

SENATE BILL NO. 166—SENATOR SEGERBLOM

FEBRUARY 16, 2015

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Referred to Committee on Government Affairs

SUMMARY—Proposes to revise provisions relating to the preservation and promotion of the arts and museums in this State. (BDR 18-424)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: Yes.

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

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AN ACT relating to cultural affairs; providing for the submission to the voters of the question whether the Nevada Revised Statutes should be amended to increase the duties of the Commission for Cultural Affairs to include the preservation and promotion of the arts and museums in this State, to create the Fund for the Preservation and Promotion of the Arts and Museums, to authorize the issuance of general obligation bonds to fund the preservation and promotion of the arts and museums in this State and to establish the Committee to Award Financial Assistance to approve awards of financial assistance from the Fund; enacting various provisions relating to the preservation and promotion of the arts and museums in this State; providing that the provisions become effective only upon the approval of the question by the voters; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

- 1 Existing law establishes the Commission for Cultural Affairs, which acts in an
- 2 advisory position to the Department of Tourism and Cultural Affairs. The
- 3 Commission is authorized to award financial assistance to governmental entities
- 4 and certain organizations formed for educational or cultural purposes, including the
- 5 preservation or promotion of cultural resources. The Commission is required to
- 6 determine annually the amount of financial assistance it will grant, and the State
- 7 Board of Finance is required to issue general obligation bonds in the amount to be
- 8 granted by the Commission. Proceeds from the sale of bonds are required to be



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9 credited to the Fund for the Preservation and Promotion of Cultural Resources, and  
10 the Commission is authorized to expend money in the Fund only for projects  
11 identified in the Commission's plan to promote and preserve the State's cultural  
12 resources. (NRS 233C.200-233C.230)

13 **Sections 11-15** of this bill require a question to be submitted to the voters of  
14 this State as to whether the Nevada Revised Statutes should be amended to increase  
15 the duties of the Commission for Cultural Affairs to include the preservation and  
16 promotion of the arts and museums in this State, to create the Fund for the  
17 Preservation and Promotion of the Arts and Museums, to authorize the issuance of  
18 general obligation bonds to fund the preservation and promotion of the arts and  
19 museums in this State and to establish a Committee to Award Financial Assistance  
20 to approve the award of monies within the Fund. **Sections 2-8 and 16** of this bill  
21 enact various provisions which become effective only upon approval of the  
22 question by the voters and which provide for: (1) the Commission to establish a  
23 plan to preserve and promote the arts and museums in this State; (2) the  
24 establishment of a Committee to Award Financial Assistance which must approve  
25 all awards of financial assistance in accordance with the Commission's plan; (3) the  
26 issuance of general obligation bonds by the State Board of Finance in an amount  
27 not to exceed \$10,000,000 per year, plus any unused amount carried over from  
28 previous years, but not more than \$100,000,000 within any 10-year period; (4) the  
29 creation of a Fund for the Preservation and Promotion of the Arts and Museums  
30 into which the proceeds of the bonds must be deposited; and (5) the Commission to  
31 expend money as authorized by the Committee for projects identified in the  
32 Commission's plan to preserve and promote the arts and museums in this State.

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

1 **Section 1.** Chapter 233C of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 2 to 8, inclusive, of this  
3 act.

4 **Sec. 2.** *"Committee" means the Committee to Award*  
5 *Financial Assistance created by section 4 of this act.*

6 **Sec. 3. 1.** *The Commission shall establish, and revise every*  
7 *year, a 10-year plan to preserve and promote the arts and*  
8 *museums in this State.*

9 **2.** *The plan must:*

10 *(a) Include a program for awarding financial assistance to pay*  
11 *the actual expenses of preserving and promoting the arts and*  
12 *museums in this State;*

13 *(b) Include a detailed list of recommended projects to be*  
14 *undertaken;*

15 *(c) Establish the conditions an applicant must satisfy to receive*  
16 *an award of financial assistance, which must include, without*  
17 *limitation, that financial assistance may only be awarded for the*  
18 *actual expenses of preserving and promoting the arts and*  
19 *museums in this State;*



(d) Specify the criteria by which proposed projects will be judged, which must include, without limitation, a consideration of the degree to which a proposed project:

(1) May become a recurring event without the necessity of future state financial support;

(2) Will be accessible to the community;

(3) Will preserve or promote the arts and museums in this State;

(4) Will have multiple uses for many types of cultural organizations;

(5) Will supplement training in the classroom in the arts and humanities; and

(6) Incorporates the various disciplines directly associated with the arts and cultural resources; and

(e) Give priority to projects of statewide historical or cultural significance which demonstrate an ability to raise and sustain required amounts of financial support from sources other than the State, including, without limitation, donations of goods and services. The ability of a project to raise and sustain support must be weighed against the relative means and abilities of the applicants.

3. Before July 1 of each year, the plan must be submitted to:

(a) The Governor;

(b) The Legislative Commission;

(c) The State Board of Examiners; and

(d) The Committee to Award Financial Assistance.

