THE ONE HUNDRED AND NINETEENTH DAY

CARSON CITY (Sunday), May 31, 2015

Assembly called to order at 6:16 p.m.

Mr. Speaker presiding.

Roll called.

All present except Assemblymen Dooling and Moore, who were excused.

Prayer by the Chaplain, Reverend Richard Snyder.

Healing God, we pray today for Assemblyman John Moore, who was admitted today to the Reno VA hospital.

We ask that Your healing angels would be with him, and with those providing care for him, that he might be restored to fullness of health.

We also pray today for Richard Dooling, who died this morning. He was for 50 years the husband of Assemblywoman Vicki Dooling. Loving God, we pray today for Richard that You would receive him into the arms of Your loving embrace and into that heavenly dwelling place that You have prepared for him.

We pray for his wife Vicki and children, Todd and Candace, and all who mourn would be comforted by Your love. We pray this in Jesus' name.

The Assembly observed a moment of silence in honor of Richard Dooling.

God our creator, when You speak there is light and life. When You act, there is justice and love. Grant that Your love would be present so that what we say and what we do may be guided by Your Spirit.

AMEN.

Pledge of allegiance to the Flag.

Assemblyman Paul Anderson 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

Mr. Speaker:

Your Committee on Education, to which was referred Senate Bill No. 460, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Education, to which was referred Senate Bill No. 509, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MELISSA WOODBURY, Chair

Mr. Speaker:

Your Committee on Government Affairs, to which was referred Assembly Bill No. 492, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

JOHN C. ELLISON, Chair

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Mr. Speaker:

Your Committee on Health and Human Services, to which was referred Senate Bill No. 107, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

JAMES OSCARSON, Chair

Mr. Speaker:

Your Committee on Judiciary, to which was referred Senate Bill No. 99, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

IRA HANSEN, Chair

Mr. Speaker:

Your Committee on Ways and Means, to which were referred Assembly Bills Nos. 489, 490, 491, 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 was referred Assembly Bill No. 485, 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 was rereferred Assembly Bill No. 146, 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 was rereferred Assembly Bill No. 241, 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 was rereferred Assembly Bill No. 326, 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 was rereferred Assembly Bill No. 399, 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 was rereferred Assembly Bill No. 410, 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 was rereferred Assembly Bill No. 445, 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. 467, 506, 508, 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 was referred Senate 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.

PAUL ANDERSON, Chair

Mr. Speaker:

Your Concurrent Committee on Ways and Means, to which was referred Senate Bill No. 227, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

PAUL ANDERSON, Chair

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 30, 2015

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate on this day passed Assembly Bills Nos. 12, 203, 388, 389, 448, 466, 469, 472, 473, 482, 483.

Also, I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bill No. 5, Amendment No. 1024; Assembly Bill No. 71,

Amendment No. 1021, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Senate on this day respectfully refused to recede from its action on Assembly Bill No. 240, Senate Amendment No. 913, and requests a conference, and appointed Senators Harris, Hammond and Ford as a Conference Committee to meet with a like committee of the Assembly.

Also, I have the honor to inform your honorable body that the Senate on this day respectfully refused to recede from its action on Assembly Bill No. 461, Senate Amendment No. 777, and requests a conference, and appointed Senators Farley, Settelmeyer and Ford as a Conference Committee to meet with a like committee of the Assembly.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 213, 214.

Also, I have the honor to inform your honorable body that the Senate on this day concurred in Assembly Amendment No. 818 to Senate Bill No. 4; Assembly Amendment No. 981 to Senate Bill No. 374.

Also, I have the honor to inform your honorable body that the Senate on this day concurred in Assembly Amendment No. 895 to Senate Bill No. 391; Assembly Amendment No. 910 to Senate Bill No. 474.

Also, I have the honor to inform your honorable body that the Senate on this day respectfully refused to concur in the Assembly Amendment No. 840 to Senate Bill No. 146.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Brower, Hammond and Kihuen as a Conference Committee concerning Senate Bill No. 52.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Settelmeyer, Farley and Harris as a Conference Committee concerning Senate Bill No. 193.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Lipparelli, Goicoechea and Parks as a Conference Committee concerning Senate Bill No. 340.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Brower, Roberson and Ford as a Conference Committee concerning Senate Bill No. 348.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Hammond, Settelmeyer and Atkinson as a Conference Committee concerning Senate Bill No. 376.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Goicoechea, Lipparelli and Atkinson as a Conference Committee concerning Senate Bill No. 482.

SHERRY RODRIGUEZ

Assistant Secretary of the Senate

SENATE CHAMBER, Carson City, May 31, 2015

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bill No. 258, Amendment No. 1034, and respectfully requests your honorable body to concur in said amendment.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 92, 416, 502.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 325, 371.

SHERRY RODRIGUEZ

Assistant Secretary of the Senate

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that Senate Bill No. 483 be taken from the Chief Clerk's desk and placed at the top of the General File.

Motion carried

Assemblyman Paul Anderson moved that all rules be suspended, reading so far had considered first or second reading as appropriate, rules further suspended, and all measures reported out of committee be declared emergency measures under the constitution and placed on third reading and final passage.

Motion carried

Assemblyman Paul Anderson moved to dispense with the reprinting of all measures for the remainder of the session.

Motion carried.

WAIVER OF JOINT STANDING RULES

A Waiver requested by Senator Roberson.

For: Assembly Bill No. 275.

To Waive:

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: May 30, 2015.

SENATOR MICHAEL ROBERSON
Senate Majority Leader

ASSEMBLYMAN JOHN HAMBRICK Speaker of the Assembly

A Waiver requested by Senator Roberson.

For: Assembly Bill No. 122.

To Waive:

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: May 31, 2015.

SENATOR MICHAEL ROBERSON Senate Majority Leader ASSEMBLYMAN JOHN HAMBRICK Speaker of the Assembly

A Waiver requested by Senator Roberson.

For: Senate Bill No. 123.

To Waive:

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: May 31, 2015.

SENATOR MICHAEL ROBERSON Senate Majority Leader ASSEMBLYMAN JOHN HAMBRICK Speaker of the Assembly

INTRODUCTION, FIRST READING AND REFERENCE

By Assemblyman Hambrick (Emergency Request of the Speaker of the Assembly):

Assembly Bill No. 493—AN ACT relating to incorporated cities; authorizing the governing body of an incorporated city to exercise powers necessary or proper to address matters of local concern for the effective

operation of city government; providing that such powers do not apply to certain matters; and providing other matters properly relating thereto.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By Assemblyman Hambrick (Emergency Request of the Speaker of the Assembly):

Assembly Bill No. 494—AN ACT relating to taxation; creating a regional board for the purpose of considering whether to enact the legislatively authorized increase in the rate of the tax imposed pursuant to the Clark County Sales and Use Tax Act of 2005; providing that any such increase in the rate must be approved by a two-thirds majority of the members of the regional board; specifying the membership and duties of the regional board; requiring the Board of County Commissioners of Clark County to impose an increase in the rate of the tax if such increase is approved by the regional board; specifying the date by which any such increase in the rate must first be imposed; suspending temporarily the application of certain provisions of the Act; and providing other matters properly relating thereto.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Taxation.

Motion carried.

By the Committee on Legislative Operations and Elections:

Assembly Bill No. 495—AN ACT relating to the Legislature; revising provisions governing the submission of a request for the drafting of a legislative measure to the Legislative Counsel; revising the deadline for prefiling legislative measures; and providing other matters properly relating thereto.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Legislative Operations and Elections.

Motion carried.

By the Committee on Legislative Operations and Elections:

Assembly Bill No. 496—AN ACT relating to the Legislative Department of the State Government; revising and clarifying provisions relating to the Legislative Department of the State Government; clarifying provisions relating to legislative studies and investigations; clarifying provisions relating to the work produced by and matters entrusted to the Legislative Counsel Bureau; clarifying the statutory codification of the constitutional doctrines of separation of powers and legislative privilege and immunity; and providing other matters properly relating thereto.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Legislative Operations and Elections.

Motion carried.

By Assemblywoman Kirkpatrick (Emergency Request of the Assembly Minority Leader):

Assembly Bill No. 497—AN ACT relating to taxes; revising provisions governing the financing of certain undertakings located in a tax increment area; authorizing, under certain circumstances, the allocation of certain sales and use taxes and employer excise taxes for the payment of debt incurred by a municipality that has designated a tax increment area for the purpose of financing an undertaking; authorizing, under certain circumstances, the financing of certain undertakings located in a tax increment area through the purchase by the State Treasurer of certain municipal securities and revenue securities; and providing other matters properly relating thereto.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Taxation.

Motion carried.

Senate Bill No. 92.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 213.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 214.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 325.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Senate Bill No. 371.

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

Motion carried.

Senate Bill No. 416.

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

Motion carried.

Senate Bill No. 502.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 483.

Bill read third time.

The following amendment was proposed by Assemblyman Hansen:

Amendment No. 1017.

AN ACT relating to governmental financial administration; temporarily revising provisions governing the rate of the payroll tax imposed on certain businesses engaged in mining in this State; temporarily revising provisions governing the rate and distribution of the excise tax on cigarettes; extending the prospective expiration of certain requirements regarding the imposition and advance payment [and computation of the tax on the net proceeds from certain mining operations conducted in this State;] of certain taxes; removing the prospective expiration of certain requirements regarding the imposition of the local school support tax; temporarily extending the allocation of a portion of the proceeds of the basic governmental services tax to the State General Fund; requiring businesses to provide additional information in an application for the issuance or renewal of a state business license that is submitted during a specified period; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law imposes an excise tax on certain financial institutions at a rate of 2 percent of the total wages paid by the financial institution each calendar quarter. (NRS 363A.130) **Sections 1 and 2** of this bill require businesses that are subject to the tax on the net proceeds of mining to pay the tax on the wages paid by the business at the same rate as the rate paid by financial institutions under existing law. **Section 17 of this bill expires this increased rate on June 30, 2017.**

Existing law imposes an excise tax on certain businesses other than financial institutions at the rate of 1.17 percent of the total wages paid by the business each calendar quarter that exceed \$85,000. (NRS 363B.110) On July 1, 2015, this rate is scheduled to change to 0.63 percent of the total wages paid by the business each calendar quarter. (Chapter 476, Statutes of Nevada 2011, pp. 2891, 2898, as last amended by chapter 518, Statutes of Nevada 2013, p. 3427; chapter 518, Statutes of Nevada 2013, p. 3424) Sections 10 and 12-14 of this bill [remove] delay this scheduled rate change until June 30, 2017, and [permanently] thus provide for the imposition of the tax at the rate of 1.17 percent of the total wages paid by the business each calendar quarter in excess of \$85,000 [H] until that date.

Existing law imposes an excise tax on the purchase, possession or use of cigarettes at the rate of 80 cents per pack of 20 cigarettes. (NRS 370.165, 370.350) Under existing law, the Department of Taxation must remit 70 cents

of the tax on each pack of 20 cigarettes, less the costs of collecting the tax, to the State Treasurer for deposit in the Account for the Tax on Cigarettes in the State General Fund, and the remaining amount of the tax must be deposited in the Local Government Tax Distribution Account for distribution to local governments. (NRS 370.260) **Sections 3-5** of this bill increase the excise tax on cigarettes to \$1.80 per pack of 20 cigarettes and require the additional amount of tax to be deposited in the Account in the State General Fund. **Section 17 of this bill expires the increased amount of the tax on June 30, 2017. Section 16** of this bill requires a wholesale dealer who purchases a revenue stamp evidencing payment of the tax before July 1, 2015, but who has not affixed that stamp to a pack of cigarettes before that date to pay the additional tax on the stamp.

Existing law requires, until June 30, 2015, the advance payment of the tax on the net proceeds of minerals based upon the estimated net proceeds and royalties of a mining operation for the current calendar year. (Chapter 4, Statutes of Nevada 2008, 25th Special Session, p. 14, as last amended by chapter 518, Statutes of Nevada 2013, p. 3425) **Section 6** of this bill delays the expiration of this requirement for advance payment until June 30, 12016, 2017, and section 11 of this bill makes conforming changes to related transitory provisions governing the duties of the Department of Taxation in 12017, 2018 and the appropriation and apportionment of money to counties and other local governments during that year.

Existing law provides that effective January 1, 2016, in computing the net proceeds from certain mining operations conducted in this State, a person may deduct certain amounts expended for health care for employees actually engaged in mining operations in this State. (Chapter 449, Statutes of Nevada 2011, p. 2690, as amended by chapter 518, Statutes of Nevada 2013, p. 3426) Section 9 of this bill extends to January 1, [2017,] 2018, the effective date of this deduction. Section 8 of this bill makes conforming changes to transitory provisions governing the computation of the proceeds from certain mining operations for calendar years [2016] 2017 and [2017] 2018 and all subsequent calendar years.

Existing law requires, until June 30, 2015, an increase in the rate of the Local School Support Tax of 0.35 percent. (Chapter 395, Statutes of Nevada 2009, pp. 2191-93, as last amended by chapter 518, Statutes of Nevada 2013, p. 3426) Section 7 of this bill [removes] delays the expiration date of this [rate thereby requiring the payment of this rate indefinitely.] increase until June 30, 2017.

The State of Nevada imposes a governmental services tax for the privilege of operating any vehicle upon the public highways of this State. (NRS 371.030) The annual amount of the basic governmental services tax is 4 cents on each \$1 of valuation of the vehicle, as determined by the Department of Motor Vehicles. (NRS 371.040) Existing law sets forth depreciation schedules for determining the amount of the basic governmental services tax due each year for used vehicles and establishes a minimum tax. (NRS 371.060)

In 2009, the amount of the basic governmental services tax due annually was increased for used vehicles by reducing the amount of depreciation allowed and increasing the minimum tax. The revenue from these increases in the basic governmental services tax were allocated to the State General Fund until June 30, 2015, and then were required to be deposited in the State Highway Fund thereafter. (Chapter 395, Statutes of Nevada 2009, p. 2188, as last amended by chapter 518, Statutes of Nevada 2013, p. 3426) Section 7 of this bill extends for an additional 2 years the period during which the increases in the basic governmental services tax are allocated to the State General Fund. Therefore, those increases will be deposited in the State Highway Fund commencing on July 1, 2017.

[Section 14.5 of this bill requires a person who, on or after October 1, 2015, and before October 1, 2016, applies for the issuance or renewal of a state business license to include in the application certain information concerning the revenue earned by that person from the sale of services used in this State.]

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

Section 1. NRS 363A.030 is hereby amended to read as follows: 363A.030 ["Employer"]

- 1. Except as otherwise provided in this section, "employer" means any [financial]:
- (a) Financial institution who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter with respect to any business activity of the financial institution. [, except]
- (b) Person who is subject to the tax on the net proceeds of minerals imposed pursuant to the provisions of NRS 362.100 to 362.240, inclusive, whether or not the person is required to pay that tax in a particular calendar year, and who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter with respect to any business activity of the person.
- 2. The term does not include an Indian tribe, a nonprofit organization or a political subdivision.
 - 3. For the purposes of this section:
- [1.] (a) "Indian tribe" includes any entity described in subsection 10 of NRS 612.055.
- [2.] (b) "Nonprofit organization" means a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).
- [3.] (c) "Political subdivision" means any entity described in subsection 9 of NRS 612.055.
 - Sec. 2. NRS 363B.030 is hereby amended to read as follows:

363B.030 ["Employer"]

1. Except as otherwise provided in this section, "employer" means any employer who is required to pay a contribution pursuant to NRS 612.535 for

any calendar quarter with respect to any business activity of the employer. [, except al

- 2. The term does not include:
- (a) A financial institution [, an];
- (b) Any person who is subject to the tax on the net proceeds of minerals imposed pursuant to the provisions of NRS 362.100 to 362.240, inclusive, whether or not the person is required to pay that tax in a particular calendar year, and who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter with respect to any business activity of the person;
 - (c) An Indian tribe [-, a];
 - (d) A nonprofit organization [, a];
 - (e) A political subdivision; or [any]
- (f) Any person who does not supply a product or service, but who only consumes a service.
 - 3. For the purposes of this section:
- [1.] (a) "Financial institution" has the meaning ascribed to it in NRS 363A.050.
- [2.] (b) "Indian tribe" includes any entity described in subsection 10 of NRS 612.055.
- [3.] (c) "Nonprofit organization" means a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).
- [4.] (d) "Political subdivision" means any entity described in subsection 9 of NRS 612.055.
 - **Sec. 3.** NRS 370.165 is hereby amended to read as follows:
- 370.165 There is hereby levied a tax upon the purchase or possession of cigarettes by a consumer in the State of Nevada at the rate of [40] 90 mills per cigarette. The tax may be represented and precollected by the affixing of a revenue stamp or other approved evidence of payment to each package, packet or container in which cigarettes are sold. The tax must be precollected by the wholesale or retail dealer, and must be recovered from the consumer by adding the amount of the tax to the selling price. Each person who sells cigarettes at retail shall prominently display on the premises a notice that the tax is included in the selling price and is payable under the provisions of this chapter.
 - **Sec. 4.** NRS 370.260 is hereby amended to read as follows:
- 370.260 1. All taxes and license fees imposed by the provisions of NRS 370.001 to 370.430, inclusive, less any refunds granted as provided by law, must be paid to the Department in the form of remittances payable to the Department.
 - 2. The Department shall:
- (a) As compensation to the State for the costs of collecting the taxes and license fees, transmit each month the sum the Legislature specifies from the remittances made to it pursuant to subsection 1 during the preceding month to the State Treasurer for deposit to the credit of the Department. The deposited

money must be expended by the Department in accordance with its work program.

- (b) From the remittances made to it pursuant to subsection 1 during the preceding month, less the amount transmitted pursuant to paragraph (a), transmit each month the portion of the tax which is equivalent to [35] 85 mills per cigarette to the State Treasurer for deposit to the credit of the Account for the Tax on Cigarettes in the State General Fund.
- (c) Transmit the balance of the payments each month to the State Treasurer for deposit in the Local Government Tax Distribution Account created by NRS 360.660.
 - (d) Report to the State Controller monthly the amount of collections.
- 3. The money deposited pursuant to paragraph (c) of subsection 2 in the Local Government Tax Distribution Account is hereby appropriated to Carson City and to each of the counties in proportion to their respective populations and must be credited to the respective accounts of Carson City and each county.
 - **Sec. 5.** NRS 370.350 is hereby amended to read as follows:
- 370.350 1. Except as otherwise provided in subsection 3, a tax is hereby levied and imposed upon the use of cigarettes in this state.
 - 2. The amount of the use tax is [40] 90 mills per cigarette.
 - 3. The use tax does not apply where:
- (a) Nevada cigarette revenue stamps have been affixed to cigarette packages as required by law.
 - (b) Tax exemption is provided for in this chapter.
- **Sec. 6.** Section 16 of chapter 4, Statutes of Nevada 2008, 25th Special Session, as last amended by chapter 518, Statutes of Nevada 2013, at page 3425, is hereby amended to read as follows:
 - Sec. 16. 1. This section and sections 2, 4, 14 and 15 of this act become effective upon passage and approval.
 - 2. Sections 6 to 12, inclusive, of this act become effective on January 1, 2009.
 - 3. Sections 4 and 6 to 12, inclusive, of this act expire by limitation on June 30, 2009.
 - 4. Sections 1, 3, 5 and 13 of this act become effective on July 1, 2009.
 - 5. Sections 1, 2, 3 and 5 of this act expire by limitation on June 30, [2015. 2016.] 2017.
- **Sec. 7.** Section 20 of chapter 395, Statutes of Nevada 2009, as last amended by chapter 518, Statutes of Nevada 2013, at p. 3426, is hereby amended to read as follows:
 - Sec. 20. 1. This section and section 19 of this act become effective upon passage and approval.
 - 2. Sections 1 and 2 of this act become effective on July 1, 2009.
 - 3. Section 3 of this act becomes effective on July 1, 2009, and expires by limitation on June 30, 2011.

- 4. Sections 6 to 12, inclusive, of this act become effective on July 1, 2009 [4], and expire by limitation on June 30, [2015.] 2017.
 - 5. Sections 4, 5, 13, 14, 15, 16, 17 and 18 of this act become effective:
- (a) Upon passage and approval for the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and
 - (b) On September 1, 2009, for all other purposes.
- 6. Sections 15.5 and 18.5 of this act become effective on July 1, 12015.1 2017.
- 7. Section 18 of this act expires by limitation on June 30, [2015.] 2017.
- **Sec. 8.** Section 17.5 of chapter 449, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3426, is hereby amended to read as follows:
 - Sec. 17.5. The amendatory provisions of section 12.7 of this act:
 - 1. Do not apply to or affect any determination of gross yield or net proceeds required pursuant to NRS 362.100 to 362.240, inclusive, for the calendar year [2015.-2016.] 2017.
 - 2. Apply for the purposes of estimating and determining gross yield and net proceeds pursuant to NRS 362.100 to 362.240, inclusive, for the calendar year [2016-2017] 2018 and each calendar year thereafter.
- **Sec. 9.** Section 19 of chapter 449, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at p. 3426, is hereby amended to read as follows:
 - Sec. 19. 1. This section and sections 1 to 12, inclusive, and 13 to 18, inclusive, of this act become effective upon passage and approval.
 - 2. Section 12.5 of this act becomes effective on January 1, 2012.
 - 3. Section 12.7 of this act becomes effective on January 1, [2016. 2017.] 2018.
- **Sec. 10.** Section 13 of chapter 476, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:
 - Sec. 13. The amendatory provisions of section 4 of this act :
 - 1. Do the not apply to any taxes due for any period ending on or before June 30, 2011 ; and
 - 2. Except as otherwise provided in subsection 1 and notwithstanding the expiration of that section by limitation pursuant to section 17 of this act, apply to taxes due pursuant to NRS 363B.110 for each calendar quarter ending on or before June 30, [2015.] 2017.
- **Sec. 11.** Section 15 of chapter 476, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:
 - Sec. 15. 1. When preparing its certificate of the tax due from a taxpayer pursuant to NRS 362.130 during the calendar year [2016, 2017,]

- <u>2018</u>, the Department of Taxation shall reduce the amount of the tax due from the taxpayer by the amount of:
- (a) Any estimated payments of the tax made by or on behalf of the taxpayer during the calendar year [2015-2016] 2017 pursuant to NRS 362.115, as that section read on January 1, [2015; 2016] 2017; and
- (b) Any unused credit to which the taxpayer may be entitled as a result of any previous overpayment of the tax.
 - 2. Notwithstanding any provision of NRS 362.170 to the contrary:
- (a) The amount appropriated to each county pursuant to that section for distribution to the county during the calendar year [2016-2017] 2018 must be reduced by the amount appropriated to the county pursuant to that section for distribution to the county during the calendar year [2015, 2016,] 2017, excluding any portion of the amount appropriated to the county pursuant to that section for distribution to the county during the calendar year [2015-2016] 2017 which is attributable to a pro rata share of any penalties and interest collected by the Department of Taxation for the late payment of taxes distributed to the county.
- (b) In calculating the amount required to be apportioned to each local government or other local entity pursuant to subsection 2 of that section for the calendar year [2016, 2017,] 2018, the county treasurer shall reduce the amount required to be determined pursuant to paragraph (a) of that subsection for that calendar year by the amount determined pursuant to that paragraph for the calendar year [2015. 2016.] 2017.
- **Sec. 12.** Section 17 of chapter 476, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:
 - Sec. 17. 1. This section and sections 1 and 7 to 16, inclusive, of this act become effective upon passage and approval.
 - 2. Sections 4.5 and 6 of this act become effective on July 1, 2011.
 - 3. Sections 4 and 6.5 of this act become effective on July 1, 2011 H₂ and expire by limitation on June 30, [2015.] 2017.
 - 4. Section 5 of this act becomes effective on the date that the balance of the separate account required by subsection 8 of NRS 408.235 is reduced to zero.
- **Sec. 13.** Section 11 of chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:
 - Sec. 11. The amendatory provisions of section 1 of this act :
 - 1. Do [do] not apply to any taxes due for any period ending on or before June 30, 2013 [d]; and
 - 2. Except as otherwise provided in subsection 1 and notwithstanding the expiration of that section by limitation pursuant to section 12 of this act, apply to taxes due pursuant to NRS 363B.110 for each calendar quarter ending on or before June 30, [2015.] 2017.
- **Sec. 14.** Section 12 of chapter 518, Statutes of Nevada 2013, at page 3428, is hereby amended to read as follows:

- Sec. 12. <u>1.</u> This act becomes effective upon passage and approval. 2. Section 1 of this act expires by limitation on June 30, 12015.1 2017.
- **Sec. 14.5.** 1. In addition to the information required by law to be included in an application for the issuance or renewal of a state business license, each application for the issuance or renewal of a state business license submitted on or after October 1, 2015, and before October 1, 2016, must include the following information:
- (a) The total dollar amount of revenue earned by each business conducted by the applicant during the immediately preceding federal tax year of the business from the sale of services used in this State or, if the applicant conducted no business in this State during the immediately preceding federal tax year, an estimate of the total dollar amount of revenue that the applicant will earn from the sale of services used in this State during the 12-month period commencing with the date the application is submitted.
- (b) The industry in which each business conducted by the applicant is primarily engaged.
- 2. The agency responsible for administering the state business license shall collect the information required by subsection 1 in the manner that is least burdensome for the businesses required to submit such information.
- 3. Upon request, the agency responsible for administering the state business license shall provide the information collected pursuant to subsection 1 to the Fiscal Analysis Division of the Legislative Counsel Bureau and the Department of Taxation.
- 4. The Fiscal Analysis Division and the Department of Taxation may analyze the information obtained pursuant to subsection 3 and issue written reports based on that information but shall not disclose any proprietary or confidential information obtained from the agency responsible for administering the state business license pursuant to subsection 3. Any written report based on the information obtained pursuant to subsection 3 may include only aggregate information for statistical purposes and must exclude any identifying information related to a particular person or business.
 - 5. Except as otherwise provided in subsections 3 and 4:
- (a) If the information collected pursuant to subsection 1 is collected by the Secretary of State, the provisions of NRS 76.160 apply to the information.
- (b) If the information collected pursuant to subsection 1 is collected by the Department of Taxation, the provisions of NRS 360.255 apply to the information.
- (c) Any information obtained by the Fiscal Analysis Division pursuant to subsection 3 shall be deemed a work product that is confidential pursuant to NRS 218F.150.
- 6. As used in this section, "federal tax year" means any period of 12 months for which a person is required to report income, tax deductions and tax credits pursuant to the provisions of the Internal Revenue Code and any regulations adopted pursuant thereto.
 - Sec. 15. The amendatory provisions of sections 1 and 2 of this act [do]:

- 1. **Do** not apply to taxes due for any period ending on or before June 30, 2015 ; and
- 2. Except as otherwise provided in subsection 1 and notwithstanding the expiration of those sections by limitation pursuant to section 17 of this act, apply to taxes due pursuant to NRS 363A.130 for each calendar quarter ending on or before June 30, 2017.
- **Sec. 16.** 1. The amendatory provisions of sections 3 and 5 of this act apply to cigarettes to which a stamp is affixed on or after July 1, 2015, regardless of the date on which a wholesale dealer purchased the stamp from the Department of Taxation.
 - 2. As used in this section:
 - (a) "Stamp" has the meaning ascribed to it in NRS 370.048.
 - (b) "Wholesale dealer" has the meaning ascribed to it in NRS 370.055.
- **Sec. 17.** 1. This section and sections 6 to 14, inclusive, of this act become effective upon passage and approval.
- 2. Sections 1 to 5, inclusive, 15 and 16 of this act become effective on July 1, 2015.
- 3. Section 14.5 of this act becomes effective:
- (a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and
 - (b) On October 1, 2015, for all other purposes.
- 4. Sections 1 to 5, inclusive, and 16 of this act expire by limitation on June 30, 2017.

Assemblyman Hansen moved the adoption of the amendment. Remarks by Assemblyman Hansen.

ASSEMBLYMAN HANSEN:

In 2009, at the time our state was in its worst financial crisis, Senator Raggio set up a series of tax changes that we have called the sunset taxes. They involve changes to the modified business tax and the business license fee. They required the mining industry to pay in advance on its taxation. There are other similar taxes in it, including a 0.35 percent sales tax that went to the Distributive School Account and today totals \$376 million. Our state has not recovered anywhere close to making these things permanent. What this amendment does is extend the sunsets on these as was promised to the voters of the state of Nevada back in 2009.

We are still number one in the number of homes that are upside down on their mortgages. We are number two in the nation in foreclosure. Being a member of the small business community, I can assure this body that small businesses are still struggling financially. The idea that we are now going to make these taxes permanent is wrong in light of the original intent of Senator Raggio and the Legislature back in 2009. My amendment proposes to extend those sunsets for another two years, and if the economy of the state of Nevada substantially recovers, then we can revisit those. In light of the fact that our economy is still just barely getting going, this is the right thing for this body to do.

I should also point out that since the 2009 change, the number of business licenses that have come to Nevada for nonresident corporations has dropped off substantially. We have seen a loss of revenue that this state has relied on in the range of tens to hundreds of millions of dollars as those nonresident corporations are moving to Wyoming and other states we are no longer competitive against. Something as simple as changing the business license fee from \$100 to \$200 has hurt the nonresident efforts to come to this state. Right here in Carson City, there are a large

number of these resident agent businesses that are struggling now. We will be discussing further the other aspects of Senate Bill 483, including an even greater enhancement of the business license fee and how that will drive even more businesses out of Nevada. As most of you know who have studied the business license fee, that is basically free money. There are no children going to school from those. There are no increases in uses of our highways. It is one of the very best and most stable sources we have had for years.

I would urge this body to adopt my amendment to extend those sunsets, do the right thing for the economy, and keep these as temporary taxes with the expectation that our state's economy will improv and then we can revisit those in two years if that happens. I would urge the adoption of Amendment 1017 to Senate Bill 483.

Motion lost.

Assemblymen Hansen, Ellison, and Jones requested a roll call vote.

Roll call on motion to adopt Amendment No. 1017 to Senate Bill No. 483. YEAS—14.

NAYS—Elliot Anderson, Paul Anderson, Araujo, Armstrong, Benitez-Thompson, Bustamante Adams, Carlton, Carrillo, Diaz, Flores, Hambrick, Hickey, Joiner, Kirkpatrick, Kirner, Munford, Neal, Nelson, Ohrenschall, Oscarson, Spiegel, Sprinkle, Stewart, Swank, Thompson, Woodbury—26.

EXCUSED—Dooling, Moore—2.

Motion lost.

The following amendment was proposed by Assemblymen Armstrong and Paul Anderson:

Amendment No. 1039.

AN ACT relating to governmental financial administration; providing for the imposition, administration and payment of a commerce tax on the Nevada gross revenue of certain business entities engaged in business in this State; revising provisions governing the rate and calculation of the payroll tax imposed on certain businesses [engaged in mining] in this State; revising provisions governing the rate and distribution of the excise tax on cigarettes; revising provisions governing the state business license fee; revising provisions governing the fee imposed on certain business entities for filing an initial or annual list; extending the prospective expiration of certain requirements regarding the advance payment and computation of the tax on the net proceeds from certain mining operations conducted in this State; removing the prospective expiration of certain requirements regarding the imposition of the local school support tax; [temporarily extending] revising provisions relating to the allocation of a certain portion of the proceeds of the basic governmental services tax Ito the State General Fund; requiring businesses to provide additional information in an application for the issuance or renewal of a state business license that is submitted during a specified period; ; temporarily extending the expiration of the fee for the provision of specialty court programs following a conviction for a misdemeanor offense of driving a vehicle under the influence; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law imposes an excise tax on certain financial institutions at a rate of 2 percent of the total wages paid by the financial institution each calendar

quarter. (NRS 363A.130) Sections 1 and 2 of this bill require businesses that are subject to the tax on the net proceeds of mining to pay the tax on the wages paid by the business at the same rate as the rate paid by financial institutions under existing law.

Section 20 of this bill imposes an annual commerce tax on each business entity engaged in business in this State whose Nevada gross revenue in a fiscal year exceed \$4,000,000 at a rate that is based on the industry in which the business entity is primarily engaged. In accordance with section 9 of this bill, the Nevada gross revenue of a business entity is determined by taking the amount of its gross revenue, as defined in section 8 of this bill, making various adjustments to that amount under section 21 of this bill, and then situsing that adjusted amount to this State pursuant to section 22 of this bill. Sections 24-49 of this bill set forth the rate of the commerce tax for the industry in which a business entity is primarily engaged. Sections 2-66 of this bill further provide for the administration, collection and enforcement of the commerce tax by the Department of Taxation in a manner similar to other state taxes. Sections 77, 79, 83, 85, 86, 89, 90, 93-95, 97 and 100 of this bill authorize the imposition of various types of disciplinary action against certain business entities who fail to pay the tax by the agencies responsible for their supervision and licensing. Sections 78, 80-82, 84, 87, 88, 91 and 92 of this bill authorize the Department to obtain certain records and information from certain agencies to assist the Department in its administration of the tax. Sections 96, 98, 99, 101 and 102 of this bill amend various provisions of existing law, including, without limitation, various provisions of the Nevada Insurance Code to specifically provide that entities regulated under that Code are required to comply with the provisions of the commerce tax.

Existing law imposes an excise tax on certain businesses other than financial institutions at the rate of 1.17 percent of the total wages paid by the business each calendar quarter that exceed \$85,000. (NRS 363B.110) On July 1, 2015, this rate is scheduled to change to 0.63 percent of the total wages paid by the business each calendar quarter. (Chapter 476, Statutes of Nevada 2011, pp. 2891, 2898, as last amended by chapter 518, Statutes of Nevada 2013, p. 3427; chapter 518, Statutes of Nevada 2013, p. 3424) Existing law also imposes an excise tax on financial institutions at the rate of 2 percent of the total wages paid by the financial institution each calendar quarter. Sections [10] and 12-14] 62 and 67-70 of this bill fremove this scheduled rate change and permanently provide for the imposition of the tax at the rate of 1.17 percent of the total wages paid by the business each calendar quarter in excess of \$85,000.]: (1) require businesses that are subject to the tax on the net proceeds of mining to pay the payroll tax at the same rate as the rate paid by financial institutions under existing law; (2) impose the payroll tax businesses other than a financial institution or a mining business at the rate of 1.475 of the total wages paid by the business each calendar quarter that exceed \$50,000; (3) authorize a business to subtract 50 percent of the commerce tax paid by the business as a credit when determining the amount of the tax on the total wages paid the business which is due from the business; and (4) require a reduction in the rate of the tax on the total wages paid by all businesses if the combined revenue from the commerce tax and the tax on the total wages by a business exceed a certain amount.

Existing law imposes an excise tax on the purchase, possession or use of cigarettes at the rate of 80 cents per pack of 20 cigarettes. (NRS 370.165, 370.350) Under existing law, the Department of Taxation must remit 70 cents of the tax on each pack of 20 cigarettes, less the costs of collecting the tax, to the State Treasurer for deposit in the Account for the Tax on Cigarettes in the State General Fund, and the remaining amount of the tax must be deposited in the Local Government Tax Distribution Account for distribution to local governments. (NRS 370.260) **Sections** [3-5] 71-73 of this bill increase the excise tax on cigarettes to \$1.80 per pack of 20 cigarettes and require the additional amount of tax to be deposited in the Account in the State General Fund. **Section** [16] 113 of this bill requires a wholesale dealer who purchases a revenue stamp evidencing payment of the tax before July 1, 2015, but who has not affixed that stamp to a pack of cigarettes before that date to pay the additional tax on the stamp.

Existing law imposes an annual fee of \$200 for a state business license. (NRS 76.100, 76.130) On July 1, 2015, this fee is scheduled to change to \$100. (Chapters 381 and 429, Statutes of Nevada 2009, as last amended by chapter 518, Statutes of Nevada 2013, p. 3426) Sections 74 and 75 of this bill increased the annual state business license fee to \$500 for all corporations organized pursuant to the laws of this State and all foreign corporations transacting business in this State. Sections 74 and 75 further maintain the existing \$200 state business license fee for all other businesses.

Existing law requires each business entity organizing under the laws of this State or transacting business in this State to: (1) file with the Secretary of State an initial list and an annual list of the directors and officers of the entity or the persons holding the equivalent office; and (2) pay a fee for that filing. (NRS 78.150, 80.110, 82.193, 82.523, 84.110, 86.263, 86.5461, 87.510, 87.541, 87A.290, 87A.560, 88.395, 88.591, 88A.600, 88A.732, 89.250) Sections 75.5 and 76.1-76.8 of this bill increase by \$25 the fee for filing an initial or annual list.

Existing law requires, until June 30, 2015, the advance payment of the tax on the net proceeds of minerals based upon the estimated net proceeds and royalties of a mining operation for the current calendar year. (Chapter 4, Statutes of Nevada 2008, 25th Special Session, p. 14, as last amended by chapter 518, Statutes of Nevada 2013, p. 3425) Section [6] 103 of this bill delays the expiration of this requirement for advance payment until June 30, 2016, and section [11] 107 of this bill makes conforming changes to related transitory provisions governing the duties of the Department of Taxation in

2017 and the appropriation and apportionment of money to counties and other local governments during that year.

Existing law provides that effective January 1, 2016, in computing the net proceeds from certain mining operations conducted in this State, a person may deduct certain amounts expended for health care for employees actually engaged in mining operations in this State. (Chapter 449, Statutes of Nevada 2011, p. 2690, as amended by chapter 518, Statutes of Nevada 2013, p. 3426) [Section 9] Section 106 of this bill extends to January 1, 2017, the effective date of this deduction. Section [8] 105 of this bill makes conforming changes to transitory provisions governing the computation of the proceeds from certain mining operations for calendar years 2016 and 2017 and all subsequent calendar years.

Existing law requires, until June 30, 2015, an increase in the rate of the Local School Support Tax of 0.35 percent. (Chapter 395, Statutes of Nevada 2009, pp. 2191-93, as last amended by chapter 518, Statutes of Nevada 2013, p. 3426) **Section** [7] 104 of this bill removes the expiration date of this rate thereby requiring the payment of this rate indefinitely.

The State of Nevada imposes a governmental services tax for the privilege of operating any vehicle upon the public highways of this State. (NRS 371.030) The annual amount of the basic governmental services tax is 4 cents on each \$1 of valuation of the vehicle, as determined by the Department of Motor Vehicles. (NRS 371.040) Existing law sets forth depreciation schedules for determining the amount of the basic governmental services tax due each year for used vehicles and establishes a minimum tax. (NRS 371.060) In 2009, the amount of the basic governmental services tax due annually was increased for used vehicles by reducing the amount of depreciation allowed and increasing the minimum tax. The revenue from these increases in the basic governmental services tax were allocated to the State General Fund until June 30, 2015, and then were required to be deposited in the State Highway Fund thereafter. (Chapter 395, Statutes of Nevada 2009, p. 2188, as last amended by chapter 518, Statutes of Nevada 2013, p. 3426) [Section 7] Sections 78.1-78.9 of this bill [extends for an additional 2 years the period during which] provide that: (1) the increases in the basic governmental services tax are allocated to the State General Fund [. Therefore,] in fiscal year 2015-2016; (2) in fiscal year 2016-2017, fifty percent of those increases will be deposited in the State General Fund and 50 percent of those increases will be deposited in the State Highway Fund; and (3) the entire amount of those increases will be deposited in the State Highway Fund commencing on July 1, 2017. Section 14.5 of this bill requires a person who, on or after October 1, 2015, and before October 1, 2016, applies for the issuance or renewal of a state business license to include in the application certain information concerning the revenue earned by that person from the sale of services used in this State.] Existing law requires a court to impose a fee of \$100, in addition to any other administrative assessment, penalty or fine imposed, if a person pleads guilty, guilty but mentally ill or nolo contendere to, or is found

guilty of, a charge of driving under the influence of intoxicating liquor or a controlled substance that is punishable as a misdemeanor. The money collected for this fee is deposited with the State Controller for credit to a special account in the State General Fund administered by the Office of Court Administrator and money apportioned to a court from this fee must be used by the court for certain purposes related to specialty court programs. (NRS 484C.515) Under existing law, this fee expires by limitation on June 30, 2015. (Chapter 373, Statutes of Nevada 2013, p. 1992) Section 109 of this bill extends the expiration date of this fee until June 30, 2017.

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

- Section 1. <u>Title 32 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 61, inclusive, of this act.</u>
- Sec. 2. <u>As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 2 to 13, inclusive, of this act have the meanings ascribed to them in those sections.</u>
- Sec. 3. "Business" means any activity engaged in or caused to be engaged in with the object of gain, benefit or advantage, either direct or indirect, to any person or governmental entity.
- Sec. 4. <u>1. Except as otherwise provided in subsection 2, "business entity" means a corporation, partnership, proprietorship, limited-liability company, business association, joint venture, limited-liability partnership, business trust, professional association, joint stock company, holding company and any other person engaged in a business.</u>
- 2. "Business entity" does not include:
- (a) Any person or other entity which this State is prohibited from taxing pursuant to the Constitution or laws of the United States or the Nevada Constitution.
- (b) A natural person, unless that person is engaging in a business and is required to file with the Internal Revenue Service a Schedule C (Form 1040), Profit or Loss from Business, or its equivalent or successor form, a Schedule E (Form 1040), Supplemental Income and Loss, or its equivalent or successor form, or a Schedule F (Form 1040), Profit or Loss from Farming, or its equivalent or successor form, for that business.
- (c) A governmental entity.
- (d) A nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).
- (e) A business entity organized pursuant to chapter 82 or 84 of NRS.
- (f) A credit union organized under the provisions of chapter 678 of NRS or the Federal Credit Union Act.
- (g) A grantor trust as defined by section 671 and 7701(a)(30)(E) of the Internal Revenue Code, 26 U.S.C. §§ 671 and 7701(a)(30)(E), all of the

- grantors and beneficiaries of which are natural persons or charitable entities as described in section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), excluding a trust taxable as a business entity pursuant to 26 C.F.R. § 301.7701-4(b).
- (h) An estate of a natural person as defined by section 7701(a)(30)(D) of the Internal Revenue Code, 26 U.S.C. § 7701(a)(30)(D), excluding an estate taxable as a business entity pursuant to 26 C.F.R. § 301.7701-4(b).
- (i) A real estate investment trust, as defined by section 856 of the Internal Revenue Code, 26 U.S.C. § 856, and its qualified real estate investment trust subsidiaries, as defined by section 856(i)(2) of the Internal Revenue Code, 26 U.S.C. § 856(i)(2), except that:
- (1) A real estate investment trust with any amount of its assets in direct holdings of real estate, other than real estate it occupies for business purposes, as opposed to holding interests in limited partnerships or other entities that directly hold the real estate, is a business entity pursuant to this section; and
- (2) A limited partnership or other entity that directly holds the real estate as described in subparagraph (1) is a business entity pursuant to this section, without regard to whether a real estate investment trust holds an interest in it.
- (j) A real estate mortgage investment conduit, as defined by section 860D of the Internal Revenue Code, 26 U.S.C. § 860D.
- (k) A trust qualified under section 401(a) of the Internal Revenue Code, 26 U.S.C. § 401(a).
- (1) A passive entity.
- (m) A person whose activities within this State are confined to the owning, maintenance and management of the person's intangible investments or of the intangible investments of persons or statutory trusts or business trusts registered as investment companies under the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq., as amended, and the collection and distribution of the income from such investments or from tangible property physically located outside this State. For the purposes of this paragraph, "intangible investments" includes, without limitation, investments in stocks, bonds, notes and other debt obligations, including, without limitation, debt obligations of affiliated corporations, real estate investment trusts, patents, patent applications, trademarks, trade names and similar types of intangible assets or an entity that is registered as an investment company under the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq.
- (n) A person who takes part in an exhibition held in this State for a purpose related to the conduct of a business and is not required to obtain a state business license specifically for that event pursuant to NRS 360.780.
- Sec. 5. <u>"Commerce tax" means the tax required to be paid pursuant to this chapter.</u>
- Sec. 5.5. <u>"Credit sales" means a sale of goods by a seller who accepts payments for the goods at a later time.</u>

- Sec. 6. "Engaging in a business" means commencing, conducting or continuing a business, the exercise of corporate or franchise powers regarding a business, and the liquidation of a business which is or was engaging in a business when the liquidator holds itself out to the public as conducting that business.
 - Sec. 7. "Governmental entity" means:
- 1. The United States and any of its unincorporated agencies and instrumentalities.
- 2. Any incorporated agency or instrumentality of the United States wholly owned by the United States or by a corporation wholly owned by the United States.
- 3. The State of Nevada and any of its unincorporated agencies and instrumentalities.
- 4. Any county, city, district or other political subdivision of this State.
- Sec. 8. 1. Except as otherwise provided in subsection 3, "gross revenue" means the total amount realized by a business entity from engaging in a business in this State, without deduction for the cost of goods sold or other expenses incurred, that contributes to the production of gross income, including, without limitation, the fair market value of any property and any services received, and any debt transferred or forgiven as consideration.
- 2. Except as otherwise provided in subsection 3, the term includes, without limitation:
- (a) Amounts realized from the sale, exchange or other disposition of a business entity's property;
- (b) Amounts realized from the performance of services by a business entity;
- (c) Amounts realized from another person's possession of the property or capital of a business entity; and
- (d) Any combination of these amounts.
- 3. The term does not include:
- (a) Amounts realized from the sale, exchange, disposition or other grant of the right to use trademarks, trade names, patents, copyrights and similar intellectual property;
- (b) The value of cash discounts allowed by the business entity and taken by a customer;
- (c) The value of goods or services provided to a customer on a complimentary basis;
- (d) Amounts realized from a transaction subject to, described in, or equivalent to, section 118, 331, 332, 336, 337, 338, 351, 355, 368, 721, 731, 1031 or 1033 of the Internal Revenue Code, 26 U.S.C. § 118, 331, 332, 336, 338, 351, 355, 368, 721, 731, 1031 or 1033, regardless of the federal tax classification of the business entity under 26 C.F.R. § 301.7701-3;
- (e) Amounts indirectly realized from a reduction of an expense or deduction; and

- (f) The value of property or services donated to a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), if the donation is tax deductible pursuant to the provisions of section 170(c) of the Internal Revenue Code, 26 U.S.C. § 170(c).
- (g) Amounts that are not considered revenue under generally accepted accounting principles.
- Sec. 8.5. "Loan" means any extension of credit or the purchase in whole or in part of an extension of credit from another person, including, without limitation, participations and syndications.
- Sec. 9. "Nevada gross revenue" means the gross revenue of a business entity from engaging in a business in this State, as adjusted pursuant to section 21 of this act and sitused to this State pursuant to section 22 of this act.
- Sec. 10. "North American Industry Classification System" or "NAICS" means the 2012 North American Industry Classification System published by the Bureau of the Census of the United States Department of Commerce.
- Sec. 10.5. "Pass-through entity" means an entity that is disregarded as an entity for the purposes of federal income taxation or is treated as a partnership for the purposes of federal income taxation.
 - Sec. 11. 1. "Pass-through revenue" means:
- (a) Revenue received by a business entity that is required by law or fiduciary duty to be distributed to another person or governmental entity;
- (b) Taxes collected from a third party by a business entity and remitted by the business entity to a taxing authority;
- (c) Reimbursement for advances made by a business entity on behalf of a customer or client, other than with respect to services rendered or with respect to purchases of goods by the business entity in carrying out the business in which it engages;
- (d) Revenue received by a business entity that is mandated by contract or subcontract to be distributed to another person or entity if the revenue constitutes:
- (1) Sales commissions that are paid to a person who is not an employee of the business entity, including, without limitation, a split-fee real estate commission;
- (2) The tax basis of securities underwritten by the business entity, as determined for the purposes of federal income taxation; or
- (3) Subcontracting payments under a contract or subcontract entered into by a business entity to provide services, labor or materials in connection with the actual or proposed design, construction, remodeling, remediation or repair of improvements on real property or the location of the boundaries of real property;
- (e) Revenue received by a business entity that provides legal services if the revenue received by the business entity is:

- (1) Mandated by law, fiduciary duty or contract to be distributed to a claimant by the claimant's attorney or to another person or entity on behalf of a claimant by the claimant's attorney, including, without limitation, revenue received:
 - (I) For damages due to a client represented by the business entity;
- (II) That is subject to a lien or other contractual obligation arising out of the representation provided by the business entity, other than fees owed to the business entity for the provision of legal services;
- (III) That is subject to a subrogation interest or other third-party contractual claim; and
- (IV) That is required to be paid to another attorney who provided legal services in a matter and who is not a member, partner, shareholder or employee of the business entity; and
- (2) Reimbursement of the expenses incurred by the business entity in providing legal services to a claimant that are specific to the claimant's matter and that are not general operating expenses of the business entity; or (f) Revenue received by a business entity that is part of an affiliated group from another member of the affiliated group.
- 2. As used in this section:
- (a) "Affiliated group" means a group of two or more business entities, including, without limitation, a business entity described in subsection 2 of section 4 of this act, each of which is controlled by one or more common owners or by one or more members of the group.
- (b) "Controlled by" means the direct or indirect ownership, control or possession of 50 percent or more of a business entity.
- (c) "Sales commission" means:
- (1) Any form of compensation paid to a person for engaging in an act for which a license is required pursuant to chapter 645 of NRS; or
- (2) Compensation paid to a sales representative by a principal in an amount that is based on the amount or level of orders for or sales on behalf of the principal and that the principal is required to report on Internal Revenue Service Form 1099-MISC, Miscellaneous Income.
- Sec. 11.5. "Securities" means United States Treasury securities, obligations of United States governmental agencies and corporations, obligations of a state or political subdivision, corporate stock, bonds, participations in securities backed by mortgages held by United States or state governmental agencies, loan-backed securities, money market instruments, federal funds, securities purchased and sold under agreements to resell or repurchase, commercial paper, banker's acceptances, purchased certificates of deposit, options, futures contracts, forward contracts, notional principal contracts, including, without limitation, swaps, and other similar securities and instruments.
- Sec. 12. <u>"Taxable year" means the 12-month period beginning on July 1 and ending on June 30 of the following year.</u>

- Sec. 13. "Wages" means any remuneration paid for personal services, including, without limitation, commissions and bonuses, and remuneration payable in any medium other than cash.
- Sec. 13.5. For the purposes of this chapter, unless otherwise indicated, section references are to the Internal Revenue Code of 1986, as amended, and include future amendments to such sections and corresponding provisions of future federal internal revenue laws.
- Sec. 14. <u>1. For the purposes of this chapter, a business is a "passive entity" only if:</u>
- (a) The business is a limited-liability company, general partnership, limited-liability partnership, limited partnership or limited-liability limited partnership, or a trust, other than a business trust;
- (b) During the period for which the gross revenue of the business entity is reported pursuant to section 20 of this act, at least 90 percent of the business entity's federal gross income consists of the following income:
- (1) Dividends, interest, foreign currency exchange gains, periodic and nonperiodic payments with respect to notional principal contracts, option premiums, cash settlements or termination payments with respect to a financial instrument, and income from a limited-liability company;
- (2) Capital gains from the sale of real property, gains from the sale of commodities traded on a commodities exchange and gains from the sale of securities; and
- (3) Royalties, bonuses or delay rental income from mineral properties and income from other nonoperating mineral interests; and
- (c) The business entity does not receive more than 10 percent of its federal gross income from conducting an active trade or business.
- 2. As used in paragraph (b) of subsection 1, the term "income" does not include any:
- (a) Rent; or
- (b) Income received by a nonoperator from mineral properties under a joint operating agreement if the nonoperator is a member of an affiliated group and another member of that group is the operator under that joint operating agreement.
 - 3. For the purposes of paragraph (c) of subsection 1:
- (a) Except as otherwise provided in this subsection, a business entity is "conducting an active trade or business" if:
- (1) The activities being carried on by the business entity include one or more active operations that form a part of the process of earning income or profit, and the business entity performs active management and operating functions; or
- (2) Any assets, including, without limitation, royalties, patents, trademarks and other intangible assets, held by the business entity are used in the active trade or business of one or more related business entities.

- (b) The ownership of a royalty interest or a nonoperating working interest in mineral rights does not constitute the conduct of an active trade or business.
- (c) The payment of compensation to employees or independent contractors for financial or legal services reasonably necessary for the operation of a business does not constitute the conduct of an active trade or business.
- (d) Holding a seat on the board of directors of a business entity does not by itself constitute the conduct of an active trade or business.
- (e) Activities performed by a business entity include activities performed by persons outside the business entity, including independent contractors, to the extent that those persons perform services on behalf of the business entity and those services constitute all or any part of the business entity's trade or business.
- Sec. 15. For the purposes of this chapter, if a business entity engaging in a business in this State is engaged in business in more than one business category set forth in sections 24 to 49, inclusive, of this act, the business entity shall be deemed to be primarily engaged in the business category in which the highest percentage of its Nevada gross revenue is generated.
 - Sec. 16. The Department shall:
- 1. Administer and enforce the provisions of this chapter, and may adopt such regulations as it deems appropriate for that purpose.
- 2. Deposit all fees, interest and penalties it receives pursuant to this chapter in the State Treasury for credit to the State General Fund.
- Sec. 17. <u>1. Each person responsible for maintaining the records of a business entity shall:</u>
- (a) Keep such records as may be necessary to determine the amount of the liability of the business entity pursuant to the provisions of this chapter;
- (b) Preserve those records for 4 years or until any litigation or prosecution pursuant to this chapter is finally determined, whichever is longer; and
- (c) Make the records available for inspection by the Department upon demand at reasonable times during regular business hours.
- 2. The Department may by regulation specify the types of records which must be kept to determine the amount of the liability of a business entity pursuant to the provisions of this chapter. The regulations adopted by the Department pursuant to this subsection must specify the type of information that a business entity engaging in a business in this State must keep in the normal course of its financial recordkeeping for the purpose of determining the amount of the commerce tax owed by the business entity.
- Sec. 18. 1. To verify the accuracy of any return filed or, if no return is filed by a business entity, to determine the amount of the commerce tax required to be paid pursuant to this chapter, the Department, or any person authorized in writing by the Department, may examine the books, papers and records of any person who may be liable for the commerce tax.

- 2. Any person who may be liable for the commerce tax and who keeps outside of this State any books, papers or records relating thereto shall pay to the Department an amount equal to the allowance provided for state officers and employees generally while traveling outside of the State for each day or fraction thereof during which an employee of the Department is engaged in examining those documents, plus any other actual expenses incurred by the employee while he or she is absent from his or her regular place of employment to examine those documents.
- Sec. 19. The Executive Director may request from any other governmental agency or officer such information as the Executive Director deems necessary to carry out the provisions of this chapter. If the Executive Director obtains any confidential information pursuant to such a request, he or she shall maintain the confidentiality of that information in the same manner and to the same extent as provided by law for the agency or officer from whom the information was obtained.
- Sec. 20. 1. For the privilege of engaging in a business in this State, a commerce tax is hereby imposed upon each business entity whose Nevada gross revenue in a taxable year exceeds \$4,000,000 in an amount determined pursuant to sections 23 to 49, inclusive, of this act. The commerce tax is due and payable as provided in this section.
- 2. Each business entity engaging in a business in this State during a taxable year shall, on or before the 45th day immediately following the end of that taxable year, file with the Department a report on a form prescribed by the Department. The report required by this subsection must include such information as is required by the Department. A business entity shall remit with the return the amount of commerce tax due pursuant to subsection 1.
- 3. For the purposes of determining the amount of the commerce tax due pursuant to this chapter, the initial report filed by a business entity with the Department pursuant to subsection 2 must designate the business category in which the business entity is primarily engaged. A business entity may not change the business category designated for that business entity unless the person applies to the Department to change such designation and the Department determines that the business is no longer primarily engaged in the designated business category.
- 4. Upon written application made before the date on which payment of the commerce tax due pursuant to this chapter must be made, the Department may for good cause extend by not more than 30 days the time within which a business entity is required to pay the commerce tax. If the commerce tax is paid during the period of extension, no penalty or late charge may be imposed for failure to pay the commerce tax at the time required, but the business entity shall pay interest at the rate of 0.75 percent per month from the date on which the amount would have been due without the extension until the date of payment, unless otherwise provided in NRS 360.232 or 360.320.

- Sec. 21. 1. In computing the commerce tax owed by a business entity pursuant to this chapter, the business entity is entitled to deduct from its gross revenue the following amounts, to the extent such amounts are included in gross revenue of the business entity:
- (a) Any gross revenue which this State is prohibited from taxing pursuant to the Constitution or laws of the United States or the Nevada Constitution.
- (b) Any gross revenue of the business entity attributable to dividends and interest upon any bonds or securities of the Federal Government, the State of Nevada or a political subdivision of this State.
- (c) If a business entity is required to pay a license fee pursuant to NRS 463.370, the amount of its gross receipts used to determine the amount of that fee.
- (d) If the business entity is required to pay a tax on the net proceeds from mineral extraction and royalties subject to the excise tax pursuant to the provisions of NRS 362.100 to 362.240, inclusive, the amount of the gross proceeds used to determine the amount of that tax.
- (e) If the business entity is required to pay the tax imposed by chapter 369 of NRS, an amount equal to the amount of the excise tax paid pursuant to that chapter by the business entity.
- (f) If the business entity is required to pay the tax imposed pursuant to chapter 680B of NRS:
- (1) The amount of the total income derived from direct premiums written and all other considerations for insurance, bail or annuity contracts used to determine the amount of the tax imposed pursuant to chapter 680B of NRS;
- (2) Any amounts excluded from total income derived from direct premiums pursuant to NRS 680B.025; and
- (3) Gross premiums upon policies on risks located in this State received by a factory mutual and amounts deducted from such gross premiums to determine the amount of the tax imposed by NRS 680B.027 upon the factory mutual pursuant to NRS 680B.033.
- (g) If the business entity is required to pay the tax imposed pursuant to NRS 694C.450, the amount of the net direct premiums, as defined in that section, used to determine the amount of that tax.
- (h) If the business entity is required to pay the tax imposed pursuant to NRS 685A.180, the amount of the premiums, as defined in that section, used to determine the amount of that tax.
- (i) Except as otherwise provided by paragraph (j), the total amount of payments received by a health care provider:
- (1) From Medicaid, Medicare, the Children's Health Insurance Program, the Fund for Hospital Care to Indigent Persons created pursuant to NRS 428.175 or TRICARE;
- (2) For professional services provided in relation to a workers' compensation claim; and

- (3) For the actual cost to the health care provider for any uncompensated care provided by the health care provider, except that if the health care provider later receives payment for all or part of that care, the health care provider must include the amount of the payment in his or her gross receipts for the calendar quarter in which the payment is received.
- (j) If the business entity is engaging in a business in this State as a health care provider that is a health care institution, an amount equal to 50 percent of the amounts described in paragraph (i) that are received by the health care institution.
- (k) If the business entity is engaging in business in this State as an employee leasing company, the amount of any payments received from a client company for wages, payroll taxes on those wages, employee benefits and workers' compensation benefits for employees leased to the client company.
- (l) The amount of any pass-through revenue of the business entity. (m)

 The tax basis of securities and loans sold by the business entity, as determined for the purposes of federal income taxation.
- (n) The amount of revenue received by the business entity that is directly derived from the operation of a facility that is:
- (1) Located on property owned or leased by the Federal Government; and
- (2) Managed or operated primarily to house members of the Armed Forces of the United States.
- (o) Interest income other than interest on credit sales.
- (p) Dividends and distributions from corporations, and distributive or proportionate shares of receipts and income from a pass-through entity.
- (q) Receipts from the sale, exchange or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code, 26 U.S.C. § 1221 or 1231, without regard to the length of time the business entity held the asset.
- (r) Receipts from a hedging transaction, as defined in section 1221 of the Internal Revenue Code, 26 U.S.C. § 1221, or a transaction accorded hedge accounting treatment under Statement No. 133 of the Financial Accounting Standards Board, Accounting for Derivative Instruments and Hedging Activities, to the extent the transaction is entered into primarily to protect a financial position, including, without limitation, managing the risk of exposure to foreign currency fluctuations that affect assets, liabilities, profits, losses, equity or investments in foreign operations, to interest rate fluctuations or to commodity price fluctuations. For the purposes of this paragraph, receipts from the actual transfer of title of real or tangible personal property to another business entity are not receipts from a hedging transaction or a transaction accorded hedge accounting treatment.
- (s) Proceeds received by a business entity that are attributable to the repayment, maturity or redemption of the principal of a loan, bond, mutual fund, certificate of deposit or marketable instrument.

