

Amendment No. 681

Assembly Amendment to Senate Bill No. 312 First Reprint (BDR 21-834)

Proposed by: Assembly Committee on Government Affairs**Amends:** Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will MAINTAIN the 2/3s majority vote requirement for final passage of S.B. 312 R1 (§§ 1.3, 1.5, 4).

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

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red-strikethrough~~ is deleted language in the original bill; (4) ~~purple double-strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

MSN/JWP



Date: 5/11/2015

S.B. No. 312—Revises provisions relating to certain taxes. (BDR 21-834)



SENATE BILL NO. 312--SENATOR KIECKHEFER

MARCH 16, 2015

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to certain taxes. (BDR 21-834)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to taxing districts; ~~requiring~~ **imposing, in** a city that has created a taxing district to improve and maintain publicly owned facilities for tourism and entertainment ~~, to impose,~~ in addition to any other surcharge, a surcharge on the per night charge for the rental of a room in a hotel in the district other than a hotel that holds a nonrestricted gaming license; ~~requiring~~ **imposing, in** a city that has created such a taxing district ~~, to impose,~~ in addition to any other surcharge, ~~an~~ **additional** surcharge on the per night charge for the rental of a room in a hotel in the district ~~that holds a nonrestricted gaming license;~~ providing that the ~~money collected from the~~ surcharges must be **collected and** used by ~~the city or~~ the county fair and recreation board ~~, as applicable,~~ only for specified purposes; creating in a county in which is located a city that has created a taxing district to improve and maintain publicly owned facilities for tourism and entertainment a district for the promotion of tourism comprised of certain property within the county, including property located within any city in the county, other than property located in the district created by the city; requiring the board of county commissioners of the county to prescribe the boundaries of the district ~~and impose~~ **; imposing** a surcharge on the per night charge for the rental of a room in a hotel in the district; providing that the money collected from the surcharge must be **collected and** used by ~~the county or~~ the county fair and recreation board ~~, as applicable,~~ only for specified purposes; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the governing body of a city whose population is 220,000 or more in a county whose population is 100,000 or more but less than 700,000 (currently only the City of Reno) by ordinance to create a district to finance capital projects necessary to improve and maintain publicly owned facilities for tourism and entertainment. Existing law requires that such an ordinance be approved by a two-thirds majority of the members of the governing body. Existing law also requires that the ordinance impose a surcharge of \$2 on the per night

charge for the rental of a room in a hotel in the district that holds a nonrestricted gaming license and provides that the proceeds of the surcharge must be used by the city solely to pay the cost of improving and maintaining publicly owned facilities for tourism and entertainment in the district or within 1 mile outside the boundaries of the district, except for a minor league baseball stadium. (NRS 268.798)

Section 1.3 of this bill ~~requires the governing body of~~ **imposes, in** a city that has created a district to finance capital projects necessary to improve and maintain publicly owned facilities for tourism and entertainment, ~~to impose~~ a surcharge of \$2 on the per night charge for the rental of a room in a hotel in the district, other than a hotel that holds a nonrestricted gaming license. **Section 1.5** of this bill ~~requires the governing body of~~ **imposes, in** a city that has created such a district, ~~to impose~~ an additional surcharge of \$1 on the per night charge for the rental of a room in a hotel in the district. ~~If the city is located in a county in which a county fair and recreation board has been created, sections 1, 2 and 1.5 require the city to transfer to the county fair and recreation board any money collected from the surcharges imposed pursuant to those sections. If a county fair and recreation board has not been created, sections~~ **that holds a nonrestricted gaming license. Sections 1.3 and 1.5 require the** ~~city to keep the money collected from~~ **county fair and recreation board to collect** the surcharges and expend the money only for ~~certain purposes relating to the promotion of tourism,~~ **the purposes authorized by section 4.5 of this bill.**

In any county in which is located a city that has created a district to finance capital projects necessary to improve and maintain publicly owned facilities for tourism and entertainment, **section 4** of this bill creates a district for the promotion of tourism in the region. **Section 4** also requires the board of county commissioners to adopt an ordinance prescribing the boundaries of the district, which must include within its boundaries all property: (1) which is located in the county and located in any city in the county other than property that is located within a district created by a city to finance capital projects necessary to improve and maintain publicly owned facilities for tourism and entertainment; and (2) which is located not more than 20 miles from the boundaries of any such district created by a city. **Section 4** imposes a ~~\$3~~ **\$2** surcharge on the per night charge for the rental of a room in a hotel in the district and requires ~~the board of county commissioners to transfer the money collected from the surcharge to~~ the county fair and recreation board, ~~if a county fair and recreation board has been created in the county. If a county fair and recreation board has not been created, section 4 requires the board of county commissioners to keep the money and prescribes the purposes for which the board of county commissioners may~~ **to collect the surcharge and** expend the money, ~~only for the purposes authorized by section 4.5.~~