**Sec. 4. 1. The Committee to Award Financial Assistance is hereby created. The Committee consists of:**

(a) One member, who must not be a Legislator, appointed by the Governor;

(b) One member, who must not be a Legislator, appointed by the Majority Leader of the Senate; and

(c) One member, who must not be a Legislator, appointed by the Speaker of the Assembly.

2. The term of each member of the Committee is 2 years, commencing on July 1 of the year in which he or she is appointed. A vacancy in the membership of the Committee must be filled for the remainder of the unexpired term in the same manner as the original appointment. A member shall continue to serve on the Committee until his or her successor is appointed.

3. The member of the Committee appointed by the Governor shall serve as Chair of the Committee.

4. A majority of the members of the Committee constitutes a quorum, but all members are necessary to exercise the power conferred on the Committee.



1     5. *The members of the Committee:*

2     (a) *Serve without compensation; and*

3     (b) *May, upon written request and approval of the use of*  
4 *money as described in subsection 6, receive the per diem*  
5 *allowance and travel expenses provided for state officers and*  
6 *employees generally while engaged in the business of the*  
7 *Committee.*

8     6. *The Committee may, with the approval of the Commission,*  
9 *use money derived from interest earned on the money in the Fund*  
10 *for the Preservation and Promotion of the Arts and Museums*  
11 *created by section 8 of this act to pay for:*

12     (a) *Any administrative services required by the Committee;*  
13 *and*

14     (b) *The per diem allowances and travel expenses of members*  
15 *of the Committee authorized pursuant to subsection 5.*

16     Sec. 5. *The Committee shall:*

17     1. *Meet at least once each year after the date on which the*  
18 *Commission submits the plan required by section 3 of this act to*  
19 *the Committee;*

20     2. *Review the recommendations regarding the program for*  
21 *awarding financial assistance contained within the plan; and*

22     3. *Approve awards of financial assistance to applicants*  
23 *pursuant to the goals and objectives contained within the plan and*  
24 *the provisions of section 6 of this act.*

25     Sec. 6. *In awarding financial assistance to an applicant*  
26 *pursuant to the provisions of section 5 of this act, the Committee:*

27     1. *Shall require an applicant for financial assistance to*  
28 *demonstrate that the applicant has secured matching funds from*  
29 *sources other than the State in an amount at least equal to the*  
30 *amount requested by the applicant.*

31     2. *May award financial assistance to governmental entities*  
32 *and nonprofit corporations formed for educational or charitable*  
33 *purposes, including, without limitation, the preservation or*  
34 *promotion of the arts and museums in this State.*

35     Sec. 7. 1. *The Committee shall, pursuant to the provisions*  
36 *of section 5 of this act, determine annually the total amount of*  
37 *financial assistance it will grant from the proceeds of bonds*  
38 *authorized by this section in that calendar year. The Committee*  
39 *shall notify the State Board of Examiners and the State Board of*  
40 *Finance of that amount.*

41     2. *After receiving the notice given in accordance with the*  
42 *provisions of subsection 1, the State Board of Finance shall issue*  
43 *general obligation bonds of the State of Nevada in the amount*  
44 *necessary to generate the amount to be granted by the Committee*  
45 *from the proceeds of bonds authorized by this section and to pay*



1 *the expenses related to the issuance of the bonds. The expenses*  
2 *related to the issuance of bonds authorized by this section must be*  
3 *paid from the proceeds of the bonds, and must not exceed 2*  
4 *percent of the face amount of the bonds sold.*

5 3. *Except as otherwise provided in subsection 4, the total face*  
6 *amount of the bonds issued each year in accordance with the*  
7 *provisions of this section may not exceed \$10,000,000 per year.*

8 4. *If the total face amount of bonds issued pursuant to this*  
9 *section in any year is less than \$10,000,000, the difference*  
10 *between \$10,000,000 and the amount actually issued in that year*  
11 *may be carried over for issuance in a subsequent year pursuant to*  
12 *this section, but in no case may the total face amount of the bonds*  
13 *issued pursuant to this section exceed \$100,000,000 in any 10-year*  
14 *period.*

15 5. *No public debt is created, within the meaning of Section 3*  
16 *of Article 9 of the Nevada Constitution, until the issuance of the*  
17 *bonds authorized by this section.*

18 6. *The proceeds from the sale of the bonds authorized by this*  
19 *section, after deducting the expenses relating to the issuance of*  
20 *the bonds, must be deposited with the State Treasurer and credited*  
21 *to the Fund for the Preservation and Promotion of the Arts and*  
22 *Museums created by section 8 of this act.*

23 7. *The provisions of the State Securities Law, contained in*  
24 *chapter 349 of NRS, apply to the issuance of bonds authorized by*  
25 *this section.*

26 **Sec. 8.** 1. *There is hereby created in the State Treasury the*  
27 *Fund for the Preservation and Promotion of the Arts and*  
28 *Museums. The Commission is responsible for the administration*  
29 *of the Fund. All money received and held by the State Treasurer*  
30 *for that purpose must be deposited in the Fund. The Commission*  
31 *shall account separately for money received from the proceeds of*  
32 *bonds issued pursuant to section 7 of this act.*

