administrator:

1. To exercise general supervision of and establish regulations for the government of the facilities designated by the Administrator;

2. To be responsible for and supervise the fiscal affairs and responsibilities of the facilities designated by the Administrator;

3. To appoint such medical, technical, clerical and operational staff as the execution of his or her duties, the care and treatment of consumers and the maintenance and operation of the facilities designated by the Administrator may require;

4. To make reports to the Administrator, and to supply the Administrator with material on which to base proposed legislation;

5. To keep complete and accurate records of all proceedings, record and file all bonds and contracts, and assume responsibility for the custody and preservation of all papers and documents pertaining to his or her office;

6. To inform the public in regard to the activities and operation of the facilities;

7. To invoke any legal, equitable or special procedures for the enforcement of his or her orders or the enforcement of the provisions of this ~~[title]~~ ***chapter and chapters 433, 433B and 436 of NRS*** and other statutes governing the facilities;

8. To submit an annual report to the Administrator on the condition, operation, functioning and anticipated needs of the facilities; and

9. To assume responsibility for the nonmedical care and treatment of consumers if that responsibility has not been delegated.

Sec. 46. NRS 433B.130 is hereby amended to read as follows:

433B.130 1. The Administrator shall:

(a) Administer, in accordance with the policies established by the Commission, the programs of the Division for the mental health of children.

(b) Establish appropriate policies to ensure that children in division facilities have timely access to clinically appropriate psychotropic medication

that are consistent with the provisions of NRS 432B.197 and NRS 432B.4681 to 432B.469, inclusive, and the policies adopted pursuant thereto.

2. The Administrator may:

(a) Appoint the administrative personnel necessary to operate the programs of the Division for the mental health of children.

(b) Delegate to the administrative officers the power to appoint medical, technical, clerical and operational staff necessary for the operation of any division facilities.

3. If the Administrator finds that it is necessary or desirable that any employee reside at a facility operated by the Division or receive meals at such a facility, perquisites granted or charges for services rendered to that person are at the discretion of the Director of the Department.

4. The Administrator may accept children referred to the Division for treatment pursuant to the provisions of NRS 458.290 to 458.350, inclusive.

5. The Administrator may enter into agreements with the Administrator of the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department ***or with the Administrator of the Aging and Disability Services Division of the Department*** for the care and treatment of consumers of the Division of Child and Family Services at any facility operated by the Division of ~~[Mental Health and Developmental Services.]~~ ***Public and Behavioral Health ~~[.]~~ or the Aging and Disability Services Division, as applicable.***

Sec. 46.5. **NRS 433B.150 is hereby amended to read as follows:**

433B.150 1. The Division shall employ such physicians within the various division facilities as are necessary for the operation of the facilities. The physicians must hold degrees of doctor of medicine ***or doctor of osteopathic medicine*** from accredited medical schools and be licensed to practice medicine ***or osteopathic medicine*** in Nevada.

2. Except as otherwise provided by law, the only compensation allowed such a physician is an annual salary, fixed in accordance with the pay plan adopted pursuant to the provisions of NRS 284.175.

3. The physicians shall perform such duties pertaining to the care and treatment of consumers as may be required.

Sec. 47. NRS 433B.190 is hereby amended to read as follows:

433B.190 1. The Division shall adopt regulations to:

(a) Provide for a more detailed definition of abuse of a consumer, consistent with the general definition given in NRS 433B.340;

(b) Provide for a more detailed definition of neglect of a consumer, consistent with the general definition given in NRS 433B.340; and

(c) Establish policies and procedures for reporting the abuse or neglect of a consumer.

2. The regulations adopted pursuant to this section must, to the extent possible and appropriate, be consistent with the regulations adopted by the Division of ~~[~~Mental Health and Developmental Services~~]~~ ***Public and Behavioral Health*** of the Department pursuant to NRS 433.331 ~~[.]~~ ***and the Division of Aging and Disability Services of the Department pursuant to section 54.2 of this act.***

Sec. 48. Chapter 435 of NRS is hereby amended by adding thereto the provisions set forth as sections 49 to ~~[59,]~~ **59.7,** inclusive, of this act.

Sec. 49. ***1. The division facilities providing services for persons with intellectual disabilities and persons with related conditions are designated as:***

(a) Desert Regional Center;

(b) Sierra Regional Center; and

(c) Rural Regional Center.

2. Division facilities established after July 1, 1981, must be named by the Administrator, subject to the approval of the Director of the Department.

Sec. 49.2. The provisions of this chapter pertaining to division facilities must be administered by the respective administrative officers of the division facilities, subject to administrative supervision by the Administrator.

Sec. 49.4. Any person employed by the Division as a psychiatrist, psychologist, marriage and family therapist, clinical professional counselor, registered nurse or social worker must be licensed or certified by the appropriate state licensing board for his or her respective profession.

Sec. 49.6. The Administrator shall not employ any psychiatrist, psychologist, social worker or registered nurse who holds a master's degree in the field of psychiatric nursing who is unable to demonstrate proficiency in the oral and written expression of the English language.

Sec. 49.8. 1. The Division shall carry out a vocational and educational program for the certification of intellectual disability technicians, including forensic technicians employed by the Division, or other employees of the Division who perform similar duties, but are classified differently. The program must be carried out in cooperation with the Nevada System of Higher Education.

2. An intellectual disability technician is responsible to the director of the service in which his or her duties are performed. The director of a service may be a licensed physician, dentist, podiatric physician, psychiatrist, psychologist, rehabilitation therapist, social worker, registered nurse or other professionally qualified person. This section does not authorize an intellectual disability technician to perform duties which

require the specialized knowledge and skill of a professionally qualified person.

3. The Division shall adopt regulations to carry out the provisions of this section.

4. As used in this section, "intellectual disability technician" means an employee of the Division who, for compensation or personal profit, carries out procedures and techniques which involve cause and effect and which are used in the care, treatment and rehabilitation of persons with intellectual disabilities and persons with related conditions, and who has direct responsibility for:

(a) Administering or carrying out specific therapeutic procedures, techniques or treatments, excluding medical interventions, to enable consumers to make optimal use of their therapeutic regime, their social and personal resources, and their residential care; or

(b) The application of interpersonal and technical skills in the observation and recognition of symptoms and reactions of consumers, for the accurate recording of such symptoms and reactions, and for carrying out treatments authorized by members of the interdisciplinary team that determines the treatment of the consumers.

Sec. 50. ***1. The Division shall adopt regulations:***

(a) For the care and treatment of persons with intellectual disabilities and persons with related conditions by all state agencies and facilities, and their referral to private facilities;

(b) To ensure continuity in the care and treatment provided to persons with intellectual disabilities and persons with related conditions in this State; and

(c) Necessary for the proper and efficient operation of the facilities of the Division.

2. The Division may adopt regulations to promote programs relating to intellectual disabilities and related conditions.

Sec. 51. ***The Division or its designated agent may inspect any division facility providing services for persons with intellectual disabilities and persons with related conditions to determine if the facility is in compliance with the provisions of this chapter and any regulations adopted pursuant thereto.***

Sec. 52. ***The Division may, by contract with general hospitals or other institutions having adequate facilities in the State of Nevada, provide for inpatient care of persons with intellectual disabilities and persons with related conditions.***

Sec. 53. ***The Division may contract with appropriate persons professionally qualified in the field of psychiatric mental health to provide inpatient and outpatient care for persons with intellectual disabilities and***

persons with related conditions when it appears that they can be treated best in that manner.

Sec. 54. *The Division ~~[shall]~~ may adopt regulations:*

1. To define the term "consumer" for the purposes of this chapter.

2. To specify the circumstances under which a consumer is eligible to receive services from the Division pursuant to this chapter, including, but not limited to, care, treatment and training. Regulations adopted pursuant to this subsection must specify that a consumer is eligible to receive services only if the consumer:

(a) Has a documented diagnosis of a mental disorder based on the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association; and

(b) Except as otherwise provided in the regulations adopted pursuant to subsection 3, is not eligible to receive services through another public or private entity.

3. To specify the circumstances under which the provisions of paragraph (b) of subsection 2 do not apply, including, without limitation, when the copay or other payment required to obtain services through another public or private entity is prohibitively high.

4. To establish policies and procedures for the referral of each consumer who needs services that the Division is unable to provide to the most appropriate organization or resource who is able to provide the needed services to that consumer.

Sec. 54.2. The Division shall adopt regulations to:

1. Provide for a more detailed definition of abuse of a consumer of the Division, consistent with the general definition given in section 58.75 of this act;

2. Provide for a more detailed definition of neglect of a consumer of the Division, consistent with the general definition given in section 58.75 of this act; and

3. Establish policies and procedures for reporting the abuse or neglect of a consumer of the Division.

Sec. 54.3. 1. If a patient in a division facility is transferred to another division facility or to a medical facility, a facility for the dependent or a physician licensed to practice medicine, the division facility shall forward a copy of the medical records of the patient, on or before the date the patient is transferred, to the facility or physician. Except as otherwise required by 42 U.S.C.§ 290dd, 290dd-1 or 290dd-2 or NRS 439.538 or 439.591, the division facility is not required to obtain the oral or written consent of the patient to forward a copy of the medical records.

2. As used in this section, "medical records" includes a medical history of the patient, a summary of the current physical condition of the patient

and a discharge summary which contains the information necessary for the proper treatment of the patient.

Sec. 54.4. For the purposes of this chapter, the Department through the Division may cooperate, financially or otherwise, and execute contracts or agreements with the Federal Government, any federal department or agency, any other state department or agency, a county, a city, a public district or any political subdivision of this state, a public or private corporation, an individual or a group of individuals. Such contracts or agreements may include provisions whereby the Division will render services, the payment for which will be reimbursed directly to the Division's budget. Cooperation pursuant to this section does not of itself relieve any person, department, agency or political subdivision of any responsibility or liability existing under any provision of law.

Sec. 54.5. Nothing in this chapter precludes the involuntary court-ordered admission of a person with an intellectual disability or person with a related condition to a private institution where such admission is authorized by law.

Sec. 54.6. The State is not responsible for payment of the costs of care and treatment of persons admitted to a facility not operated by the Division except where, before admission, the Administrator or the Administrator's designee authorizes the expenditure of state money for such purpose.

Sec. 54.7. Money to carry out the provisions of this chapter must be provided by legislative appropriation from the State General Fund, and paid out on claims as other claims against the State are paid. All claims relating to a division facility individually must be approved by the administrative officer of such facility before they are paid.

Sec. 55. *For the purposes of this chapter, the Department may accept:*

1. Money appropriated and made available by any act of the Congress of the United States;

2. Money and contributions made available by a county, a city, a public district or any political subdivision of this State; and

3. Money and contributions made available by a public or private corporation, a private foundation, an individual or a group of individuals.

Sec. 55.2. 1. Upon approval of the Director of the Department, the Administrator may accept:

(a) Donations of money and gifts of real or personal property; and

(b) Grants of money from the Federal Government,

for use in public or private programs that provide services to persons in this State with intellectual disabilities and persons with related conditions.

2. The Administrator shall disburse any donations, gifts and grants received pursuant to this section to programs that provide services to persons with intellectual disabilities and persons with related conditions in

a manner that supports the plan to coordinate services created by the Commission on Behavioral Health pursuant to subsection 7 of NRS 433.316. In the absence of a plan to coordinate services, the Administrator shall make disbursements to programs that will maximize the benefit provided to persons with intellectual disabilities and persons with related conditions in consideration of the nature and value of the donation, gift or grant.

3. Within limits of legislative appropriations or other available money, the Administrator may enter into a contract for services related to the evaluation and recommendation of recipients for the disbursements required by this section.

Sec. 55.4. 1. The Division shall establish a fee schedule for services rendered through any program supported by the State pursuant to the provisions of this chapter. The schedule must be submitted to the Commission on Behavioral Health and the Director of the Department for joint approval before enforcement. The fees collected by facilities operated by the Division pursuant to this schedule must be deposited in the State Treasury to the credit of the State General Fund, except as otherwise provided in section 54.4 of this act for fees collected pursuant to contract or agreement and in NRS 435.120 for fees collected for services to consumers with intellectual disabilities and related conditions.

2. For a facility providing services for the treatment of persons with intellectual disabilities and persons with related conditions, the fee established must approximate the cost of providing the service, but if a consumer is unable to pay in full the fee established pursuant to this section, the Division may collect any amount the consumer is able to pay.

Sec. 55.6. 1. Physicians and other professional staff employed within any division facility shall receive a reasonable fee for evaluations, examinations or court testimony when directed by the court to perform such services.

2. If such evaluation or testimony is provided while the physician or other professional person is acting as an employee of a division facility, the fee shall be received by the division facility at which he or she is employed.

Sec. 55.8. An intellectual disability center revolving account up to the amount of $5,000 is hereby created for each division intellectual disability center, and may be used for the payment of intellectual disability center bills requiring immediate payment and for no other purposes. The respective administrative officers shall deposit the money for the respective revolving accounts in one or more banks or credit unions of reputable standing. Payments made from each account must be promptly reimbursed from appropriated money of the respective intellectual disability centers on claims as other claims against the State are paid.

Sec. 56. *For the purposes of this chapter, the residence of a person is:*

1. The domicile of such person;

2. If the domicile of the person cannot be ascertained, the place where the person was last employed; or

3. If the domicile of the person cannot be ascertained and he or she is not or was not employed, the place where the person made his or her home or headquarters.

Sec. 57. *1. For the purpose of facilitating the return of nonresident consumers to the state in which they have legal residence, the Administrator may enter into reciprocal agreements, consistent with the provisions of this chapter, with the proper boards, commissioners or officers of other states for the mutual exchange of consumers confined in, admitted or committed to an intellectual disability facility in one state whose legal residence is in the other, and may give written permission for the return and admission to a division facility of any resident of this State when such permission is conformable to the provisions of this chapter governing admissions to a division facility.*

2. The county clerk and board of county commissioners of each county, upon receiving notice from the Administrator that an application for the return of an alleged resident of this State has been received, shall promptly investigate and report to the Administrator their findings as to the legal residence of the consumer.

Sec. 57.1. *1. All expenses incurred for the purpose of returning a consumer to the state in which the consumer has a legal residence shall be paid from the moneys of the consumer or by the relatives or other persons responsible for the consumer's care and treatment under his or her commitment or admission.*

2. In the case of indigent consumers whose relatives cannot pay the costs and expenses of returning such consumers to the state in which they have residence, the costs may be assumed by the State. These costs must be advanced from moneys appropriated for the general support of the division facility wherein the consumer was receiving care, treatment or training, if such consumer was committed to a division facility at the time of the transfer, and must be paid out on claims as other claims against the State are paid.

Sec. 57.2. *The Administrator shall:*

1. Comply with any agreements made by the Administrator pursuant to section 57 of this act; and

2. Accept for admission to a division facility any resident child of this State for whom written permission for return and admission to a division facility was given by the Administrator pursuant to section 57 of this act.

Sec. 57.4. *As used in sections 57.4 to 58.5, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 57.6, 57.7 and 57.8 of this act have the meanings ascribed to them in those sections.*

Sec. 57.6. *"Administrative officer" means a person with overall executive and administrative responsibility for a facility that provides services relating to intellectual disabilities and related conditions and that is operated by any public or private entity.*

Sec. 57.7. *"Facility" means any:*

1. Unit or subunit operated by the Division for the care, treatment and training of consumers.

2. Hospital, clinic or other institution operated by any public or private entity, for the care, treatment and training of consumers.

Sec. 57.8. *"Rights" includes, without limitation, all rights provided to a consumer pursuant to sections 57.4 to 58.5, inclusive, of this act, and any regulations adopted pursuant thereto.*

Sec. 58. *This chapter does not limit the right of any person detained hereunder to a writ of habeas corpus upon a proper application made at any time by such person or any other person on his or her behalf.*

Sec. 58.1. *1. Each consumer admitted for evaluation, treatment or training to a facility has the following rights concerning admission to the facility, a list of which must be prominently posted in all facilities providing those services and must be otherwise brought to the attention of the consumer by such additional means as prescribed by regulation:*

(a) The right not to be admitted to the facility under false pretenses or as a result of any improper, unethical or unlawful conduct by a staff member of the facility to collect money from the insurance company of the consumer or for any other financial purpose.

(b) The right to receive a copy, on request, of the criteria upon which the facility makes its decision to admit or discharge a consumer from the facility. Such criteria must not, for emergency admissions or involuntary court-ordered admissions, be based on the availability of insurance coverage or any other financial considerations.

2. As used in this section, "improper conduct" means a violation of the rules, policies or procedures of the facility.

Sec. 58.13. *1. Each consumer admitted for evaluation, treatment or training to a facility has the following rights concerning involuntary commitment to the facility, a list of which must be prominently posted in all facilities providing those services and must be otherwise brought to the attention of the consumer by such additional means as prescribed by regulation:*

(a) To request and receive a second evaluation by a psychiatrist or psychologist who does not have a contractual relationship with or financial interest in the facility. The evaluation must:

(1) Include, without limitation, a recommendation of whether the consumer should be involuntarily committed to the facility; and

(2) Be paid for by the consumer if the insurance carrier of the consumer refuses to pay for the evaluation.

(b) To receive a copy of the procedure of the facility regarding involuntary commitment and treatment.

(c) To receive a list of the consumer's rights concerning involuntary commitment or treatment.

2. If the results of an evaluation conducted by a psychiatrist or psychologist pursuant to subsection 1 conflict in any manner with the results of an evaluation conducted by the facility, the facility may request and receive a third evaluation of the consumer to resolve the conflicting portions of the previous evaluations.

Sec. 58.17. Each consumer admitted for evaluation, treatment or training to a facility has the following personal rights, a list of which must be prominently posted in all facilities providing those services and must be otherwise brought to the attention of the consumer by such additional means as prescribed by regulation:

1. To wear the consumer's own clothing, to keep and use his or her own personal possessions, including toilet articles, unless those articles may be used to endanger the consumer's life or others' lives, and to keep and be allowed to spend a reasonable sum of the consumer's own money for expenses and small purchases.

2. To have access to individual space for storage for his or her private use.

3. To see visitors each day.

4. To have reasonable access to telephones, both to make and receive confidential calls.

5. To have ready access to materials for writing letters, including stamps, and to mail and receive unopened correspondence, but:

(a) For the purposes of this subsection, packages are not considered as correspondence; and

(b) Correspondence identified as containing a check payable to a consumer may be subject to control and safekeeping by the administrative officer of that facility or the administrative officer's designee, so long as the consumer's record of treatment documents the action.

6. To have reasonable access to an interpreter if the consumer does not speak English or is hearing impaired.

7. To designate a person who must be kept informed by the facility of the consumer's medical and mental condition, if the consumer signs a release allowing the facility to provide such information to the person.

8. Except as otherwise provided in NRS 439.538, to have access to the consumer's medical records denied to any person other than:

(a) A member of the staff of the facility or related medical personnel, as appropriate;

(b) A person who obtains a waiver by the consumer of his or her right to keep the medical records confidential; or

(c) A person who obtains a court order authorizing the access.

9. Other personal rights as specified by regulation of the Division.

Sec. 58.2. Each consumer admitted for evaluation, treatment or training to a facility has the following rights concerning care, treatment and training, a list of which must be prominently posted in all facilities providing those services and must be otherwise brought to the attention of the consumer by such additional means as prescribed by regulation:

1. To medical, psychosocial and rehabilitative care, treatment and training including prompt and appropriate medical treatment and care for physical and mental ailments and for the prevention of any illness or disability. All of that care, treatment and training must be consistent with standards of practice of the respective professions in the community and is subject to the following conditions:

(a) Before instituting a plan of care, treatment or training or carrying out any necessary surgical procedure, express and informed consent must be obtained in writing from:

(1) The consumer if he or she is 18 years of age or over or legally emancipated and competent to give that consent, and from the consumer's legal guardian, if any;

(2) The parent or guardian of a consumer under 18 years of age and not legally emancipated; or

(3) The legal guardian of a consumer of any age who has been adjudicated mentally incompetent;

(b) An informed consent requires that the person whose consent is sought be adequately informed as to:

(1) The nature and consequences of the procedure;

(2) The reasonable risks, benefits and purposes of the procedure; and

(3) Alternative procedures available;

(c) The consent of a consumer as provided in paragraph (b) may be withdrawn by the consumer in writing at any time with or without cause;

(d) Even in the absence of express and informed consent, a licensed and qualified physician may render emergency medical care or treatment to any consumer who has been injured in an accident or who is suffering

from an acute illness, disease or condition if, within a reasonable degree of medical certainty, delay in the initiation of emergency medical care or treatment would endanger the health of the consumer and if the treatment is immediately entered into the consumer's record of treatment, subject to the provisions of paragraph (e); and

(e) If the proposed emergency medical care or treatment is deemed by the chief medical officer of the facility to be unusual, experimental or generally occurring infrequently in routine medical practice, the chief medical officer shall request consultation from other physicians or practitioners of healing arts who have knowledge of the proposed care or treatment.

2. To be free from abuse, neglect and aversive intervention.

3. To consent to the consumer's transfer from one facility to another, except that the Administrator of the Division or the Administrator's designee, or the Administrator of the Division of Child and Family Services of the Department or the Administrator's designee, may order a transfer to be made whenever conditions concerning care, treatment or training warrant it. If the consumer in any manner objects to the transfer, the person ordering it must enter the objection and a written justification of the transfer in the consumer's record of treatment and immediately forward a notice of the objection to the Administrator who ordered the transfer, and the Commission on Behavioral Health shall review the transfer pursuant to subsection 3 of section 58.47 of this act.

4. Other rights concerning care, treatment and training as may be specified by regulation.

Sec. 58.23. 1. An individualized written plan of intellectual disability services or plan of services for a related condition must be developed for each consumer of each facility. The plan must:

(a) Provide for the least restrictive treatment procedure that may reasonably be expected to benefit the consumer; and

(b) Be developed with the input and participation of:

(1) The consumer, to the extent that he or she is able to provide input and participate; and

(2) To the extent that the consumer is unable to provide input and participate, the parent or guardian of the consumer if the consumer is under 18 years of age and is not legally emancipated, or the legal guardian of a consumer who has been adjudicated mentally incompetent.

2. The plan must be kept current and must be modified, with the input and participation of the consumer, the parent or guardian of the consumer or the legal guardian of the consumer, as appropriate, when indicated. The plan must be thoroughly reviewed at least once every 3 months.

3. The person in charge of implementing the plan of services must be designated in the plan.

Sec. 58.27. 1. Each facility shall make all of its decisions, policies, procedures and practices regarding emergency admissions or involuntary court-ordered admissions based upon clinical efficiency rather than cost containment.

2. This section does not preclude a public facility from making decisions, policies, procedures and practices within the limits of the money made available to the facility.

Sec. 58.3. 1. A consumer or the consumer's legal guardian must be:

(a) Permitted to inspect the consumer's records; and

(b) Informed of the consumer's clinical status and progress at reasonable intervals of no longer than 3 months in a manner appropriate to his or her clinical condition.

2. Unless a psychiatrist has made a specific entry to the contrary in a consumer's records, a consumer or the consumer's legal guardian is entitled to obtain a copy of the consumer's records at any time upon notice to the administrative officer of the facility and payment of the cost of reproducing the records.

Sec. 58.33. 1. The attending psychiatrist or physician is responsible for all medication given or administered to a consumer.

2. Each administrative officer shall establish a policy for the review of the administration, storage and handling of medications by nurses and nonprofessional personnel.

Sec. 58.37. 1. A consumer may perform labor which contributes to the operation and maintenance of the facility for which the facility would otherwise employ someone only if:

(a) The consumer voluntarily agrees to perform the labor;

(b) Engaging in the labor is not inconsistent with and does not interfere with the plan of services for the consumer;

(c) The person responsible for the consumer's treatment agrees to the plan of labor; and

(d) The amount of time or effort necessary to perform the labor is not excessive.