- (t) The principal amount received under a repurchase agreement or on account of any transaction properly characterized as a loan.
- (u) Proceeds received from the issuance of the business entity's own stock, options, warrants, puts or calls, from the sale of the business entity's treasury stock or as contributions to the capital of the business entity.
- (v) Proceeds received on account of payments from insurance policies, except those proceeds received for the loss of business revenue.
- (w) Damages received as a result of litigation in excess of amounts that, if received without litigation, would not have been included in the gross receipts of the business entity pursuant to this section.
- (x) Bad debts expensed for the purposes of federal income taxation.
- (y) Returns and refunds to customers.
- (z) Amounts realized from the sale of an account receivable to the extent the receipts from the underlying transaction were included in the gross receipts of the business entity.
- (aa) If the business entity owns an interest in a passive entity, the business entity's share of the net income of the passive entity, but only to the extent the net income of the passive entity was generated by the gross revenue of another business entity.
- 2. As used in this section:
- (a) "Children's Health Insurance Program" means the program established pursuant to 42 U.S.C. §§ 1397aa to 1397jj, inclusive, to provide health insurance for uninsured children from low-income families in this State.
- (b) "Client company" has the meaning ascribed to it in NRS 616B.670.
- (c) "Employee leasing company" has the meaning ascribed to it in NRS 616B.670.
- (d) "Health care institution" means:
- (1) A medical facility as defined in NRS 449.0151; and
- (2) A pharmacy as defined in NRS 639.012.
- (e) "Health care provider" means a business that receives any payments listed in paragraph (i) of subsection 1 as a provider of health care services, including, without limitation, mental health care services.
- (f) "Medicaid" means the program established pursuant to Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 et seq., to provide assistance for part or all of the cost of medical care rendered on behalf of indigent persons.
- (g) "Medicare" means the program of health insurance for aged persons and persons with disabilities established pursuant to Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395 et seg.
- Sec. 22. 1. In computing the commerce tax owed by a business entity, the gross revenue of the business entity, as adjusted pursuant to section 21 of this act, must be sitused to this State in accordance with the following rules:
- (a) Gross rents and royalties from real property are sitused to this State if the real property is located in this State.

- (b) Gross revenue from the sale of real property are sitused to this State if the real property is located in this State.
- (c) Gross rents and royalties from tangible personal property is sitused to this State to the extent the tangible personal property is located or used in this State.
- (d) Gross revenue from the sale of tangible personal property is sitused to this State if the property is delivered or shipped to a buyer in this State, regardless of the F.O.B. point or any other condition of sale.
- (e) Gross revenue from the sale of transportation services is sitused to this State if both the origin and the destination point of the transportation are located in this State.
- (f) Gross revenue from the sale of any services not otherwise described in this section is sitused to this State in the proportion that the purchaser's benefit in this State, with respect to what was purchased, bears to the purchaser's benefit everywhere with respect to what was purchased. For the purposes of this paragraph, the physical location at which the purchaser of a service ultimately uses or receives the benefit of the service that was purchased is paramount in determining the proportion of the benefit in this State to the benefit everywhere. If the records of a business entity do not allow the taxpayer to determine that location, the business entity may use an alternative method to situs gross revenue pursuant to this section if the alternative method is reasonable, is consistently and uniformly applied and is supported by the taxpayer's records as those records exist when the service is provided or within a reasonable period of time thereafter.
- (g) Gross revenue not otherwise described in this section is sitused to this State if the gross receipts are from business conducted in this State. For the purposes of this paragraph, the physical location of the purchaser is paramount in determining if business is done in this State. If the records of a business entity do not allow the business entity to determine the location of the purchaser, the gross revenue must not be considered to be from business conducted in this State.
- 2. If the application of the provisions of subsection 1 does not fairly represent the extent of the business conducted in this State by a business entity, the Department may authorize the business entity to the use of an alternative method of situsing gross revenue to this State.
- Sec. 23. Except as otherwise provided in this section, the commerce tax required to be paid by a business entity engaging in a business in this State is equal to the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by the rate set forth in sections 24 to 48, inclusive, of this act for the business category in which the business entity is primarily engaged. If the business entity cannot be categorized in a business category set forth in sections 24 to 48, inclusive, of this act, the commerce tax required to be paid by that business entity is equal to the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the

- taxable year and multiplying that amount by the rate set forth in section 49 of this act.
- Sec. 24. 1. The agriculture, forestry, fishing and hunting business category (NAICS 11) includes all business entities primarily engaged in agricultural production or agricultural support activities, or both, including, without limitation, growing crops, raising animals, harvesting timber and harvesting fish and other animals from a farm, ranch or their natural habitats.
- 2. Examples of business entities in this category include, without limitation, farms, ranches, dairies, greenhouses, nurseries, orchards and hatcheries.
- 3. This category does not include business entities primarily engaged in agricultural research or administering programs for regulating and conserving land, minerals, wildlife or forest use.
- 4. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.063 percent.
- Sec. 25. <u>1. The mining, quarrying and oil and gas extraction business category (NAICS 21) includes all business entities primarily engaged in mining operations and mining support activities, including, without limitation, extracting:</u>
 - (a) Naturally occurring mineral solids, such as coal and ores;
 - (b) Liquid minerals, such as crude petroleum; and
- (c) Gases, such as natural gas.
- 2. Examples of business entities in this category include, without limitation:
- (a) Business entities operating mines, quarries or oil and gas wells on their own account or for others on a contract or fee basis.
- (b) Mining support activities, including business entities that perform exploration or other mining services, or both, on a contract or fee basis, except geophysical surveying, mine site preparation and the construction of oil and gas pipelines.
- 3. As used in subsections 1 and 2, the term "mining" includes quarrying, well operations and beneficiating, including, without limitation, crushing, screening, washing, flotation and other preparation customarily performed at a mine site or as a part of mining activity.
- 4. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.051 percent.
- Sec. 26. <u>1. The utilities and telecommunications business category</u> (NAICS 22 and 517, respectively) includes:

- (a) All business entities primarily engaged in providing utility services, including, without limitation, electric power, natural gas, steam supply, water supply and sewage removal; and
- (b) All business entities primarily engaged in providing telecommunications and the services related to that activity, including, without limitation, telephony, cable and satellite distribution services, Internet access and telecommunications reselling services.
- 2. This category does not include business entities primarily engaged in waste management and remediation services that are described in section 42 of this act.
- 3. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.136 percent.
- Sec. 27. 1. The construction business category (NAICS 23) includes all business entities primarily engaged in the construction of buildings or engineering projects, such as highways and utility systems. Business entities engaged in the preparation of sites for new construction and business entities primarily engaged in subdividing land for sale as building sites also are included in this category.
- 2. Examples of business entities in this category include, without limitation, general contractors, design-builders, construction managers, turnkey contractors, joint-venture contractors, specialty trade contractors, for-sale builders, speculative builders and merchant builders.
- 3. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.083 percent.
- Sec. 28. 1. The manufacturing business category (NAICS 31, 32 and 33) includes all business entities primarily engaged in the mechanical, physical or chemical transformation of materials, substances or components into new products.
- 2. Examples of business entities in this category include, without limitation, milk bottling and pasteurizing, water bottling and processing, fresh fish packaging, apparel jobbing, contracting on materials owned by others, printing and related activities, ready-mixed concrete production, leather converting, grinding of lenses to prescription, wood preserving, electroplating, plating, metal heat, treating and polishing for the trade, lapidary work for the trade, fabricating signs and advertising displays, rebuilding or remanufacturing machinery, ship repair and renovation, machine shops and tire retreading.
- 3. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.091 percent.

- Sec. 29. <u>1. The wholesale trade business category (NAICS 42) includes all business entities primarily engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.</u>
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.101 percent.
- Sec. 30. 1. The retail trade business category (NAICS 44 and 45) includes all businesses primarily engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.111 percent.
- Sec. 31. 1. The air transportation business category (NAICS 481) includes all business entities primarily engaged in providing air transportation of passengers or cargo, or both, using aircraft, such as an airplane and helicopter.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.058 percent.
- Sec. 32. 1. The truck transportation business category (NAICS 484) includes all business entities primarily engaged in providing over-the-road transportation of cargo using motor vehicles, such as a truck and tractor trailer.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.202 percent.
- Sec. 33. 1. The rail transportation business category (NAICS 482) includes all business entities primarily engaged in providing rail transportation of passengers or cargo, or both, using railroad rolling stock.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.331 percent.
- Sec. 34. <u>1. The other transportation business category (NAICS 483, 485, 486, 487, 488, 491 and 492) includes all business entities primarily engaged in:</u>
- (a) Water transportation, including, without limitation, the transportation of passengers and cargo using watercraft;

- (b) Transit and ground passenger transportation, including, without limitation, charter buses, school buses, interurban bus transportation, taxis and limousine services, street railroads, commuter rail and rapid transit;
- (c) Pipeline transportation, including, without limitation, using transmission pipelines to transport products, such as crude oil, natural gas, refined petroleum products and slurry;
- (d) Scenic and sightseeing transportation, including, without limitation, on land or the water, or in the air;
- (e) Support activities for transportation, including, without limitation, air traffic control services, marine cargo handling, motor vehicle towing, railroad switching and terminals, and ship repair and maintenance not done in a shipyard, such as floating drydock services in a harbor;
- (f) Postal services, including, without limitation, the activities of the United States Postal Service and its subcontractors operating under a universal service obligation to provide mail services, deliver letters and small parcels, and rural post offices on contract to the United States Postal Service; and
- (g) Courier and messenger services, including, without limitation, the provision of intercity, local or international delivery of parcels and documents without operating under a universal service obligation.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.129 percent.
- Sec. 35. 1. The warehousing and storage business category (NAICS 493) includes all business entities primarily engaged in operating warehousing and storage facilities for general merchandise, refrigerated goods and other warehouse products.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.128 percent.
- Sec. 36. 1. The publishing, software and data processing business category (NAICS 511, 512, 515 and 518) includes all business entities primarily engaged in:
- (a) Publishing, except on the Internet, including, without limitation, the publishing of newspapers, magazines, other periodicals and books, as well as directory and mailing list and software publishing;
- (b) Motion picture and sound recording, including, without limitation, the production and distribution of motion pictures and sound recordings;
- (c) Broadcasting, except on the Internet, including, without limitation, creating content or acquiring the right to distribute content and subsequently broadcast the content; and

- (d) Data processing, hosting and related services, including, without limitation, the provision of infrastructure for hosting and data processing services.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.253 percent.
- Sec. 37. <u>1. The finance and insurance business category (NAICS 52) includes all business entities primarily engaged in financial transactions or in facilitating financial transactions.</u>
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.111 percent.
- Sec. 38. 1. The real estate and rental and leasing business category (NAICS 53) includes all business entities primarily engaged in renting, leasing or otherwise allowing the use of tangible or intangible assets, providing related services, managing real estate for others, selling, renting or buying real estate for others, and appraising real estate.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.25 percent.
- Sec. 39. 1. The professional, scientific and technical services business category (NAICS 54) includes all business entities primarily engaged in performing professional, scientific and technical activities for others.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.181 percent.
- Sec. 40. <u>1. The management of companies and enterprises business category (NAICS 55) includes all business entities primarily engaged in:</u>
- (a) Holding the securities of, or other equity interests in, companies and enterprises for the purpose of owning a controlling interest or influencing management decisions; or
- (b) Administering, overseeing and managing establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decision-making role of the company or enterprise.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.137 percent.

- Sec. 41. <u>1. The administrative and support services business category</u> (NAICS 561) includes all business entities primarily engaged in activities that support the day-to-day operations of other organizations.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.154 percent.
- Sec. 42. <u>1. The waste management and remediation services business category (NAICS 562) includes all business entities primarily engaged in the collection, treatment and disposal of waste materials.</u>
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.261 percent.
- Sec. 43. <u>1. The educational services business category (NAICS 61) includes all businesses primarily engaged in providing instruction and training in a wide variety of subjects.</u>
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.281 percent.
- Sec. 44. <u>1. The health care and social assistance business category</u> (NAICS 62) includes all business entities primarily engaged in providing health care and social assistance for natural persons.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.190 percent.
- Sec. 45. 1. The arts, entertainment and recreation business category (NAICS 71) includes all business entities primarily engaged in operating facilities or providing services to meet varied cultural, entertainment and recreational interests of their patrons.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.24 percent.
- Sec. 46. <u>1. The accommodation business category (NAICS 721) includes all business entities primarily engaged in providing lodging or short-term accommodations for travelers, vacationers and others.</u>
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.2 percent.
- Sec. 47. <u>1. The food services and drinking places business category</u> (NAICS 722) includes all business entities primarily engaged in preparing

meals, snacks and beverages to customer order for immediate on-premises and off-premises consumption.

- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.194 percent.
- Sec. 48. 1. The other services business category (NAICS 81) includes all business entities primarily engaged in providing services not included in any of the business categories described in sections 24 to 47, inclusive, of this act. Business entities in this category are primarily engaged in activities such as repairing equipment and machinery, promoting or administering religious activities, grantmaking, advocacy, and providing dry cleaning and laundry services, personal care services, death care services, pet care services, photofinishing services, temporary parking services and dating services.
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.142 percent.
- Sec. 49. <u>1. The unclassified business category includes any business entity not included in any of the business categories established by sections 24 to 48, inclusive, of this act.</u>
- 2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.128 percent.
- Sec. 50. A business entity's method of accounting for gross revenue for a taxable year for the purposes of determining the amount of the commerce tax owed by the business entity must be the same as the business's method of accounting for federal income tax purposes for the business's federal taxable year which includes that calendar quarter. If a business entity's method of accounting for federal income tax purposes changes, its method of accounting for gross revenue pursuant to this chapter must be changed accordingly.
- Sec. 51. If the Department determines that any tax, penalty or interest has been paid more than once or has been erroneously or illegally collected or computed, the Department shall set forth that fact in the records of the Department and certify to the State Board of Examiners the amount collected in excess of the amount legally due and the person from whom it was collected or by whom it was paid. If approved by the State Board of Examiners, the excess amount collected or paid must, after being credited against any amount then due from the person in accordance with NRS 360.236, be refunded to the person or his or her successors in interest. Sec. 52. 1. Except as otherwise provided in NRS 360.235 and 360.395:

- (a) No refund may be allowed unless a claim for it is filed with the Department within 3 years after the last day of the month following the last month of the taxable year for which the overpayment was made.
- (b) No credit may be allowed after the expiration of the period specified for filing claims for refund unless a claim for credit is filed with the Department within that period.
- 2. Each claim must be in writing and must state the specific grounds upon which the claim is founded.
- 3. Failure to file a claim within the time prescribed in this chapter constitutes a waiver of any demand against the State on account of overpayment.
- 4. Within 30 days after rejecting any claim in whole or in part, the Department shall serve notice of its action on the claimant in the manner prescribed for service of notice of a deficiency determination.
- Sec. 53. <u>1. Except as otherwise provided in this section and NRS 360.320 or any other specific statute, interest must be paid upon any overpayment of any amount of the commerce tax at the rate set forth in, and in accordance with the provisions of, NRS 360.2937.</u>
- 2. If the Department determines that any overpayment has been made intentionally or by reason of carelessness, the Department shall not allow any interest on the overpayment.
- Sec. 54. 1. No injunction, writ of mandate or other legal or equitable process may issue in any suit, action or proceeding in any court against this State or against any officer of this State to prevent or enjoin the collection under this chapter of the commerce tax or any amount of tax, penalty or interest required to be collected.
- 2. No suit or proceeding may be maintained in any court for the recovery of any amount alleged to have been erroneously or illegally determined or collected unless a claim for refund or credit has been filed.
- Sec. 55. 1. Within 90 days after a final decision upon a claim filed pursuant to this chapter is rendered by the Commission, the claimant may bring an action against the Department on the grounds set forth in the claim in a court of competent jurisdiction in Carson City, the county of this State where the claimant resides or maintains his or her principal place of business or a county in which any relevant proceedings were conducted by the Department, for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.
- 2. Failure to bring an action within the time specified constitutes a waiver of any demand against the State on account of alleged overpayments.
- Sec. 56. 1. If the Department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may consider the claim disallowed and file an appeal with the Commission within 30 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of the Commission rendered on appeal, the claimant may, within 90 days after the decision is rendered, bring an action against the Department on the

- grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.
- 2. If judgment is rendered for the plaintiff, the amount of the judgment must first be credited toward any tax due from the plaintiff.
 - 3. The balance of the judgment must be refunded to the plaintiff.
- Sec. 57. In any judgment, interest must be allowed at the rate of 3 percent per annum upon the amount found to have been illegally collected from the date of payment of the amount to the date of allowance of credit on account of the judgment, or to a date preceding the date of the refund warrant by not more than 30 days. The date must be determined by the Department.
- Sec. 58. A judgment may not be rendered in favor of the plaintiff in any action brought against the Department to recover any amount paid when the action is brought by or in the name of an assignee of the person paying the amount or by any person other than the person who paid the amount.
- Sec. 59. 1. The Department may recover a refund or any part thereof which is erroneously made and any credit or part thereof which is erroneously allowed in an action brought in a court of competent jurisdiction in Carson City or Clark County in the name of the State of Nevada.
- 2. The action must be tried in Carson City or Clark County unless the court, with the consent of the Attorney General, orders a change of place of trial.
- 3. The Attorney General shall prosecute the action, and the provisions of the Nevada Revised Statutes, the Nevada Rules of Civil Procedure and the Nevada Rules of Appellate Procedure relating to service of summons, pleadings, proofs, trials and appeals are applicable to the proceedings.
- Sec. 60. 1. If any amount in excess of \$25 has been illegally determined, either by the Department or by the person filing the return, the Department shall certify that fact to the State Board of Examiners, and the latter shall authorize the cancellation of the amount upon the records of the Department.
- 2. If an amount not exceeding \$25 has been illegally determined, either by the Department or by the person filing the return, the Department, without certifying that fact to the State Board of Examiners, shall authorize the cancellation of the amount upon the records of the Department.
- Sec. 61. The remedies of the State provided for in this chapter are cumulative, and no action taken by the Department or the Attorney General constitutes an election by the State to pursue any remedy to the exclusion of any other remedy for which provision is made in this chapter.
- Sec. 62. Chapter 360 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. Except as otherwise provided in subsection 4, on or before September 30 of each even-numbered year, the Department shall determine the combined revenue from the taxes imposed by chapters 363A and 363B of

NRS and the commerce tax imposed by sections 2 to 61, inclusive, of this act for the preceding fiscal year.

- 2. Except as otherwise provided in subsection 4, if the combined revenue determined pursuant to subsection 1 exceeds by more than 4 percent the amount of the combined anticipated revenue from those taxes for that fiscal year, as projected by the Economic Forum for that fiscal year pursuant to paragraph (e) of subsection 1 of NRS 353.228 and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year, the Department shall determine the rate at which the taxes imposed pursuant to NRS 363A.130 and 363B.110, in combination with the revenue from the commerce tax imposed by sections 2 to 61, inclusive, of this act, would have generated a combined revenue of 4 percent more than the amount anticipated. In making the determination required by this subsection, the Department shall reduce the rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both taxes for the preceding fiscal vear.
- 3. Except as otherwise provided in subsection 4, effective on July 1 of the odd-numbered year immediately following the year in which the Department made the determination described in subsection 1, the rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110 that are determined pursuant to subsection 2, rounded to the nearest one-thousandth of a percent, must thereafter be the rate of those taxes, unless further adjusted in a subsequent fiscal year.
- 4. If, pursuant to subsection 3, the rate of the tax imposed pursuant to NRS 363B.110 is 1.17 percent:
- (a) The Department is no longer required to make the determinations required by subsections 1 and 2; and
- (b) The rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 must not be further adjusted pursuant to subsection 3.

Sec. 63. NRS 360.2937 is hereby amended to read as follows:

- 360.2937 1. Except as otherwise provided in this section and NRS 360.320 or any other specific statute, and notwithstanding the provisions of NRS 360.2935, interest must be paid upon an overpayment of any tax provided for in chapter 362, 363A, 363B, 369, 370, 372, 374, 377, 377A or 377C of NRS, *or sections 2 to 61, inclusive, of this act*, any fee provided for in NRS 444A.090 or 482.313, or any assessment provided for in NRS 585.497, at the rate of 0.25 percent per month from the last day of the calendar month following the period for which the overpayment was made.
- 2. No refund or credit may be made of any interest imposed on the person making the overpayment with respect to the amount being refunded or credited.
 - 3. The interest must be paid:

- (a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if the person has not already filed a claim, is notified by the Department that a claim may be filed or the date upon which the claim is certified to the State Board of Examiners, whichever is earlier.
- (b) In the case of a credit, to the same date as that to which interest is computed on the tax or the amount against which the credit is applied.

Sec. 64. NRS 360.300 is hereby amended to read as follows:

- 360.300 1. If a person fails to file a return or the Department is not satisfied with the return or returns of any tax, contribution or premium or amount of tax, contribution or premium required to be paid to the State by any person, in accordance with the applicable provisions of this chapter, chapter 360B, 362, 363A, 363B, 369, 370, 372, 372A, 374, 377, 377A, 377C or 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS, *or sections 2 to 61, inclusive, of this act,* as administered or audited by the Department, it may compute and determine the amount required to be paid upon the basis of:
 - (a) The facts contained in the return;
- (b) Any information within its possession or that may come into its possession; or
 - (c) Reasonable estimates of the amount.
- 2. One or more deficiency determinations may be made with respect to the amount due for one or for more than one period.
- 3. In making its determination of the amount required to be paid, the Department shall impose interest on the amount of tax determined to be due, calculated at the rate and in the manner set forth in NRS 360.417, unless a different rate of interest is specifically provided by statute.
- 4. The Department shall impose a penalty of 10 percent in addition to the amount of a determination that is made in the case of the failure of a person to file a return with the Department.
- 5. When a business is discontinued, a determination may be made at any time thereafter within the time prescribed in NRS 360.355 as to liability arising out of that business, irrespective of whether the determination is issued before the due date of the liability.

Sec. 65. NRS 360.417 is hereby amended to read as follows:

360.417 Except as otherwise provided in NRS 360.232 and 360.320, and unless a different penalty or rate of interest is specifically provided by statute, any person who fails to pay any tax provided for in chapter 362, 363A, 363B, 369, 370, 372, 374, 377, 377A, 377C, 444A or 585 of NRS, *or sections 2 to* 61, *inclusive*, *of this act*, or any fee provided for in NRS 482.313, and any person or governmental entity that fails to pay any fee provided for in NRS 360.787, to the State or a county within the time required, shall pay a penalty of not more than 10 percent of the amount of the tax or fee which is owed, as determined by the Department, in addition to the tax or fee, plus interest at the rate of 0.75 percent per month, or fraction of a month, from the last day of the month following the period for which the amount or any portion

of the amount should have been reported until the date of payment. The amount of any penalty imposed must be based on a graduated schedule adopted by the Nevada Tax Commission which takes into consideration the length of time the tax or fee remained unpaid.

Sec. 66. NRS 360.510 is hereby amended to read as follows:

- 360.510 1. If any person is delinquent in the payment of any tax or fee administered by the Department or if a determination has been made against the person which remains unpaid, the Department may:
- (a) Not later than 3 years after the payment became delinquent or the determination became final; or
- (b) Not later than 6 years after the last recording of an abstract of judgment or of a certificate constituting a lien for tax owed,
- ⇒ give a notice of the delinquency and a demand to transmit personally or by registered or certified mail to any person, including, without limitation, any officer or department of this State or any political subdivision or agency of this State, who has in his or her possession or under his or her control any credits or other personal property belonging to the delinquent, or owing any debts to the delinquent or person against whom a determination has been made which remains unpaid, or owing any debts to the delinquent or that person. In the case of any state officer, department or agency, the notice must be given to the officer, department or agency before the Department presents the claim of the delinquent taxpayer to the State Controller.
- 2. A state officer, department or agency which receives such a notice may satisfy any debt owed to it by that person before it honors the notice of the Department.
- 3. After receiving the demand to transmit, the person notified by the demand may not transfer or otherwise dispose of the credits, other personal property, or debts in his or her possession or under his or her control at the time the person received the notice until the Department consents to a transfer or other disposition.
- 4. Every person notified by a demand to transmit shall, within 10 days after receipt of the demand to transmit, inform the Department of and transmit to the Department all such credits, other personal property or debts in his or her possession, under his or her control or owing by that person within the time and in the manner requested by the Department. Except as otherwise provided in subsection 5, no further notice is required to be served to that person.
- 5. If the property of the delinquent taxpayer consists of a series of payments owed to him or her, the person who owes or controls the payments shall transmit the payments to the Department until otherwise notified by the Department. If the debt of the delinquent taxpayer is not paid within 1 year after the Department issued the original demand to transmit, the Department shall issue another demand to transmit to the person responsible for making the payments informing him or her to continue to transmit payments to the Department or that his or her duty to transmit the payments to the Department has ceased.

- 6. If the notice of the delinquency seeks to prevent the transfer or other disposition of a deposit in a bank or credit union or other credits or personal property in the possession or under the control of a bank, credit union or other depository institution, the notice must be delivered or mailed to any branch or office of the bank, credit union or other depository institution at which the deposit is carried or at which the credits or personal property is held.
- 7. If any person notified by the notice of the delinquency makes any transfer or other disposition of the property or debts required to be withheld or transmitted, to the extent of the value of the property or the amount of the debts thus transferred or paid, that person is liable to the State for any indebtedness due pursuant to this chapter, chapter 360B, 362, 363A, 363B, 369, 370, 372, 372A, 374, 377, 377A, 377C or 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS *or sections 2 to 61, inclusive, of this act* from the person with respect to whose obligation the notice was given if solely by reason of the transfer or other disposition the State is unable to recover the indebtedness of the person with respect to whose obligation the notice was given.

[Section 1.] Sec. 67. NRS 363A.030 is hereby amended to read as follows:

363A.030 ["Employer"]

- 1. Except as otherwise provided in this section, "employer" means any financial:
- (a) Financial institution who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter with respect to any business activity of the financial institution. [, except]
- (b) Person who is subject to the tax on the net proceeds of minerals imposed pursuant to the provisions of NRS 362.100 to 362.240, inclusive, whether or not the person is required to pay that tax in a particular calendar year, and who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter with respect to any business activity of the person.
- 2. The term does not include an Indian tribe, a nonprofit organization or a political subdivision.
 - 3. For the purposes of this section:
- [1.] (a) "Indian tribe" includes any entity described in subsection 10 of NRS 612.055.
- [2.] (b) "Nonprofit organization" means a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).
- [3.] (c) "Political subdivision" means any entity described in subsection 9 of NRS 612.055.

Sec. 68. NRS 363A.130 is hereby amended to read as follows:

363A.130 1. [There] Except as otherwise provided in section 62 of this act, there is hereby imposed an excise tax on each employer at the rate of 2 percent of the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer.

- 2. The tax imposed by this section:
- (a) Does not apply to any person or other entity or any wages this State is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution.
- (b) Must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.
- 3. Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:
- (a) File with the Department a return on a form prescribed by the Department; and
- (b) Remit to the Department any tax due pursuant to this section for that calendar quarter.
- 4. In determining the amount of the tax due pursuant to this section, an employer is entitled to subtract from the amount calculated pursuant to subsection 1 a credit in an amount equal to 50 percent of the amount of the commerce tax paid by the employer pursuant to sections 2 to 61, inclusive, of this act for the preceding taxable year. The credit may only be used for any of the 4 calendar quarters immediately following the end of the taxable year for which the commerce tax was paid. The amount of credit used for a calendar quarter may not exceed the amount calculated pursuant to subsection 1 for that calendar quarter. Any unused credit may not be carried forward beyond the fourth calendar quarter immediately following the end of the taxable year for which the commerce tax was paid, and a taxpayer is not entitled to a refund of any unused credit.

[Sec. 2.] Sec. 69. NRS 363B.030 is hereby amended to read as follows: 363B.030 ["Employer"]

- 1. Except as otherwise provided in this section, "employer" means any employer who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter with respect to any business activity of the employer. [, except a]
 - 2. The term does not include:
 - (a) A financial institution [, an];
- (b) Any person who is subject to the tax on the net proceeds of minerals imposed pursuant to the provisions of NRS 362.100 to 362.240, inclusive, whether or not the person is required to pay that tax in a particular calendar year, and who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter with respect to any business activity of the person;
 - (c) An Indian tribe $\{,a\}$;
 - (d) A nonprofit organization [, a];
 - (e) A political subdivision; or fany
- (f) Any person who does not supply a product or service, but who only consumes a service.
 - 3. For the purposes of this section:

- [1.] (a) "Financial institution" has the meaning ascribed to it in NRS 363A.050.
- [2.] (b) "Indian tribe" includes any entity described in subsection 10 of NRS 612.055.
- [3.] (c) "Nonprofit organization" means a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).
- [4.] (d) "Political subdivision" means any entity described in subsection 9 of NRS 612.055.

Sec. 70. NRS 363B.110 is hereby amended to read as follows:

- 363B.110 1. [There] Except as otherwise provided in section 62 of this act, there is hereby imposed an excise tax on each employer at the rate of [0.63] 1.475 percent of the amount by which the sum of all the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer [1] exceeds \$50,000.
 - 2. The tax imposed by this section:
- (a) Does not apply to any person or other entity or any wages this State is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution.
- (b) Must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.
- 3. Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:
- (a) File with the Department a return on a form prescribed by the Department; and
- (b) Remit to the Department any tax due pursuant to this chapter for that calendar quarter.
- 4. In determining the amount of the tax due pursuant to this section, an employer is entitled to subtract from the amount calculated pursuant to subsection 1 a credit in an amount equal to 50 percent of the amount of the commerce tax paid by the employer pursuant to sections 2 to 61, inclusive, of this act for the preceding taxable year. The credit may only be used for any of the 4 calendar quarters immediately following the end of the taxable year for which the commerce tax was paid. The amount of credit used for a calendar quarter may not exceed the amount calculated pursuant to subsection 1 for that calendar quarter. Any unused credit may not be carried forward beyond the fourth calendar quarter immediately following the end of the taxable year for which the commerce tax was paid, and a taxpayer is not entitled to a refund of any unused credit.
 - [Sec. 3.] Sec. 71. NRS 370.165 is hereby amended to read as follows:
- 370.165 There is hereby levied a tax upon the purchase or possession of cigarettes by a consumer in the State of Nevada at the rate of [40] 90 mills per cigarette. The tax may be represented and precollected by the affixing of a

revenue stamp or other approved evidence of payment to each package, packet or container in which cigarettes are sold. The tax must be precollected by the wholesale or retail dealer, and must be recovered from the consumer by adding the amount of the tax to the selling price. Each person who sells cigarettes at retail shall prominently display on the premises a notice that the tax is included in the selling price and is payable under the provisions of this chapter.

[Sec. 4.] Sec. 72. NRS 370.260 is hereby amended to read as follows: 370.260 1. All taxes and license fees imposed by the provisions of NRS 370.001 to 370.430, inclusive, less any refunds granted as provided by law, must be paid to the Department in the form of remittances payable to the Department.

- 2. The Department shall:
- (a) As compensation to the State for the costs of collecting the taxes and license fees, transmit each month the sum the Legislature specifies from the remittances made to it pursuant to subsection 1 during the preceding month to the State Treasurer for deposit to the credit of the Department. The deposited money must be expended by the Department in accordance with its work program.
- (b) From the remittances made to it pursuant to subsection 1 during the preceding month, less the amount transmitted pursuant to paragraph (a), transmit each month the portion of the tax which is equivalent to [35] 85 mills per cigarette to the State Treasurer for deposit to the credit of the Account for the Tax on Cigarettes in the State General Fund.
- (c) Transmit the balance of the payments each month to the State Treasurer for deposit in the Local Government Tax Distribution Account created by NRS 360.660.
 - (d) Report to the State Controller monthly the amount of collections.
- 3. The money deposited pursuant to paragraph (c) of subsection 2 in the Local Government Tax Distribution Account is hereby appropriated to Carson City and to each of the counties in proportion to their respective populations and must be credited to the respective accounts of Carson City and each county.

[Sec. 5.] Sec. 73. NRS 370.350 is hereby amended to read as follows: 370.350 1. Except as otherwise provided in subsection 3, a tax is hereby levied and imposed upon the use of cigarettes in this state.

- 2. The amount of the use tax is [40] 90 mills per cigarette.
- 3. The use tax does not apply where:
- (a) Nevada cigarette revenue stamps have been affixed to cigarette packages as required by law.
 - (b) Tax exemption is provided for in this chapter.

Sec. 74. NRS 76.100 is hereby amended to read as follows:

76.100 1. A person shall not conduct a business in this State unless and until the person obtains a state business license issued by the Secretary of State. If the person is:

- (a) An entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license at the time of filing the initial or annual list.
- (b) Not an entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license before conducting a business in this State.
 - 2. An application for a state business license must:
 - (a) Be made upon a form prescribed by the Secretary of State;
- (b) Set forth the name under which the applicant transacts or intends to transact business, or if the applicant is an entity organized pursuant to this title and on file with the Secretary of State, the exact name on file with the Secretary of State, the entity number as assigned by the Secretary of State, if known, and the location in this State of the place or places of business;
- (c) Be accompanied by a fee in the amount of [\$\frac{\{\\$\\$\\$\\$\\$\\$\\$\}\}{\\$\\$\}\] \$200, except that if the applicant is a corporation organized pursuant to chapter 78, 78A or 78B of NRS, or a foreign corporation required to file an initial or annual list with the Secretary of State pursuant to chapter 80 of NRS, the application must be accompanied by a fee of \$500; and
- (d) Include any other information that the Secretary of State deems necessary.
- → If the applicant is an entity organized pursuant to this title and on file with the Secretary of State and the applicant has no location in this State of its place of business, the address of its registered agent shall be deemed to be the location in this State of its place of business.
 - 3. The application must be signed pursuant to NRS 239.330 by:
 - (a) The owner of a business that is owned by a natural person.
 - (b) A member or partner of an association or partnership.
 - (c) A general partner of a limited partnership.
 - (d) A managing partner of a limited-liability partnership.
 - (e) A manager or managing member of a limited-liability company.
- (f) An officer of a corporation or some other person specifically authorized by the corporation to sign the application.
- 4. If the application for a state business license is defective in any respect or the fee required by this section is not paid, the Secretary of State may return the application for correction or payment.
- 5. The state business license required to be obtained pursuant to this section is in addition to any license to conduct business that must be obtained from the local jurisdiction in which the business is being conducted.
- 6. For the purposes of this chapter, a person shall be deemed to conduct a business in this State if a business for which the person is responsible:
- (a) Is organized pursuant to this title, other than a business organized pursuant to:
 - (1) Chapter 82 or 84 of NRS; or

- (2) Chapter 81 of NRS if the business is a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).
 - (b) Has an office or other base of operations in this State;
 - (c) Has a registered agent in this State; or
- (d) Pays wages or other remuneration to a natural person who performs in this State any of the duties for which he or she is paid.
- 7. As used in this section, "registered agent" has the meaning ascribed to it in NRS 77.230.

Sec. 75. NRS 76.130 is hereby amended to read as follows:

- 76.130 1. [A] Except as otherwise provided in subsection 2, a person who applies for renewal of a state business license shall submit a fee in the amount of [\$100] \$200 to the Secretary of State:
- (a) If the person is an entity required to file an annual list with the Secretary of State pursuant to this title, at the time the person submits the annual list to the Secretary of State, unless the person submits a certificate or other form evidencing the dissolution of the entity; or
- (b) If the person is not an entity required to file an annual list with the Secretary of State pursuant to this title, on the last day of the month in which the anniversary date of issuance of the state business license occurs in each year, unless the person submits a written statement to the Secretary of State, at least 10 days before that date, indicating that the person will not be conducting a business in this State after that date.
- 2. If the person applying for the renewal of a state business license pursuant to subsection 1 is a corporation organized pursuant to chapter 78, 78A or 78B of NRS, or a foreign corporation required to file an initial or annual list with the Secretary of State pursuant to chapter 80 of NRS, the fee for the renewal of a state business license is \$500.
- <u>3.</u> The Secretary of State shall, 90 days before the last day for filing an application for renewal of the state business license of a person who holds a state business license, provide to the person a notice of the state business license fee due pursuant to this section and a reminder to file the application for renewal required pursuant to this section. Failure of any person to receive a notice does not excuse the person from the penalty imposed by law.
- $\boxed{3-}$ <u>4.</u> If a person fails to submit the annual state business license fee required pursuant to this section in a timely manner and the person is:
- (a) An entity required to file an annual list with the Secretary of State pursuant to this title, the person:
- (1) Shall pay a penalty of \$100 in addition to the annual state business license fee:
- (2) Shall be deemed to have not complied with the requirement to file an annual list with the Secretary of State; and
- (3) Is subject to all applicable provisions relating to the failure to file an annual list, including, without limitation, the provisions governing default and

revocation of its charter or right to transact business in this State, except that the person is required to pay the penalty set forth in subparagraph (1).

- (b) Not an entity required to file an annual list with the Secretary of State, the person shall pay a penalty in the amount of \$100 in addition to the annual state business license fee. The Secretary of State shall provide to the person a written notice that:
- (1) Must include a statement indicating the amount of the fees and penalties required pursuant to this section and the costs remaining unpaid.
- (2) May be provided electronically, if the person has requested to receive communications by electronic transmission, by electronic mail or other electronic communication.

Sec. 75.5. NRS 78.150 is hereby amended to read as follows:

- 78.150 1. A corporation organized pursuant to the laws of this State shall, on or before the last day of the first month after the filing of its articles of incorporation with the Secretary of State or, if the corporation has selected an alternative due date pursuant to subsection 11, on or before that alternative due date, file with the Secretary of State a list, on a form furnished by the Secretary of State, containing:
 - (a) The name of the corporation;
 - (b) The file number of the corporation, if known;
- (c) The names and titles of the president, secretary and treasurer, or the equivalent thereof, and of all the directors of the corporation;
- (d) The address, either residence or business, of each officer and director listed, following the name of the officer or director; and
- (e) The signature of an officer of the corporation, or some other person specifically authorized by the corporation to sign the list, certifying that the list is true, complete and accurate.
- 2. The corporation shall annually thereafter, on or before the last day of the month in which the anniversary date of incorporation occurs in each year or, if, pursuant to subsection 11, the corporation has selected an alternative due date for filing the list required by subsection 1, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, an annual list containing all of the information required in subsection 1.
 - 3. Each list required by subsection 1 or 2 must be accompanied by:
 - (a) A declaration under penalty of perjury that:
- (1) The corporation has complied with the provisions of chapter 76 of NRS;
- (2) The corporation acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State; and
- (3) None of the officers or directors identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct.

- (b) A statement as to whether the corporation is a publicly traded company. If the corporation is a publicly traded company, the corporation must list its Central Index Key. The Secretary of State shall include on the Secretary of State's Internet website the Central Index Key of a corporation provided pursuant to this paragraph and instructions describing the manner in which a member of the public may obtain information concerning the corporation from the Securities and Exchange Commission.
 - 4. Upon filing the list required by:
- (a) Subsection 1, the corporation shall pay to the Secretary of State a fee of [\$125.] \$150.
- (b) Subsection 2, the corporation shall pay to the Secretary of State, if the amount represented by the total number of shares provided for in the articles is:

	\$75,000 or less	[\$125] <i>\$150</i>
	Over \$75,000 and not over \$200,000	<u>[175] 200</u>
	Over \$200,000 and not over \$500,000	[275]
	Over \$500,000 and not over \$1,000,000	[375] 400
	Over \$1,000,000:	
	For the first \$1,000,000	[<u>375]</u> 400
	For each additional \$500,000 or fraction thereof	275
]	The maximum fee which may be charged pursuant to para	graph (b) for
	a the ennual list is [\$11,100,1,\$11,125]	

- filing the annual list is [\$\frac{\\$11,100.}{}\\$11,125.
- 5. If a director or officer of a corporation resigns and the resignation is not reflected on the annual or amended list of directors and officers, the corporation or the resigning director or officer shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 6. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 2, provide to each corporation which is required to comply with the provisions of NRS 78.150 to 78.185, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 4 and a reminder to file the annual list required by subsection 2. Failure of any corporation to receive a notice does not excuse it from the penalty imposed by law.
- 7. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective in any respect or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.
- 8. An annual list for a corporation not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and must be accompanied by the appropriate fee as provided in subsection 4 for filing. A payment submitted pursuant to this subsection does not satisfy the requirements of subsection 2 for the year to which the due date is applicable.
- 9. A person who files with the Secretary of State a list required by subsection 1 or 2 which identifies an officer or director with the fraudulent

intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

- 10. For the purposes of this section, a stockholder is not deemed to exercise actual control of the daily operations of a corporation based solely on the fact that the stockholder has voting control of the corporation.
- 11. The Secretary of State may allow a corporation to select an alternative due date for filing the list required by subsection 1.
- 12. The Secretary of State may adopt regulations to administer the provisions of subsection 11.

Sec. 76. NRS 78.245 is hereby amended to read as follows:

78.245 [No]

- 1. Except as otherwise provided in subsection 2, no stocks, bonds or other securities issued by any corporation organized under this chapter, nor the income or profits therefrom, nor the transfer thereof by assignment, descent, testamentary disposition or otherwise, shall be taxed by this State when such stocks, bonds or other securities shall be owned by nonresidents of this State or by foreign corporations.
- 2. The provisions of subsection 1 do not apply to the commerce tax imposed pursuant to sections 2 to 61, inclusive, of this act.

Sec. 76.1. NRS 80.110 is hereby amended to read as follows:

- 80.110 1. Each foreign corporation doing business in this State shall, on or before the last day of the first month after the information required by NRS 80.010 is filed with the Secretary of State or, if the foreign corporation has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:
- (a) The names and addresses, either residence or business, of its president, secretary and treasurer, or the equivalent thereof, and all of its directors; and
- (b) The signature of an officer of the corporation or some other person specifically authorized by the corporation to sign the list.
 - 2. Each list filed pursuant to subsection 1 must be accompanied by:
 - (a) A declaration under penalty of perjury that:
- (1) The foreign corporation has complied with the provisions of chapter 76 of NRS;
- (2) The foreign corporation acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State; and
- (3) None of the officers or directors identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any

person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct.

- (b) A statement as to whether the foreign corporation is a publicly traded company. If the corporation is a publicly traded company, the corporation must list its Central Index Key. The Secretary of State shall include on the Secretary of State's Internet website the Central Index Key of a corporation provided pursuant to this subsection and instructions describing the manner in which a member of the public may obtain information concerning the corporation from the Securities and Exchange Commission.
 - 3. Upon filing:
- (a) The initial list required by subsection 1, the corporation shall pay to the Secretary of State a fee of $\{\$125.\}\$ \$150.
- (b) Each annual list required by subsection 1, the corporation shall pay to the Secretary of State, if the amount represented by the total number of shares provided for in the articles is:

\$75,000 or less	[\$125] <i>\$150</i>
Over \$75,000 and not over \$200,000	<u>[175]</u>
Over \$200,000 and not over \$500,000	<u>[275]</u> <i>300</i>
Over \$500,000 and not over \$1,000,000	<u>[375] 400</u>
Over \$1,000,000:	
For the first \$1,000,000	<u>[375] 400</u>
For each additional \$500,000 or fraction thereof	275

- → The maximum fee which may be charged pursuant to paragraph (b) for filing the annual list is [\$11,100.] \$11, 125.
- 4. If a director or officer of a corporation resigns and the resignation is not reflected on the annual or amended list of directors and officers, the corporation or the resigning director or officer shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each corporation which is required to comply with the provisions of NRS 80.110 to 80.175, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list pursuant to subsection 1. Failure of any corporation to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 80.110 to 80.175, inclusive.
- 6. An annual list for a corporation not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 7. A person who files with the Secretary of State a list required by subsection 1 which identifies an officer or director with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

- 8. For the purposes of this section, a stockholder is not deemed to exercise actual control of the daily operations of a corporation based solely on the fact that the stockholder has voting control of the corporation.
- 9. The Secretary of State may allow a foreign corporation to select an alternative due date for filing the initial list required by subsection 1.
- 10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.

Sec. 76.15. NRS 82.193 is hereby amended to read as follows:

- 82.193 1. A corporation shall have a registered agent in the manner provided in NRS 78.090 and 78.097. The registered agent and the corporation shall comply with the provisions of those sections.
- 2. Upon notification from the Administrator of the Real Estate Division of the Department of Business and Industry that a corporation which is a unit-owners' association as defined in NRS 116.011 or 116B.030 has failed to register pursuant to NRS 116.31158 or 116B.625 or failed to pay the fees pursuant to NRS 116.31155 or 116B.620, the Secretary of State shall deem the corporation to be in default. If, after the corporation is deemed to be in default, the Administrator notifies the Secretary of State that the corporation has registered pursuant to NRS 116.31158 or 116B.625 and paid the fees pursuant to NRS 116.31155 or 116B.620, the Secretary of State shall reinstate the corporation if the corporation complies with the requirements for reinstatement as provided in this section and NRS 78.180 and 78.185.
- 3. A corporation is subject to the provisions of NRS 78.150 to 78.185, inclusive, except that:
 - (a) The fee for filing a list is [\$25;] \$50;
 - (b) The penalty added for default is \$50; and
 - (c) The fee for reinstatement is \$100.

Sec. 76.2. NRS 82.523 is hereby amended to read as follows:

- 82.523 1. Each foreign nonprofit corporation doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign nonprofit corporation with the Secretary of State or, if the foreign nonprofit corporation has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:
 - (a) The name of the foreign nonprofit corporation;
 - (b) The file number of the foreign nonprofit corporation, if known;
- (c) The names and titles of the president, the secretary and the treasurer, or the equivalent thereof, and all the directors of the foreign nonprofit corporation;

- (d) The address, either residence or business, of the president, secretary and treasurer, or the equivalent thereof, and each director of the foreign nonprofit corporation; and
- (e) The signature of an officer of the foreign nonprofit corporation, or some other person specifically authorized by the foreign nonprofit corporation to sign the list, certifying that the list is true, complete and accurate.
- 2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:
- (a) The foreign nonprofit corporation has complied with the provisions of chapter 76 of NRS;
- (b) The foreign nonprofit corporation acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State; and
- (c) None of the officers or directors identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct.
- 3. Upon filing the initial list and each annual list pursuant to this section, the foreign nonprofit corporation must pay to the Secretary of State a fee of [\$25.] \$50.
- 4. The Secretary of State shall, 60 days before the last day for filing each annual list, provide to each foreign nonprofit corporation which is required to comply with the provisions of NRS 82.523 to 82.5239, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign nonprofit corporation to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 82.523 to 82.5239, inclusive.
- 5. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.
- 6. An annual list for a foreign nonprofit corporation not in default that is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 7. A person who files with the Secretary of State a list pursuant to this section which identifies an officer or director with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 8. For the purposes of this section, a member of a foreign nonprofit corporation is not deemed to exercise actual control of the daily operations of the foreign nonprofit corporation based solely on the fact that the member has voting control of the foreign nonprofit corporation.
- 9. The Secretary of State may allow a foreign nonprofit corporation to select an alternative due date for filing the initial list required by this section.

10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.

Sec. 76.25. NRS 84.110 is hereby amended to read as follows:

- 84.110 1. Every corporation sole must have a registered agent in the manner provided in NRS 78.090 and 78.097. The registered agent shall comply with the provisions of those sections.
- 2. A corporation sole is subject to the provisions of NRS 78.150 to 78.185, inclusive, except that:
 - (a) The fee for filing a list is [\$25;] \$50;
 - (b) The penalty added for default is \$50; and
 - (c) The fee for reinstatement is \$100.

Sec. 76.3. NRS 86.263 is hereby amended to read as follows:

- 86.263 1. A limited-liability company shall, on or before the last day of the first month after the filing of its articles of organization with the Secretary of State or, if the limited-liability company has selected an alternative due date pursuant to subsection 11, on or before that alternative due date, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:
 - (a) The name of the limited-liability company;
 - (b) The file number of the limited-liability company, if known;
- (c) The names and titles of all of its managers or, if there is no manager, all of its managing members;
- (d) The address, either residence or business, of each manager or managing member listed, following the name of the manager or managing member; and
- (e) The signature of a manager or managing member of the limited-liability company, or some other person specifically authorized by the limited-liability company to sign the list, certifying that the list is true, complete and accurate.
- 2. The limited-liability company shall thereafter, on or before the last day of the month in which the anniversary date of its organization occurs or, if, pursuant to subsection 11, the limited-liability company has selected an alternative due date for filing the list required by subsection 1, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, an annual list containing all of the information required in subsection 1.
- 3. Each list required by subsections 1 and 2 must be accompanied by a declaration under penalty of perjury that:
- (a) The limited-liability company has complied with the provisions of chapter 76 of NRS;
- (b) The limited-liability company acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and
- (c) None of the managers or managing members identified in the list has been identified in the list with the fraudulent intent of concealing the identity

of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct.

- 4. Upon filing:
- (a) The initial list required by subsection 1, the limited-liability company shall pay to the Secretary of State a fee of [\$125.] \$150.
- (b) Each annual list required by subsection 2, the limited-liability company shall pay to the Secretary of State a fee of [\$125.] \$150.
- 5. If a manager or managing member of a limited-liability company resigns and the resignation is not reflected on the annual or amended list of managers and managing members, the limited-liability company or the resigning manager or managing member shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 6. The Secretary of State shall, 90 days before the last day for filing each list required by subsection 2, provide to each limited-liability company which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due under subsection 4 and a reminder to file the list required by subsection 2. Failure of any company to receive a notice does not excuse it from the penalty imposed by law.
- 7. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.
- 8. An annual list for a limited-liability company not in default received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year.
- 9. A person who files with the Secretary of State a list required by subsection 1 or 2 which identifies a manager or managing member with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 10. For the purposes of this section, a member is not deemed to exercise actual control of the daily operations of a limited-liability company based solely on the fact that the member has voting control of the limited-liability company.
- 11. The Secretary of State may allow a limited-liability company to select an alternative due date for filing the list required by subsection 1.
- 12. The Secretary of State may adopt regulations to administer the provisions of subsection 11.

Sec. 76.35. NRS 86.5461 is hereby amended to read as follows:

86.5461 1. Each foreign limited-liability company doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited-liability company with the Secretary of State or, if the foreign limited-liability company has selected an alternative due date pursuant to subsection 10, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in

each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list on a form furnished by the Secretary of State that contains:

- (a) The name of the foreign limited-liability company;
- (b) The file number of the foreign limited-liability company, if known;
- (c) The names and titles of all its managers or, if there is no manager, all its managing members;
- (d) The address, either residence or business, of each manager or managing member listed pursuant to paragraph (c); and
- (e) The signature of a manager or managing member of the foreign limited-liability company, or some other person specifically authorized by the foreign limited-liability company to sign the list, certifying that the list is true, complete and accurate.
- 2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:
- (a) The foreign limited-liability company has complied with the provisions of chapter 76 of NRS;
- (b) The foreign limited-liability company acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State; and
- (c) None of the managers or managing members identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct.
 - 3. Upon filing:
- (a) The initial list required by this section, the foreign limited-liability company shall pay to the Secretary of State a fee of [\$125.] \$150.
- (b) Each annual list required by this section, the foreign limited-liability company shall pay to the Secretary of State a fee of [\$125.] \$150.
- 4. If a manager or managing member of a foreign limited-liability company resigns and the resignation is not reflected on the annual or amended list of managers and managing members, the foreign limited-liability company or the resigning manager or managing member shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by this section, provide to each foreign limited-liability company which is required to comply with the provisions of NRS 86.5461 to 86.5468, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign limited-liability company to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 86.5461 to 86.5468, inclusive.

- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a foreign limited-liability company not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of this section for the year to which the due date is applicable.
- 8. A person who files with the Secretary of State a list required by this section which identifies a manager or managing member with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing members in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 9. For the purposes of this section, a member is not deemed to exercise actual control of the daily operations of a foreign limited-liability company based solely on the fact that the member has voting control of the foreign limited-liability company.
- 10. The Secretary of State may allow a foreign limited-liability company to select an alternative due date for filing the initial list required by this section.
- 11. The Secretary of State may adopt regulations to administer the provisions of subsection 10.

Sec. 76.4. NRS 87.510 is hereby amended to read as follows:

- 87.510 1. A registered limited-liability partnership shall, on or before the last day of the first month after the filing of its certificate of registration with the Secretary of State or, if the registered limited-liability partnership has selected an alternative due date pursuant to subsection 8, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of registration with the Secretary of State occurs or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:
 - (a) The name of the registered limited-liability partnership;
 - (b) The file number of the registered limited-liability partnership, if known;
 - (c) The names of all of its managing partners;
 - (d) The address, either residence or business, of each managing partner; and
- (e) The signature of a managing partner of the registered limited-liability partnership, or some other person specifically authorized by the registered limited-liability partnership to sign the list, certifying that the list is true, complete and accurate.
- ➡ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the registered limited-liability partnership has complied with the provisions of chapter 76 of NRS, that the registered limited-liability partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State and that none of the

managing partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a managing partner in furtherance of any unlawful conduct.

- 2. Upon filing:
- (a) The initial list required by subsection 1, the registered limited-liability partnership shall pay to the Secretary of State a fee of [\$125.] \$150.
- (b) Each annual list required by subsection 1, the registered limited-liability partnership shall pay to the Secretary of State a fee of [\$125.] \$150.
- 3. If a managing partner of a registered limited-liability partnership resigns and the resignation is not reflected on the annual or amended list of managing partners, the registered limited-liability partnership or the resigning managing partner shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 4. The Secretary of State shall, at least 90 days before the last day for filing each annual list required by subsection 1, provide to the registered limited-liability partnership a notice of the fee due pursuant to subsection 2 and a reminder to file the annual list required by subsection 1. The failure of any registered limited-liability partnership to receive a notice does not excuse it from complying with the provisions of this section.
- 5. If the list to be filed pursuant to the provisions of subsection 1 is defective, or the fee required by subsection 2 is not paid, the Secretary of State may return the list for correction or payment.
- 6. An annual list that is filed by a registered limited-liability partnership which is not in default more than 90 days before it is due shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 7. A person who files with the Secretary of State an initial list or annual list required by subsection 1 which identifies a managing partner with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a managing partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 8. The Secretary of State may allow a registered limited-liability partnership to select an alternative due date for filing the initial list required by subsection 1.
- 9. The Secretary of State may adopt regulations to administer the provisions of subsection 8.

Sec. 76.45. NRS 87.541 is hereby amended to read as follows:

87.541 1. Each foreign registered limited-liability partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign registered limited-liability partnership with the Secretary of State or, if the foreign registered limited-liability partnership has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year or, if applicable, on or before the

last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:

- (a) The name of the foreign registered limited-liability partnership;
- (b) The file number of the foreign registered limited-liability partnership, if known;
 - (c) The names of all its managing partners;
 - (d) The address, either residence or business, of each managing partner; and
- (e) The signature of a managing partner of the foreign registered limited-liability partnership, or some other person specifically authorized by the foreign registered limited-liability partnership to sign the list, certifying that the list is true, complete and accurate.
- 2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:
- (a) The foreign registered limited-liability partnership has complied with the provisions of chapter 76 of NRS;
- (b) The foreign registered limited-liability partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and
- (c) None of the managing partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a managing partner in furtherance of any unlawful conduct.
 - 3. Upon filing:
- (a) The initial list required by this section, the foreign registered limited-liability partnership shall pay to the Secretary of State a fee of [\$125-] \$150.
- (b) Each annual list required by this section, the foreign registered limited-liability partnership shall pay to the Secretary of State a fee of [\$125.] \$150.
- 4. If a managing partner of a foreign registered limited-liability partnership resigns and the resignation is not reflected on the annual or amended list of managing partners, the foreign registered limited-liability partnership or the managing partner shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign registered limited-liability partnership which is required to comply with the provisions of NRS 87.541 to 87.544, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign registered limited-liability partnership to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 87.541 to 87.544, inclusive.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

- 7. An annual list for a foreign registered limited-liability partnership not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 8. A person who files with the Secretary of State an initial list or annual list required by subsection 1 which identifies a managing partner with the fraudulent intent of concealing the identity of any person or persons exercising the power and authority of a managing partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 9. The Secretary of State may allow a foreign registered limited-liability partnership to select an alternative due date for filing the initial list required by this section.
- 10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.

Sec. 76.5. NRS 87A.290 is hereby amended to read as follows:

- 87A.290 1. A limited partnership shall, on or before the last day of the first month after the filing of its certificate of limited partnership with the Secretary of State or, if the limited partnership has selected an alternative due date pursuant to subsection 10, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of limited partnership occurs or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:
 - (a) The name of the limited partnership;
 - (b) The file number of the limited partnership, if known;
 - (c) The names of all of its general partners;
 - (d) The address, either residence or business, of each general partner; and
- (e) The signature of a general partner of the limited partnership, or some other person specifically authorized by the limited partnership to sign the list, certifying that the list is true, complete and accurate.
- ➡ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the limited partnership has complied with the provisions of chapter 76 of NRS, that the limited partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State, and that none of the general partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.
- 2. Except as otherwise provided in subsection 3, a limited partnership shall, upon filing:
- (a) The initial list required by subsection 1, pay to the Secretary of State a fee of [\$125.] \$150.