33 2. *Except as otherwise provided in subsection 5 of NRS*  
34 *233C.200 and subsection 6 of section 4 of this act, the Commission*  
35 *may expend money in the Fund only for projects approved by the*  
36 *Committee pursuant to section 5 of this act. In addition to the*  
37 *amount of financial assistance granted from the proceeds of bonds*  
38 *issued pursuant to section 7 of this act, the Commission may*  
39 *recommend, and the Committee may grant, as financial assistance*  
40 *not more than \$750,000 each calendar year of any interest earned*  
41 *on the deposit or investment of the money in the Fund.*

42 3. *The money in the Fund must be invested as the money in*  
43 *other state funds is invested. All interest on the deposit or*  
44 *investment of the money in the Fund must be credited to the Fund.*



***4. Claims against the Fund must be paid as other claims against the State are paid.***

**Sec. 9.** NRS 233C.010 is hereby amended to read as follows:

233C.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 233C.011 to 233C.019, inclusive, ***and section 2 of this act*** have the meanings ascribed to them in those sections.

**Sec. 10.** NRS 233C.200 is hereby amended to read as follows:

233C.200 1. The Commission for Cultural Affairs is hereby created. The Commission is advisory to the Department and consists of:

(a) The Chair of the Nevada Humanities Committee or a member of the Committee designated by the Chair;

(b) The Chair of the Board or a member of the Board designated by the Chair;

(c) The Chair of the Board of Museums and History or a member of the Board of Museums and History designated by the Chair;

(d) A member of the Board of Museums and History, to be appointed by the Governor;

(e) One representative of the general public who has a working knowledge of the promotion of tourism in Nevada, to be appointed by the Governor; and

(f) The Chair of the State Council on Libraries and Literacy or a member of the Council designated by the Chair.

2. The Commission shall:

(a) Elect from its membership a Chair who shall serve for a term of 2 years. A vacancy occurring in this position must be filled by election of the members of the Commission for the remainder of the unexpired term.

(b) Prescribe rules for its own management and government.

(c) Meet biannually, or at more frequent times if it deems necessary, and may, within the limitations of its budget, hold special meetings at the call of its Chair.

3. Three members of the Commission constitute a quorum, but a majority of the members of the Commission is necessary to consider the particular business before it and to exercise the power conferred on the Commission.

4. The members of the Commission are not entitled to be paid a salary, but are entitled, while engaged in the business of the Commission, to receive the per diem allowance and travel expenses provided for state officers and employees generally.

5. The Commission may use the money derived from interest earned on the money in the Fund for the Preservation and Promotion of Cultural Resources created pursuant to NRS 233C.230 ***and the***



***Fund for the Preservation and Promotion of the Arts and Museums created by section 8 of this act*** to pay for:

(a) Any administrative services required by the Commission; and

(b) The per diem allowances and travel expenses of members of the Commission authorized pursuant to subsection 4.

**Sec. 11.** At the general election on November 8, 2016, a statewide measure must be submitted to the registered voters of this State.

**Sec. 12.** At the time and in the manner provided by law, the Secretary of State shall transmit the proposed measure to the several county clerks, and the county clerks shall cause it to be published and posted as provided by law.

**Sec. 13.** The ballot page assemblies and the paper ballots to be used in voting on the question must present the question in substantially the following form:

Shall the Nevada Revised Statutes be amended to increase the duties of the Commission for Cultural Affairs to include the preservation and promotion of the arts and museums in this State, to create in the State Treasury the Fund for the Preservation and Promotion of the Arts and Museums, to authorize the State Board of Finance to issue general obligation bonds, in an amount of approximately \$10,000,000 per year, but not to exceed \$100,000,000 over any 10-year period, to fund the preservation and promotion of the arts and museums in this State, and to establish a Committee to Award Financial Assistance to approve awards of financial assistance from the Fund?

Yes ☐ No ☐

**Sec. 14.** All general election laws not inconsistent with this act are applicable.

**Sec. 15.** Any informalities, omissions or defects in the content or making of the publications, proclamations or notices provided for in this act and by the general election laws under which this election is held must be so construed as not to invalidate the adoption of the act by a majority of the registered voters voting on the question if it can be ascertained with reasonable certainty from the official returns transmitted to the Office of the Secretary of State whether the proposed amendment was adopted by a majority of those registered voters.

**Sec. 16.** Not later than July 1, 2017:

1. The Governor shall appoint the member described in paragraph (a) of subsection 1 of section 4 of this act;



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1       2. The Majority Leader of the Senate shall appoint the member  
2 described in paragraph (b) of subsection 1 of section 4 of this act;  
3 and

4       3. The Speaker of the Assembly shall appoint the member  
5 described in paragraph (c) of subsection 1 of section 4 of this act.

6       **Sec. 17.** 1. This section and sections 11 to 15, inclusive, of  
7 this act become effective upon passage and approval.

8       2. Sections 1 to 10, inclusive, and section 16 of this act become  
9 effective on January 1, 2017, only if a majority of the voters voting  
10 on the question placed on the ballot in accordance with the  
11 provisions of sections 11 to 15, inclusive, of this act vote  
12 affirmatively on the question.