Section 4.5 ~~of this bill~~ requires a county fair and recreation board that ~~receives~~ **collects** any money from the surcharge imposed ~~pursuant to~~ **by** **section 1.3, 1.5 or 4** to create an account into which all such money must be deposited. **Section 4.5** authorizes the board to expend the money to implement a strategic plan for the promotion of tourism in the region. **Section 4.5** also requires the board, every 5 years, to prepare and submit to the Legislature a report concerning the expenditure by the board of any money received from the surcharge imposed ~~pursuant to~~ **by** **sections 1.3, 1.5 and 4.**

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

Section 1. Chapter 268 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3 and 1.5 of this act.

Sec. 1.3. 1. In a city in which a district is created and a surcharge is imposed pursuant to NRS 268.798, ~~the governing body shall, in addition to the surcharge imposed pursuant to that section and section 1.5 of this act, impose~~ there is hereby imposed a surcharge of \$2 on the per night charge for the rental of a room in a hotel in the district other than a hotel that holds a nonrestricted gaming license. The surcharge must not be applied for any time during which the room is provided to a guest free of charge.

2. The proceeds of the surcharge imposed ~~pursuant to~~ by this section must be collected by the ~~city and:~~

~~(a) If the city is located in a county in which a county fair and recreation board has been created pursuant to NRS 244A.597 to 244A.655, inclusive, the city shall transfer to the county fair and recreation board all money collected from the surcharge imposed pursuant to this section.~~ created by NRS 244A.601 in accordance with the provisions of section 4.5 of this act. The money must be deposited in the account created pursuant to section 4.5 of this act and used only for the purposes set forth in that section.

~~(b) If the city is located in a county in which a county fair and recreation board has not been created, the money collected must be retained by the city, accounted for separately and, except as otherwise provided in subsection 3, used solely to pay the costs for:~~

~~(1) The acquisition, construction and maintenance of public recreational facilities located in the district;~~

~~(2) Advertising, publicizing and promoting the public recreational facilities located in the district; and~~

~~(3) Projects designed to encourage tourism or to improve access by tourists to airports located in the county in which the district is located.~~

3. The proceeds of the surcharge and any interest or income earned on such money may not be used for the purposes of promoting or marketing professional bowling.

4. ~~Except as otherwise provided in paragraph (a) of subsection 2, the proceeds of the surcharge must not be transferred to any other fund or account or used for any other purpose.~~ As used in this section, "hotel" has the meaning ascribed to it in section 3.75 of this act.

Sec. 1.5. 1. In a city in which a district is created and a surcharge is imposed pursuant to NRS 268.798, ~~the governing body shall,~~ in addition to the surcharge imposed pursuant to that section ~~and section 1.3 of this act, impose,~~ there is hereby imposed a surcharge of \$1 on the per night charge for the rental of a room in a hotel in the district ~~that holds a nonrestricted gaming license.~~ The surcharge must not be applied for any time during which the room is provided to a guest free of charge.

2. The proceeds of the surcharge imposed pursuant to this section must be collected by the ~~city and:~~

~~(a) If the city is located in a county in which a county fair and recreation board has been created pursuant to NRS 244A.597 to 244A.655, inclusive, the city shall transfer to the county fair and recreation board all money collected from the surcharge imposed pursuant to this section.~~ created by NRS 244A.601 in accordance with the provisions of section 4.5 of this act. The money must be deposited in the account created pursuant to section 4.5 of this act and used only for the purposes set forth in that section.

~~(b) If the city is located in a county in which a county fair and recreation board has not been created, the money collected must be retained by the city, accounted for separately and, except as otherwise provided in subsection 3, used solely to pay the costs for:~~

~~(1) The acquisition, construction and maintenance of public recreational facilities located in the district;~~

~~(2) Advertising, publicizing and promoting the public recreational facilities located in the district; and~~

~~(3) Projects designed to encourage tourism or to improve access by tourists to airports located in the county in which the district is located.~~

3. *The proceeds of the surcharge and any interest or income earned on such money may not be used for the purposes of promoting or marketing professional bowling.*

4. ~~Except as otherwise provided in paragraph (a) of subsection 2, the proceeds of the surcharge must not be transferred to any other fund or account or used for any other purpose.~~ As used in this section, "hotel" has the meaning ascribed to it in section 3.75 of this act.