➥ In no event may discharge or privileges be conditioned upon the performance of such labor.

2. A consumer who performs labor which contributes to the operation and maintenance of the facility for which the facility would otherwise employ someone must be adequately compensated and the compensation must be in accordance with applicable state and federal labor laws.

3. A consumer who performs labor other than that described in subsection 2 must be compensated an adequate amount if an economic benefit to another person or agency results from the consumer's labor.

4. The administrative officer of the facility may provide for compensation of a resident when the resident performs labor not governed by subsection 2 or 3.

5. This section does not apply to labor of a personal housekeeping nature or to labor performed as a condition of residence in a small group living arrangement.

6. One-half of any compensation paid to a consumer pursuant to this section is exempt from collection or retention as payment for services rendered by the Division or its facilities. Such an amount is also exempt from levy, execution, attachment, garnishment or any other remedies provided by law for the collection of debts.

Sec. 58.4. Each consumer admitted for evaluation, treatment or training to a facility has the following rights concerning the suspension or violation of his or her rights, a list of which must be prominently posted in all facilities providing those services and must be otherwise brought to the attention of the consumer by such additional means as prescribed by regulation:

1. To receive a list of the consumer's rights.

2. To receive a copy of the policy of the facility that sets forth the clinical or medical circumstances under which the consumer's rights may be suspended or violated.

3. To receive a list of the clinically appropriate options available to the consumer or the consumer's family to remedy an actual or a suspected suspension or violation of his or her rights.

4. To have all policies of the facility regarding the rights of consumers prominently posted in the facility.

Sec. 58.43. Each facility shall, within a reasonable time after a consumer is admitted to the facility for evaluation, treatment or training, ask the consumer to sign a document that reflects that the consumer has received a list of the consumer's rights and has had those rights explained to him or her.

Sec. 58.47. 1. The rights of a consumer enumerated in this chapter must not be denied except to protect the consumer's health and safety or to protect the health and safety of others, or both. Any denial of those rights in any facility must be entered in the consumer's record of treatment, and notice of the denial must be forwarded to the administrative officer of the facility. Failure to report denial of rights by an employee may be grounds for dismissal.

2. If the administrative officer of a facility receives notice of a denial of rights as provided in subsection 1, the officer shall cause a full report to be prepared which must set forth in detail the factual circumstances surrounding the denial. Except as otherwise provided in NRS 239.0115, such a report is confidential and must not be disclosed. A copy of the report must be sent to the Commission on Behavioral Health.

3. The Commission on Behavioral Health:

(a) Shall receive reports of and may investigate apparent violations of the rights guaranteed by this chapter;

(b) May act to resolve disputes relating to apparent violations;

(c) May act on behalf of consumers to obtain remedies for any apparent violations; and

(d) Shall otherwise endeavor to safeguard the rights guaranteed by this chapter.

4. Pursuant to NRS 241.030, the Commission on Behavioral Health may close any portion of a meeting in which it considers the character, alleged misconduct or professional competence of a person in relation to:

(a) The denial of the rights of a consumer; or

(b) The care and treatment of a consumer.

➥ The provisions of this subsection do not require a meeting of the Commission on Behavioral Health to be closed to the public.

Sec. 58.5. *An officer, director or employee of a facility shall not retaliate against any person for having:*

1. Reported any violation of law; or

2. Provided information regarding a violation of law,

➥ by the facility or a staff member of the facility.

Sec. 58.57. *1. There may be maintained as a trust fund at each division facility a consumers' personal deposit fund.*

2. Money coming into the possession of the administrative officer of a division facility which belongs to a consumer must be credited in the fund in the name of that consumer.

3. When practicable, individual credits in the fund must not exceed the sum of $300.

4. Any amounts to the credit of a consumer may be used for purchasing personal necessities, for expenses of burial or may be turned over to the consumer upon the consumer's demand, except that when the consumer is adjudicated mentally incompetent the guardian of the consumer's estate has the right to demand and receive the money.

5. An amount accepted for the benefit of a consumer for a special purpose must be reserved for that purpose regardless of the total amount to the credit of the consumer.

6. Except as otherwise provided in subsection 7, the administrative officers shall deposit any money received for the funds of their respective facilities in commercial accounts with one or more banks or credit unions of reputable standing. When deposits in a commercial account exceed $15,000, the administrative officer may deposit the excess in a savings account paying interest in any reputable commercial bank, or in any credit union or savings and loan association within this state that is federally insured or insured by a private insurer approved pursuant to NRS 678.755. The savings account must be in the name of the fund. Interest paid on deposits in the savings account may be used for recreational purposes at the division facility.

7. The administrative officers may maintain at their respective division facilities petty cash of not more than $400 of the money in the consumers' personal deposit fund to enable consumers to withdraw small sums from their accounts.

Sec. 58.6. Whenever any person admitted to a division facility dies, the administrative officer shall send written notice to the decedent's legally appointed representative, listing the personal property remaining in the custody or possession of the facility. If there is no demand made upon the administrative officer of the facility by the decedent's legally appointed representative, all personal property of the decedent remaining in the custody or possession of the administrative officer must be held by the officer for a period of 1 year from the date of the decedent's death for the benefit of the heirs, legatees or successors of the decedent. At the end of this period, another notice must be sent to the decedent's representative, listing the property and specifying the manner in which the property will be disposed of if not claimed within 15 business days. After 15 business days, all personal property and documents of the decedent, other than cash, remaining unclaimed in the possession of the administrative officer must be disposed of as follows:

1. All documents must be filed by the administrative officer with the public administrator of the county from which the consumer was admitted.

2. All other personal property must be sold at a public auction or by sealed bids. The proceeds of the sale must be applied to the decedent's unpaid balance for costs incurred at the division facility.

Sec. 58.63. If a person admitted to a division facility is discharged or leaves and the person fails to recover personal property worth more than $100 in the custody of the administrative officer of the facility, the administrative officer shall notify the former consumer or the consumer's legal representative in writing that personal property remains in the custody of the facility. The property must be held in safekeeping for the consumer for a period of 1 year from the date of discharge. If upon the

expiration of the 1-year period no claim has been made upon the administrative officer by the person or the person's legal representative, another notice must be sent to the person or the person's legal representative, stating that personal property remains in the custody of the facility, and specifying the manner in which the property will be disposed of if not claimed within 15 business days. After 15 business days, the property may be considered unclaimed property and be disposed of in the manner provided for unclaimed property of deceased persons under the provisions of section 58.6 of this act.

Sec. 58.67. If, upon the death or release of a person admitted to a division facility, the value of unclaimed personal property in the possession of the administrative officer of the facility is so minimal that it cannot be sold at public auction or by sealed bid and if the property, either in its present condition or in an improved condition, cannot be used by the division facility, the administrative officer may order the personal property destroyed.

Sec. 58.7. 1. Upon the death of a consumer, any known relatives or friends of the consumer shall be notified immediately of the fact of death.

2. The Administrator or the Administrator's designee shall cause a decent burial to be provided for the consumer outside division facility grounds. The Administrator or the designee may enter into a contract with any person or persons, including governmental agencies or other instrumentalities, as the Administrator or the designee deems proper, for a decent burial. Where there are known relatives, and they are financially able, the cost of burial must be borne by the relatives. Where there are no known relatives, the cost of burial must be a charge against the State of Nevada, but the cost thereof must not exceed the amount charged for the burial of indigents in the county in which the burial takes place.

3. When a consumer has income from a pension payable through a division facility, and has no guardian, the Division may obligate operating funds for funeral expenses in the amount due under the pension benefits.

Sec. 58.75. 1. An employee of a public or private facility offering services for persons with intellectual disabilities and persons with related conditions or any other person, except a consumer, who:

(a) Has reason to believe that a consumer of the Division or of a private facility offering services for consumers with intellectual disabilities and consumers with related conditions has been or is being abused or neglected and fails to report it;

(b) Brings intoxicating beverages or a controlled substance into any division facility occupied by consumers unless specifically authorized to do so by the administrative officer or a staff physician of the facility;

(c) Is under the influence of liquor or a controlled substance while employed in contact with consumers, unless in accordance with a lawfully issued prescription;

(d) Enters into any transaction with a consumer involving the transfer of money or property for personal use or gain at the expense of the consumer; or

(e) Contrives the escape, elopement or absence of a consumer,

➥ is guilty of a misdemeanor, in addition to any other penalties provided by law.

2. In addition to any other penalties provided by law, an employee of a public or private facility offering services for persons with intellectual disabilities and persons with related conditions or any other person, except a consumer, who willfully abuses or neglects a consumer:

(a) For a first violation that does not result in substantial bodily harm to the consumer, is guilty of a gross misdemeanor.

(b) For a first violation that results in substantial bodily harm to the consumer, is guilty of a category B felony.

(c) For a second or subsequent violation, is guilty of a category B felony.

➥ A person convicted of a category B felony pursuant to this section shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, or by a fine of not more than $5,000, or by both fine and imprisonment.

3. A person who is convicted pursuant to this section is ineligible for 5 years for appointment to or employment in a position in the state service and, if the person is an officer or employee of the State, the person forfeits his or her office or position.

4. A conviction pursuant to this section is, when applicable, grounds for disciplinary action against the person so convicted and the facility where the violation occurred. The Division may recommend to the appropriate agency or board the suspension or revocation of the professional license, registration, certificate or permit of a person convicted pursuant to this section.

5. For the purposes of this section:

(a) "Abuse" means any willful and unjustified infliction of pain, injury or mental anguish upon a consumer, including, but not limited to:

(1) The rape, sexual assault or sexual exploitation of the consumer;

(2) The use of any type of aversive intervention;

(3) Except as otherwise provided in NRS 433.5486, a violation of NRS 433.549; and

(4) The use of physical, chemical or mechanical restraints or the use of seclusion in violation of federal law.

➥ Any act which meets the standard of practice for care and treatment does not constitute abuse.

(b) "Consumer" includes any person who seeks, on the person's own or others' initiative, and can benefit from, care, treatment and training in a public or private institution or facility offering services for persons with intellectual disabilities and persons with related conditions.

(c) "Neglect" means any omission to act which causes injury to a consumer or which places the consumer at risk of injury, including, but not limited to, the failure to follow:

(1) An appropriate plan of treatment to which the consumer has consented; and

(2) The policies of the facility for the care and treatment of consumers.

➥ Any omission to act which meets the standard of practice for care and treatment does not constitute neglect.

(d) "Standard of practice" means the skill and care ordinarily exercised by prudent professional personnel engaged in health care.

Sec. 58.8. 1. Any person who, on the grounds of a division facility, sells, barters, exchanges or in any manner disposes of any spirituous or malt liquor or beverage to any person lawfully confined in the division facility is guilty of a gross misdemeanor.

2. This section does not apply to any physician prescribing or furnishing liquor to the person when the liquor is prescribed or furnished for medicinal purposes only.

Sec. 58.85. 1. A public or private facility offering services for persons with intellectual disabilities and persons with related conditions may return a prescription drug that is dispensed to a patient of the facility, but will not be used by that patient, to the dispensing pharmacy for the purpose of reissuing the drug to fill other prescriptions for patients in that facility or for the purpose of transferring the drug to a nonprofit pharmacy designated by the State Board of Pharmacy pursuant to NRS 639.2676 if:

(a) The drug is not a controlled substance;

(b) The drug is dispensed in a unit dose, in individually sealed doses or in a bottle that is sealed by the manufacturer of the drug;

(c) The drug is returned unopened and sealed in the original manufacturer's packaging or bottle;

(d) The usefulness of the drug has not expired;

(e) The packaging or bottle contains the expiration date of the usefulness of the drug; and

(f) The name of the patient for whom the drug was originally prescribed, the prescription number and any other identifying marks are obliterated from the packaging or bottle before the return of the drug.

2. A dispensing pharmacy to which a drug is returned pursuant to this section may:

(a) Reissue the drug to fill other prescriptions for patients in the same facility if the registered pharmacist of the pharmacy determines that the drug is suitable for that purpose in accordance with standards adopted by the State Board of Pharmacy pursuant to subsection 5; or

(b) Transfer the drug to a nonprofit pharmacy designated by the State Board of Pharmacy pursuant to NRS 639.2676.

3. No drug that is returned to a dispensing pharmacy pursuant to this section may be used to fill other prescriptions more than one time.

4. A facility offering services for persons with intellectual disabilities and persons with related conditions shall adopt written procedures for returning drugs to a dispensing pharmacy pursuant to this section. The procedures must:

(a) Provide appropriate safeguards for ensuring that the drugs are not compromised or illegally diverted during their return.

(b) Require the maintenance and retention of such records relating to the return of such drugs as are required by the State Board of Pharmacy.

(c) Be approved by the State Board of Pharmacy.

5. The State Board of Pharmacy shall adopt such regulations as are necessary to carry out the provisions of this section, including, without limitation, requirements for:

(a) Returning and reissuing such drugs pursuant to the provisions of this section.

(b) Transferring drugs to a nonprofit pharmacy pursuant to the provisions of this section and NRS 639.2676.

(c) Maintaining records relating to the return and the use of such drugs to fill other prescriptions.

Sec. 58.9. The administrative officer of a facility of the Division must:

1. Be selected on the basis of training and demonstrated administrative qualities of leadership in any one of the fields of psychiatry, medicine, psychology, social work, education or administration.

2. Be appointed on the basis of merit as measured by administrative training or experience in programs relating to intellectual disabilities, including care and treatment of persons with intellectual disabilities and persons with related conditions.

Sec. 59. *The administrative officers have the following powers and duties, subject to the administrative supervision of the Administrator:*

1. To exercise general supervision of and establish regulations for the government of the facilities designated by the Administrator;

2. To be responsible for and supervise the fiscal affairs and responsibilities of the facilities designated by the Administrator;

3. To appoint such medical, technical, clerical and operational staff as the execution of his or her duties, the care and treatment of consumers and the maintenance and operation of the facilities designated by the Administrator may require;

4. To make reports to the Administrator, and to supply the Administrator with material on which to base proposed legislation;

5. To keep complete and accurate records of all proceedings, record and file all bonds and contracts, and assume responsibility for the custody and preservation of all papers and documents pertaining to his or her office;

6. To inform the public in regard to the activities and operation of the facilities;

7. To invoke any legal, equitable or special procedures for the enforcement of his or her orders or the enforcement of the provisions of this chapter and other statutes governing the facilities;

8. To submit an annual report to the Administrator on the condition, operation, functioning and anticipated needs of the facilities; and

9. To assume responsibility for the nonmedical care and treatment of consumers if that responsibility has not been delegated.

Sec. 59.2. Except as otherwise provided in NRS 284.143, an administrative officer shall devote his or her entire time to the duties of his or her position and shall have no other gainful employment or occupation, but the administrative officer may attend seminars, act as a consultant and give lectures relating to his or her profession and accept appropriate stipends for the seminars, consultations and lectures.

Sec. 59.3. The medical director of a division facility may order the transfer to a hospital of the Department of Veterans Affairs or other facility of the United States Government any admitted consumer eligible for treatment therein. If the consumer in any manner objects to the transfer, the medical director of the facility shall enter the objection and a written justification of the transfer in the consumer's record and forward a notice of the objection to the Administrator, and the Commission on Behavioral Health shall review the transfer pursuant to subsections 2 and 3 of section 58.47 of this act.

Sec. 59.4. 1. If any person involuntarily court-admitted to any division facility is found by the court not to be a resident of this State and to be a resident of another state, the person may be transferred to the state of his or her residence pursuant to section 57 of this act if an appropriate institution of that state is willing to accept the person.

2. The approval of the Administrator must be obtained before any transfer is made pursuant to subsection 1.

Sec. 59.45. ***1. When a person is admitted to a division facility or hospital under one of the various forms of admission prescribed by law, the parent or legal guardian of a person with an intellectual disability or person with a related condition who is a minor or the husband or wife of a person with an intellectual disability or person with a related condition, if of sufficient ability, and the estate of the person with an intellectual disability or person with a related condition, if the estate is sufficient for the purpose, shall pay the cost of the maintenance for the person with an intellectual disability or person with a related condition, including treatment and surgical operations, in any hospital in which the person is hospitalized under the provisions of this chapter:***

(a) To the administrative officer if the person is admitted to a division facility; or

(b) In all other cases, to the hospital rendering the service.

2. If a person or an estate liable for the care, maintenance and support of a committed person neglects or refuses to pay the administrative officer or the hospital rendering the service, the State is entitled to recover, by appropriate legal action, all money owed to a division facility or which the State has paid to a hospital for the care of a committed person, plus interest at the rate established pursuant to NRS 99.040.

Sec. 59.5. ***1. The administrative officers of the respective division facilities may enter into special agreements secured by properly executed bonds with the relatives, guardians or friends of consumers who are adjudicated to be consumers with mental incompetence for subsistence, care or other expenses of such consumers. Each agreement and bond must be to the State of Nevada and any action to enforce the agreement or bond may be brought by the administrative officer.***

2. Financially responsible relatives pursuant to section 59.45 of this act and the guardian of the estate of a consumer may, from time to time, pay money to the division facility for the future personal needs of the consumer with mental incompetence and for the consumer's burial expenses. Money paid pursuant to this subsection must be credited to the consumer in the consumers' personal deposit fund established pursuant to section 58.57 of this act.

Sec. 59.6. ***1. If the consumer, his or her responsible relative pursuant to section 59.45 of this act, guardian or the estate neglects or refuses to pay the cost of treatment to the division facility rendering service pursuant to the fee schedule established under section 55.4 of this act, the State is entitled to recover by appropriate legal action all sums due, plus interest.***

2. Before initiating such legal action, the division facility shall demonstrate efforts at collection, which may include contractual arrangements for collection through a private collection agency.

Sec. 59.7. The expense of diagnostic, medical and surgical services furnished to a consumer admitted to a division facility by a person not on the staff of the facility, whether rendered while the consumer is in a general hospital, an outpatient of a general hospital or treated outside any hospital, must be paid by the consumer, the guardian or relatives responsible pursuant to section 59.45 of this act for the consumer's care. In the case of an indigent consumer or a consumer whose estate is inadequate to pay the expenses, the expenses must be charged to the county from which the admission to the division facility was made, if the consumer had, before admission, been a resident of that county. The expense of such diagnostic, medical and surgical services must not in any case be a charge against or paid by the State of Nevada, except when, in the opinion of the administrative officer of the division facility to which the consumer is admitted, payment should be made for nonresident indigent consumers and money is authorized pursuant to section 54.6 of this act and the money is authorized in approved budgets.

Sec. 60. NRS 435.007 is hereby amended to read as follows:

435.007 As used in this chapter, unless the context otherwise requires:

1. "***Administrative officer" means a person with overall executive and administrative responsibility for those state or nonstate intellectual disability centers designated by the Administrator.***

2. "***Administrator" means the Administrator of the Division.***

3. "Child" means any person under the age of 18 years who may be eligible for ~~[mental retardation]~~ ***intellectual disabilities*** services or services for a related condition.

~~[2.]~~ ***4.*** "***Department" means the Department of Health and Human Services.***

5. **"*Director of the Department" means the administrative head of the Department.***

6. **"*Division" means the Aging and Disability Services Division of the Department.***

~~*[6.]*~~ ***7.*** **"*Division facility" means any unit or subunit operated by the Division for the care, treatment and training of consumers.***

~~*[7.]*~~ ***8.*** **"*Intellectual disability" means significantly subaverage general intellectual functioning existing concurrently with deficits in adaptive behavior and manifested during the developmental period.***

~~*[8.]*~~ ***9.*** **"*Intellectual disability center" means an organized program for providing appropriate services and treatment to persons with intellectual***

disabilities and persons with related conditions. An intellectual disability center may include facilities for residential treatment and training.

[9.] ***10. "Medical director" means the chief medical officer of any program of the Division for persons with intellectual disabilities and persons with other related conditions.***

11. "Mental illness" has the meaning ascribed to it in NRS 433.164.

12. "Parent" means the parent of a child. The term does not include the parent of a person who has attained the age of 18 years.

[3.] ***[10.]*** ***13.*** "Person" includes a child and any other consumer with mental retardation or a related condition who has attained the age of 18 years.

[4.] ***[11.]*** ***14. "Person professionally qualified in the field of psychiatric mental health" has the meaning ascribed to it in NRS 433.209.***

15. "***Persons with related conditions" means persons who have a severe, chronic disability which:***

(a) Is attributable to:

(1) Cerebral palsy or epilepsy; or

(2) Any other condition, other than mental illness, found to be closely related to an intellectual disability because the condition results in impairment of general intellectual functioning or adaptive behavior similar to that of a person with an intellectual disability and requires treatment or services similar to those required by a person with an intellectual disability;

(b) Is manifested before the person affected attains the age of 22 years;

(c) Is likely to continue indefinitely; and

(d) Results in substantial functional limitations in three or more of the following areas of major life activity:

(1) Taking care of oneself;

(2) Understanding and use of language;

(3) Learning;

(4) Mobility;

(5) Self-direction; and

(6) Capacity for independent living.

[12.] ***16.*** "Residential facility for groups" means a structure similar to a private residence which will house a small number of persons in a homelike atmosphere.

[13.] ***17.*** "***Training" means a program of services directed primarily toward enhancing the health, welfare and development of persons with intellectual disabilities and persons with related conditions through the process of providing those experiences that will enable the person to:***

(a) Develop his or her physical, intellectual, social and emotional capacities to the fullest extent;

(b) Live in an environment that is conducive to personal dignity; and

(c) Continue development of those skills, habits and attitudes essential to adaptation in contemporary society.

~~[14.]~~ 18. "***Treatment" means any combination of procedures or activities, of whatever level of intensity and whatever duration, ranging from occasional counseling sessions to full-time admission to a residential facility.***

Sec. 60.3. **NRS 435.081 is hereby amended to read as follows:**

435.081 1. The Administrator or the Administrator's designee may receive a person with ~~[mental retardation]~~ ***an intellectual disability*** or a person with a related condition of this State for services in a facility operated by the Division if:

(a) The person is a person with ~~[mental retardation as defined in NRS 433.174]~~ ***an intellectual disability*** or is a person with a related condition and is in need of institutional training and treatment;

(b) Space is available which is designed and equipped to provide appropriate care for the person;

(c) The facility has or can provide an appropriate program of training and treatment for the person; and

(d) There is written evidence that no less restrictive alternative is available in the person's community.

2. A person with ~~[mental retardation]~~ ***an intellectual disability*** or a person with a related condition may be accepted at a division facility for emergency evaluation when the evaluation is requested by a court. A person must not be retained pursuant to this subsection for more than 10 working days.

3. A court may order that a person with ~~[mental retardation]~~ ***an intellectual disability*** or a person with a related condition be admitted to a division facility if it finds that admission is necessary because of the death or sudden disability of the parent or guardian of the person. The person must not be retained pursuant to this subsection for more than 45 days. Before the expiration of the 45-day period, the Division shall report to the court its recommendations for placement or treatment of the person. If less restrictive alternatives are not available, the person may be admitted to the facility using the procedures for voluntary or involuntary admission, as appropriate.

4. A child may be received, cared for and examined at a division facility for ~~[the mentally retarded]~~ ***persons with intellectual disabilities or persons with related conditions*** for not more than 10 working days without admission, if the examination is ordered by a court having jurisdiction of the minor in accordance with the provisions of NRS 62E.280 and subsection 1 of NRS 432B.560. At the end of the 10 days, the Administrator or the Administrator's designee shall report the result of the examination to the

court and shall detain the child until the further order of the court, but not to exceed 7 days after the Administrator's report.

5. The parent or guardian of a person believed to be a person with ~~[mental retardation]~~ ***an intellectual disability*** or a person with a related condition may apply to the administrative officer of a division facility to have the person evaluated by personnel of the Division who are experienced in the diagnosis of ~~[mental retardation]~~ ***intellectual disabilities*** and related conditions. The administrative officer may accept the person for evaluation without admission.