- - 3. A registered limited-liability limited partnership shall, upon filing:
- (a) The initial list required by subsection 1, pay to the Secretary of State a fee of $\frac{1$125.}{150.}$
- (b) Each annual list required by subsection 1, pay to the Secretary of State a fee of [\$125.] \$150.
- 4. If a general partner of a limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the limited partnership or the resigning general partner shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each limited partnership which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due pursuant to the provisions of subsection 2 or 3, as appropriate, and a reminder to file the annual list required pursuant to subsection 1. Failure of any limited partnership to receive a notice does not excuse it from the penalty imposed by NRS 87A.300.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 2 or 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a limited partnership not in default that is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 8. A filing made pursuant to this section does not satisfy the provisions of NRS 87A.240 and may not be substituted for filings submitted pursuant to NRS 87A.240.
- 9. A person who files with the Secretary of State a list required by subsection 1 which identifies a general partner with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 10. The Secretary of State may allow a limited partnership to select an alternative due date for filing the initial list required by subsection 1.
- 11. The Secretary of State may adopt regulations to administer the provisions of subsection 10.

Sec. 76.55. NRS 87A.560 is hereby amended to read as follows:

87A.560 1. Each foreign limited partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited partnership with the Secretary of State or, if the foreign limited partnership has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each

year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:

- (a) The name of the foreign limited partnership;
- (b) The file number of the foreign limited partnership, if known;
- (c) The names of all its general partners;
- (d) The address, either residence or business, of each general partner; and
- (e) The signature of a general partner of the foreign limited partnership, or some other person specifically authorized by the foreign limited partnership to sign the list, certifying that the list is true, complete and accurate.
- 2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:
- (a) The foreign limited partnership has complied with the provisions of chapter 76 of NRS;
- (b) The foreign limited partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and
- (c) None of the general partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.
 - 3. Upon filing:
- (a) The initial list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of [\$125.] \$150.
- (b) Each annual list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of [\$125.] \$150.
- 4. If a general partner of a foreign limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the foreign limited partnership or the resigning general partner shall pay to the Secretary of State a fee of \$75 to file the resignation of the general partner.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign limited partnership, which is required to comply with the provisions of NRS 87A.560 to 87A.600, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign limited partnership to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 87A.560 to 87A.600, inclusive.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a foreign limited partnership not in default which is received by the Secretary of State more than 90 days before its due date shall

be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

- 8. A person who files with the Secretary of State a list required by this section which identifies a general partner with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 9. The Secretary of State may allow a foreign limited partnership to select an alternative due date for filing the initial list required by this section.
- 10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.

Sec. 76.6. NRS 88.395 is hereby amended to read as follows:

- 88.395 1. A limited partnership shall, on or before the last day of the first month after the filing of its certificate of limited partnership with the Secretary of State or, if the limited partnership has selected an alternative due date pursuant to subsection 10, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of limited partnership occurs or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:
 - (a) The name of the limited partnership;
 - (b) The file number of the limited partnership, if known;
 - (c) The names of all of its general partners;
 - (d) The address, either residence or business, of each general partner; and
- (e) The signature of a general partner of the limited partnership, or some other person specifically authorized by the limited partnership to sign the list, certifying that the list is true, complete and accurate.
- ➡ Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the limited partnership has complied with the provisions of chapter 76 of NRS, that the limited partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State, and that none of the general partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.
- 2. Except as otherwise provided in subsection 3, a limited partnership shall, upon filing:
- (a) The initial list required by subsection 1, pay to the Secretary of State a fee of [\$125.] \$150.
- (b) Each annual list required by subsection 1, pay to the Secretary of State a fee of \[\frac{\{\}125.\}{\}\] \[\]150.
 - 3. A registered limited-liability limited partnership shall, upon filing:

- (a) The initial list required by subsection 1, pay to the Secretary of State a fee of [\$125.] \$150.
- (b) Each annual list required by subsection 1, pay to the Secretary of State a fee of [\$175.] \$200.
- 4. If a general partner of a limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the limited partnership or the resigning general partner shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each limited partnership which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due pursuant to the provisions of subsection 2 or 3, as appropriate, and a reminder to file the annual list required pursuant to subsection 1. Failure of any limited partnership to receive a notice does not excuse it from the penalty imposed by NRS 88.400.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 2 or 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a limited partnership not in default that is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 8. A filing made pursuant to this section does not satisfy the provisions of NRS 88.355 and may not be substituted for filings submitted pursuant to NRS 88.355.
- 9. A person who files with the Secretary of State a list required by subsection 1 which identifies a general partner with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 10. The Secretary of State may allow a limited partnership to select an alternative due date for filing the initial list required by subsection 1.
- 11. The Secretary of State may adopt regulations to administer the provisions of subsection 10.

Sec. 76.65. NRS 88.591 is hereby amended to read as follows:

88.591 1. Each foreign limited partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited partnership with the Secretary of State or, if the foreign limited partnership has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the

Secretary of State a list, on a form furnished by the Secretary of State, that contains:

- (a) The name of the foreign limited partnership;
- (b) The file number of the foreign limited partnership, if known;
- (c) The names of all its general partners;
- (d) The address, either residence or business, of each general partner; and
- (e) The signature of a general partner of the foreign limited partnership, or some other person specifically authorized by the foreign limited partnership to sign the list, certifying that the list is true, complete and accurate.
- 2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:
- (a) The foreign limited partnership has complied with the provisions of chapter 76 of NRS;
- (b) The foreign limited partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and
- (c) None of the general partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.
 - 3. Upon filing:
- (a) The initial list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of [\$125.] \$150.
- (b) Each annual list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of [\$125.] \$150.
- 4. If a general partner of a foreign limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the foreign limited partnership or the resigning general partner shall pay to the Secretary of State a fee of \$75 to file the resignation of the general partner.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign limited partnership, which is required to comply with the provisions of NRS 88.591 to 88.5945, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign limited partnership to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 88.591 to 88.5945, inclusive.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a foreign limited partnership not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

- 8. A person who files with the Secretary of State a list required by this section which identifies a general partner with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 9. The Secretary of State may allow a foreign limited partnership to select an alternative due date for filing the initial list required by this section.
- 10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.

Sec. 76.7. NRS 88A.600 is hereby amended to read as follows:

- 88A.600 1. A business trust formed pursuant to this chapter shall, on or before the last day of the first month after the filing of its certificate of trust with the Secretary of State or, if the business trust has selected an alternative due date pursuant to subsection 8, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of trust with the Secretary of State occurs, file with the Secretary of State or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, on a form furnished by the Secretary of State, a list signed by at least one trustee, or by some other person specifically authorized by the business trust to sign the list, that contains the name and street address of at least one trustee. Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that:
- (a) The business trust has complied with the provisions of chapter 76 of NRS:
- (b) The business trust acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and
- (c) None of the trustees identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a trustee in furtherance of any unlawful conduct.
 - 2. Upon filing:
- (a) The initial list required by subsection 1, the business trust shall pay to the Secretary of State a fee of $\{\$125.\}$ \$150.
- (b) Each annual list required by subsection 1, the business trust shall pay to the Secretary of State a fee of \[\frac{\\$125.\}{25.\} \\$150. \]
- 3. If a trustee of a business trust resigns and the resignation is not reflected on the annual or amended list of trustees, the business trust or the resigning trustee shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 4. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each business trust which is required to comply with the provisions of NRS 88A.600 to 88A.660, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 2 and a reminder to file the list required pursuant to subsection 1.

Failure of a business trust to receive a notice does not excuse it from the penalty imposed by law.

- 5. An annual list for a business trust not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year.
- 6. A person who files with the Secretary of State an initial list or annual list required by subsection 1 which identifies a trustee with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a trustee in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 7. For the purposes of this section, a person who is a beneficial owner is not deemed to exercise actual control of the daily operations of a business trust based solely on the fact that the person is a beneficial owner.
- 8. The Secretary of State may allow a business trust to select an alternative due date for filing the initial list required by subsection 1.
- 9. The Secretary of State may adopt regulations to administer the provisions of subsection 8.

Sec. 76.75. NRS 88A.732 is hereby amended to read as follows:

- 88A.732 1. Each foreign business trust doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign business trust with the Secretary of State or, if the foreign business trust has selected an alternative due date pursuant to subsection 10, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:
 - (a) The name of the foreign business trust;
 - (b) The file number of the foreign business trust, if known;
 - (c) The name of at least one of its trustees;
- (d) The address, either residence or business, of the trustee listed pursuant to paragraph (c); and
- (e) The signature of a trustee of the foreign business trust, or some other person specifically authorized by the foreign business trust to sign the list, certifying that the list is true, complete and accurate.
- 2. Each list required to be filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:
- (a) The foreign business trust has complied with the provisions of chapter 76 of NRS:
- (b) The foreign business trust acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and
- (c) None of the trustees identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons

exercising the power or authority of a trustee in furtherance of any unlawful conduct.

- 3. Upon filing:
- (a) The initial list required by this section, the foreign business trust shall pay to the Secretary of State a fee of [\$125.] \$150.
- (b) Each annual list required by this section, the foreign business trust shall pay to the Secretary of State a fee of [\$125.] \$150.
- 4. If a trustee of a foreign business trust resigns and the resignation is not reflected on the annual or amended list of trustees, the foreign business trust or the resigning trustee shall pay to the Secretary of State a fee of \$75 to file the resignation.
- 5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign business trust which is required to comply with the provisions of NRS 88A.732 to 88A.738, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign business trust to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 88A.732 to 88A.738, inclusive.
- 6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.
- 7. An annual list for a foreign business trust not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.
- 8. A person who files with the Secretary of State a list required by this section which identifies a trustee with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a trustee in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 9. For the purposes of this section, a person who is a beneficial owner is not deemed to exercise actual control of the daily operations of a foreign business trust based solely on the fact that the person is a beneficial owner.
- 10. The Secretary of State may allow a foreign business trust to select an alternative due date for filing the initial list required by this section.
- 11. The Secretary of State may adopt regulations to administer the provisions of subsection 10.

Sec. 76.8. NRS 89.250 is hereby amended to read as follows:

89.250 1. Except as otherwise provided in subsection 2, a professional association shall, on or before the last day of the first month after the filing of its articles of association with the Secretary of State or, if the professional association has selected an alternative due date pursuant to subsection 7, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its organization occurs in

each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list showing the names and addresses, either residence or business, of all members and employees in the professional association and certifying that all members and employees are licensed to render professional service in this State.

- 2. A professional association organized and practicing pursuant to the provisions of this chapter and NRS 623.349 shall, on or before the last day of the first month after the filing of its articles of association with the Secretary of State or, if the professional association has selected an alternative due date pursuant to subsection 7, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its organization occurs in each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list:
- (a) Showing the names and addresses, either residence or business, of all members and employees of the professional association who are licensed or otherwise authorized by law to render professional service in this State;
- (b) Certifying that all members and employees who render professional service are licensed or otherwise authorized by law to render professional service in this State; and
- (c) Certifying that all members who are not licensed to render professional service in this State do not render professional service on behalf of the professional association except as authorized by law.
 - 3. Each list filed pursuant to this section must be:
- (a) Made on a form furnished by the Secretary of State and must not contain any fiscal or other information except that expressly called for by this section.
- (b) Signed by the chief executive officer of the professional association or by some other person specifically authorized by the chief executive officer to sign the list.
 - (c) Accompanied by a declaration under penalty of perjury that:
- (1) The professional association has complied with the provisions of chapter 76 of NRS;
- (2) The professional association acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and
- (3) None of the members or employees identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a member or employee in furtherance of any unlawful conduct.
 - 4. Upon filing:
- (a) The initial list required by this section, the professional association shall pay to the Secretary of State a fee of [\$125.] \$150.
- (b) Each annual list required by this section, the professional association shall pay to the Secretary of State a fee of [\$125.] \$150.

- 5. A person who files with the Secretary of State an initial list or annual list required by this section which identifies a member or an employee of a professional association with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a member or employee in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
- 6. For the purposes of this section, a person is not deemed to exercise actual control of the daily operations of a professional association based solely on the fact that the person holds an ownership interest in the professional association.
- 7. The Secretary of State may allow a professional association to select an alternative due date for filing the initial list required by this section.
- 8. The Secretary of State may adopt regulations to administer the provisions of subsection 7.

Sec. 77. NRS 90.420 is hereby amended to read as follows:

- 90.420 1. The Administrator by order may deny, suspend or revoke any license, fine any licensed person, limit the activities governed by this chapter that an applicant or licensed person may perform in this State, bar an applicant or licensed person from association with a licensed broker-dealer or investment adviser or bar from employment with a licensed broker-dealer or investment adviser a person who is a partner, officer, director, sales representative, investment adviser or representative of an investment adviser, or a person occupying a similar status or performing a similar function for an applicant or licensed person, if the Administrator finds that the order is in the public interest and that the applicant or licensed person or, in the case of a broker-dealer or investment adviser, any partner, officer, director, sales representative, investment adviser, representative of an investment adviser, or person occupying a similar status or performing similar functions or any person directly or indirectly controlling the broker-dealer or investment adviser, or any transfer agent or any person directly or indirectly controlling the transfer agent:
- (a) Has filed an application for licensing with the Administrator which, as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in a material respect or contained a statement that was, in light of the circumstances under which it was made, false or misleading with respect to a material fact;
- (b) Has violated or failed to comply with a provision of this chapter as now or formerly in effect or a regulation or order adopted or issued under this chapter;
- (c) Is the subject of an adjudication or determination after notice and opportunity for hearing, within the last 5 years by a securities agency or administrator of another state or a court of competent jurisdiction that the person has violated the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act or the securities law of any other state,

but only if the acts constituting the violation of that state's law would constitute a violation of this chapter had the acts taken place in this State;

- (d) Has been convicted of a felony or, within the previous 10 years has been convicted of a misdemeanor, which the Administrator finds:
- (1) Involves the purchase or sale of a security, taking a false oath, making a false report, bribery, perjury, burglary, robbery or conspiracy to commit any of the foregoing offenses;
- (2) Arises out of the conduct of business as a broker-dealer, investment adviser, depository institution, insurance company or fiduciary;
- (3) Involves the larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion or misappropriation of money or securities or conspiracy to commit any of the foregoing offenses; or
 - (4) Involves moral turpitude;
- (e) Is or has been permanently or temporarily enjoined by any court of competent jurisdiction, unless the order has been vacated, from acting as an investment adviser, representative of an investment adviser, underwriter, broker-dealer or as an affiliated person or employee of an investment company, depository institution or insurance company or from engaging in or continuing any conduct or practice in connection with any of the foregoing activities or in connection with the purchase or sale of a security;
- (f) Is or has been the subject of an order of the Administrator, unless the order has been vacated, denying, suspending or revoking the person's license as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent;
- (g) Is or has been the subject of any of the following orders which were issued within the last 5 years, unless the order has been vacated:
- (1) An order by the securities agency or administrator of another state, jurisdiction, Canadian province or territory, the Commodity Futures Trading Commission, or by the Securities and Exchange Commission or a comparable regulatory agency of another country, entered after notice and opportunity for hearing, denying, suspending or revoking the person's license as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent;
- (2) A suspension or expulsion from membership in or association with a member of a self-regulatory organization;
- (3) An order by a self-regulatory organization that prohibits the person from serving, indefinitely or for a specified period, as a principal or in a supervisory capacity within a business or organization which is a member of a self-regulatory organization;
 - (4) An order of the United States Postal Service relating to fraud;
- (5) An order to cease and desist entered after notice and opportunity for hearing by the Administrator, the securities agency or administrator of another state, jurisdiction, Canadian province or territory, the Securities and Exchange

Commission or a comparable regulatory agency of another country, or the Commodity Futures Trading Commission; or

- (6) An order by the Commodity Futures Trading Commission denying, suspending or revoking registration under the Commodity Exchange Act;
- (h) Has engaged in unethical or dishonest practices in the securities business;
- (i) Is insolvent, either in the sense that liabilities exceed assets or in the sense that obligations cannot be met as they mature, but the Administrator may not enter an order against a broker-dealer or investment adviser under this paragraph without a finding of insolvency as to the broker-dealer or investment adviser;
- (j) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS [+] or sections 2 to 61, inclusive, of this act;
- (k) Is determined by the Administrator in compliance with NRS 90.430 not to be qualified on the basis of lack of training, experience and knowledge of the securities business; or
- (1) Has failed reasonably to supervise a sales representative, employee or representative of an investment adviser.
- 2. The Administrator may not institute a proceeding on the basis of a fact or transaction known to the director when the license became effective unless the proceeding is instituted within 90 days after issuance of the license.
- 3. If the Administrator finds that an applicant or licensed person is no longer in existence or has ceased to do business as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent or is adjudicated mentally incompetent or subjected to the control of a committee, conservator or guardian or cannot be located after reasonable search, the Administrator may by order deny the application or revoke the license.

Sec. 78. NRS 90.730 is hereby amended to read as follows:

- 90.730 1. Except as otherwise provided in subsection 2, information and records filed with or obtained by the Administrator are public information and are available for public examination.
- 2. Except as otherwise provided in subsections 3 and 4 and NRS 239.0115, the following information and records do not constitute public information under subsection 1 and are confidential:
- (a) Information or records obtained by the Administrator in connection with an investigation concerning possible violations of this chapter; and
- (b) Information or records filed with the Administrator in connection with a registration statement filed under this chapter or a report under NRS 90.390 which constitute trade secrets or commercial or financial information of a person for which that person is entitled to and has asserted a claim of privilege or confidentiality authorized by law.
- 3. The Administrator may submit any information or evidence obtained in connection with an investigation to the:

- (a) Attorney General or appropriate district attorney for the purpose of prosecuting a criminal action under this chapter; and
- (b) Department of Taxation for its use in carrying out the provisions of chapter 363A of NRS [-] and the chapter consisting of sections 2 to 61, inclusive, of this act.
- 4. The Administrator may disclose any information obtained in connection with an investigation pursuant to NRS 90.620 to the agencies and administrators specified in subsection 1 of NRS 90.740 but only if disclosure is provided for the purpose of a civil, administrative or criminal investigation or proceeding, and the receiving agency or administrator represents in writing that under applicable law protections exist to preserve the integrity, confidentiality and security of the information.
- 5. This chapter does not create any privilege or diminish any privilege existing at common law, by statute, regulation or otherwise.

Sec. 78.1. NRS 482.181 is hereby amended to read as follows:

- 482.181 1. Except as otherwise provided in subsection 5, after deducting the amount withheld by the Department and the amount credited to the Department pursuant to subsection 6 of NRS 482.180, and the amount transferred to the State [Highway] General Fund pursuant to NRS 482.182, the Department shall certify monthly to the State Board of Examiners the amount of the basic and supplemental governmental services taxes collected for each county by the Department and its agents during the preceding month, and that money must be distributed monthly as provided in this section.
- 2. Any supplemental governmental services tax collected for a county must be distributed only to the county, to be used as provided in NRS 371.043, 371.045 and 371.047.
- 3. The distribution of the basic governmental services tax received or collected for each county must be made to the county school district within each county before any distribution is made to a local government, special district or enterprise district. For the purpose of calculating the amount of the basic governmental services tax to be distributed to the county school district, the taxes levied by each local government, special district and enterprise district are the product of its certified valuation, determined pursuant to subsection 2 of NRS 361.405, and its tax rate, established pursuant to NRS 361.455 for the fiscal year beginning on July 1, 1980, except that the tax rate for school districts, including the rate attributable to a district's debt service, is the rate established pursuant to NRS 361.455 for the fiscal year beginning on July 1, 1978, but if the rate attributable to a district's debt service in any fiscal year is greater than its rate for the fiscal year beginning on July 1, 1978, the higher rate must be used to determine the amount attributable to debt service.
- 4. After making the distributions set forth in subsection 3, the remaining money received or collected for each county must be deposited in the Local Government Tax Distribution Account created by NRS 360.660 for

distribution to local governments, special districts and enterprise districts within each county pursuant to the provisions of NRS 360.680 and 360.690.

- 5. An amount equal to any basic governmental services tax distributed to a redevelopment agency in the Fiscal Year 1987-1988 must continue to be distributed to that agency as long as it exists but must not be increased.
- 6. The Department shall make distributions of the basic governmental services tax directly to county school districts.
 - 7. As used in this section:
 - (a) "Enterprise district" has the meaning ascribed to it in NRS 360.620.
 - (b) "Local government" has the meaning ascribed to it in NRS 360.640.
 - (c) "Received or collected for each county" means:
- (1) For the basic governmental services tax collected on vehicles subject to the provisions of chapter 706 of NRS, the amount determined for each county based on the following percentages:

Carson City	1.07 percent	Lincoln 3.12 percent
Churchill	5.21 percent	Lyon 2.90 percent
Clark	22.54 percent	Mineral 2.40 percent
Douglas	2.52 percent	Nye 4.09 percent
Elko	13.31 percent	Pershing 7.00 percent
Esmeralda	2.52 percent	Storey 0.19 percent
Eureka	3.10 percent	Washoe 12.24 percent
Humboldt	8.25 percent	White Pine 5.66 percent
Lander	3.88 percent	•

- (2) For all other basic and supplemental governmental services tax received or collected by the Department, the amount attributable to each county based on the county of registration of the vehicle for which the tax was paid.
 - (d) "Special district" has the meaning ascribed to it in NRS 360.650.

Sec. 78.3. NRS 482.181 is hereby amended to read as follows:

- 482.181 1. Except as otherwise provided in subsection 5, after deducting the amount withheld by the Department and the amount credited to the Department pursuant to subsection 6 of NRS 482.180, and the amount transferred to the State General Fund and the State Highway Fund pursuant to NRS 482.182, the Department shall certify monthly to the State Board of Examiners the amount of the basic and supplemental governmental services taxes collected for each county by the Department and its agents during the preceding month, and that money must be distributed monthly as provided in this section.
- 2. Any supplemental governmental services tax collected for a county must be distributed only to the county, to be used as provided in NRS 371.043, 371.045 and 371.047.
- 3. The distribution of the basic governmental services tax received or collected for each county must be made to the county school district within each county before any distribution is made to a local government, special

district or enterprise district. For the purpose of calculating the amount of the basic governmental services tax to be distributed to the county school district, the taxes levied by each local government, special district and enterprise district are the product of its certified valuation, determined pursuant to subsection 2 of NRS 361.405, and its tax rate, established pursuant to NRS 361.455 for the fiscal year beginning on July 1, 1980, except that the tax rate for school districts, including the rate attributable to a district's debt service, is the rate established pursuant to NRS 361.455 for the fiscal year beginning on July 1, 1978, but if the rate attributable to a district's debt service in any fiscal year is greater than its rate for the fiscal year beginning on July 1, 1978, the higher rate must be used to determine the amount attributable to debt service.

- 4. After making the distributions set forth in subsection 3, the remaining money received or collected for each county must be deposited in the Local Government Tax Distribution Account created by NRS 360.660 for distribution to local governments, special districts and enterprise districts within each county pursuant to the provisions of NRS 360.680 and 360.690.
- 5. An amount equal to any basic governmental services tax distributed to a redevelopment agency in the Fiscal Year 1987-1988 must continue to be distributed to that agency as long as it exists but must not be increased.
- 6. The Department shall make distributions of the basic governmental services tax directly to county school districts.
 - 7. As used in this section:
 - (a) "Enterprise district" has the meaning ascribed to it in NRS 360.620.
 - (b) "Local government" has the meaning ascribed to it in NRS 360.640.
 - (c) "Received or collected for each county" means:
- (1) For the basic governmental services tax collected on vehicles subject to the provisions of chapter 706 of NRS, the amount determined for each county based on the following percentages:

Carson City	1.07 percent	Lincoln 3.12 percen
Churchill	5.21 percent	Lyon 2.90 percen
Clark	22.54 percent	Mineral 2.40 percen
Douglas	2.52 percent	Nye 4.09 percen
Elko	13.31 percent	Pershing 7.00 percen
Esmeralda	2.52 percent	Storey 0.19 percen
Eureka	3.10 percent	Washoe 12.24 percen
Humboldt	8.25 percent	White Pine 5.66 percen
Lander	3.88 percent	_

- (2) For all other basic and supplemental governmental services tax received or collected by the Department, the amount attributable to each county based on the county of registration of the vehicle for which the tax was paid.
 - (d) "Special district" has the meaning ascribed to it in NRS 360.650.
 - Sec. 78.5. NRS 482.181 is hereby amended to read as follows:

- 482.181 1. Except as otherwise provided in subsection 5, after deducting the amount withheld by the Department and the amount credited to the Department pursuant to subsection 6 of NRS 482.180, and the amount transferred to [the State General Fund and the] State Highway Fund pursuant to NRS 482.182, the Department shall certify monthly to the State Board of Examiners the amount of the basic and supplemental governmental services taxes collected for each county by the Department and its agents during the preceding month, and that money must be distributed monthly as provided in this section.
- 2. Any supplemental governmental services tax collected for a county must be distributed only to the county, to be used as provided in NRS 371.043, 371.045 and 371.047.
- 3. The distribution of the basic governmental services tax received or collected for each county must be made to the county school district within each county before any distribution is made to a local government, special district or enterprise district. For the purpose of calculating the amount of the basic governmental services tax to be distributed to the county school district, the taxes levied by each local government, special district and enterprise district are the product of its certified valuation, determined pursuant to subsection 2 of NRS 361.405, and its tax rate, established pursuant to NRS 361.455 for the fiscal year beginning on July 1, 1980, except that the tax rate for school districts, including the rate attributable to a district's debt service, is the rate established pursuant to NRS 361.455 for the fiscal year beginning on July 1, 1978, but if the rate attributable to a district's debt service in any fiscal year is greater than its rate for the fiscal year beginning on July 1, 1978, the higher rate must be used to determine the amount attributable to debt service.
- 4. After making the distributions set forth in subsection 3, the remaining money received or collected for each county must be deposited in the Local Government Tax Distribution Account created by NRS 360.660 for distribution to local governments, special districts and enterprise districts within each county pursuant to the provisions of NRS 360.680 and 360.690.
- 5. An amount equal to any basic governmental services tax distributed to a redevelopment agency in the Fiscal Year 1987-1988 must continue to be distributed to that agency as long as it exists but must not be increased.
- 6. The Department shall make distributions of the basic governmental services tax directly to county school districts.
 - 7. As used in this section:
 - (a) "Enterprise district" has the meaning ascribed to it in NRS 360.620.
 - (b) "Local government" has the meaning ascribed to it in NRS 360.640.
 - (c) "Received or collected for each county" means:
- (1) For the basic governmental services tax collected on vehicles subject to the provisions of chapter 706 of NRS, the amount determined for each county based on the following percentages:

Carson City	1.07 percent	Lincoln 3.12 percent
Churchill	5.21 percent	Lyon 2.90 percent
Clark	22.54 percent	Mineral 2.40 percent
Douglas	2.52 percent	Nye 4.09 percent
Elko	13.31 percent	Pershing 7.00 percent
Esmeralda	2.52 percent	Storey 0.19 percent
Eureka	3.10 percent	Washoe 12.24 percent
Humboldt	8.25 percent	White Pine 5.66 percent
Lander	3.88 percent	1

- (2) For all other basic and supplemental governmental services tax received or collected by the Department, the amount attributable to each county based on the county of registration of the vehicle for which the tax was paid.
 - (d) "Special district" has the meaning ascribed to it in NRS 360.650.

Sec. 78.7. NRS 482.182 is hereby amended to read as follows:

- 482.182 1. After deducting the amount withheld by the Department and the amount credited to the Department pursuant to subsection 6 of NRS 482.180 and before carrying out the provisions of NRS 482.181 each month, the Department shall direct the State Controller to transfer to the State [Highway] General Fund from the proceeds of the basic governmental services tax collected by the Department and its agents during the preceding month the amounts indicated pursuant to this section.
- 2. Except as otherwise provided in subsection 3, the amount required to be transferred pursuant to subsection 1 from the proceeds of the basic governmental services tax imposed on vehicles depreciated in accordance with:
 - (a) Subsection 1 of NRS 371.060 based upon an age of:
 - (1) One year, is a sum equal to 11 percent of those proceeds;
 - (2) Two years, is a sum equal to 12 percent of those proceeds;
 - (3) Three years, is a sum equal to 13 percent of those proceeds;
 - (4) Four years, is a sum equal to 15 percent of those proceeds;
 - (5) Five years, is a sum equal to 18 percent of those proceeds;
 - (6) Six years, is a sum equal to 22 percent of those proceeds;
 - (7) Seven years, is a sum equal to 29 percent of those proceeds;
 - (8) Eight years, is a sum equal to 40 percent of those proceeds; and
- (9) Nine years or more, is a sum equal to 67 percent of those proceeds; and
 - (b) Subsection 2 of NRS 371.060 based upon an age of:
 - (1) One year, is a sum equal to 12 percent of those proceeds;
 - (2) Two years, is a sum equal to 14 percent of those proceeds;
 - (3) Three years, is a sum equal to 18 percent of those proceeds;
 - (4) Four years, is a sum equal to 21 percent of those proceeds;
 - (5) Five years, is a sum equal to 26 percent of those proceeds;
 - (6) Six years, is a sum equal to 30 percent of those proceeds;

- (7) Seven years, is a sum equal to 33 percent of those proceeds;
- (8) Eight years, is a sum equal to 37 percent of those proceeds;
- (9) Nine years, is a sum equal to 40 percent of those proceeds; and
- (10) Ten years or more, is a sum equal to 43 percent of those proceeds.
- 3. The amount required to be transferred pursuant to subsection 1 from the proceeds of the basic governmental services tax imposed on vehicles to which the minimum amount of that tax applies pursuant to paragraph (b) of subsection 3 of NRS 371.060 is a sum equal to 63 percent of those proceeds.

Sec. 78.8. NRS 482.182 is hereby amended to read as follows:

- 482.182 1. After deducting the amount withheld by the Department and the amount credited to the Department pursuant to subsection 6 of NRS 482.180 and before carrying out the provisions of NRS 482.181 each month, the Department shall direct the State Controller to transfer to the :
- <u>(a)</u> State General Fund from the proceeds of the basic governmental services tax collected by the Department and its agents during the preceding month <u>50 percent of</u> the amounts indicated pursuant to this section.
- (b) State Highway Fund from the proceeds of the basic governmental services tax collected by the Department and its agents during the preceding month 50 percent of the amounts indicated pursuant to this section.
- 2. Except as otherwise provided in subsection 3, the amount required to be transferred pursuant to subsection 1 from the proceeds of the basic governmental services tax imposed on vehicles depreciated in accordance with:
 - (a) Subsection 1 of NRS 371.060 based upon an age of:
 - (1) One year, is a sum equal to 11 percent of those proceeds;
 - (2) Two years, is a sum equal to 12 percent of those proceeds;
 - (3) Three years, is a sum equal to 13 percent of those proceeds;
 - (4) Four years, is a sum equal to 15 percent of those proceeds;
 - (5) Five years, is a sum equal to 18 percent of those proceeds;
 - (6) Six years, is a sum equal to 22 percent of those proceeds;
 - (7) Seven years, is a sum equal to 29 percent of those proceeds;
 - (8) Eight years, is a sum equal to 40 percent of those proceeds; and
- (9) Nine years or more, is a sum equal to 67 percent of those proceeds; and
 - (b) Subsection 2 of NRS 371.060 based upon an age of:
 - (1) One year, is a sum equal to 12 percent of those proceeds;
 - (2) Two years, is a sum equal to 14 percent of those proceeds;
 - (3) Three years, is a sum equal to 18 percent of those proceeds;
 - (4) Four years, is a sum equal to 21 percent of those proceeds;
 - (5) Five years, is a sum equal to 26 percent of those proceeds;
 - (6) Six years, is a sum equal to 30 percent of those proceeds;
 - (7) Seven years, is a sum equal to 33 percent of those proceeds;
 - (8) Eight years, is a sum equal to 37 percent of those proceeds;
 - (9) Nine years, is a sum equal to 40 percent of those proceeds; and
 - (10) Ten years or more, is a sum equal to 43 percent of those proceeds.

3. The amount required to be transferred pursuant to subsection 1 from the proceeds of the basic governmental services tax imposed on vehicles to which the minimum amount of that tax applies pursuant to paragraph (b) of subsection 3 of NRS 371.060 is a sum equal to 63 percent of those proceeds.

Sec. 78.9. NRS 482.182 is hereby amended to read as follows:

- 482.182 1. After deducting the amount withheld by the Department and the amount credited to the Department pursuant to subsection 6 of NRS 482.180 and before carrying out the provisions of NRS 482.181 each month, the Department shall direct the State Controller to transfer to the F:
- (a) State General Fund from the proceeds of the basic governmental services tax collected by the Department and its agents during the preceding month 50 percent of the amounts indicated pursuant to this section.
- —(b)] State Highway Fund from the proceeds of the basic governmental services tax collected by the Department and its agents during the preceding month [50 percent of] the amounts indicated pursuant to this section.
- 2. Except as otherwise provided in subsection 3, the amount required to be transferred pursuant to subsection 1 from the proceeds of the basic governmental services tax imposed on vehicles depreciated in accordance with:
 - (a) Subsection 1 of NRS 371.060 based upon an age of:
 - (1) One year, is a sum equal to 11 percent of those proceeds;
 - (2) Two years, is a sum equal to 12 percent of those proceeds;
 - (3) Three years, is a sum equal to 13 percent of those proceeds;
 - (4) Four years, is a sum equal to 15 percent of those proceeds;
 - (5) Five years, is a sum equal to 18 percent of those proceeds;
 - (6) Six years, is a sum equal to 22 percent of those proceeds;
 - (7) Seven years, is a sum equal to 29 percent of those proceeds;
 - (8) Eight years, is a sum equal to 40 percent of those proceeds; and
- (9) Nine years or more, is a sum equal to 67 percent of those proceeds; and
 - (b) Subsection 2 of NRS 371.060 based upon an age of:
 - (1) One year, is a sum equal to 12 percent of those proceeds;
 - (2) Two years, is a sum equal to 14 percent of those proceeds;
 - (3) Three years, is a sum equal to 18 percent of those proceeds;
 - (4) Four years, is a sum equal to 21 percent of those proceeds;
 - (5) Five years, is a sum equal to 26 percent of those proceeds;
 - (6) Six years, is a sum equal to 30 percent of those proceeds;
 - (7) Seven years, is a sum equal to 33 percent of those proceeds;
 - (8) Eight years, is a sum equal to 37 percent of those proceeds;
 - (9) Nine years, is a sum equal to 40 percent of those proceeds; and
 - (10) Ten years or more, is a sum equal to 43 percent of those proceeds.
- 3. The amount required to be transferred pursuant to subsection 1 from the proceeds of the basic governmental services tax imposed on vehicles to which the minimum amount of that tax applies pursuant to paragraph (b) of subsection 3 of NRS 371.060 is a sum equal to 63 percent of those proceeds.

Sec. 79. NRS 604A.820 is hereby amended to read as follows:

- 604A.820 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, the Commissioner shall give 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.
 - 2. At the conclusion of a hearing, the Commissioner shall:
- (a) Enter a written order either dismissing the charges, revoking the license or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. The Commissioner shall send a copy of the order to the licensee by registered or certified mail.
- (b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the licensee of any provision of this chapter or any regulation adopted pursuant thereto.
- (c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including investigative costs and attorney's fees of the Commissioner.
 - 3. The grounds for revocation or suspension of a license are that:
 - (a) The licensee has failed to pay the annual license fee;
- (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter or any lawful regulation adopted pursuant thereto;
- (c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS [+] or sections 2 to 61, inclusive, of this act;
- (d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license pursuant to the provisions of this chapter; or
 - (e) The licensee:
- (1) Failed to open an office for the conduct of the business authorized by his or her license within 180 days after the date the license was issued; or
- (2) Has failed to remain open for the conduct of the business for a period of 180 days without good cause therefor.
- 4. Any revocation or suspension applies only to the license granted to a person for the particular office for which grounds for revocation or suspension exist.
- 5. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 80. NRS 612.265 is hereby amended to read as follows:

- 612.265 1. Except as otherwise provided in this section and NRS 239.0115 and 612.642, information obtained from any employing unit or person pursuant to the administration of this chapter and any determination as to the benefit rights of any person is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person's or employing unit's identity.
- 2. Any claimant or a legal representative of a claimant is entitled to information from the records of the Division, to the extent necessary for the

proper presentation of the claimant's claim in any proceeding pursuant to this chapter. A claimant or an employing unit is not entitled to information from the records of the Division for any other purpose.

- 3. Subject to such restrictions as the Administrator may by regulation prescribe, the information obtained by the Division may be made available to:
- (a) Any agency of this or any other state or any federal agency charged with the administration or enforcement of laws relating to unemployment compensation, public assistance, workers' compensation or labor and industrial relations, or the maintenance of a system of public employment offices:
 - (b) Any state or local agency for the enforcement of child support;
 - (c) The Internal Revenue Service of the Department of the Treasury;
 - (d) The Department of Taxation; and
- (e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter 624 of NRS.
- → Information obtained in connection with the administration of the Division may be made available to persons or agencies for purposes appropriate to the operation of a public employment service or a public assistance program.
- 4. Upon written request made by a public officer of a local government, the Administrator shall furnish from the records of the Division the name, address and place of employment of any person listed in the records of employment of the Division. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the proper authority of the local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. Except as otherwise provided in NRS 239.0115, the information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to that local government. The Administrator may charge a reasonable fee for the cost of providing the requested information.
- 5. The Administrator may publish or otherwise provide information on the names of employers, their addresses, their type or class of business or industry, and the approximate number of employees employed by each such employer, if the information released will assist unemployed persons to obtain employment or will be generally useful in developing and diversifying the economic interests of this State. Upon request by a state agency which is able to demonstrate that its intended use of the information will benefit the residents of this State, the Administrator may, in addition to the information listed in this subsection, disclose the number of employees employed by each employer and the total wages paid by each employer. The Administrator may charge a fee to cover the actual costs of any administrative expenses relating to the disclosure of this information to a state agency. The Administrator may require the state agency to certify in writing that the agency will take all actions

necessary to maintain the confidentiality of the information and prevent its unauthorized disclosure.

- 6. Upon request therefor, the Administrator shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, the name, address, ordinary occupation and employment status of each recipient of benefits and the recipient's rights to further benefits pursuant to this chapter.
- 7. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this State may submit a written request to the Administrator that the Administrator furnish, from the records of the Division, the name, address and place of employment of any person listed in the records of employment of the Division. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of such a request, the Administrator shall furnish the information requested. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.
- 8. In addition to the provisions of subsection 5, the Administrator shall provide lists containing the names and addresses of employers, and information regarding the wages paid by each employer to the Department of Taxation, upon request, for use in verifying returns for the taxes imposed pursuant to chapters 363A and 363B of NRS [-] and the chapter consisting of sections 2 to 61, inclusive, of this act. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.
- 9. A private carrier that provides industrial insurance in this State shall submit to the Administrator a list containing the name of each person who received benefits pursuant to chapters 616A to 616D, inclusive, or chapter 617 of NRS during the preceding month and request that the Administrator compare the information so provided with the records of the Division regarding persons claiming benefits pursuant to this chapter for the same period. The information submitted by the private carrier must be in a form determined by the Administrator and must contain the social security number of each such person. Upon receipt of the request, the Administrator shall make such a comparison and, if it appears from the information submitted that a person is simultaneously claiming benefits under this chapter and under chapters 616A to 616D, inclusive, or chapter 617 of NRS, the Administrator shall notify the Attorney General or any other appropriate law enforcement agency. The Administrator shall charge a fee to cover the actual costs of any related administrative expenses.
- 10. The Administrator may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of this chapter, and may in connection with the request transmit any such report or

return to the Comptroller of the Currency of the United States as provided in section 3305(c) of the Internal Revenue Code of 1954.

- 11. If any employee or member of the Board of Review, the Administrator or any employee of the Administrator, in violation of the provisions of this section, discloses information obtained from any employing unit or person in the administration of this chapter, or if any person who has obtained a list of applicants for work, or of claimants or recipients of benefits pursuant to this chapter uses or permits the use of the list for any political purpose, he or she is guilty of a gross misdemeanor.
- 12. All letters, reports or communications of any kind, oral or written, from the employer or employee to each other or to the Division or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of this chapter.

Sec. 81. NRS 616B.012 is hereby amended to read as follows:

- 616B.012 1. Except as otherwise provided in this section and NRS 239.0115, 616B.015, 616B.021 and 616C.205, information obtained from any insurer, employer or employee is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person's identity.
- 2. Any claimant or legal representative of the claimant is entitled to information from the records of the insurer, to the extent necessary for the proper presentation of a claim in any proceeding under chapters 616A to 616D, inclusive, or chapter 617 of NRS.
- 3. The Division and Administrator are entitled to information from the records of the insurer which is necessary for the performance of their duties. The Administrator may, by regulation, prescribe the manner in which otherwise confidential information may be made available to:
- (a) Any agency of this or any other state charged with the administration or enforcement of laws relating to industrial insurance, unemployment compensation, public assistance or labor law and industrial relations;
 - (b) Any state or local agency for the enforcement of child support;
 - (c) The Internal Revenue Service of the Department of the Treasury;
 - (d) The Department of Taxation; and
- (e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter 624 of NRS.
- → Information obtained in connection with the administration of a program of industrial insurance may be made available to persons or agencies for purposes appropriate to the operation of a program of industrial insurance.
- 4. Upon written request made by a public officer of a local government, an insurer shall furnish from its records the name, address and place of employment of any person listed in its records. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by proper authority of the local government certifying that the request is made to allow the proper authority to enforce a

law to recover a debt or obligation owed to the local government. Except as otherwise provided in NRS 239.0115, the information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to the local government. The insurer may charge a reasonable fee for the cost of providing the requested information.

- 5. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this State may submit to the Administrator a written request for the name, address and place of employment of any person listed in the records of an insurer. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of a request, the Administrator shall instruct the insurer to furnish the information requested. Upon receipt of such an instruction, the insurer shall furnish the information requested. The insurer may charge a reasonable fee to cover any related administrative expenses.
- 6. Upon request by the Department of Taxation, the Administrator shall provide:
 - (a) Lists containing the names and addresses of employers; and
- (b) Other information concerning employers collected and maintained by the Administrator or the Division to carry out the purposes of chapters 616A to 616D, inclusive, or chapter 617 of NRS,
- → to the Department for its use in verifying returns for the taxes imposed pursuant to chapters 363A and 363B of NRS [...] and the chapter consisting of sections 2 to 61, inclusive, of this act. The Administrator may charge a reasonable fee to cover any related administrative expenses.
- 7. Any person who, in violation of this section, discloses information obtained from files of claimants or policyholders or obtains a list of claimants or policyholders under chapters 616A to 616D, inclusive, or chapter 617 of NRS and uses or permits the use of the list for any political purposes, is guilty of a gross misdemeanor.
- 8. All letters, reports or communications of any kind, oral or written, from the insurer, or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of chapters 616A to 616D, inclusive, or chapter 617 of NRS.
- 9. The provisions of this section do not prohibit the Administrator or the Division from disclosing any nonproprietary information relating to an uninsured employer or proof of industrial insurance.

Sec. 82. NRS 645B.060 is hereby amended to read as follows:

645B.060 1. Subject to the administrative control of the Director of the Department of Business and Industry, the Commissioner shall exercise general supervision and control over mortgage brokers and mortgage agents doing business in this State.

- 2. In addition to the other duties imposed upon him or her by law, the Commissioner shall:
 - (a) Adopt regulations:
- (1) Setting forth the requirements for an investor to acquire ownership of or a beneficial interest in a loan secured by a lien on real property. The regulations must include, without limitation, the minimum financial conditions that the investor must comply with before becoming an investor.
- (2) Establishing reasonable limitations and guidelines on loans made by a mortgage broker to a director, officer, mortgage agent or employee of the mortgage broker.
- (b) Adopt any other regulations that are necessary to carry out the provisions of this chapter, except as to loan brokerage fees.
- (c) Conduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner.
- (d) Except as otherwise provided in subsection 4, conduct an annual examination of each mortgage broker doing business in this State. The annual examination must include, without limitation, a formal exit review with the mortgage broker. The Commissioner shall adopt regulations prescribing:
- (1) Standards for determining the rating of each mortgage broker based upon the results of the annual examination; and
- (2) Procedures for resolving any objections made by the mortgage broker to the results of the annual examination. The results of the annual examination may not be opened to public inspection pursuant to NRS 645B.090 until after a period of time set by the Commissioner to determine any objections made by the mortgage broker.
- (e) Conduct such other examinations, periodic or special audits, investigations and hearings as may be necessary for the efficient administration of the laws of this State regarding mortgage brokers and mortgage agents. The Commissioner shall adopt regulations specifying the general guidelines that will be followed when a periodic or special audit of a mortgage broker is conducted pursuant to this chapter.
- (f) Classify as confidential certain records and information obtained by the Division when those matters are obtained from a governmental agency upon the express condition that they remain confidential. This paragraph does not limit examination by:
 - (1) The Legislative Auditor; or
- (2) The Department of Taxation if necessary to carry out the provisions of chapter 363A of NRS [-] and sections 2 to 61, inclusive, of this act.
- (g) Conduct such examinations and investigations as are necessary to ensure that mortgage brokers and mortgage agents meet the requirements of this chapter for obtaining a license, both at the time of the application for a license and thereafter on a continuing basis.

- 3. For each special audit, investigation or examination, a mortgage broker or mortgage agent shall pay a fee based on the rate established pursuant to NRS 645F.280.
- 4. The Commissioner may conduct examinations of a mortgage broker, as described in paragraph (d) of subsection 2, on a biennial instead of an annual basis if the mortgage broker:
- (a) Received a rating in the last annual examination that meets a threshold determined by the Commissioner;
- (b) Has not had any adverse change in financial condition since the last annual examination, as shown by financial statements of the mortgage broker;
- (c) Has not had any complaints received by the Division that resulted in any administrative action by the Division; and
- (d) Does not maintain any trust accounts pursuant to NRS 645B.170 or 645B.175 or arrange loans funded by private investors.

Sec. 83. NRS 645B.670 is hereby amended to read as follows:

645B.670 1. Except as otherwise provided in NRS 645B.690:

- (a) For each violation committed by an applicant for a license issued pursuant to this chapter, whether or not the applicant is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than \$25,000 if the applicant:
- (1) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;
- (2) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or
- (3) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his or her application for a license or during the course of the investigation of his or her application for a license.
- (b) For each violation committed by a mortgage broker, the Commissioner may impose upon the mortgage broker an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the mortgage broker's license, or may do both, if the mortgage broker, whether or not acting as such:
 - (1) Is insolvent;
- (2) Is grossly negligent or incompetent in performing any act for which the mortgage broker is required to be licensed pursuant to the provisions of this chapter;
- (3) Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;
- (4) Is in such financial condition that the mortgage broker cannot continue in business with safety to his or her customers;
- (5) Has made a material misrepresentation in connection with any transaction governed by this chapter;

- (6) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the mortgage broker knew or, by the exercise of reasonable diligence, should have known;
- (7) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the mortgage broker possesses and which, if submitted by the mortgage broker, would have rendered the mortgage broker ineligible to be licensed pursuant to the provisions of this chapter;
- (8) Has failed to account to persons interested for all money received for a trust account:
- (9) Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;
- (10) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;
- (11) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the mortgage broker is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;
- (12) Has failed to satisfy a claim made by a client which has been reduced to judgment;
- (13) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;
- (14) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use:
- (15) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;
- (16) Has repeatedly violated the policies and procedures of the mortgage broker;
- (17) Has failed to exercise reasonable supervision and control over the activities of a mortgage agent as required by NRS 645B.460;
- (18) Has instructed a mortgage agent to commit an act that would be cause for the revocation of the license of the mortgage broker, whether or not the mortgage agent commits the act;
- (19) Has employed a person as a mortgage agent or authorized a person to be associated with the mortgage broker as a mortgage agent at a time when the mortgage broker knew or, in light of all the surrounding facts and circumstances, reasonably should have known that the person:

- (I) Had been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering; or
- (II) Had a license or registration as a mortgage agent, mortgage banker, mortgage broker or residential mortgage loan originator revoked in this State or any other jurisdiction or had a financial services license or registration revoked within the immediately preceding 10 years;
 - (20) Has violated NRS 645C.557;
- (21) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS [+] or sections 2 to 61, inclusive, of this act; or
- (22) Has, directly or indirectly, paid any commission, fees, points or any other compensation as remuneration for the services of a mortgage agent to a person other than a mortgage agent who:
 - (I) Is an employee of or associated with the mortgage broker; or
- (II) If the mortgage agent is required to register with the Registry, is an employee of and whose sponsorship has been entered with the Registry by the mortgage broker as required by subsection 2 of NRS 645B.450.
- (c) For each violation committed by a mortgage agent, the Commissioner may impose upon the mortgage agent an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the mortgage agent's license, or may do both, if the mortgage agent, whether or not acting as such:
- (1) Is grossly negligent or incompetent in performing any act for which the mortgage agent is required to be licensed pursuant to the provisions of this chapter;
- (2) Has made a material misrepresentation in connection with any transaction governed by this chapter;
- (3) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the mortgage agent knew or, by the exercise of reasonable diligence, should have known;
- (4) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the mortgage agent possesses and which, if submitted by the mortgage agent, would have rendered the mortgage agent ineligible to be licensed pursuant to the provisions of this chapter;
- (5) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;
- (6) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

- (7) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use;
- (8) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;
 - (9) Has violated NRS 645C.557;
- (10) Has repeatedly violated the policies and procedures of the mortgage broker with whom the mortgage agent is associated or by whom he or she is employed;
- (11) Has, directly or indirectly, received any commission, fees, points or any other compensation as remuneration for his or her services as a mortgage agent:
- (I) From a person other than the mortgage broker with whom the mortgage agent is associated or by whom he or she is employed; or
- (II) If the mortgage agent is required to be registered with the Registry, from a person other than the mortgage broker by whom the mortgage agent is employed and on whose behalf sponsorship was entered as required by subsection 2 of NRS 645B.450; or
- (12) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner or has assisted or offered to assist another person to commit such a violation.
- 2. This section does not prohibit the co-brokering of a commercial loan through the cooperation of two or more mortgage brokers so long as such a transaction is not inconsistent with any other provision of this chapter.

Sec. 84. NRS 645E.300 is hereby amended to read as follows:

- 645E.300 1. Subject to the administrative control of the Director of the Department of Business and Industry, the Commissioner shall exercise general supervision and control over mortgage bankers doing business in this State.
- 2. In addition to the other duties imposed upon him or her by law, the Commissioner shall:
- (a) Adopt regulations establishing reasonable limitations and guidelines on loans made by a mortgage banker to a director, officer or employee of the mortgage banker.
- (b) Adopt any other regulations that are necessary to carry out the provisions of this chapter, except as to loan fees.
- (c) Conduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner.
- (d) Except as otherwise provided in subsection 4, conduct an annual examination of each mortgage banker doing business in this State.
- (e) Conduct such other examinations, periodic or special audits, investigations and hearings as may be necessary for the efficient administration of the laws of this State regarding mortgage bankers.
- (f) Classify as confidential certain records and information obtained by the Division when those matters are obtained from a governmental agency upon

the express condition that they remain confidential. This paragraph does not limit examination by:

- (1) The Legislative Auditor; or
- (2) The Department of Taxation if necessary to carry out the provisions of chapter 363A of NRS \(\frac{1}{12}\) and sections 2 to 61, inclusive, of this act.
- (g) Conduct such examinations and investigations as are necessary to ensure that mortgage bankers meet the requirements of this chapter for obtaining a license, both at the time of the application for a license and thereafter on a continuing basis.
- 3. For each special audit, investigation or examination, a mortgage banker shall pay a fee based on the rate established pursuant to NRS 645F.280.
- 4. The Commissioner may conduct biennial examinations of a mortgage banker instead of annual examinations, as described in paragraph (d) of subsection 2, if the mortgage banker:
- (a) Received a rating in the last annual examination that meets a threshold determined by the Commissioner;
- (b) Has not had any adverse change in financial condition since the last annual examination, as shown by financial statements of the mortgage banker; and
- (c) Has not had any complaints received by the Division that resulted in any administrative action by the Division.

Sec. 85. NRS 645E.670 is hereby amended to read as follows:

- 645E.670 1. For each violation committed by an applicant, whether or not the applicant is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than \$25,000 if the applicant:
- (a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;
- (b) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or
- (c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his or her application for a license or during the course of the investigation of his or her application for a license.
- 2. For each violation committed by a licensee, the Commissioner may impose upon the licensee an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the license, or may do both, if the licensee, whether or not acting as such:
 - (a) Is insolvent;
- (b) Is grossly negligent or incompetent in performing any act for which the licensee is required to be licensed pursuant to the provisions of this chapter;
- (c) Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;

- (d) Is in such financial condition that the licensee cannot continue in business with safety to his or her customers;
- (e) Has made a material misrepresentation in connection with any transaction governed by this chapter;
- (f) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the licensee knew or, by the exercise of reasonable diligence, should have known;
- (g) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the licensee possesses and which, if submitted by the licensee, would have rendered the licensee ineligible to be licensed pursuant to the provisions of this chapter;
- (h) Has failed to account to persons interested for all money received for a trust account;
- (i) Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;
- (j) Has been convicted of, or entered or agreed to enter a plea of nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;
- (k) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the licensee is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;
- (1) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS [;] or sections 2 to 61, inclusive, of this act;
- (m) Has failed to satisfy a claim made by a client which has been reduced to judgment;
- (n) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;
 - (o) Has violated NRS 645C.557;
- (p) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use; or
- (q) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice.
- 3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

Sec. 86. NRS 658.151 is hereby amended to read as follows:

- 658.151 1. The Commissioner may forthwith take possession of the business and property of any depository institution to which this title or title 56 of NRS applies when it appears that the depository institution:
 - (a) Has violated its charter or any laws applicable thereto.
 - (b) Is conducting its business in an unauthorized or unsafe manner.
 - (c) Is in an unsafe or unsound condition to transact its business.
 - (d) Has an impairment of its stockholders' or members' equity.
- (e) Has refused to pay its depositors in accordance with the terms on which such deposits were received, or has refused to pay its holders of certificates of indebtedness or investment in accordance with the terms upon which those certificates of indebtedness or investment were sold.
 - (f) Has become or is in imminent danger of becoming otherwise insolvent.
- (g) Has neglected or refused to comply with the terms of a lawful order of the Commissioner.
- (h) Has refused, upon proper demand, to submit its records, affairs and concerns for inspection and examination of an appointed or authorized examiner of the Commissioner.
 - (i) Has made a voluntary assignment of its assets to trustees.
- (j) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS : or sections 2 to 61, inclusive, of this act.
- 2. The Commissioner also may forthwith take possession of the business and property of any depository institution to which this title or title 56 of NRS applies when it appears that the officers of the depository institution have refused to be examined upon oath regarding its affairs.

Sec. 87. NRS 665.133 is hereby amended to read as follows:

- 665.133 1. The records and information described in NRS 665.130 may be disclosed to:
- (a) An agency of the Federal Government or of another state which regulates the financial institution which is the subject of the records or information:
- (b) The Director of the Department of Business and Industry for the Director's confidential use;
- (c) The State Board of Finance for its confidential use, if the report or other information is necessary for the State Board of Finance to perform its duties under this title;
- (d) The Department of Taxation for its use in carrying out the provisions of chapter 363A of NRS [:] and the chapter consisting of sections 2 to 61, inclusive, of this act;
 - (e) An entity which insures or guarantees deposits;
- (f) A public officer authorized to investigate criminal charges in connection with the affairs of the depository institution;
- (g) A person preparing a proposal for merging with or acquiring an institution or holding company, but only after notice of the disclosure has been given to the institution or holding company;

- (h) Any person to whom the subject of the report has authorized the disclosure;
- (i) Any other person if the Commissioner determines, after notice and opportunity for hearing, that disclosure is in the public interest and outweighs any potential harm to the depository institution and its stockholders, members, depositors and creditors; and
- (j) Any court in a proceeding initiated by the Commissioner concerning the financial institution.
- 2. All the reports made available pursuant to this section remain the property of the Division of Financial Institutions, and no person, agency or authority to whom the reports are made available, or any officer, director or employee thereof, may disclose any of the reports or any information contained therein, except in published statistical material that does not disclose the affairs of any natural person or corporation.

Sec. 88. NRS 669.275 is hereby amended to read as follows:

- 669.275 1. The Commissioner may require a licensee to provide an audited financial statement prepared by an independent certified public accountant licensed to do business in this State.
- 2. On the fourth Monday in January of each year, each licensee shall submit to the Commissioner a list of stockholders required to be maintained pursuant to paragraph (c) of subsection 1 of NRS 78.105 or the list of members required to be maintained pursuant to paragraph (a) of subsection 1 of NRS 86.241, verified by the president or a manager, as appropriate.
- 3. The list of members required to be maintained pursuant to paragraph (a) of subsection 1 of NRS 86.241 must include the percentage of each member's interest in the company, in addition to the requirements set forth in that section.
- 4. Except as otherwise provided in NRS 239.0115, any document submitted pursuant to this section is confidential. <u>This subsection does not limit the examination of any document by the Department of Taxation if necessary to carry out the provisions of sections 2 to 61, inclusive, of this act.</u>

Sec. 89. NRS 669.2825 is hereby amended to read as follows:

- 669.2825 1. The Commissioner may institute disciplinary action or forthwith initiate proceedings to take possession of the business and property of any retail trust company when it appears that the retail trust company:
- (a) Has violated its charter or any state or federal laws applicable to the business of a trust company.
 - (b) Is conducting its business in an unauthorized or unsafe manner.
 - (c) Is in an unsafe or unsound condition to transact its business.
 - (d) Has an impairment of its stockholders' equity.
- (e) Has refused to pay or transfer account assets to its account holders as required by the terms of the accounts' governing instruments.
 - (f) Has become insolvent.
- (g) Has neglected or refused to comply with the terms of a lawful order of the Commissioner.