Sec. 2. ~~NRS 268.798 is hereby amended to read as follows:~~

~~268.798 1. The governing body of a city whose population is 220,000 or more in a county whose population is 100,000 or more but less than 700,000 may by ordinance create a district to finance capital projects necessary to improve and maintain publicly owned facilities for tourism and entertainment. Such an ordinance must be approved by a two thirds majority of the members of the governing body.~~

~~2. The boundaries of a district created pursuant to subsection 1 must be as prescribed by the governing body in the ordinance creating the district, except that the boundaries must include only property that is located in or within 4 city blocks, as determined by the governing body, of a district described in NRS 268.780 to 268.785, inclusive.~~

~~3. An ordinance enacted pursuant to subsection 1 must impose a surcharge of \$2 on the per night charge for the rental of a room in a hotel in the district that holds a nonrestricted gaming license. The surcharge must not be applied for any time during which the room is provided to a guest free of charge.~~

~~4. The proceeds of the surcharge imposed pursuant to this section must be retained by the city and must be used by the city solely to pay the cost of improving and maintaining publicly owned facilities for tourism and entertainment in the district or within 1 mile outside the boundaries of the district, except for a minor league baseball stadium project as defined in NRS 244A.0344. The proceeds of the surcharge must not be transferred to any other fund or account or used for any other purpose.~~

~~5. On or before January 15, 2030, the governing body of a city that has created a district pursuant to this section shall submit a report concerning the district to the Director of the Legislative Counsel Bureau for transmission to the next regular session of the Legislature. The report must:~~

~~(a) Address, without limitation [, the]:~~

~~(1) The total amount collected from the surcharge imposed pursuant to this section and all the projects undertaken to improve and maintain the publicly owned facilities for tourism and entertainment in the district.~~

~~(2) The total amount collected from the surcharges imposed by sections 1.3 and 1.5 of this act and, if applicable, expended by the city for the purposes authorized by those sections.~~

~~(b) Cover the period between the creation of the district until the end of the calendar year immediately preceding the submission of the report.] (Deleted by amendment.)~~

Sec. 3. NRS 244.3359 is hereby amended to read as follows:

244.3359 1. A county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.3351, 244.3352 and 244.33561.

2. A county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.33561 ~~and~~ and section 4 of this act.

3. Except as otherwise provided in subsection 2 and NRS 387.191, the Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for the promotion of tourism or for the construction or operation of tourism facilities by a convention and visitors authority.

Sec. 3.5. Chapter 244A of NRS is hereby amended by adding thereto the provisions set forth in sections 3.75, 4 and 4.5 of this act.

Sec. 3.75. As used in this section and sections 4 and 4.5 of this act, unless the context otherwise requires, "hotel" means a building occupied or intended to be occupied for compensation, as the temporary residence for transient guests, primarily persons who have residence elsewhere. A hotel has an interior hall and lobby with access to each room from the interior hall or lobby.

Sec. 4. 1. In a county in which is located a city that has created a district and imposed a surcharge pursuant to NRS 268.798, there is hereby:

(a) Created a district for the promotion of tourism; and

(b) Imposed a surcharge of ~~153~~ \$2 on the per night charge for the rental of a room in a hotel in the district. The surcharge must not be applied for any time during which the room is provided to a guest free of charge.

2. As soon as practicable on or after July 1, 2015, but on or before October 1, 2015, the board of county commissioners shall adopt an ordinance ~~+~~

~~(a) Prescribing~~ prescribing the boundaries of the district created by paragraph (a) of subsection 1, which:

~~+(1)~~ (a) Must include within it all property within the county and within each city in the county that is:

~~+(1)~~ (1) Not located within a district created pursuant to NRS 268.798; and

~~+(1)~~ (2) Located not more than 20 miles from the boundaries of a district created pursuant to NRS 268.798; and

~~+(2)~~ (b) Must not include within it any property located within a district created pursuant to NRS 268.798. ~~+~~ and

~~(b) Prescribing a schedule for the collection of the surcharge imposed by paragraph (b) of subsection 1;~~

3. The surcharge imposed by this section is in addition to any other license fee, tax or surcharge imposed on the revenues from the rental of transient lodging. The surcharge must be collected by the ~~county in accordance with the schedule prescribed by the ordinance adopted pursuant to subsection 2 and:~~

~~(a) If the board of county commissioners has created a county fair and recreation board pursuant to NRS 244A.597 to 244A.655, inclusive, the county shall transfer to the county fair and recreation board all money collected from the surcharge imposed pursuant to this section;~~ in accordance with the provisions of section 4.5 of this act. The money must be deposited in the account created pursuant to section 4.5 of this act and used only for the purposes set forth in that section.