6. If, after the completion of an examination or evaluation pursuant to subsection 4 or 5, the administrative officer finds that the person meets the criteria set forth in subsection 1, the person may be admitted to the facility using the procedures for voluntary or involuntary admission, as appropriate.

7. If, at any time, the parent or guardian of a person admitted to a division facility on a voluntary basis, or the person himself or herself if the person has attained the age of 18 years, requests in writing that the person be discharged, the administrative officer shall discharge the person. If the administrative officer finds that discharge from the facility is not in the person's best interests, the administrative officer may initiate proceedings for involuntary admission, but the person must be discharged pending those proceedings.

Sec. 60.7. **NRS 435.227 is hereby amended to read as follows:**

435.227 Before being issued a certificate by the Division pursuant to NRS 435.225 and annually thereafter as a condition of certification, an organization must:

1. Be on file and in good standing with the Secretary of State ~~[as a nonprofit organization]~~ ***and organized*** pursuant to title 7 of NRS;

2. Submit to the Division an annual audit of the financial statements of the organization that is conducted by an independent certified public accountant; and

3. Submit to the Division the most recent federal tax return of the organization, including, without limitation, Form 990, or its successor form, and the Schedule L and Schedule R of such return, or the successor forms of such schedules, which include an itemization of:

(a) Any transaction during the federal tax year of the organization in which an economic benefit is provided by the organization to a director, officer or board member of the organization, or any other person who has substantial influence over the organization, and in which the value of the economic benefit provided by the organization exceeds the value of the consideration received by the organization;

(b) Any loans to or from the organization which are received by or from a director, officer or board member of the organization, a person who has

substantial influence over the organization or a family member of such director, officer, board member or person and which remain outstanding at the end of the federal tax year of the organization;

(c) Any grants or other assistance from the organization during the federal tax year of the organization which benefit a director, officer or board member of the organization, a person who has substantial influence over the organization or a family member of such director, officer, board member or person;

(d) Business transactions during the federal tax year of the organization between the organization and a director, officer or board member of the organization, a person who has substantial influence over the organization or a family member of such director, officer, board member or person which exceed, in the aggregate, $100,000, or a single business transaction that exceeds $10,000; and

(e) All related party transactions including, without limitation, the receipt of interest, royalties, annuities or rent, the sale or purchase of assets or services, the sharing of facilities, equipment or employees, and the transfer of cash or property.

Sec. 61. NRS 435.350 is hereby amended to read as follows:

435.350 1. Each person with ~~[mental retardation]~~ ***an intellectual disability*** and each person with a related condition admitted to a division facility is entitled to all rights enumerated in NRS 433.482, 433.484 and 433.545 to 433.551, inclusive ~~[.]~~ ***, and sections 58.17 and 58.2 of this act.***

2. The Administrator shall designate a person or persons to be responsible for establishment of regulations relating to denial of rights of persons with ~~[mental retardation]~~ ***an intellectual disability*** and persons with related conditions. The person designated shall file the regulations with the Administrator.

3. Consumers' rights specified in NRS 433.482 and 433.484 ***and sections 58.17 and 58.2 of this act*** may be denied only for cause. Any denial of such rights must be entered in the consumer's treatment record, and notice of the denial must be forwarded to the Administrator's designee or designees as provided in subsection 2. Failure to report denial of rights by an employee may be grounds for dismissal.

4. Upon receipt of notice of a denial of rights as provided in subsection 3, the Administrator's designee or designees shall cause a full report to be prepared which sets forth in detail the factual circumstances surrounding the denial. A copy of the report must be sent to the Administrator and the Commission ~~[.]~~ ***on Behavioral Health.***

5. The Commission ~~***[Division]***~~ ***on Behavioral Health*** has such powers and duties with respect to reports of denial of rights as are enumerated ***for the***

Commission on [Public and] Behavioral Health in subsection 3 of [NRS 433.534.] ***section 58.47 of this act.***

Sec. 61.5. **NRS 436.123 is hereby amended to read as follows:**

436.123 The [Division] ***Department*** is designated as the official state agency responsible for developing and administering preventive and outpatient mental health services ***.*** [, subject to administrative supervision by the Director of the Department. It] ***The Department*** shall function in the following areas:

1. Assisting and consulting with local health authorities in providing community mental health services, which services may include prevention, rehabilitation, case finding, diagnosis and treatment of persons with mental illness, and consultation and education for groups and individuals regarding mental health.
2. Coordinating mental health functions with other state agencies.
3. Participating in and promoting the development of facilities for training personnel necessary for implementing such services.
4. Collecting and disseminating information pertaining to mental health.
5. Performing such other acts as are necessary to promote mental health in the State.

Sec. 62. Chapter 439 of NRS is hereby amended by adding thereto the provisions set forth as sections 63, 64 and 65 of this act.

Sec. 63. ***[If appointed by the Director pursuant to subsection 2 of section 64 of this act, the] The Chief Medical Officer must:***

1. Be a citizen of the United States;

2. Have not less than 5 years' experience in behavioral health [care] or public health in a managerial or supervisory capacity; and

3. Be:

(a) Licensed in good standing or eligible for a license as a physician or administrative physician in Nevada;

(b) Licensed in good standing or eligible for a license as a physician or administrative physician in the District of Columbia or in any state or territory of the United States; or

(c) A physician or administrative physician who has a master's degree or doctoral degree in public health or a related field.

Sec. 64. ***1. The [State Health Officer] Director shall [serve as the] appoint a Chief Medical Officer . [and the duties of the Chief Medical Officer shall be deemed to be included within the duties of the State Health Officer. unless the Director determines, in cooperation with the Administrator, that the appointment of a Chief Medical Officer is in the best interests of this State.***

2. If the Director determines that the appointment of a Chief Medical Officer is in the best interests of this State, the Director shall appoint a

~~*Chief Medical Officer within 6 months after making such a determination, except that if a qualified applicant does not accept the position within that period, the Director shall continue his or her efforts to fill the position until a qualified person accepts the appointment.*~~

~~*3.]*~~ *2. The Chief Medical Officer is in the unclassified service of the State and serves at the pleasure of the Director.*

Sec. 65. ***The Chief Medical Officer shall:***

1. Oversee the operation of facilities and centers established pursuant to title 39 of NRS.

2. Direct the work of subordinates and may authorize them to act in his or her place and stead.

3. Perform such other duties as the Director may, from time to time, prescribe.

➥ If the Chief Medical Officer is not licensed to practice medicine in this State, he or she shall not, in carrying out the duties of the Chief Medical Officer, engage in the practice of medicine.

Sec. 66. NRS 439.005 is hereby amended to read as follows:

439.005 As used in this chapter, unless the context requires otherwise:

1. "Administrator" means the Administrator of the ~~[~~Health~~]~~ Division.

2. "Department" means the Department of Health and Human Services.

3. "Director" means the Director of the Department.

4. ***"Division" means the Division of Public and Behavioral Health of the Department.***

5. "Health authority" means the officers and agents of the ~~[~~Health~~]~~ Division or the officers and agents of the local boards of health.

~~[~~5. "Health Division" means the Health Division of the Department.~~]~~

6. "Individually identifiable health information" has the meaning ascribed to it in 45 C.F.R. 160.103.

Sec. 67. NRS 439.010 is hereby amended to read as follows:

439.010 Except as otherwise provided in NRS 439.581 to 439.595, inclusive, the provisions of this chapter must be administered by the Administrator and the ~~[~~Health~~]~~ Division, subject to administrative supervision by the Director.

Sec. 68. NRS 439.015 is hereby amended to read as follows:

439.015 The Department, through the ~~[~~Health~~]~~ Division, may accept and direct the disbursement of money appropriated by any Act of Congress and apportioned or allocated to the State of Nevada for health purposes. This federal money must be deposited in the State Treasury for credit to the State ~~[~~Health~~]~~ Division ***of Public and Behavioral Health*** Federal Account within the State General Fund.

Sec. 69. ~~[NRS 439.090 is hereby amended to read as follows:~~

~~439.090 1. The State Health Officer must:~~

~~(a) Be a citizen of the United States;~~

~~(b) Have not less than 5 years' experience in population-based health care; and~~

~~(c) Be:~~

~~(1) Licensed in good standing or eligible for a license as a physician or administrative physician in Nevada;~~

~~(2) Licensed in good standing or eligible for a license as a physician or administrative physician in the District of Columbia or in any state or territory of the United States; or~~

~~(3) A physician or administrative physician who has a master's degree or doctoral degree in public health or a related field.~~

~~2. [The Administrator must have 2 years' experience, or the equivalent, in a responsible administrative position in:~~

~~(a) A full-time county or city health facility or department; or~~

~~(b) A major health program at a state or national level.~~

~~3.]~~ ~~As used in this section, "population-based health care" means the use of various approaches to medical care for specific groups or populations based upon common demographic characteristics, risk factors or diseases.]~~ **(Deleted by amendment.)**

Sec. 69.5. **NRS 439.110 is hereby amended to read as follows:**

439.110 1. Except as otherwise provided in subsection 2 and NRS 284.143, the ~~[State Health]~~ ***Chief Medical*** Officer shall devote his or her full time to the official duties of the ~~[State Health]~~ ***Chief Medical*** Officer and shall not engage in any other business or occupation.

2. Notwithstanding the provisions of NRS 281.127, the ~~[State Health]~~ ***Chief Medical*** Officer may cooperate with the Nevada System of Higher Education in the preparation and teaching of preservice professional workers in public health and in a program providing additional professional preparation for ***behavioral health workers and*** public health workers employed by the State of Nevada.

Sec. 70. NRS 439.130 is hereby amended to read as follows:

439.130 1. The ~~[State Health]~~ ***Chief Medical*** Officer shall:

(a) Enforce all laws and regulations pertaining to the public health.

(b) Investigate causes of disease, epidemics, source of mortality, nuisances affecting the public health, and all other matters related to the health and life of the people, and to this end the ~~[State Health]~~ ***Chief Medical*** Officer may enter upon and inspect any public or private property in the State.

(c) Direct the work of subordinates and may authorize them to act in his or her place and stead.

(d) Except as otherwise provided in subsection 5 of NRS 439.970, perform the duties prescribed in NRS 439.950 to 439.983, inclusive.

(e) Perform such other duties as the Director may, from time to time, prescribe.

➥ If the ~~[State Health]~~ ***Chief Medical*** Officer is not licensed to practice medicine in this State, he or she shall not, in carrying out the duties of the ~~[State Health]~~ ***Chief Medical*** Officer, engage in the practice of medicine.

2. The Administrator shall direct the work of the ~~[Health]~~ Division, administer the Division and perform such other duties as the Director may, from time to time, prescribe.

Sec. 71. NRS 439.150 is hereby amended to read as follows:

439.150 1. The State Board of Health is hereby declared to be supreme in all nonadministrative health matters. It has general supervision over all matters, except for administrative matters and as otherwise provided in NRS 439.950 to 439.983, inclusive, relating to the preservation of the health and lives of citizens of this State and over the work of the ~~[State Health]~~ ***Chief Medical*** Officer and all district, county and city health departments, boards of health and health officers.

2. The Department is hereby designated as the agency of this State to cooperate with the federal authorities in the administration of those parts of the Social Security Act which relate to the general promotion of public health. It may receive and expend all money made available to the ~~[Health]~~ Division by the Federal Government, the State of Nevada or its political subdivisions, or from any other source, for the purposes provided in this chapter. In developing and revising any state plan in connection with federal assistance for health programs, the Department shall consider, without limitation, the amount of money available from the Federal Government for those programs, the conditions attached to the acceptance of that money and the limitations of legislative appropriations for those programs.

3. Except as otherwise provided in NRS 576.128, the State Board of Health may set reasonable fees for the:

(a) Licensing, registering, certifying, inspecting or granting of permits for any facility, establishment or service regulated by the ~~[Health]~~ Division;

(b) Programs and services of the ~~[Health]~~ Division;

(c) Review of plans; and

(d) Certification and licensing of personnel.

➥ Fees set pursuant to this subsection must be calculated to produce for that period the revenue from the fees projected in the budget approved for the ~~[Health]~~ Division by the Legislature.

Sec. 72. NRS 439.2794 is hereby amended to read as follows:

439.2794 1. The ~~[Health]~~ Division may:

(a) Enter into contracts for any services necessary to carry out or assist the ~~[Health]~~ Division in carrying out the provisions of NRS 439.271 to

439.2794, inclusive, with public or private entities that have the appropriate expertise to provide such services;

(b) Apply for and accept any gift, donation, bequest, grant or other source of money to carry out the provisions of NRS 439.271 to 439.2794, inclusive;

(c) Apply for any waiver from the Federal Government that may be necessary to maximize the amount of money this State may obtain from the Federal Government to carry out the provisions of NRS 439.271 to 439.2794, inclusive; and

(d) Adopt regulations as necessary to carry out and administer the Program.

2. Any money that is accepted by the ~~[~~Health~~]~~ Division pursuant to subsection 1 must be deposited in the State Treasury and accounted for separately in the State General Fund.

3. The Administrator shall administer the account created pursuant to subsection 2. Money in the account does not lapse to the State General Fund at the end of the fiscal year. The interest and income earned on the money in the account must be credited to the account. Any claims against the account must be paid as other claims against the State are paid.

Sec. 73. NRS 439.340 is hereby amended to read as follows:

439.340 The county board of health shall be subject to the supervision of the ~~[~~Health~~]~~ Division, and shall make such reports to the ~~[~~Health~~]~~ Division as the State Board of Health may require.

Sec. 74. NRS 439.4905 is hereby amended to read as follows:

439.4905 1. Unless an exemption is approved pursuant to subsection 3, each county shall pay an assessment to the ~~[~~Health~~]~~ Division, in an amount determined by the ~~[~~Health~~]~~ Division, for the costs of services provided in that county by the ~~[~~Health~~]~~ Division or by the ~~[~~State Health~~]~~ ***Chief Medical*** Officer, including, without limitation, services provided pursuant to this chapter and chapters 441A, 444, 446 and 583 of NRS and the regulations adopted pursuant to those chapters, regardless of whether the county has a local health authority.

2. Each county shall pay the assessment to the ~~[~~Health~~]~~ Division in quarterly installments that are due on the first day of the first month of each calendar quarter.

3. A county may submit a proposal to the Governor for the county to carry out the services that would otherwise be provided by the ~~[~~Health~~]~~ Division or the ~~[~~State Health~~]~~ ***Chief Medical*** Officer pursuant to this chapter and chapters 441A, 444, 446 and 583 of NRS and the regulations adopted pursuant to those chapters. If the Governor approves the proposal, the Governor shall submit a recommendation to the Interim Finance Committee to exempt the county from the assessment required pursuant to subsection 1. The Interim Finance Committee, upon receiving the recommendation from

the Governor, shall consider the proposal and determine whether to approve the exemption. In considering whether to approve the exemption, the Interim Finance Committee shall consider, among other things, the best interests of the State, the effect of the exemption and the intent of the Legislature in requiring the assessment to be paid by each county.

4. An exemption that is approved by the Interim Finance Committee pursuant to subsection 3 must not become effective until at least 6 months after that approval.

5. A county that receives approval pursuant to subsection 3 to carry out the services that would otherwise be provided by the ~~[~~Health~~]~~ Division or the ~~[~~State Health~~]~~ ***Chief Medical*** Officer pursuant to this chapter and chapters 441A, 444, 446 and 583 of NRS and the regulations adopted pursuant to those chapters shall carry out those services in the manner set forth in those chapters and regulations.

6. The ~~[~~Health~~]~~ Division may adopt such regulations as necessary to carry out the provisions of this section.

Sec. 75. NRS 439.494 is hereby amended to read as follows:

439.494 1. The ~~[~~Health~~]~~ Division may:

(a) Enter into contracts for any service necessary to carry out the provisions of NRS 439.491 to 439.494, inclusive; and

(b) Apply for and accept gifts, grants, donations and bequests from any source to carry out the provisions of NRS 439.491 to 439.494, inclusive.

2. Any money collected pursuant to subsection 1 and any money appropriated to carry out the provisions of NRS 439.491 to 439.494, inclusive:

(a) Must be deposited in the State Treasury and accounted for separately in the State General Fund; and

(b) Except as otherwise provided by the terms of a specific gift, grant, donation or bequest, must only be expended to carry out the provisions of NRS 439.491 to 439.494, inclusive.

3. The Administrator shall administer the account. Any interest or income earned on the money in the account must be credited to the account.

4. Any claims against the account must be paid as other claims against the State are paid.

Sec. 76. NRS 439.507 is hereby amended to read as follows:

439.507 1. The ~~[~~Health~~]~~ Division may:

(a) Within the limitations of available funding, enter into contracts for any services necessary to carry out or assist the ~~[~~Health~~]~~ Division in carrying out NRS 439.501 to 439.507, inclusive, with public or private entities that have the appropriate expertise to provide such services;

(b) Apply for and accept any gift, donation, bequest, grant or other source of money to carry out the provisions of NRS 439.501 to 439.507, inclusive; and

(c) Apply for any waiver from the Federal Government that may be necessary to maximize the amount of money this state may obtain from the Federal Government to carry out the provisions of NRS 439.501 to 439.507, inclusive.

2. Any money that is appropriated to carry out the provisions of NRS 439.501 to 439.507, inclusive:

(a) Must be deposited in the State Treasury and accounted for separately in the State General Fund; and

(b) May only be used to carry out those provisions.

3. The Administrator shall administer the account. Any interest or income earned on the money in the account must be credited to the account. Any claims against the account must be paid as other claims against the State are paid.

Sec. 77. NRS 439.527 is hereby amended to read as follows:

439.527 1. There is hereby created the Committee on Co-Occurring Disorders. The Committee consists of:

(a) The Administrator **, [**~~of the Division of Mental Health and Developmental Services of the Department,~~**]** who is an ex officio member of the Committee; and

(b) Fourteen members appointed by the Governor.

2. The Governor shall appoint to the Committee:

(a) One member who is a psychiatrist licensed to practice medicine in this State and certified by the American Board of Psychiatry and Neurology;

(b) One member who is a physician licensed pursuant to chapter 630 or 633 of NRS who is certified as an addictionologist by the American Society of Addiction Medicine;

(c) One member who is a psychologist licensed to practice in this State;

(d) One member who is licensed as a marriage and family therapist in this State;

(e) One member who is licensed as a clinical social worker in this State;

(f) One member who is a district judge in this State;

(g) One member who is a representative of the Nevada System of Higher Education;

(h) One member who is a representative of a state or local criminal justice agency;

(i) One member who is a representative of a hospital or mental health facility in this State;

(j) One member who is a member of the Nevada Mental Health Planning Advisory Council;

(k) One member who is a representative of a program relating to mental health and the treatment of the abuse of alcohol or drugs in this State;

(l) One member who is a policy analyst in the field of mental health, substance abuse or criminal justice;

(m) One member who is a representative of persons who have used services relating to mental health, substance abuse or criminal justice in this State; and

(n) One member who is an immediate family member of a person who has used services relating to mental health, substance abuse or criminal justice in this State.

3. The members of the Committee shall elect a Chair and Vice Chair by a majority vote. After the initial election, the Chair and Vice Chair shall hold office for a term of 1 year beginning on October 1 of each year. If a vacancy occurs in the office of the Chair, the members of the Committee shall elect a Chair from among its members for the remainder of the unexpired term.

4. After the initial terms, each member of the Committee who is appointed serves for a term of 4 years. A member may be reappointed.

5. A vacancy on the Committee must be filled in the same manner as the original appointment.

6. Each member of the Committee:

(a) Serves without compensation; and

(b) While engaged in the business of the Committee, is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

7. Each member of the Committee who is an officer or employee of the State or a local government must be relieved from his or her duties without loss of his or her regular compensation to prepare for and attend meetings of the Committee and perform any work necessary to carry out the duties of the Committee in the most timely manner practicable. A state agency or local government shall not require an officer or employee who is a member of the Committee to make up the time the member is absent from work to carry out his or her duties as a member, and shall not require the member to take annual vacation or compensatory time for the absence.

8. The members of the Committee shall meet at least quarterly and at the times and places specified by a call of the Chair or a majority of the members of the Committee.

9. Eight members of the Committee constitute a quorum. The affirmative vote of a majority of the Committee members present is sufficient for any action of the Committee.

Sec. 78. NRS 439.570 is hereby amended to read as follows:

439.570 1. When the health authority deems it necessary, the health authority shall report cases of violation of any of the provisions of this

chapter or of provisions of law requiring the immunization of children in public schools, private schools and child care facilities, to the district attorney of the county, with a statement of the facts and circumstances. When any such case is reported to the district attorney by the health authority, the district attorney shall forthwith initiate and promptly follow up the necessary court proceedings against the person or corporation responsible for the alleged violation of law.

2. Upon request of the ~~[Health]~~ Division, the Attorney General shall assist in the enforcement of the provisions of this chapter and provisions of law requiring the immunization of children in public schools, private schools and child care facilities.

Sec. 79. NRS 439.580 is hereby amended to read as follows:

439.580 1. Any local health officer or a deputy of a local health officer who neglects or fails to enforce the provisions of this chapter in his or her jurisdiction, or neglects or refuses to perform any of the duties imposed upon him or her by this chapter or by the instructions and directions of the ~~[Health]~~ Division shall be punished by a fine of not more than $250.

2. Each person who violates any of the provisions of this chapter or refuses or neglects to obey any lawful order, rule or regulation of the:

(a) State Board of Health or violates any rule or regulation approved by the State Board of Health pursuant to NRS 439.350, 439.366, 439.410 and 439.460; or

(b) Director adopted pursuant to NRS 439.538 or 439.581 to 439.595, inclusive,

➥ is guilty of a misdemeanor.

Sec. 80. NRS 439.885 is hereby amended to read as follows:

439.885 1. If a medical facility:

(a) Commits a violation of any provision of NRS 439.800 to 439.890, inclusive, or for any violation for which an administrative sanction pursuant to NRS 449.163 would otherwise be applicable; and

(b) Of its own volition, reports the violation to the Administrator,

➥ such a violation must not be used as the basis for imposing an administrative sanction pursuant to NRS 449.163.

2. If a medical facility commits a violation of any provision of NRS 439.800 to 439.890, inclusive, and does not, of its own volition, report the violation to the Administrator, the ~~[Health]~~ Division may, in accordance with the provisions of subsection 3, impose an administrative sanction:

(a) For failure to report a sentinel event, in an amount not to exceed $100 per day for each day after the date on which the sentinel event was required to be reported pursuant to NRS 439.835;

(b) For failure to adopt and implement a patient safety plan pursuant to NRS 439.865, in an amount not to exceed $1,000 for each month in which a patient safety plan was not in effect; and

(c) For failure to establish a patient safety committee or failure of such a committee to meet pursuant to the requirements of NRS 439.875, in an amount not to exceed $2,000 for each violation of that section.

3. Before the ~~[Health]~~ Division imposes an administrative sanction pursuant to subsection 2, the ~~[Health]~~ Division shall provide the medical facility with reasonable notice. The notice must contain the legal authority, jurisdiction and reasons for the action to be taken. If a medical facility wants to contest the action, the facility may file an appeal pursuant to the regulations of the State Board of Health adopted pursuant to NRS 449.165 and 449.170. Upon receiving notice of an appeal, the ~~[Health]~~ Division shall hold a hearing in accordance with those regulations.

4. An administrative sanction collected pursuant to this section must be accounted for separately and used by the ~~[Health]~~ Division to provide training and education to employees of the ~~[Health]~~ Division, employees of medical facilities and members of the general public regarding issues relating to the provision of quality and safe health care.