- (h) Has refused, upon proper demand, to submit its records, affairs and concerns for inspection and examination of an appointed or authorized examiner of the Commissioner.
- (i) Has made a voluntary assignment of its assets to receivers, conservators, trustees or creditors without complying with NRS 669.230.
- (j) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS [-] or sections 2 to 61, inclusive, of this act.
- (k) Has materially and willfully breached its fiduciary duties to its customers.
- (1) Has failed to properly disclose all fees, interest and other charges to its customers.
- (m) Has willfully engaged in material conflicts of interest regarding a customer's account.
- (n) Has made intentional material misrepresentations regarding any aspect of the services performed or proposed to be performed by the retail trust company.
- 2. The Commissioner also may forthwith initiate proceedings to take possession of the business and property of any trust company when it appears that the officers of the trust company have refused to be examined upon oath regarding its affairs.

Sec. 90. NRS 669.2847 is hereby amended to read as follows:

- 669.2847 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, the Commissioner shall give at least 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.
 - 2. At the conclusion of a hearing, the Commissioner shall:
- (a) Enter a written order dismissing the charges, revoking the license or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. The Commissioner shall send a copy of the order to the licensee by registered or certified mail.
- (b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the licensee of any provision of this chapter or any regulation adopted pursuant thereto.
- (c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including his or her investigative costs and attorney's fees.
 - 3. The grounds for revocation or suspension of a license are that:
 - (a) The licensee has failed to pay the annual license fee;
- (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter or any regulation adopted pursuant thereto or any lawful order of the Division of Financial Institutions;
- (c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS [+] or sections 2 to 61, inclusive, of this act;

- (d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license pursuant to the provisions of this chapter; or
 - (e) The licensee:
- (1) Failed to open an office for the conduct of the business authorized by his or her license within 180 days after the date the license was issued; or
- (2) Has failed to remain open for the conduct of the business for a period of 30 days without good cause therefor.
- 4. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 91. NRS 669.285 is hereby amended to read as follows:

- 669.285 Except as otherwise provided in NRS 239.0115, any application and personal or financial records submitted by a person pursuant to the provisions of this chapter and any personal or financial records or other documents obtained by the Division of Financial Institutions pursuant to an examination or audit conducted by the Division are confidential and may be disclosed only to:
- 1. The Division, any authorized employee of the Division and any state or federal agency investigating the activities covered under the provisions of this chapter; [and]

2. <u>The Department of Taxation for its use in carrying out the provisions of sections 2 to 61, inclusive, of this act; and</u>

3. Any person when the Commissioner, in the Commissioner's discretion, determines that the interests of the public that would be protected by disclosure outweigh the interest of any person in the confidential information not being disclosed.

Sec. 92. NRS 669A.310 is hereby amended to read as follows:

- 669A.310 1. Except as otherwise provided in this section, any application and personal or financial records submitted by a person pursuant to the provisions of this chapter, any personal or financial records or other documents obtained by the Division of Financial Institutions pursuant to an examination or audit conducted by the Division pursuant to this chapter and any other private information relating to a family trust company are confidential and may be disclosed only to:
- (a) The Division, any authorized employee of the Division and a state or federal agency investigating activities regulated pursuant to this chapter; [and]

(b) <u>The Department of Taxation for its use in carrying out the provisions of sections 2 to 61, inclusive, of this act; and</u>

- <u>(c)</u> Any other person if the Commissioner, in the Commissioner's discretion, determines that the interests of the public in disclosing the information outweigh the interests of the person about whom the information pertains in not disclosing the information.
- 2. The Commissioner shall give to the family trust company to which the information relates 10-days' prior written notice of intent to disclose confidential information directly or indirectly to a person pursuant to

paragraph [(b)] (c) of subsection 1. Any family trust company which receives such a notice may object to the disclosure of the confidential information and will be afforded the right to a hearing in accordance with the provisions of chapter 233B of NRS. If a family trust company requests a hearing, the Commissioner may not reveal confidential information prior to the conclusion of the hearing and a ruling. Prior to dissemination of any confidential information, the Commissioner shall require a written agreement not to reveal the confidential information by the party receiving the confidential information. In no event shall the Commissioner disclose confidential information to the general public, any competitor or any potential competitor of a family trust company.

3. Nothing in this chapter is intended to preclude a law enforcement officer from gaining access to otherwise confidential records by subpoena, court order, search warrant or other lawful means. Notwithstanding any other provision of this chapter, the Commissioner shall have the ability to share information with other out of state or federal regulators with whom the Department of Business and Industry has an agreement regarding the sharing of information. Nothing in this chapter is intended to preclude any agency of this State from gaining access to otherwise confidential records in accordance with any applicable law.

Sec. 93. NRS 673.484 is hereby amended to read as follows:

- 673.484 The Commissioner may after notice and hearing suspend or revoke the charter of any association for:
- 1. Repeated failure to abide by the provisions of this chapter or the regulations adopted thereunder.
- 2. Failure to pay a tax as required pursuant to the provisions of chapter 363A of NRS : or sections 2 to 61, inclusive, of this act.

Sec. 94. NRS 675.440 is hereby amended to read as follows:

- 675.440 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, he or she shall give 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.
 - 2. At the conclusion of a hearing, the Commissioner shall:
- (a) Enter a written order either dismissing the charges, revoking the license, or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. A copy of the order must be sent by registered or certified mail to the licensee.
- (b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the licensee of any provision of this chapter or any lawful regulation adopted under it.
- (c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including his or her investigative costs and attorney's fees.
 - 3. The grounds for revocation or suspension of a license are that:
 - (a) The licensee has failed to pay the annual license fee;

- (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter or any lawful regulation adopted under it;
- (c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS [+] or sections 2 to 61, inclusive, of this act;
- (d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license hereunder; or
- (e) The applicant failed to open an office for the conduct of the business authorized under this chapter within 120 days after the date the license was issued, or has failed to remain open for the conduct of the business for a period of 120 days without good cause therefor.
- 4. Any revocation or suspension applies only to the license granted to a person for the particular office for which grounds for revocation or suspension exist.
- 5. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 95. NRS 677.510 is hereby amended to read as follows:

- 677.510 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, he or she shall give 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.
 - 2. At the conclusion of a hearing, the Commissioner shall:
- (a) Enter a written order either dismissing the charges, or revoking the license, or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. A copy of the order must be sent by registered or certified mail to the licensee.
- (b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the licensee of any provision of this chapter or any lawful regulation adopted pursuant thereto.
- (c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including his or her investigative costs and attorney's fees.
 - 3. The grounds for revocation or suspension of a license are that:
 - (a) The licensee has failed to pay the annual license fee;
- (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter, or any lawful regulation adopted pursuant thereto;
- (c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS [s] or sections 2 to 61, inclusive, of this act;
- (d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license hereunder; or
- (e) The applicant failed to open an office for the conduct of the business authorized under this chapter within 120 days after the date the license was

issued, or has failed to remain open for the conduct of the business for a period of 120 days without good cause therefor.

- 4. Any revocation or suspension applies only to the license granted to a person for the particular office for which grounds for revocation or suspension exist.
- 5. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 96. NRS 680B.037 is hereby amended to read as follows: [Payment]

- 1. Except as otherwise provided in subsection 2, payment by an insurer of the tax imposed by NRS 680B.027 is in lieu of all taxes imposed by the State or any city, town or county upon premiums or upon income of insurers and of franchise, privilege or other taxes measured by income of the insurer.
- 2. The provisions of subsection 1 do not apply to the commerce tax imposed pursuant to the provisions of sections 2 to 61, inclusive, of this act.

Sec. 97. NRS 683A.451 is hereby amended to read as follows:

- 683A.451 The Commissioner may refuse to issue a license or certificate pursuant to this chapter or may place any person to whom a license or certificate is issued pursuant to this chapter on probation, suspend the person for not more than 12 months, or revoke or refuse to renew his or her license or certificate, or may impose an administrative fine or take any combination of the foregoing actions, for one or more of the following causes:
- 1. Providing incorrect, misleading, incomplete or partially untrue information in his or her application for a license.
- 2. Violating a law regulating insurance, or violating a regulation, order or subpoena of the Commissioner or an equivalent officer of another state.
- 3. Obtaining or attempting to obtain a license through misrepresentation or fraud.
- 4. Misappropriating, converting or improperly withholding money or property received in the course of the business of insurance.
- 5. Intentionally misrepresenting the terms of an actual or proposed contract of or application for insurance.
 - 6. Conviction of a felony.
- 7. Admitting or being found to have committed an unfair trade practice or fraud.
- 8. Using fraudulent, coercive or dishonest practices, or demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State or elsewhere.
- 9. Denial, suspension or revocation of a license as a producer of insurance, or its equivalent, in any other state, territory or province.
- 10. Forging another's name to an application for insurance or any other document relating to the transaction of insurance.
- 11. Improperly using notes or other reference material to complete an examination for a license related to insurance.

- 12. Knowingly accepting business related to insurance from an unlicensed person.
- 13. Failing to comply with an administrative or judicial order imposing an obligation of child support.
- 14. Failing to pay a tax as required pursuant to the provisions of chapter 363A of NRS : or sections 2 to 61, inclusive, of this act.

Sec. 98. NRS 686C.360 is hereby amended to read as follows:

686C.360 The Association is exempt from payment of all fees and all taxes levied by this state or any of its political subdivisions, except taxes on property : and the commerce tax imposed pursuant to sections 2 to 61, inclusive, of this act.

Sec. 99. NRS 687A.130 is hereby amended to read as follows:

687A.130 The Association is exempt from payment of all fees and all taxes levied by this State or any of its subdivisions, except taxes:

- 1. Levied on real or personal property; or
- 2. Imposed pursuant to the provisions of chapter 363A or 363B of NRS [-] or sections 2 to 61, inclusive, of this act.

Sec. 100. NRS 688C.210 is hereby amended to read as follows:

- 688C.210 1. After notice, and after a hearing if requested, the Commissioner may suspend, revoke, refuse to issue or refuse to renew a license under this chapter if the Commissioner finds that:
 - (a) There was material misrepresentation in the application for the license;
- (b) The licensee or an officer, partner, member or significant managerial employee has been convicted of fraudulent or dishonest practices, is subject to a final administrative action for disqualification, or is otherwise shown to be untrustworthy or incompetent;
- (c) A provider of viatical settlements has engaged in a pattern of unreasonable payments to viators;
- (d) The applicant or licensee has been found guilty or guilty but mentally ill of, or pleaded guilty, guilty but mentally ill or nolo contendere to, a felony or a misdemeanor involving fraud, forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud or any crime involving moral turpitude, whether or not a judgment of conviction has been entered by the court;
- (e) A provider of viatical settlements has entered into a viatical settlement in a form not approved pursuant to NRS 688C.220;
- (f) A provider of viatical settlements has failed to honor obligations of a viatical settlement or an agreement to purchase a viatical settlement;
 - (g) The licensee no longer meets a requirement for initial licensure;
- (h) A provider of viatical settlements has assigned, transferred or pledged a viaticated policy to a person other than another provider licensed under this chapter, a purchaser of the viatical settlement or a special organization;
- (i) The applicant or licensee has provided materially untrue information to an insurer that issued a policy that is the subject of a viatical settlement;

- (j) The applicant or licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS $\frac{[\cdot]}{[\cdot]}$ or sections 2 to 61, inclusive, of this act;
- (k) The applicant or licensee has violated a provision of this chapter or other applicable provisions; or
 - (l) The applicant or licensee has acted in bad faith with regard to a viator.
- 2. A suspension imposed for grounds set forth in paragraph (k) or (l) of subsection 1 must not exceed a period of 12 months.
- 3. If the Commissioner takes action as described in subsection 1, the applicant or licensee may apply in writing for a hearing before the Commissioner to determine the reasonableness of the action taken by the Commissioner, pursuant to the provisions of NRS 679B.310 to 679B.370, inclusive.

Sec. 101. NRS 694C.450 is hereby amended to read as follows:

- 694C.450 1. Except as otherwise provided in this section, a captive insurer shall pay to the Division, not later than March 1 of each year, a tax at the rate of:
- (a) Two-fifths of 1 percent on the first \$20,000,000 of its net direct premiums;
- (b) One-fifth of 1 percent on the next \$20,000,000 of its net direct premiums; and
- (c) Seventy-five thousandths of 1 percent on each additional dollar of its net direct premiums.
- 2. Except as otherwise provided in this section, a captive insurer shall pay to the Division, not later than March 1 of each year, a tax at a rate of:
- (a) Two hundred twenty-five thousandths of 1 percent on the first \$20,000,000 of revenue from assumed reinsurance premiums;
- (b) One hundred fifty thousandths of 1 percent on the next \$20,000,000 of revenue from assumed reinsurance premiums; and
- (c) Twenty-five thousandths of 1 percent on each additional dollar of revenue from assumed reinsurance premiums.
- → The tax on reinsurance premiums pursuant to this subsection must not be levied on premiums for risks or portions of risks which are subject to taxation on a direct basis pursuant to subsection 1. A captive insurer is not required to pay any reinsurance premium tax pursuant to this subsection on revenue related to the receipt of assets by the captive insurer in exchange for the assumption of loss reserves and other liabilities of another insurer that is under common ownership and control with the captive insurer, if the transaction is part of a plan to discontinue the operation of the other insurer and the intent of the parties to the transaction is to renew or maintain such business with the captive insurer.
- 3. If the sum of the taxes to be paid by a captive insurer calculated pursuant to subsections 1 and 2 is less than \$5,000 in any given year, the captive insurer shall pay a tax of \$5,000 for that year. The maximum aggregate tax for any year must not exceed \$175,000. The maximum aggregate tax to be paid by a

sponsored captive insurer applies only to each protected cell and does not apply to the sponsored captive insurer as a whole.

- 4. Two or more captive insurers under common ownership and control must be taxed as if they were a single captive insurer.
- 5. Notwithstanding any specific statute to the contrary and except as otherwise provided in this subsection, the tax provided for by this section constitutes all the taxes collectible pursuant to the laws of this State from a captive insurer, and no occupation tax or other taxes may be levied or collected from a captive insurer by this State or by any county, city or municipality within this State, except for taxes imposed pursuant to chapter 363A or 363B of NRS or sections 2 to 61, inclusive, of this act and ad valorem taxes on real or personal property located in this State used in the production of income by the captive insurer.
- 6. Twenty-five percent of the revenues collected from the tax imposed pursuant to this section must be deposited with the State Treasurer for credit to the Account for the Regulation and Supervision of Captive Insurers created pursuant to NRS 694C.460. The remaining 75 percent of the revenues collected must be deposited with the State Treasurer for credit to the State General Fund.
- 7. A captive insurer that is issued a license pursuant to this chapter after July 1, 2003, is entitled to receive a nonrefundable credit of \$5,000 applied against the aggregate taxes owed by the captive insurer for the first year in which the captive insurer incurs any liability for the payment of taxes pursuant to this section. A captive insurer is entitled to a nonrefundable credit pursuant to this section not more than once after the captive insurer is initially licensed pursuant to this chapter.
 - 8. As used in this section, unless the context otherwise requires:
 - (a) "Common ownership and control" means:
- (1) In the case of a stock insurer, the direct or indirect ownership of 80 percent or more of the outstanding voting stock of two or more corporations by the same member or members.
- (2) In the case of a mutual insurer, the direct or indirect ownership of 80 percent or more of the surplus and the voting power of two or more corporations by the same member or members.
- (b) "Net direct premiums" means the direct premiums collected or contracted for on policies or contracts of insurance written by a captive insurer during the preceding calendar year, less the amounts paid to policyholders as return premiums, including dividends on unabsorbed premiums or premium deposits returned or credited to policyholders.

Sec. 102. NRS 695A.550 is hereby amended to read as follows:

695A.550 Every society organized or licensed under this chapter is hereby declared to be a charitable and benevolent institution, and is exempt from every state, county, district, municipal and school tax other than <u>the commerce tax</u> <u>imposed pursuant to sections 2 to 61, inclusive, of this act and</u> taxes on real property and office equipment.

- [Sec. 6.] Sec. 103. Section 16 of chapter 4, Statutes of Nevada 2008, 25th Special Session, as last amended by chapter 518, Statutes of Nevada 2013, at page 3425, is hereby amended to read as follows:
 - Sec. 16. 1. This section and sections 2, 4, 14 and 15 of this act become effective upon passage and approval.
 - 2. Sections 6 to 12, inclusive, of this act become effective on January 1, 2009.
 - 3. Sections 4 and 6 to 12, inclusive, of this act expire by limitation on June 30, 2009.
 - 4. Sections 1, 3, 5 and 13 of this act become effective on July 1, 2009.
 - 5. Sections 1, 2, 3 and 5 of this act expire by limitation on June 30, 12015.1 2016.
- [Sec. 7.] Sec. 104. Section 20 of chapter 395, Statutes of Nevada 2009, as last amended by chapter 518, Statutes of Nevada 2013, at p. 3426, is hereby amended to read as follows:
 - Sec. 20. 1. This section and section 19 of this act become effective upon passage and approval.
 - 2. Sections 1 and 2 of this act become effective on July 1, 2009.
 - 3. Section 3 of this act becomes effective on July 1, 2009, and expires by limitation on June 30, 2011.
 - 4. Sections 6 to 12, inclusive, of this act become effective on July 1, 2009. [, and expire by limitation on June 30, 2015.]
 - 5. Sections 4, 5, 13, 14, 15, 16, 17 and 18 of this act become effective:
 - (a) Upon passage and approval for the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and
 - (b) On September 1, 2009, for all other purposes.
 - 6. Sections 15.5 and 18.5 of this act become effective on July 1, <u>2015.</u>
 - 7. Section 18 of this act expires by limitation on June 30, [2015.] 2017.
- [Sec. 8.] Sec. 105. Section 17.5 of chapter 449, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3426, is hereby amended to read as follows:
 - Sec. 17.5. The amendatory provisions of section 12.7 of this act:
 - 1. Do not apply to or affect any determination of gross yield or net proceeds required pursuant to NRS 362.100 to 362.240, inclusive, for the calendar year [2015.] 2016.
 - 2. Apply for the purposes of estimating and determining gross yield and net proceeds pursuant to NRS 362.100 to 362.240, inclusive, for the calendar year [2016] **2017** and each calendar year thereafter.
- [Sec. 9.] Sec. 106. Section 19 of chapter 449, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at p. 3426, is hereby amended to read as follows:

- Sec. 19. 1. This section and sections 1 to 12, inclusive, and 13 to 18, inclusive, of this act become effective upon passage and approval.
 - 2. Section 12.5 of this act becomes effective on January 1, 2012.
- 3. Section 12.7 of this act becomes effective on January 1, [2016.] 2017.
- Sec. 10. Section 13 of chapter 476, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:
 - Sec. 13. The amendatory provisions of section 4 of this act I
 - 1. Do] do not apply to any taxes due for any period ending on or before June 30, 2011. |; and
 - 2. Except as otherwise provided in subsection 1 and notwithstanding the expiration of that section by limitation pursuant to section 17 of this act, apply to taxes due pursuant to NRS 363B.110 for each calendar quarter ending on or before June 30, 2015.
- [Sec. 11.] Sec. 107. Section 15 of chapter 476, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:
 - Sec. 15. 1. When preparing its certificate of the tax due from a taxpayer pursuant to NRS 362.130 during the calendar year [2016,] 2017, the Department of Taxation shall reduce the amount of the tax due from the taxpayer by the amount of:
 - (a) Any estimated payments of the tax made by or on behalf of the taxpayer during the calendar year [2015] **2016** pursuant to NRS 362.115, as that section read on January 1, [2015;] **2016**; and
 - (b) Any unused credit to which the taxpayer may be entitled as a result of any previous overpayment of the tax.
 - 2. Notwithstanding any provision of NRS 362.170 to the contrary:
 - (a) The amount appropriated to each county pursuant to that section for distribution to the county during the calendar year [2016] 2017 must be reduced by the amount appropriated to the county pursuant to that section for distribution to the county during the calendar year [2015,] 2016, excluding any portion of the amount appropriated to the county pursuant to that section for distribution to the county during the calendar year [2015] 2016 which is attributable to a pro rata share of any penalties and interest collected by the Department of Taxation for the late payment of taxes distributed to the county.
 - (b) In calculating the amount required to be apportioned to each local government or other local entity pursuant to subsection 2 of that section for the calendar year [2016,] 2017, the county treasurer shall reduce the amount required to be determined pursuant to paragraph (a) of that subsection for that calendar year by the amount determined pursuant to that paragraph for the calendar year [2015.] 2016.

- [Sec. 12.] Sec. 108. Section 17 of chapter 476, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:
 - Sec. 17. 1. This section and sections 1 and 7 to 16, inclusive, of this act become effective upon passage and approval.
 - 2. Sections 4.5 <u>[and]</u> 6 <u>and 6.5</u> of this act become effective on July 1, 2011.
 - 3. [Sections] Section 4 [and 6.5] of this act [become] becomes effective on July 1, 2011 [4], and expire by limitation on June 30, 2015.
 - 4. Section 5 of this act becomes effective on the date that the balance of the separate account required by subsection 8 of NRS 408.235 is reduced to zero.
- Sec. 13. Section 11 of chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:
 - Sec. 11. The amendatory provisions of section 1 of this act [:
 - 1. Dol do not apply to any taxes due for any period ending on or before June 30, 2013. I; and
 - 2. Except as otherwise provided in subsection 1 and notwithstanding the expiration of that section by limitation pursuant to section 12 of this act, apply to taxes due pursuant to NRS 363B.110 for each calendar quarter ending on or before June 30, 2015.]
- Sec. 14. Section 12 of chapter 518, Statutes of Nevada 2013, at page 3428, is hereby amended to read as follows:
 - Sec. 12. [1.] This act becomes effective upon passage and approval.
 - 12. Section 1 of this act expires by limitation on June 30, 2015.
- Sec. 14.5. 1. In addition to the information required by law to be included in an application for the issuance or renewal of a state business license, each application for the issuance or renewal of a state business license submitted on or after October 1, 2015, and before October 1, 2016, must include the following information:
- (a) The total dollar amount of revenue earned by each business conducted by the applicant during the immediately preceding federal tax year of the business from the sale of services used in this State or, if the applicant conducted no business in this State during the immediately preceding federal tax year, an estimate of the total dollar amount of revenue that the applicant will earn from the sale of services used in this State during the 12-month period commencing with the date the application is submitted.
- (b) The industry in which each business conducted by the applicant is primarily engaged.
- 2. The agency responsible for administering the state business license shall collect the information required by subsection 1 in the manner that is least burdensome for the businesses required to submit such information.
- 3. Upon request, the agency responsible for administering the state business license shall provide the information collected pursuant to subsection

- 1 to the Fiscal Analysis Division of the Legislative Counsel Bureau and the Department of Taxation.
- The Fiscal Analysis Division and the Department of Taxation may analyze the information obtained pursuant to subsection 3 and issue written reports based on that information but shall not disclose any proprietary or confidential information obtained from the agency responsible for administering the state business license pursuant to subsection 3. Any written report based on the information obtained pursuant to subsection 3 may include only aggregate information for statistical purposes and must exclude any identifying information related to a particular person or business.
- 5. Except as otherwise provided in subsections 3 and 4:
- (a) If the information collected pursuant to subsection 1 is collected by the Secretary of State, the provisions of NRS 76.160 apply to the information.
- (b) If the information collected pursuant to subsection 1 is collected by the Department of Taxation, the provisions of NRS 360.255 apply to the information.
- (c) Any information obtained by the Fiscal Analysis Division pursuant to subsection 3 shall be deemed a work product that is confidential pursuant to NRS 218F 150.
- 6. As used in this section, "federal tax year" means any period of 12 months for which a person is required to report income, tax deductions and tax eredits pursuant to the provisions of the Internal Revenue Code and any regulations adopted pursuant thereto.
- Sec. 109. Section 4 of chapter 373, Statutes of Nevada 2013, at page 1992, is hereby amended to read as follows:
 - Sec. 4. This act becomes effective on July 1, 2013, and expires by limitation on June 30, [2015.] 2017.
- Sec. 110. Notwithstanding the provisions of sections 2 to 61, inclusive, of this act, the Department shall waive payment of any penalty or interest for a person's failure to timely file a report or pay the commerce tax pursuant to sections 2 to 61, inclusive, of this act for any failure to comply with the provisions of those sections, which occurs before February 15, 2017, regardless of when the Department makes the determination that the person failed to file a report or pay the commerce tax, if the failure:
- 1. Occurred despite the person's exercise of ordinary care; and
- 2. Was not intentional or the result of willful neglect.
- Sec. 111. Any rate of the tax imposed by NRS 363A.130 or 363B.110 determined pursuant to section 62 of this act does not apply to any taxes due for any period ending on or before June 30 of the year in which the rate becomes effective.
- [Sec. 15.] Sec. 112. The amendatory provisions of sections [1 and 2] 67 to 70, inclusive, of this act do not apply to taxes due for any period ending on or before June 30, 2015.
- [Sec. 16.] Sec. 113. 1. The amendatory provisions of sections [3] 71 and [5] 73 of this act apply to cigarettes to which a stamp is affixed on or after

July 1, 2015, regardless of the date on which a wholesale dealer purchased the stamp from the Department of Taxation.

- 2. As used in this section:
- (a) "Stamp" has the meaning ascribed to it in NRS 370.048.
- (b) "Wholesale dealer" has the meaning ascribed to it in NRS 370.055.

[Sec. 17.] Sec. 114. 1. This section and sections [6 to 14,] 103 to 112, inclusive, of this act become effective upon passage and approval.

- 2. Sections 1 to [5,] 78, inclusive, [15 and 16] and 79 to 102, inclusive, of this act become effective [on]:
- (a) Upon passage and approval for the or the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and
- **(b) On** July 1, 2015.
- 3. [Section 14.5] Sections 78.1 and 78.7 of this act [becomes] become effective [:
- (a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and
- (b) On October on July 1, 2015. [, for all other purposes.]
- 4. Sections 78.3 and 78.8 of this act become effective on July 1, 2016.
- 5. Sections 78.5 and 78.9 of this act become effective on July 1, 2017.

Assemblyman Armstrong moved the adoption of the amendment.

Remarks by Assemblymen Armstrong, Hansen, Fiore, Titus, Wheeler, and Kirkpatrick.

ASSEMBLYMAN ARMSTRONG:

Amendment 1039 to Senate Bill 483 makes the following changes to the bill.

Effective July 1, 2016, 50 percent of the proceeds from the 10 percent increase in the depreciation schedule from the governmental services tax are deposited in the State Highway Fund and 50 percent of the proceeds are deposited in the State General Fund.

The structure of the modified business tax upon nonfinancial institutions is changed to include an exemption for the first \$50,000 in taxable wages per quarter and the rate of 1.475 percent on all taxable wages over \$50,000 per quarter.

The business license fee for certain corporations is changed to \$500 per year and the \$200 fee for other business entities that was scheduled to sunset on July 30, 2015, is made permanent.

The Nevada commerce tax, which is to be paid by certain businesses that have at least \$4 million in Nevada gross revenue during a taxable year based on their industry-specific rate, is created. Provisions allowing a business to credit 50 percent of its commerce tax liability in the previous year against the business's modified business tax liability in the current year are created.

Provisions requiring businesses to submit additional information relating to revenues in conjunction with the application of the state business license between October 1, 2015, and September 30, 2016, are removed.

ASSEMBLYMAN HANSEN:

I rise in opposition to Amendment 1039 to Senate Bill 483. My opposition is based primarily on this thick amendment that was just dropped into our lap less than an hour and a half ago. We have not had a caucus meeting on it. We have not had an opportunity to discuss it. While I realize it is probably, for the most part, rolling Assembly Bill 464 into Senate Bill 483, I think it is wrong for this body to vote on what, by my mathematics, is almost a \$1.5 billion tax increase which is included in this amendment and the original bills. I urge my colleagues to vote no until tomorrow.

Roll this until tomorrow so at least we have an opportunity to read the specifics of the bill and have an opportunity to discuss it, not only among ourselves but with people in our own districts who may be very concerned over a billion and a half dollars' worth of tax increases.

ASSEMBLYWOMAN FIORE:

I rise in opposition to this amendment. I am going to ditto my colleague from the north. I believe the 77 pages of an amendment into a bill should be considered diligently and not sneakily in this Chamber.

ASSEMBLYMAN ARMSTRONG:

I rise in support of the amendment. I would remind my colleague from District 32 that this body as a whole has undertaken this tax policy that this amendment covers over the past 119 days. We have had numerous hearings in the Senate and in the Assembly. Yesterday, we had a Committee of the Whole that went over most of this amendment. I rise in support, and I would encourage everyone to adopt this amendment.

ASSEMBLYWOMAN FIORE:

I rise in opposition to the statement of the Assemblyman from District 21. Yesterday as we, as a whole body, listened to this amendment, I instant messaged him several times to ask questions. He refused. I have screenshots of those IMs [instant messages], which will be public. I urge everyone to vote no on this. I was denied several times to ask questions of this body yesterday.

ASSEMBLYMAN HANSEN:

I, too, rise to challenge what my colleague from District 21 said. While it is true that we had a Committee of the Whole, we were not allowed to ask questions. We did not have a caucus meeting. We have not had an opportunity for all 25 of us to actually discuss and decide what the policy should be on this. So the idea that we are being unreasonable in asking such a simple request for a meeting and an opportunity to read and thoroughly digest this amendment and then discuss it among our own members is really a stretch.

Again, I would urge my colleagues to vote no. What I would prefer, Mr. Speaker, is to have it rolled to General File for tomorrow. That would be an opportunity to still vote on it, but it would at least give us an opportunity, which is completely reasonable, to read it, digest it, and question all the elements in it. Again, this is a \$1.5 billion package.

ASSEMBLYWOMAN TITUS:

I, too, rise in opposition to Amendment 1039 and would like to clarify that the Committee of the Whole heard an amendment to A.B. 464. Now we have an amendment to Senate Bill 483. We have not had time as a caucus to vet this and I, too, object that this is now being slipped in at the ninth hour.

ASSEMBLYMAN WHEELER:

I, too, rise in opposition to this amendment, not so much because of the amendment itself, but because I really do not know what is in it. We have only had it about an hour. I have heard what is in it; I have been told what is in it. But I have not had an opportunity personally to read it, except about half of it. I want to make sure of the things we did in the Committee of the Whole. I want to make sure that the vetting that was done on other bills in Ways and Means, where I was able to watch the videos of those—I want to make sure that that is exactly what is in the bill and there have not been any changes that I am unaware of. At this point, I am not yet satisfied that I am fully aware of everything that is in this amendment because of the time constraint, and I would request that we vote no on this and bring it back tomorrow.

ASSEMBLYWOMAN KIRKPATRICK:

I rise in support of Amendment 1039. I am always one that has talked about making sure we have time to read amendments. People from Ways and Means would remember that I said this morning there are many things that are coming so people should know this is the end of session. To those people who say they have not been able to read it, I have been in this Chamber since 5:30 this evening. It was on my desk. I did go through it. When an amendment comes out,

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typically we only look at the green language because that is what has changed since yesterday. It is very clear in the bill which sections have changed.

Assemblymen Hansen, Shelton, and Wheeler requested a roll call vote on the motion.

Roll call on motion to adopt Amendment No. 1039 to Senate Bill No. 483.

YEAS-31.

NAYS—Dickman, Ellison, Fiore, Hansen, Jones, Seaman, Shelton, Titus, Wheeler—9.

EXCUSED—Dooling, Moore—2.

Amendment adopted.

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

Assembly in recess at 6:55 p.m.

ASSEMBLY IN SESSION

At 6:58 p.m.

Mr. Speaker presiding.

Quorum present.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that Senate Bill No. 483 be taken from its position on the General File and placed at the top of the General File.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 483.

Bill read third time.

Remarks by Assemblymen Armstrong, Dickman, Hickey, Fiore, Titus, Hansen, Edwards, Nelson, Woodbury, Benitez-Thompson, Shelton, Kirkpatrick, Carrillo, Jones, Ellison, Stewart, Diaz, Paul Anderson, Neal, Elliot Anderson, Joiner, O'Neill, Wheeler, Carlton, Silberkraus, Spiegel, Munford, and Trowbridge.

ASSEMBLYMAN ARMSTRONG:

I rise in support of Senate Bill 483. When this session began, it was supposed to be all about education. We have certainly debated many other contentious issues on this floor. When you look at our final results, it really has been all about our kids. There is no silver bullet for fixing an education system lagging as far behind as it is in Nevada, and this vote alone will not fix that. I am confident with this vote because we are no longer throwing more money at the problem but truly making an investment into programs that have had such great success in other states. We have passed education savings accounts, empowering parents like never before. We have created the Achievement School District. No longer accepting failing schools, kids will not be promoted to fourth grade until they can read. We are increasing spending in a targeted way with more accountability than ever before.

We have looked at every possible tax option to get to the Governor's budget, and this is the final vote making it to our floor. I promised the voters in District 21 I would not raise taxes to fund business as usual in Carson City. I feel with this vote I am keeping that promise. No bill, especially a tax, is perfect, but a yes vote today is better for the people of Nevada. I urge your support.

ASSEMBLYWOMAN DICKMAN:

I rise in strong opposition to this bill. As I was running for office, I talked with thousands and thousands of voters, and the number one concern they had was to defeat the margin tax. The margin tax was soundly defeated. As a candidate, I told voters I was opposed to the margin tax and every single Republican candidate that I know of was opposed to it as well. That is why I am amazed that we are about to vote on the largest tax increase in state history that includes a modified version of the margin tax. As a freshman legislator, there are lots of things I have no control over. One thing I can control is this. I will keep my word to my constituents, and I will be opposing this tax bill.

ASSEMBLYMAN HICKEY:

I rise in support of Senate Bill 483. Many of us, veterans or young at the time, stood in this body and took a gamble during the 30th Special Session in October on new opportunities for the state of Nevada in the form of Tesla and other things that we are seeing grow within our fine state. Along with those opportunities came the responsibility and a challenge to fund and develop a workforce that has grown out of our schools and out of our population to be successful in meeting that challenge.

We all sat here together, new and old alike, on January 15 and heard the State of the State from the state's Chief Executive, who also took a gamble as a member of his party in suggesting that we do something bold and ambitious—that is, to tackle the challenge of education in ways that we never have heretofore in Nevada. I am here tonight in support of this bill because I think this legislation—and all of the categories, programs, and assessments—has gotten us to a point where I feel confident in taking that gamble on our future. I think this is a risk, but it is one with great rewards which come along with a commitment and a challenge and certain risk to us as elected folks. Frankly, that is what we got sent here to do. I personally am proud to make this vote as a member of my party and as a proud Nevadan. I urge my colleagues to do so as well.

ASSEMBLYWOMAN FIORE:

I rise in strong opposition to S.B. 483. Many of us here in this body ran on promises that we are about to break. Our integrity and character are on the line. I urge my colleagues to vote no on this bill. The taxpayers, the voters, the constituents—80 percent voted down Question 3, I might remind all of you. This yes vote tonight is basically telling our voters and constituents that they do not know what they are talking about and we know better. It is quite condescending if we pass this out of this body. I urge every one of you to vote your conscience because your integrity and character are on the line with this one vote.

ASSEMBLYWOMAN TITUS:

I rise in strong opposition to S.B. 483. I find it a complete insult to the taxpayers and small businesses of the state of Nevada. Many of us made promises to them when we ran. I, too, made them a promise that I was going to come to this great legislative body and this building and represent my district and the citizens of Nevada as honestly and as true as I could. To see so many who also made those promises go back on that is heartbreaking for me. I also say that this bill is a complete insult to those who voted against the margins tax, as many have said, and I am going to say again. The fact that we have offered so many abatements to new companies that come to this state that have no investment in this state yet we are throwing this kind of tax at those companies and citizens who have stayed, made their payroll, and survived the Great Recession. It is overwhelmingly disappointing to me, so I will be a no on this vote. I would encourage those who still have some integrity to vote no also.

ASSEMBLYMAN HANSEN:

I rise in opposition to Senate Bill 483. It is hard to know where to start, Mr. Speaker. We have been calling this a commerce tax, but in fact it is a gross income tax on businesses. I think we need to call it what it really is. Last session, we had 15 Republicans in this. Today, we have 25, and it has to do directly with Question 3. Four hundred and twenty-nine thousand Nevadans said no. That is four out of every five, and I would bet almost five out of five of the members in my party said no to that. The Governor himself aggressively said no way are we going to have a margins tax, yet this is exactly what it is.

The education question needs to be addressed because there is a certain sense of déjà vu. If you go back to 2005 in this very Chamber, you heard Governor Guinn stand right there and he said these very words: "The Governor's Commission on Excellence in Education will oversee this unprecedented influx of funding for public education." In 2003, they passed an \$800 million tax increase, which was exclusively for education, and the Governor said, "I will mandate a system of checks and balances to ensure that this funding produces results for our children." I challenge anyone to find those results. Once again, we are going to raise taxes and spend it on education. Where are the performance and accountability metrics, the checks and balances, from the last \$800 million tax increase that we had in this very body? I would challenge us to say that before we go and spend more of the taxpayers' money on these programs, we find out what happened to the money that we have already spent, which is consistently what everybody in the state of Nevada has requested. They do not have a problem spending more money.

By the way, our current budget for total K-12 is \$4.2 billion per year. So, while we heard some members from the south suggesting that we do not have books in our classrooms, I would certainly ask, Why do we not have books in our classrooms when we are spending \$4.2 billion? I would suggest the first thing we should do is start with finding out what we did with the money previously. There are some excellent programs, and I would agree that the Read by 3 program is certainly something we should look at. I am not suggesting that the entire education package—there are 17 components to it, by the way, Mr. Speaker. Some of those are excellent; those are the kinds of things we should discuss and then vote on item by item rather than throwing more money at it and thinking it is going to work.

The most critical portion of this whole tax is this commerce tax, which has 27 different components in it, 27 different things for the business community. Now, every single business in Nevada will have to open their books whether or not they qualify for that \$4 million floor. As my colleague from the south correctly pointed out, it is a safe prediction it will consistently drop over the next few years. Every business in Nevada basically has to be audited, or face the threat of audit, by some new agency within the Department of Taxation. Call it what you will, but it is some form of an IRS [Internal Revenue Service] arrangement.

This building really is a bubble. When we were all running for office, the voters were so smart, and we went to every door asking them to support us. Once we get into this place where we have hardly any contact with those people, suddenly those same 429,000 voters are not nearly as intelligent as these dozens of very well paid, high-dollar lobbyists who come in here and tell us how those 429,000 people were wrong. I would suggest we pierce that bubble. One thing that I have learned as a small-business man—do you know how many lobbyists out there represent the small-business man? Just about none. None. So while we sit here and listen to these experts and we have the entire Governor's staff busy lobbying all the members of this body on those swing votes consistently for a week and a half now—virtually every day the entire staff is standing at the entrance to the Chamber. I think we should ask ourselves if those are the people that we promised we would support if we got elected. No, they are not.

What I am going to reiterate is that we were elected, every one of us, by the 65,000 people in our districts. Do you really think that the 80 percent of those 65,000 that said no to a margins tax are too stupid now and that we are somehow so much smarter than them? We, in our infinite wisdom, are going to reject them. In my entire life—and I have been involved in Nevada politics since I was 4 years old sitting on my dad's shoulders watching Barry Goldwater at the Reno airport—I have never seen a mandate like this. Eighty percent of the voters said no and now we are going to sit here and say we are smarter than you. We are going to reject what you did in that election cycle. We are going to ramrod down your throats this new so-called commerce tax. I think it is disgraceful.

In winding up, we have not even covered the BLF [business license fee], but I did a little bit on the earlier amendment. It is also going to bump those numbers way up, and we are going to see even more of those nonresident corporations driven out of the state if this bill passes as it is.

One other thing I want to cover quickly, Mr. Speaker—a lot of people are asking why I am not supporting the Governor. Well, I tell you, I do support the Governor. I support the Governor that we thought we elected when we elected him. For example, here is his handout: Stop job-killing tax increases. Brian Sandoval opposes a corporate income tax that will kill Nevada jobs and weaken our ability to compete for new business. That is the Governor I am supporting.

One last thought on class size reduction—we are budgeting \$400 million for class size reduction. The Department of Education was audited by our own LCB [Legislative Counsel Bureau] audit staff, and they found that they had spent \$381 million on class size reduction and they did not follow any of the procedures laid out by statute. Basically, they spent all that money and nobody knows exactly what they did. By the way, \$381 million would buy an awful lot of books. So before we spend any more money, I would encourage this body to insist—what happened to all that audit stuff from Kenny Guinn's days? Ten years have gone by, and here we are again. Let us dump more money into education. Let us sap all that money out of the private sector. Let us force all those small businesses that are still struggling in this economy to pay more and more tax dollars in spite of the fact that our economy is still lousy. Have them pay in when we have not even accounted for the \$800 million tax increase from 2005.

I would urge this body to vote no on S.B. 483 and acknowledge what the voters told us to do here. I think that the voters were very wise, and I think that we need to recognize that 429,000 of them probably have, collectively, more wisdom than the 42 of us do in spite of being aggressively lobbied by the best lobbyists that you can buy as well as the Governor's entire staff. I would suggest that you think very carefully about this vote because out of all the votes you have taken this entire session, this is the one. This is the one that you are going to be held accountable for when you go to your district and your constituents say, "What are you doing? All your campaign literature said you were going to vote no, yet you voted yes on it." Well, you know what, Mr. Voter? We are smarter than you. We know better than you. You did not get to talk to the experts like we did. I would encourage all my colleagues to acknowledge what the voters told us to do and vote no on Senate Bill 483

ASSEMBLYMAN EDWARDS:

Tonight, I rise in opposition to Senate Bill 483. When I was running for office, I did not run on a campaign to give people a tax break, I did not run on a campaign to give people a tax hike, and I did not tell them I would keep them all even. What I told my voters is that I was going to do my best to get the lowest tax burden for individuals, families, and our businesses. I think that is a very reasonable approach.

Having worked in Ways and Means these past several months, I saw the impact of the \$700 million our budget was cut by several years ago. Our state employees have been working like dogs with pay cuts, furloughs, diminishments of everything. They have been faithful and true to us, and we need to be faithful and true to them. I am absolutely willing to vote for revenues that would restore the pay they have lost, to make sure they do not have to take the furloughs, and to make sure that they get longevity pay and the COLAs [cost-of-living adjustments] that we talked about. I voted for such things, and I would support such things.

When it comes to our infrastructure, we have talked about how we have been diminished. We have had to put off fixes, repairs, and maintenance. I have voted in favor of providing the funding for all those things, as we should. I supported it, and I would more than happily fund it.

What I have also done is gone through the different budgets to find ways that we could save money and cut programs down to a size that would be more reasonable and better at this time. I have voted to eliminate some programs because I did not think that we could afford them or that we had to do them right now. I have also offered a multitude of options for how to reduce our costs, how to cut our budgets, how to save money. Thankfully, some of them have been taken, and I am grateful that they have been. Unfortunately, the bulk of them have not even been tried.

Funding what we have to do and funding what we need to do is also part of our job. I fully support a revenue program that would fund these programs in a good fashion for the individual Nevadan, our families, and our businesses. I believe that this Assembly put forth such a program under the original version of A.B. 464. I believe that the Chairman of the Committee on Taxation put forth a great set of ideas for how to get us there and not hurt our businesses. Tragically, A.B. 464 has been morphed by amendments and by the inclusion of additional amendments tonight. Sadly, I cannot support the new program because of what it has morphed into, including what we will all soon call the poison pill: this commerce tax.

As the witnesses spoke to us yesterday right here in our midst, we know that the \$4 million floor is going to be brought down lower and lower because the requirement to broaden the tax base cannot be met at the current rate. So in order to broaden it, that rate must fall. When it falls,

it will become nothing short of a margins tax. Like most of you, my voters were absolutely opposed to the margins tax. We all know that businesses spent millions of dollars to defeat it. I believe, like most of you, I knocked on the doors and asked people what they thought about it, and four out of five times, sometimes more, they said do not do it. I told them that I would not. Knowing what this will become, I have to be true to my people. I have to live up to my word to not allow this to happen. It may not happen in this biennium, but by the admission of the Governor's representatives themselves, it is sure to happen in the future.

We also talked about having more stability for our education system. By the admission of the Governor's representatives, there is instability and risk involved in this kind of a program. Funding this program of hundreds of millions of dollars cannot be done by a tax of only \$60 million. Surely this will change and not for the better. We also do not know what the burden on businesses will be. We have been told that this is not going to be a mini IRS, that not everybody will be audited, but having worked in and around government long enough, I believe that it will. I also believe that it does not have to be that way.

Tonight, we have a choice. We can make the choice to say no to Senate Bill 483 and replace it with something that would work. By the Governor's own admission, other plans can work. Assembly Bill 464 in its original form would work better for my families, for my businesses, and my people in my district, and I would gladly have supported Assembly Bill 464. We are going to have to make a choice. My choice tonight has to be no. In order to be true to my people in my district, I must say no, and I must also urge you to say no as well.

ASSEMBLYMAN NELSON:

I rise in support of Senate Bill 483. First, I need to address my colleagues from my own party who know a lot about the *U.S. Constitution*. I love the *U.S. Constitution*. I even love to read *The Federalist Papers* and think about constitutional law. It is different on the state level. We are not the United States Congress; we are the state of Nevada. The founding fathers wanted limited government, but they were talking about the federal government. They always wanted a very vigorous state and local government. That is what they fought for.

As you know, in the *U.S. Constitution* we have Article I, Section 8, which limits what the federal government should do. It is a list of things the federal government should do. I would be the first one to argue that the federal government is operating way outside the scope of Article I, Section 8. I would vote against tax increases at the federal level, but it is different in the state of Nevada.

All of us took an oath the very first day to support the *Nevada Constitution* as well as the *U.S. Constitution*, and I wonder how many of us have read the *Nevada Constitution*. Let me quote something for you. Here is Article 11, Section 6, Subsection 2: "During a regular session of the Legislature, 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." That is a lot of legal language. Basically, it says we have to fund education first. If you keep reading that section, the same applies to special sessions.

I know everyone in here likes to live up to their oaths and their campaign promises. It is easy to sit at home and spout the party line—I did it based on my limited knowledge of our state's archaic tax system and significant challenges in public education. I initially opposed the proposed budget and new tax plan, again, based on my limited knowledge at the time. But in the last few weeks, I have spent many hours talking to legislators and lobbyists, both in favor of and opposed to the budget and tax plan; studying proposed plans; analyzing the budget cuts over the past few sessions; questioning the architects of the competing tax plans; and just thinking. I gradually changed my mind and now honestly feel that Governor Sandoval's plan for education reform, budget, and new tax plan is right for our state.

The revenue plan is not perfect, but it is elegant in that it balances taxation more appropriately over a broader scope of businesses and better reflects the changing economy of the state of Nevada. What finally convinced me was hearing from the heads of economic development throughout the state that they want this bill because many companies have refused to come to Nevada, not because

of taxes but because of our poor education system. They want their employees to be able to send their children to good schools, and they want employees they can hire who are ready to work.

We owe this to the rising generation. This building has been here before any of us here started to serve, and it will be here long after we leave. It is a sacred trust we have here and a great privilege to serve here. I know you all feel that way. We may disagree on how to get there, but I honestly feel that every member of this body, in good faith, wants to do what is best for our citizens and for our constituents. And if we disagree on how to get there, we should not lower ourselves to personal attacks and questioning each other's integrity. We have to do what we think is right after doing our due diligence. That is the word we use in corporate law, and I think you all know what that means. I have done months of due diligence, as all of you have. Maybe it is because I am almost 60, but I am not too afraid to say I was uninformed. I made a mistake. I sat and spouted the party line of no new taxes no matter what. I dare say, there are some philosophies that even if ISIS [Islamic State of Iraq and Syria] were storming our building to kill us all, we would not raise a penny in taxes, and I do not think that is appropriate.

This is a representative body. I had an interesting chat with my beloved wife last night and had another with her this morning. She supports me, but I had to explain to her that you need to give us the benefit of the doubt. I have sat through hours and hours and hours of hearings, like you have. I have sat down with the architect of this tax plan, the proponents of the tax plan, the opponents, and everybody in between. I have come to the conclusion that this is best. I know that I have offended a number of my very best friends, both in this Assembly and in my home. A number of my constituents are calling me. They are even calling my wife saying, What is your husband doing? It is funny. Before I came here, I was a right-wing extremist; now, I am a RINO [Republican in name only]. Fine, call me what you will. I have thought about this. I have fasted. I have prayed. I think this is the right thing to do. I think you can come to a different conclusion based on your personal experience.

I have had some lobbyists who were, I thought, my best friends until two days ago. Now all of a sudden, according to them I have no integrity, I am not doing what I really think is in my heart, and I have been cajoled and threatened by the Governor's Office. Someone even suggested I have been promised things from the Governor's Office. So I took the bait and said, Yes, that is true. I was promised a judgeship. Someone said, Really? And I said no. And for the record: Governor Sandoval has been a perfect gentleman to me through this whole thing. He has never pressured me. He has answered my questions. He has never threatened me, and he has never promised me anything. The same with his staff. I resent any insinuations to the contrary.

This is not Question 3. This is a different tax. It has been modified a lot. It reflects our growing and changing economy. When 70 percent of our economy is services, we cannot continue to tax 30 percent and build what I think is a shack, keep adding chimneys and new floors, and hope it will not fall down. We have to broaden the base, and this tax does that. It also will reach companies making millions of dollars in Nevada but because they do not have any employees, they do not pay a cent in tax.

I had a very good conversation with someone the other day who told me that his company just purchased millions and millions of dollars from an out-of-state computer company. I am not going to say the name, but you would all recognize it. It is a Fortune 100 company. All the state of Nevada got out of that was a small use tax, just because that company is not here. This new commerce tax will reach some of those things. The \$4 million floor, hopefully, will never be lowered. Of course, we cannot bind future legislatures but, hopefully, it will not.

When I ran, the first thing I said was that I am promoting economic development. The second thing I said was that I want to keep a stable tax base. I think with this bill, I can do both of those things. The third thing I said was, let the sunset sunset, and I am going to have to break that promise. But, with Mr. Hansen's amendment, it is only for two more years. Hopefully, the economy will continue to grow and we can reevaluate that. Oh, wait. Did that fail? I apologize. Never mind. I am going off my notes and I have not slept too much in the last three days.

To wind up: As I said, I have changed my mind. I hope my colleagues will support this bill.

ASSEMBLYWOMAN WOODBURY:

I rise in support of Senate Bill 483. Many of my colleagues know that my students in Henderson are afforded the luxury of a five-star school. Far too many of Nevada's students are

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trapped in failing schools and are falling through the cracks. It is bad for our economy. It is a cost on social services and creates a cycle of poverty that we can no longer accept. I am supporting this bill because we have enacted so many bold education initiatives that target underperforming schools and provide a real choice for our parents like nowhere else in the country. I hope education is no longer viewed as an expense in this state, but as an investment. I urge my colleagues to join me in supporting this bill.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

I rise in support of Senate Bill 483. I stand proud to rise in support of this bill as we put Nevada on a new path and a new trajectory forward. It is something that we have talked about a lot as policymakers in this building, but it has eluded us. As our children prepare to get out of school in the next two weeks, we are going to be starting their future. Over the last two days, some of you might have noticed that I have had my daughter with me. I have her with me for a very important reason. She was serving as my compass during these last couple days when debate ramped up, when it looked like all hope for a change in the way that we conduct business in this state might be lost.

My daughter attends a two-star Title I school, and I have to be able to look into the eyes of the rest of the children at her school. I also have to be able to go home and answer to my own children about how I fought for them in this building. I cannot serve as a legislator and not make a difference that impacts their lives. I want for them a future in which high-paying jobs are available to them and a future in which they are qualified for those high-paying jobs because of the stellar, outstanding education they have received in this state.

We need to stop importing highly gifted and smart folks with high educations from outside our state to take these jobs. We need to be growing our own leadership and growing our own future. I will vote for Senate Bill 483 not only because of what it does for education but because of what it is doing for our social safety net. As a social worker in a hospice program, I spend my days with impoverished seniors who have outlived family members. They might be widowed. They might not ever have had children. They are alone, and so many of them have been on a waiting list to receive support services from the state. I can list the names of so many folks who have died waiting for services so that they could be safe in their home. This will change that.

This bill will make a meaningful impact in people's lives, in our constituents' lives. I know that when I was first elected and sent here by my constituents, I had to make hundreds of millions of dollars in cuts to education and hundreds of millions of dollars in cuts to health and human services. In the space of two hours, more than \$40 million was cut out of mental health, and we saw that did not serve us well. This is the real change that my constituents have been looking for. For the first time since I was elected, I know that I get to push a button that is really going to be changing the way that we conduct business in Nevada and the way that we are growing this state. I am proud to support Senate Bill 483.

ASSEMBLYWOMAN SHELTON:

I have been getting tons and tons of emails from people saying to vote no on this. I agree with my colleagues that the voters voted no to the margins tax back in November. Some might argue that this is not a margins tax. I would say to those people: If this is not a margins tax, why am I still getting people sending me emails and making phone calls to tell me to vote no on this bill? I am getting texts as I sit here from constituents telling me to vote no. The people of Nevada do not want this, and I implore my colleagues to vote no.

ASSEMBLYWOMAN KIRKPATRICK:

I would like to remind this body about a couple of things. I was one of those 429,000 that voted against Question 3. I am going to tell you why. It was not the right policy. There were a lot of flaws in it, but I took it upon myself to come to this building and to do what was right for the tax structure of the state. Anyone who comes into this building with their mind made up and says that they cannot make a decision because they have already made it before they have even heard the facts—that is unfortunate because it takes you out of the game.

Whether or not all of these lobbyists in this building tell you something, if you sit on the committees and pay attention, we do many things. There are things that I do not always agree with in this building, but I make sure that my colleagues in the rurals have schools that they can

go to, I make sure that they have roads that they can use, and I make sure that they have jobs. For my folks that live in the north, I make sure that they have the economic opportunities that they want. I make sure that those kids also go to school. Down in the south, I make sure that the kids do not have to have 50 students in a third grade classroom because I work hard to support things such as class size reduction.

I would also like to remind everybody that we represent our state. We represent constituents, and it is our job to come here with an open mind and to think about what we have to do that is in their best interest. Many people forget that we walked into a shortfall. I am sure none of you knew that when you were out campaigning because about six of us knew that. I did not ask any of my constituents what I should do about the shortfall. I told them. I spoke to well over 180 businesses within a six-month timeframe and not one time did I say I am scared to vote for taxes because I might get unelected. Not one time. What I said was, I am going to go there with an open mind.

We have to be serious, folks. We have to talk about a revenue package that works for everybody. We have to talk about a revenue package that is stable for the state. We have to talk about a revenue package that helps our small businesses work, and this revenue package does. To say that small businesses are going to be hurt by this—I do not know that I consider a \$4 million company a small business. It is only going to pay \$200 for a business license. I think the myths that are out there are incorrect. Do I think that a modified business tax has been a very stable piece of our legislation? This is not a new idea. We have been talking about this for years. No one has ever had the courage to actually do it. I have been on this side. I have been on that side. I will tell you that it is hard to get to 28, and for once I believe that 28 of us have the courage to do what is right for Nevada's future.

It is not just about education. Education is super important. I am tired of hearing from businesses that they will not come to our state because we do not have a great education system. We do. I am tired of hearing from businesses that we do not have the traffic and the transportation systems in our state. This will help us get there. I am tired of hearing people say that the reason they do not come to our state is because we do not have anything to do. Not once did they ever tell me they do not come to our state because of taxes.

Virginia is one of the most conservative states in the United States. Virginia has the highest tax that is out there, but they also have the very best education system, not just in the higher education sector. They have it from pre-K all the way up, so those kids start out on the right foot. We have never ever invested.

Want to talk about the tax from 2003? It was a great idea. It was a great tax, but we never actually kept that money. You know why? Because we gave it back in 2005, the \$300 million that was left over. We gave it back because we said it was too much. However, in 2009, we cut \$1.2 billion out of our budget. So to say that we had the highest tax increase in 2003, I would say it has never really surfaced because we gave it all back. Every single time we have not been able to do it.

This session is my last session, and it is very unfortunate some people feel that this is personal. This is not personal among your colleagues. At the end of the day, I do not begrudge any one of my colleagues for not voting for this. I am going to go home and sleep well. I do not check kids' voter registration when they register for kindergarten. I educate them, and I make sure that they have the tools to do that. Each and every one of us has a responsibility to the state of Nevada and to the children of Nevada who are our future. That is why we support things such as career and technology. That is why we support things such as our community college. That is why we support great job opportunities so people can build roads.

I find it unfortunate on the night before *sine die* that we have made this a personal issue. I like each and every one of you in this building. Everyone has something unique about them that they bring to this building, and that is what makes Nevada so great as a citizen legislature. I got probably 4,000 emails on a solar issue and two of the senders lived in my district. That is exactly what happens with mass robocalls, and that is exactly what happens with mass emails. I implore them to give me their address because I want to write back to them, and I want to contact them.

I would urge my colleagues to please build a new Nevada, start something new. You will be back next session. You will have the opportunity. There is not one perfect tax. Remember I said that in 2003 we passed a tax? I was not here in 2003, but in 2005 we fixed it. In 2007, we passed

a tax called a property tax and we are still fixing that. There is no perfect tax in any state in the country, but let us be like some of those more conservative states who invest in their infrastructure. The infrastructure I see in the state that is most important is our children. If our children do not like to go out hunting, that will go away. If our children do not like to go out and ride bikes, that too will go away. If our children do not have the educational opportunities that they deserve, to be on the cutting edge, to compete globally, then we might as well just stop right here.

You should think twice about why you are in this building. This building is not easy. In this building there is a lot of pressure from a lot of folks but at some point, you have to stand up and take a stand. I have sat in the Ways and Means Committee. I have watched people vote for things and thought it was interesting. I am a little bit more conservative than them. I have watched people vote down things that I thought were really important to their district. Why would they do that? So I would say this is not personal. This is not who you are inside. This is not about your integrity, for heaven's sake. I have been in this building a long time. My integrity is super important, and if you are telling me that by supporting something that is going to benefit the children of Nevada, the infrastructure of Nevada, the IT [information technology] needs of Nevada, the mental health that we have never agreed to do anything about—we talk about it. In our state, we are really good about talking about stuff, but we never do it—and if that means that I have no integrity, I am ashamed to be a Nevadan.

I came here with integrity. I came here with hope. I came here with the ability to sit down with everybody and to work. I have worked on taxes long before many of you in this building. Our tax structure is antiquated. We need a new revenue structure to work. We need to protect our smaller businesses, as we did. Two hundred dollars for a business license fee is a pretty good gig because you know what? In Virginia, it is not \$200. We said \$4 million and then you have to participate in this. This gets some of the bigger people that have not invested.

If you want to talk about the poor resident agents, let me just tell you all something. We did help them. We did address some of their needs, not all of them, but they benefit from Nevada's legal community and laws all the time. That is why they are here. That is why we have 120,000 of them, so I would implore all of you not to think about this as a mark on your integrity because it is not. It is a mark on being a Nevadan, standing up for what is right, and investing in our state for the long term. Please support Senate Bill 483.

