

**MINUTES OF THE
SENATE COMMITTEE ON REVENUE AND ECONOMIC DEVELOPMENT**

**Seventy-Seventh Session
March 14, 2013**

The Senate Committee on Revenue and Economic Development was called to order by Chair Ruben J. Kihuen at 1:40 p.m. on Thursday, March 14, 2013, in Room 2134 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Ruben J. Kihuen, Chair
Senator David R. Parks, Vice Chair
Senator Ben Kieckhefer
Senator Michael Roberson
Senator Greg Brower

COMMITTEE MEMBERS ABSENT:

Senator Moises (Mo) Denis (Excused)
Senator Debbie Smith (Excused)

STAFF MEMBERS PRESENT:

Russell Guindon, Principal Deputy Fiscal Analyst
Joe Reel, Deputy Fiscal Analyst
Bryan Fernley-Gonzalez, Counsel
Gayle Rankin, Committee Secretary

OTHERS PRESENT:

Michele W. Shafe, Assessor, Clark County
Jeff Payson, Appraisal Manager, Clark County Assessor's Office
Jeff Johnson, Assessor, Humboldt County
Teri Baltisberger, Services Manager, Business Programs, Management Services
and Programs Division, Department of Motor Vehicles

Chair Kihuen:

I will open the hearing on [Senate Bill \(S.B.\) 215](#).

SENATE BILL 215: Makes various changes relating to the taxation of property.
(BDR 32-569)

Senator David R. Parks (Senatorial District No. 7):

I would like to introduce S.B. 215. This bill makes changes relating to the administration of taxes on property. It is the biennial county assessor's bill that contains cleanup language and updates to the *Nevada Revised Statutes* related to the taxation of property.

Michele W. Shafe (Assessor, Clark County):

The bill has seven sections. Section 1 proposes to change the educational requirement for appraisers who do appraisals for tax purposes. It would apply to the appraisers in the assessor's offices and those at the Department of Taxation. It would change the requirement of 36 hours of education every 5 years to 36 hours of education every 3 years. This change is needed because it will line us up with industry standards.

Section 2 gives assessors the option of whether someone should pay a 10 percent penalty, by statute, for not reporting a manufactured or mobile home purchase or location of same into the State within 30 days. This can be unfair to many homeowners. If a person bought a brand-new manufactured home from a dealer and the dealer did not get his or her dealer's report of sale paperwork into the county assessor within 30 days, the next time that taxpayer receives a tax bill, he or she would have a 10 percent penalty added because the 30-day requirement was not met. There are many circumstances where the homeowner did not know and the dealer was to blame for turning it in late. In those extenuating circumstances, we want to help the homeowner and have the option of saying we realize this was not your fault. We want to be able to waive the 10 percent penalty.

Sections 3 and 4 deal with an affidavit of transfer to spouses of veterans and disabled veterans. They currently have the right to transfer the amount of the exemption to their spouses. They can use that at the Department of Motor Vehicles (DMV) for their vehicles. Most people who have an exemption use it at DMV. There are some situations where a veteran gets the exemption voucher from the assessor and upon going to DMV to register the vehicle, the voucher is actually in the spouse's name; the voucher cannot be used on the vehicle until the couple fills out the correct form from the DMV Website and returns it to the assessor's office. One of the authorized employees at the assessor's office asks

to see their marriage certificate and then they can sign off and take another trip back to the DMV. We want to simplify it for the veterans. They could make one stop, go to DMV and take care of everything there.

Sections 5 and 6 would remove the June 30 expiration of assessor technology. All the assessors use this technology and have become more efficient. They have used it to provide more transparency to the public. Those who did not have Websites now have them; those of us with Websites have enhanced them and added more information for the public. It has also helped us to get the job done in times of staff reductions. We have been able to assist the State Demographer with the population counts. We have used it for program changes if a regulation or the *Nevada Revised Statutes* change. Most of the assessors have used it for aerial photography. This has been a great savings to us because we do not need to waste a day by sending an appraiser out to see if something is new when nothing is there. With aerial photography, we can look, see if anything is new that we did not have on the tax roll the year before and make better use of the appraiser's time.

We have many requests for our data from many different entities. This has been helpful to put as much information as possible out to the public. A lot of our offices are undergoing new computer-assisted mass appraisal systems to be more efficient and accurate with the assessments, and the technology money has been invaluable as shown in the assessor tech expenses handout ([Exhibit C](#)).

The language in the bill is always confusing when removing one section and replacing another. The intent is to keep the technology.

Senator Kieckhefer:

In section 5, do you retain 2 percent of the collections of the Net Proceeds of Minerals Tax (NPOMT) and 2 percent from personal property to be deposited into a directed account for technology?

Ms. Shafe:

That is correct.

Senator Kieckhefer:

Are we keeping the directed account for technology?

Ms. Shafe:

Yes.

Senator Kieckhefer:

How does it work in various counties, given some counties collect a lot of NPOMT and some collect very little? There is probably a huge disparity in the amount the county assessors are collecting due to this tax.

Ms. Shafe:

It depends from county to county. Each county assessor is required to submit an annual report to his or her board of county commissioners indicating the plan for these monies in the upcoming budget.

Senator Kieckhefer:

Is it always expended?

Ms. Shafe:

It usually is. If not, it is encumbered. Some projects can take a few years to complete, and you can have a contract for several million dollars.

Senator Kieckhefer:

Are they retained at the individual county level? Are they allocated throughout the State to the various assessors?

Ms. Shafe:

It would be dedicated to assessor technology within each county. There are limitations on how it can be used.

Senator Kieckhefer:

On the training requirements for assessors, you talked about the people who are employed within your Office and the Department of Taxation; it does not apply to anybody else? It only applies to employees of your offices and the Department of Taxation, not the private sector.

Ms. Shafe:

Correct.

Jeff Payson (Appraisal Manager, Clark County Assessor's Office):

I am here in case there are any technical questions on the continuing education.

Jeff Johnson (Assessor, Humboldt County):

I serve on the legislative committee for the Assessors' Association of Nevada as a small county liaison. I try to keep in touch with the small counties to see how they feel about the various issues and proposals.

Teri Baltisberger (Services Manager, Business Programs, Management Services and Programs Division, Department of Motor Vehicles):

We are neutral on this bill. We filed a fiscal note. This is a procedural change that has no impacts.

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Chair Kihuen:

This meeting is adjourned at 1:53 p.m.

RESPECTFULLY SUBMITTED:

Gayle Rankin
Committee Secretary

APPROVED BY:

Senator Ruben J. Kihuen, Chair

DATE: _____

Bill	Exhibit		Witness / Agency	Description
	A	1		Agenda
	B	1		Attendance Roster
	C	7	Michelle W. Shafe	Assessor Tech Expenses