Sec. 80.5. **NRS 439.970 is hereby amended to read as follows:**

439.970 1. Except as otherwise provided in chapter 414 of NRS, if a health authority identifies within its jurisdiction a public health emergency or other health event that is an immediate threat to the health and safety of the public in a health care facility or the office of a provider of health care, the health authority shall immediately transmit to the Governor a report of the immediate threat.

2. Upon receiving a report pursuant to subsection 1, the Governor shall determine whether a public health emergency or other health event exists that requires a coordinated response for the health and safety of the public. If the Governor determines that a public health emergency or other health event exists that requires such a coordinated response, the Governor shall issue an executive order:

(a) Stating the nature of the public health emergency or other health event;

(b) Stating the conditions that have brought about the public health emergency or other health event, including, without limitation, an identification of each health care facility or provider of health care, if any, related to the public health emergency or other health event;

(c) Stating the estimated duration of the immediate threat to the health and safety of the public; and

(d) Designating an emergency team comprised of:

(1) The ~~[State Health]~~ ***Chief Medical*** Officer or a person appointed pursuant to subsection 5, as applicable; and

(2) Representatives of state agencies, divisions, boards and other entities, including, without limitation, professional licensing boards, with authority by statute to govern or regulate the health care facilities and providers of health care identified as being related to the public health emergency or other health event pursuant to paragraph (b).

3. If additional state agencies, divisions, boards or other entities are identified during the course of the response to the public health emergency or other health event as having authority regarding a health care facility or provider of health care that is related to the public health emergency or other health event, the Governor shall direct that agency, division, board or entity to appoint a representative to the emergency team.

4. The ~~[State Health]~~ ***Chief Medical*** Officer or a person appointed pursuant to subsection 5, as applicable, is the chair of the emergency team.

5. If the ~~[State Health]~~ ***Chief Medical*** Officer has a conflict of interest relating to a public health emergency or other health event or is otherwise unable to carry out the duties prescribed pursuant to NRS 439.950 to 439.983, inclusive, the Director shall temporarily appoint a person to carry out the duties of the ~~[State Health]~~ ***Chief Medical*** Officer prescribed in NRS 439.950 to 439.983, inclusive, until such time as the public health emergency or other health event has been resolved or the ~~[State Health]~~ ***Chief Medical*** Officer is able to resume those duties. The person appointed by the Director must meet the requirements prescribed by ~~[subsection 1 of NRS 439.090.]~~ ***section 63 of this act.***

6. The Governor shall immediately transmit the executive order to:

(a) The Legislature or, if the Legislature is not in session, to the Legislative Commission and the Legislative Committee on Health Care; and

(b) Any person or entity deemed necessary or advisable by the Governor.

7. The Governor shall declare a public health emergency or other health event terminated before the estimated duration stated in the executive order upon a finding that the public health emergency or other health event no longer poses an immediate threat to the health and safety of the public. Upon such a finding, the Governor shall notify each person and entity described in subsection 6.

8. If a public health emergency or other health event lasts longer than the estimated duration stated in the executive order, the Governor is not required to reissue an executive order, but shall notify each person and entity identified in subsection 6.

9. The Attorney General shall provide legal counsel to the emergency team.

Sec. 81. Chapter 439A of NRS is hereby amended by adding thereto a new section to read as follows:

"Division" means the Division of Public and Behavioral Health of the Department.

Sec. 82. NRS 439A.100 is hereby amended to read as follows:

439A.100 1. Except as otherwise provided in this section, in a county whose population is less than 100,000, no person may undertake any proposed expenditure for new construction by or on behalf of a health facility in excess of the greater of $2,000,000 or such an amount as the Department may specify by regulation, which under generally accepted accounting principles consistently applied is a capital expenditure, without first applying for and obtaining the written approval of the Director. The ~~[Health]~~ Division ***of Public and Behavioral Health*** of the Department shall not issue a new license or alter an existing license for such a project unless the Director has issued such an approval.

2. The provisions of subsection 1 do not apply to:

(a) Any capital expenditure for:

(1) The acquisition of land;

(2) The construction of a facility for parking;

(3) The maintenance of a health facility;

(4) The renovation of a health facility to comply with standards for safety, licensure, certification or accreditation;

(5) The installation of a system to conserve energy;

(6) The installation of a system for data processing or communication; or

(7) Any other project which, in the opinion of the Director, does not relate directly to the provision of any health service;

(b) Any project for the development of a health facility that has received legislative approval and authorization; or

(c) A project for the construction of a hospital in an unincorporated town if:

(1) The population of the unincorporated town is more than 24,000;

(2) No other hospital exists in the town;

(3) No other hospital has been approved for construction or qualified for an exemption from approval for construction in the town pursuant to this section; and

(4) The unincorporated town is at least a 45-minute drive from the nearest center for the treatment of trauma that is licensed by the ~~[Health]~~ Division ***of Public and Behavioral Health*** of the Department.

➥ Upon determining that a project satisfies the requirements for an exemption pursuant to this subsection, the Director shall issue a certificate which states that the project is exempt from the requirements of this section.

3. In reviewing an application for approval, the Director shall:

(a) Comparatively assess applications for similar projects affecting the same geographic area; and

(b) Base his or her decision on criteria established by the Director by regulation. The criteria must include:

(1) The need for and the appropriateness of the project in the area to be served;

(2) The financial feasibility of the project;

(3) The effect of the project on the cost of health care; and

(4) The extent to which the project is consistent with the purposes set forth in NRS 439A.020 and the priorities set forth in NRS 439A.081.

4. The Department may by regulation require additional approval for a proposed change to a project which has previously been approved if the proposal would result in a change in the location of the project or a substantial increase in the cost of the project.

5. The decision of the Director is a final decision for the purposes of judicial review.

6. As used in this section, "hospital" has the meaning ascribed to it in NRS 449.012.

Sec. 83. NRS 439A.130 is hereby amended to read as follows:

439A.130 As used in NRS 439A.130 to 439A.185, inclusive, ***and section 81 of this act,*** the words and terms defined in NRS 439A.135 to 439A.165, inclusive, ***and section 81 of this act*** have the meanings ascribed to them in those sections.

Sec. 84. NRS 439A.135 is hereby amended to read as follows:

439A.135 "Administrator" means the Administrator of the ~~[~~Health~~]~~ Division.

Sec. 85. NRS 439B.410 is hereby amended to read as follows:

439B.410 1. Except as otherwise provided in subsection 4, each hospital in this State has an obligation to provide emergency services and care, including care provided by physicians and nurses, and to admit a patient where appropriate, regardless of the financial status of the patient.

2. Except as otherwise provided in subsection 4, it is unlawful for a hospital or a physician working in a hospital emergency room to:

(a) Refuse to accept or treat a patient in need of emergency services and care; or

(b) Except when medically necessary in the judgment of the attending physician:

(1) Transfer a patient to another hospital or health facility unless, as documented in the patient's records:

(I) A determination has been made that the patient is medically fit for transfer;

(II) Consent to the transfer has been given by the receiving physician, hospital or health facility;

(III) The patient has been provided with an explanation of the need for the transfer; and

(IV) Consent to the transfer has been given by the patient or the patient's legal representative; or

(2) Provide a patient with orders for testing at another hospital or health facility when the hospital from which the orders are issued is capable of providing that testing.

3. A physician, hospital or other health facility which treats a patient as a result of a violation of subsection 2 by a hospital or a physician working in the hospital is entitled to recover from that hospital an amount equal to three times the charges for the treatment provided that was billed by the physician, hospital or other health facility which provided the treatment, plus reasonable attorney's fees and costs.

4. This section does not prohibit the transfer of a patient from one hospital to another:

(a) When the patient is covered by an insurance policy or other contractual arrangement which provides for payment at the receiving hospital;

(b) After the county responsible for payment for the care of an indigent patient has exhausted the money which may be appropriated for that purpose pursuant to NRS 428.050, 428.285 and 450.425; or

(c) When the hospital cannot provide the services needed by the patient.

➥ No transfer may be made pursuant to this subsection until the patient's condition has been stabilized to a degree that allows the transfer without an additional risk to the patient.

5. As used in this section:

(a) "Emergency services and care" means medical screening, examination and evaluation by a physician or, to the extent permitted by a specific statute, by a person under the supervision of a physician, to determine if an emergency medical condition or active labor exists and, if it does, the care, treatment and surgery by a physician necessary to relieve or eliminate the emergency medical condition or active labor, within the capability of the hospital. As used in this paragraph:

(1) "Active labor" means, in relation to childbirth, labor that occurs when:

(I) There is inadequate time before delivery to transfer the patient safely to another hospital; or

(II) A transfer may pose a threat to the health and safety of the patient or the unborn child.

(2) "Emergency medical condition" means the presence of acute symptoms of sufficient severity, including severe pain, such that the absence of immediate medical attention could reasonably be expected to result in:

(I) Placing the health of the patient in serious jeopardy;

(II) Serious impairment of bodily functions; or

(III) Serious dysfunction of any bodily organ or part.

(b) "Medically fit" means that the condition of the patient has been sufficiently stabilized so that the patient may be safely transported to another hospital, or is such that, in the determination of the attending physician, the transfer of the patient constitutes an acceptable risk. Such a determination must be based upon the condition of the patient, the expected benefits, if any, to the patient resulting from the transfer and whether the risks to the patient's health are outweighed by the expected benefits, and must be documented in the patient's records before the transfer.

6. If an allegation of a violation of the provisions of subsection 2 is made against a hospital licensed pursuant to the provisions of chapter 449 of NRS, the ~~[~~Health~~]~~ Division ***of Public and Behavioral Health*** of the Department shall conduct an investigation of the alleged violation. Such a violation, in addition to any criminal penalties that may be imposed, constitutes grounds for the denial, suspension or revocation of such a license, or for the imposition of any sanction prescribed by NRS 449.163.

7. If an allegation of a violation of the provisions of subsection 2 is made against:

(a) A physician licensed to practice medicine pursuant to the provisions of chapter 630 of NRS, the Board of Medical Examiners shall conduct an investigation of the alleged violation. Such a violation, in addition to any criminal penalties that may be imposed, constitutes grounds for initiating disciplinary action or denying licensure pursuant to the provisions of subsection 3 of NRS 630.3065.

(b) An osteopathic physician licensed to practice osteopathic medicine pursuant to the provisions of chapter 633 of NRS, the State Board of Osteopathic Medicine shall conduct an investigation of the alleged violation. Such a violation, in addition to any criminal penalties that may be imposed, constitutes grounds for initiating disciplinary action pursuant to the provisions of subsection 1 of NRS 633.131.

Sec. 86. NRS 440.110 is hereby amended to read as follows:

440.110 The Administrator of the ~~[~~Health~~]~~ Division ***of Public and Behavioral Health*** of the Department of Health and Human Services is the State Registrar of Vital Statistics.

Sec. 87. NRS 441A.140 is hereby amended to read as follows:

441A.140 The ~~[~~Health~~]~~ Division ***of Public and Behavioral Health of the Department of Health and Human Services*** may receive any financial aid

made available by any grant or other source and shall use the aid, in cooperation with the health authority, to carry out the provisions of this chapter.

Sec. 88. Chapter 442 of NRS is hereby amended by adding thereto the provisions set forth as sections 89 and 90 of this act.

Sec. 89. ***As used in this section and NRS 442.740, 442.750 and 442.770 and section 90 of this act, unless the context otherwise requires, the words and terms defined in NRS 442.740 and section 90 of this act, have the meanings ascribed to them in those sections.***

Sec. 90. ***"Division" means the Aging and Disability Services Division of the Department of Health and Human Services.***

Sec. 91. NRS 442.003 is hereby amended to read as follows:

442.003 As used in ~~[this chapter,]~~ ***NRS 442.003 to 442.700, inclusive,*** unless the context requires otherwise:

1. "Advisory Board" means the Advisory Board on Maternal and Child Health.
2. "Department" means the Department of Health and Human Services.
3. "Director" means the Director of the Department.
4. ***"Division" means the Division of Public and Behavioral Health of the Department.***
5. "Fetal alcohol syndrome" includes fetal alcohol effects.

~~[5. "Health Division" means the Health Division of the Department.]~~

6. "Laboratory" has the meaning ascribed to it in NRS 652.040.
7. "Obstetric center" has the meaning ascribed to it in NRS 449.0155.
8. "Provider of health care or other services" means:

(a) A clinical alcohol and drug abuse counselor who is licensed, or an alcohol and drug abuse counselor who is licensed or certified, pursuant to chapter 641C of NRS;

(b) A physician or a physician assistant who is licensed pursuant to chapter 630 or 633 of NRS and who practices in the area of obstetrics and gynecology, family practice, internal medicine, pediatrics or psychiatry;

(c) A licensed nurse;

(d) A licensed psychologist;

(e) A licensed marriage and family therapist;

(f) A licensed clinical professional counselor;

(g) A licensed social worker;

(h) A licensed dietitian; or

(i) The holder of a certificate of registration as a pharmacist.

Sec. 92. NRS 442.005 is hereby amended to read as follows:

442.005 The ~~[State Health]~~ ***Chief Medical*** Officer and the ~~[Health]~~ Division shall administer the provisions of ~~[this chapter]~~ ***NRS 442.003 to***

442.700, inclusive, in accordance with the regulations of the State Board of Health and subject to administrative supervision by the Director.

Sec. 93. NRS 442.009 is hereby amended to read as follows:

442.009 1. Except as otherwise provided in this section, if the State Board of Health requires the ~~[~~Health~~]~~ Division to provide for the services of a laboratory to determine the presence of certain preventable or inheritable disorders in an infant pursuant to NRS 442.008, the ~~[~~Health~~]~~ Division shall contract with a laboratory in the following order of priority:

(a) The State Public Health Laboratory;

(b) Any other qualified laboratory located within this State; or

(c) Any qualified laboratory located outside of this State.

2. The ~~[~~Health~~]~~ Division shall not contract with a laboratory in a lower category of priority unless the ~~[~~Health~~]~~ Division determines that:

(a) A laboratory in a higher category of priority is not capable of performing all the tests required to determine the presence of certain preventable or inheritable disorders in an infant pursuant to NRS 442.008; or

(b) The cost to the ~~[~~Health~~]~~ Division to contract with a laboratory in a higher category of priority is not financially reasonable or exceeds the amount of money available for that purpose.

3. For the purpose of determining the category of priority of a laboratory only, the ~~[~~Health~~]~~ Division is not required to comply with any requirement of competitive bidding or other restriction imposed on the procedure for awarding a contract.

Sec. 94. NRS 442.120 is hereby amended to read as follows:

442.120 The Department is hereby designated as the agency of this State to cooperate, through the ~~[~~Health~~]~~ Division, with the duly constituted federal authorities in the administration of those parts of the Social Security Act which relate to the maternal and child health services and the care and treatment of children with special health care needs, and is authorized to receive and expend all funds made available to the Department by the Federal Government, the State or its political subdivisions, or from any other source for the purposes provided in ~~[~~this chapter.~~]~~ ***NRS 442.003 to 442.700, inclusive.***

Sec. 95. NRS 442.160 is hereby amended to read as follows:

442.160 1. The Administrator of the ~~[~~Health~~]~~ Division is the administrative officer of the ~~[~~Health~~]~~ Division with respect to the administration and enforcement of:

(a) The provisions of NRS 442.130 to 442.170, inclusive;

(b) The plan formulated and adopted for the purposes of NRS 442.130 to 442.170, inclusive; and

(c) All regulations necessary thereto and adopted by the State Board of Health.

2. The Administrator shall administer and enforce all regulations adopted by the State Board of Health for the efficient operation of the plan formulated by the State Board of Health and the ~~[Health]~~ Division for the purposes of NRS 442.130 to 442.170, inclusive.

3. The Administrator shall:

(a) Maintain his or her office in Carson City, Nevada, or elsewhere in the State as directed by the Director.

(b) Keep in his or her office all records, reports, papers, books and documents pertaining to the subjects of NRS 442.130 to 442.170, inclusive.

(c) If directed by the terms of the plan or by the Director, provide such medical, surgical or other services as are necessary to carry out the provisions of the plan and of NRS 442.130 to 442.170, inclusive.

4. The Administrator, with the assistance of the ~~[State Health]~~ ***Chief Medical*** Officer, shall make such reports, in such form and containing such information concerning the subjects of NRS 442.130 to 442.170, inclusive, as required by the Secretary of Health and Human Services.

5. The Administrator shall, in accordance with the rules and regulations of the Secretary of Health and Human Services and of the Secretary of the Treasury, requisition and cause to be deposited with the State Treasurer all money allotted to this State by the Federal Government for the purposes of NRS 442.130 to 442.170, inclusive. The Administrator shall cause to be paid out of the State Treasury the money deposited for the purposes of NRS 442.130 to 442.170, inclusive.

Sec. 96. NRS 442.210 is hereby amended to read as follows:

442.210 1. The Administrator of the ~~[Health]~~ Division shall administer and enforce the provisions of NRS 442.180 to 442.220, inclusive, and of the plan or plans formulated and adopted for the purposes of NRS 442.180 to 442.220, inclusive, and all regulations necessary thereto and adopted by the State Board of Health.

2. The Administrator shall administer and enforce all regulations adopted by the State Board of Health for the efficient operation of such plan or plans formulated by the State Board of Health and the ~~[Health]~~ Division for the purposes of NRS 442.180 to 442.220, inclusive.

3. The Administrator shall maintain his or her office in Carson City, Nevada, or elsewhere in the State as directed by the Director, and keep therein all records, reports, papers, books and documents pertaining to the subjects of NRS 442.180 to 442.220, inclusive. The Administrator, when directed by the terms of any plan or plans perfected, or by the Director, shall provide in such places within the State such medical, surgical or other agency or agencies as may be necessary to carry out the provisions of such plan or plans and of NRS 442.180 to 442.220, inclusive. If the proper medical or surgical services cannot be had within the State for any child with special

health care needs, the Secretary of the State Board of Health may provide for those services in some other state.

4. The Administrator shall, from time to time as directed by the Secretary of Health and Human Services, make reports, in such form and containing such information concerning the subjects of NRS 442.180 to 442.220, inclusive, as the Secretary of Health and Human Services requires.

5. The Administrator shall from time to time pursuant to the rules and regulations of the Secretary of Health and Human Services and of the Secretary of the Treasury, requisition and cause to be deposited with the State Treasurer all money allotted to this state by the Federal Government for the purposes of NRS 442.180 to 442.220, inclusive. The Administrator shall cause to be paid out of the State Treasury the money therein deposited for the purposes of NRS 442.180 to 442.220, inclusive.

Sec. 97. NRS 442.260 is hereby amended to read as follows:

442.260 1. The ~~[~~Health~~]~~ Division shall adopt and enforce regulations governing the conditions under and the methods by which abortions may be performed, the reasonable minimum qualifications of a person authorized to provide the information required in NRS 442.253, as well as all other aspects pertaining to the performance of abortions pursuant to NRS 442.250.

2. The ~~[~~Health~~]~~ Division shall adopt and enforce regulations for a system for reporting abortions. This system must be designed to preserve confidentiality of information on the identity of women upon whom abortions are performed. The ~~[~~Health~~]~~ Division may require that the following items be reported for each abortion:

(a) The date of the abortion;

(b) The place of the abortion including the city, county and state;

(c) The type of facility;

(d) The usual residence of the woman, including the city, county and state;

(e) Her age;

(f) Her ethnic group or race;

(g) Her marital status;

(h) The number of previous live births;

(i) The number of previous induced abortions;

(j) The duration of her pregnancy, as measured from first day of last normal menses to date of abortion, and as estimated by uterine size prior to performance of the abortion;

(k) The type of abortion procedure; and

(l) If a woman has had a previously induced abortion, the information in paragraphs (a) to (k), inclusive, or as much thereof as can be reasonably obtained, for each previous abortion.

3. The ~~[~~Health~~]~~ Division may adopt regulations to permit studies of individual cases of abortion, but these studies must not be permitted unless:

(a) Absolute assurance is provided that confidentiality of information on the persons involved will be preserved;

(b) Informed consent of each person involved in the study is obtained in writing;

(c) The study is conducted according to established standards and ethics; and

(d) The study is related to problems of health and has scientific merit with regard to both design and the importance of the problems to be solved.

Sec. 98. NRS 442.415 is hereby amended to read as follows:

442.415 The ~~[~~Health~~]~~ Division shall adopt regulations necessary to carry out the provisions of NRS 442.400, 442.405 and 442.410.

Sec. 99. NRS 442.740 is hereby amended to read as follows:

442.740 ~~[~~As used in NRS 442.740 to 442.770, inclusive, "early~~]~~ ***"Early*** intervention services" has the meaning ascribed to it in 20 U.S.C. § 1432.

Sec. 100. NRS 442.750 is hereby amended to read as follows:

442.750 1. The ~~[~~Health~~]~~ Division shall ensure that the personnel employed by the ~~[~~Health~~]~~ Division who provide early intervention services to children with autism spectrum disorders and the persons with whom the ~~[~~Health~~]~~ Division contracts to provide early intervention services to children with autism spectrum disorders possess the knowledge and skills necessary to serve children with autism spectrum disorders, including, without limitation:

(a) The screening of a child for autism spectrum disorder at the age levels and frequency recommended by the American Academy of Pediatrics, or its successor organization;

(b) The procedure for evaluating children who demonstrate behaviors that are consistent with autism spectrum disorders, which procedure must require the use of the statewide standard for measuring outcomes and assessing and evaluating persons with autism spectrum disorders through the age of 21 years prescribed pursuant to NRS 427A.872;

(c) The procedure for enrolling a child in early intervention services upon determining that the child has autism spectrum disorder;

(d) Methods of providing support to children with autism spectrum disorders and their families; and

(e) The procedure for developing an individualized family service plan in accordance with Part C of the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1431 et seq., or other appropriate plan for the child.

2. The ~~[~~Health~~]~~ Division shall ensure that the personnel employed by the ~~[~~Health~~]~~ Division to provide early intervention services to children with autism spectrum disorders and the persons with whom the ~~[~~Health~~]~~ Division contracts to provide early intervention services to children with autism spectrum disorders:

(a) Possess the knowledge and understanding of the scientific research and support for the methods and approaches for serving children with autism spectrum disorders and the ability to recognize the difference between an approach or method that is scientifically validated and one that is not;

(b) Possess the knowledge to accurately describe to parents and guardians the research supporting the methods and approaches, including, without limitation, the knowledge necessary to provide an explanation that a method or approach is experimental if it is not supported by scientific evidence;

(c) Immediately notify a parent or legal guardian if a child is identified as being at risk for a diagnosis of autism spectrum disorder and refer the parent or legal guardian to the appropriate professionals for further evaluation and simultaneously refer the parent or legal guardian to any appropriate early intervention services and strategies; and

(d) Provide the parent or legal guardian with information on evidence-based treatments and interventions that may assist the child in the child's development and advancement.

3. The ~~[Health]~~ Division shall ensure that the personnel employed by the ~~[Health]~~ Division who provide early intervention screenings to children and the persons with whom the ~~[Health]~~ Division contracts to provide early intervention screenings to children perform screenings of children for autism spectrum disorders at the age levels and frequency recommended by the American Academy of Pediatrics, or its successor organization.

4. The ~~[Health]~~ Division shall ensure that:

(a) For a child who may have autism spectrum disorder, the personnel employed by the ~~[Health]~~ Division who provide early intervention screenings to children and the persons with whom the ~~[Health]~~ Division contracts to provide early intervention screenings to children use the protocol designated pursuant to NRS 427A.872 for determining whether a child has autism spectrum disorder.

(b) An initial evaluation of the cognitive, communicative, social, emotional and behavioral condition and adaptive skill level of a child with autism spectrum disorder is conducted to determine the baseline of the child.

(c) A subsequent evaluation is conducted upon the child's conclusion of the early intervention services to determine the progress made by the child from the time of his or her initial screening.