I will say one last thing: It is easy to vote no. It is easy to fill the budget and expand it, but it is very hard to push this button and go home. I have done this once before, and if you explain it to your constituents, they will understand. My husband is my number one constituent, and he reminds me all the time. When that road does not work on Rancho, he says, What is the state doing about it? Then I get on the phone and ask about what we are doing about all those potholes. As a state, we fund that. We take care of that. So if you can go home and explain your actions today, good or bad, then you have won. You have proven to the folks that you were here for all the right reasons. I will just say when leaving this building, I hope that integrity is not questioned on a daily basis because we all work really hard. When we go out door to door, my constituents are all about supporting this and making sure that every single kid gets the opportunity for all-day kindergarten after 22 years of fighting for it. But if you cannot go home and explain it, then you probably should vote no. I guarantee that there are plenty of you that can go home and justify why you do this.

Thank you, Mr. Speaker, and I encourage people to vote in support of Senate Bill 483 for a new Nevada.

ASSEMBLYMAN CARRILLO:

I rise in support of Senate Bill 483. It is imperative that we pass this bill in order to fund the bills and services that we have already voted on during this session. We have a duty to the citizens of this state to ensure that the services that they have expressed overwhelming support and need for are supported, including those services related to mental health, social services, and education. All these kids who we have talked about during the session regarding education belong to all of us—everyone in this room, gallery, everywhere. These kids deserve more, and we need to make sure that they are educated, employable, and able to carry the torch for all of us in the future. These businesses that we keep talking about have clearly indicated that they need an educated

workforce, and we have the responsibility to give them just that. I urge the body to support S.B. 483.

ASSEMBLYMAN JONES:

I rise in strong opposition to Senate Bill 483. I just want to point out that I agree wholeheartedly with the many statistics shared by my colleagues that are also in opposition. I do not want to go through all of them again, but I do want to point out a couple. We always come back to this issue of funding our education; our education is underfunded. As my colleagues have pointed out, that is not the true case. In fact, in our state our teachers are paid above the national average. Also, class size reduction is an issue. On average, our class size is just a little over 20, which is lower than Utah and Arizona.

The biggest thing is this: Since 1972, education spending with inflation adjusted has been tracked as has performance. We are spending now over 100 percent more than we were back in 1972, yet our performance has gone down a little bit. So throwing more money at it is not the solution. The solution is education reform, and we are doing a \$1.5 billion tax increase mostly for new education programs. What is great about our country is that we have 50 states that can try different things and then find out what works and what does not work. Many of the programs that we are throwing millions and hundreds of millions of dollars at have proven not to work in other states.

Just before this election cycle started, Wisconsin was another state in a similar situation with over a \$3.6 billion deficit. Scott Walker, in a Democratic state, was able to get his legislature together and they went in another direction, which is a shining star of what we could be doing right now. We are choosing to go the other way, which has failed time and time again—just throwing more money at the problem.

What this reminds me of is one simple thing. We ushered in a Republican majority because the people spoke loud and clear. They do not want more taxes, and they want better accountability and less government in their lives. Ronald Reagan proved that less government creates prosperity, and with prosperity all ships rise. So with prosperity and educational reforms, we could be making a true difference, as has been established in other states and has been proven to work. What this comes down to for me is one simple statement. This simple statement means different things to different people, and I am sure that everybody in here has integrity, but it comes down to this. The people ushered us in. When I say "us," I mean the Republican Party, with their idea of what they expected us to do. With this vote, what we are going to be doing is a betrayal after trust. We are going to betray the very people who ushered us in, and they spoke very loudly.

What this reminds me of is a scene out of my favorite movie. My favorite movie is *Braveheart*, and for those of you who know *Braveheart*, Mel Gibson played Sir William Wallace fighting for independence for the state of Scotland. He was going against Longshanks, the evil English king. The scene that this reminds me of is the second major battle against the English army. Sir William Wallace already had defeated the English army and sacked York. Now, Longshanks had come up with his entire force to take on Sir William Wallace. Prior to the fight, he agreed with the major Scottish king, who was Robert the Bruce. He had agreed with Robert the Bruce that at the pivotal point in the battle, Robert the Bruce would come over from behind a hillside and help him defeat the English. He went into battle. They were doing quite well and when that pivotal point came, you know what happened? Robert the Bruce was nowhere to be found because you know where Robert the Bruce was? He was on the English side with Longshanks wearing a helmet to disguise who he was.

At the end of the battle, Sir William Wallace, in defeat, lying bloody on the ground, sees the king and his entourage. He gets on his horse and rides after them. He gets in a fight with Mr. Bruce, who has a helmet on and he cannot see. How did he feel after that fight? When the helmet came off Robert Bruce, he felt betrayal after trust. His heart sank to a low level. That is how I feel. When we Republicans were ushered in for this point, our hearts are going to be sinking to a new level because we are betraying the very constituents that put us in office.

Thank you, and I urge you to vote no against S.B. 483.

ASSEMBLYMAN ELLISON:

I stand in opposition to Senate Bill 483. To give a little good news on this, I promise I will not go as long as my colleagues from District 32 or 19, even though I agree with them, or my colleague

from District 5. As of this morning, small businesses and past legislators have called me and reminded me that these seats that we sit in belong to the people of the state of Nevada. They reminded me that they did vote strongly against Question 3, and that is what we are doing here today.

Mr. Speaker, I came here this year with an open mind, knowing that we were going to have to make some changes in what we are going to do for the finances of the state of Nevada. I knew we were going to have to make some changes. This body supported new schools. This body has made changes in prevailing wages. We have done all kinds of things to make this state better. Mr. Speaker, when we get done with this vote, tomorrow morning I am going to get up and wipe my pants off just like I do every day. I am going to look up in the sky.

Mr. Speaker, what we have to do, whatever these decisions are, we cannot look back. We have to go forward for what is good for Nevada; we have to go forward for what is good for the state as a whole. I know that there has been a lot of heartache between individuals here, but you never look back. You always look forward at what is good. Do not live in the past. Even though I am in opposition, no matter what this vote comes out to be, tomorrow I will look forward for the betterment of this state. I am hoping that everybody in this body will do the same because that is what we are. We are Nevadans and Americans.

ASSEMBLYMAN STEWART:

It is always hard to follow my colleague from Elko. Mr. Speaker, I stand in support of Senate Bill 483. It has been so long I almost forgot the number.

Unlike my colleague from District 5, I am not approaching my 60th year. I am well past it, in fact. As I look around here, I think I have probably lived in Nevada longer than anybody in this Assembly and probably anybody in this building. I have thought long and hard about this bill. When the Governor first came out with his plan, I talked with him and told him the things I did not like about it. He has made many corrections. My colleague who is the chair of Taxation has done a great job. We have blended together some plans. I do not think we have come up with a perfect plan by any means. There are still some things in it I would like to change, but I think it is the best plan for Nevada at this time. So I am going to follow the Governor as he leads us on the path to a new and a better Nevada.

In this plan, we have a medical school beginning at UNLV [University of Nevada, Las Vegas] for future medical students. In this plan, we have a veterans' home in northern Nevada to match the one in southern Nevada to take care of our veterans. In this plan, we have some great education reforms with accountability so our children can go forward. In this plan, we have developed probably the best school choice program in the United States.

Mr. Speaker and my colleagues, I am voting for this because I think it is best for my grandchildren, for your children and grandchildren, and for the future of Nevada.

ASSEMBLYWOMAN DIAZ:

I rise in strong support of Senate Bill 483. Mr. Speaker and colleagues, we truly are at a watershed moment in our state. Many of us have been dreaming of this for many sessions. Many of those have already departed and are no longer among us, but the time has come for us to ensure that we start to construct and to build a new Nevada.

As stateswomen and statesmen, we need to do what is right for the future of our state and its citizenry. Efforts to diversify our state's economic development need to continue. We need to support it in order to move our state forward and ensure we continue to grow the middle class in our state. This investment in our children is key to this economic development. Time and time again, we hear from companies wanting to come here that they do not come because they feel that we do not have a workforce that is educated. They feel that if they come, they do not have the people, the citizens, who are adequately prepared to work for their companies or that they want to bring their children to our educational system. I want to praise the Governor for his education reform plan and for having the vision that many of us have had for this state for a long time.

As we strive to ensure that all Nevadans are moved forward and no one is left behind, we need to think about the choice that is before us today. I agree with my colleagues that have spoken before me in opposition to this measure. We do have a choice. We can break the cycle of poverty by educating our future citizens. We can also eliminate this pipeline that we have created that

goes straight to prison. Let us educate and not incarcerate our future Nevadans. This vote is for you, Peggy Pierce.

ASSEMBLYMAN PAUL ANDERSON:

I rise in support of Senate Bill 483. Just for the record, the sky is not falling. The end of the world is not nigh. Taxes are never easy and raising taxes is difficult, especially for someone like me. I am a business owner. I pay these taxes. My tax burden will go up under this proposal, but I am convinced that Nevada's education system needs it.

By combining new investment with major reform, we are improving our education system in many ways that folks believed were impossible. Rather than being critical, disappointed, or ashamed of the way we educate our kids, we will be able to hold our heads high. We are giving Nevada's families the resources and choices that they demanded. The easy way out is to maintain the status quo, but I cannot do that. I cannot accept what we have today and keep pushing it forward into the same problems that we have now, being at the bottom of all the good lists and the top of all the bad lists.

It is time that we put status quo in the rearview mirror. Together, legislators, the Chief Executive, Democrats, and Republicans are revolutionizing Nevada. I am proud to stand with you today. I am proud to stand with Nevada's children, and I am proud to stand in support of Senate Bill 483 and Nevada's future.

ASSEMBLYWOMAN NEAL:

I rise in support of Senate Bill 483. Public policy does not come without sacrifice. I did not start out as an advocate for this tax plan, but it is said that the moral test of government is how it treats those that are in the greatest need in this state. When I first entered this body as a freshman, I thought we were a body who could not see beyond the allegory of a cave. I thought we were imprisoned by our own selfish needs and that we could not see the greatest needs of this state. But that changed. This legislative session, I saw us come together and fight for this legislative institution as it came under attack. There were days when I thought that the truest values of our government, which are to serve the collective, were going to be sacrificed. I watched us come together and hold strong to the principles of this government. We made a decision to serve the people of this state. We made a decision that we were not here to serve our selfish interests but to seek to serve the greatest needs of our people and that is the educational needs of our children. We battled over this tax policy and after many amendments, we found a way to support education. We found a way to create a new revenue stream to support this state. It was not easy, but we found a way to set a new course for the state of Nevada and a place to build from. We found a stable place, although not perfect, but one which we can leap from and one in which we can claim a greater future to plan for our state. I urge your support of S.B. 483 for the educational needs of our children, which is supported in the Nevada Constitution.

ASSEMBLYMAN ELLIOT ANDERSON:

I rise in support of Senate Bill 483. One point that has not been mentioned so far is a substantial improvement to the stability of Nevada's revenue structure with S.B. 483. During 2009, we had a 37 percent structural deficit. Unlike other states, we have revenue streams that vary wildly. Our deficits in 2009, structurally and on a percentage basis, were larger than California's. The commerce tax element of this measure will help us stop those wild swings in revenue and give government, business, and policymakers some much-needed certainty. We will no longer invest in great programs just to cut them after they get off the ground. Really, what is the point of spending anything if you have to cut it immediately when the economy tanks?

Additionally, it will allow us to provide much-needed funding for education programs. For two sessions, the Legislature has invested in smart and research-based policies. We have already seen results from Zoom schools, for example. We know these policies work. We know we are investing smartly. My colleague from District 32, I would note that we voted for A.B. 278, which places tighter controls and reporting requirements on class size reduction funds in the future.

Mr. Speaker, I do not recall many saying during the Question 3 debate that we do not need education spending—it was how. For good reason, you would not expect Marines to take a hill if you did not give them ammo, and you should not expect teachers to produce results without funding. In the past, too many legislators have said that we should spend more on education, but

then they get weak-kneed when it comes to raising the revenue to fund it. I would note to my colleague from District 35 that if you really want freedom, you need an educated populace. The first thing that tyrants do is restrict access to education. Our founding fathers were some of the most educated people of their day, and that is the reason we have democracy and that is why we are here having this debate tonight.

Now is the time for all of us to have the courage to stand up for the new Nevada. In the end, it does not matter if any of us lose an election. The only thing that matters is what we do while we are here. Mr. Speaker, I can look at myself in the mirror, and I urge the body to have the courage to fund the new Nevada. We can make people proud of the Nevada Legislature tonight by learning from the past

ASSEMBLYWOMAN JOINER:

I rise in support of Senate Bill 483. This bill tonight presents us with an historic opportunity. I am confident that when I push that green button and vote in favor of this measure, I will be on the right side of history. I am confident of that because this is a well-balanced tax program that diversifies our state's tax base, something that we have been desperately needing and looking for for decades. It is also a balanced approach to providing the necessary revenue to fund our essential services. It protects our middle-class folks while at the same time ensuring that those corporations that can afford it pay their fair share.

There has been a lot of talk about constituents tonight. I listen to my constituents constantly. I actually made a list of all the things my constituents have asked me for this session. Most of the things on this list are related to this bill. In order, my constituents most consistently have asked me to fund K-12 education. They want to see our education improve in this state. Having UNR [University of Nevada, Reno] in my district, they consistently ask me to fund higher education so that our university can continue to be competitive for economic development reasons when corporations want to come into Nevada and have a legitimate workforce. Having been a state employee myself, I have state workers begging me to end the furloughs, to vote for things that help to improve their salaries, and to restore some of their cost-of-living raises. Finally, I hear from folks every day who need a little bit of help, either through Medicaid or social services. They need the help, and we need to provide it.

Those are four key areas that my constituents consistently ask me for, and this is the bill that gives the opportunity to fund these services for our constituents. So it is for these reasons that I am proud to vote for this measure tonight. I think it is the perfect long-term solution for funding the services that we need for our citizens.

ASSEMBLYMAN O'NEILL:

I rise in support of Senate Bill 483. First—and I will try to make this quick—I want to commend everybody for their passion no matter which side of this argument they are on. I particularly commend my colleague from Assembly District 5 and his most eloquent presentation. I stand with him. I commend my colleague from Assembly District 21 and the work that he and his Taxation Committee and all those members on Ways and Means have done to find a reasonable solution to some of the biggest problems facing our state.

I represent the best Assembly district in this great state, I believe. Our economy has seen some hard times over the last few years, and many of my constituents who work in state government have shared the sacrifice with many of their friends in the private sector. Restoring the cuts made to them should be a part of our recovery. There is a balance to ending furloughs and restoring COLAs [cost-of-living adjustments] without slowing down our economy. This will also restore bridge funding to our Western Nevada College and some of the community colleges that play an integral role in workforce development for northern Nevada and our expanding future. They provide the workers that are so desperately needed.

When I was walking and talking to my constituents, knocking on doors, I said several things. One of the things that seems to be forgotten often, and that I have regularly said, is what I bring to the Legislature that I feel is unique, which is 40 years in law enforcement and the greater majority of that in investigations, investigating some of the most serious crimes. What I did in that job was collect information, talk to people, collect data and evidence, test it, research it, and draw conclusions. Conclusions and actions not based upon what was popular, not based upon what was the simplest and easiest thing to do, but based upon what is the right thing to do. I believe

as I hit that green button tonight, I will be fulfilling that pledge I gave to my constituents, and I am proud to do that. I feel confident this compromise is the best way to move forward, and I thank you very much.

ASSEMBLYMAN WHEELER:

Mr. Speaker, we have heard a lot of passion tonight. We have heard about different parties and what our constituents want. We have even heard a great movie reference. As a matter of fact, my colleague from Elko made a reference that I am not even sure about. My colleague from District 1 tells me something almost every time we go out to our little smokers' caucus, and she says it is about the policy. When we walk through that door, the party politics should stop and it is about the policy. She is right. With the respect I have for her, I am going to say I am glad she is right because this is about the policy. That is exactly what this bill is about.

I am a very lucky Assemblyman, Mr. Speaker, because I represent the best Assembly district. It includes all of Douglas County, part of Lyon County, and all of Storey County. In Storey County, we have a little thing called the Tahoe Reno Industrial Center where we just saw two absolutely major corporations move, followed by nine to ten other smaller corporations coming in. I have had the opportunity to talk to these people and sit down and say, Why did you come here? We keep hearing over and over again that businesses will not come here because of our education system. Yet I go out in my district and I see the exact opposite thing happening. It is not because of our roads. It is not because of our education system. No, they all have the same answer: You are a low-tax state. Every single one of them. Let us take a look at that for a minute. What have we done so far in this session? We have stopped counties from tax breaks they have gotten for years. We have taxed taxis and cabs; we have taxed taxies to the tune of about \$100 million. We are contemplating a new tax on live entertainment, and now we are going to tax our businesses with a gross receipts tax. I do not care what you call it, that is what it is. So what are we doing in this session, ladies and gentlemen? I think we will be known as the tax session, I am sorry to say. That is not a policy that I am willing to live with, and I know that is not a policy that the business community is willing to live with.

Ladies and gentlemen, I urge you very much to vote no on this and not just for that reason. There is another reason when you go to push this button that you might want to push the red one. If you push the green button on this particular bill, S.B. 483 that is now an omnibus bill with every tax we can think of, you are saying that you love every single bit of it because you will not be able to change anything again. You will not have any more negotiations. It will stop right here with this vote. So tell me again that you think this a perfect tax, because that is what it is going to say when you hit this green button. You are not going to be able to change a thing. There are no more negotiations.

ASSEMBLYWOMAN CARLTON:

First, I would like to thank you for giving the body the latitude to have this very serious discussion. I do appreciate that, and I appreciate the Majority Leader's comments and all the comments of my colleagues, especially my colleague from the double deuce. He is a native Nevadan and knows a lot more about Nevada than I do. I am a Nevadan by choice. I came here with my husband looking for a better life, looking for a better education for my children. We got it. I have represented four different groups, four different districts in this state, since I was elected in 1999: two different Senate districts and two different Assembly districts. So when you talk about representing a lot of folks, I have talked to a lot of folks on the east side of the valley in Las Vegas. Taxes very rarely come up. It is all about education and what is going on in their neighborhoods; it is about public safety; and it is about providing the services that their families need, whether they have a child with special needs, a child with autism, or a mother or father that needs services. When I get those calls, that is who I am trying to help out.

This is not about party. This is not about caucuses. This is about being a Nevadan, and because I chose to be here, I chose this responsibility. We heard earlier, where is the accountability? How are we going to be sure this money is spent well? What have we done with the money since 2003? Well, I voted on that tax in 2003, and I am still here. I have held myself accountable, and I have watched the budgets. I have paid attention. I was honored to chair Ways and Means last session, and I respect the work that our current chair of Ways and Means has done. We have had 134 meetings, some of them two and three hours long. We have vetted this budget down to the

nickel. We know what is in it. We know that we are going to be held accountable for it, and it is the right budget. It is not a great budget. Lord knows there is more that I would like to have in it, but I know at this time and this place this is what we need to do.

In getting away from the bill for just a second, Mr. Speaker, with your permission, look at the things that we are going to fund. We are funding the medical school, which we heard about. We are funding unmanned aerial vehicles. In 2011 when we were doing the cuts, we never even thought that something like that would come to our state, but because we are investing, that industry is now here in this state. There is a senior property tax abatement in there that I had to vote to take away from my seniors and now I get to vote to give it back to them. I am very happy to do that. The autism funding is going to be one of my proudest moments because we are going to take care of these kids. That is why I came here and that is why I support S.B. 483.

Thank you again for allowing us to have this debate.

ASSEMBLYMAN SILBERKRAUS:

I rise in support of Senate Bill 483. We have worked all session to build a better system of education for our children and for those that will come after. It is easy to say we support these programs. It is easy to say that we support these changes, but today comes the hard part. This is where the rubber meets the road. Today, actions speak louder than words. Today, I vote to fund a better future for my son and for all the children of Nevada. Mr. Speaker, today we build the new Nevada.

ASSEMBLYWOMAN FIORE:

As we wrap this up, I am just going to remind everyone as we make promises to our children and deliver on that, I think we need to stick to our promises to our constituents and deliver on those. I urge this body to vote no on this atrocious bill.

ASSEMBLYWOMAN SPIEGEL:

I rise in support of Senate Bill 483. You know, one thing that is always difficult for us is to make the challenging decisions. I do not think there is a member of this body who takes this decision lightly. I think that we have all taken the time to weigh the policy, to weigh the implications of this bill, and to look at the benefits that we have come across with. As long as I have lived in Nevada, I have heard people say things like, Now is not the time raise taxes, it does not matter if the economy is doing well. People say, The economy is doing well, now is not the time to raise taxes because that could scare our businesses. When the economy is doing poorly, people say, Now is not the time to raise taxes, our businesses are doing poorly. When is the right time to raise taxes? It is not an easy decision.

Like my colleague from District 13, I am also a business owner. This bill will increase the tax burden on me and my company as well, but in looking at the decision and looking at the decision for Nevadans, I have done a couple of things. First of all, earlier this session, I went home one Saturday and I spent the day visiting businesses in my district. I spoke to small business owners about their tax burdens. I spoke to them about what they wanted for Nevada. One of the things that I am really proud of in this bill is that our small businesses, those with revenues under \$4 million, will not have their tax burden increase that much. Those whose payroll is under \$200,000 a year, our smallest businesses and growing businesses, will not have their modified business taxes affected at all. Yet it offers us so much. It offers us as a state the ability to provide the services that we need, to build the infrastructure that we need, to protect our middle-class families, and to grow.

We have ceased being competitive with our nearby states, and this bill enables us to regain our competitive nature to provide the services and amenities that the people of Nevada want without really harming our businesses. We had the largest employers in our state coming out and testifying at the hearing yesterday urging us to support this bill. For once, I think they are right. When the business community comes to us and says that now is the time to raise taxes and this is the package to do it with, I think we need to take their words seriously and heed them. Thank you.

ASSEMBLYMAN MUNFORD:

When I walked into this Chamber this evening and I took my seat, I basically had my mind made up about how I was going to vote. Right now, in that this is my last session in this Chamber,

as I am going to be termed out, I would say this is the most difficult bill that I have had to vote on. I stand here right now, to some degree, a little confused because I listened to both of the arguments. The opposition and those in support both had merit. They made a lot of sense. I was listening to all my colleagues talk. I still stand here a little concerned. I think about the business side of it, the businessman. I know they are the job creators, so we need them. We look at the education side. We need improvement in our education system. I taught school for many, many years, but even in my district, District 6, they need a lot of support in terms of the economic area and helping to improve schools. So I can say both sides have so much strong merit, and I am going to take my seat and vote, but I still think this is very, very hard for me. I just do not know what to say right now.

ASSEMBLYMAN TROWBRIDGE:

I stand in support of Senate Bill 483. I voted to support the proposed amendment by my colleague from Assembly District 32, which would have provided a temporary extension to the sunset taxes, and I look forward to those days when these taxes are no longer needed. I hate to disappoint my colleague from District 5 because when I was sworn into office, I did get a job as a judge. Along with every legislator, I am expected to make judgments concerning our highest priority, which is supporting our schools. Our schools are tasked with the ever-growing population and unprecedented challenges with complex issues that require innovative approaches to help move our student performance in the right direction. Sure, we need far more accountability; no one can deny that. We need accountability for the funding that the schools currently have as well as any new funding that they are going to get, but we cannot let past failures to instill adequate accountability prohibit us from doing the right thing.

Let there be no misunderstanding: We demand changes and improvements. Empty demands are not adequate. We need to fund our demands and expectations. I did not come here to raise taxes. I did not come here to protect those who do not want to pay any more, because I am certainly one of them, but I am here to do the right thing. We cannot have expectations and demands without funding them. Admittedly, this bill is not perfect, although I dare someone to show me a bill in this house that is perfect. However, please support Senate Bill 483.

Roll call on Senate Bill No. 483:

YEAS—30.

NAYS—Dickman, Edwards, Ellison, Fiore, Hansen, Jones, Seaman, Shelton, Titus, Wheeler—10.

EXCUSED—Dooling, Moore—2.

Senate Bill No. 483 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 478.

Bill read third time.

Remarks by Assemblywomen Carlton and Fiore.

ASSEMBLYWOMAN CARLTON:

Assembly Bill 478 increases certain developer application and renewal fees and establishes expedited filing fees and late penalty fees. The bill also establishes time share exchange company registration and abbreviated conversion fees and increases the fee for sales agent association changes or license location changes. As amended, the bill clarifies where the developer and time share fees collected by the Real Estate Division outlined in the bill are deposited. The bill becomes effective on July 1, 2015.

ASSEMBLYWOMAN FIORE:

I rise in opposition to Assembly Bill 478. Assembly Bill 478 almost doubles the fees on a number of individuals, and I think after just passing along \$1.5 billion in tax, maybe we can give them a break and vote no on this one.

ASSEMBLYWOMAN CARLTON:

This bill was heard. There was just a bit of opposition. The opposition was addressed. This is an industry bill. This takes care of an issue that they would like to have taken care of, so we actually listened to the people who were in front of us who said we need to get this fixed.

Roll call on Assembly Bill No. 478:

YEAS—30.

NAYS—Dickman, Ellison, Fiore, Hansen, Jones, Seaman, Shelton, Titus, Trowbridge, Wheeler—10.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 478 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

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

Assembly in recess at 8:31 p.m.

ASSEMBLY IN SESSION

At 9:29 p.m.

Mr. Speaker presiding.

Quorum present.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that Senate Bill No. 421 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

Assemblyman Paul Anderson moved that Senate Bill No. 296 be taken from the Chief Clerk's desk and placed on the General File.

Motion carried.

Assemblywoman Diaz moved that Assembly Bill No. 197 be taken from the Chief Clerk's desk and placed at the top of the General File.

Motion lost.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Ways and Means, to which was referred Assembly Bill No. 476, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

PAUL ANDERSON, Chair

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 31, 2015

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate on this day passed Senate Bills Nos. 513, 515.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 79, 266.

SHERRY RODRIGUEZ
Assistant Secretary of the Senate

INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 79.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Taxation.

Motion carried.

Senate Bill No. 266.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Taxation.

Motion carried.

Senate Bill No. 513.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 515.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

UNFINISHED BUSINESS

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the Speaker and Chief Clerk signed Assembly Bills Nos. 8, 23, 34, 49, 50, 51, 67, 69, 93, 115, 126, 138, 161, 178, 191, 199, 234, 239, 328, 470, 477, 486; Assembly Resolution No. 10; Senate Bills Nos. 4, 24, 60, 89, 170, 253, 276, 302, 374, 391, 414, 420, 422, 431, 456, 474, 481, 500, 501, 503, 510.

RECEDE FROM ASSEMBLY AMENDMENTS

Assemblyman Hansen moved that the Assembly do not recede from its action on Senate Bill No. 53, that a conference be requested, and that Mr. Speaker appoint a Conference Committee consisting of three members to meet with a like committee of the Senate.

Remarks by Assemblyman Hansen.

Motion carried.

APPOINTMENT OF CONFERENCE COMMITTEES

Mr. Speaker appointed Assemblymen Gardner, O'Neill, and Ohrenschall as a Conference Committee to meet with a like committee of the Senate for the further consideration of Senate Bill No. 53.

CONSIDERATION OF SENATE AMENDMENTS

Assembly Bill No. 167.

The following Senate amendment was read:

Amendment No. 786.

AN ACT relating to foster care; authorizing the storage of a firearm and ammunition on the premises of a family foster home in certain circumstances; authorizing certain persons to carry a firearm on their person while [loff of the premises of a family foster home] in the presence of a foster child in certain circumstances; providing that an agency which provides child welfare services is immune from liability for any injury caused by a firearm on the premises of a family foster home; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Division of Child and Family Services of the Department of Health and Human Services to adopt regulations to establish requirements for the licensure of family foster homes, specialized foster homes, independent living foster homes and group foster homes. (NRS 424.020) Existing regulations require all weapons on the premises of a foster home to be unstrung and unloaded at all times when children are in the home and stored in locked containers or rooms out of the reach of children or made inoperable. Ammunition is required to be kept in a separate locked container and weapons may not be transported in a vehicle in which children are riding unless the weapons are made inoperable and inaccessible. (NAC 424.600) This bill authorizes a person lawfully in possession of a firearm or ammunition to [store] possess the firearm or ammunition on the premises of a family foster home if it is stored in a locked secure storage container \ except when used for certain lawful purposes or to clean or service the firearm. This bill requires any key, combination or access code to the locked storage container to be kept in the reasonably secure possession of an adult or in a locked combination or biometric safe. This bill also authorizes a provider of family foster care or other person who resides in a family foster home to carry a firearm on his or her person while [off of the premises of a family foster home but in the presence of a foster child if: (1) the firearm is kept in a holster; (2) the firearm is carried in a manner which ensures that the firearm is inaccessible to the foster child if and is in the possession or control of the provider or other person; and (3) the provider or other person is a law enforcement officer or has a permit to carry a concealed firearm. Finally, this bill provides that an agency which provides child welfare services is immune from liability for any injury caused by a firearm that is stored on the premises of a family foster home or carried by a provider of family foster care or any other person who resides in a family foster home.

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

- **Section 1.** Chapter 424 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. [4] Except as otherwise provided in subsection 3, a person who is lawfully in possession of a firearm or ammunition may [store] possess the firearm, whether loaded or unloaded, or ammunition while on the premises of a family foster home but must store the firearm in a locked secure storage container [4] except when used for a lawful purpose which may include, without limitation, for an educational or recreational purpose, for hunting, for the defense of a person or property, or to clean or service the firearm.
- 2. A person who stores a firearm or ammunition on the premises of a family foster home in a locked secure storage container as required pursuant to subsection 1 shall ensure that any key, combination or access code to the locked secure storage container is kept in the reasonably secure possession of an adult or a locked combination or biometric safe.
- 3. A provider of family foster care or any other person who resides in a family foster home may carry a firearm on his or her person, including, without limitation, in a purse, bag, briefcase or other similar means, while loff of the premises of the family foster home but in the presence of a foster child, including, without limitation, while operating or riding in a motor vehicle, if the!:
- (a) The firearm is kept in a holster;
- (b) The provider or other person carries the firearm in a manner which ensures that the firearm is inaccessible to any foster child and is in the possession and control of the provider or other person; and the
 - (c) The provider or other person is a person who:
 - f(a) Is listed in paragraph (a) of subsection 4 of NRS 202.350; or
- (b) (2) Has been issued a permit to carry a concealed firearm pursuant to NRS 202.3653 to 202.369, inclusive.
- [3-] 4. An agency which provides child welfare services is immune from civil and criminal liability for any injury resulting from the use of a firearm or ammunition that is stored on the premises of a family foster home or is carried by a provider of family foster care or any other person who resides in a family foster home.
 - 5. As used in this section:
 - (a) "Firearm" has the meaning ascribed to it in NRS 202.253.
- (b) "Secure storage container" means any device, including, without limitation, a safe, gun safe, secure gun case or lock box, that is marketed commercially for storing a firearm or ammunition and is designed to be unlocked only by means of a key, a combination , a biometric lock or other similar means.

- **Sec. 2.** NRS 424.090 is hereby amended to read as follows:
- 424.090 The provisions of NRS 424.020 to 424.090, inclusive, *and* section 1 of this act do not apply to homes in which:
- 1. Care is provided only for a neighbor's or friend's child on an irregular or occasional basis for a brief period, not to exceed 90 days.
- 2. Care is provided by the legal guardian.
- 3. Care is provided for an exchange student.
- 4. Care is provided to enable a child to take advantage of educational facilities that are not available in his or her home community.
- 5. Any child or children are received, cared for and maintained pending completion of proceedings for adoption of such child or children, except as otherwise provided in regulations adopted by the Division.
- 6. Except as otherwise provided in regulations adopted by the Division, care is voluntarily provided to a minor child who is related to the caregiver by blood, adoption or marriage.
- 7. Care is provided to a minor child who is in the custody of an agency which provides child welfare services pursuant to chapter 432B of NRS or a juvenile court pursuant to title 5 of NRS if:
- (a) The caregiver is related to the child within the fifth degree of consanguinity; and
- (b) The caregiver is not licensed pursuant to the provisions of NRS 424.020 to 424.090, inclusive [-], and section 1 of this act.
- **Sec. 3.** Any regulations adopted pursuant to NRS 424.020 that conflict with section 1 of this act are void.
 - **Sec. 4.** This act becomes effective upon passage and approval.

Assemblyman Hansen moved that the Assembly concur in the Senate Amendment No. 786 to Assembly Bill No. 167.

Motion carried by a constitutional majority.

The following Senate amendment was read:

Amendment No. 1008.

AN ACT relating to foster care; authorizing the storage of a firearm and ammunition on the premises of a family foster home in certain circumstances; authorizing certain persons to carry a firearm on their person while in the presence of a foster child in certain circumstances; providing that an agency which provides child welfare services is immune from liability for any injury caused by a firearm on the premises of a family foster home [+] or that was carried in the presence of a foster child; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Division of Child and Family Services of the Department of Health and Human Services to adopt regulations to establish requirements for the licensure of family foster homes, specialized foster homes, independent living foster homes and group foster homes. (NRS 424.020) Existing regulations require all weapons on the premises of a

foster home to be unstrung and unloaded at all times when children are in the home and stored in locked containers or rooms out of the reach of children or made inoperable. Ammunition is required to be kept in a separate locked container and weapons may not be transported in a vehicle in which children are riding unless the weapons are made inoperable and inaccessible. (NAC 424.600) This bill authorizes a law enforcement officer or person flawfully in possession of a firearm or ammunition who holds a permit to carry a concealed firearm to possess the firearm or ammunition on the premises of a family foster home if it is stored in a locked secure storage container except when used for certain lawful purposes for , when carried lawfully, to clean or service the firearm | or if the firearm or ammunition is inoperable and solely ornamental. This bill requires any key, combination or access code to the locked storage container to be kept in the reasonably secure possession of an adult or in a locked combination or biometric safe. This bill also authorizes a Iprovider of family foster care or other person who resides in a family foster homel law enforcement officer or person who holds a permit to carry a concealed firearm to carry a firearm on his or her person while in the presence of a foster child if [:] the person: (1) keeps the firearm [is kept] in a holster [i] or other similarly secure case; (2) carries the firearm [is carried] in a manner which ensures that the firearm is inaccessible to the foster child and is in the possession or control of the provider or other person; and (3) [the provider or other person is a law enforcement officer or has a permit to carry a concealed returns the firearm [1] to a locked secure storage container when it is not being carried or in use.

Finally, this bill provides that an agency which provides child welfare services is immune from liability for any injury caused by a firearm that is stored on the premises of a family foster home or carried by a provider of family foster care or any other person who resides in a family foster home.

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

Section 1. Chapter 424 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. [Except as otherwise provided in subsection 3, a] A person who is [lawfully in possession of a firearm or ammunition] listed in paragraph (a) of subsection 4 of NRS 202.350 or holds a permit to carry a concealed firearm pursuant to NRS 202.3653 to 202.369, inclusive, may possess the firearm, whether loaded or unloaded, or ammunition while on the premises of a family foster home [but] in accordance with the provisions of this section.
- 2. Except as otherwise provided in subsection 4, a person described in subsection 1 who possesses a firearm or ammunition while on the premises of a family foster home must store the firearm or ammunition in a locked secure storage container except [when]:

- <u>(a) When</u> used for a lawful purpose , which may include, without limitation, for an educational or recreational purpose, for hunting, for the defense of a person or property, or to clean or service the firearm $\frac{1}{1+1}$; or
- (b) If the firearm or ammunition is inoperable and solely ornamental.
- [24] 3. A person who stores a firearm or ammunition on the premises of a family foster home in a locked secure storage container as required pursuant to subsection [44] 2 shall ensure that any key, combination or access code to the locked secure storage container is kept in the reasonably secure possession of an adult or a locked combination or biometric safe.
- [3.] 4. A [provider of family foster care or any other person who resides in] person who is authorized to possess a firearm on the premises of a family foster home pursuant to subsection 1 may carry a firearm on his or her person [f, including, without limitation, in a purse, bag, briefease or other similar means,] while in the presence of a foster child, including, without limitation, while operating or riding in a motor vehicle, if [f:] the person:
- (a) [The] Keeps the firearm [is kept] in a holster [++] or similarly secure case; and
- (b) [The provider or other person earries] Carries the firearm in a manner which ensures that the firearm is inaccessible to any foster child and is in the possession and control of the provider or other person; and
 - (c) [The provider or other person is a person who:
 - (1) Is listed in paragraph (a) of subsection 4 of NRS 202.350; or
- (2) Has been issued a permit to carry a concealed firearm pursuant to NRS 202.3653 to 202.369, inclusive.] Returns the firearm to a locked storage container when the firearm is on the premises of a foster home or in the presence of a foster child and is not being carried on his or her person in accordance with this subsection or used for a lawful purpose.
- [44] 5. An agency which provides child welfare services is immune from civil and criminal liability for any injury resulting from the use of a firearm or ammunition that is stored on the premises of a family foster home or is carried by a provider of family foster care or any other person who resides in a family foster home.
 - [5.] 6. As used in this section:
 - (a) "Firearm" has the meaning ascribed to it in NRS 202.253.
- (b) "Secure storage container" means any device, including, without limitation, a safe, gun safe, secure gun case or lock box, that is marketed commercially for storing a firearm or ammunition and is designed to be unlocked only by means of a key, a combination, a biometric lock or other similar means.
 - **Sec. 2.** NRS 424.090 is hereby amended to read as follows:
- 424.090 The provisions of NRS 424.020 to 424.090, inclusive, *and* section 1 of this act do not apply to homes in which:
- 1. Care is provided only for a neighbor's or friend's child on an irregular or occasional basis for a brief period, not to exceed 90 days.
 - 2. Care is provided by the legal guardian.

- 3. Care is provided for an exchange student.
- 4. Care is provided to enable a child to take advantage of educational facilities that are not available in his or her home community.
- 5. Any child or children are received, cared for and maintained pending completion of proceedings for adoption of such child or children, except as otherwise provided in regulations adopted by the Division.
- 6. Except as otherwise provided in regulations adopted by the Division, care is voluntarily provided to a minor child who is related to the caregiver by blood, adoption or marriage.
- 7. Care is provided to a minor child who is in the custody of an agency which provides child welfare services pursuant to chapter 432B of NRS or a juvenile court pursuant to title 5 of NRS if:
- (a) The caregiver is related to the child within the fifth degree of consanguinity; and
- (b) The caregiver is not licensed pursuant to the provisions of NRS 424.020 to 424.090, inclusive [...], and section 1 of this act.
- **Sec. 3.** Any regulations adopted pursuant to NRS 424.020 that conflict with section 1 of this act are void.
 - **Sec. 4.** This act becomes effective upon passage and approval.

Assemblyman Hansen moved that the Assembly concur in the Senate Amendment No. 1008 to Assembly Bill No. 167.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

Assembly Bill No. 258.

The following Senate amendment was read:

Amendment No. 1034.

SUMMARY—<u>[Exempts certain offers or sales of securities from registration requirements for securities.]</u> <u>Prohibits certain acts relating to the obstruction of property and roadways.</u> (BDR [7-700)] 3-700)

AN ACT relating to [securities; providing for an exemption from the requirement to register for certain offerings for the sale of securities made through certain Internet websites; establishing certain requirements relating to an issuer of a security who qualifies for such an exemption; providing for the registration of certain operators of Internet websites who post offerings for the sale of securities not required to be registered;] unlawful acts; prohibiting a person from obstructing certain property or roadways; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

[Existing law sets forth requirements for the registration of a security with the Securities Division of the Office of the Secretary of State before an offer to sell or a sale of such a security is made unless certain exceptions apply. (NRS 90.460 90.510) Existing law further provides for an exemption of certain securities from the registration requirement and sets forth the filing requirements necessary to qualify for the exemption. (NRS 90.520-90.565)

Section 3 of this bill provides an additional exemption from the registration requirement for securities for an offer to sell or sale of a security offered by an issuer through an Internet website, commonly known as a "crowdfunding" website, if certain filing and disclosure requirements are met. Section 3 requires that to qualify for this exemption, the issuer of the security and the Internet website conducting the offer of the security must be business entities organized and existing in Nevada. Section 3 also requires that any purchaser of such a security be a resident of, or a business entity organized and existing in, Nevada. The amount of the offer made pursuant to the exemption provided for in section 3 is limited to \$1,000,000 in any consecutive 12-month period. The exemption also limits an investor's purchase to \$5,000, unless the purchaser is an accredited investor. Section 3 further requires a depository institution to hold all investor funds in an escrow account until the issuer's crowdfunding goal is met. Section 3 also requires the Administrator of the Division to adopt regulations to carry out the implementation of the new registration exemption.

Section 4 of this bill requires such an Internet website to register with the Division before conducting any offer or sale of a security for an issuer pursuant to the exemption provided for in section 3. Section 4 also provides for certain registration exemptions for a crowdfunding Internet website if certain registration requirements are met with the Securities and Exchange Commission.] This bill: (1) prohibits a person from intentionally obstructing certain property or roadways; and (2) prescribes certain civil remedies for persons aggrieved by such conduct.

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

Delete existing sections 1 through 7 of this bill and replace with the following new sections 1 and 2:

- Section 1. Chapter 41 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A person shall not intentionally obstruct:
- (a) The ingress or egress to any public or private property from any other public or private place in such a manner as not to leave a free passageway for persons and vehicles lawfully seeking to enter or leave the property via the public or private place; or
- (b) Any public or private roadway, including, without limitation, intersections, so as to prevent the safe passage of vehicles thereon or therethrough.
- 2. In addition to any other remedy, a person aggrieved by a violation of subsection 1 may bring a civil action in a court of competent jurisdiction against any person who commits the violation to seek any or all of the following relief:

- (a) Declaratory and injunctive relief, including, without limitation, injunctive relief to enjoin any ongoing activity that violates any provision of subsection 1. For the purposes of injunctive relief, a person who brings an action pursuant to this subsection is entitled to a rebuttable presumption of irreparable harm.
 - (b) Actual damages.
- (c) Reasonable attorney's fees and costs.
- (d) Any other legal or equitable relief that the court deems appropriate.
- 3. A person who violates the provisions of this section is not subject to criminal liability.

Sec. 2. This act becomes effective upon passage and approval.

Assemblyman Hansen moved that the Assembly do not concur in the Senate Amendment No. 1034 to Assembly Bill No. 258.

Remarks by Assemblyman Hansen.

ASSEMBLYMAN HANSEN:

I talked to the bill's sponsor. The bill was hijacked, and at her request, I have asked for a committee to be formed.

Motion carried.

Bill ordered transmitted to the Senate.

RECEDE FROM ASSEMBLY AMENDMENTS

Assemblyman Hansen moved that the Assembly do not recede from its action on Senate Bill No. 444, that a conference be requested, and that Mr. Speaker appoint a Conference Committee consisting of three members to meet with a like committee of the Senate.

Remarks by Assemblyman Hansen.

Motion carried.

APPOINTMENT OF CONFERENCE COMMITTEES

Mr. Speaker appointed Assemblymen Hansen, Gardner, and Elliot Anderson as a Conference Committee to meet with a like committee of the Senate for the further consideration of Senate Bill No. 444.

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 31, 2015

I have the honor to inform your honorable body that the Senate on this day adopted the report of the Conference Committee concerning Senate Bill No. 340.

Also, I have the honor to inform your honorable body that the Senate on this day adopted the report of the Conference Committee concerning Senate Bill No. 482.

UNFINISHED BUSINESS

REPORTS OF CONFERENCE COMMITTEES

Mr. Speaker:

The Conference Committee concerning Senate Bill No. 340, consisting of the undersigned members, has met and reports that:

It has agreed to recommend that Amendment No. 824 of the Assembly be concurred in.

It has agreed to recommend that the bill be further amended as set forth in Conference Amendment No. 3, which is attached to and hereby made a part of this report.

MARK LIPPARELLI

JIM WHEELER MARILYN KIRKPATRICK Assembly Conference Committee

DAVID PARKS
Senate Conference Committee

Conference Amendment No. CA3.

AN ACT relating to public works; disqualifying a contractor from being awarded a contract for a public work under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Labor Commissioner to impose an administrative penalty against a person who violates certain provisions related to contracts for public works in this State. (NRS 338.015) A person against whom such an administrative penalty is imposed may not be awarded a contract for a public work for a period of 3 years, and upon a second or subsequent offense, for a period of 5 years. (NRS 338.017) In addition to the prohibition on being awarded a contract for public works, such a person is also subject to the suspension of his or her contractor's license by the State Contractors' Board for the length of the prohibition. (NRS 624.300)

Under federal law, a contractor may be excluded for a period of time from receiving contracts from the Federal Government if the contractor is debarred. (48 C.F.R. §§ 9.400 et seq.)

This bill provides that, if a contractor is excluded for a period of time from receiving contracts from the Federal Government as a result of being debarred, the contractor may not be awarded a contract for a public work in this State for the {longer of: (1) 4 years after the date on which the Labor Commissioner becomes aware of the exclusion; or (2) the length of the} term of the debarment.

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

Section 1. NRS 338.017 is hereby amended to read as follows:

- 338.017 1. If any administrative penalty is imposed pursuant to this chapter against a person for the commission of an offense :
- —1. That], that person, and the corporate officers, if any, of that person, may not be awarded a contract for a public work:
- (a) For the first offense, for a period of 3 years after the date of the imposition of the administrative penalty; and
- (b) For the second or subsequent offense, for a period of 5 years after the date of the imposition of the administrative penalty.
- 2. A person, and the corporate officers, if any, of that person, who is identified in the System for Award Management Exclusions operated by the General Services Administration as being excluded from receiving contracts

from the Federal Government pursuant to 48 C.F.R. §§ 9.400 et seq. as a result of being debarred may not be awarded a contract for a public work + (a) For a period of 4 years after the date on which the Labor Commissioner is made aware of the exclusion from receiving contracts from the Federal Government: or

<u>(b) For for the period of debarment of the contractor from receiving contracts from the Federal Government.</u>

→ whichever is longer.

- 3. The Labor Commissioner, upon learning that a contractor has been excluded from receiving contracts from the Federal Government pursuant to 48 C.F.R. §§ 9.400 et seq. as a result of being debarred, shall disqualify the contractor from being awarded a contract for a public work as provided in subsection 2.
- **4.** The Labor Commissioner shall notify the State Contractors' Board of each contractor who is prohibited *or disqualified* from being awarded a contract for a public work pursuant to this section.
 - Sec. 2. (Deleted by amendment.)

Assemblyman Ellison moved that the Assembly adopt the report of the Conference Committee concerning Senate Bill No. 340.

Motion carried by a constitutional majority.

Mr. Speaker:

The Conference Committee concerning Senate Bill No. 482, consisting of the undersigned members, has met and reports that:

It has agreed to recommend that Amendment No. 930 of the Assembly be concurred in.

It has agreed to recommend that the bill be further amended as set forth in Conference Amendment No. 2, which is attached to and hereby made a part of this report.

JOHN ELLISON PETE GOICOECHEA

JAMES OSCARSON MARK LIPPARELLI
RICHARD CARRILLO KELVIN ATKINSON

Assembly Conference Committee Senate Conference Committee

Conference Amendment No. CA2.

AN ACT relating to public officers; increasing the compensation of elected county officers except in certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth the annual compensation to be paid to district attorneys, sheriffs, county clerks, county assessors, county recorders, county treasurers and public administrators. (NRS 245.043) This bill increases the annual compensation for those officers by 3 percent each fiscal year for Fiscal Years 2015-2016, 2016-2017, 2017-2018 and 2018-2019, unless the board of county commissioners determines that sufficient financial resources are not available to pay the increased salaries.

Existing law authorizes each board of county commissioners, by a majority vote of all the members of the board to set the members' annual salary within

certain statutory limitations. (NRS 245.043) This bill: (1) eliminates this authority; and (2) sets forth the salaries for members for Fiscal Years 2015-2016, 2016-2017, 2017-2018 and 2018-2019. The salaries are increased by 3 percent in each fiscal year, unless the board of county commissioners determines that sufficient financial resources are not available to pay the increased salaries.

This bill also authorizes an elected officer, including a county commissioner, to elect not to receive any part of the salary to which he or she is entitled.

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

Section 1. NRS 245.043 is hereby amended to read as follows:

- 245.043 1. As used in this section:
- (a) "County" includes Carson City.
- (b) "County commissioner" includes the Mayor and supervisors of Carson City.
- 2. Except as otherwise provided *in subsection 5 and* by any special law, the elected officers of the counties of this State are entitled to receive, for the appropriate fiscal year, annual salaries in the base amounts specified in the following table [-] commencing on July 1 of the fiscal year. The annual salaries are in full payment for all services required by law to be performed by such officers. Except as otherwise provided by law, all fees and commissions collected by such officers in the performance of their duties must be paid into the county treasury each month without deduction of any nature.

ANNUAL SALARIES

		District		County	County	County	County	Public
Class	County	Attorney	Sheriff	Clerk	Assessor	Recorder	Treasurer	Administrator
1	Clark							
	FY 2007-2008	\$166,647	\$143,661	\$97,518	\$97,518	\$97,518	\$97,518	\$97,518
	FY 2008-2009	171,647	147,971	100,443	100,443	100,443	100,443	100,443
	FY 2009-2010	176,796	152,410	103,456	103,456	103,456	103,456	103,456
	FY 2010-2011	182,100	156,983	106,560	106,560	106,560	106,560	106,560]
	FY 2015-2016	187,563	161,692	109,757	109,757	109,757	109,757	109,757
	FY 2016-2017	193,190	166,543	113,050	113,050	113,050	113,050	113,050
	FY 2017-2018	198,986	171,540	116,441	116,441	116,441	116,441	116,441
	FY 2018-2019	204,955	176,685	119,934	119,934	119,934	119,934	119,934
2	Washoe							
-	FY 2007-2008	147,109	118,376	89,391	89,391	89,391	89,391	89,391
	FY 2008-2009	151,522	121,928	92,073	92,073	92,073	92,073	92,073
	FY 2009-2010	156,068	125,585	94,835	94,835	94,835	94,835	94,835
	FY 2010-2011	160,750	129,353	97,680	97,680	97,680	97,680	97,680
	FY 2015-2016	165,573	133,234	100,610	100,610	100,610	100,610	100,610
	FY 2016-2017	170,540	137,231	103,629	103,629	103,629	103,629	103,629
	FY 2017-2018	175,656	141,348	106,738	106,738	106,738	106,738	106,738
	FY 2018-2019	180,926	145,588	109,940	109,940	109,940	109,940	109,940
3	Carson City							
₩	FY 2007-2008	105,616	87,575	69,563	69,563	69,563	69,563	

	FY 2008-2009	108,785	90,202	71,650	71,650	71,650	71,650	
	FY 2009-2010	112,049	92,909	73,799	73,799	73,799	73,799	
	FY 2010-2011	115,410	95,696	76,013	76,013	76,013	76,013	
	FY 2015-2016	118,872	98,567	78,293	78,293	78,293	78,293	
	FY 2016-2017	122,438	101,524	80,642	80,642	80,642	80,642	
	FY 2017-2018	126,112	104,570	83,061	83,061	83,061	83,061	
	FY 2018-2019	129,895	107,707	85,553	85,553	85,553	85,553	
	Churchill							
	FY 2007-2008	105,616	87,575	69,563	69,563	69,563	69,563	
	FY 2008-2009	108,785	90,202	71,650	71,650	71,650	71,650	
	FY 2009-2010	112,049	92,909	73,799	73,799	73,799	73,799	
	FY 2010-2011	115,410	95,696	76,013	76,013	76,013	76,013	
	FY 2015-2016	118,872	98,567	78,293	78,293	78,293	78,293	
	FY 2016-2017	122,438	101,524	80,642	80,642	80,642	80,642	
	FY 2017-2018	126,112	104,570	83,061	83,061	83,061	83,061	
	FY 2018-2019	129,895	107,707	85,553	85,553	85,553	85,553	
	Douglas	127,070	10,,,,,,	00,000	00,000	00,000	00,000	
	FY 2007-2008	105,616	87,575	69,563	69,563	69,563	69,563	
	FY 2008-2009	108,785	90,202	71,650	71,650	71,650	71,650	
	FY 2009-2010	112,049	92,909	73,799	73,799	73,799	73,799	
	FY 2010-2011	115,410	95,696	76,013	76,013	76,013	76,013	
		_	,		-			
	FY 2015-2016	118,872	98,567	78,293	78,293	78,293	78,293	
	FY 2016-2017	122,438	101,524	80,642	80,642	80,642	80,642	
	FY 2017-2018	126,112	104,570	83,061	83,061	83,061	83,061	
	FY 2018-2019	129,895	107,707	85,553	85,553	85,553	85,553	
	Elko							
	FY 2007-2008	105,616	87,575	69,563	69,563	69,563	69,563	
	FY 2008-2009	108,785	90,202	71,650	71,650	71,650	71,650	
	FY 2009-2010	112,049	92,909	73,799	73,799	73,799	73,799	
	FY 2010-2011	115,410	95,696	76,013	76,013	76,013	76,013	
	FY 2015-2016	118,872	98,567	78,293	78,293	78,293	78,293	
	FY 2016-2017	122,438	101,524	80,642	80,642	80,642	80,642	
	FY 2017-2018	126,112	104,570	83,061	83,061	83,061	83,061	
	FY 2018-2019	129,895	107,707	85,553	85,553	85,553	85,553	
	Humboldt							
	FY 2007-2008	105,616	87,575	69,563	69,563	69,563	69,563	
	FY 2008-2009	108,785	90,202	71,650	71,650	71,650	71,650	
	FY 2009-2010	112,049	92,909	73,799	73,799	73,799	73,799	
	FY 2010-2011	115,410	95,696	76,013	76,013	76,013	76,013	
	FY 2015-2016	118,872	98,567	78,293	78,293	78,293	78,293	
	FY 2016-2017	122,438	101,524	80,642	80,642	80,642	80,642	
	FY 2017-2018	126,112	104,570	83,061	83,061	83,061	83,061	
	FY 2018-2019	129,895	107,707	85,553	85,553	85,553	85,553	
	Lyon							
	FY 2007-2008	105,616	87,575	69,563	69,563	69,563	69,563	
	FY 2008-2009	108,785	90,202	71,650	71,650	71,650	71,650	
	FY 2009-2010	112,049	92,909	73,799	73,799	73,799	73,799	
	FY 2010-2011	115,410	95,696	76,013	76,013	76,013	76,013	
	FY 2015-2016	118,872	98,567	78,293	78,293	78,293	78,293	
	FY 2016-2017	122,438	101,524	80,642	80,642	80,642	80,642	
	FY 2017-2018	126,112	101,524	83,061	83,061	83,061	83,061	-
	FY 2018-2019	129,895	107,707	85,553	85,553	85,553	85,553	
	Nye	105 (16	07.535	(0.563	(0.563	(0.5(2	60.562	
	FY 2007-2008	105,616	87,575	69,563	69,563	69,563	69,563	
	FY 2008-2009	108,785	90,202	71,650	71,650	71,650	71,650	
	FY 2009-2010	112,049	92,909	73,799	73,799	73,799	73,799	
	FY 2010-2011	115,410	95,696	76,013	76,013	76,013	76,013	

	FY 2015-2016	118,872	98,567	78,293	78,293	78,293	78,293	
	FY 2016-2017	122,438	101,524	80,642	80,642	80,642	80,642	
	FY 2017-2018	126,112	104,570	83,061	83,061	83,061	83,061	
	FY 2018-2019	129,895	107,707	85,553	85,553	85,553	85,553	
4	Lander							
	FY 2007-2008	99,749	78,818	58,023	58,023	58,023	58,023	
	FY 2008-2009	102,741	81,183	59,764	59,764	59,764	59,764	
	FY 2009-2010	105,823	83,618	61,556	61,556	61,556	61,556	
	FY 2010-2011	108,998	86,127	63,403	63,403	63,403	63,403	
	FY 2015-2016	112,268	88,711	65,305	65,305	65,305	65,305	
	FY 2016-2017	115,636	91,372	67,264	67,264	67,264	67,264	
	FY 2017-2018	119,105	94,113	69,282	69,282	69,282	69,282	
	FY 2018-2019	122,678	96,937	71,361	71,361	71,361	71,361	
	Storey	,		, , ,	, , , ,	,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
	FY 2007-2008	99,749	78,818	58,023	58,023	58,023	58,023	
	FY 2008-2009	102,741	81,183	59,764	59,764	59,764	59,764	
	FY 2009-2010	105.823	83,618	61,556	61,556	61,556	61,556	
	FY 2010-2011	108,998	86,127	63,403	63,403	63,403	63,403	
	FY 2015-2016	112,268	88,711	65,305	65,305	65,305	65,305	
	FY 2016-2017	115,636	91,372	67,264	67,264	67,264	67,264	
	FY 2017-2018	119,105	94,113	69,282	69,282	69,282	69,282	
	FY 2018-2019	122,678	96,937	71,361	71,361	71,361	71,361	
	White Pine	122,070	70,737	71,501	71,501	71,301	71,501	
	FY 2007-2008	99,749	78,818	58,023	58,023	58,023	58,023	
	FY 2008-2009	102,741	81,183	59,764	59,764	59,764	59,764	
	FY 2009-2010	105,823	83,618	61,556	61,556	61,556	61,556	
	FY 2010-2011	108,998	86,127	63,403	63,403	63,403	63,403	
	FY 2015-2016	112,268	88,711	65,305	65,305	65,305	65,305	
	FY 2016-2017	115,636	91,372	67,264	67,264	67,264	67,264	
	FY 2017-2018	119,105	94,113	69,282	69,282	69,282	69,282	
	FY 2018-2019	122,678	96,937	71,361	71,361	71,361	71,361	
5	Eureka	122,070	70,737	/1,501	71,301	71,301	71,301	
3	FY 2007-2008	88,014	63,054	52,009	52,009	52,009	52,009	
	FY 2008-2009	90,654	64,946	53,570	53,570	53,570	53,570	
	FY 2009-2010	93,374	66,894	55,177	55,177	55,177	55,177	
	FY 2010-2011	96,175	68,901	56,832	56,832	56,832	56,832	
	FY 2015-2016	99,060	70,968	58,537	58,537	58,537	58,537	
	FY 2016-2017	102,033	73,097	60,293	60,293	60,293	60,293	
	FY 2017-2018	105,093	75,290	62,102	62,102	62,102	62,102	
	FY 2018-2019	103,045	77,549	63,965	63,965	63,965	63,965	
	Lincoln	100,240	11,347	03,703	05,705	03,703	03,703	
	FY 2007-2008	88,014	63,054	52,009	52,009	52,009	52,009	
	FY 2008-2009	90,654	64,946	53,570	53,570	53,570	53,570	
	FY 2008-2019 FY 2009-2010	93,374	66,894	55,177	55,177	55,177	55,177	
	FY 2010-2011	96,175	68,901	56.832	56,832	56.832	56.832	
	FY 2015-2016	99,060	70,968	58,537	58,537	58,537	58,537	
	FY 2015-2016 FY 2016-2017				58,537 60,293			
	FY 2016-2017 FY 2017-2018	102,033 105,093	73,097	60,293		60,293	60,293	
			75,290	62,102	62,102	62,102	62,102	
	FY 2018-2019	108,246	77,549	63,965	63,965	63,965	63,965	
	Mineral	00.014	(2.054	53.000	£2.000	£2.000	£2 000	
	FY 2007-2008	88,014	63,054	52,009	52,009	52,009	52,009	
	FY 2008-2009	90,654	64,946	53,570	53,570	53,570	53,570	
	FY 2009-2010	93,374	66,894	55,177	55,177	55,177	55,177	
	FY 2010-2011	96,175	68,901	56,832	56,832	56,832	56,832	
	FY 2015-2016	99,060	70,968	58,537	58,537	58,537	58,537	
	FY 2016-2017	102,033	73,097	60,293	60,293	60,293	60,293	
	FY 2017-2018	105,093	75,290	62,102	62,102	62,102	62,102	

	FY 2018-2019	108,246	77,549	63,965	63,965	63,965	63,965	
	Pershing							
-	FY 2007-2008	88,014	63,054	52,009	52,009	52,009	52,009	
	FY 2008-2009	90,654	64,946	53,570	53,570	53,570	53,570	
	FY 2009-2010	93,374	66,894	55,177	55,177	55,177	55,177	
	FY 2010-2011	96,175	68,901	56,832	56,832	56,832	56,832	
	FY 2015-2016	99,060	70,968	58,537	58,537	58,537	58,537	
	FY 2016-2017	102,033	73,097	60,293	60,293	60,293	60,293	
	FY 2017-2018	105,093	75,290	62,102	62,102	62,102	62,102	
	FY 2018-2019	108,246	77,549	63,965	63,965	63,965	63,965	
6	Esmeralda							
-	FY 2007-2008	69,886	56,049	45,508	45,508	45,508		
	FY 2008-2009	71,983	57,730	46,873	46,873	46,873		
	FY 2009-2010	74,142	59,462	48,280	48,280	48,280		
	FY 2010-2011	76,366	61,246	49,728	49,728	49,728		
	FY 2015-2016	78,657	63,083	51,220	51,220	51,220		
	FY 2016-2017	81,017	64,976	52,756	52,756	52,756		
	FY 2017-2018	83,447	66,926	54,339	54,339	54,339		
	FY 2018-2019	85,951	68,933	55,969	55,969	55,969		

- → [The] Except as otherwise provided in subsection 5, the annual salaries set forth in this subsection for Fiscal Year 2018-2019 are effective for that fiscal year and each fiscal year thereafter.
- 3. [A board of county commissioners may, by a vote of at least a majority of all the members of the board, set the] Except as otherwise provided in subsection 5, the annual salary for [the] county commissioners [of that county, but in no event may the annual salary exceed an amount which equals:] commencing on July 1 of the fiscal year is:
 - (a) For Fiscal Year [2007 2008, 131.716] 2015-2016, 103.00 percent;
 - (b) For Fiscal Year [2008 2009, 136.985] 2016-2017, 106.09 percent;
- (c) For Fiscal Year [2009-2010, 142.464] 2017-2018, 109.273 percent; and
- (d) For Fiscal Year [2010-2011, 148.163] 2018-2019 and each fiscal year thereafter, 112.551 percent,
- → of the amount of the annual salary for the county commissioners of that county that was in effect [by operation of statute] on January 1, [2003.] 2015.
- 4. Any elected officer or county commissioner who is entitled to a salary pursuant to subsection 2 or 3 may elect not to receive any part of the salary to which he or she is entitled pursuant to subsection 2 or 3, as applicable.
- 5. The increased annual salaries for all elected county officers provided for in subsections 2 and 3 for a fiscal year must not be paid in [that] a fiscal year if the board of county commissioners determines that sufficient financial resources are not available to pay [the] increased annual salaries in that fiscal year and the annual salaries [provided] paid for those officers in the immediately preceding fiscal year must continue to be paid. If increased annual salaries are paid in a subsequent fiscal year:
- (a) Those increased annual salaries must be in the amounts provided for in subsections 2 and 3 [for that subsequent] starting with the first fiscal year [+] in which increased salaries were not paid because sufficient financial resources were not available.