~~+~~ ~~(b) If the board of county commissioners has not created a county fair and recreation board, the money collected from the surcharge imposed pursuant to this section must be retained by the county, accounted for separately and, except as otherwise provided in this paragraph, used solely to pay the costs for:~~

~~(1) The acquisition, construction and maintenance of public recreational facilities located in the district;~~

~~(2) Advertising, publicizing and promoting the public recreational facilities located in the district; and~~

~~(3) Projects designed to encourage tourism or to improve access by tourists to airports located in the county in which the district is located.~~

4. The proceeds of the surcharge and any interest or income earned on such money may not be used for the purposes of promoting or marketing professional bowling.

~~4. Except as otherwise provided in paragraph (a) of subsection 3, the proceeds of the surcharge imposed by this section must not be transferred to any other fund or account or used for any other purpose other than the purposes specified in subsection 3.~~

~~5. The ordinance adopted by the board of county commissioners must provide that if the surcharge imposed by this section is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the surcharge:~~

~~(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and~~

~~(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the surcharge became due until the date of payment.~~

Sec. 4.5. 1. A county fair and recreation board that ~~receives~~ collects any proceeds of the surcharges imposed ~~pursuant to~~ by section 1.3, 1.5 or 4 of this act ~~shall~~ :

(a) Shall create an account administered by the board and deposit into such account all proceeds ~~received~~ collected by the board from the surcharges imposed ~~pursuant to~~ by sections 1.3, 1.5 and 4 of this act. The money in the account, including any interest and income earned on such money, must not be transferred to any other fund or account or used for any purpose other than the purposes set forth in subsection 2.

(b) Shall prescribe a procedure for the collection of the surcharges imposed by sections 1.3, 1.5 and 4 of this act, which may include, without limitation, procedures for the enforcement of the collection of any delinquent surcharges and the provision of penalties in connection therewith, including, without limitation, the suspension of the business license issued by a county, city or town to a hotel and the closure of a hotel for failure to pay any surcharge imposed by section 1.3, 1.5 or 4 of this act.

(c) May adopt rules and regulations concerning the collection and administration of the surcharges imposed by sections 1.3, 1.5 and 4 of this act and provide penalties for the failure to comply therewith.

2. All money ~~received~~ collected by a county fair and recreation board from the proceeds of the surcharges imposed ~~pursuant to~~ by sections 1.3, 1.5 and 4 of this act must be used to implement a strategic plan for the promotion of tourism in the region. The strategic plan:

(a) Except as otherwise provided in paragraph (b), may provide for the expenditure of any money received from the proceeds of the surcharges imposed ~~pursuant to~~ by sections 1.3, 1.5 and 4 of this act:

(1) For the purposes set forth in NRS 244A.597.

(2) For the maintenance of public recreational facilities located in the county which are owned by the county or an incorporated city in the county or under the control of the county fair and recreation board.

(3) To carry out projects designed to encourage tourism or to improve access by tourists to airports located in the county.

(4) To solicit and promote tourism, gaming and the use of public recreational facilities of the community or area, which may include advertising the facilities under the control of the county fair and recreation board and the

resources of the community or area, including tourist accommodations, transportation, entertainment, gaming and climate. Such advertising may be done jointly with a private enterprise. The county fair and recreation board may enter into contracts for advertising pursuant to this subparagraph and pay the cost of the advertising, including a reasonable commission.

(5) For any other purpose identified in the strategic plan.

(b) May not provide for the expenditure of any money received from the proceeds of the surcharges imposed ~~pursuant to~~ by sections 1.3, 1.5 and 4 of this act for the operational expenses of the county fair and recreation board or for the purposes of promoting or marketing professional bowling.

3. On or before January 15, 2021, and on or before January 15 of each fifth year thereafter, a county fair and recreation board that ~~receives~~ collects any money from the surcharge imposed and collected pursuant to section 1.3, 1.5 or 4 of this act shall prepare and submit to the Director of the Legislative Counsel Bureau for transmission to the next regular session of the Legislature a written report which must:

(a) Address, without limitation, the total amount ~~received~~ collected from the surcharges imposed ~~pursuant to~~ by sections 1.3, 1.5 and 4 of this act;

(b) Address, without limitation, the total amount expended by the board to carry out the purposes set forth in this section; and

(c) Cover the 5-year period immediately preceding the submission of the report.

Sec. 5. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

Sec. 6. This act becomes effective on July 1, 2015.