Sec. 101. NRS 442.770 is hereby amended to read as follows:

442.770 For an infant or toddler with a disability who has autism spectrum disorder and is eligible for early intervention services, the ~~[Health]~~ Division shall refer the infant or toddler to the Autism Treatment Assistance Program established by NRS 427A.875 and coordinate with the Program to develop a plan of treatment for the infant or toddler pursuant to that section.

Sec. 102. Chapter 444 of NRS is hereby amended by adding thereto a new section to read as follows:

As used in this chapter, "Division" means the Division of Public and Behavioral Health of the Department of Health and Human Services.

Sec. 103. NRS 444.330 is hereby amended to read as follows:

444.330 1. The ~~[Health]~~ Division has supervision over the sanitation, healthfulness, cleanliness and safety, as it pertains to the foregoing matters, of the following state institutions:

(a) Institutions and facilities of the Department of Corrections.

(b) Northern Nevada Adult Mental Health Services.

(c) Nevada Youth Training Center, Caliente Youth Center and any other state facility for the detention of children that is operated pursuant to title 5 of NRS.

(d) Nevada System of Higher Education.

2. The State Board of Health may adopt regulations pertaining thereto as are necessary to promote properly the sanitation, healthfulness, cleanliness and, as it pertains to the foregoing matters, the safety of those institutions.

3. The ~~[State Health]~~ ***Chief Medical*** Officer or an authorized agent of the Officer shall inspect those institutions at least once each calendar year and whenever he or she deems an inspection necessary to carry out the provisions of this section. The inspection of any state facility for the detention of children that is operated pursuant to title 5 of NRS must include, without limitation, an inspection of all areas where food is prepared and served, bathrooms, areas used for sleeping, common areas and areas located outdoors that are used by children at the facility.

4. The ~~[State Health]~~ ***Chief Medical*** Officer shall publish reports of the inspections of any state facility for the detention of children that is operated pursuant to title 5 of NRS and may publish reports of the inspections of other state institutions.

5. All persons charged with the duty of maintenance and operation of the institutions named in this section shall operate the institutions in conformity with the regulations adopted by the State Board of Health pursuant to subsection 2.

6. The ~~[State Health]~~ ***Chief Medical*** Officer or an authorized agent of the Officer may, in carrying out the provisions of this section, enter upon any part of the premises of any of the institutions named in this section over which he or she has jurisdiction, to determine the sanitary conditions of the institutions and to determine whether the provisions of this section and the regulations of the State Board of Health pertaining thereto are being violated.

Sec. 104. NRS 445A.055 is hereby amended to read as follows:

445A.055 1. The State Board of Health shall adopt regulations requiring the fluoridation of all water delivered for human consumption in a county whose population is 700,000 or more by a:

(a) Public water system that serves a population of 100,000 or more; or

(b) Water authority.

2. The regulations must include, without limitation:

(a) The minimum and maximum permissible concentrations of fluoride to be maintained by such a public water system or a water authority, except that:

(1) The minimum permissible concentration of fluoride must not be less than 0.7 parts per million; and

(2) The maximum permissible concentration of fluoride must not exceed 1.2 parts per million;

(b) The requirements and procedures for maintaining proper concentrations of fluoride, including any necessary equipment, testing, recordkeeping and reporting;

(c) Requirements for the addition of fluoride to the water if the natural concentration of fluorides is lower than the minimum permissible concentration established pursuant to paragraph (a); and

(d) Criteria pursuant to which the State Board of Health may exempt a public water system or water authority from the requirement of fluoridation upon the request of the public water system or water authority.

3. The State Board of Health shall not require the fluoridation of:

(a) The wells of a public water system or water authority if:

(1) The groundwater production of the public water system or water authority is less than 15 percent of the total average annual water production of the system or authority for the years in which drought conditions are not prevalent; and

(2) The wells are part of a combined regional and local system for the distribution of water that is served by a fluoridated source.

(b) A public water system or water authority:

(1) During an emergency or period of routine maintenance, if the wells of the system or authority are exempt from fluoridation pursuant to paragraph (a) and the supplier of water determines that it is necessary to change the production of the system or authority from surface water to groundwater because of an emergency or for purposes of routine maintenance; or

(2) If the natural water supply of the system or authority contains fluoride in a concentration that is at least equal to the minimum permissible concentration established pursuant to paragraph (a) of subsection 2.

4. The State Board of Health may make an exception to the minimum permissible concentration of fluoride to be maintained in a public water system or water authority based on:

(a) The climate of the regulated area;

(b) The amount of processed water purchased by the residents of the regulated area; and

(c) Any other factor that influences the amount of public water that is consumed by the residents of the regulated area.

5. The ~~[~~Health~~]~~ Division ~~[~~of the Department of Health and Human Services~~]~~ shall make reasonable efforts to secure any available sources of financial support, including, without limitation, grants from the Federal Government, for the enforcement of the standards established pursuant to this section and any related capital improvements.

6. A public water system or water authority may submit to the ~~[~~Health~~]~~ Division a claim for payment of the initial costs of the public water system or water authority to begin complying with the provisions of this section regardless of whether the public water system or water authority is required to comply with those provisions. The Administrator of the ~~[~~Health~~]~~ Division may approve such claims to the extent of legislative appropriations and any other money available for that purpose. Approved claims must be paid as other claims against the State are paid. The ongoing operational expenses of a public water system or water authority in complying with the provisions of this section are not compensable pursuant to this subsection.

7. As used in this section:

(a) ***"Division" means the Division of Public and Behavioral Health of the Department of Health and Human Services.***

(b) "Supplier of water" has the meaning ascribed to it in NRS 445A.845.

~~[~~(b)~~]~~ ***(c)*** "Water authority" has the meaning ascribed to it in NRS 377B.040.

Sec. 105. NRS 446.050 is hereby amended to read as follows:

446.050 "Health authority" means the officers and agents of the ~~[~~Health~~]~~ Division ***of Public and Behavioral Health*** of the Department of Health and Human Services, or the officers and agents of the local boards of health.

Sec. 106. NRS 446.057 is hereby amended to read as follows:

446.057 "Potentially hazardous food" has the meaning ascribed to it in subpart 1-201 of the 1999 edition of the Food Code published by the Food and Drug Administration of the United States Department of Health and Human Services, unless the Administrator of the ~~[~~Health~~]~~ Division ***of Public and Behavioral Health*** of the Department of Health and Human Services has adopted a later edition of the Food Code for this purpose.

Sec. 107. Chapter 449 of NRS is hereby amended by adding thereto a new section to read as follows:

"Division" means the Division of Public and Behavioral Health of the Department of Health and Human Services.

Sec. 108. NRS 449.001 is hereby amended to read as follows:

449.001 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 449.0015 to 449.0195, inclusive, ***and section 107 of this act*** have the meanings ascribed to them in those sections.

Sec. 109. NRS 449.00455 is hereby amended to read as follows:

449.00455 "Facility for the treatment of abuse of alcohol or drugs" means any public or private establishment which provides residential treatment, including mental and physical restoration, of abusers of alcohol or drugs and which is certified by the Division ~~[of Mental Health and Developmental Services of the Department of Health and Human Services]~~ pursuant to subsection 4 of NRS 458.025. It does not include a medical facility or services offered by volunteers or voluntary organizations.

Sec. 110. NRS 449.0306 is hereby amended to read as follows:

449.0306 1. Money received from licensing medical facilities and facilities for the dependent must be forwarded to the State Treasurer for deposit in the State General Fund.

2. The ~~[Health]~~ Division shall enforce the provisions of NRS 449.030 to 449.245, inclusive, and may incur any necessary expenses not in excess of money appropriated for that purpose by the State or received from the Federal Government.

Sec. 111. NRS 449.0307 is hereby amended to read as follows:

449.0307 The ~~[Health]~~ Division may:

1. Upon receipt of an application for a license, conduct an investigation into the premises, facilities, qualifications of personnel, methods of operation, policies and purposes of any person proposing to engage in the operation of a medical facility or a facility for the dependent. The facility is subject to inspection and approval as to standards for safety from fire, on behalf of the ~~[Health]~~ Division, by the State Fire Marshal.

2. Upon receipt of a complaint against a medical facility or facility for the dependent, except for a complaint concerning the cost of services, conduct an investigation into the premises, facilities, qualifications of personnel, methods of operation, policies, procedures and records of that facility or any other medical facility or facility for the dependent which may have information pertinent to the complaint.

3. Employ such professional, technical and clerical assistance as it deems necessary to carry out the provisions of NRS 449.030 to 449.245, inclusive.

Sec. 112. NRS 449.0308 is hereby amended to read as follows:

449.0308 1. Except as otherwise provided in this section, the ~~[Health]~~ Division may charge and collect from a medical facility or facility for the dependent or a person who operates such a facility without a license issued

by the ~~[Health]~~ Division the actual costs incurred by the ~~[Health]~~ Division for the enforcement of the provisions of NRS 449.030 to 449.240, inclusive, including, without limitation, the actual cost of conducting an inspection or investigation of the facility.

2. The ~~[Health]~~ Division shall not charge and collect the actual cost for enforcement pursuant to subsection 1 if the enforcement activity is:

(a) Related to the issuance or renewal of a license for which the Board charges a fee pursuant to NRS 449.050 or 449.089; or

(b) Conducted pursuant to an agreement with the Federal Government which has appropriated money for that purpose.

3. Any money collected pursuant to subsection 1 may be used by the ~~[Health]~~ Division to administer and carry out the provisions of NRS 449.030 to 449.240, inclusive, and the regulations adopted pursuant thereto.

Sec. 113. NRS 449.040 is hereby amended to read as follows:

449.040 Any person, state or local government or agency thereof desiring a license under the provisions of NRS 449.030 to 449.240, inclusive, must file with the ~~[Health]~~ Division an application on a form prescribed, prepared and furnished by the ~~[Health]~~ Division, containing:

1. The name of the applicant and, if a natural person, whether the applicant has attained the age of 21 years.

2. The type of facility to be operated.

3. The location of the facility.

4. In specific terms, the nature of services and type of care to be offered, as defined in the regulations.

5. The number of beds authorized by the Director of the Department of Health and Human Services or, if such authorization is not required, the number of beds the facility will contain.

6. The name of the person in charge of the facility.

7. Such other information as may be required by the ~~[Health]~~ Division for the proper administration and enforcement of NRS 449.030 to 449.240, inclusive.

8. Evidence satisfactory to the ~~[Health]~~ Division that the applicant is of reputable and responsible character. If the applicant is a firm, association, organization, partnership, business trust, corporation or company, similar evidence must be submitted as to the members thereof, and the person in charge of the facility for which application is made. If the applicant is a political subdivision of the State or other governmental agency, similar evidence must be submitted as to the person in charge of the institution for which application is made.

9. Evidence satisfactory to the ~~[Health]~~ Division of the ability of the applicant to comply with the provisions of NRS 449.030 to 449.240, inclusive, and the standards and regulations adopted by the Board.

10. Evidence satisfactory to the ~~[Health]~~ Division that the facility conforms to the zoning regulations of the local government within which the facility will be operated or that the applicant has applied for an appropriate reclassification, variance, permit for special use or other exception for the facility.

11. If the facility to be licensed is a residential establishment as defined in NRS 278.02384, and if the residential establishment is subject to the distance requirements set forth in subsection 3 of NRS 278.02386, evidence satisfactory to the ~~[Health]~~ Division that the residential establishment will be located and operated in accordance with the provisions of that subsection.

Sec. 114. NRS 449.050 is hereby amended to read as follows:

449.050 1. Each application for a license must be accompanied by such fee as may be determined by regulation of the Board. The Board may, by regulation, allow or require payment of a fee for a license in installments and may fix the amount of each payment and the date that the payment is due.

2. The fee imposed by the Board for a facility for transitional living for released offenders must be based on the type of facility that is being licensed and must be calculated to produce the revenue estimated to cover the costs related to the license, but in no case may a fee for a license exceed the actual cost to the ~~[Health]~~ Division of issuing or renewing the license.

3. If an application for a license for a facility for transitional living for released offenders is denied, any amount of the fee paid pursuant to this section that exceeds the expenses and costs incurred by the ~~[Health]~~ Division must be refunded to the applicant.

Sec. 115. NRS 449.065 is hereby amended to read as follows:

449.065 1. Except as otherwise provided in subsections 6 and 7 and NRS 449.067, each facility for intermediate care, facility for skilled nursing, residential facility for groups, home for individual residential care, agency to provide personal care services in the home and agency to provide nursing in the home shall, when applying for a license or renewing a license, file with the Administrator of the ~~[Health]~~ Division a surety bond:

(a) If the facility, agency or home employs less than 7 employees, in the amount of $5,000;

(b) If the facility, agency or home employs at least 7 but not more than 25 employees, in the amount of $25,000; or

(c) If the facility, agency or home employs more than 25 employees, in the amount of $50,000.

2. A bond filed pursuant to this section must be executed by the facility, agency or home as principal and by a surety company as surety. The bond must be payable to the Aging and Disability Services Division of the Department of Health and Human Services and must be conditioned to provide indemnification to an older patient who the Specialist for the Rights

of Elderly Persons determines has suffered property damage as a result of any act or failure to act by the facility, agency or home to protect the property of the older patient.

3. Except when a surety is released, the surety bond must cover the period of the initial license to operate or the period of the renewal, as appropriate.

4. A surety on any bond filed pursuant to this section may be released after the surety gives 30 days' written notice to the Administrator of the ~~[~~Health~~]~~ Division, but the release does not discharge or otherwise affect any claim filed by an older patient for property damaged as a result of any act or failure to act by the facility, agency or home to protect the property of the older patient alleged to have occurred while the bond was in effect.

5. A license is suspended by operation of law when the facility, agency or home is no longer covered by a surety bond as required by this section or by a substitute for the surety bond pursuant to NRS 449.067. The Administrator of the ~~[~~Health~~]~~ Division shall give the facility, agency or home at least 20 days' written notice before the release of the surety or the substitute for the surety, to the effect that the license will be suspended by operation of law until another surety bond or substitute for the surety bond is filed in the same manner and amount as the bond or substitute being terminated.

6. The Administrator of the ~~[~~Health~~]~~ Division may exempt a residential facility for groups or a home for individual residential care from the requirement of filing a surety bond pursuant to this section if the Administrator determines that the requirement would result in undue hardship to the residential facility for groups or home for individual residential care.

7. The requirement of filing a surety bond set forth in this section does not apply to a facility for intermediate care, facility for skilled nursing, residential facility for groups, home for individual residential care, agency to provide personal care services in the home or agency to provide nursing in the home that is operated and maintained by the State of Nevada or an agency thereof.

8. As used in this section, "older patient" means a patient who is 60 years of age or older.

Sec. 116. NRS 449.160 is hereby amended to read as follows:

449.160 1. The ~~[~~Health~~]~~ Division may deny an application for a license or may suspend or revoke any license issued under the provisions of NRS 449.030 to 449.240, inclusive, upon any of the following grounds:

(a) Violation by the applicant or the licensee of any of the provisions of NRS 439B.410 or 449.030 to 449.245, inclusive, or of any other law of this State or of the standards, rules and regulations adopted thereunder.

(b) Aiding, abetting or permitting the commission of any illegal act.

(c) Conduct inimical to the public health, morals, welfare and safety of the people of the State of Nevada in the maintenance and operation of the premises for which a license is issued.

(d) Conduct or practice detrimental to the health or safety of the occupants or employees of the facility.

(e) Failure of the applicant to obtain written approval from the Director of the Department of Health and Human Services as required by NRS 439A.100 or as provided in any regulation adopted pursuant to this chapter, if such approval is required.

(f) Failure to comply with the provisions of NRS 449.2486.

2. In addition to the provisions of subsection 1, the ~~[Health]~~ Division may revoke a license to operate a facility for the dependent if, with respect to that facility, the licensee that operates the facility, or an agent or employee of the licensee:

(a) Is convicted of violating any of the provisions of NRS 202.470;

(b) Is ordered to but fails to abate a nuisance pursuant to NRS 244.360, 244.3603 or 268.4124; or

(c) Is ordered by the appropriate governmental agency to correct a violation of a building, safety or health code or regulation but fails to correct the violation.

3. The ~~[Health]~~ Division shall maintain a log of any complaints that it receives relating to activities for which the ~~[Health]~~ Division may revoke the license to operate a facility for the dependent pursuant to subsection 2. The ~~[Health]~~ Division shall provide to a facility for the care of adults during the day:

(a) A summary of a complaint against the facility if the investigation of the complaint by the ~~[Health]~~ Division either substantiates the complaint or is inconclusive;

(b) A report of any investigation conducted with respect to the complaint; and

(c) A report of any disciplinary action taken against the facility.

➥ The facility shall make the information available to the public pursuant to NRS 449.2486.

4. On or before February 1 of each odd-numbered year, the ~~[Health]~~ Division shall submit to the Director of the Legislative Counsel Bureau a written report setting forth, for the previous biennium:

(a) Any complaints included in the log maintained by the ~~[Health]~~ Division pursuant to subsection 3; and

(b) Any disciplinary actions taken by the ~~[Health]~~ Division pursuant to subsection 2.

Sec. 117. NRS 449.163 is hereby amended to read as follows:

449.163 1. In addition to the payment of the amount required by NRS 449.0308, if a medical facility or facility for the dependent violates any provision related to its licensure, including any provision of NRS 439B.410 or 449.030 to 449.240, inclusive, or any condition, standard or regulation adopted by the Board, the ~~[Health]~~ Division, in accordance with the regulations adopted pursuant to NRS 449.165, may:

(a) Prohibit the facility from admitting any patient until it determines that the facility has corrected the violation;

(b) Limit the occupancy of the facility to the number of beds occupied when the violation occurred, until it determines that the facility has corrected the violation;

(c) If the license of the facility limits the occupancy of the facility and the facility has exceeded the approved occupancy, require the facility, at its own expense, to move patients to another facility that is licensed;

(d) Impose an administrative penalty of not more than $1,000 per day for each violation, together with interest thereon at a rate not to exceed 10 percent per annum; and

(e) Appoint temporary management to oversee the operation of the facility and to ensure the health and safety of the patients of the facility, until:

(1) It determines that the facility has corrected the violation and has management which is capable of ensuring continued compliance with the applicable statutes, conditions, standards and regulations; or

(2) Improvements are made to correct the violation.

2. If a violation by a medical facility or facility for the dependent relates to the health or safety of a patient, an administrative penalty imposed pursuant to paragraph (d) of subsection 1 must be in a total amount of not less than $1,000 and not more than $10,000 for each patient who was harmed or at risk of harm as a result of the violation.

3. If the facility fails to pay any administrative penalty imposed pursuant to paragraph (d) of subsection 1, the ~~[Health]~~ Division may:

(a) Suspend the license of the facility until the administrative penalty is paid; and

(b) Collect court costs, reasonable attorney's fees and other costs incurred to collect the administrative penalty.

4. The ~~[Health]~~ Division may require any facility that violates any provision of NRS 439B.410 or 449.030 to 449.240, inclusive, or any condition, standard or regulation adopted by the Board to make any improvements necessary to correct the violation.

5. Any money collected as administrative penalties pursuant to paragraph (d) of subsection 1 must be accounted for separately and used to administer and carry out the provisions of this chapter and to protect the health, safety,

well-being and property of the patients and residents of facilities in accordance with applicable state and federal standards.

Sec. 118. NRS 449.201 is hereby amended to read as follows:

449.201 Each alcohol and drug abuse program operated or provided by a facility for transitional living for released offenders must be certified by the Division ~~[of Mental Health and Developmental Services of the Department of Health and Human Services]~~ in accordance with the requirements set forth in chapter 458 of NRS and any regulations adopted pursuant thereto. As used in this section, "alcohol and drug abuse program" has the meaning ascribed to it in NRS 458.010.

Sec. 119. NRS 449.210 is hereby amended to read as follows:

449.210 1. In addition to the payment of the amount required by NRS 449.0308, except as otherwise provided in subsection 2 and NRS 449.24897, a person who operates a medical facility or facility for the dependent without a license issued by the ~~[Health]~~ Division is guilty of a misdemeanor.

2. In addition to the payment of the amount required by NRS 449.0308, if a person operates a residential facility for groups or a home for individual residential care without a license issued by the ~~[Health]~~ Division, the ~~[Health]~~ Division shall:

(a) Impose a civil penalty on the operator in the following amount:

(1) For a first offense, $10,000.

(2) For a second offense, $25,000.

(3) For a third or subsequent offense, $50,000.

(b) Order the operator, at the operator's own expense, to move all of the persons who are receiving services in the residential facility for groups or home for individual residential care to a residential facility for groups or home for individual residential care, as applicable, that is licensed.

(c) Prohibit the operator from applying for a license to operate a residential facility for groups or home for individual residential care, as applicable. The duration of the period of prohibition must be:

(1) For 6 months if the operator is punished pursuant to subparagraph (1) of paragraph (a).

(2) For 1 year if the operator is punished pursuant to subparagraph (2) of paragraph (a).

(3) Permanent if the operator is punished pursuant to subparagraph (3) of paragraph (a).

3. Before the ~~[Health]~~ Division imposes an administrative sanction pursuant to subsection 2, the ~~[Health]~~ Division shall provide the operator of a residential facility for groups with reasonable notice. The notice must contain the legal authority, jurisdiction and reasons for the action to be taken. If the operator of a residential facility for groups wants to contest the action, the

operator may file an appeal pursuant to the regulations of the State Board of Health adopted pursuant to NRS 449.165 and 449.170. Upon receiving notice of an appeal, the ~~[Health]~~ Division shall hold a hearing in accordance with those regulations. For the purpose of this subsection, it is no defense to the violation of operating a residential facility for groups without a license that the operator thereof subsequently licensed the facility in accordance with law.

4. Unless otherwise required by federal law, the ~~[Health]~~ Division shall deposit all civil penalties collected pursuant to paragraph (a) of subsection 2 into a separate account in the State General Fund to be used to administer and carry out the provisions of this chapter and to protect the health, safety, well-being and property of the patients and residents of facilities and homes for individual residential care in accordance with applicable state and federal standards.

Sec. 120. Chapter 450B of NRS is hereby amended by adding thereto a new section to read as follows:

"Division" means the Division of Public and Behavioral Health of the Department of Health and Human Services.

Sec. 121. NRS 450B.020 is hereby amended to read as follows:

450B.020 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 450B.025 to 450B.110, inclusive, ***and section 120 of this act*** have the meanings ascribed to them in those sections.

Sec. 122. NRS 450B.1505 is hereby amended to read as follows:

450B.1505 1. Any money the ~~[Health]~~ Division receives from a fee set by the State Board of Health pursuant to NRS 439.150 for the issuance or renewal of a license pursuant to NRS 450B.160, an administrative penalty imposed pursuant to NRS 450B.900 or an appropriation made by the Legislature for the purposes of training related to emergency medical services:

(a) Must be deposited in the State Treasury and accounted for separately in the State General Fund;

(b) May be used only to carry out a training program for emergency medical services personnel who work for a volunteer ambulance service or firefighting agency, including, without limitation, equipment for use in the training; and

(c) Does not revert to the State General Fund at the end of any fiscal year.

2. Any interest or income earned on the money in the account must be credited to the account. Any claims against the account must be paid in the manner that other claims against the State are paid.

3. The Administrator of the ~~[Health]~~ Division shall administer the account.

Sec. 123. Chapter 452 of NRS is hereby amended by adding thereto a new section to read as follows:

"Division" means the Division of Public and Behavioral Health of the Department of Health and Human Services.

Sec. 124. NRS 452.003 is hereby amended to read as follows:

452.003 As used in NRS 452.001 to 452.610, inclusive, ***and section 123 of this act,*** unless the context otherwise requires, the words and terms defined in NRS 452.004 to 452.019, inclusive, ***and section 123 of this act*** have the meanings ascribed to them in those sections.