- (b) An elected county officer is not entitled to any retroactive payment of the salary increase for any previous fiscal year in which increased annual salaries were not paid.
 - Sec. 2. (Deleted by amendment.)
 - **Sec. 3.** This act becomes effective on July 1, 2015.

Assemblyman Ellison moved that the Assembly adopt the report of the Conference Committee concerning Senate Bill No. 482.

Motion carried by a constitutional majority.

CONSIDERATION OF SENATE AMENDMENTS

Assembly Bill No. 71.

The following Senate amendment was read:

Amendment No. 1021.

AN ACT relating to taxation; allowing a person who qualifies as both a military veteran and the surviving spouse of a veteran to claim both of the veterans' exemptions from property taxes and governmental services taxes; revising the calculation of the inflation adjustment to certain exemptions from property taxes and governmental services taxes for certain veterans; providing a deduction from the payroll tax for wages paid to newly hired full-time employees who are veterans; providing an exemption from certain sales and use taxes for certain relatives of a member of the Nevada National Guard who is called into active service and is killed while performing his or her duties as a member of the Nevada National Guard; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

[Under existing law, a person who has incurred a permanent service-connected disability and has been honorably discharged from the Armed Forces of the United States is entitled to an exemption from property taxes and the governmental services tax.] Existing law provides an exemption from property taxes for a military veteran who served on active duty under certain circumstances. (NRS 361.090) Existing law also provides an exemption from property taxes for a veteran with a permanent service-connected disability, or the surviving spouse of such a veteran, and prohibits a person who claims this exemption from obtaining the other property tax exemption otherwise allowable for such a person. (NRS 361.091) Section 1 of this bill provides that a person who qualifies as both a veteran and the surviving spouse of a veteran with a permanent service-connected disability may claim both of the veterans' exemptions from property taxes.

Existing law provides similar exemptions from governmental services taxes for military veterans and, under certain circumstances, authorizes a veteran to transfer the exemption to his or her current spouse. (NRS 371.103, 371.104) Section 2 of this bill provides that a person who qualifies as both a veteran and the surviving spouse of a veteran with a

permanent service-connected disability may claim both of these exemptions from governmental services taxes.

Each fiscal year, the amount of [exemption] the exemptions allowable for military veterans is adjusted for inflation based on the percentage increase in the Consumer Price Index (All Items) for a certain period. (NRS 361.091, 371.104) Sections 1 and 4 of this bill also revise provisions governing these inflation adjustments to provide that: (1) the adjustments are based on the percentage increase in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the United States Department of Labor, or the successor index that most closely resembles that index as determined by the Department of Taxation; and (2) the percentage increase in that index is measured for the same period for the purposes of both adjustments.

Existing law requires employers to pay a payroll tax on the wages paid to their employees during each calendar quarter. The tax is imposed on financial institutions at the rate of 2 percent per calendar quarter and, effective July 1, 2015, on other employers at the rate of 0.63 percent per calendar quarter. (NRS 363A.130, 363B.110) **Sections 2 and 3** of this bill authorize financial institutions and other employers to deduct from the total amount of wages reported and upon which the payroll tax is imposed any wages paid to a newly hired full-time employee during the first 4 full calendar quarters next following the hiring of the employee, and 50 percent of all wages paid to the employee during the 5th through 12th full calendar quarters next following the hiring of the employee, if: (1) the employee is a veteran of certain specified military service; (2) at the time of hiring the employee has been unemployed for a continuous period of not less than 3 months; and (3) certain other conditions are satisfied. The deduction does not apply with respect to any employee hired after June 30, 2019.

Existing law provides an exemption from certain sales and use taxes for members of the Nevada National Guard called into active service and for certain relatives of such members of the Nevada National Guard. (NRS 372.7281, 374.7285) **Sections 5-8** of this bill provide for eligibility for a 3-year exemption from such taxes for certain relatives of members of the Nevada National Guard who are killed while performing duties as a member of the Nevada National Guard while on active service.

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

Section 1. NRS 361.091 is hereby amended to read as follows:

- 361.091 1. A bona fide resident of the State of Nevada who has incurred a permanent service-connected disability and has been honorably discharged from the Armed Forces of the United States, or his or her surviving spouse, is entitled to an exemption.
- 2. The amount of exemption is based on the total percentage of permanent service-connected disability. The maximum allowable exemption for total

permanent disability is the first \$20,000 assessed valuation. A person with a permanent service-connected disability of:

- (a) Eighty to 99 percent, inclusive, is entitled to an exemption of \$15,000 assessed value.
- (b) Sixty to 79 percent, inclusive, is entitled to an exemption of \$10,000 assessed value.
- → For the purposes of this section, any property in which an applicant has any interest is deemed to be the property of the applicant.
- 3. The exemption may be allowed only to a claimant who has filed an affidavit with his or her claim for exemption on real property pursuant to NRS 361.155. The affidavit may be made at any time by a person claiming an exemption from taxation on personal property.
- 4. The affidavit must be made before the county assessor or a notary public and be filed with the county assessor. It must state that the affiant is a bona fide resident of the State of Nevada, that the affiant meets all the other requirements of subsection 1 and that the exemption is not claimed in any other county within this State. After the filing of the original affidavit, the county assessor shall, except as otherwise provided in this subsection, mail a form for:
 - (a) The renewal of the exemption; and
- (b) The designation of any amount to be credited to the Gift Account for the Veterans Home in Southern Nevada or the Gift Account for the Veterans Home in Northern Nevada established pursuant to NRS 417.145,
- → to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail. The county assessor may authorize the return of the form by electronic means in accordance with the provisions of chapter 719 of NRS.
- 5. Before allowing any exemption pursuant to the provisions of this section, the county assessor shall require proof of the applicant's status, and for that purpose shall require the applicant to produce an original or certified copy of:
- (a) An honorable discharge or other document of honorable separation from the Armed Forces of the United States which indicates the total percentage of his or her permanent service-connected disability;
- (b) A certificate of satisfactory service which indicates the total percentage of his or her permanent service-connected disability; or
- (c) A certificate from the United States Department of Veterans Affairs or any other military document which shows that he or she has incurred a permanent service-connected disability and which indicates the total percentage of that disability, together with a certificate of honorable discharge or satisfactory service.
- 6. A surviving spouse claiming an exemption pursuant to this section must file with the county assessor an affidavit declaring that:

- (a) The surviving spouse was married to and living with the veteran who incurred a permanent service-connected disability for the 5 years preceding his or her death;
- (b) The veteran was eligible for the exemption at the time of his or her death or would have been eligible if the veteran had been a resident of the State of Nevada;
 - (c) The surviving spouse has not remarried; and
 - (d) The surviving spouse is a bona fide resident of the State of Nevada.
- → The affidavit required by this subsection is in addition to the certification required pursuant to subsections 4 and 5. After the filing of the original affidavit required by this subsection, the county assessor shall, except as otherwise provided in this subsection, mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail. The county assessor may authorize the return of the form by electronic means in accordance with the provisions of chapter 719 of NRS.
- 7. If a veteran or the surviving spouse of a veteran submits, as proof of disability, documentation that indicates a percentage of permanent service-connected disability for more than one permanent service-connected disability, the amount of the exemption must be based on the total of those combined percentages, not to exceed 100 percent.
- 8. If a tax exemption is allowed under this section [, the elaimant] to a person who qualifies for the exemption:
- (a) As a veteran with a permanent service-connected disability, that <u>person</u> is not entitled to an exemption under NRS 361.090.
- (b) Solely as the surviving spouse of a veteran with a permanent service-connected disability, the allowance of a tax exemption under this section does not affect the eligibility of that person for an exemption under NRS 361.090.
- 9. If any person files a false affidavit or produces false proof to the county assessor or a notary public and, as a result of the false affidavit or false proof, the person is allowed a tax exemption to which the person is not entitled, the person is guilty of a gross misdemeanor.
- 10. Beginning with the 2005-2006 Fiscal Year, the monetary amounts in subsection 2 must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the [Consumer Price Index (All Items)] consumer price inflation index from July 2003 to the July preceding the fiscal year for which the adjustment is calculated. The Department shall provide to each county assessor the adjusted amount, in writing, on or before September 30 of each year.
- 11. For the purposes of this section, "consumer price inflation index" means the Consumer Price Index for All Urban Consumers, West Region

(All Items), as published by the United States Department of Labor or, if that index ceases to be published by the United States Department of Labor, the published index that most closely resembles that index, as determined by the Department.

- **Sec. 2.** Chapter 363A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. An employer may deduct from the total amount of wages reported and upon which the excise tax is imposed pursuant to NRS 363A.130 all wages paid by the employer to an employee during the first 4 full calendar quarters next following the hiring of the employee, and 50 percent of all wages paid by the employer to the employee during the 5th through 12th full calendar quarters next following the hiring of the employee, if:
 - (a) The employee is a veteran as defined in NRS 417.005;
- (b) The employee is first hired by the employer on or after July 1, 2015, and on or before June 30, 2019;
 - (c) The employee has been:
- (1) Unemployed for a continuous period of not less than 3 months immediately preceding the date of hire; and
- (2) Receiving unemployment compensation continuously for that entire period;
- (d) The employee is employed in a full-time position throughout the entire calendar quarter for which the deduction is claimed;
- (e) The employee provides to the employer documentation to verify that the employee meets the requirements of paragraph (c); and
- (f) The employer submits to the Department an affidavit, signed under penalty of perjury by the employer or an authorized agent of the employer, stating that:
- (1) The employee meets the requirements specified in paragraphs (a), (b) and (c);
- (2) The employee meets all qualifications for the position of employment for which he or she is hired; and
- (3) The employee was not hired to replace another employee or, if so, the replaced employee left voluntarily or was terminated for cause.
- 2. An employer claiming the deduction allowed pursuant to this section shall, upon the request of the Department, provide the Department with such documentation as the Department deems appropriate to substantiate that claim.
- **Sec. 3.** Chapter 363B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. An employer may deduct from the total amount of wages reported and upon which the excise tax is imposed pursuant to NRS 363B.110 all wages paid by the employer to an employee during the first 4 full calendar quarters next following the hiring of the employee, and 50 percent of all wages paid by the employer to the employee during the 5th through 12th full calendar quarters next following the hiring of the employee, if:

- (a) The employee is a veteran as defined in NRS 417.005;
- (b) The employee is first hired by the employer on or after July 1, 2015, and on or before June 30, 2019;
 - (c) The employee has been:
- (1) Unemployed for a continuous period of not less than 3 months immediately preceding the date of hire; and
- (2) Receiving unemployment compensation continuously for that entire period;
- (d) The employee is employed in a full-time position throughout the entire calendar quarter for which the deduction is claimed;
- (e) The employee provides to the employer documentation to verify that the employee meets the requirements of paragraph (c); and
- (f) The employer submits to the Department an affidavit, signed under penalty of perjury by the employer or an authorized agent of the employer, stating that:
- (1) The employee meets the requirements specified in paragraphs (a), (b) and (c); and
- (2) The employee meets all qualifications for the position of employment for which he or she is hired; and
- (3) The employee was not hired to replace another employee or, if so, the replaced employee left voluntarily or was terminated for cause.
- 2. An employer claiming the deduction allowed pursuant to this section shall, upon the request of the Department, provide the Department with such documentation as the Department deems appropriate to substantiate that claim.
 - **Sec. 4.** NRS 371.104 is hereby amended to read as follows:
- 371.104 1. A bona fide resident of the State of Nevada who has incurred a permanent service-connected disability and has been honorably discharged from the Armed Forces of the United States, or his or her surviving spouse, is entitled to a veteran's exemption from the payment of governmental services taxes on vehicles of the following determined valuations:
- (a) If he or she has a disability of 100 percent, the first \$20,000 of determined valuation.
- (b) If he or she has a disability of 80 to 99 percent, inclusive, the first \$15,000 of determined valuation.
- (c) If he or she has a disability of 60 to 79 percent, inclusive, the first \$10,000 of determined valuation.
- 2. In lieu of claiming the exemption from taxation set forth in subsection 1 in his or her name, a veteran may transfer the exemption to his or her current spouse. To transfer the exemption, the veteran must file an affidavit of transfer with the Department in the county where the exemption would otherwise have been claimed. The affidavit of transfer must be made before an authorized employee of the Department or a notary public. If a veteran makes such a transfer:

- (a) The spouse of the veteran is entitled to the exemption in the same manner as if the spouse were the veteran;
- (b) The veteran is not entitled to the exemption for the duration of the transfer;
 - (c) The transfer expires upon the earlier of:
 - (1) The termination of the marriage;
 - (2) The death of the veteran; or
- (3) The revocation of the transfer by the veteran as described in paragraph (d); and
- (d) The veteran may, at any time, revoke the transfer of the exemption by filing with the Department in the county where the exemption is claimed an affidavit made before an authorized employee of the Department or a notary public.
- 3. For the purpose of this section, the first \$20,000 of determined valuation of vehicles in which a person described in subsection 1 or 2 has any interest shall be deemed to belong entirely to that person.
- 4. A person claiming the exemption shall file annually with the Department in the county where the exemption is claimed an affidavit declaring that he or she is a bona fide resident of the State of Nevada who meets all the other requirements of subsection 1 or 2, as applicable, and that the exemption is claimed in no other county within this State. After the filing of the original affidavit of exemption and after the transfer of the exemption, if any, pursuant to subsection 2, the county assessor shall, except as otherwise provided in this subsection, mail a form for:
 - (a) The renewal of the exemption; and
- (b) The designation of any amount to be credited to the Gift Account for the Veterans Home in Southern Nevada or the Gift Account for the Veterans Home in Northern Nevada established pursuant to NRS 417.145,
- → to the person who claimed the exemption each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail.
- 5. Before allowing any exemption pursuant to the provisions of this section, the Department shall require proof of the veteran's status, and for that purpose shall require production of:
- (a) A certificate from the Department of Veterans Affairs that the veteran has incurred a permanent service-connected disability, which shows the percentage of that disability; and
 - (b) Any one of the following:
 - (1) An honorable discharge;
 - (2) A certificate of satisfactory service; or
 - (3) A certified copy of either of these documents.

- 6. A surviving spouse claiming an exemption pursuant to this section must file with the Department in the county where the exemption is claimed an affidavit declaring that:
- (a) The surviving spouse was married to and living with the veteran with a disability for the 5 years preceding his or her death;
- (b) The veteran with a disability was eligible for the exemption at the time of his or her death or, if not for a transfer of the exemption pursuant to subsection 2, would have been eligible for the exemption at the time of his or her death; and
 - (c) The surviving spouse has not remarried.
- → The affidavit required by this subsection is in addition to the certification required pursuant to subsections 4 and 5. After the filing of the original affidavit required by this subsection, the county assessor shall, except as otherwise provided in this subsection, mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail.
- 7. If a tax exemption is allowed under this section [, the] to a person who qualifies for the tax exemption:
- (a) As a veteran [and his] or [her] as the current spouse [are] of a veteran who receives a transfer of an exemption pursuant to subsection 2, that person is not entitled to an exemption under NRS 371.103.
- (b) Solely as the surviving spouse of a veteran with a permanent service-connected disability, the allowance of a tax exemption under this section does not affect the eligibility of that person for an exemption under NRS 371.103.
- 8. If any person makes a false affidavit or produces false proof to the Department, and as a result of the false affidavit or false proof the person is allowed a tax exemption to which he or she is not entitled, the person is guilty of a gross misdemeanor.
- 9. Beginning with the 2005-2006 Fiscal Year, the monetary amounts in subsections 1 and 3 must be adjusted for each fiscal year by adding to each amount the product of the amount multiplied by the percentage increase in the [Consumer Price Index (All Items)] consumer price inflation index from [December] July 2003 to the [December] July preceding the fiscal year for which the adjustment is calculated.
- 10. For the purposes of this section, "consumer price inflation index" means the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the United States Department of Labor or, if that index ceases to be published by the United States Department of Labor, the published index selected by the Department of Taxation pursuant to subsection 11 of NRS 361.091.
 - **Sec. 5.** NRS 372.7281 is hereby amended to read as follows:

- 372.7281 In administering the provisions of NRS 372.325, the Department shall apply the exemption for the sale of tangible personal property to the State of Nevada, its unincorporated agencies and instrumentalities to include all tangible personal property that is sold to:
- 1. A member of the Nevada National Guard who is engaged in full-time National Guard duty, as defined in 10 U.S.C. § 101(d)(5), and has been called into active service.
- 2. A relative of a member of the Nevada National Guard eligible for the exemption pursuant to subsection 1 who:
 - (a) Resides in the same home or dwelling in this State as the member; and
- (b) Is related by blood, adoption or marriage within the first degree of consanguinity or affinity to the member.
- 3. A relative of a deceased member of the Nevada National Guard who was engaged in full-time National Guard duty, as defined in 10 U.S.C. § 101(d)(5), and who was killed while performing his or her duties as a member of the Nevada National Guard during a period when the member was called into active service. To be eligible under this subsection, the relative must be a person who:
- (a) Resided in the same house or dwelling in this State as the deceased member; and
- (b) Was related by blood, adoption or marriage within the first degree of consanguinity or affinity to the deceased member.
 - **Sec. 6.** NRS 372.7282 is hereby amended to read as follows:
- 372.7282 1. A person who wishes to claim an exemption pursuant to NRS 372.7281 must file an application with the Department to obtain a letter of exemption. The application must be on a form and contain such information as is required by the Department.
- 2. If the Department determines that a person is eligible for the exemption provided pursuant to NRS 372.7281, the Department shall issue a letter of exemption to the person. [The] A letter of exemption issued to a member of the Nevada National Guard described in subsection 1 of NRS 372.7281 or a relative of a member described in subsection 2 of NRS 372.7281 expires on the date on which the person no longer meets the qualifications for eligibility. A letter of exemption issued to a relative of a deceased member of the Nevada National Guard described in subsection 3 of NRS 372.7281 expires on the date 3 years after the date of the death of the member.
- 3. To claim an exemption pursuant to NRS 372.7281 for the sale of tangible personal property to such a person:
- (a) The person must provide a copy of the letter of exemption to the retailer from whom the person purchases the property; and
- (b) The retailer must retain and present upon request a copy of the letter of exemption to the Department.
- 4. The Department shall adopt such regulations as are necessary to carry out the provisions of this section.
 - **Sec. 7.** NRS 374.7285 is hereby amended to read as follows:

- 374.7285 In administering the provisions of NRS 374.330, the Department shall apply the exemption for the sale of tangible personal property to the State of Nevada, its unincorporated agencies and instrumentalities to include all tangible personal property that is sold to:
- 1. A member of the Nevada National Guard who is engaged in full-time National Guard duty, as defined in 10 U.S.C. § 101(d)(5), and has been called into active service.
- 2. A relative of a member of the Nevada National Guard eligible for the exemption pursuant to subsection 1 who:
 - (a) Resides in the same home or dwelling in this State as the member; and
- (b) Is related by blood, adoption or marriage within the first degree of consanguinity or affinity to the member.
- 3. A relative of a deceased member of the Nevada National Guard who was engaged in full-time National Guard duty, as defined in 10 U.S.C. § 101(d)(5), and who was killed while performing his or her duties as a member of the Nevada National Guard during a period when the member was called into active service. To be eligible under this subsection, the relative must be a person who:
- (a) Resided in the same house or dwelling in this State as the deceased member; and
- (b) Was related by blood, adoption or marriage within the first degree of consanguinity or affinity to the deceased member.
 - **Sec. 8.** NRS 374.7286 is hereby amended to read as follows:
- 374.7286 1. A person who wishes to claim an exemption pursuant to NRS 374.7285 must file an application with the Department to obtain a letter of exemption. The application must be on a form and contain such information as is required by the Department.
- 2. If the Department determines that a person is eligible for the exemption provided pursuant to NRS 374.7285, the Department shall issue a letter of exemption to the person. [The] A letter of exemption issued to a member of the Nevada National Guard described in subsection 1 of NRS 374.7285 or a relative of a member described in subsection 2 of NRS 374.7285 expires on the date on which the person no longer meets the qualifications for eligibility. A letter of exemption issued to a relative of a deceased member of the Nevada National Guard described in subsection 3 of NRS 374.7285 expires on the date 3 years after the date of the death of the member.
- 3. To claim an exemption pursuant to NRS 374.7285, for the sale of tangible personal property to such a person:
- (a) The person must provide a copy of the letter of exemption to the retailer from whom the person purchases the property; and $\frac{1}{2}$
- (b) The retailer must retain and present upon request a copy of the letter of exemption to the Department.
- 4. The Department shall adopt such regulations as are necessary to carry out the provisions of this section.

- Sec. 9. 1. This <u>section and sections 1 and 4 of this</u> act [becomes] become effective [on]:
- (a) Upon passage and approval for the purpose of filing claims for tax exemptions and performing any preparatory administrative tasks that are necessary to carry out the amendatory provisions of sections 1 and 4 of this act; and
 - (b) On July 1, 2015 [1], for all other purposes.
- 2. Sections 2, 3 and 5 to 8, inclusive, of this act become effective on July 1, 2015.
- 3. Sections 2 and 3 of this act expire by limitation on July 31, 2022.

Assemblyman Armstrong moved that the Assembly concur in the Senate Amendment No. 1021 to Assembly Bill No. 71.

Motion carried by a constitutional majority.

Bill ordered to enrollment.

GENERAL FILE AND THIRD READING

Assembly Bill No. 481.

Bill read third time.

Remarks by Assemblyman Kirner.

ASSEMBLYMAN KIRNER:

Assembly Bill 481, as amended, temporarily establishes the Consumer Affairs Unit within the Department of Business and Industry through June 30, 2017, to perform certain duties previously assigned to the Consumer Affairs Division, including the authority to impose administrative sanctions for deceptive trade practices. The bill requires the Director of the Department of Business and Industry or his or her designee to administer the revolving account and deposit grants received by the Division in the revolving account to defray the costs of investigation and prosecution of deceptive trade practices.

Assembly Bill 481, as amended, authorizes the Director of Business and Industry or his or her designee to assess an administrative fine for violating the law regarding deceptive trade and requires any such fine received by the Division be deposited to the State General Fund.

Roll call on Assembly Bill No. 481:

YEAS—40.

NAYS—None.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 481 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 185.

Bill read third time.

Remarks by Assemblywoman Joiner.

ASSEMBLYWOMAN JOINER:

Senate Bill 185 requires that in Washoe County the entity that is responsible for the emergency fire-fighting vehicle located closest to a structure or brush fire respond to and take all actions necessary to suppress the fire regardless of whether the location of the fire falls within the territory served by the entity. The bill requires each entity to negotiate an automatic aid agreement with each other such entity addressing reimbursement costs and coverage areas. The coverage areas

must be established so that, at a minimum, the entity closest to a structure or brush fire is required to respond to the fire. Finally, the provisions of this bill do not apply to any emergency fire-fighting vehicle or firefighter of an airport authority.

This bill, in its amended form, is the result of hard work and a lot of compromise among the entities involved as well as the bill's sponsor. I know I am personally very grateful that they were able to come to this compromise. Currently, the affected local governments, such as the City of Reno and Washoe County, have come together and are discussing a comprehensive and regional solution to fire protection services for our residents. They have pledged to continue that dialogue, and I am confident with this measure in place that conversation will continue moving forward and that we will find the best way to serve our residents in Washoe County and Reno.

Roll call on Senate Bill No. 185:

YEAS-40.

NAYS-None.

 $ExcuseD{\rm ---}Dooling, Moore{\rm ---}2.$

Senate Bill No. 185 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 146.

Bill read third time.

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

Amendment No. 1042.

SUMMARY <u>Revises provisions governing</u> <u>Provides for a study relating to emissions from motor [vehicle licensing.] <u>vehicles.</u> (BDR [40-15]] S-15)</u>

AN ACT relating to air pollution; {revising provisions governing the required inspections of the emissions of certain motor vehicles;} requiring the Advisory Committee on the Control of Emissions From Motor Vehicles to conduct a study concerning the inspection and testing of motor vehicles and systems for the control of emissions from motor vehicles in this State; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the State Environmental Commission, in cooperation with the Department of Motor Vehicles _to adopt regulations to prescribe standards for emissions from motor vehicles. (NRS 445B.760) ‡

— Section 2.3 of this bill requires the Commission to exempt from those standards any motor vehicle manufactured before 1996.

Existing law requires the Department of Motor Vehicles to charge a fee for the forms distributed to certify emission control compliance in the amount of \$6 per form and \$150 per set of forms. (NRS 445B.830) Section 2 of this bill raises the fees to \$12 per form and \$300 per set of forms so that the change in the required frequency of emissions inspections from every year to every other year prescribed by section 1 does not affect the funding of the Pollution Control Account.

However, existing law also requires the Department of Motor Vehicles, for the initial issuance of license plates for certain "Old Timer" antique vehicles,

"Street Rods," "Classic Rods" and "Classic Vehicles," to charge an additional fee that is equal in amount to the fee charged for a form distributed to certify emission control compliance if the vehicle for which such a license plate is issued is exempted from emissions testing. (NRS 482.381, 482.3812, 482.3814, 482.3816) Sections 3-6 of this bill remove the requirement for the fee as to vehicles with those certain license plates. Section 2.5 of this bill requires the Department to charge a fee that is equal to the amount of the fee for a form certifying emission control compliance at the initial issuance of license plates for any motor vehicle which is exempt from emissions testing by section 2.3. Section 2.5 also requires that the fees must be accounted for in the Pollution Control Account, to reduce the effect on the Account of the new exemption provided in section 2.3.

Section 6.2 of this hill clarifies that if the owner of a motor vehicle that was registered with "Old Timer," "Street Rod," "Classic Rod" or "Classic Vehicle" plates before July 1, 2015, has already, in connection with that vehicle, paid the special fee that is equal to the amount of the fee for a form certifying emission control compliance, such a person is not required to pay that same fee again for the same vehicle pursuant to section 2.5.] Existing law also requires the Commission, in cooperation with the Department and any local air pollution control agency, to adopt regulations for the control of emissions from motor vehicles in any county whose population is 100,000 or more (currently Clark and Washoe Counties). In any county whose population is less than 100,000 (currently all counties other than Clark and Washoe Counties), the Commission is required to adopt such regulations if the Commission makes certain determinations, including that it is feasible and practicable to carry out a program of inspecting and testing motor vehicles and systems for the control of emissions from motor vehicles. (NRS 445B.770)

This bill requires the Advisory Committee on the Control of Emissions From Motor Vehicles, which has been created by the Department, to conduct a study concerning the inspection and testing of motor vehicles and systems for the control of emissions from motor vehicles in this State. This bill also requires the Committee to submit, on or before June 30, 2016, a report of the results of the study and a proposal for an updated and modernized plan for such inspection and testing to the Director of the Legislative Counsel Bureau for transmittal to the Chairs of the Senate and Assembly Standing Committees on Transportation.

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

Section 1. (Deleted by amendment.)

Sec. 2. (Deleted by amendment.)

Sec. 2.3. [NRS 445B.760 is hereby amended to read as follows:

—445B.760—1. The Commission may by regulation prescribe standards for exhaust emissions, fuel evaporative emissions and visible emissions of smoke

from mobile internal combustion engines on the ground or in the air, including, but not limited to, aircraft, motor vehicles, snowmobiles and railroad locomotives. The regulations must provide for the exemption from such standards of a *motor* vehicle [for which special license plates have been issued pursuant to NRS 482.381, 482.3812, 482.3814 or 482.3816 if the owner of such a vehicle certifies to the Department of Motor Vehicles, on a form provided by the Department of Motor Vehicles, that the vehicle was not driven more than 5,000 miles during the immediately preceding year.] *manufactured before 1996.*

- 2. Except as otherwise provided in subsection 3, standards for exhaust emissions which apply to a:
- (a) Reconstructed vehicle, as defined in NRS 482.100; and
- (b) Trimobile, as defined in NRS 482,129.
- must be based on standards which were in effect in the year in which the engine of the vehicle was built.
- 3. A trimobile that meets the definition of a motorcycle in 40 C.F.R. § 86.402-78 or 86.402-98, as applicable, is not subject to emissions standards under this chapter.
- 4. Any such standards which pertain to motor vehicles must be approved by the Department of Motor Vehicles before they are adopted by the Commission. (Deleted by amendment.)
- Sec. 2.5. [Chapter 482 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. In addition to the fee for the issuance of a license plate and all other applicable registration and license fees and governmental services taxes, the Department shall charge and collect a fee for the first issuance of the license plates for those motor vehicles exempted pursuant to NRS 115B.760 from the provisions of NRS 445B.770 to 445B.815, inclusive. The amount of the fee must be equal to the amount of the fee for a form certifying emission control compliance set forth in paragraph (e) of subsection 1 of NRS 115B.830.
- 2. Fees paid to the Department pursuant to subsection 1 must be accounted for in the Pollution Control Account created by NRS 145B.830.

 3. As used in this section, "first issuance" means the first time that the plates with which a motor vehicle is registered are issued or renewed on or
- after July 1, 2015.] (Deleted by amendment.)
 Sec. 3. INRS 482.381 is hereby amended to read as follows:
- 482.381 1. [Except as otherwise provided in NRS 482.2655, the] *The* Department may issue special license plates and registration certificates to residents of Nevada for any motor vehicle which is a model manufactured more than 40 years before the date of application for registration pursuant to this section.
- 2. License plates issued pursuant to this section must bear the inscription "Old Timer," and the plates must be numbered consecutively.

- -3. The Nevada Old Timer Club members shall bear the cost of the dies for carrying out the provisions of this section.
- 4. The Department shall charge and collect the following fees for the issuance of these license plates, which fees are in addition to all other license fees and applicable taxes:
- (a) For the first issuance \$3
- (h) For a renewal sticker 1
- [5. In addition to the fees required pursuant to subsection 4, the Department shall charge and collect a fee for the first issuance of the license plates for those motor vehicles exempted pursuant to NRS 445B.760 from the provisions of NRS 445B.770 to 445B.815, inclusive. The amount of the fee must be equal to the amount of the fee for a form certifying emission control compliance set forth in paragraph (c) of subsection 1 of NRS 445B.830.
- 6. Fees paid to the Department pursuant to subsection 5 must be accounted for in the Pollution Control Account created by NRS 445B.830.] (Deleted by amendment.)
 - Sec. 4. INRS 482.3812 is hereby amended to read as follows:
- 482.3812 1. [Except as otherwise provided in NRS 482.2655, the] *The* Department may issue special license plates and registration certificates to residents of Nevada for any passenger car or light commercial vehicle:
- (a) Having a manufacturer's rated carrying capacity of 1 ton or less; and
- (b) Manufactured not later than 1948.
- 2. License plates issued pursuant to this section must be inscribed with the words "STREET ROD" and a number of characters, including numbers and letters, as determined necessary by the Director.
- 3. If, during a registration period, the holder of special plates issued pursuant to this section disposes of the vehicle to which the plates are affixed, the holder shall retain the plates and:
- (a) Affix them to another vehicle which meets the requirements of this section and report the change to the Department in accordance with the procedure set forth for other transfers; or
- (b) Within 30 days after removing the plates from the vehicle, return them to the Department.
- 4. The fee for the special license plates is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The fee for an annual renewal sticker is \$10.
- [5. In addition to the fees required pursuant to subsection 4, the Department shall charge and collect a fee for the first issuance of the special license plates for those motor vehicles exempted pursuant to NRS 445B.760 from the provisions of NRS 445B.770 to 445B.815, inclusive. The amount of the fee must be equal to the amount of the fee for a form certifying emission control compliance set forth in paragraph (e) of subsection 1 of NRS 445B.830.

- 6. Fees paid to the Department pursuant to subsection 5 must be accounted for in the Pollution Control Account created by NRS 445B.830.] (Deleted by amendment.)
- Sec. 5. [NRS 482.3814 is hereby amended to read as follows:
- 482.3814 1. [Except as otherwise provided in NRS 482.2655, the] *The* Department may issue special license plates and registration certificates to residents of Nevada for any passenger car or light commercial vehicle:
- (a) Having a manufacturer's rated carrying capacity of 1 ton or less; and
- (b) Manufactured not earlier than 1949, but at least 20 years before the application is submitted to the Department.
- 2. License plates issued pursuant to this section must be inscribed with the words "CLASSIC ROD" and a number of characters, including numbers and letters, as determined necessary by the Director.
- 3. If, during a registration year, the holder of special plates issued pursuant to this section disposes of the vehicle to which the plates are affixed, the holder shall retain the plates and:
- (a) Affix them to another vehicle which meets the requirements of this section and report the change to the Department in accordance with the procedure set forth for other transfers; or
- (b) Within 30 days after removing the plates from the vehicle, return them to the Department.
- 4. The fee for the special license plates is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The fee for an annual renewal sticker is \$10.
- [5. In addition to the fees required pursuant to subsection 4, the Department shall charge and collect a fee for the first issuance of the special license plates for those motor vehicles exempted pursuant to NRS 445B.760 from the provisions of NRS 445B.770 to 445B.815, inclusive. The amount of the fee must be equal to the amount of the fee for a form certifying emission control compliance set forth in paragraph (e) of subsection 1 of NRS 445B.830.
- 6. Fees paid to the Department pursuant to subsection 5 must be accounted for in the Pollution Control Account created by NRS 445B.830.] (Deleted by amendment.)
- Sec. 6. [NRS 482.3816 is hereby amended to read as follows:
- 482.3816 1. [Except as otherwise provided in NRS 482.2655, the] *The* Department may issue special license plates and registration certificates to residents of Nevada for any passenger car or light commercial vehicle:
- (a) Having a manufacturer's rated carrying capacity of 1 ton or less;
- (b) Manufactured at least 25 years before the application is submitted to the Department: and
- (e) Containing only the original parts which were used to manufacture the vehicle or replacement parts that duplicate those original parts.

- 2. License plates issued pursuant to this section must be inscribed with the words "CLASSIC VEHICLE" and a number of characters, including numbers and letters, as determined necessary by the Director.
- 3. If, during a registration period, the holder of special plates issued pursuant to this section disposes of the vehicle to which the plates are affixed, the holder shall retain the plates and:
- (a) Affix them to another vehicle which meets the requirements of this section and report the change to the Department in accordance with the procedure set forth for other transfers; or
- (b) Within 30 days after removing the plates from the vehicle, return them to the Department.
- 4. The fee for the special license plates is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The fee for an annual renewal sticker is \$10.
- [5. In addition to the fees required pursuant to subsection 4, the Department shall charge and collect a fee for the first issuance of the special license plates for those motor vehicles exempted pursuant to NRS 445B.760 from the provisions of NRS 445B.770 to 445B.815, inclusive. The amount of the fee must be equal to the amount of the fee for a form certifying emission control compliance set forth in paragraph (c) of subsection 1 of NRS 445B.830.
- 6. Fees paid to the Department pursuant to subsection 5 must be accounted for in the Pollution Control Account created by NRS 445B.830.] (Deleted by amendment.)
- Sec. 6.3. Notwithstanding the previsions of section 2.5 of this act, no additional fee is required to be paid in connection with a motor vehicle pursuant to that section if:
- 1. The motor vehicle was manufactured before 1996:
- 2. Before July 1, 2015, the motor vehicle was registered with special license plates pursuant to NRS 482.381, 482.3812, 482.3814 or 482.3816; and

 3. The owner of the motor vehicle, pursuant to NRS 482.381, 482.3812, 482.3814 or 482.3816, already paid to the Department an additional fee equal to the amount of the fee for a form certifying emission control compliance set forth in paragraph (c) of subsection 1 of NRS 445B.830.] (Deleted by amendment.)
- Sec. 6.4. 1. The Advisory Committee on the Control of Emissions From Motor Vehicles shall conduct a study concerning the inspection and testing of motor vehicles and systems for the control of emissions from motor vehicles in this State.
- 2. On or before June 30, 2016, the Committee shall submit a report of the results of the study conducted pursuant to subsection 1 and a proposal for an updated and modernized plan for such inspection and testing to the Director of the Legislative Counsel Bureau for transmittal to the Chairs of the Senate and Assembly Standing Committees on Transportation.

- 3. As used in this section, "Advisory Committee on the Control of Emissions From Motor Vehicles" means the advisory committee described in subsection 7 of NRS 445B.830.
 - Sec. 6.5. [NRS 482.2655 is hereby repealed.] (Deleted by amendment.)
 - **Sec. 7.** This act becomes effective on July 1, 2015.

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TEXT OF REPEALED SECTION

- —482.2655 Department not to issue special license plates for certain older motor vehicles within 90 days after failed emissions test.
- 1. If, with respect to a motor vehicle that is required to comply with the provisions of NRS 445B.700 to 445B.815, inclusive, and the regulations adopted pursuant thereto, an authorized inspection station or authorized station tests the emissions from the motor vehicle and the motor vehicle fails the emissions test, the Department shall not issue a special license plate for that vehicle pursuant to NRS 482.381, 482.3812, 482.3814 or 482.3816 for a period of 90 days after the motor vehicle fails the emissions test.
- 2 As used in this section:
- (a) "Authorized inspection station" has the meaning ascribed to it in NRS 445P.710.
- (b) "Authorized station" has the meaning ascribed to it in NRS 445B.720.
- (e) "Fails the emissions test" means that a motor vehicle does not comply with the applicable provisions of NRS 445B.700 to 445B.815, inclusive, and the regulations adopted pursuant thereto.]

Assemblywoman Carlton moved the adoption of the amendment. Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

This amendment requires the Advisory Committee on the Control of Emissions From Motor Vehicles to conduct a study concerning the inspection and testing of motor vehicles and systems for the control of emissions from motor vehicles in the state. Assembly Bill 146, as amended, requires the Committee to submit a report of the results of the study and a proposal for an updated plan for inspection and testing to the Director of the Legislative Counsel Bureau for transmittal to the Chairs of the Senate and Assembly Committees on Transportation on or before June 30, 2016. Assembly Bill 146, as amended, is effective July 1, 2015.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 241.

Bill read third time.

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

Amendment No. 1026.

SUMMARY—Creates the <u>Women Veterans</u> Advisory [Military and Veterans Research] Committee. (BDR 36-579)

AN ACT relating to the military; creating the <u>Women Veterans</u> Advisory <u>[Military and Veterans Research]</u> Committee; <u>[authorizing] setting forth the composition of the Committee; requiring</u> the Committee to <u>[research certain issues]</u> <u>perform duties and conduct activities</u> of concern to <u>, and of assistance to, women</u> veterans <u>[and members]</u> of the Armed Forces of the United States; requiring the Committee to submit an annual report; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section [3] 5.3 of this bill creates the Women Veterans Advisory [Military and Veterans Research! Committee I. provides for and sets forth its membership. [and sets forth provisions regarding the conduct of its business.] Section [4] 5.5 of this bill [authorizes] sets forth the duties of the Committee , Ito research issues related to members of the Armed Forces of the United States and veterans residing in this Statel including issues related to: (1) [the pre and post deployment of members of the Armed Forces of the United States to active conflict zones; locating, educating and advocating for women veterans; (2) [the homelessness of] informing women veterans [:] about available programs and benefits; (3) [backlogs in the processing of claims by the Department of Veterans Affairs in this State: determining the unique needs of women veterans; (4) [backlogs in the provision of services at facilities operated by the Veterans Health Administration in this State: making recommendations on an annual basis to the Governor, the Nevada Legislature and the Director of the Department of Veterans Services; and (5) Imental health issues relating to members of the Armed Forces of the United States and veterans. working cooperatively with the Interagency Council on Veterans Affairs. In addition, section [4] 5.5 requires the Committee to submit an annual report to the Governor . [and Legislature.] Section [5] 5.7 of this bill requires [the Office of the Military and] the Department of Veterans Services to Fiointly provide administrative assistance to the Committee.

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

- **Section 1.** Chapter 417 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to [5.] 5.7, inclusive, of this act.
- Sec. 2. [As used in sections 2 to 5, inclusive, of this act, unless the context otherwise requires, "Committee" means the Advisory Military and Veterans Research Committee created by section 3 of this act.] (Deleted by amendment.)
- Sec. 3. [1. The Advisory Military and Veterans Research Committee is hereby created consisting of the following twelve members:
- (a) Four members appointed by the Governor, at least three of whom must be former members of the Armed Forces of the United States who are now retired:

- (b) One member who is a member of the Senate appointed by the Majority Leader of the Senate:
- -(c) One member who is a member of the Senate appointed by the Minority Leader of the Senate;
- (d) One member who is a member of the Assembly appointed by the Speaker of the Assembly;
- (c) One member who is a member of the Assembly appointed by the Minority Leader of the Assembly;
- (f) The Attorney General, or his or her designee, as an ex officio member;
 (g) The person who is appointed to the position commonly known as the Director of Military and Veterans Policy within the Office of the Governor, or his or her successor, as an ex officio member;
- (h) The Commander of the Department of Nevada of the Veterans of Foreign Wars of the United States as an ex officio member; and
- (i) The Commander of the Department of Nevada of the American Legion as an ex officio member.
- 2. The Governor shall annually select from the members of the Committee two members to serve as Chair and as Vice Chair.
- 3. After the initial terms, each member of the Committee appointed pursuant to paragraphs (a) to (e), inclusive, of subsection 1 serves a term of 4 years.
- 4. If a vacancy occurs in the membership of a member appointed pursuant to paragraphs (a) to (e), inclusive, of subsection 1, the applicable appointing authority shall appoint a new member to fill the remainder of the unexpired term.
- 5. The Committee shall meet at least four times per year at the call of the Chair.
- 6. A majority of the members of the Committee appointed pursuant to paragraphs (a) to (e), inclusive, of subsection 1 constitutes a quorum for the transaction of any business.
- -7. Each member of the Committee:
- (a) Serves without compensation, except that a member of the Committee who is a state officer or employee may receive his or her regular compensation while engaging in the business of the Committee; 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.] (Deleted by amendment.)

Sec. 4. *[The Committee shall:*

- 1. Work cooperatively with the Interagency Council on Veterans Affairs to research issues related to members and veterans of the Armed Forces of the United States residing in this State, including, without limitation, issues related to:
- (a) The pre- and post-deployment of such members of the Armed Forces of the United States to active conflict zones;
- (b) Homelessness among such veterans;

- (e) Backlogs in the processing of claims by the Department of Veterans

 Affairs in this State:
- (d) Backlogs in the provision of services at facilities operated by the Veterans Health Administration of the United States Department of Veterans Affairs in this State; and
- (c) Mental health issues relating to members of the Armed Forces of the United States and veterans.
- 2. On or before February 15 of each year, submit a report concerning the activities of the Committee during the preceding calendar year and any recommendations of the Committee to the Governor and the Director of the Legislative Counsel Bureau for transmittal to:
- (a) If the Legislature is in session, the standing committees of the Legislature which have jurisdiction over the subject matter; or
- (b) If the Legislature is not in session, the Legislative Commission.]
 (Deleted by amendment.)
- Sec. 5. [The Office of the Military and the Department of Veterans Services shall jointly provide the Committee with:
- 1. Meeting rooms;
- 2. Staff assistance;
- -3. Data processing services; and
- 4. Clerical assistance. (Deleted by amendment.)
- Sec. 5.1. <u>As used in sections 5.1 to 5.7, inclusive, of this act, unless the context otherwise requires, "Committee" means the Women Veterans Advisory Committee created by section 5.3 of this act.</u>
 - Sec. 5.2. The Legislature hereby finds and declares that:
- 1. Women make up 15 percent of the veterans of the Armed Forces of the United States and continue to be an increasingly integral part of the operations of the Armed Forces of the United States around the world.
- 2. Few studies have been conducted to determine and understand the unique challenges that women veterans may have, both postdeployment and following separation from active duty.
- 3. Many veterans who are women do not self-identify as veterans and may, therefore, fail to consider various programs and benefits that are available to them as a result of their military service.
- Sec. 5.3. 1. The Women Veterans Advisory Committee is hereby created consisting of five members appointed by the Governor, at least three of whom must be women, and all of whom must be former members of the Armed Forces of the United States, including, without limitation, the Nevada Army National Guard and the Nevada Air National Guard, who received, upon severance from service, an honorable discharge. Each member serves at the pleasure of the Governor.
- 2. In making appointments pursuant to subsection 1, the Governor shall consider:
- (a) The recommendations of the Director;

- (b) Whether the appointments provide a geographical balance between the urban and rural areas of this State and represent the cultural diversity of this State; and
- (c) The level of activity of the person in the veteran community.
- 3. The Committee shall elect a Chair from among its members.
- 4. After the initial terms, each member of the Committee appointed pursuant to subsection 1 serves a term of 4 years.
- 5. A vacancy on the Committee must be filled for the remainder of the unexpired term in the same manner as the original appointment.
- 6. The Committee shall meet at least four times per year at the call of the Chair.
- 7. A majority of the members of the Committee appointed pursuant to subsection 1 constitutes a quorum for the transaction of business.
- 8. Each member of the Committee:
- (a) Serves without compensation, except that a member of the Committee who is a state officer or employee may receive his or her regular compensation while engaging in the business of the Committee; 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.
 - Sec. 5.5. The Committee shall:
- 1. Support and assist the Department in:
- (a) Locating, educating and advocating for all women veterans in this State;
- (b) Determining the unique needs of women veterans;
- (c) Conducting outreach and education through various means, including, without limitation, the Green Zone Network, the organization of statewide women veterans events, the promotion of benefits and superior health care for women veterans and the development of programs that inform pupils, business leaders and educators about the important role women play in the Armed Forces of the United States;
- (d) Educating women veterans as to benefits and programs that are available to them;
- (e) At least annually, making such recommendations as may be deemed necessary or advisable to the Governor, the Nevada Legislature, the office of the Director of the Department of Veterans Services and such other offices of this State as may be appropriate; and
- (f) Advocating on behalf of women veterans to ensure that the programs and policies of this State and of the United States Department of Veterans Affairs remain open to women and mindful of the elements of the experience of a veteran that are unique to women.
- 2. Work cooperatively with the Interagency Council on Veterans Affairs and make recommendations concerning the needs of, and resources available to, women veterans.

- 3. On or before February 15 of each year, submit a report concerning the activities of the Committee during the preceding calendar year and any recommendations of the Committee to the Governor. The report must include, without limitation, information pertaining to:
- (a) The demographics of women veterans.
- (b) The contributions that women veterans have made on behalf of the United States and this State.
- (c) The unique needs of the population of women veterans.
- (d) Steps taken to reduce misinformation and improve support for programs for women veterans.
- Sec. 5.7. <u>The Department shall provide the personnel, facilities, equipment and supplies required by the Committee.</u>
- Sec. 6. [NRS 417.0195 is hereby amended to read as follows:
- 417.0195 The Interagency Council on Veterans Affairs shall:
- 1. Identify and prioritize the needs of veterans and servicemen and servicemen and their families in this State.
- 2. Study the coordination of the efforts of the Federal Government, State Government, local governments and private entities to meet the needs of veterans and servicemen and servicemen and their families in this State.
- -3. Work with the Advisory Military and Veterans Research Committee pursuant to section 4 of this act.
- —1. On or before February 15 of each year, submit a report concerning the activities of the Council during the preceding calendar year and any recommendations of the Council to the Governor and the Director of the Legislative Council Bureau for transmittal to:
- (a) If the Legislature is in session, the standing committees of the Legislature which have jurisdiction of the subject matter; or
- (Deleted by amendment.)
- Sec. 7. [The initial terms of the members of the Advisory Military and Veterans Research Committee appointed pursuant to paragraphs (a) to (e), inclusive, of subsection 1 of section 3 of this act are as follows:
- -1. Two of the members appointed pursuant to paragraph (a) of subsection 1-of that section shall serve an initial term of 4 years:
- 2. Two of the members appointed pursuant to paragraph (a) of subsection 1 of that section shall serve an initial term of 2 years;
- 3. The members appointed pursuant to paragraphs (b) and (d) of subsection 1 of that section shall serve an initial term of 4 years; and
- 4. The members appointed pursuant to paragraphs (e) and (e) of subsection before that section shall serve an initial term of 2 years.] (Deleted by amendment.)
- Sec. 7.5. Notwithstanding any other provision of this act, the Governor shall, on or before July 1, 2015, appoint:
- 1. Three of the members of the Women Veterans Advisory Committee, established by the Governor pursuant to Executive Order

- 2014-08, issued on March 13, 2014, to a term of office on the Women Veterans Advisory Committee created by section 5.3 of this act expiring on January 1, 2018.
- 2. Two of the members of the Women Veterans Advisory Committee, established by the Governor pursuant to Executive Order 2014-08, issued on March 13, 2014, to a term of office on the Women Veterans Advisory Committee created by section 5.3 of this act expiring on January 1, 2016.
- **Sec. 8.** 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. 9. This act becomes effective upon \(\frac{1}{4}\)
- 1. Passage and approval for the purposes of adopting any regulations or performing any preparatory administrative tasks that are necessary to carry out the provisions of this act, !!! and
- [2. On] on October 1, 2015, for all other purposes.

Assemblyman Edwards moved the adoption of the amendment. Remarks by Assemblyman Edwards.

ASSEMBLYMAN EDWARDS:

Assembly Bill 241, as amended, creates the Women Veterans Advisory Committee, provides for its membership, and sets forth provisions regarding the conduct of its business. This bill authorizes the Committee to support and assist the Department of Veterans Services in locating, educating, and advocating for all women veterans in this state; determining the unique needs of women veterans; conducting outreach and education through various means, including, without limitation, the Green Zone Network and the organization of statewide women veterans' events. This is a great bill for the women veterans of this state, and I hope you will adopt the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 326.

Bill read third time.

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

Amendment No. 1041.

AN ACT relating to motor vehicle registration; revising provisions relating to the requirements for certain special license plates; [revising the depreciation schedule used for calculating the governmental services tax imposed on certain vehicles upon registration;] prohibiting the Department of Motor Vehicles from issuing certain special license plates for a certain period; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a resident of Nevada may obtain from the Department of Motor Vehicles a special license plate [for any passenger ear or light commercial vehicle] inscribed with the words "Old Timer," "STREET ROD," "CLASSIC ROD" or "CLASSIC VEHICLE" if the vehicle [: (1) has a manufacturer's rated carrying capacity of 1 ton or less; (2) was manufactured

at least 25 years before the application for the special license plate is submitted; and (3) contains only the original parts which were used to manufacture the vehicle or replacement parts that duplicate those original parts.] for which any such special license plate is issued satisfies the requirements for the specific license plate. (NRS 482.381, 482.3812, 482.3814, 482.3816) [Section 1 of this bill revises those requirements, allowing the issuance of such special license plates for a passenger car or light commercial vehicle manufactured before 1996.] Existing law provides that a vehicle for which any such [a] special license plate has been issued is exempt from standards for exhaust emissions, fuel evaporative emissions and visible emissions of smoke if the owner of the vehicle certifies to the Department that the vehicle was not driven more than 5,000 miles during the immediately preceding year. (NRS 445B.760)

Existing law sets forth depreciation schedules for determining the amount of governmental services taxes due each year for used vehicles and establishes a minimum tax of \$16. (NRS 371.060) Section 2 of this bill reduces the amount of governmental services taxes due annually for used vehicles by increasing the amount of depreciation allowed and decreases the minimum tax to \$6.]

Under existing law, a vehicle with a model year of 1996 or newer is not eligible for the issuance of a special license plate inscribed with the words "STREET ROD," as a vehicle must have been manufactured not later than 1948 to be eligible for the issuance of that special license plate. (NRS 482.3812) Sections 1, 1.3 and 1.7 of this bill revise the requirements for the issuance of a special license plate inscribed with the words "Old Timer," "CLASSIC ROD" or "CLASSIC VEHICLE," respectively, and provide that a vehicle with a model year of 1996 or newer is not eligible for the issuance of any such special license plate.

Section 3.5 of this bill prohibits the Department from issuing a special license plate inscribed with the words "Old Timer," "STREET ROD," "CLASSIC ROD" or "CLASSIC VEHICLE" on or after July 1, 2015, and before July 1, 2017.

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

Section 1. NRS 482.381 is hereby amended to read as follows:

- 482.381 1. Except as otherwise provided in <u>subsection 7 and</u> NRS 482.2655, the Department may issue special license plates and registration certificates to residents of Nevada for any motor vehicle which is a model manufactured more than 40 years before the date of application for registration pursuant to this section.
- 2. License plates issued pursuant to this section must bear the inscription "Old Timer," and the plates must be numbered consecutively.
- 3. The Nevada Old Timer Club members shall bear the cost of the dies for carrying out the provisions of this section.

- 4. The Department shall charge and collect the following fees for the issuance of these license plates, which fees are in addition to all other license fees and applicable taxes:
 - (a) For the first issuance \$35
 - (b) For a renewal sticker 10
- 5. In addition to the fees required pursuant to subsection 4, the Department shall charge and collect a fee for the first issuance of the license plates for those motor vehicles exempted pursuant to NRS 445B.760 from the provisions of NRS 445B.770 to 445B.815, inclusive. The amount of the fee must be equal to the amount of the fee for a form certifying emission control compliance set forth in paragraph (c) of subsection 1 of NRS 445B.830.
- 6. Fees paid to the Department pursuant to subsection 5 must be accounted for in the Pollution Control Account created by NRS 445B.830.
- 7. The Department shall not issue a license plate pursuant to this section for any motor vehicle with a model year of 1996 or newer.

Sec. 1.3. NRS 482.3814 is hereby amended to read as follows:

- 482.3814 1. Except as otherwise provided in NRS 482.2655, the Department may issue special license plates and registration certificates to residents of Nevada for any passenger car or light commercial vehicle:
 - (a) Having a manufacturer's rated carrying capacity of 1 ton or less; and
- (b) Manufactured not earlier than 1949, but [at least 20 years before the application is submitted to the Department.] with a model year of 1995 or older.
- 2. License plates issued pursuant to this section must be inscribed with the words "CLASSIC ROD" and a number of characters, including numbers and letters, as determined necessary by the Director.
- 3. If, during a registration year, the holder of special plates issued pursuant to this section disposes of the vehicle to which the plates are affixed, the holder shall retain the plates and:
- (a) Affix them to another vehicle which meets the requirements of this section and report the change to the Department in accordance with the procedure set forth for other transfers; or
- (b) Within 30 days after removing the plates from the vehicle, return them to the Department.
- 4. The fee for the special license plates is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The fee for an annual renewal sticker is \$10.
- 5. In addition to the fees required pursuant to subsection 4, the Department shall charge and collect a fee for the first issuance of the special license plates for those motor vehicles exempted pursuant to NRS 445B.760 from the provisions of NRS 445B.770 to 445B.815, inclusive. The amount of the fee must be equal to the amount of the fee for a form certifying emission control compliance set forth in paragraph (c) of subsection 1 of NRS 445B.830.
- 6. Fees paid to the Department pursuant to subsection 5 must be accounted for in the Pollution Control Account created by NRS 445B.830.