Sec. 125. NRS 452.230 is hereby amended to read as follows:

452.230 1. Except as provided in subsection 2 of NRS 452.210, the ~~[Health]~~ Division shall have supervisory control over the construction of any mausoleum, vault or crypt, and shall:

(a) See that the approved plans and specifications are in all respects complied with.

(b) Appoint an inspector under whose supervision the mausoleum, vault or crypt shall be erected.

(c) Determine the amount of compensation of the inspector. The compensation shall be paid by the person erecting such mausoleum, vault or crypt.

2. No departure or deviation from the original plans and specifications is permitted except upon approval of the ~~[Health]~~ Division, evidenced in the same manner as the approval of the original plans and specifications.

3. A mausoleum, vault, crypt or structure shall not be used to hold any dead body until a final certificate is obtained indicating compliance with the plans and specifications as filed. The certificate must be signed either by the ~~[State Health]~~ ***Chief Medical*** Officer for the ~~[Health]~~ Division or by the head of the local building or public works department, depending upon which division or department supervised the construction under NRS 452.210.

Sec. 126. NRS 453.580 is hereby amended to read as follows:

453.580 1. A court may establish an appropriate treatment program to which it may assign a person pursuant to subsection 4 of NRS 453.336, NRS 453.3363 or 458.300, or it may assign such a person to an appropriate facility for the treatment of abuse of alcohol or drugs which is certified by the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department. The assignment must include the terms and conditions for successful completion of the program and provide for progress reports at intervals set by the court to ensure that the person is making satisfactory progress toward completion of the program.

2. A program to which a court assigns a person pursuant to subsection 1 must include:

(a) Information and encouragement for the participant to cease abusing alcohol or using controlled substances through educational, counseling and support sessions developed with the cooperation of various community, health, substance abuse, religious, social service and youth organizations;

(b) The opportunity for the participant to understand the medical, psychological and social implications of substance abuse; and

(c) Alternate courses within the program based on the different substances abused and the addictions of participants.

3. If the offense with which the person was charged involved the use or possession of a controlled substance, in addition to the program or as a part of the program, the court must also require frequent urinalysis to determine that the person is not using a controlled substance. The court shall specify how frequent such examinations must be and how many must be successfully completed, independently of other requisites for successful completion of the program.

4. Before the court assigns a person to a program pursuant to this section, the person must agree to pay the cost of the program to which the person is assigned and the cost of any additional supervision required pursuant to subsection 3, to the extent of the financial resources of the person. If the person does not have the financial resources to pay all of the related costs, the court shall, to the extent practicable, arrange for the person to be assigned to a program at a facility that receives a sufficient amount of federal or state funding to offset the remainder of the costs.

Sec. 127. NRS 453A.090 is hereby amended to read as follows:

453A.090 "Division" means the ~~[~~Health~~]~~ Division of ***Public and Behavioral Health of*** the Department of Health and Human Services.

Sec. 128. NRS 453A.730 is hereby amended to read as follows:

453A.730 1. Any money the Administrator of the Division receives pursuant to NRS 453A.720 or that is appropriated to carry out the provisions of this chapter:

(a) Must be deposited in the State Treasury and accounted for separately in the State General Fund;

(b) May only be used to carry out:

(1) The provisions of this chapter, including the dissemination of information concerning the provisions of this chapter and such other information as determined appropriate by the Administrator; and

(2) Alcohol and drug abuse programs pursuant to NRS 458.094; and

(c) Does not revert to the State General Fund at the end of any fiscal year.

2. ~~[~~The~~]~~ ~~[~~Administrator of the Division may transfer~~]~~ ~~[~~money in the account created pursuant to subsection 1 that is not needed to carry out this chapter~~]~~ ~~[~~to the Division of Mental Health and Developmental Services of the Department of Health and Human Services for use by an agency of that

~~Division which provides services for the treatment and prevention of substance abuse. The money transferred pursuant to this subsection must~~**]** ***[may*** ~~be used for the provision of alcohol and drug abuse programs in accordance with NRS 458.094.~~

~~3.~~**]** The Administrator of the Division shall administer the account. Any interest or income earned on the money in the account must be credited to the account. Any claims against the account must be paid as other claims against the State are paid.

Sec. 129. NRS 457.020 is hereby amended to read as follows:

457.020 As used in this chapter, unless the context requires otherwise:

1. "Cancer" means all malignant neoplasms, regardless of the tissue of origin, including malignant lymphoma and leukemia.

2. ***"Division" means the Division of Public and Behavioral Health of the Department of Health and Human Services.***

3. "Health care facility" has the meaning ascribed to it in NRS 162A.740 and also includes freestanding facilities for plastic reconstructive, oral and maxillofacial surgery.

[~~3. "Health Division" means the Health Division of the Department of Health and Human Services.~~**]**

Sec. 130. NRS 457.185 is hereby amended to read as follows:

457.185 1. The **[**~~Health~~**]** Division shall grant or deny an application for a certificate of authorization to operate a radiation machine for mammography or a certificate of authorization for a radiation machine for mammography within 4 months after receipt of a complete application.

2. The **[**~~Health~~**]** Division shall withdraw the certificate of authorization to operate a radiation machine for mammography if it finds that the person violated the provisions of subsection 6 of NRS 457.183.

3. The **[**~~Health~~**]** Division shall deny or withdraw the certificate of authorization of a radiation machine for mammography if it finds that the owner, lessee or other responsible person violated the provisions of subsection 1 of NRS 457.184.

4. If a certificate of authorization to operate a radiation machine for mammography or a certificate of authorization for a radiation machine for mammography is withdrawn, a person must apply for the certificate in the manner provided for an initial certificate.

Sec. 131. NRS 458.010 is hereby amended to read as follows:

458.010 As used in NRS 458.010 to 458.350, inclusive, unless the context requires otherwise:

1. "Administrator" means the Administrator of the Division.

2. "Alcohol and drug abuse program" means a project concerned with education, prevention and treatment directed toward achieving the mental and physical restoration of alcohol and drug abusers.

3. "Alcohol and drug abuser" means a person whose consumption of alcohol or other drugs, or any combination thereof, interferes with or adversely affects the ability of the person to function socially or economically.

4. "Alcoholic" means any person who habitually uses alcoholic beverages to the extent that the person endangers the health, safety or welfare of himself or herself or any other person or group of persons.

5. "Civil protective custody" means a custodial placement of a person to protect the health or safety of the person. Civil protective custody does not have any criminal implication.

6. "Detoxification technician" means a person who is certified by the Division to provide screening for the safe withdrawal from alcohol and other drugs.

7. "Division" means the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department of Health and Human Services.

8. "Facility" means a physical structure used for the education, prevention and treatment, including mental and physical restoration, of alcohol and drug abusers.

Sec. 131.5. **NRS 458.094 is hereby amended to read as follows:**

458.094 ~~[1.]~~ The Division shall use any money ~~[transferred pursuant to NRS 453A.730]~~ ***not needed to carry out the provisions chapter 453A of NRS*** to provide alcohol and drug abuse programs to persons referred to the Division by agencies which provide child welfare services. ~~[.~~

~~2. Money received pursuant to NRS 453A.730 must be accounted for separately by the Division.]~~ ***as authorized pursuant to NRS 453A.730.***

Sec. 131.7. **NRS 458.103 is hereby amended to read as follows:**

458.103 The Division may accept:

1. Money appropriated and made available by any act of Congress for any alcohol and drug abuse program administered by the Division as provided by law.

2. Money appropriated and made available by the State of Nevada or by a county, a city, a public district or any political subdivision of this State for any alcohol and drug abuse program administered by the Division as provided by law.

~~[3. Money transferred pursuant to NRS 453A.730 for the provision of alcohol and drug abuse programs in accordance with NRS 458.094.]~~

Sec. 132. NRS 459.010 is hereby amended to read as follows:

459.010 As used in NRS 459.010 to 459.290, inclusive, unless the context requires otherwise:

1. "By-product material" means:

(a) Any radioactive material, except special nuclear material, yielded in or made radioactive by exposure to the radiation incident to the process of producing or making use of special nuclear material; and

(b) The tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore which is processed primarily for the extraction of the uranium or thorium.

2. ***"Division" means the Division of Public and Behavioral Health of the Department of Health and Human Services.***

3. "General license" means a license effective pursuant to regulations adopted by the State Board of Health without the filing of an application to transfer, acquire, own, possess or use quantities of, or devices or equipment for utilizing, by-product material, source material, special nuclear material or other radioactive material occurring naturally or produced artificially.

[~~3. "Health Division" means the Health Division of the Department of Health and Human Services.~~**]**

4. "Ionizing radiation" means gamma rays and X rays, alpha and beta particles, high-speed electrons, neutrons, protons and other nuclear particles, but not sound or radio waves, or visible, infrared or ultraviolet light.

5. "Person" includes any agency or political subdivision of this State, any other state or the United States, but not the Nuclear Regulatory Commission or its successor, or any federal agency licensed by the Nuclear Regulatory Commission or any successor to such a federal agency.

6. "Source material" means:

(a) Uranium, thorium or any other material which the Governor declares by order to be source material after the Nuclear Regulatory Commission or any successor thereto has determined that material to be source material.

(b) Any ore containing one or more of the materials enumerated in paragraph (a) in such concentration as the Governor declares by order to be source material after the Nuclear Regulatory Commission or any successor thereto has determined the material in the concentration to be source material.

7. "Special nuclear material" means:

(a) Plutonium, uranium 233, uranium enriched in the isotope 233 or in the isotope 235 and any other material which the Governor declares by order to be special nuclear material after the Nuclear Regulatory Commission or any successor thereto has determined such material to be special nuclear material, but does not include source material.

(b) Any material artificially enriched by any of the materials enumerated in paragraph (a), but does not include source material.

8. "Specific license" means a license issued pursuant to the filing of an application to use, manufacture, produce, transfer, receive, acquire, own or possess quantities of, or devices or equipment for utilizing, by-product

material, source material, special nuclear material or other radioactive material occurring naturally or produced artificially.

Sec. 133. NRS 459.310 is hereby amended to read as follows:

459.310 1. The State Board of Health may establish by regulation:

(a) Fees for licensing, monitoring, inspecting or otherwise regulating mills or other operations for the concentration, recovery or refining of uranium, which must be in amounts which are reasonably related to the cost of licensing, monitoring, inspecting and regulating. Payment of the fees is the responsibility of the person applying for a license or licenses to engage in uranium concentration, recovery or refining.

(b) Fees for the care and maintenance of radioactive tailings and residues at inactive uranium concentration, recovery or refining sites. The fees must be based on a unit fee for each pound of uranium oxide produced in the process which also produced the tailings or residue. Payment of the fees is the responsibility of the person licensed to engage in uranium concentration, recovery or refining. The regulations must provide for a maximum amount to be paid for each operation.

(c) A requirement for persons licensed by the State to engage in uranium concentration, recovery or refining to post adequate bonds or other security to cover costs of decontaminating, decommissioning and reclaiming the sites used for concentrating, recovering or refining uranium if the licensee abandons the site or neglects or refuses to satisfy the requirements of the State. The State Board of Health shall determine the amount of the security. The amount of the security may be reviewed by the Board from time to time and may be increased or decreased as the board deems appropriate. The security must be administered by the Administrator of the ~~[Health]~~ Division ~~[,]~~ ***of Public and Behavioral Health of the Department of Health and Human Services,*** who shall use the security as required to protect the public health, safety and property.

2. The money received pursuant to paragraph (a) of subsection 1 must be deposited in the State Treasury for credit to the Fund for Licensing of Uranium Mills, which is hereby created as a special revenue fund, for the purpose of defraying the cost of licensing, monitoring, inspecting or otherwise regulating mills or other operations for the concentration, recovery or refining of uranium. The money received pursuant to paragraph (b) of subsection 1 must be deposited in the State Treasury for credit to the Fund for Care of Uranium Tailings, which is hereby created as a special revenue fund, for the purpose of the care and maintenance of radioactive tailings and residues accumulated at inactive uranium concentration, recovery or refining sites to protect the public health, safety and property. All interest earned on the deposit or investment of the money in the Fund for Care of Uranium Tailings must be credited to that Fund. The Administrator of the ~~[Health]~~

Division ***of Public and Behavioral Health*** shall administer both Funds. Claims against either Fund, approved by the ~~[State Health]~~ ***Chief Medical*** Officer, must be paid as other claims against the State are paid.

Sec. 134. NRS 608.255 is hereby amended to read as follows:

608.255 For the purposes of this chapter and any other statutory or constitutional provision governing the minimum wage paid to an employee, the following relationships do not constitute employment relationships and are therefore not subject to those provisions:

1. The relationship between a rehabilitation facility or workshop established by the Department of Employment, Training and Rehabilitation pursuant to chapter 615 of NRS and an individual with a disability who is participating in a training or rehabilitative program of such a facility or workshop.

2. The relationship between a provider of jobs and day training services which is recognized as exempt pursuant to the provisions of 26 U.S.C. § 501(c)(3) and which has been issued a certificate by the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department of Health and Human Services pursuant to NRS 435.130 to 435.310, inclusive, and a person with mental retardation or person with related conditions participating in a jobs and day training services program.

Sec. 135. NRS 616A.205 is hereby amended to read as follows:

616A.205 Volunteer workers at a facility for inpatients of the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department of Health and Human Services, while acting under the direction or authorization of the supervisor of volunteer services of such a facility, shall be deemed, for the purpose of chapters 616A to 616D, inclusive, of NRS, employees of the facility, receiving a wage of $350 per month, and are entitled to the benefits of those chapters upon compliance therewith by the facility.

Sec. 136. NRS 630.262 is hereby amended to read as follows:

630.262 1. Except as otherwise provided in NRS 630.161, the Board may issue an authorized facility license to a person who intends to practice medicine in this State as a psychiatrist in a mental health center of the Division under the direct supervision of a psychiatrist who holds an unrestricted license to practice medicine pursuant to this chapter or to practice osteopathic medicine pursuant to chapter 633 of NRS.

2. A person who applies for an authorized facility license pursuant to this section is not required to take or pass a written examination as to his or her qualifications to practice medicine pursuant to paragraph (e) of subsection 2 of NRS 630.160, but the person must meet all other conditions and requirements for an unrestricted license to practice medicine pursuant to this chapter.

3. If the Board issues an authorized facility license pursuant to this section, the person who holds the license may practice medicine in this State only as a psychiatrist in a mental health center of the Division and only under the direct supervision of a psychiatrist who holds an unrestricted license to practice medicine pursuant to this chapter or to practice osteopathic medicine pursuant to chapter 633 of NRS.

4. If a person who holds an authorized facility license issued pursuant to this section ceases to practice medicine in this State as a psychiatrist in a mental health center of the Division:

(a) The Division shall notify the Board; and

(b) Upon receipt of the notification, the authorized facility license expires automatically.

5. The Board may renew or modify an authorized facility license issued pursuant to this section, unless the license has expired automatically or has been revoked.

6. The provisions of this section do not limit the authority of the Board to issue a license to an applicant in accordance with any other provision of this chapter.

7. As used in this section:

(a) "Division" means the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department of Health and Human Services.

(b) "Mental health center" has the meaning ascribed to it in NRS 433.144.

Sec. 137. NRS 633.417 is hereby amended to read as follows:

633.417 1. Except as otherwise provided in NRS 633.315, the Board may issue an authorized facility license to a person who intends to practice osteopathic medicine in this State as a psychiatrist in a mental health center of the Division under the direct supervision of a psychiatrist who holds an unrestricted license to practice osteopathic medicine pursuant to this chapter or to practice medicine pursuant to chapter 630 of NRS.

2. A person who applies for an authorized facility license pursuant to this section is not required to take or pass a written examination as to his or her qualifications to practice osteopathic medicine, but the person must meet all conditions and requirements for an unrestricted license to practice osteopathic medicine pursuant to this chapter.

3. If the Board issues an authorized facility license pursuant to this section, the person who holds the license may practice osteopathic medicine in this State only as a psychiatrist in a mental health center of the Division and only under the direct supervision of a psychiatrist who holds an unrestricted license to practice osteopathic medicine pursuant to this chapter or to practice medicine pursuant to chapter 630 of NRS.

4. If a person who holds an authorized facility license issued pursuant to this section ceases to practice osteopathic medicine in this State as a psychiatrist in a mental health center of the Division:

(a) The Division shall notify the Board; and

(b) Upon receipt of the notification, the authorized facility license expires automatically.

5. The Board may renew or modify an authorized facility license issued pursuant to this section, unless the license has expired automatically or has been revoked.

6. The provisions of this section do not limit the authority of the Board to issue a license to an applicant in accordance with any other provision of this chapter.

7. As used in this section:

(a) "Division" means the Division of ~~[Mental Health and Developmental Services]~~ ***Public and Behavioral Health*** of the Department of Health and Human Services.

(b) "Mental health center" has the meaning ascribed to it in NRS 433.144.

Sec. 137.2. **NRS 639.063 is hereby amended to read as follows:**

639.063 1. The Board shall prepare an annual report concerning drugs that are returned or transferred to pharmacies pursuant to NRS 433.801, 449.2485, 639.2675 and 639.2676 and ***section 58.85 of this act and*** are reissued to fill other prescriptions. The report must include, without limitation:

(a) The number of drugs that are returned to dispensing pharmacies.

(b) The number of drugs that are transferred to nonprofit pharmacies designated by the Board pursuant to NRS 639.2676.

(c) The number of drugs that are reissued to fill other prescriptions.

(d) An estimate of the amount of money saved by reissuing such drugs to fill other prescriptions.

(e) Any other information that the Board deems necessary.

2. The report must be:

(a) Available for public inspection during regular business hours at the office of the Board; and

(b) Posted on a website or other Internet site that is operated or administered by or on behalf of the Board.

Sec. 137.4. **NRS 639.267 is hereby amended to read as follows:**

639.267 1. As used in this section, "unit dose" means that quantity of a drug which is packaged as a single dose.

2. A pharmacist who provides a regimen of drugs in unit doses to a patient in a facility for skilled nursing or facility for intermediate care as defined in chapter 449 of NRS may credit the person or agency which paid for the drug for any unused doses. The pharmacist may return the drugs to

the dispensing pharmacy, which may reissue the drugs to fill other prescriptions or transfer the drugs in accordance with the provisions of NRS 449.2485.

3. Except schedule II drugs specified in or pursuant to chapter 453 of NRS and except as otherwise provided in NRS 433.801, 449.2485, 638.200, 639.2675 and 639.2676, ***and section 58.85 of this act,*** unit doses packaged in ampules or vials which do not require refrigeration may be returned to the pharmacy which dispensed them. The Board shall, by regulation, authorize the return of any other type or brand of drug which is packaged in unit doses if the Food and Drug Administration has approved the packaging for that purpose.

Sec. 137.6. **NRS 639.2676 is hereby amended to read as follows:**

639.2676 1. A nonprofit pharmacy designated by the Board in accordance with the regulations adopted pursuant to subsection 6 to which a drug is transferred pursuant to NRS 433.801, 449.2485 or 639.2675 ***or section 58.85 of this act*** may reissue the drug to fill other prescriptions in the same pharmacy free of charge if the registered pharmacist of the nonprofit pharmacy determines that the drug is suitable for that purpose in accordance with the requirements adopted by the Board pursuant to subsection 6 and if:

(a) The drug is not a controlled substance;

(b) The drug is dispensed in a unit dose, in individually sealed doses or in a bottle that is sealed by the manufacturer of the drug;

(c) The drug is unopened and sealed in the original manufacturer's packaging or bottle;

(d) The usefulness of the drug has not expired;

(e) The packaging or bottle contains the expiration date of the usefulness of the drug; and

(f) The name of the patient for whom the drug was originally prescribed, the prescription number and any other identifying marks are obliterated from the packaging or bottle before the reissuance of the drug.

2. A person, pharmacy or facility who exercises reasonable care in the transfer, acceptance, distribution or dispensation of a drug in accordance with the provisions of this section and NRS 433.801, 449.2485 and 639.2675 ***and section 58.85 of this act*** and the regulations adopted pursuant thereto is not subject to any civil or criminal liability or disciplinary action by a professional licensing board for any loss, injury or death that results from the transfer, acceptance, distribution or dispensation of the drug.

3. A manufacturer of a drug is not subject to civil or criminal liability for any claim or injury arising from the transfer, acceptance, distribution or dispensation of the drug pursuant to this section and NRS 433.801, 449.2485 and 639.2675 ***and section 58.85 of this act*** and the regulations adopted pursuant thereto.

4. No drug that is transferred to a nonprofit pharmacy pursuant to this section may be used to fill other prescriptions more than one time.

5. A nonprofit pharmacy shall adopt written procedures for accepting and reissuing drugs pursuant to this section. The procedures must:

(a) Provide appropriate safeguards for ensuring that the drugs are not compromised or illegally diverted before being reissued.

(b) Require the maintenance and retention of records relating to the acceptance and use of the drugs and any other records as are required by the Board.

(c) Be approved by the Board.

6. The Board shall adopt such regulations as are necessary to carry out the provisions of this section, including, without limitation:

(a) Requirements for reissuing drugs pursuant to this section.

(b) Requirements for accepting drugs transferred to a nonprofit pharmacy pursuant to the provisions of this section and NRS 433.801, 449.2485 and 639.2675 ~~.~~ ***and section 58.85 of this act.***

(c) Requirements for maintaining records relating to the acceptance and use of drugs to fill other prescriptions pursuant to this section.

(d) The criteria and procedure for obtaining a designation as a nonprofit pharmacy for the purposes of this section, including, without limitation, provisions for a pharmacy, registered pharmacist or practitioner who is registered with the Board to be designated as a nonprofit pharmacy.

Sec. 137.8. **NRS 639.282 is hereby amended to read as follows:**

639.282 1. Except as otherwise provided in NRS 433.801, 449.2485, 638.200, 639.267, 639.2675 and 639.2676, ***and section 58.85 of this act,*** it is unlawful for any person to have in his or her possession, or under his or her control, for the purpose of resale, or to sell or offer to sell or dispense or give away, any pharmaceutical preparation, drug or chemical which:

(a) Has been dispensed pursuant to a prescription or chart order and has left the control of a registered pharmacist or practitioner;

(b) Has been damaged or subjected to damage by heat, smoke, fire or water, or other cause which might reasonably render it unfit for human or animal use;

(c) Has been obtained through bankruptcy or foreclosure proceedings, or other court action, auction or other legal or administrative proceedings, except when the pharmaceutical preparation, drug or chemical is in the original sealed container;

(d) Is no longer safe or effective for use, as indicated by the expiration date appearing on its label; or

(e) Has not been properly stored or refrigerated as required by its label.

2. The provisions of subsection 1 do not apply if the person in whose possession the pharmaceutical preparation, drug or chemical is found also

has in his or her possession a valid and acceptable certification of analysis attesting to the purity and strength of the pharmaceutical preparation, drug or chemical and attesting to the fact that it can be safely and effectively used by humans or animals. The preparation, drug or chemical must not be sold or otherwise disposed of until the certification required by this subsection has been presented to and approved by the Board.

3. In the absence of conclusive proof that the preparation, drug or chemical can be used safely and effectively by humans or animals, it must be destroyed under the direct supervision of a member or an inspector of the Board, or two persons designated as agents by the Board who include an inspector of a health care board, a licensed practitioner of a health care board or a peace officer of an agency that enforces the provisions of chapters 453 and 454 of NRS.

4. As used in this section, "health care board" includes the State Board of Pharmacy, the State Board of Nursing, the Board of Medical Examiners and the Nevada State Board of Veterinary Medical Examiners.

Sec. 138. NRS 652.035 is hereby amended to read as follows:

652.035 ~~[~~"Health Division"~~]~~ ***"Division"*** means the ~~[~~Health~~]~~ Division of ***Public and Behavioral Health of*** the Department of Health and Human Services.