[Section 1.] Sec. 1.7. NRS 482.3816 is hereby amended to read as follows:

- 482.3816 1. Except as otherwise provided in NRS 482.2655, the Department may issue special license plates and registration certificates to residents of Nevada for any passenger car or light commercial vehicle:
 - (a) Having a manufacturer's rated carrying capacity of 1 ton or less;
- (b) [Manufactured at least 25 years before the application is submitted to the Department; 1996;] With a model year of 1995 or older; and
- (c) Containing only the original parts which were used to manufacture the vehicle or replacement parts that duplicate those original parts.
- 2. License plates issued pursuant to this section must be inscribed with the words "CLASSIC VEHICLE" and a number of characters, including numbers and letters, as determined necessary by the Director.
- 3. If, during a registration period, the holder of special plates issued pursuant to this section disposes of the vehicle to which the plates are affixed, the holder shall retain the plates and:
- (a) Affix them to another vehicle which meets the requirements of this section and report the change to the Department in accordance with the procedure set forth for other transfers; or
- (b) Within 30 days after removing the plates from the vehicle, return them to the Department.
- 4. The fee for the special license plates is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The fee for an annual renewal sticker is \$10.
- 5. In addition to the fees required pursuant to subsection 4, the Department shall charge and collect a fee for the first issuance of the special license plates for those motor vehicles exempted pursuant to NRS 445B.760 from the provisions of NRS 445B.770 to 445B.815, inclusive. The amount of the fee must be equal to the amount of the fee for a form certifying emission control compliance set forth in paragraph (c) of subsection 1 of NRS 445B.830.
- 6. Fees paid to the Department pursuant to subsection 5 must be accounted for in the Pollution Control Account created by NRS 445B.830.
- Sec. 2. [NRS 371.060 is hereby amended to read as follows:

 371.060 1. Except as otherwise provided in subsection 2 and subsection 2 of NRS 371.040, each vehicle must be depreciated by the Department for the purposes of the annual governmental services tax according to the following schedule:

	Percentage of
Age	Initial Value
New	100 percent
1 year	 [95] 85 percent
2 years	[85] 75 percent
3 years	 [75] 65 percent
4 years	 [65] <i>55</i> percent

5 veers	1551 15 parcent
9 years	· [33] 13 percent
6 Wears	[45] 35 noreant
o years	. [13] 33 percent
7 years	[25] 25 parcent
7 years	· [33] 23 percent
Q voore	[25] 15 noreent
o years	. [23] 13 percent
Q years or more	[15] 5 percent
9 J Carb OI 11101 C	m ro percent

2. Except as otherwise provided in subsection 2 of NRS 371.040, each bus, truck or truck tractor having a declared gross weight of 10,000 pounds or more and each trailer or semitrailer having an unladen weight of 4,000 pounds or more must be depreciated by the Department for the purposes of the annual governmental services tax according to the following schedule:

	Percentage of
Age	Initial Value
New	100 percent
1 year	[85] 75 percent
2 years	[69] 59 percent
3 years	[57] 47 percent
	1471 37 percent
5 vears	1381 28 percent
6 vears	[33] 23 percent
7 vears	[30] 20 percent
& years	[27] 17 percent
J .	1251-15 percent
10 years or more	[23] 13 percent
10 3 0010 01 111010	[25] 15 percent

- 3. Notwithstanding any other provision of this section, the minimum amount of the governmental services tax:
- (a) On any trailer having an unladen weight of 1,000 pounds or less is \$3 and
- (b) On any other vehicle is |\$16.| **\$6.**
- 4. For the purposes of this section, a vehicle shall be deemed a "new" vehicle if the vehicle has never been registered with the Department and has never been registered with the appropriate agency of any other state, the District of Columbia, any territory or possession of the United States or any foreign state, province or country. (Deleted by amendment.)
 - **Sec. 3.** (Deleted by amendment.)
- Sec. 3.5. Notwithstanding the provisions of NRS 482.381, 482.3812, 482.3814 and 482.3816, the Department of Motor Vehicles shall not issue any license plate pursuant to those provisions on or after July 1, 2015, and before July 1, 2017.
 - **Sec. 4.** This act becomes effective on July 1, 2015.

Assemblyman Paul Anderson moved the adoption of the amendment. Remarks by Assemblyman Paul Anderson.

ASSEMBLYMAN PAUL ANDERSON:

Assembly Bill 326, as amended, revises Chapter 482 of *Nevada Revised Statutes* and prohibits the Department of Motor Vehicles from issuing an Old Timer license plate for any motor vehicle with a model year of 1996 or newer. Assembly Bill 326, as amended, authorizes the Department of Motor Vehicles to issue Classic Rod and Classic Vehicle license plates for vehicles with a model year of 1995 or older.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 399.

Bill read third time.

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

Amendment No. 997.

AN ACT relating to economic development; directing the Office of Economic Development within the Office of the Governor to create a pilot program to encourage growth and expansion of existing businesses that are located in this State; setting forth the goals and functions of the pilot program; making an appropriation; and providing other matters properly relating thereto. **Legislative Counsel's Digest:**

This bill provides for the development, creation and operation of a pilot program that will operate in this State from [July 1, 2017,] January 1, 2016, through June 30, [2019,] 2017, and focus its efforts on the growth of businesses already located in this State by emphasizing the use of information and technology.

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

Section 1. The Legislature hereby finds and declares that:

- 1. It is vital to the overall health and growth of the economy of the State of Nevada to promote favorable conditions which allow the expansion of Nevada businesses that demonstrate the ability to grow;
- 2. As a result of the extraordinary economic challenges which have been, and are, confronting the State, the public has an interest in expanding the resources of this State to stimulate investment in Nevada's economy;
- 3. It is the intent of the Legislature that resources be provided for the operation of the pilot program described in section 2 of this act; and
- 4. The purpose of the pilot program described in section 2 of this act is to stimulate investment in Nevada's economy by providing technical assistance for businesses in this State that are expanding or ready to expand.
- Sec. 2. 1. The Office, in consultation with the [Centers and other interested parties,] stakeholders group, shall develop, create and oversee the NV Grow Program as a pilot program to stimulate Nevada's economy with a view toward providing assistance to businesses that are already located and operating in this State rather than recruiting businesses from other states to relocate in Nevada.

- 2. Under the auspices of the pilot program:
- (a) The College of Southern Nevada, Institutions of the Nevada System of Higher Education located in Clark County [13] and the Nevada Small Business Development Center in Clark County shall, in cooperation with the geographic information system specialist employed at the College, of Southern Nevada, mentor and track businesses participating in the pilot program in Clark County. The Clark County Department of Business License will coordinate with the College to provide such data as may be necessary for the operation of the pilot program in Clark County.
- (b) [The Nevada Small Business Development Center, in Washoe County, shall mentor and track businesses participating in the pilot program in Washoe County. The Bureau of Business and Economic Research of the University of Nevada, Reno, will coordinate with the Development Center to provide such data as may be necessary for the operation of the pilot program in Washoe County.
- (e)] The [College of Southern Nevada and the] Nevada Small Business Development Center located in Washoe County shall [, in Clark County and Washoe County, respectively,] cooperate with the geographic information system specialist employed to assist businesses in Clark County that are participating in the pilot program with marketing and other efforts.
 - 3. The pilot program must include, without limitation:
- (a) The employment of a geographic information specialist at the College of Southern Nevada who provides data to clients of the stakeholders group;
- (b) The appointment of the Nevada Small Business Development Center in Washoe County as administrator of the geographic information system;
- (c) An analysis of businesses in this State that are ready to expand;
- (d) The identification of the skilled labor that exists in this State and its potential for growth;
- (e) The targeting of business sectors and occupations in this State that have demonstrated the ability to grow and stimulate the economy of the State;
 - {(d)} (f) A focus on the utilization of existing resources;
- **(e)** (g) The harnessing of the academic expertise of the Centers to provide economic and market data to contribute to the diversification and growth of the economy of this State;
- **(h)** The use of geographic information systems to map areas of this State to determine locations in which retail sales and other commerce are flourishing and locations in which retail sales and commerce demonstrate the capacity for further growth;
- [(g)] (i) The selection of businesses and business sectors in this State to participate in the pilot program;
 - (i) The elements described in subsection 2;
- (k) The provision of informational and other assistance to businesses and business sectors in this State; and

- [(j)] (1) Such other components as the Office, in consultation with the [Centers and other interested parties,] stakeholders group determines are likely to be necessary, advisable or advantageous for the growth and development of businesses located in this State.
- 4. The pilot program shall, insofar as is possible, use the resources and expertise of the Centers and make available those resources and that expertise to businesses in this State for the purposes of:
 - (a) Developing business connections;
- (b) Exchanging data and other information with and between businesses and trade associations:
 - (c) Creating and facilitating peer-to-peer mentoring sessions; and
- (d) Providing to businesses and business sectors data and other information that is calculated or otherwise generated through the use of geographic information systems.
- 5. To the extent possible, the pilot program must be conducted with the goal of selecting 10 businesses [1, 5 each representing] in Clark County [and Washoe County,] to participate in the pilot program.
 - 6. To qualify to participate in the pilot program, a business must:
- (a) Have its principal place of business within the State of Nevada and have had its principal place of business in this State for at least 2 years;
 - (b) Generate at least \$100,000 but not more than \$700,000 in revenue; and
 - (c) Have a business plan.
 - 7. As used in this section:
- (a) "Business plan" means a written statement of a set of business goals, the reasons those goals are believed to be attainable and the plan for reaching those goals.
- (b) "Centers" means all institutions of the Nevada System of Higher Education, including, without limitation, the College of Southern Nevada and the University of Nevada, Reno.
- (c) "Geographic information system" means a computerized database management system for the capture, storage, retrieval, analysis and display of spatial or locationally defined data.
- (d) "Office" means the Office of Economic Development within the Office of the Governor.
- (e) "Stakeholders group" means a group of persons interested in economic development in this State selected by the Office, including, without limitation, a representative of the College of Southern Nevada, the University of Nevada, Las Vegas, the Urban Chamber of Commerce of Las Vegas, the Las Vegas Latin Chamber of Commerce, the Valley Center Opportunity Zone, the University of Nevada Cooperative Extension in Clark County, Clark County and incorporated cities in Clark County.
- **Sec. 3.** In assisting and carrying out the pilot program described in section 2 of this act, the Centers, as defined in section 2 of this act, shall, without limitation, perform the following services:

- 1. Analyze data;
- 2. Ensure that businesses participating in the pilot program understand the manner in which the data so analyzed will be applied to those businesses so that the businesses may make better business decisions and understand the current business market in which they exist;
- 3. Mentor the businesses as to the optimum use of data received under the pilot program relative to the making of business decisions; and
 - 4. With respect to the businesses participating in the pilot program:
- (a) Track the business decisions and growth of each business over the entire period of the pilot program; and
- (b) Report the data tracked pursuant to paragraph (a), at least once each 6 months, to the Office of Economic Development within the Office of the Governor.
- **Sec. 4.** The Office of Economic Development within the Office of the Governor shall serve as a consultant to the [Centers] stakeholders group described in subsection 2 of section 2 of this act, including, without limitation, collecting and analyzing data to ensure that the data used by [those] the Centers is uniform.
- Sec. 4.5. The Office of Economic Development within the Office of the Governor may apply for any available grants, accept any gifts, grants or donations and use any such gifts, grants or donations to aid the Office in carrying out the pilot program described in section 2 of this act.
- Sec. 5. There is hereby appropriated from the State General Fund to the Nevada System of Higher Education the sum of \[\frac{\{\\$300,000\}}{\\$150,000\} \] to allow \[\frac{\{\}500,000\}{\\$150,000\} \]
 - 1. Purchase software for a geographic information system;
- 2. Hire a person who is a specialist in geographic information systems to operate the geographic information system; and
- 3. Provide such other services as may be necessary to assist and carry out the pilot program described in section 2 of this act.
- Sec. 6. Any remaining balance of the appropriation made by section 5 of this act must not be committed for expenditure after June 30, \(\frac{12019,\}{2017,\}\) by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September \(\frac{120, 2019,\}{2019,\}\) \(\frac{15, 2017}{2019,\}\) by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September \(\frac{120, 2019,\}{2019,\}\) 15, 2017.
- **Sec. 7.** The pilot program described in section 2 of this act must begin operating not later than January 1, 2016.
- **Sec. 8.** 1. This act becomes effective upon passage and approval for the purpose of performing any preparatory administrative tasks necessary to carry

out the provisions of this act, and on July 1, [2017,] 2015, for all other purposes.

2. This act expires by limitation on June 30, [2019.] 2017.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Remarks by Assemblywoman Bustamante Adams.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:

The amendment makes the correction that the dollars would go to the College of Southern Nevada.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 410.

Bill read third time.

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

Amendment No. 971.

SUMMARY—Revises the membership of [certain boards and commissions of the Executive Department of the State Government.] the Real Estate Commission. (BDR [28-741)] 54-741)

AN ACT relating to government affairs; revising the membership of Leertain boards and commissions of the Executive Department of the State Government the Real Estate Commission to provide for proportionate representation based on population; providing for a decennial review of the membership of these boards and commissions to ensure continuation of proportional representation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law prescribes the method of appointment, number of members and criteria for selection of members of the State Public Works Board, the Commission on Tourism, the Nevada Tax Commission, the State Board of Education, the Board of Directors of the Department of Transportation, the Nevada Gaming Commission and the Real Estate Commission. (NRS 1231.170, 341.020, 360.030, 385.021, 408.106, 463.023,] 645.100) This Section 7 of this bill divides the State into three regions for purposes of determining proportional representation and revises the requirements for the membership of those boards and commissions the Commission to provide approximately proportional representation on the basis of the last decennial census population of the **following** three regions: (1) Clark County; (2) Washoe I. Storey and Lyon Counties and Carson City: County; and (3) the remainder of the State. [This bill] Section 7 also [provides these requirements requires reconsideration of the Commission's apportionment of membership following each decennial census, if necessary to maintain proportional representation.

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

Section 1. INRS 341.020 is hereby amended to read as follows:

- 341.020 1. The State Public Works Board is hereby created.
- 2. The Board consists of the Director of the Department and six members appointed as follows:
- (a) The Governor shall appoint:
- (1) One member who has education or experience, or both, regarding the principles of engineering or architecture;
- (2) One member who is licensed to practice law in this State and who has experience in the practice of construction law; and
- (3) Two members who are licensed in this State as a general building contractor or general engineering contractor pursuant to chapter 624 of NRS.
- (b) The Majority Leader of the Senate shall appoint one member who is licensed in this State as a general building contractor or general engineering contractor pursuant to chapter 624 of NRS.
- (c) The Speaker of the Assembly shall appoint one member who is licensed in this State as a general building contractor or general engineering contractor pursuant to chapter 624 of NRS.
- 3. Of the six members appointed to the Board pursuant to subsection 2:

 (a) Three members must reside in or have a principal place of business located in Clark County:
- (b) Two members must reside in or have a principal place of business located in Washoe, Lyon or Storey County or Carson City; and
- (e) One member must reside in or have a principal place of business located in Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Mineral, Nye, Pershing or White Pine County.
- 4. The apportionment of members pursuant to subsection 3 is intended to give approximately proportional regional representation on the Board to the residents of this State. In each regular legislative session following the completion of a decennial census conducted by the Bureau of the Census of the United States Department of Commerce, the apportionment of members on the Board must be reconsidered to ensure approximately proportional regional representation is maintained.
- 5. Each member of the Board who is appointed serves at the pleasure of the appointing authority.
- [4.] 6. A vacancy on the Board in an appointed position must be filled by the appointing authority in the same manner as the original appointment.]
 (Deleted by amendment.)
- Sec. 2. [NRS 231.170 is hereby amended to read as follows:
- 231.170 1. The Commission on Tourism is composed of:
- (a) Eleven voting members as follows:
- (1) The Lieutenant Governor, who is its Chair;

- (2) Eight members, appointed by the Governor, who are informed on and have experience in travel and tourism, including the business of gaming; and
- (3) The chief administrative officers of the county fair and recreation boards or, if there is no county fair and recreation board in the county, the chair of the board of county commissioners, of the two counties that paid the largest amount of the proceeds from the taxes imposed on the revenue from the rental of transient lodging to the Department of Taxation for deposit with the State Treasurer for credit to the Fund for the Promotion of Tourism created by NRS 231.250 for the previous fiscal year.
- (b) The following ex officio, nonvoting members:
- (1) The Chair of the Commission for Cultural Affairs;
- (2) The Chair of the Board of Museums and History;
- (3) The Chair of the Nevada Indian Commission: and
- (4) The Chair of the Roard of the Nevada Arts Council
- → A person may serve as an ex officio, nonvoting member pursuant to subparagraph (1) and subparagraph (2) or (4) concurrently.
- 2. A change in any member of the Commission who serves pursuant to subparagraph (3) of paragraph (a) of subsection 1 that is required because of a change in the amount of the proceeds paid to the Department of Taxation by each county must be effective on January 1 of the calendar year immediately following the fiscal year in which the proceeds were paid to the Department of Taxation.
- 3. Of the members appointed by the Governor pursuant to subparagraph (2) of paragraph (a) of subsection 1:
- (a) [At least one member must be a resident of a county whose population is 700,000 or more.] Five members must reside in or have a principal place of business located in Clark County:
- (b) [At least one member must be a resident of a county whose population is 100,000 or more but less than 700,000.] Two members must reside in or have a principal place of business located in Washoe, Lyon or Storey County or Carson City:
- (c) [At least two members must be residents of counties whose population is less than 100,000.
- (d) Four members must be residents of any county in this State.] One member must reside in or have a principal place of business located in Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Mineral, Nye, Pershing or White Pine County.
- 4. The apportionment of members pursuant to subsection 3 is intended to give approximately proportional regional representation on the Commission to the residents of this State. In each regular legislative session following the completion of a decennial census conducted by the Bureau of the Census of the United States Department of Commerce, the apportionment of members on the Commission must be reconsidered to ensure approximately proportional regional representation is maintained.] (Deleted by amendment.)

- Sec. 3. [NRS 360.030 is hereby amended to read as follows:
- 360.030 1. Of the eight members appointed to the Nevada Tax Commission pursuant to NRS 360.010:
- (a) Five members must reside in or have a principal place of business located in Clark County;
- (b) Two members must reside in or have a principal place of business located in Washoe, Lyon or Storey County or Carson City; and
- (c) One member must reside in or have a principal place of business located in Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Mineral, Nye, Pershing or White Pine County.
- 2. The apportionment of members pursuant to subsection 1 is intended to give approximately proportional regional representation on the Nevada Tax Commission to the residents of this State. In each regular legislative session following the completion of a decennial census conducted by the Bureau of the Census of the United States Department of Commerce, the apportionment of members on the Commission must be reconsidered to ensure approximately proportional regional representation is maintained.
- 3. Not more than five of the eight commissioners may be !:
- (a) Appointed from any one county in this State.
- (b) Of of the same political party.
- [2.] 1. After the initial terms, members serve terms of 4 years, except when appointed to fill unexpired terms.
- [3.] 5. Any commissioner may be removed by the Governor if, in his or her opinion, that commissioner is guilty of malfeasance in office or neglect of duty.] (Deleted by amendment.)
 - Sec. 4. INRS 385.021 is hereby amended to read as follows:
- 385.021 1. The State Board of Education is hereby created. The State Board consists of the following voting members:
- (a) One member elected by the registered voters of each congressional district described in NRS 304.060 to 304.120, inclusive;
- (b) IOne member! Two members appointed by the Governor:
- (c) One member appointed by the Governor, nominated by the Majority Leader of the Senate; and
- (d) One member appointed by the Governor, nominated by the Speaker of the Assembly.
- 2. Of the four voting members appointed to the State Board pursuant to paragraphs (b), (c) and (d) of subsection 1:
- (a) Two members must be residents of Clark County;
- (b) One member must be a resident of Washoe, Lyon or Storey County or Carson City; and
- (c) One member must be a resident of Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Mineral, Nye, Pershing or White Pine County.
- 3. In addition to the voting members described in subsection 1, the State Board consists of the following four nonvoting members:

- (a) One member appointed by the Governor who is a member of a board of trustees of a school district, nominated by the Nevada Association of School Boards:
- (b) One member appointed by the Governor who is the superintendent of schools of a school district, nominated by the Nevada Association of School Superintendents;
- (c) One member appointed by the Governor who represents the Nevada System of Higher Education, nominated by the Board of Regents of the University of Nevada: and
- (d) One member appointed by the Governor who is a pupil enrolled in a public school in this State, nominated by the Nevada Association of Student Councils or its successor organization and in consultation with the Nevada Youth Legislature. After the initial term, the term of the member appointed pursuant to this paragraph commences on June 1 and expires on May 31 of the following year.
- [3.] 4. Of the four nonvoting members appointed to the State Board pursuant to subsection 3:
- (a) Two members must be residents of Clark County:
- (b) One member must be a resident of Washoe, Lyon or Storey County or Carson City; and
- (e) One member must be a resident of Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Mineral, Nye, Pershing or White Pine County.
- 5. The apportionment of members pursuant to subsections 2 and 4 is intended to give approximately proportional regional representation on the State Board to the residents of this State. In each regular legislative session following the completion of a decennial census conducted by the Bureau of the Census of the United States Department of Commerce, the apportionment of members on the State Board must be reconsidered to ensure approximately proportional regional representation is maintained.
- 6. Each member of the State Board elected pursuant to paragraph (a) of subsection 1 must be a qualified elector of the district from which that member is elected.
- 4. Each member appointed pursuant to paragraphs (b), (c) and (d) of subsection 1 and each member appointed pursuant to subsection 2 must be a resident of this State.
- 5.] 7. The Governor shall ensure that of the members appointed pursuant to paragraphs (b), (c) and (d) of subsection 1 : [represent the geographic diversity of this State and that:]
- (a) One member is a teacher at a public school selected from a list of three candidates provided by the Nevada State Education Association.
- (b) One member is the parent or legal guardian of a pupil enrolled in a public school.
- (e) One member is a person active in a private business or industry of this State.

- [6.] 8. After the initial terms, each member:
- (a) Elected pursuant to paragraph (a) of subsection 1 serves a term of 4 years. A member may be elected to serve not more than three terms but may be appointed to serve pursuant to paragraph (b), (c) or (d) of subsection 1 or subsection [2] 3 after service as an elected member, notwithstanding the number of terms the member served as an elected member.
- (b) Appointed pursuant to paragraphs (b), (e) and (d) of subsection 1 serves a term of 2 years. A member may be reappointed for additional terms of 2 years in the same manner as the original appointment.
- (e) Appointed pursuant to subsection [2] 3 serves a term of 1 year. A member may be reappointed for additional terms of 1 year in the same manner as the original appointment.
- 17.1 9. If a vacancy occurs during the term of:
- (a) A member who was elected pursuant to paragraph (a) of subsection 1, the Governor shall appoint a member to fill the vacancy until the next general election, at which election a member must be chosen for the balance of the unexpired term. The appointee must be a qualified elector of the district where the vacancy occurs.
- (b) A voting member appointed pursuant to paragraph (b), (c) or (d) of subsection 1 or a nonvoting member appointed pursuant to subsection [2,] 3, the vacancy must be filled in the same manner as the original appointment for the remainder of the unexpired term.] (Deleted by amendment.)
 - Sec. 5. [NRS 408.106 is hereby amended to read as follows:
- 408.106 1. There is hereby created a Department of Transportation, administered by a seven member Board of Directors consisting of the Governor, the Lieutenant Governor, and the State Controller, who serve ex officio, and four members who are appointed by the Governor. If one of the three constitutional offices is vacant, the Secretary of State shall serve ex officio on the Board until the vacancy is filled.
- 2. The Governor shall appoint as members of the Board four persons who are residents of Nevada, informed on and interested in the construction and maintenance of highways and other matters relating to transportation. The members so appointed must be residents of Nevada as follows:
- (a) Two members who must reside in a highway district that includes a county whose population is 700,000 or more;
- (b) One member who must reside in a highway district that includes a county whose population is 100,000 or more but less than 700,000; and
- (c) One member who must reside in a highway district that does not include a county whose population is 100,000 or more.
- 3. The apportionment of members pursuant to subsection 2 is intended to give approximately proportional regional representation on the Board to the residents of the State. In each regular legislative session following the completion of a decennial census conducted by the Bureau of the Census of the United States Department of Commerce, the apportionment of members

on the Board must be reconsidered to ensure approximately proportional regional representation is maintained.

- 4. All the members appointed pursuant to subsection 2 must be informed on and interested in the construction and maintenance of highways and other matters relating to transportation, and must possess at least one of the following qualifications:
- (a) Knowledge of engineering evidenced by the possession of a bachelor of science degree in civil or structural engineering and licensure in this State as a professional engineer.
- (b) Demonstrated expertise in financial matters and business administration.
- (e) Demonstrated expertise in the business of construction evidenced by the possession of a license as a general contractor and experience as a principal officer of a firm licensed in this State.
- The Governor shall not appoint to the Board any person who is currently employed in the field of or has a substantial financial interest in the construction or maintenance of highways in this State.
- [4.] 5. The Governor shall serve as the Chair of the Board and the members of the Board shall elect annually a Vice Chair.
- [5.] 6. Each member of the Board who is not a public officer is entitled to receive as compensation \$80 for each day or portion of a day during which the member attends a meeting of the Board or is otherwise engaged in the business of the Board plus the per diem allowance and travel expenses provided for state officers and employees generally.
- [6.] 7. After the initial terms, the appointed members of the Board shall serve terms of 4 years.
- [7.] 8. As used in this section, "highway district" means a portion of this State designated by the Board as a highway district for the purposes of earrying out the duties of the Board.] (Deleted by amendment.)
- Sec. 6. [NRS 463.023 is hereby amended to read as follows:
- 462 023 1 Fach member of the Commission shall be:
- (a) A citizen of the United States: and
- (b) A resident of the State of Nevada.
- 2. No member of the Legislature, no person holding any elective office in the State Government, nor any officer or official of any political party shall be eligible to appointment to the Commission.
- 3. It is the intention of the Legislature that the Commission shall be composed of the most qualified persons available, preferably no two of whom shall be of the same profession or major field of industry; but no person actively engaged or having a direct pecuniary interest in gaming activities shall be a member of the Commission.
- 4. Not more than three members of the Commission shall be of the same major political affiliation.
- 5. Of the five members appointed to the Commission pursuant to NRS 463.024:

- (a) Three members must reside in or have a principal place of business located in Clark County:
- (b) One member must reside in or have a principal place of business located in Washoe, Lyon or Storey County or Carson City; and
- (c) One member must reside in or have a principal place of business located in Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Mineral, Nye, Pershing or White Pine County.
- 6. The apportionment of members pursuant to subsection 5 is intended to give approximately proportional regional representation on the Commission to the residents of this State. In each regular legislative session following the completion of a decennial census conducted by the Bureau of the Census of the United States Department of Commerce, the apportionment of members on the Commission must be reconsidered to ensure approximately proportional regional representation is maintained. (Deleted by amendment.)
 - **Sec. 7.** NRS 645.100 is hereby amended to read as follows:
- 645.100 1. [At least two members of the Commission must be residents of the southern district of Nevada, and at least two members of the Commission must be residents of the northern district of Nevada.] Of the five members appointed to the Commission pursuant to NRS 645.050:
- (a) Three members must reside in or have a principal place of business located in Clark County;
- (b) One member must reside in or have a principal place of business located in Washoe [, Lyon or Storey] County; [or Carson City;] and
- (c) One member must reside in or have a principal place of business located in <u>Carson City or Churchill</u>, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, <u>Lyon</u>, <u>Mineral</u>, Nye, Pershing, <u>Storey</u> or White Pine County.
- 2. [Not more than two members may be appointed from any one county.] For purposes of appointing a member or filling a vacancy in the membership of the Commission, if no qualified person is willing to serve on the Commission from the region prescribed in:
- (a) Paragraph (a) of subsection 1, the Governor must appoint a qualified person who is willing to serve on the Commission from the region prescribed in paragraph (c) of subsection 1 or, if there is no such person, a qualified person who is willing to serve on the Commission from the region prescribed in paragraph (b) of subsection 1.
- (b) Paragraph (b) of subsection 1, the Governor must appoint a qualified person who is willing to serve on the Commission from the region prescribed in paragraph (a) of subsection 1 or, if there is no such person, a qualified person who is willing to serve on the Commission from the region prescribed in paragraph (c) of subsection 1.
- (c) Paragraph (c) of subsection 1, the Governor must appoint a qualified person who is willing to serve on the Commission from the region prescribed in paragraph (b) of subsection 1 or, if there is no such person, a qualified

person who is willing to serve on the Commission from the region prescribed in paragraph (a) of subsection 1.

- → If there is no qualified person willing to be appointed or to fill a vacancy on the Commission from any region, the seat must be left vacant.
- 3. At the expiration of the term of a member who is appointed from outside a prescribed region pursuant to paragraph (a), (b) or (c) of subsection 2 or if that member vacates the seat, the Governor must appoint a qualified person from the prescribed region or, if no qualified person is willing to serve on the Commission from that region, appoint a qualified person pursuant to paragraph (a), (b) or (c) of subsection 2, as applicable.
- <u>4.</u> The apportionment of members pursuant to subsection 1 is intended to give approximately proportional regional representation on the Commission to the residents of this State. In each regular legislative session following the completion of a decennial census conducted by the Bureau of the Census of the United States Department of Commerce, the apportionment of members on the Commission must be reconsidered to ensure approximately proportional regional representation is maintained.
- [3. The southern district of Nevada consists of all that portion of the State lying within the boundaries of the counties of Clark, Esmeralda, Lincoln and Nyc.
- 4. The northern district of Nevada consists of all that portion of the State lying within the boundaries of Carson City and the counties of Churchill, Douglas, Elko, Eureka, Humboldt, Lander, Lyon, Mineral, Pershing, Storey, Washoe and White Pine.] Any reapportionment of a seat pursuant to this subsection does not become effective until the expiration of the term of the member who holds the seat immediately preceding the date of the reapportionment.
- Sec. 8. Notwithstanding the amendatory provisions of this act, a member of the [State Public Works Board, the Commission on Tourism, the Nevada Tax Commission, the State Board of Education, the Board of Directors of the Department of Transportation, the Nevada Gaming Commission or the] Real Estate Commission who was appointed pursuant to NRS [231.170, 341.020, 360.010, 385.021, 408.106, 463.024 or] 645.050 as [those sections] that section existed on June 30, 2015, and who is serving a term on July 1, 2015, is, if the member is otherwise qualified to serve in that capacity, entitled to serve the remainder of the term to which he or she was appointed.
 - **Sec. 9.** This act becomes effective on July 1, 2015.

Assemblywoman Swank moved the adoption of the amendment. Remarks by Assemblywoman Swank.

ASSEMBLYWOMAN SWANK:

This amendment changes the commissions to which this bill will apply to applying only to the Real Estate Commission.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 445.

Bill read third time.

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

Amendment No. 1037.

AN ACT relating to redevelopment; requiring a portion of the revenues from taxes imposed on property in certain redevelopment areas to be set aside and used for public educational facilities; revising provisions relating to the extension of certain redevelopment plans; revising provisions relating to the recalculation of the total assessed value of taxable property in certain redevelopment areas; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a redevelopment plan, and any amendments to the plan, adopted by the redevelopment agency of a city or county on or after January 1, 1991, terminates not later than 30 years after the date on which the original redevelopment plan was adopted. (NRS 279.439) Section 3 of this bill extends to a maximum of 45 years the date of termination of such a redevelopment plan, and any amendments to the plan, adopted by a city whose population is 220,000 or more but less than 500,000 located in a county whose population is 700,000 or more (currently [Clark County)] the City of Henderson) if the city council adopts the extension of the plan by ordinance. If such an ordinance is adopted, section 1 of this bill requires that 18 percent of the revenues received from taxes on the taxable property located in the redevelopment area affected by the ordinance on or after the effective date of the ordinance be set aside to improve and preserve existing public educational facilities which are located within the redevelopment area or which serve pupils who reside within the redevelopment area. Section 1 also provides that the obligation to set aside such revenues is subordinate to any existing obligations of the agency.

Under existing law, the date of termination of a redevelopment plan and any amendments to the plan adopted before January 1, 1991, by a redevelopment agency of a city whose population is 500,000 or more (currently the City of Las Vegas) is authorized to be extended by ordinance adopted by the city council of that city from a maximum of 45 years to 60 years if the following conditions exist on the date on which the extension is adopted: (1) the assessed value of each redevelopment project in the redevelopment area is not less than the assessed value of the redevelopment project in the year in which the redevelopment plan was adopted; (2) the assessed value of the redevelopment area is not less than 75 percent of the assessed value of the redevelopment area in the year in which the redevelopment plan was adopted; and (3) the agency has \$100 million or more in total outstanding indebtedness represented by bonds and other securities. (NRS 279.438) Section 2 of this bill changes the assessed value requirement in the first condition from the basis of each individual redevelopment project to the aggregate of redevelopment projects in the redevelopment area and eliminates the third condition.

Under existing law, a redevelopment agency in a city located in a county whose population is 700,000 or more (currently Clark County) is authorized to adopt, in certain circumstances, an ordinance which provides for the recalculation of the total assessed value of the taxable property in a redevelopment area for certain purposes. If such a redevelopment agency adopts such an ordinance and receives certain revenue from taxes, existing law requires that 18 percent of the revenue received on or after the effective date of the ordinance be set aside to improve and preserve existing public educational facilities which are located within the redevelopment area or which serve pupils who reside within the redevelopment area. (NRS 279.676) Section 3.5 of this bill revises the application of the recalculated assessed value in the tax distribution formula for the redevelopment area and specifies that the revenue received by the agency is from taxes on the taxable property located in the redevelopment area affected by the ordinance that is adopted.

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

Section 1. Chapter 279 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in this section, an agency of a city whose population is 220,000 or more but less than 500,000 located in a county whose population is 700,000 or more that adopts an ordinance pursuant to subsection 3 of NRS 279.439 and which receives revenue pursuant to paragraph (b) of subsection 1 of NRS 279.676 from taxes on the taxable property located in the redevelopment area affected by the ordinance shall set aside not less than 18 percent of such revenue received on or after the effective date of the ordinance to improve and preserve existing public educational facilities which are located within the redevelopment area or which serve pupils who reside within the redevelopment area. The provisions of this subsection do not apply if such an agency is required pursuant to subsection 6 of NRS 279.676 to set aside not less than 18 percent of revenue received pursuant to paragraph (b) of subsection 1 of NRS 279.676 from taxes on the taxable property located in the redevelopment area affected by the ordinance adopted by the agency pursuant to subsection 5 of NRS 279.676 on or after the effective date of that ordinance to improve and preserve existing public educational facilities which are located within the redevelopment area or which serve pupils who reside within the redevelopment area. For each fiscal year, the agency shall prepare a written report concerning the amount of money expended for the purposes set forth in this subsection and shall, on or before November 30 of each year, submit a copy of the report to the Director of the Legislative Counsel Bureau for transmittal to the Legislative Commission, if the report is received during an odd-numbered year, or to the next session of the Legislature, if the report is received during an even-numbered year.

- 2. The obligation of an agency pursuant to subsection 1 to set aside not less than 18 percent of the revenue allocated to and received by the agency pursuant to paragraph (b) of subsection 1 of NRS 279.676 from taxes on the taxable property located in the redevelopment area affected by the ordinance adopted by the agency pursuant to subsection 3 of NRS 279.439 is subordinate to any existing obligations of the agency. As used in this subsection, "existing obligations" means the principal and interest, when due, on any bonds, notes or other indebtedness whether funded, refunded, assumed or otherwise incurred by the agency before the effective date of the ordinance adopted by the agency pursuant to subsection 3 of NRS 279.439, to finance or refinance in whole or in part, the redevelopment of a redevelopment area. For the purposes of this subsection, obligations incurred by an agency on or after the effective date of the ordinance adopted by the agency pursuant to subsection 3 of NRS 279.439 shall be deemed existing obligations if the net proceeds are used to refinance existing obligations of the agency.
 - **Sec. 2.** NRS 279.438 is hereby amended to read as follows:
- 279.438 1. A redevelopment plan adopted before January 1, 1991, and any amendments to the plan must terminate at the end of the fiscal year in which the principal and interest of the last maturing of the securities issued before that date concerning the redevelopment area are fully paid or:
- (a) With respect to a redevelopment plan adopted by the agency of a city whose population is 500,000 or more, if the requirements set forth in subsection 2 are met, 60 years after the date on which the original redevelopment plan was adopted, whichever is later.
- (b) With respect to any other redevelopment plan, including a redevelopment plan adopted by an agency of a city whose population is 500,000 or more, if the requirements set forth in subsection 2 are not met, 45 years after the date on which the original redevelopment plan was adopted, whichever is later.
- 2. A redevelopment plan adopted by an agency of a city whose population is 500,000 or more may terminate on the date prescribed by paragraph (a) of subsection 1 only if the legislative body adopts an extension of the redevelopment plan by ordinance and, on the date on which the extension is adopted:
- (a) The assessed value of <code>[each]</code> the aggregate number of redevelopment <code>[project]</code> projects in the redevelopment area is not less than the assessed value of the aggregate number of redevelopment <code>[project]</code> projects in the year in which the redevelopment plan was adopted; and
- (b) The assessed value of the redevelopment area is not less than 75 percent of the assessed value of the redevelopment area in the year in which the redevelopment plan was adopted. I: and
- (c) The agency has \$100 million or more in total outstanding indebtedness represented by bonds and other securities.]
 - **Sec. 3.** NRS 279.439 is hereby amended to read as follows:

279.439 [A]

- 1. Except as otherwise provided in subsections 2 and 3, a redevelopment plan adopted on or after January 1, 1991, and any amendments to the plan must terminate not later than 30 years after the date on which the original redevelopment plan is adopted.
- 2. A redevelopment plan, and any amendments to the plan, adopted on or after January 1, 1991, by an agency of a city whose population is 220,000 or more but less than 500,000 located in a county whose population is 700,000 or more that meets the requirement of subsection 3 must terminate not later than 45 years after the date on which the original redevelopment plan is adopted.
- 3. A redevelopment plan, and any amendments to the plan, may terminate on the date prescribed by subsection 2 only if the legislative body adopts an extension of the redevelopment plan by ordinance.
 - **Sec. 3.5.** NRS 279.676 is hereby amended to read as follows:
- 279.676 1. Any redevelopment plan may contain a provision that taxes, if any, levied upon taxable property in the redevelopment area each year by or for the benefit of the State, any city, county, district or other public corporation, after the effective date of the ordinance approving the redevelopment plan, must be divided as follows:
- (a) That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the redevelopment area as shown upon the assessment roll used in connection with the taxation of the property by the taxing agency, last equalized before the effective date of the ordinance, must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for such taxing agencies on all other property are paid. To allocate taxes levied by or for any taxing agency or agencies which did not include the territory in a redevelopment area on the effective date of the ordinance but to which the territory has been annexed or otherwise included after the effective date, the assessment roll of the county last equalized on the effective date of the ordinance must be used in determining the assessed valuation of the taxable property in the redevelopment area on the effective date. If property which was shown on the assessment roll used to determine the amount of taxes allocated to the taxing agencies is transferred to the State and becomes exempt from taxation, the assessed valuation of the exempt property as shown on the assessment roll last equalized before the date on which the property was transferred to the State must be subtracted from the assessed valuation used to determine the amount of revenue allocated to the taxing agencies.
- (b) Except as otherwise provided in paragraphs (c) and (d) and NRS 540A.265, that portion of the levied taxes each year in excess of the amount set forth in paragraph (a) must be allocated to and when collected must be paid into a special fund of the redevelopment agency to pay the costs of redevelopment and to pay the principal of and interest on loans, money

advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, incurred by the redevelopment agency to finance or refinance, in whole or in part, redevelopment. Unless the total assessed valuation of the taxable property in a redevelopment area exceeds the total assessed value of the taxable property in the redevelopment area as shown by:

- (1) The assessment roll last equalized before the effective date of the ordinance approving the redevelopment plan; or
- (2) The assessment roll last equalized before the effective date of an ordinance adopted pursuant to subsection 5,
- whichever occurs later, less the assessed valuation of any exempt property subtracted pursuant to paragraph (a), all of the taxes levied and collected upon the taxable property in the redevelopment area must be paid into the funds of the respective taxing agencies. When the redevelopment plan is terminated pursuant to the provisions of NRS 279.438 and 279.439 and all loans, advances and indebtedness, if any, and interest thereon, have been paid, all money thereafter received from taxes upon the taxable property in the redevelopment area must be paid into the funds of the respective taxing agencies as taxes on all other property are paid.
- (c) That portion of the taxes in excess of the amount set forth in paragraph (a) that is attributable to a tax rate levied by a taxing agency to produce revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness that was approved by the voters of the taxing agency on or after November 5, 1996, must be allocated to and when collected must be paid into the debt service fund of that taxing agency.
- (d) That portion of the taxes in excess of the amount set forth in paragraph (a) that is attributable to a new or increased tax rate levied by a taxing agency and was approved by the voters of the taxing agency on or after November 5, 1996, must be allocated to and when collected must be paid into the appropriate fund of the taxing agency.
- 2. Except as otherwise provided in subsection 3, in any fiscal year, the total revenue paid to a redevelopment agency must not exceed:
- (a) In a county whose population is 100,000 or more or a city whose population is 150,000 or more, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 10 percent of the total assessed valuation of the municipality.
- (b) In a county whose population is 30,000 or more but less than 100,000 or a city whose population is 25,000 or more but less than 150,000, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 15 percent of the total assessed valuation of the municipality.
- (c) In a county whose population is less than 30,000 or a city whose population is less than 25,000, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 20 percent of the total assessed valuation of the municipality.

- → If the revenue paid to a redevelopment agency must be limited pursuant to paragraph (a), (b) or (c) and the redevelopment agency has more than one redevelopment area, the redevelopment agency shall determine the allocation to each area. Any revenue which would be allocated to a redevelopment agency but for the provisions of this section must be paid into the funds of the respective taxing agencies.
- 3. The taxing agencies shall continue to pay to a redevelopment agency any amount which was being paid before July 1, 1987, and in anticipation of which the agency became obligated before July 1, 1987, to repay any bond, loan, money advanced or any other indebtedness, whether funded, refunded, assumed or otherwise incurred.
- 4. For the purposes of this section, the assessment roll last equalized before the effective date of the ordinance approving the redevelopment plan is the assessment roll in existence on March 15 immediately preceding the effective date of the ordinance.
- 5. If in any year the assessed value of the taxable property in a redevelopment area located in a city in a county whose population is 700,000 or more as shown by the assessment roll most recently equalized has decreased by 10 percent or more from the assessed value of the taxable property in the redevelopment area as shown by the assessment roll last equalized before the effective date of the ordinance approving the redevelopment plan, the redevelopment agency may adopt an ordinance which provides that the total assessed value of the taxable property in the redevelopment area for the purposes of <code>[paragraph] paragraphs (a) and (b)</code> of subsection 1 is the total assessed value of the taxable property in the redevelopment area as shown by the assessment roll last equalized before the effective date of the ordinance adopted pursuant to this subsection. A redevelopment agency may adopt an ordinance pursuant to this subsection only once, and the election to adopt such an ordinance is irrevocable.
- 6. An agency which adopts an ordinance pursuant to subsection 5 and which receives revenue [from taxes] pursuant to paragraph (b) of subsection 1 from taxes on the taxable property located in the redevelopment area affected by the ordinance shall set aside not less than 18 percent of that revenue received on and after the effective date of the ordinance to improve and preserve existing public educational facilities which are located within the redevelopment area or which serve pupils who reside within the redevelopment area. For each fiscal year, the agency shall prepare a written report concerning the amount of money expended for the purposes set forth in this subsection and shall, on or before November 30 of each year, submit a copy of the report to the Director of the Legislative Counsel Bureau for transmittal to the Legislative Commission, if the report is received during an odd-numbered year, or to the next session of the Legislature, if the report is received during an even-numbered year.
- 7. The obligation of an agency pursuant to subsection 6 to set aside not less than 18 percent of the revenue [from taxes] allocated to and received by

the agency pursuant to paragraph (b) of subsection 1 from taxes on the taxable property located in the redevelopment area affected by the ordinance adopted by the agency pursuant to subsection 5 is subordinate to any existing obligations of the agency. As used in this subsection, "existing obligations" means the principal and interest, when due, on any bonds, notes or other indebtedness whether funded, refunded, assumed or otherwise incurred by an agency before the effective date of an ordinance adopted by the agency pursuant to subsection 5, to finance or refinance in whole or in part, the redevelopment of a redevelopment area. For the purposes of this subsection, obligations incurred by an agency on or after the effective date of an ordinance adopted by the agency pursuant to subsection 5 shall be deemed existing obligations if the net proceeds are used to refinance existing obligations of the agency.

Sec. 4. NRS 279.680 is hereby amended to read as follows:

279.680 Except as otherwise provided in NRS 279.685 [3] and section 1 of this act, in any redevelopment plan, or in the proceedings for the advance of money, or the making of loans, or the incurring of any indebtedness, whether funded, refunded, assumed or otherwise, by the redevelopment agency to finance or refinance, in whole or in part, the redevelopment project, the portion of taxes mentioned in paragraph (b) of subsection 1 of NRS 279.676 may be irrevocably pledged for the payment of the principal of and interest on those loans, advances or indebtedness.

Sec. 5. NRS 279.687 is hereby amended to read as follows:

279.687 A school district shall not use any money received pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 279.685, [or] paragraph (c) of subsection 1 of NRS 279.685 or section 1 of this act to reduce or supplant the amount of any money which the school district would otherwise expend for the purposes described in subparagraph (2) of paragraph (b) of subsection 1 of NRS 279.685, [and] paragraph (c) of subsection 1 of NRS 279.685 [and] parag

Sec. 6. The provisions of subsection 1 of NRS 218D.380 do not apply to the reporting requirements of section 1 of this act.

Sec. 7. This act becomes effective on July 1, 2015.

Assemblywoman Kirkpatrick moved the adoption of the amendment. Remarks by Assemblywoman Kirkpatrick.

ASSEMBLYWOMAN KIRKPATRICK:

As amended, this bill extends to a maximum of 45 years the termination date of a redevelopment plan and any amendments to the plan adopted by the redevelopment agency of a city whose population is 220,000 or more but less than 500,000, which is located in a county whose population is 700,000 or more. The bill requires that 18 percent of the revenue received from taxes on the taxable property located in the redevelopment area affected on or after the effective date of the ordinance be set aside to improve and preserve existing public educational facilities located within the redevelopment area.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 485.

Bill read third time.

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

Amendment No. 1015.

AN ACT relating to economic development; revising the duties of the Director of the Office of Science, Innovation and Technology; transferring the Advisory Council on Science, Technology, Engineering and Mathematics from the Department of Education to the Office; reducing the membership of the Council; revising certain duties of the Council; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes the Office of Science, Innovation and Technology in the Office of the Governor and sets forth the duties of the Director of the Office of Science, Innovation and Technology. (NRS 223.600, 223.610) **Section 1** of this bill revises the duties of the Director to include, without limitation: (1) coordinating activities in the State relating to broadband service; (2) providing support to the Advisory Council on Science, Technology, Engineering and Mathematics; and (3) administering such grants as are provided by legislative appropriation.

Existing law creates the Advisory Council on Science, Technology, Engineering and Mathematics within the Department of Education and provides for its membership and duties. The provisions of existing law which create the Advisory Council are also set to expire by limitation on June 30, 2017. (NRS 385.700, 385.705) **Section 2** of this bill transfers the Advisory Council to the Office of Science, Innovation and Technology and reduces the membership of the Advisory Council. **Section 2 also requires the Advisory Council to meet at least six times each year. Section 4** of this bill makes the Advisory Council permanent.

Section 3 of this bill imposes certain duties upon the Council concerning surveys and recommendations and requires the Board of Regents of the University of Nevada to consider certain plans developed by the Council. Section 3 also requires the Advisory Council to establish annual events in southern Nevada and northern Nevada to: (1) recognize pupils who demonstrate exemplary achievement in the fields of science, technology, engineering and mathematics; and (2) establish a statewide event in Carson City to recognize not more than 15 schools that demonstrate exemplary performance in such fields.

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

Section 1. NRS 223.610 is hereby amended to read as follows: 223.610 The Director of the Office of Science, Innovation and Technology shall:

- 1. Advise the Governor and the Executive Director of the Office of Economic Development on matters relating to science, innovation and technology.
- 2. Work in coordination with the Office of Economic Development to establish criteria and goals for economic development and diversification in this State in the areas of science, innovation and technology.
- 3. As directed by the Governor, [and the Executive Director of the Office of Economic Development,] identify, recommend and carry out policies related to science, innovation and technology.
- 4. Report periodically to the Executive Director of the Office of Economic Development concerning the administration of the policies and programs of the Office of Science, Innovation and Technology.
- 5. [Develop and coordinate efforts to attract biotechnological companies to] Coordinate activities in this State [-] relating to the planning, mapping and procurement of broadband service.
- 6. [Establish and maintain a clearinghouse of information regarding biotechnological business] Provide support to the Advisory Council on Science, Technology, Engineering and Mathematics and direct the implementation in this State [.] of plans developed by the Council concerning, without limitation, workforce development, college preparedness and economic development.
- 7. In carrying out his or her duties pursuant to this section, consult with the Executive Director of the Office of Economic Development and cooperate with the Executive Director in implementing the State Plan for Economic Development developed by the Executive Director pursuant to subsection 2 of NRS 231.053.
 - 8. Administer such grants as are provided by legislative appropriation.
 - **Sec. 2.** NRS 385.700 is hereby amended to read as follows:
- 385.700 1. The Advisory Council on Science, Technology, Engineering and Mathematics is hereby created within the [Department of Education.] Office of Science, Innovation and Technology. The Council consists of:
 - (a) The following ex officio members:
 - (1) The Superintendent of Public Instruction or his or her designee;
- (2) The Chancellor of the Nevada System of Higher Education or his or her designee;
- (3) The Executive Director of the Office of Economic Development or his or her designee; and
- (4) The Director of the Department of Employment, Training and Rehabilitation or his or her designee;
 - (b) Three members appointed by the Governor pursuant to subsection 2;
- (c) [Four] <u>Two members</u> [One member] appointed by the Majority Leader of the Senate pursuant to [subsections 2 and 3;] subsection 2;
- (d) [Four] <u>Two members</u> [One member] appointed by the Speaker of the Assembly pursuant to [subsections 2 and 3;] subsection 2;

- (e) [One member] <u>Two members</u> appointed by the Minority Leader of the Senate pursuant to subsection [4:] 2; and
- (f) [One member] <u>Two members</u> appointed by the Minority Leader of the Assembly pursuant to subsection [4.] subsection 2.
- 2. The Governor, <u>the Majority Leader and the Minority Leader</u> of the Senate and <u>the Speaker and the Minority Leader</u> of the Assembly shall [each appoint:
- (a) One member who is a classroom teacher in the field of science, technology, engineering or mathematics;
- (b) One member who is an administrator of a public school or school district in this State with an education program relating to the fields of science, technology, engineering and mathematics; and
- (c) One member who represents businesses that employ persons in careers which are enhanced by education in science, technology, engineering and mathematics, including, without limitation, careers relating to manufacturing, information technology, aerospace engineering, health sciences and mining.
- 3. The Majority Leader of the Senate and the Speaker of the Assembly shall each appoint one additional member from among the persons described in paragraphs (a), (b) and (c) of subsection 2.
- 4. The Minority Leader of the Senate and the Minority Leader of the Assembly shall each appoint one member from among the persons described in paragraphs (a), (b) and (c) of subsection 2.
- -5.] coordinate their respective appointments of members to the Council:
 - (a) On a geographic basis to ensure statewide representation; and
 - (b) To ensure representation from:
- (1) Classroom teachers <u>or administrators</u> in the field of science, technology, engineering or mathematics;
- (2) Higher education in the field of science, technology, engineering or mathematics; and
- (3) Businesses operating in the sectors relating to science, technology, engineering or mathematics.
- 3. Any vacancy occurring in the membership of the Council must be filled in the same manner as the original appointment not later than 30 days after the vacancy occurs.
- [6. The Council shall hold its first regular meeting as soon as practicable on or after July 1, 2013, at the call of the Governor. At the first regular meeting of the Council, the members of the Council shall elect a Chair by majority vote.
- —7.] 4. The Council shall meet [not more than four] at least six times each year at the call of the Chair. Two meetings of the Council must be held in person and any other meeting may be held by videoconference.
- [8.] 5. A majority of the members of the Council constitutes a quorum for the transaction of business, and a majority of those members present at any meeting is sufficient for any official action taken by the Council.
- [9.] 6. The Chair may appoint such subcommittees of the Council as the Chair determines necessary to carry out the duties of the Council.

- [10.] 7. The members of the Council serve without compensation [...], except that each member is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally while engaged in the official business of the Council.
 - **Sec. 3.** NRS 385.705 is hereby amended to read as follows:
- 385.705 1. The Advisory Council on Science, Technology, Engineering and Mathematics created by NRS 385.700 shall:
- (a) Develop a strategic plan for the development of educational resources in the fields of science, technology, engineering and mathematics to serve as a foundation for workforce development, college preparedness and economic development in this State;
- (b) Develop a plan for identifying and awarding recognition to pupils in this State who demonstrate exemplary achievement in the fields of science, technology, engineering and mathematics;
- (c) Develop a plan for identifying and awarding recognition to not more than 15 schools in this State that demonstrate exemplary performance in the fields of science, technology, engineering and mathematics;
- (d) Conduct a survey of education programs and proposed programs relating to the fields of science, technology, engineering and mathematics in this State and in other states to identify recommendations for the implementation of such programs by public schools and institutions of higher education in this State and report the information gathered by the survey to the State Board of Education [;] and the Board of Regents of the University of Nevada;
- (e) Apply for grants on behalf of the State of Nevada relating to the development and expansion of education programs in the fields of science, technology, engineering and mathematics;
- (f) Identify a nonprofit corporation to assist in the implementation of the plans developed pursuant to paragraphs (a), (b) and (c); {and}
- (g) Prepare a written report which includes, without limitation, recommendations based on the survey conducted pursuant to paragraph (d) and any other recommendations concerning the instruction and curriculum in courses of study in science, technology, engineering and mathematics in public schools in this State and, on or before January 31 of each odd-numbered year, submit a copy of the report to the State Board of Education, the Board of Regents of the University of Nevada, the Governor and the Director of the Legislative Counsel Bureau for transmittal to the Legislature [.]; and
- (h) Conduct surveys for and make recommendations as deemed necessary to the Office of Economic Development and the Governor's Workforce Investment Board.
 - 2. Each year the Council:
- (a) Shall establish an event in southern Nevada and an event in northern Nevada to recognize pupils in this State who demonstrate exemplary achievement in the fields of science, technology, engineering and

- mathematics. The events must be held at an institution of higher education in this State.
- (b) Shall establish a statewide event which must be held in Carson City to recognize not more than 15 schools in this State that have demonstrated exemplary performance in the fields of science, technology, engineering and mathematics.
- (c) May accept any gifts, grants or donations from any source for use in carrying out the provisions of this subsection.
- <u>3.</u> The Council or a subcommittee of the Council may seek the input, advice and assistance of persons and organizations that have knowledge, interest or expertise relevant to the duties of the Council.
- [3.] 4. The State Board of Education and the Board of Regents of the University of Nevada shall consider the plans developed by the Advisory Council on Science, Technology, Engineering and Mathematics pursuant to paragraphs (a), (b) and (c) of subsection 1 and the written report submitted pursuant to paragraph (g) of subsection 1. [and] The State Board of Education shall adopt such regulations as the State Board deems necessary to carry out the recommendations in the written report.
- **Sec. 4.** Section 4 of chapter 235, Statutes of Nevada 2013, at page 1011, is hereby amended to read as follows:
- Sec. 4. This act becomes effective on July 1, 2013 . [, and expires by limitation on June 30, 2017.]
- **Sec. 5.** 1. The terms of the current members of the Advisory Council on Science, Technology, Engineering and Mathematics appointed pursuant to paragraphs (c) and (d) of subsection 1 of NRS 385.700 expire on July 1, 2015.
 - 2. The Speaker of the Assembly shall [reappoint]:
- (a) Reappoint one of the members whose term expired on July 1, 2015, or shall appoint a new member of the Advisory Council pursuant to paragraph (d) of subsection 1 of NRS 385.700, as amended by section 2 of this act, to a term ending on June 30, 2016 [---]; and
- (b) Appoint one new member of the Advisory Council pursuant to paragraph (d) of subsection 1 of NRS 385.700, as amended by section 2 of this act, to a term ending on June 30, 2017.
 - 3. The Majority Leader of the Senate shall [reappoint]:
- (a) Reappoint one of the members whose term expired on July 1, 2015, or shall appoint a new member of the Advisory Council pursuant to paragraph (c) of subsection 1 of NRS 385.700, as amended by section 2 of this act, to a term ending on June 30, 2017 H; and
- (b) Appoint one new member of the Advisory Council pursuant to paragraph (c) of subsection 1 of NRS 385,700, as amended by section 2 of this act, to a term ending on June 30, 2017.
- 4. In addition to the current members of the Advisory Council on Science, Technology, Engineering and Mathematics appointed pursuant to paragraphs (e) and (f) of subsection 1 of NRS 385.700, the Minority Leader of the Senate and the Minority Leader of the Assembly shall each

appoint one new member of the Advisory Council pursuant to paragraph (e) or (f), respectively, of subsection 1 of NRS 385.700, as amended by section 2 of this act, to terms ending on June 30, 2018.

- **Sec. 6.** 1. This section and section 4 of this act become effective upon passage and approval.
 - 2. Sections 1, 2, 3, and 5 of this act become effective:
- (a) Upon passage and approval for the purposes of adopting regulations, appointing members to the Advisory Council on Science, Technology, Engineering and Mathematics and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
 - (b) On July 1, 2015, for all other purposes.

Assemblyman Oscarson moved the adoption of the amendment. Remarks by Assemblyman Oscarson.