Sec. 139. NRS 278.02382, **433.184,** 433.214, **439.090, 439.100,** 439A.145, 441A.060, 442.760, 444.005, 449.009, 450B.080 and 452.012 are hereby repealed.

Sec. 140. 1. Any administrative regulations adopted by an officer, agency or other entity whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act to another officer, agency or other entity remain in force until amended by the officer, agency or other entity to which the responsibility for the adoption of the regulations has been transferred.

2. Any contracts or other agreements entered into by an officer, agency or other entity whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act to another officer, agency or other entity are binding upon the officer, agency or other entity to which the responsibility for the administration of the provision of the contract or other agreement has been transferred. Such contracts and other agreements may be enforced by the officer, agency or other entity to which the responsibility for the enforcement of the provisions of the contract or other agreements has been transferred.

3. Any action taken by an officer, agency or other entity whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act to another officer, agency or other entity remains in

effect as if taken by the officer, agency or other entity to which the responsibility for the enforcement of such actions has been transferred.

4. A license, registration, certificate or other authorization which is in effect on July 1, 2013, and which was issued by an officer, agency or other entity whose name was changed or whose responsibilities were transferred pursuant to this act to another officer, agency or other entity:

(a) Shall be deemed to be issued by the officer, agency or other entity with the new name provided in this act or issued by the officer, agency or other entity to whom the responsibility for such issuance was transferred, as applicable; and

(b) Remains valid until its expiration date, if the holder of the license, registration, certificate or other authorization otherwise remains qualified for the issuance or renewal of the license, registration, certificate or authorization on or after July 1, 2013.

Sec. 140.5. **1. A person may continue to apply for certification as a mental health-mental retardation technician pursuant to NRS 433.279, as that section existed before July 1, 2013, until the Aging and Disability Services Division of the Department of Health and Human Services adopts regulations to provide certification as an intellectual disability technician pursuant to section 49.8 of this act.**

2. A person who is certified as a mental health-mental retardation technician on July 1, 2013, shall be deemed to be certified as a mental health technician pursuant to NRS 433.279, as amended by section 21.7 of this act, or as an intellectual disability technician pursuant to section 49.8 of this act until the Division of Public and Behavioral Health of the Department or the Aging and Disability Services Division of the Department, as applicable, provides for the transition of the certificate pursuant to subsection 3.

3. The regulations adopted by the Division of Public and Behavioral Health pursuant to NRS 433.279, as amended by section 21.7 of this act, and the regulations adopted by the Aging and Disability Services Division pursuant to section 49.8 of this act must provide for a mental health-mental retardation technician to apply for the transfer of his or her certification to certification as a mental health technician or as an intellectual disability technician, as applicable. No additional fee may be charged to carry out the transfer of such certification.

Sec. 140.7. **Any regulations adopted by the Commission on Mental Health and Developmental Services pursuant to NRS 433.324 before July 1, 2013, the responsibility for which has been transferred:**

1. Pursuant to section 25 of this act to the State Board of Health, remain in effect until repealed or replaced by the State Board of Health and may be enforced by the Board.

2. Pursuant to section 50 of this act to the Aging and Disability Services Division of the Department of Health and Human Services, remain in effect and any revisions to those regulations will continue to apply until the Aging and Disability Services Division adopts regulations to replace those regulations and may be enforced by the Aging and Disability Services Division.

Sec. 141. 1. If the name of a fund or account is changed pursuant to the provisions of this act, the State Controller shall change the designation of the name of the fund or account without making any transfer of money in the fund or account. The assets and liabilities of such a fund or account are unaffected by the change of the name.

2. The assets and liabilities of any fund or account transferred from the Health Division or the Division of Mental Health and Developmental Services of the Department of Health and Human Services to the Division of Public and Behavioral Health of the Department of Health and Human Services are unaffected by the transfer.

Sec. 142. The Legislative Counsel shall:

1. In preparing the Nevada Revised Statutes, use the authority set forth in subsection 10 of NRS 220.120 to substitute appropriately the name of any agency, officer or instrumentality of the State whose name is changed by this act for the name which the agency, officer or instrumentality previously used; and

2. In preparing supplements to the Nevada Administrative Code, substitute appropriately the name of any agency, officer or instrumentality of the State whose name is changed by this act for the name which the agency, officer or instrumentality previously used.

Sec. 143. This act becomes effective on July 1, 2013.

LEADLINES OF REPEALED SECTIONS

278.02382 "Health Division" defined.

433.184 "Mental retardation center" defined.

433.214 "Training" defined.

439.090 State Health Officer and Administrator: Qualifications.

439.100 State Health Officer: Appointment; vacancy; unclassified service.

439A.145 "Health Division" defined.

441A.060 "Health Division" defined.

442.760 Health Division to prepare annual report; review of information and data concerning outcomes of specific programs and treatments.

444.005 "Health Division" defined.

449.009 "Health Division" defined.

450B.080 "Health Division" defined.

452.012 "Health Division" defined.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 44.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 915.

AN ACT relating to public financial administration; enlarging the purposes for which a grant ~~[or loan]~~ may be made **to a local government** from the Disaster Relief Account; revising the process for requesting a grant or loan from the Account and for reviewing such a request; enlarging the purposes for which a local government may use money in a fund to mitigate the effects of a natural disaster; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes a process by which a state agency or a local government may apply to the State Board of Examiners and the Interim Finance Committee for a grant or loan from the Disaster Relief Account, and also specifies the purposes for which that money may be used. (NRS 353.2705-353.2771) Money granted or loaned to a local government from the Account may be used, among other purposes, to pay a portion of any "grant match" the local government must provide to obtain a grant from a federal disaster assistance agency. (NRS 353.2715, 353.2725, 353.2745, 353.2751) **Sections 1, 2, 5 and 6** of this bill remove the limitation that the federal agency making such a grant must be a disaster assistance agency, with the result that money granted or loaned from the Account may be used to match a grant from any federal agency. **Section 10** of this bill makes a similar change with respect to the use of money from a fund established by a local government to mitigate the effects of a natural disaster. (NRS 354.6115)

~~[Sections 4 and]~~ **Section 5** of this bill otherwise ~~[enlarge]~~ **enlarges** the purposes for which money granted from the Account **to a local government** may be used, to authorize use of the money for ~~[a project to prevent or reduce the likelihood of damage or injury resulting from a similar disaster in the future.]~~ **the removal of debris.**

The remaining provisions of this bill revise the process for submitting and reviewing a request for a grant or loan from the Account. **Section 9** of this bill requires a state agency or a local government to give notice of its

intention to request a grant or loan to the Division of Emergency Management of the Department of Public Safety, which forwards that notice to the State Board of Examiners and the Fiscal Analysis Division of the Legislative Counsel Bureau. **Section 9** enlarges the time within which the request must thereafter be submitted, and requires that it be submitted initially to the Division of Emergency Management and the Department of Taxation for review and comment. The request and the reports of each agency are transmitted to the State Board of Examiners and the Fiscal Analysis Division. The State Board of Examiners then considers the request and the reports and makes a recommendation to the Interim Finance Committee as provided under existing law. (NRS 353.2755, 353.276)

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

Section 1. NRS 353.2715 is hereby amended to read as follows:

353.2715 "Eligible project" means a project that:

1. Is related to a disaster; and

2. Is proposed, coordinated or conducted by a public or nonprofit private entity that has been designated and approved as qualifying and eligible to receive federal grant money for the disaster from a federal ~~[~~disaster assistance~~]~~ agency.

Sec. 2. NRS 353.2725 is hereby amended to read as follows:

353.2725 "Grant match" means the share of a grant provided by a federal ~~[~~disaster assistance~~]~~ agency that must be matched by a state or local government.

Sec. 3. NRS 353.2735 is hereby amended to read as follows:

353.2735 1. The Disaster Relief Account is hereby created in the State General Fund. The Interim Finance Committee shall administer the Disaster Relief Account.

2. The Division may accept grants, gifts or donations for deposit in the Disaster Relief Account. Except as otherwise provided in subsection 3, money received from:

(a) A direct legislative appropriation to the Disaster Relief Account;

(b) A transfer from the State General Fund in an amount equal to not more than 10 percent of the aggregate balance in the Account to Stabilize the Operation of the State Government made pursuant to NRS 353.288; and

(c) A grant, gift or donation to the Disaster Relief Account,

➥ must be deposited in the Disaster Relief Account. Except as otherwise provided in NRS 414.135, the interest and income earned on the money in the Disaster Relief Account must, after deducting any applicable charges, be credited to the Disaster Relief Account.

3. If, at the end of each quarter of a fiscal year, the balance in the Disaster Relief Account exceeds 0.75 percent of the total amount of all appropriations from the State General Fund for the operation of all departments, institutions and agencies of State Government and authorized expenditures from the State General Fund for the regulation of gaming for that fiscal year, the State Controller shall not, until the balance in the Disaster Relief Account is 0.75 percent or less of that amount, transfer any money in the Account to Stabilize the Operation of the State Government from the State General Fund to the Disaster Relief Account pursuant to the provisions of NRS 353.288.

4. Money in the Disaster Relief Account may be used for any purpose authorized by the Legislature or distributed through grants and loans to state agencies and local governments as provided in NRS 353.2705 to 353.2771, inclusive. Except as otherwise provided in NRS 353.276, such grants will be disbursed on the basis of reimbursement of costs authorized pursuant to NRS 353.274 and 353.2745.

5. If ~~[the Governor declares a disaster,]~~ the State Board of Examiners ***receives a notice submitted to and forwarded by the Division pursuant to subsections 1 and 2 of NRS 353.2755, the State Board of Examiners*** shall estimate:

(a) The money in the Disaster Relief Account that is available for grants and loans for the disaster ***that is the subject of the notice*** pursuant to the provisions of NRS 353.2705 to 353.2771, inclusive; and

(b) The anticipated amount of those grants and loans for the disaster.

➥ Except as otherwise provided in this subsection, if the anticipated amount determined pursuant to paragraph (b) exceeds the available money in the Disaster Relief Account for such grants and loans, all grants and loans from the Disaster Relief Account for the disaster must be reduced in the same proportion that the anticipated amount of the grants and loans exceeds the money in the Disaster Relief Account that is available for grants and loans for the disaster. If the reduction of a grant or loan from the Disaster Relief Account would result in a reduction in the amount of money that may be received by a state agency or local government from the Federal Government, the reduction in the grant or loan must not be made.

Sec. 4. ~~[NRS 353.274 is hereby amended to read as follows:~~

~~353.274 Money in the Account may be distributed as a grant to a state agency because of a disaster for the payment of expenses incurred by the state agency for:~~

~~1. The repair or replacement of public roads, public streets, bridges, water control facilities, public buildings, public utilities, recreational facilities and parks owned by the State and damaged by the disaster;~~

~~2. Any emergency measures undertaken to save lives, protect public health and safety or protect public property, including, without limitation, an emergency measure undertaken in response to a crisis involving violence on school property, at a school activity or on a school bus, in the jurisdiction in which the disaster occurred;~~

~~3. The removal of debris from publicly or privately owned land and waterways undertaken because of the disaster;~~ **[**~~and~~**]**

~~4. The administration of a disaster assistance program~~ **[**~~.~~**]** ***; and***

~~***5. Any project to prevent or reduce the likelihood of damage to property or injury to persons resulting from a similar disaster in the future.]***~~ **(Deleted by amendment.)**

Sec. 5. NRS 353.2745 is hereby amended to read as follows:

353.2745 Money in the Account may be distributed as a grant to a local government because of a disaster for:

1. The payment of not more than 50 percent of the expenses incurred by the local government for:

(a) The repair or replacement of public roads, public streets, bridges, water control facilities, public buildings, public utilities, recreational facilities and parks owned by the local government and damaged by the disaster; **[**~~and~~**]**

(b) Any emergency measures undertaken to save lives, protect public health and safety or protect public property, including, without limitation, an emergency measure undertaken in response to a crisis involving violence on school property, at a school activity or on a school bus, in the jurisdiction in which the disaster occurred; ***and***

(c) The removal of debris from publicly or privately owned land and waterways undertaken because of the disaster . [~~; and~~

~~***(d) Any project to prevent or reduce the likelihood of damage to property or injury to persons resulting from a similar disaster in the future;***~~ ***and]***

2. The payment of not more than 50 percent of any grant match the local government must provide to obtain a grant from a federal **[**~~disaster assistance~~**]** agency for an eligible project to repair damage caused by the disaster within the jurisdiction of the local government.

Sec. 6. NRS 353.2751 is hereby amended to read as follows:

353.2751 Money in the Account may be distributed as a loan to a local government because of a disaster for:

1. The payment of expenses incurred by the local government for:

(a) The repair or replacement of public roads, public streets, bridges, water control facilities, public buildings, public utilities, recreational facilities and parks owned by the local government and damaged by the disaster;

(b) Any overtime worked by an employee of the local government because of the disaster or any other extraordinary expenses incurred by the local government because of the disaster; and

(c) Any projects to reduce or prevent the possibility of damage to persons or property from similar disasters in the future; and

2. The payment of not more than 50 percent of any grant match the local government must provide to obtain a grant from a federal ~~[disaster assistance]~~ agency for an eligible project to repair damage caused by the disaster within the jurisdiction of the local government. Before a loan may be distributed to a local government pursuant to this subsection:

(a) The Interim Finance Committee must make a determination that the local government is currently unable to meet its financial obligations; and

(b) The local government must execute a loan agreement in which the local government agrees to:

(1) Use the money only for the purpose of paying the grant match; and

(2) Repay the entire amount of the loan, without any interest or other charges, to the Account not later than 10 years after the date on which the agreement is executed.

Sec. 7. NRS 353.2753 is hereby amended to read as follows:

353.2753 1. A state agency or local government may request the Division to ~~[conduct a preliminary]~~ ***provide technical assistance to the state agency or local government by conducting an*** assessment of the damages related to an event for which the state agency or local government seeks a grant or loan from the Account.

2. Upon receipt of such a request, the Division shall ~~[investigate]~~ ***:***

(a) Notify the State Board of Examiners of the request;

(b) Investigate the event or cause the event to be investigated to make ~~[a preliminary]~~ ***an*** assessment of the damages related to the event ***;*** and ~~[shall make]~~

(c) Make or cause to be made a written report of the damages ***.*** ~~[related to the event.]~~

3. As soon as practicable after completion of the investigation and preparation of the report of damages, the Division shall:

(a) Determine whether the event constitutes a disaster for which the state agency or local government may seek a grant or loan from the Account; and

(b) Submit the report prepared pursuant to this section and its written determination regarding whether the event constitutes a disaster to the state agency or local government.

4. The Division shall prescribe by regulation the information that must be included in a report of damages, including, without limitation, a description of the damage caused by the event, an estimate of the costs to

repair such damage and a specification of whether the purpose of the project is for repair or replacement, emergency response or mitigation.

Sec. 8. NRS 353.2754 is hereby amended to read as follows:

353.2754 A local government may request a grant or loan from the Account if:

1. Pursuant to NRS 414.090, the governing body of the local government determines that an event which has occurred constitutes a disaster; and

2. After the Division conducts ~~[a preliminary]~~ ***an*** assessment of the damages pursuant to NRS 353.2753, the Division determines that an event has occurred that constitutes a disaster.

Sec. 9. NRS 353.2755 is hereby amended to read as follows:

353.2755 1. ~~[A]~~ ***Not later than 60 days after the Governor, in the case of a notice by a state agency, or the governing body of a local government determines that an event constitutes a disaster, a*** state agency or local government may submit ***to the Division*** a ~~[request to the State Board of Examiners for]~~ ***written notice of the state agency's or local government's intention to request*** a grant or loan from the Account as provided in NRS 353.2705 to 353.2771, inclusive, if:

(a) The agency or local government finds that, because of a disaster, it is unable to pay for an expense or grant match specified in NRS 353.274, 353.2745 or 353.2751 from money appropriated or otherwise available to the agency or local government;

(b) The request has been approved by the chief administrative officer of the state agency or the governing body of the local government; and

(c) If the requester is an incorporated city, the city has requested financial assistance from the county and was denied all or a portion of the requested assistance.

2. ***Not later than 10 working days after it receives a notice from a state agency or local government pursuant to subsection 1, the Division shall forward a copy of the notice to the State Board of Examiners and the Fiscal Analysis Division of the Legislative Counsel Bureau.***

3. A request ***by a state agency or local government*** for a grant or loan ~~[submitted pursuant to subsection 1 must be made within 60 days after the disaster and must]~~ ***from the Account:***

(a) Must be submitted to the Division and the Department of Taxation not later than 18 months after the Governor, in the case of a request by a state agency, or the governing body of the local government determines that an event constitutes a disaster, unless the Chief of the Division grants an extension of time; and

(b) Must include:

~~[(a)]~~ ***(1)*** A statement ***specifying whether the request is for a grant or loan and*** setting forth the amount of money requested by the state agency or local government;

~~[(b)]~~ ***(2)*** An assessment of the need of the state agency or local government for the money requested;

~~[(c)]~~ ***(3)*** If the request is submitted by a local government that has established a fund pursuant to NRS 354.6115 to mitigate the effects of a natural disaster, a statement of the amount of money that is available in that fund, if any, for the payment of expenses incurred by the local government as a result of a disaster;

~~[(d)]~~ ***(4)*** A determination of the type, value and amount of resources the state agency or local government may be required to provide as a condition for the receipt of a grant or loan from the Account;

~~[(e)]~~ ***(5)*** A written report of damages prepared by the Division and the written determination made by the Division that the event constitutes a disaster pursuant to NRS 353.2753; and

~~[(f)]~~ ***(6)*** If the requester is an incorporated city, all documents which relate to a request for assistance submitted to the board of county commissioners of the county in which the city is located.

➥ Any additional documentation relating to the request that is requested by the ~~[State Board of Examiners]~~ ***Division or the Department of Taxation*** must be submitted ***to the Division or the Department, as the case may be,*** within ~~[6 months after the disaster]~~ ***10 working days after the date of the Division's or the Department's request*** unless the ~~[State Board of Examiners and the Interim Finance Committee grant]~~ ***Chief of the Division or the Executive Director of the Department, as applicable, or his or her designee, grants*** an extension.

~~[3. Upon the receipt of a complete request for a grant or loan submitted pursuant to subsection 1, the]~~

4. Not later than 60 days after the Division receives a request for a grant or loan and receives any additional information requested by the Division, the Division shall:

(a) Except as otherwise provided in this subsection, review the request to determine whether it contains the information necessary for the State Board of Examiners and the Interim Finance Committee to act upon the request and otherwise complies with the requirements of NRS 353.2705 to 353.2771, inclusive;

(b) Prepare a written report of the determination required by paragraph (a);

(c) Submit a copy of the request and its report to the State Board of Examiners and to the Fiscal Analysis Division of the Legislative Counsel Bureau; and

(d) Provide a copy of its report to the state agency or local government, as applicable, and the Department of Taxation.

➥ The Division shall coordinate its review of the request with the Department of Taxation to ensure, to the extent practicable, that the Division's review does not duplicate the review conducted by the Department pursuant to subsection 5.

5. Not later than 60 days after the Department of Taxation receives a request for a grant or loan and receives any additional information requested by the Department, the Department shall:

(a) Review any financial information submitted in support of the request which the Department believes to be relevant, including, without limitation:

(1) The report of damages prepared by the Division pursuant to NRS 353.2753;

(2) Information relating to the expenses for which the grant or loan is requested;

(3) If the requester is a local government and is requesting a loan, information relating to the current ability of the local government to meet its financial obligations; and

(4) If the requester is a local government and is requesting a grant or loan for the payment of any grant match described in NRS 353.2745 or 353.2751, information relating to the grant or grant match;

(b) Prepare a written report of its findings;

(c) Submit a copy of its report to the State Board of Examiners and to the Fiscal Analysis Division of the Legislative Counsel Bureau; and

(d) Provide a copy of the report to the state agency or local government, as applicable, and the Division.

6. Upon its receipt of a request for a grant or loan submitted pursuant to this section and the reports of the Division and the Department of Taxation relating to the request, the State Board of Examiners:

(a) Shall consider the request ~~[.]~~ ***and the reports;*** and

(b) May require any additional information that it determines is necessary to make a recommendation.

~~[4.]~~ ***7.*** If the State Board of Examiners finds that a grant or loan is appropriate, it shall include in its recommendation to the Interim Finance Committee the proposed amount of the grant or loan. If the State Board of Examiners recommends a grant, it shall include a recommendation regarding whether or not the state agency or local government requires an advance to avoid severe financial hardship. If the State Board of Examiners recommends a loan for a local government, it shall include the information required pursuant to subsection 1 of NRS 353.2765. If the State Board of Examiners finds that a grant or loan is not appropriate, it shall include in its recommendation the reason for its determination.

~~[5.]~~ ***8.*** The provisions of this section do not prohibit a state agency or local government from submitting more than one request for a grant or loan from the Account.

~~[6.]~~ ***9.*** As used in this section, the term "natural disaster" has the meaning ascribed to it in NRS 354.6115.

Sec. 10. NRS 354.6115 is hereby amended to read as follows:

354.6115 1. The governing body of a local government may, by resolution, establish a fund to stabilize the operation of the local government and mitigate the effects of natural disasters.

2. The money in the fund must be used only:

(a) If the total actual revenue of the local government falls short of the total anticipated revenue in the general fund for the fiscal year in which the local government uses that money; or

(b) To pay expenses incurred by the local government to mitigate the effects of a natural disaster.

➥ The money in the fund at the end of the fiscal year may not revert to any other fund or be a surplus for any purpose other than a purpose specified in this subsection.

3. The money in the fund may not be used to pay expenses incurred to mitigate the effects of a natural disaster until the governing body of the local government issues a formal declaration that a natural disaster exists. The governing body shall not make such a declaration unless a natural disaster is occurring or has occurred. Upon the issuance of such a declaration, the money in the fund may be used for the payment of the following expenses incurred by the local government as a result of the natural disaster:

(a) The repair or replacement of roads, streets, bridges, water control facilities, public buildings, public utilities, recreational facilities and parks owned by the local government and damaged by the natural disaster;

(b) Any emergency measures undertaken to save lives, protect public health and safety or protect property within the jurisdiction of the local government;

(c) The removal of debris from publicly or privately owned land and waterways within the jurisdiction of the local government that was undertaken because of the natural disaster;

(d) Expenses incurred by the local government for any overtime worked by an employee of the local government because of the natural disaster or any other extraordinary expenses incurred by the local government because of the natural disaster; and

(e) The payment of any grant match the local government must provide to obtain a grant from a federal ~~[disaster assistance]~~ agency for an eligible project to repair damage caused by the natural disaster within the jurisdiction of the local government.

4. The balance in the fund must not exceed 10 percent of the expenditures from the general fund for the previous fiscal year, excluding any federal funds expended by the local government.

5. The annual budget and audit report of the local government prepared pursuant to NRS 354.624 must specifically identify the fund.

6. The audit report prepared for the fund must include a statement by the auditor whether the local government has complied with the provisions of this section.

7. Any transfer of money from a fund established pursuant to this section must be completed within 90 days after the end of the fiscal year in which the natural disaster for which the fund was established occurs.

8. As used in this section:

(a) "Grant match" has the meaning ascribed to it in NRS 353.2725.

(b) "Natural disaster" means a fire, flood, earthquake, drought or any other occurrence that:

(1) Results in widespread or severe damage to property or injury to or the death of persons within the jurisdiction of the local government; and

(2) As determined by the governing body of the local government, requires immediate action to protect the health, safety and welfare of persons residing within the jurisdiction of the local government.

Sec. 11. This act becomes effective on July 1, 2013.

Assemblywoman Benitez-Thompson moved the adoption of the amendment.

Remarks by Assemblywoman Benitez-Thompson.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Senate Joint Resolution No. 8.

Resolution read second time.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 911.

SENATE JOINT RESOLUTION—Proposing to amend the Nevada Constitution to provide for limited annual regular legislative sessions ~~[, to authorize the Legislature to hold regular or special sessions at places other than Carson City]~~ and ~~[to authorize a change in]~~ **for legislative** compensation **and expenses** to ~~[Legislators .]~~ **be paid in a manner fixed and determined by law.**

Legislative Counsel's Digest:

The Nevada Constitution provides for biennial regular sessions of the Legislature of not more than 120 consecutive calendar days **beginning on the first Monday of February** in each odd-numbered year. (Nev. Const.

Art. 4, § 2) This resolution proposes to amend the Nevada Constitution to provide for limited annual regular sessions. ~~[In]~~ **Beginning on the first Monday of February in** each odd-numbered year, the Legislature would hold a regular session of not more than 90 legislative days during a maximum period of 120 consecutive calendar days. ~~[In]~~ **Beginning on the first Tuesday of March in** each even-numbered year, the Legislature would hold a regular session of not more than 30 legislative days during a maximum period of 45 consecutive calendar days. **This resolution defines a "legislative day" as any calendar day on which either House of the Legislature is in session or any legislative committee holds a meeting during a session.**

~~[The Nevada Constitution also requires the Legislature to hold its regular or special sessions at the seat of government in Carson City. (Nev. Const. Art. 4, § 1, Art. 15, § 1) In addition, the Nevada Constitution prohibits one House of the Legislature from adjourning to another location during a regular or special session without the consent of the other House. (Nev. Const. Art. 4, § 15) This resolution proposes to amend the Nevada Constitution to authorize the Legislature to hold all or any portion of a regular or special session at any place in this State if a majority of each House of the Legislature agrees to do so and follows certain required procedures.~~

~~This resolution also proposes to amend the Nevada Constitution to change the compensation for Legislators.]~~

The Nevada Constitution authorizes Legislators to: (1) receive compensation for the first 60 days of each regular session and the first 20 days of each special session; and (2) appropriate funds for the payment of the actual expenses members of the Legislature may incur for postage, express charges, newspapers and stationery in an amount not to exceed $60 per member for each general or special session. (Nev. Const. Art. 4, § 33) This resolution proposes to amend the Nevada Constitution to remove those provisions and to provide that Legislators must be paid at regular intervals as set by law and may appropriate funds for the **payment of the** actual expenses members of the Legislature may incur for each regular or special session.

If this resolution is passed by the 2013 Legislature, it must also be passed by the next Legislature and then approved and ratified by the voters in an election before the proposed amendments to the Nevada Constitution become effective.

RESOLVED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEVADA, JOINTLY, That ~~[Section 1 of Article 4 of the Nevada Constitution be amended to read as follows:~~

~~[Section.] *Section* 1. *1.* The Legislative authority of this State shall be vested in a Senate and Assembly which shall be designated "The Legislature of the State of [Nevada" and the] *Nevada."*~~

~~*2. The regular and special* sessions of such Legislature shall be held at the seat of government of the State [.] *, unless a majority of the members elected to each House of the Legislature deems it necessary and appropriate to hold all or any portion of a regular or special session at another place in this State as provided in this section.*~~

~~*3. During a regular or special session, by a concurrent resolution, a majority of the members elected to each House of the Legislature may designate another place in this State to hold all or any portion of the session, including, without limitation, changing the place designated in a petition filed with the Secretary of State pursuant to subsection 4.*~~

~~*4. During the interim between regular sessions, upon a petition signed by a majority of the members elected to each House of the Legislature who will serve at a regular or special session, the Legislature may designate another place in this State to hold all or any portion of the regular or special session. A petition must specify the session and the alternate place where all or any portion of the session will be held, and it must be transmitted to the Secretary of State not later than 5 calendar days before the commencement of the session. Upon receipt of one or more substantially similar petitions signed, in the aggregate, by the required number of members, the Secretary of State shall notify all members of the Legislature and the Governor of the alternate place where all or any portion of the session will be held. By the same procedure and within the same time limit, a majority of the members elected to each House of the Legislature who will serve at the regular or special session may change any alternate place designated in the petition filed with the Secretary of State where all or any portion of the session will be held.*~~

~~*5. The Legislature may provide by law for supplemental procedures for designating or changing the alternate place where all or any portion of a regular or special session will be held pursuant to this section.*~~

~~And be it further~~

~~Resolved, That~~] Section 2 of Article 4 of the Nevada Constitution be amended to read as follows:

Sec. 2. 1. The ***regular*** sessions of the Legislature shall be ~~[~~biennial,~~]~~ ~~*[annual* and shall commence on the 1st Monday of February~~]~~ ~~[~~following the election of members of the Assembly,~~]~~ ~~*[of each year,* unless~~]~~ ***annual as set forth in this section, but*** the Governor of the State or the members of the Legislature ~~[~~shall,~~]~~ ***may, on extraordinary occasions*** in the interim ~~[~~,~~]~~ ***between regular sessions,*** convene the

Legislature by proclamation or petition ~~[.]~~ ***in special sessions only as authorized by this Constitution.***

2. ~~[The]~~ ***In each odd-numbered year, the*** Legislature ***shall commence the regular session on the first Monday of February and*** shall adjourn sine die ~~[each regular session held in an odd-numbered year]~~ not later than midnight Pacific time at the end of the ***90th legislative day or the*** 120th consecutive calendar day of that session, ***whichever occurs first,*** inclusive of the day on which that session commences. Any legislative action taken after midnight Pacific time at the end of the ***90th legislative day or the*** 120th consecutive calendar day of that session ***, whichever occurs first,*** is void, unless the legislative action is ~~[conducted]~~ ***taken*** during a special session.

3. ~~[The]~~ ***In each even-numbered year, the Legislature shall commence the regular session on the first Tuesday of March and shall adjourn sine die ~~[each regular session held in an even-numbered year]~~ not later than midnight Pacific time at the end of the 30th legislative day or the 45th consecutive calendar day of that session, whichever occurs first, inclusive of the day on which that session commences. Any legislative action taken after midnight Pacific time at the end of the 30th legislative day or the 45th consecutive calendar day of that session, whichever occurs first, is void, unless the legislative action is ~~[conducted]~~ taken during a special session.***

4. The Governor shall submit ***to*** the ***Legislature:***

(a) The proposed executive budget ~~[to the Legislature]~~ not later than 14 calendar days before the commencement of each regular session ~~[.~~ ~~4.]~~ ***held in an odd-numbered year.***

(b) Any proposed appropriations or proposed revisions to the executive budget not later than 14 calendar days before the commencement of each regular session held in an even-numbered year.

5. For the purposes of this section ~~[~~, ~~"midnight]~~ ***:***

(a) "Legislative day" means any calendar day on which either House of the Legislature is in session or any legislative committee holds a meeting during a session.

(b) "Midnight Pacific time" must be determined based on the actual measure of time that, on the final calendar ***or legislative*** day of the session, ***whichever occurs first,*** is being used and observed by the general population as the uniform time for the portion of Nevada which lies within the Pacific time zone, or any legal successor to the Pacific time zone, and which includes the seat of government of this State as designated by ~~[place where the Legislature is holding the session on the final calendar or legislative day, whichever occurs first, pursuant~~

to] Section 1 of ***[this]*** Article ***[.]*** 15 of this Constitution. The Legislature and its members, officers and employees shall not employ any device, pretense or fiction that adjusts, evades or ignores this measure of time for the purpose of extending the duration of the session.

And be it further

~~[Resolved, That Section 2A of Article 4 of the Nevada Constitution be amended to read as follows:~~

~~— Sec. 2A. — 1. — The Legislature may be convened, on extraordinary occasions, upon a petition signed by two-thirds of the members elected to each House of the Legislature. A petition must specify the business to be transacted during the special session, indicate a date on or before which the Legislature is to convene and be transmitted to the Secretary of State. Upon receipt of one or more substantially similar petitions signed, in the aggregate, by the required number of members, calling for a special session, the Secretary of State shall notify all members of the Legislature and the Governor that a special session will be convened pursuant to this section.~~

~~— 2. — At a special session convened pursuant to this section, the Legislature shall not introduce, consider or pass any bills except those related to the business specified in the petition and those necessary to provide for the expenses of the session.~~

~~— 3. — A special session convened pursuant to this section takes precedence over a special session convened by the Governor pursuant to Section 9 of Article 5 of this Constitution, unless otherwise provided in the petition convening the special session pursuant to this section.~~

~~— 4. — The Legislature may provide by law for the procedure for convening a special session pursuant to this section.~~

~~— 5. — Except as otherwise provided in this subsection, the Legislature shall adjourn sine die a special session convened pursuant to this section not later than midnight Pacific time at the end of the 20th consecutive calendar day of that session, inclusive of the day on which that session commences. Any legislative action taken after midnight Pacific time at the end of the 20th consecutive calendar day of that session is void. This subsection does not apply to a special session that is convened to conduct proceedings for:~~

~~— (a) Impeachment or removal from office of the Governor and other state and judicial officers pursuant to Article 7 of this Constitution; or~~

~~— (b) Expulsion from office of a member of the Legislature pursuant to Section 6 of *this* Article *. [4 of this Constitution.]*~~

~~— 6. — For the purposes of this section, "midnight Pacific time" must be determined based on the actual measure of time that, on the final calendar day of the session, is being used and observed by the general~~

~~population as the uniform time for the portion of Nevada which lies within the Pacific time zone, or any legal successor to the Pacific time zone, and which includes the [seat of government of this State as designated by] *place where the Legislature is holding the session on the final calendar day pursuant to* Section 1 of *this* Article . [15 of this Constitution.] The Legislature and its members, officers and employees shall not employ any device, pretense or fiction that adjusts, evades or ignores this measure of time for the purpose of extending the duration of the session.~~

~~And be it further~~

~~Resolved, That Section 15 of Article 4 of the Nevada Constitution be amended to read as follows:~~

~~Sec. 15. *1.* The doors of each House shall be kept open during its session, and neither shall, without the consent of the other, adjourn for more than three days nor to any other place than that in which they may be holding their sessions [.] *pursuant to Section 1 of this Article.*~~

~~*2.* The meetings of all legislative committees must be open to the public, except meetings held to consider the character, alleged misconduct, professional competence, or physical or mental health of a person.~~

~~And be it further~~**]**

RESOLVED, That Section 33 of Article 4 of the Nevada Constitution be amended to read as follows:

Sec. 33. The members of the Legislature shall receive for their services a compensation to be fixed by law and paid out of the public treasury **[**~~, for not to exceed 60 days during any regular session of the Legislature and not to exceed 20 days during any special session;~~**]** ***at regular intervals determined by law,*** but no increase of such compensation shall take effect during the term for which the members of either **[**~~house~~**]** ***House*** shall have been elected; Provided, that an appropriation may be made for the payment of such actual expenses as members of the Legislature may incur **[**~~for postage, express charges, newspapers and stationery not exceeding the sum of Sixty dollars~~**]** for any **[**~~general~~**]** ***regular*** or special session to each member; and Furthermore Provided, that the Speaker of the Assembly**_[**~~,~~**]** and Lieutenant Governor, as President of the Senate, shall each, during the time of their actual attendance as such presiding officers **,** receive an additional allowance of two dollars per diem.

And be it further

[~~ RESOLVED, That Section 9 of Article 5 of the Nevada Constitution be amended to read as follows:~~

~~Sec. 9. 1. Except as otherwise provided in Section 2A of Article 4 of this Constitution, the Governor may, on extraordinary occasions, convene the Legislature by Proclamation and shall state to both [houses,] *Houses*, when organized, the business for which they have been specially convened.~~

~~2. At a special session convened pursuant to this section, the Legislature shall not introduce, consider or pass any bills except those related to the business for which the Legislature has been specially convened and those necessary to provide for the expenses of the session.~~

~~3. Except as otherwise provided in this subsection, the Legislature shall adjourn sine die a special session convened pursuant to this section not later than midnight Pacific time at the end of the 20th consecutive calendar day of that session, inclusive of the day on which that session commences. Any legislative action taken after midnight Pacific time at the end of the 20th consecutive calendar day of that session is void. This subsection does not apply to a special session that is convened to conduct proceedings for:~~

~~(a) Impeachment or removal from office of the Governor and other state and judicial officers pursuant to Article 7 of this Constitution; or~~

~~(b) Expulsion from office of a member of the Legislature pursuant to Section 6 of Article 4 of this Constitution.~~

~~4. For the purposes of this section, "midnight Pacific time" must be determined based on the actual measure of time that, on the final calendar day of the session, is being used and observed by the general population as the uniform time for the portion of Nevada which lies within the Pacific time zone, or any legal successor to the Pacific time zone, and which includes the [seat of government of this State as designated by] *place where the Legislature is holding the session on the final calendar day pursuant to* Section 1 of Article [15] *4* of this Constitution. The Legislature and its members, officers and employees shall not employ any device, pretense or fiction that adjusts, evades or ignores this measure of time for the purpose of extending the duration of the session.~~

~~And be it further~~**]**

RESOLVED, That Section 6 of Article 11 of the Nevada Constitution be amended to read as follows:

[~~Section~~**]** ***Sec.*** 6. 1. In addition to other means provided for the support and maintenance of said university and common schools, the legislature shall provide for their support and maintenance by direct legislative appropriation from the general fund, upon the presentation of budgets in the manner required by law.

2. During a regular session of the Legislature ~~[,]~~ ***in any odd-numbered year,*** before any other appropriation is enacted to fund a portion of the state budget for the next ensuing biennium, the Legislature shall enact one or more appropriations to provide the money the Legislature deems to be sufficient, when combined with the local money reasonably available for this purpose, to fund the operation of the public schools in the State for kindergarten through grade 12 for the next ensuing biennium for the population reasonably estimated for that biennium.

3. During a special session of the Legislature that is held between the end of a regular session ***in an odd-numbered year*** in which the Legislature has not enacted the appropriation or appropriations required by subsection 2 to fund education for the next ensuing biennium and the first day of that next ensuing biennium, before any other appropriation is enacted other than appropriations required to pay the cost of that special session, the Legislature shall enact one or more appropriations to provide the money the Legislature deems to be sufficient, when combined with the local money reasonably available for this purpose, to fund the operation of the public schools in the State for kindergarten through grade 12 for the next ensuing biennium for the population reasonably estimated for that biennium.

4. During a special session of the Legislature that is held in a biennium for which the Legislature has not enacted the appropriation or appropriations required by subsection 2 to fund education for the biennium in which the special session is being held, before any other appropriation is enacted other than appropriations required to pay the cost of that special session, the Legislature shall enact one or more appropriations to provide the money the Legislature deems to be sufficient, when combined with the local money reasonably available for this purpose, to fund the operation of the public schools in the State for kindergarten through grade 12 for the population reasonably estimated for the biennium in which the special session is held.

5. Any appropriation of money enacted in violation of subsection 2, 3 or 4 is void.

6. As used in this section, "biennium" means a period of two fiscal years beginning on July 1 of an odd-numbered year and ending on June 30 of the next ensuing odd-numbered year.

And be it further

RESOLVED, That Section 12 of Article 17 of the Nevada Constitution be amended to read as follows:

Sec. 12. The first regular session of the Legislature shall commence on the second Monday of December A.D. Eighteen hundred and Sixty

Four, and the second regular session of the same shall commence on the first Monday of January A.D. Eighteen hundred and Sixty Six; and the third regular session of the Legislature shall be the first of the biennial sessions, and shall commence on the first Monday of January A.D. Eighteen hundred and Sixty Seven; and the regular sessions of the Legislature shall be held thereafter **.** ~~[biennially.]~~

And be it further

RESOLVED, That Section 2 of Article 19 of the Nevada Constitution be amended to read as follows:

Sec. 2. 1. Notwithstanding the provisions of Section 1 of Article 4 of this Constitution, but subject to the limitations of Section 6 of this Article, the people reserve to themselves the power to propose, by initiative petition, statutes and amendments to statutes and amendments to this Constitution, and to enact or reject them at the polls.

2. An initiative petition shall be in the form required by Section 3 of this Article and shall be proposed by a number of registered voters equal to 10 percent or more of the number of voters who voted at the last preceding general election in not less than 75 percent of the counties in the State, but the total number of registered voters signing the initiative petition shall be equal to 10 percent or more of the voters who voted in the entire State at the last preceding general election.

3. If the initiative petition proposes a statute or an amendment to a statute, the person who intends to circulate it shall file a copy with the Secretary of State before beginning circulation and not earlier than ~~[~~January 1 of the year preceding the year in which a~~]~~ ***1 year before the commencement of the*** regular session of the Legislature ~~[~~is held.~~]~~ ~~*[1 year before the date on which the Legislature]*~~ ***to which the petition will be transmitted .*** ~~*[commences its regular session.]*~~ After its circulation, it shall be filed with the Secretary of State not less than 30 days ~~[prior to]~~ ~~[~~any~~]~~ ***before the commencement of the*** regular session of the Legislature ~~[.]~~ ***to which the petition will be transmitted.*** The circulation of the petition shall cease on the day the petition is filed with the Secretary of State or such other date as may be prescribed for the verification of the number of signatures affixed to the petition, whichever is earliest. The Secretary of State shall transmit such petition to the Legislature as soon as the Legislature convenes and organizes. The petition shall take precedence over all other measures except appropriation bills, and the statute or amendment to a statute proposed thereby shall be enacted or rejected by the Legislature without change or amendment within 40 days. If the proposed statute or amendment to a statute is enacted by the Legislature and approved by the Governor in the same manner as other statutes are enacted, such statute or

amendment to a statute shall become law, but shall be subject to referendum petition as provided in Section 1 of this Article. If the statute or amendment to a statute is rejected by the Legislature, or if no action is taken thereon within 40 days, the Secretary of State shall submit the question of approval or disapproval of such statute or amendment to a statute to a vote of the voters at the next succeeding general election. If a majority of the voters voting on such question at such election votes approval of such statute or amendment to a statute, it shall become law and take effect upon completion of the canvass of votes by the Supreme Court. An initiative measure so approved by the voters shall not be amended, annulled, repealed, set aside or suspended by the Legislature within 3 years from the date it takes effect. If a majority of such voters votes disapproval of such statute or amendment to a statute, no further action shall be taken on such petition. If the Legislature rejects such proposed statute or amendment, the Governor may recommend to the Legislature and the Legislature may propose a different measure on the same subject, in which event, after such different measure has been approved by the Governor, the question of approval or disapproval of each measure shall be submitted by the Secretary of State to a vote of the voters at the next succeeding general election. If the conflicting provisions submitted to the voters are both approved by a majority of the voters voting on such measures, the measure which receives the largest number of affirmative votes shall thereupon become law. If at the session of the Legislature to which an initiative petition proposing an amendment to a statute is presented which the Legislature rejects or upon which it takes no action, the Legislature amends the statute which the petition proposes to amend in a respect which does not conflict in substance with the proposed amendment, the Secretary of State in submitting the statute to the voters for approval or disapproval of the proposed amendment shall include the amendment made by the Legislature.

4. If the initiative petition proposes an amendment to the Constitution, the person who intends to circulate it shall file a copy with the Secretary of State before beginning circulation and not earlier than September 1 of the year before the year in which the election is to be held. After its circulation it shall be filed with the Secretary of State not less than 90 days before any regular general election at which the question of approval or disapproval of such amendment may be voted upon by the voters of the entire State. The circulation of the petition shall cease on the day the petition is filed with the Secretary of State or such other date as may be prescribed for the verification of the number of signatures affixed to the petition, whichever is earliest. The Secretary

of State shall cause to be published in a newspaper of general circulation, on three separate occasions, in each county in the State, together with any explanatory matter which shall be placed upon the ballot, the entire text of the proposed amendment. If a majority of the voters voting on such question at such election votes disapproval of such amendment, no further action shall be taken on the petition. If a majority of such voters votes approval of such amendment, the Secretary of State shall publish and resubmit the question of approval or disapproval to a vote of the voters at the next succeeding general election in the same manner as such question was originally submitted. If a majority of such voters votes disapproval of such amendment, no further action shall be taken on such petition. If a majority of such voters votes approval of such amendment, it shall, unless precluded by subsection 5 or 6, become a part of this Constitution upon completion of the canvass of votes by the Supreme Court.

5. If two or more measures which affect the same section of a statute or of the Constitution are finally approved pursuant to this Section, or an amendment to the Constitution is finally so approved and an amendment proposed by the Legislature is ratified which affect the same section, by the voters at the same election:

(a) If all can be given effect without contradiction in substance, each shall be given effect.

(b) If one or more contradict in substance the other or others, the measure which received the largest favorable vote, and any other approved measure compatible with it, shall be given effect. If the one or more measures that contradict in substance the other or others receive the same number of favorable votes, none of the measures that contradict another shall be given effect.

6. If, at the same election as the first approval of a constitutional amendment pursuant to this Section, another amendment is finally approved pursuant to this Section, or an amendment proposed by the Legislature is ratified, which affects the same section of the Constitution but is compatible with the amendment given first approval, the Secretary of State shall publish and resubmit at the next general election the amendment given first approval as a further amendment to the section as amended by the amendment given final approval or ratified. If the amendment finally approved or ratified contradicts in substance the amendment given first approval, the Secretary of State shall not submit the amendment given first approval to the voters again.

Assemblyman Ohrenschall moved the adoption of the amendment.

Remarks by Assemblyman Ohrenschall.

Amendment adopted.

Resolution ordered reprinted, reengrossed and to the third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Horne moved that Senate Bills Nos. 464, 465, 467, and 490 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Assemblyman Aizley, the privilege of the floor of the Assembly Chamber for this day was extended to the following students from Hummel Elementary School: Jordan Reimer, Kendal Eastburn, Samantha Pedote, Julian Velasco, Colton Jones, Zyrah Martinez-Perez, Jessica Pytko, Joel Garcia, Leanna Laufenburger, Tyler Corder, Timothy Costa, Noriko Harris, Khayla Charis Lana, Yazmin Mireles, Saryna Shaw, and Tony Villalovos.

On request of Assemblyman Kirner, the privilege of the floor of the Assembly Chamber for this day was extended to the following students and teachers from Lake Tahoe School: Ingrid Altunin, Vanja Altunin, Clara Arcaris-Weiss, Ethan Chen, Kenzie Davidson, Clara Hart, M.J. Hatchett, Kylie Ludviksen, Tommy Ornburg, Zak Roberts, Ludo Scarpulla, Katherine Tong, Simon Votaw, Jackson Weinberger, Holly Williamson, and Robert Crocke.

On request of Assemblyman Livermore, the privilege of the floor of the Assembly Chamber for this day was extended to the following students chaperones, and teachers from Brodewich-Bray Elementary School: Tobey Ahdunko, Jordany Arevalo Hernandez, Trent Boatner, Alexandra Bradley, Subrina Castro, Virgil Chambers, Lindsay Chowanski, Talen Christensen, Justin Clark, Caylee Dauber, Aubree Diez, Eliseo Garcia Cruz, Emily Gehr-Howard, Annalisa Geiger, Sarah Gomer, Joline Kinzel, Alexsandra Knowlton, Sean Leonard, Chatherine Lopez, Jeweleeanna McCauley, Jake Miller, Julianna Montes, Engel Mulhauser, Lillian Olson, Kyle Pierce, Dakota Poole, Wesley Reid, Elijah Romero, Kyla West, Miyoko Loflin, Kayli Sprague, Becky Smith, Linnea Pierce, Debbie Gehr, and Mimi Loflin.

On request of Assemblyman Thompson, the privilege of the floor of the Assembly Chamber for this day was extended to Jon D. Ponder.

Assemblyman Horne moved that the Assembly adjourn until Friday, May 31, 2013, at 9:30 a.m.

Motion carried.

Assembly adjourned at 1:43 p.m.

Approved: MARILYN K. KIRKPATRICK
Speaker of the Assembly

Attest: SUSAN FURLONG
Chief Clerk of the Assembly