ASSEMBLYMAN OSCARSON:

Assembly Bill 485, as amended, revises the duties of the Director of the Office of Science, Innovation and Technology to include coordinating activities in the state related to broadband services, providing support to the Advisory Council on Science, Technology, Engineering and Mathematics, and administering grants provided by legislative appropriation.

In addition, Assembly Bill 485, as amended, transfers the Advisory Council on Science, Technology, Engineering and Mathematics from the Department of Education to the Office of Science, Innovation and Technology and eliminates the expiration date of the Council, making it permanent. Assembly Bill 485, as amended, also requires the Council to establish events in both southern and northern Nevada to recognize pupils who demonstrate exemplary achievement in the fields of science, technology, engineering, and mathematics.

There are several other things here, but I think it is a good bill.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 489.

Bill read third time.

Remarks by Assemblyman Kirner.

ASSEMBLYMAN KIRNER:

Assembly Bill 489 establishes the maximum allowable salaries for employees in unclassified and classified medical service. The bill also makes appropriations from the General Fund and Highway Fund to fund pay increases for various groups of employees, including nonclassified, classified, unclassified, classified medical, and Nevada System of Higher Education professional and classified employees. The long-awaited COLA [cost-of-living adjustment] has been granted in this bill. That 1 percent increase is effective for FY [Fiscal Year] 2016 and takes effect July 1, 2015. A second 2 percent increase is effective for FY 2017 and takes effect July 1, 2016. This is a good bill for our state and our employees.

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Roll call on Assembly Bill No. 489:

YEAS-40.

NAYS-None.

EXCUSED—Dooling, Moore—2.

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Assembly Bill No. 489 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

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

Assembly in recess at 10:09 p.m.

ASSEMBLY IN SESSION

At 10:10 p.m. Mr. Speaker presiding. Quorum present.

GENERAL FILE AND THIRD READING

Assembly Bill No. 490.

Bill read third time.

Remarks by Assemblymen Hickey, Carlton, Fiore, and Elliot Anderson.

ASSEMBLYMAN HICKEY:

Assembly Bill 490 authorizes expenditures of agencies of the state government for the 2015-2017 biennium. The Authorized Expenditures Act, together with the General Appropriations Act, the school funding bill, the unclassified pay bill, and the capital improvement program bill, constitute the major budget bills for the ongoing operation of state government for the next two fiscal years and reflect the culmination of a considerable amount of work by the Senate Committee on Finance and the Assembly Committee on Ways and Means.

Assembly Bill 490 represents authority for agencies to collect and expend monies, including federal funds, gifts, grants, interagency transfers, service fees, and other funds, which total \$11.7 billion over the 2015-2017 biennium. Additionally, due to specific statutory language for these agencies, Assembly Bill 490 includes authority for the Gaming Control Board and the Nevada Gaming Commission to expend \$61.4 million from the General Fund over the 2015-2017 biennium. Similarly, the bill includes authority for the Nevada Department of Transportation to expend \$644.4 million from the Highway Fund over the 2015-2017 biennium.

ASSEMBLYWOMAN CARLTON:

I rise in support of Assembly Bill 490. I had committed to some of my colleagues that when this bill came, I would give them a snapshot in time of what we were looking at in the 2011-2012 fiscal year, what we are looking at now, and some of the changes. At that time, we had eliminated the senior citizen property tax abatement. In section 60 of the bill, you will find that abatement replaced. In FY 2011-2012, the Division of Museums and History was appropriated at \$137,000 and \$184,000. In this bill, they are at \$207,000 and \$208,000. So we are coming back. The UNLV [University of Nevada, Las Vegas] law school had an increase, and Nevada State College went from \$4,404,000 to \$14 million. So we are really making a difference in the state budget with this bill. Fire suppression—\$3,162,000 of each year, now we are funding it at over \$6 million. Unfortunately, state parks have not fared as well. They are still behind, but our Equal Rights Commission is working forward and doing much better to deal with the issues that face them. So just for the body's edification, when you question why you are voting for something, just ask me. I will tell you.

ASSEMBLYWOMAN FIORE:

I work really hard on making sure that I vet all bills before I vote on them. I do not like voting on a bill that we have not caucused on or talked about. This particular bill, A.B. 490—I am madly looking through my notes. I am sorry, I am not going to vote on this bill since I have not read it.

My name is Michele Fiore, not Nancy Pelosi. I urge any of my other colleagues who have not read this bill to be a no vote.

ASSEMBLYMAN ELLIOT ANDERSON:

I rise in support of Assembly Bill 490. I cannot help but stand up as a student on this floor today and talk about how good this bill is for students. Unlike past sessions where we have not been able to fund the university system to the level it needed to be, this session we are really doing our higher education system a great deal of good. This will help students not to have to take out as many loans. For all you parents and grandparents, this is a great deal for students. I am proud to be here to vote on this measure.

Roll call on Assembly Bill No. 490:

YEAS-32.

NAYS—Dickman, Ellison, Fiore, Hansen, Jones, Seaman, Shelton, Titus—8.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 490 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Assembly Bill No. 491.

Bill read third time.

Remarks by Assemblymen Kirner, Fiore, Kirkpatrick, Hansen, Oscarson, and Wheeler.

ASSEMBLYMAN KIRNER:

Assembly Bill 491 provides for the implementation of the 2015 Capital Improvement Program as approved by the money committees. The bill includes funding in the amount of \$215.3 million for the Capital Improvement Program. The bill includes the following major funding sources to support the program: \$121.5 million in general obligation bonds; \$43.6 million in federal funds for the Office of the Military and the Department of Veterans Services projects; \$28.2 million in agency and donor funds for Nevada System of Higher Education, Department of Veterans Services, and Department of Administration projects; \$6.4 million in General Fund appropriations; \$5.6 million in excess funding reallocated from projects approved in prior capital improvement programs; \$5.2 million in State Highway Funds for Department of Motor Vehicles and Department of Public Safety projects; and \$5 million from the Special Higher Education Capital Construction Fund.

Assembly Bill 491 provides \$134.2 million to support nine construction projects in the 2015 Capital Improvement Program. Notable construction includes \$23 million to construct the new 38,500-square-foot Department of Motor Vehicles service office at the East Sahara complex in Las Vegas; \$48.2 million to construct the new 102,000-square-foot Northern Nevada State Veterans Home in Sparks to provide long-term nursing care for veterans and their spouses in northern Nevada; and \$48.8 million to construct the new 93,500-square-foot hotel college academic building at the University of Nevada, Las Vegas.

In addition, this bill provides maintenance, planning, and other statewide projects. At the same time, the bill includes a 15.45-cent property tax levy for debt service in each year of the 2015-2017 biennium for general obligation bonds issued to finance the Capital Improvement Program. The bill includes an additional 1.55-cent levy that must be used exclusively for repayment of bonded indebtedness issued as a result of the approval by the voters of Question 1 on the November 2002 ballot. The approval of Question 1 by the voters authorized the issuance of bonds not to exceed \$200 million to protect, preserve, and obtain the benefits of the property and natural resources of the state. The total property tax levy of 17 cents remains unchanged from the levies approved for the 2013-2015 biennium. The levies above the historic 15-cent levy, 2 cents, are not subject to the \$3.64 local government property tax cap.

ASSEMBLYWOMAN FIORE:

Hi, Mr. Speaker. I am sorry. It is late and I am once again frantically going through all my notes. I am hearing millions going here and millions going there and A.B. 491 is not on my list of approved bills. I will be voting no again.

ASSEMBLYWOMAN KIRKPATRICK:

I want to clarify for my colleagues what is going on here because I am shocked that so many people voted against capital improvement projects just now. These projects are going to be in everybody's districts across the state. These are things that matter in the rurals, things that matter in the north, things that matter in the south. We just voted against jobs, first and foremost. I said to my colleagues this morning in Ways and Means that we are at a deadline where all of these bills are going to come out. Please share the information with your colleagues. I do not care whose colleague it is—remember, I like everybody in the Chamber. I try to get along with everybody. I try to help everybody regardless of party. There were twelve bills that came out of Ways and Means that are crucial to funding our budget. It is somewhat bothersome to me that we voted against jobs because we are trying so hard to ensure that folks in Winnemucca, folks in Wendover, folks in Douglas County, folks in Reno, and folks in Las Vegas have those opportunities. I apologize to those folks who did not know what the bills were, but I did ask your colleagues, on both sides of the aisle, to reach out to each other. On Ways and Means, there are nine Republicans and there are six Democrats. That is one-third of this body. There were 12 bills that came out of Ways and Means, and we have about 7 of them left to vote on. So in order for this building to shut down logistically, we have to vote out all the Assembly bills tonight whether you like it or not, or they do not even have a fair shot on the other side. They still have to go through the entire process and hope to heaven's sake that they do not amend them, because then they are probably lost. That is not helpful to the overall situation.

I wanted to share with my colleagues why we do things, how we do things. I understand there are a lot of new faces, but it is important that we actually follow the procedure and the policy to ensure that, if all of you want to go home at midnight tomorrow, we can make that happen. We did the hard lift today. Whether you agree or disagree, if you do not bring the gravy for the mashed potatoes that we just passed, we are going to sit here and do them at about 1:30 Tuesday morning. Not all of us are going to suffer, but those people on the front desk are going to suffer, our broadcasting folks are going to suffer, our Legislative Police are going to suffer, and most importantly our legal folks are going to suffer. I thought I was helping by telling everybody to share the information with your colleagues. I am happy to share plenty with my colleagues.

ASSEMBLYMAN HANSEN:

I appreciate her comments very much. The only reason I voted no is that while your caucus has been highly functional in that you guys have discussed these bills in depth for days, I have not had a chance to review these. It is not because I am inept or because I have somehow failed to do my job. You expect us to vote for millions and millions of dollars, and I have no problem with that unless I have not been informed in the slightest degree about these bills. It is not because of some lack of diligence on my part. With all due respect, I certainly want jobs, but there is a big difference in how we functioned in this building.

ASSEMBLYWOMAN FIORE:

I have to stand here before this body and give kudos to the former Speaker of this body because they do have it together and we do not. Unfortunately, because we have not had your leadership this session, we do not know these bills, we were not informed, and I will not vote on something I have not read. I respect you highly, Assemblywoman from District 1, and sometimes I wish I were in your caucus.

ASSEMBLYMAN OSCARSON:

I have stayed silent as long as I can. There are some members of our caucus who are dysfunctional. Not all of them. Indeed, these documents have been on the desk for two days. Those who have not read them, I challenge them to start reading their literature. I am tired of the rhetoric and the innuendos.

ASSEMBLYMAN WHEELER:

Let us get back to the policy. I have actually read these bills; they were on my desk for a couple of days. In response to my colleague from District 1, I would like to say that I did not vote for the new revenue and therefore I do not think I should be voting for the expenditures.

Roll call on Assembly Bill No. 491:

YEAS-32.

NAYS—Ellison, Fiore, Hansen, Jones, Seaman, Shelton, Titus, Wheeler—8.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 491 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Assembly Bill No. 492.

Bill read third time.

The following amendment was proposed by Assemblyman Hansen:

Amendment No. 1048.

AN ACT relating to administrative regulations; making the provisions governing administrative rulemaking applicable to certain written policies, interpretations, processes or procedures of certain agencies; limiting the scope of the exclusions to the rulemaking provisions; revising provisions governing statements relating to the effect of a regulation on small business submitted with adopted permanent regulations; clarifying the time by which proposed regulations must be returned to state agencies; providing that any permanent regulation adopted or implemented by an agency on or after July 1, 1995, that was not approved by the Legislative Commission or the Subcommittee to Review Regulations is null and void; revising provisions relating to the review of regulations by the Legislative Committee on Health Care; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The Nevada Administrative Procedure Act establishes the procedures for the adoption of administrative regulations by agencies of the Executive Department of the State Government that are not exempt from the requirements of the Act. (Chapter 233B of NRS) Section 1 of this bill makes the requirements of the Act applicable to such an agency's written policies, interpretations, processes or procedures to determine whether a person is in compliance with a federal or state statute or regulation which is enforceable by the agency. Section 1 also provides that the exclusions from the rulemaking provisions must be construed narrowly by their express terms and no other exclusion may be implied.

Existing law requires an agency which is proposing to adopt a regulation to make a concerted effort to determine whether the proposed regulation is likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business. If so, the agency is required to take certain actions and prepare a small business impact statement. (NRS 233B.0608, 233B.0609) In addition, such an agency is required to prepare a statement which identifies the methods used by the

agency in determining the impact of a proposed regulation on a small business and the reasons for the conclusions of the agency. A copy of the statement and the small business impact statement are required to be submitted to the Legislative Counsel with each adopted regulation. (NRS 233B.0608) **Section** [2] 3 of this bill instead requires an agency to submit only one statement or the other. **Section** [2] 3 also provides that a small business impact statement will only be required when the agency concludes that the regulation is likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business. **Sections** [1, 4 and 6] 2, 6 and 8 of this bill make conforming changes.

Existing law prescribes a procedure for the review of adopted permanent regulations by the Legislative Commission or the Subcommittee to Review Regulations, which requires the Commission or Subcommittee to either affirmatively approve or object to a regulation. (NRS 233B.067, 233B.0675, 233B.0681) If the Commission or Subcommittee approves a permanent regulation, the regulation, with certain exceptions, becomes effective upon its filing by the Legislative Counsel with the Secretary of State. (NRS 233B.070) Section 4 of this bill provides that any permanent regulation adopted or implemented by an agency on or after July 1, 1995, that was not approved by the Commission or Subcommittee is null and void.

Existing law requires a state agency that intends to adopt, amend or repeal a permanent regulation to submit its proposed regulation to the Legislative Counsel. The Legislative Counsel is required to examine and, if appropriate, revise the language submitted. If the proposed regulation is submitted between July 1 of an odd-numbered year and July 1 of the succeeding even-numbered year, the Legislative Counsel is required to return the proposed regulation within 30 days. (NRS 233B.063) **Section** [3] 5 of this bill clarifies that if the proposed regulation is submitted during any other period, the Legislative Counsel may accept the regulation but is not required to comply with the 30-day deadline.

Existing law requires the Legislative Committee on Health Care to consider certain regulations relating to the licensing of health care professionals. (NRS 439B.225) **Section** [77] 9_of this bill instead authorizes the Legislative Committee on Health Care to consider any regulation that is proposed or adopted which relates to health care, thereby allowing the Committee to determine which regulations the Committee wishes to consider and to consider a broader range of topics that may relate to health care which are addressed in administrative regulations. **Sections** [3_and] 5 and 7_of this bill make conforming changes.

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

Section 1. NRS 233B.038 is hereby amended to read as follows: 233B.038 1. "Regulation" means:

- (a) An agency rule, standard, directive or statement of general applicability which effectuates or interprets law or policy, or describes the organization, procedure or practice requirements of any agency;
 - (b) A proposed regulation;
 - (c) The amendment or repeal of a prior regulation; [and]
- (d) The general application by an agency of a written policy, interpretation, process or procedure to determine whether a person is in compliance with a federal or state statute or regulation in order to assess a fine, monetary penalty or monetary interest [1-]; and
- (e) The general application by an agency of a written policy, interpretation, process or procedure to determine whether a person is in compliance with a federal or state statute or regulation which is enforceable by the agency.
 - 2. The term does not include:
- (a) A statement concerning only the internal management of an agency and not affecting private rights or procedures available to the public;
 - (b) A declaratory ruling;
 - (c) An intraagency memorandum;
- (d) A manual of internal policies and procedures or audit procedures of an agency which is used solely to train or provide guidance to employees of the agency and which is not used as authority in a contested case to determine whether a person is in compliance with a federal or state statute or regulation;
 - (e) An agency decision or finding in a contested case;
- (f) An advisory opinion issued by an agency that is not of general applicability;
 - (g) A published opinion of the Attorney General;
- (h) An interpretation of an agency that has statutory authority to issue interpretations;
- (i) Letters of approval, concurrence or disapproval issued in relation to a permit for a specific project or activity;
 - (j) A contract or agreement into which an agency has entered;
 - $(k) \ \ The \ provisions \ of \ a \ federal \ law, \ regulation \ or \ guideline;$
- (l) An emergency action taken by an agency that is necessary to protect public health and safety;
- (m) The application by an agency of a policy, interpretation, process or procedure to a person who has sufficient prior actual notice of the policy, interpretation, process or procedure to determine whether the person is in compliance with a federal or state statute or regulation in order to assess a fine, monetary penalty or monetary interest;
- (n) A regulation concerning the use of public roads or facilities which is indicated to the public by means of signs, signals and other traffic-control devices that conform with the manual and specifications for a uniform system of official traffic-control devices adopted pursuant to NRS 484A.430;

- (o) The classification of wildlife or the designation of seasons for hunting, fishing or trapping by regulation of the Board of Wildlife Commissioners pursuant to the provisions of title 45 of NRS; or
 - (p) A technical bulletin prepared pursuant to NRS 360.133.

The exclusions set forth in this subsection must be construed narrowly by their express terms and no other exclusion may be implied.

[Section 1.] Sec. 2. NRS 233B.0603 is hereby amended to read as follows:

- 233B.0603 1. The notice of intent to act upon a regulation required pursuant to NRS 233B.060 must:
 - (a) Include:
 - (1) A statement of the need for and purpose of the proposed regulation.
- (2) If the proposed regulation is a temporary regulation, either the terms or substance of the proposed regulation or a description of the subjects and issues involved.
- (3) If the proposed regulation is a permanent regulation, a statement explaining how to obtain the approved or revised text of the proposed regulation prepared by the Legislative Counsel pursuant to NRS 233B.063.
- (4) A statement of the estimated economic effect of the regulation on the business which it is to regulate and on the public. These must be stated separately and in each case must include:
 - (I) Both adverse and beneficial effects; and
 - (II) Both immediate and long-term effects.
- (5) A statement identifying the methods used by the agency in determining the impact on a small business prepared pursuant to subsection 3 of NRS 233B.0608 [-] or a small business impact statement prepared pursuant to paragraph (d) of subsection 2 of NRS 233B.0608 in the manner set forth in NRS 233B.0609, as applicable.
- (6) The estimated cost to the agency for enforcement of the proposed regulation.
- (7) A description of any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the notice must include the name of the regulating federal agency.
- (8) If the regulation is required pursuant to federal law, a citation and description of the federal law.
- (9) If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.
- (10) The time when, the place where and the manner in which interested persons may present their views regarding the proposed regulation.
- (b) If the proposed regulation is a temporary regulation, state each address at which the text of the proposed regulation may be inspected and copied.

- (c) Include an exact copy of the provisions of subsection 2 of NRS 233B.064.
- (d) Include a statement indicating whether the regulation establishes a new fee or increases an existing fee.
- (e) Be mailed to all persons who have requested in writing that they be placed upon a mailing list, which must be kept by the agency for that purpose.
- (f) Be submitted to the Legislative Counsel Bureau for inclusion in the Register of Administrative Regulations created pursuant to NRS 233B.0653. The publication of a notice of intent to act upon a regulation in the Register does not satisfy the requirements for notice set forth in paragraph (e).
- 2. The Attorney General may by regulation prescribe the form of notice to be used.
- 3. In addition to distributing the notice to each recipient of the agency's regulations, the agency shall also solicit comment generally from the public and from businesses to be affected by the proposed regulation.
- [Sec. 2.] Sec. 3. NRS 233B.0608 is hereby amended to read as follows: 233B.0608 1. Before conducting a workshop for a proposed regulation pursuant to NRS 233B.061, an agency shall make a concerted effort to determine whether the proposed regulation is likely to:
- (a) Impose a direct and significant economic burden upon a small business; or
- (b) Directly restrict the formation, operation or expansion of a small business.
- 2. If an agency determines pursuant to subsection 1 that a proposed regulation is likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business, the agency shall:
- (a) Insofar as practicable, consult with owners and officers of small businesses that are likely to be affected by the proposed regulation.
- (b) Conduct or cause to be conducted an analysis of the likely impact of the proposed regulation on small businesses. Insofar as practicable, the analysis must be conducted by the employee of the agency who is most knowledgeable about the subject of the proposed regulation and its likely impact on small businesses or by a consultant or other independent contractor who has such knowledge and is retained by the agency.
- (c) Consider methods to reduce the impact of the proposed regulation on small businesses, including, without limitation:
 - (1) Simplifying the proposed regulation;
- (2) Establishing different standards of compliance for a small business; and
- (3) Modifying a fee or fine set forth in the regulation so that a small business is authorized to pay a lower fee or fine.
- (d) Prepare a small business impact statement *in the manner set forth in NRS 233B.0609* and make copies of the statement available to the public not less than 15 days before the workshop conducted and the public hearing held

pursuant to NRS 233B.061. A copy of the statement must accompany the notice required by subsection 2 of NRS 233B.061 and the agenda for the public hearing held pursuant to that section.

- 3. [The] If the agency determines that a proposed regulation is not likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business, the agency shall prepare a statement identifying the methods used by the agency in determining the impact of [a] the proposed regulation on a small business and the reasons for the conclusions of the agency. The director, executive head or other person who is responsible for the agency shall sign the statement certifying that, to the best of his or her knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and that the information contained in the statement is accurate.
- 4. Each adopted regulation which is submitted to the Legislative Counsel pursuant to NRS 233B.067 must be accompanied by a copy of *the statement prepared pursuant to subsection 3 or* the small business impact statement [and the statement made pursuant to subsection 3.] prepared pursuant to paragraph (d) of subsection 2 in the manner set forth in NRS 233B.0609. If the agency revises a regulation after preparing the statement or the small business impact statement [and the statement made pursuant to subsection 3,], as applicable, the agency must include in the applicable statement an explanation of the revision and the effect of the change on small businesses.

Sec. 4. NRS 233B.0617 is hereby amended to read as follows:

233B.0617 <u>I.</u> No regulation adopted after July 1, 1965, is valid unless adopted in substantial compliance with this chapter but no objection to any regulation on the ground of noncompliance with the procedural requirements of NRS 233B.060 to 233B.0617, inclusive, may be made more than 2 years after its effective date. Regulations in effect on July 1, 1965, continue in effect until amended or repealed in accordance with the provisions of this chapter, if an original and two copies were deposited with the Secretary of State on or before July 1, 1965.

2. Any permanent regulation adopted or implemented by an agency on or after July 1, 1995, that was not approved by the Legislative Commission or the Subcommittee to Review Regulations pursuant to NRS 233B.067, 233B.0675 or 233B.0681 is null and void.

[See. 3.] Sec. 5. NRS 233B.063 is hereby amended to read as follows: 233B.063 1. An agency that intends to adopt, amend or repeal a permanent regulation must deliver to the Legislative Counsel a copy of the proposed regulation. The Legislative Counsel shall examine and if appropriate revise the language submitted so that it is clear, concise and suitable for incorporation in the Nevada Administrative Code, but shall not alter the meaning or effect without the consent of the agency.

2. [Unless] If the proposed regulation is submitted to the Legislative Counsel between July 1 of an even-numbered year and July 1 of the succeeding

odd-numbered year, the Legislative Counsel shall deliver the approved or revised text of the regulation as soon as possible or, if submitted any other time, within 30 days after it is submitted to the Legislative Counsel. If the proposed or revised text of a regulation is changed before adoption, the agency shall submit the changed text to the Legislative Counsel, who shall examine and revise it if appropriate pursuant to the standards of subsection 1. [Unless] If it is submitted between July 1 of an [even numbered] odd-numbered year and July 1 of the succeeding fodd numbered even-numbered year, the Legislative Counsel shall return it with any appropriate revisions as soon as possible within 30 days [. If the agency is a licensing board as defined in NRS 439B.225 and the proposed regulation relates to standards for the issuance or renewal of licenses, permits or certificates of registration issued to a person or facility regulated by the agency, the Legislative Counsel shall also deliver one copy of the approved or revised text of the regulation to the Legislative Committee on Health Care.] or as soon as possible if submitted between July 1 of an even-numbered year and July 1 of the succeeding odd-numbered year.

- 3. An agency may adopt a temporary regulation between August 1 of an even-numbered year and July 1 of the succeeding odd-numbered year without following the procedure required by this section and NRS 233B.064, but any such regulation expires by limitation on November 1 of the odd-numbered year. A substantively identical permanent regulation may be subsequently adopted.
- 4. An agency may amend or suspend a permanent regulation between August 1 of an even-numbered year and July 1 of the succeeding odd-numbered year by adopting a temporary regulation in the same manner and subject to the same provisions as prescribed in subsection 3.

[Sec. 4.] Sec. 6. NRS 233B.0665 is hereby amended to read as follows: 233B.0665 If a regulation submitted to the Legislative Counsel Bureau pursuant to NRS 233B.067 is not accompanied by an informational statement which complies with the requirements of NRS 233B.066 or a statement or small business impact statement which complies with the requirements of NRS 233B.0608 and 233B.0609, as applicable, the Legislative Counsel shall return the regulation to the agency with a note indicating the statement which is missing. Unless the missing statement is supplied, the Legislative Counsel shall not submit the regulation to the Legislative Commission or the Subcommittee to Review Regulations, as applicable, and the regulation never becomes effective.

[Sec. 5.] Sec. 7. NRS 233B.070 is hereby amended to read as follows: 233B.070 1. A permanent regulation becomes effective when the Legislative Counsel files with the Secretary of State the original of the final draft or revision of a regulation, except as otherwise provided in NRS 293.247 or where a later date is specified in the regulation.

2. Except as otherwise provided in NRS 233B.0633, an agency that has adopted a temporary regulation may not file the temporary regulation with the

Secretary of State until 35 days after the date on which the temporary regulation was adopted by the agency. A temporary regulation becomes effective when the agency files with the Secretary of State the original of the final draft or revision of the regulation, together with the informational statement prepared pursuant to NRS 233B.066. The agency shall also file a copy of the temporary regulation with the Legislative Counsel, together with the informational statement prepared pursuant to NRS 233B.066.

- 3. An emergency regulation becomes effective when the agency files with the Secretary of State the original of the final draft or revision of an emergency regulation, together with the informational statement prepared pursuant to NRS 233B.066. The agency shall also file a copy of the emergency regulation with the Legislative Counsel, together with the informational statement prepared pursuant to NRS 233B.066.
- 4. The Secretary of State shall maintain the original of the final draft or revision of each regulation in a permanent file to be used only for the preparation of official copies.
- 5. The Secretary of State shall file, with the original of each agency's rules of practice, the current statement of the agency concerning the date and results of its most recent review of those rules.
- 6. Immediately after each permanent or temporary regulation is filed, the agency shall deliver one copy of the final draft or revision, bearing the stamp of the Secretary of State indicating that it has been filed, including material adopted by reference which is not already filed with the State Library and Archives Administrator, to the State Library and Archives Administrator for use by the public. [If the agency is a licensing board as defined in NRS 439B.225 and it has adopted a permanent regulation relating to standards for the issuance or renewal of licenses, permits or certificates of registration issued to a person or facility regulated by the agency, the agency shall also deliver one copy of the regulation, bearing the stamp of the Secretary of State, to the Legislative Committee on Health Care within 10 days after the regulation is filed with the Secretary of State.]
- 7. Each agency shall furnish a copy of all or part of that part of the Nevada Administrative Code which contains its regulations, to any person who requests a copy, and may charge a reasonable fee for the copy based on the cost of reproduction if it does not have money appropriated or authorized for that purpose.
- 8. An agency which publishes any regulations included in the Nevada Administrative Code shall use the exact text of the regulation as it appears in the Nevada Administrative Code, including the leadlines and numbers of the sections. Any other material which an agency includes in a publication with its regulations must be presented in a form which clearly distinguishes that material from the regulations.

[Sec. 6.] Sec. 8. NRS 233B.105 is hereby amended to read as follows: 233B.105 1. A small business that is aggrieved by a regulation adopted by an agency on or after January 1, 2000, may object to all or a part of the

regulation by filing a petition with the agency that adopted the regulation within 90 days after the date on which the regulation was adopted. An agency which receives such a petition shall transmit a copy of the petition to the Legislative Counsel for submission to the Legislative Commission or the Subcommittee to Review Regulations appointed pursuant to subsection 6 of NRS 233B.067.

- 2. A petition filed pursuant to subsection 1 may be based on the following grounds:
- (a) The agency failed to prepare a *statement or* small business impact statement as required pursuant to NRS 233B.0608 and 233B.0609 [;], *as applicable*; or
- (b) The *statement or* small business impact statement prepared by the agency pursuant to NRS 233B.0608 and 233B.0609, *as applicable*, is inaccurate, incomplete or did not adequately consider or significantly underestimated the economic effect of the regulation on small businesses.
- 3. After receiving a petition pursuant to subsection 1, an agency shall determine whether the petition has merit. If the agency determines that the petition has merit, the agency may, pursuant to this chapter, take action to amend the regulation to which the small business objected.
- [Sec. 7.] Sec. 9. NRS 439B.225 is hereby amended to read as follows: 439B.225 1. [As used in this section, "licensing board" means any division or board empowered to adopt standards for the issuance or renewal of licenses, permits or certificates of registration pursuant to NRS 435.3305 to 435.339, inclusive, chapter 449, 625A, 630, 630A, 631, 632, 633, 634, 634A, 635, 636, 637, 637A, 637B, 639, 640, 640A, 640D, 641, 641A, 641B, 641C, 652 or 654 of NRS.
- —2.] The Committee [shall] may review [each] any regulation that [a licensing board proposes or adopts that relates to standards for the issuance or renewal of licenses, permits or certificates of registration issued to a person or facility regulated by the board,] is proposed or adopted which relates to health care, giving consideration to:
- (a) Any oral or written comment made or submitted to it by members of the public or by persons or facilities affected by the regulation;
 - (b) The effect of the regulation on the cost of health care in this State;
- (c) The effect of the regulation on the number of licensed, permitted or registered persons and facilities available to provide services in this State; and
 - (d) Any other related factor the Committee deems appropriate.
- [3.] 2. After reviewing a proposed regulation, the Committee shall notify the agency of the opinion of the Committee regarding the advisability of adopting or revising the proposed regulation.
- [4.] 3. The Committee shall recommend to the Legislature as a result of its review of regulations pursuant to this section any appropriate legislation.
- [Sec. 8.] Sec. 10. This act becomes effective upon passage and approval.

Assemblyman Hansen moved the adoption of the amendment. Remarks by Assemblymen Hansen and Kirkpatrick.

ASSEMBLYMAN HANSEN:

This is a fairly brief amendment. It is an enhancement of some of the work that the Minority Leader and I have done on the amendment process and especially NRS [Nevada Revised Statutes] Chapter 233B. It deals primarily with permanent regulations and when they are going to be considered permanent.

ASSEMBLYWOMAN KIRKPATRICK:

I rise in support of Amendment 1048. My colleague from Assembly District 32 and I have spent three sessions working very hard to change NRS Chapter 233B along with many others to ensure that the Legislative Commission can make an educated vote when it comes to the regulations that are interpreting the legislative intent of each of our colleagues. I hope that everyone will support the amendment because it just makes this bill that much better.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 99.

Bill read third time.

Remarks by Assemblymen Fiore and Elliot Anderson.

ASSEMBLYWOMAN FIORE:

Senate Bill 99 revises statutes governing registration and community notification concerning sex offenders and persons guilty of certain crimes against children. It also revises provisions concerning certain juvenile sex offenders. The bill makes technical corrections to procedures concerning sex offender registration and petitions to reduce the time during which an offender must register and be subject to community notification requirements. It also revises provisions governing information that is to be included in the record of an offender's registration and revises provisions governing a registered offender's duty to update information.

In addition to other requirements, this bill provides that a sex offender or an offender convicted of a crime against a child must update his or her registration within 48 hours upon a change in his or her driver's license, identification card, or the description of a vehicle registered to, or frequently driven by, the offender. The measure also sets forth revised registration and community notification processes regarding a child who is 14 years of age or older at the time of an alleged offense who is adjudicated delinquent for the offenses. Procedures concerning the termination of registration and community notification requirements of such juveniles are also provided.

Senate Bill 99 is very important. It is just the beginning. When we come back next session, we are going to have some more work to do on it, but at least it is a start. I urge all of my colleagues to please support this bill. It is very important.

ASSEMBLYMAN ELLIOT ANDERSON:

I rise in support of Senate Bill 99. I want to compliment the Assemblywoman from District 4 for her and her co-sponsor's work on this. They have both done a really good job working this bill. It is not perfect, but it does a lot of good for kids in our state. We have talked a lot in this session about how kids have not developed as far as adults and their brains are not as developed. This is really important so that we are not sending them to prison for the rest of their lives and getting them down the wrong track. I urge your support.

Roll call on Senate Bill No. 99: YEAS—40.

NAYS—None.

EXCUSED—Dooling, Moore—2.

Senate Bill No. 99 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 107.

Bill read third time.

Remarks by Assemblywomen Benitez-Thompson and Fiore.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

Senate Bill 107 requires a child welfare agency to provide to the Division of Child and Family Services, Department of Health and Human Services, certain information concerning the placement of children in specialized foster homes.

ASSEMBLYWOMAN FIORE:

I just want to check one more place because this kind of seems like one of those bills again. I have to tell you that I am a no. I would like to be a yes. I am a yes. I rise in support of this bill because I read it.

Roll call on Senate Bill No. 107:

YEAS—39.

NAYS-Hickey.

EXCUSED—Dooling, Moore—2.

Senate Bill No. 107 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that Senate Bills Nos. 460, 467, 488, 506, 508, 509, and 296 be taken from the General File and be placed on the General File for the next legislative day.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 227.

Bill read third time.

Remarks by Assemblywomen Swank and Fiore.

ASSEMBLYWOMAN SWANK:

Senate Bill 227, as amended, creates the Silver State Opportunity Grant Program and requires the Board of Regents to award grants for educational expenses to eligible students enrolled in a state or community college within the Nevada System of Higher Education. The bill requires the Board of Regents to adopt regulations prescribing the procedures and standards for determining eligibility, the methodology for calculating the financial need of a student, and the process by which a student may meet the 15-credit enrollment requirement and any other regulations necessary to carry out the program.

Additionally, the bill requires the Board of Regents to calculate the maximum grant a student is eligible to receive, net of other funding sources, and determine the actual amount of the grant to be awarded. The bill requires the Board of Regents to submit a biennial program report to the Legislature. Finally, the bill authorizes the Board to accept gifts, grants, bequests, and donations to fund program grants.

ASSEMBLYWOMAN FIORE:

I rise in support of this bill since it does not appropriate any funds.

Roll call on Senate Bill No. 227:

YEAS—37.

NAYS—Dickman, Shelton, Titus—3.

EXCUSED—Dooling, Moore—2.

Senate Bill No. 227 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Assembly Bill No. 146.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

I rise in support of Assembly Bill 146. As you may recall, in the recent past we amended this bill. It calls to conduct a study concerning the inspection and testing of motor vehicles and systems for the control of emissions from motor vehicles in this state. The results are to be forwarded to the Legislative Counsel Bureau to be forwarded to the Chairs of the Senate and Assembly Committees on Transportation on or before June 30, 2016.

Roll call on Assembly Bill No. 146:

YEAS—36.

NAYS-Fiore, Jones, Seaman, Shelton-4.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 146 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 241.

Bill read third time.

Remarks by Assemblyman Edwards.

ASSEMBLYMAN EDWARDS:

I have a two-page floor statement, but I am going to summarize it this way. Two years ago, the Governor put the Women Veterans Advisory Committee together through an executive order. This puts it into legislation and makes it permanent. It is a great organization that gives women veterans great representation throughout the state, and I urge you to vote in favor of it.

Roll call on Assembly Bill No. 241:

YEAS—40.

NAYS-None.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 241 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 326.

Bill read third time.

Remarks by Assemblymen Dickman and Carrillo.

ASSEMBLYMAN DICKMAN:

Assembly Bill 326, as amended, revises Chapter 482 of *Nevada Revised Statutes* and prohibits the Department of Motor Vehicles from issuing an Old Timer license plate for any motor vehicle with a model year of 1996 or newer. Assembly Bill 326, as amended, authorizes the Department

of Motor Vehicles to issue Classic Rod and Classic Vehicle license plates for vehicles with a model year of 1995 or older. The bill prohibits the Department of Motor Vehicles from issuing any Old Timer, Street Rod, Classic Rod, and Classic Vehicle license plates on or after July 1, 2015, and before July 1, 2017, at which time the results of the study set forth in the companion bill, Assembly Bill 146, will have been completed.

ASSEMBLYMAN CARRILLO:

The premise of A.B. 326 originally was to help Nevadans lower the registration costs on their vehicles from where it was in 2009. Unfortunately, that was written out of the bill. At this point, we are looking at protecting the classic car community by putting a moratorium on the plate. This is a good bill, and I urge the body's support.

Roll call on Assembly Bill No. 326:

YEAS-39.

NAYS-None.

EXCUSED—Dooling, Moore, Trowbridge—3.

Assembly Bill No. 326 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 399.

Bill read third time.

Remarks by Assemblywomen Bustamante Adams and Fiore.

ASSEMBLYMAN BUSTAMANTE ADAMS:

Assembly Bill 399, as amended, requires the Office of Economic Development, in consultation with the College of Southern Nevada and other parties, to develop, create, and oversee the NV Grow Program as a pilot program designed to stimulate Nevada's economy. The program is to be designed to provide assistance to businesses that are already located and operating in Nevada, rather than to recruit businesses from other states to relocate to Nevada.

Assembly Bill 399 also requires the appropriation of \$150,000 from the State General Fund to the College of Southern Nevada to allow for the purchase of software for a geographic information system, hire a person to operate the system, and provide other services as are necessary to carry out the pilot program in Clark County.

ASSEMBLYWOMAN FIORE:

As we go through these bills, I am racing through my notes and my note is basically telling me no. It is a pilot program with an appropriation of fees. I think we just spent a lot of money tonight, and I think it is time to stop spending.

Roll call on Assembly Bill No. 399:

YEAS—32.

NAYS—Dickman, Ellison, Fiore, Jones, Seaman, Shelton, Titus, Wheeler—8.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 399 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 410.

Bill read third time.

Remarks by Assemblywoman Swank.

ASSEMBLYWOMAN SWANK:

Assembly Bill 410, as amended, specifies the requirements of the five members appointed to the Real Estate Commission to reflect a regional representation of the Commission. The bill also

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sets forth the requirements to appoint a board member when a vacancy occurs and requires reconsideration of the apportionment of members on the Commission after each decennial census.

Roll call on Assembly Bill No. 410:

YEAS—40.

NAYS-None.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 410 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 445.

Bill read third time.

Remarks by Assemblywoman Kirkpatrick.

ASSEMBLYWOMAN KIRKPATRICK:

Assembly Bill 445 extends the redevelopment plan to 45 years. I can explain this bill more easily than trying to read a floor statement. In sections 1 and 3, it clarifies that the extension of the redevelopment plan applies to a city of 200,000 to 500,000. In section 2 of the bill, it makes some technical changes so that when redevelopment comes about, there will be clarity. Lastly, this bill clarifies that it is extending it to a 45-day period.

I urge everybody to support it, which is a big deal because I hardly ever support redevelopment, but this is actually a good fix for the state.

Roll call on Assembly Bill No. 445:

YEAS-34.

NAYS—Dickman, Fiore, Hansen, Jones, Shelton, Titus—6.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 445 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 485.

Bill read third time.

Remarks by Assemblymen Oscarson, Fiore, and Carlton.

ASSEMBLYMAN OSCARSON:

Assembly Bill 485, as amended, revises the duties of the Director of the Office of Science, Innovation and Technology to include coordinating activities in the state related to broadband services; providing support to the Advisory Council on Science, Technology, Engineering and Mathematics; and administering grants provided by legislative appropriation.

In addition, Assembly Bill 485, as amended, transfers the Advisory Council on Science, Technology, Engineering and Mathematics from the Department of Education to the Office of Science, Innovation and Technology and eliminates the expiration date of the Council, making it permanent. Assembly Bill 485, as amended, also requires the Council to establish events in both southern and northern Nevada to recognize pupils who demonstrate exemplary achievement in the fields of science, technology, engineering, and mathematics.

Assembly Bill 485, as amended, also reduces the membership of the Council, appointed by the Majority Leader of the Senate and the Speaker of the Assembly, from four members each to two members each, and increases the number of members appointed by the Minority Leaders of the Senate and Assembly from one member each to two members each.

ASSEMBLYWOMAN FIORE:

I am sorry. I have to rise in opposition to this bill. This is one that we have not vetted, and I will not vote on something that has not been vetted.

ASSEMBLYWOMAN CARLTON:

Unfortunately, I rise in opposition also. I was opposed in committee. I was opposed when it was in the budget, which was a couple of weeks ago. I was opposed when we did the bill in committee a couple of days ago. This bill has been out there. It has been talked about. It has been worked on. It has made its way around the building a couple of times, and I am still a no. I just wanted to let people know that I am a no because I actually know what it does.

Roll call on Assembly Bill No. 485:

YEAS—27.

NAYS—Bustamante Adams, Carlton, Dickman, Ellison, Fiore, Jones, Kirkpatrick, Neal, Ohrenschall, Seaman, Shelton, Titus, Wheeler—13.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 485 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 492.

Bill read third time.

Remarks by Assemblyman Wheeler.

ASSEMBLYMAN WHEELER:

Assembly Bill 492 requires a public agency, when proposing a regulation, to submit either a small business impact statement or a statement identifying the agency's conclusions and methods used in determining the impact on a small business. The bill also provides that a small business impact statement be prepared if the regulation is likely to impose a direct or significant economic burden upon a small business or directly restrict the formation, operation, or expansion of a small business.

The bill provides that exclusions from the rulemaking provisions of the Administrative Procedure Act must be construed narrowly and by their express terms and no other exclusion may be implied. Finally, the bill provides that any pertinent regulation adopted or implemented by an agency on or after July 1, 1995, that was not approved by the Legislative Commission or the Subcommittee to Review Regulations is null and void.

Roll call on Assembly Bill No. 492:

YEAS-38.

NAYS-Ellison, Fiore-2.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 492 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 31, 2015

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bill No. 512.

SHERRY RODRIGUEZ
Assistant Secretary of the Senate

INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 512.

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

Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 476.

Bill read third time.

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

Amendment No. 1044.

AN ACT relating to unarmed combat; requiring the Nevada Athletic Commission to perform drug testing of amateur and professional unarmed combatants; requiring the Governor to designate a member of the [Nevada Athletie] Commission as Chair of the Commission; increasing the percentage of the total gross receipts from admission fees to a live contest or exhibition of unarmed combat required to be paid by a promoter as part of a license fee; requiring a portion of such percentage to be deposited with the State Treasurer for credit to the Athletic Commission's Agency Account; eliminating certain license fees; granting certain authority to the Chair of the Commission; revising provisions concerning disciplinary action taken by the Commission; and providing other matters properly relating thereto. Legislative Counsel's Digest:

Existing law requires the members of the Nevada Athletic Commission to elect a member as Chair of the Commission. (NRS 467.030) Section [11] 1.5 of this bill instead: (1) requires the Governor to designate a member of the Commission as Chair of the Commission; and (2) provides that the designation as Chair lasts for 2 years, unless revoked by the Governor. Section 3.3 of this bill grants certain authority to the Chair, including the authority to issue subpoenas and administer oaths.

Existing law requires a person who charges and receives an admission fee for exhibiting any live contest or exhibition of unarmed combat on a closed-circuit telecast or motion picture to pay a license fee of 4 cents for each \$1 or fraction thereof received for admission, based on the face value of all tickets sold and complimentary tickets issued. (NRS 467.104) Section 2.5 of this bill provides that complimentary tickets are not included in the calculation of the license fee.

Existing law also requires every promoter, which is a person who produces or stages any professional contest or exhibition of unarmed combat, to pay a license fee. Part of the license fee is calculated as 6 percent of the total gross receipts from admission fees to a live contest or exhibition of unarmed combat, exclusive of any tax. (NRS 467.107) **Section 3** of this bill increases this percentage of the total gross receipts from admission fees for purposes of

calculating the license fee to 8 percent. Section 3 provides that complimentary tickets and tickets given to charitable organizations are not included in the total gross receipts from admission fees used to calculate such a license fee under certain circumstances. Section 3 also requires that one-fourth of that 8 percent be deposited with the State Treasurer for credit to the Athletic Commission's Agency Account. Additionally, section 3 provides that a promoter is entitled to receive a credit against the license fee in an amount equal to the amount paid by the promoter to the Commission or to an organization sanctioned by the Commission to administer a drug testing program for unarmed combatants. Finally, section 3 eliminates the requirement to pay a fee based upon the gross receipts from the sale, lease or other exploitation of broadcasting, television and motion picture rights, and section 3.9 of this bill accordingly repeals the requirement to file copies of all contracts relating to television rights for a contest or exhibition of unarmed combat.

Existing law authorizes the Commission to take disciplinary action and impose penalties against persons for violating the provisions of chapter 467 of NRS. (NRS 467.110, 467.117, 467.157, 467.158) Section 3.5 of this bill authorizes the Commission, in addition to any other disciplinary action taken against a person, to impose a ban from participation in unarmed combat in this State for a certain period, including a lifetime ban from participation in unarmed combat in this State. Section 3.5 also provides that the authority of the Commission to take disciplinary action against a person must not be construed to be limited to those persons who are licensed by the Commission. Such authority extends to any person involved in or associated with unarmed combat in this State who violates any provision of chapter 467 of NRS.

Additionally, existing law requires the Commission to use certain money collected from promoters for certain specified purposes. (NRS 467.108) Section 1 of this bill requires the Commission to perform drug testing of amateur and professional unarmed combatants, and section 3.1 of this bill provides that one of the purposes for which such money must be used is to perform such drug testing.

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

Section 1. Chapter 467 of NRS is hereby amended by adding thereto a new section to read as follows:

The Commission shall perform drug testing of amateur and professional unarmed combatants. Such drug testing may take place at any time, including, without limitation, during any period of training.

[Section 1.] Sec. 1.5. NRS 467.030 is hereby amended to read as follows:

- 467.030 1. The [members] Governor shall designate a member of the Commission [shall elect one of their number] as Chair of the Commission. The designation as Chair lasts for 2 years, unless revoked by the Governor.
 - 2. The Commission may purchase and use a seal.
- 3. The Commission may adopt regulations for the administration of this chapter. The regulations must include:
- (a) Number and qualifications of ring officials required at any exhibition or contest.
- (b) Procedures for obtaining fingerprints pursuant to NRS 467.100 to investigate the criminal history of all ring officials and employees of the Commission and any other applicant the Commission wishes to investigate.
 - (c) Powers, duties and compensation of ring officials.
 - (d) Qualifications of licensees.
- 4. The Commission shall prepare all forms of contracts between sponsors, licensees, promoters and contestants.
 - **Sec. 2.** NRS 467.040 is hereby amended to read as follows:
- 467.040 1. The Commission may employ an Executive Director, who must not be a member of the Commission.
- 2. Except as provided in NRS 467.080, *subsection 2 of NRS 467.107* and *NRS* 467.135, all money received by the Executive Director or the Commission pursuant to the provisions of this chapter must be deposited with the State Treasurer for credit to the State General Fund.

Sec. 2.5. NRS 467.104 is hereby amended to read as follows:

- 467.104 1. Any person who charges and receives an admission fee for exhibiting any live contest or exhibition of unarmed combat on a closed-circuit telecast, or motion picture, shall, within 10 days after the event, furnish to the Commission a verified written report on a form which is supplied by the Commission, showing the number of tickets sold and issued or sold or issued, and the gross receipts therefor without any deductions.
- 2. That person shall also, not later than 20 days after the exhibition, pay to the Commission a license fee, exclusive of federal taxes thereon, of 4 cents for each \$1 or fraction thereof received for admission at the exhibition. The license fee applies uniformly at the same rate to all persons subject to it. The license fee must be based on the face value of all tickets sold . [and complimentary tickets issued.]
 - **Sec. 3.** NRS 467.107 is hereby amended to read as follows:
- 467.107 1. In addition to the payment of any other fees and money due under this chapter, every promoter, except as provided in subsection $\frac{12}{12}$, shall pay a license fee of $\frac{1}{12}$.
- (a)—Six Eight] 8 percent of the total gross receipts from admission fees to the live contest or exhibition of unarmed combat, exclusive of any federal tax or tax imposed by any political subdivision of this state, !; and
- (b) Three percent of the first \$1,000,000, and 1 percent of the next \$2,000,000, of the total gross receipts from the sale, lease or other exploitation

- of broadcasting, television and motion picture rights for that contest or exhibition.
- without any deductions for commissions, brokerage fees, distribution fees, advertising, contestants' purses or any other expenses or charges.
- 2. One-fourth of the total gross receipts from admission fees collected pursuant to [paragraph (a) of] subsection 1 must be deposited with the State Treasurer for credit to the Athletic Commission's Agency Account created by NRS 467.080.
- 3. A corporation organized pursuant to NRS 81.550 to 81.660, inclusive, which promotes an amateur contest or exhibition of unarmed combat whose net proceeds are to be spent entirely in this state, for the purposes for which the corporation is organized, is exempt from the fees payable under this section. The corporation must retain the services of a promoter licensed pursuant to this chapter.
- [3.] 4. A promoter is entitled to receive a credit against the license fee imposed by this section in an amount equal to the amount paid by the promoter to the Commission or to an organization sanctioned by the Commission to administer a drug testing program for unarmed combatants, subject to regulations adopted pursuant to subsection 5.
- 5. The Commission shall adopt regulations \[\frac{1}{2}\] governing:
- (a) Requiring that the number and face value of all complimentary tickets be reported.
- (b) Governing the <u>The</u> treatment of complimentary tickets for the purposes of computing gross receipts from admission fees under [paragraph (a) of] subsection 1.
- (b) Credits against the license fee imposed by this section.
- (c) The sanctioning of organizations to administer a drug testing program for unarmed combatants pursuant to subsection 4.
- 6. Except as otherwise provided in subsection 7, for the purpose of calculating the license fee imposed by this section, "gross receipts" does not include complimentary tickets or tickets provided to a charitable organization. As used in this subsection, "charitable organization" means a person that the Secretary of the Treasury has determined to be tax exempt pursuant to the provisions of section 501(c)(3) of the Internal Revenue Code of 1986, 26 U.S.C. § 501(c)(3).
- 7. If a promoter issues complimentary tickets for more than 8 percent of the seats in the house for a live contest or exhibition of unarmed combat, the value of the complimentary tickets exceeding 8 percent of the seats in the house must be included in the calculation of the license fee imposed by this section.

Sec. 3.1. NRS 467.108 is hereby amended to read as follows:

467.108 1. Except as otherwise provided in subsection 2, in addition to the payment of any other fees or taxes required by this chapter, a promoter shall pay to the Commission a fee of \$1.00 for each ticket sold for admission to a live professional contest of unarmed combat which is held in this State.

- 2. In lieu of the fee imposed pursuant to subsection 1, the Executive Director of the Commission may require a promoter to pay to the Commission a fee of \$0.50 for each ticket sold for admission to a live professional contest of unarmed combat which is held in this State if the gross receipts from admission fees to the contest of unarmed combat are less than \$500,000.
- 3. The money collected pursuant to subsections 1 and 2 must be used by the Commission:
- (a) To award grants to organizations which promote amateur contests or exhibitions of unarmed combat in this State;
- (b) To perform [random] drug testing of amateur and professional unarmed combatants [at any time, including, without limitation, during any period of training;] pursuant to section 1 of this act; or
- (c) For any combination of the purposes described in paragraphs (a) and (b).
 - 4. The Commission shall adopt by regulation:
- (a) The manner in which the fees required by subsections 1 and 2 must be paid.
- (b) The manner in which applications for grants may be submitted to the Commission.
- (c) The standards to be used to award grants to organizations which promote amateur contests or exhibitions of unarmed combat in this State.

Sec. 3.3. NRS 467.115 is hereby amended to read as follows:

- 467.115 1. The <u>Chair of the Commission</u>, or a quorum of three members [thereof.] of the Commission, may:
- (a) Issue subpoenas to require the attendance and testimony of a licensee or other person whom the Commission believes to have information of importance to the Commission;
- (b) Issue subpoenas duces tecum to require the production of books and papers by a licensee or other person whom the Commission believes to have books or papers of importance to the Commission;
 - (c) Administer oaths and require testimony under oath;
- (d) Appoint hearing examiners who may administer oaths and receive evidence and testimony under oath; and
- (e) Pay such transportation and other expenses of witnesses as it may deem reasonable and proper.
- 2. Service of process or notice required pursuant to this section must be served in the manner provided for service of process and notices in civil actions.
- 3. A person making false oath in a matter before the Commission or a hearing examiner is guilty of perjury which is a category D felony and shall be punished as provided in NRS 193.130.

Sec. 3.5. NRS 467.158 is hereby amended to read as follows:

467.158 1. If disciplinary action is taken against a person pursuant to this chapter and the disciplinary action does not relate to a contest or exhibition of

unarmed combat as provided in subsection 2, the Commission may [], in lieu of revoking a license,] prescribe a penalty not to exceed \$250,000.

- 2. If disciplinary action is taken against a person pursuant to this chapter, including, but not limited to, a hearing for the revocation of a license, and the disciplinary action relates to:
 - (a) The preparation for a contest or an exhibition of unarmed combat;
 - (b) The occurrence of a contest or an exhibition of unarmed combat; or
- (c) Any other action taken in conjunction with a contest or an exhibition of unarmed combat,
- → the Commission may prescribe a penalty pursuant to subsection 3.
- 3. A penalty prescribed by the Commission pursuant to subsection 2:
- (a) Must not exceed \$250,000 or 100 percent of the share of the purse to which the holder of the license is entitled for the contest or exhibition, whichever amount is greater; and
- (b) May be imposed in addition to or in lieu of any other disciplinary action that is taken against the person by the Commission.
- 4. In addition to any other disciplinary action that is taken against a person by the Commission pursuant to this chapter, the Commission may impose a ban from participation in unarmed combat in this State for a certain period, including a lifetime ban from participation in unarmed combat in this State.
- 5. The authority of the Commission to take disciplinary action against a person pursuant to this chapter must not be construed to be limited to those persons who are licensed by the Commission. Such authority extends to any person involved in or associated with unarmed combat in this State who violates any provision of this chapter.
- <u>6.</u> If disciplinary action is taken against a person pursuant to this chapter, the Commission may require the person against whom such action is taken to pay the costs of the proceeding, including investigative costs and attorney's fees.

Sec. 3.7. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1A.110, 49.095, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370, 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 130.312, 159.044, 172.075, 172.245, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179A.450, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270,

228.450, 228.495, 228.570, 231.069, 233.190, 237.300, 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020, 241.030, 242.105, 244.264, 244.335, 250.087, 250.130, 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195, 281A.350, 281A.440, 281A.550, 284.4068, 286.110, 287.0438, 289.025, 289.080, 289.387, 293.5002, 293.503, 293.558, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610, 365.138, 366.160, 368A.180, 372A.080, 378.290, 378.300, 379.008, 386.655, 387.626, 387.631, 388.5275, 388.528, 388.5315, 388.750, 391.035, 392.029, 392.147, 392.264, 392.271, 392.652, 392.850, 394.167, 394.1698, 394.447, 394.460, 394.465, 396.3295, 396.405, 396.525, 396.535, 398.403, 408.3885, 408.3886, 412.153, 416.070, 422.290, 422.305, 422A.320, 422A.350, 425.400, 427A.1236, 427A.872, 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 433.534, 433A.360, 439.270, 439.840, 439B.420, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 445A.665, 445B.570, 449.209, 449.245, 449.720, 453.1545, 453.720, 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, [467.137,] 481.063, 482.170, 482.5536, 483.340, 483.363, 483.800, 484E.070, 485.316, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 598.0964, 598A.110, 603.070, 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.310, 623.131, 623A.353, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 629.069, 630.133, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301, 633.524, 634.212, 634.214, 634A.185, 635.158, 636.107, 637.085, 637A.315, 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075, 640A.220, 640B.730, 640C.400, 640C.745, 640C.760, 640D.190, 640E.340, 641.090, 641A.191, 641B.170, 641C.760, 642.524, 643.189, 644.446, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645E.300, 645E.375, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 654.110, 656.105, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.430, 675.380, 676A.340, 676A.370, 677.243, 679B.122, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.280, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115, 687C.010, 688C.230, 688C.480, 688C.490, 692A.117, 692C.190, 692C.420, 693A.480, 693A.615, 696B.550, 703.196, 704B.320, 704B.325, 706.1725, 710.159, 711.600, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records.

Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

- 2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.
- 3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate the confidential information from the information included in the public book or record that is not otherwise confidential.
- 4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:
- (a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
- (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.
 - Sec. 3.9. NRS 467.137 is hereby repealed.
 - **Sec. 4.** This act becomes effective upon passage and approval.

TEXT OF REPEALED SECTION

- 467.137 1. A promoter and a broadcasting network for television shall each, at least 72 hours before a contest or exhibition of unarmed combat, or combination of those events is to be held, file with the Commission's Executive Director a copy of all contracts entered into for the sale, lease or other exploitation of television rights for the contest or exhibition.
- 2. The promoter shall keep detailed records of the accounts and other documents related to the promoter's receipts from the sale, lease or other exploitation on the television rights for a contest or exhibition. The Commission, at any time, may inspect these accounts and documents to determine the amount of the total gross receipts received by the promoter from the television rights.
- 3. If a promoter or a network fails to comply with the requirements of this section, the Commission may determine the amount of the total gross receipts from the sale, lease or other exploitation of television rights for

the contest or exhibition and assess the appropriate license fee pursuant to paragraph (b) of subsection 1 of NRS 467.107.

4. Each contract filed with the Commission pursuant to this section is confidential and is not a public record.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Remarks by Assemblywoman Bustamante Adams.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:

The Amendment clarifies that the license fees required to be paid by a promoter be raised from 6 percent to 8 percent. It also allows the Athletic Commission to become a self-funded entity.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 476.

Bill read third time.

Remarks by Assemblymen Bustamante Adams, Fiore, Jones and Trowbridge.

Potential conflict of interest declared by Assemblymen Jones and Trowbridge.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:

Assembly Bill 476, as amended, requires the Athletic Commission to perform drug testing of amateur and professional unarmed combatants at any time, including and without limitation, during any period of training. The legislation increases the license fee percentage of the total gross receipts from admission fees to a live contest or exhibition of unarmed combat required to be paid by a promoter from 6 percent to 8 percent. It also provides for a promoter to receive a credit against license fees for administering a drug testing program for unarmed combatants. The bill, as amended, requires one-fourth of the 8 percent license fees collected to be deposited with the State Treasurer for credit to the Athletic Commission's budget, which supports the Governor's recommendation and approval of the money committees that the Athletic Commission become self-funded.

Assembly Bill 476, as amended, requires the Commission to adopt regulations governing the treatment of complimentary tickets excluding charitable organizations from gross receipts and including complimentary tickets excluding 8 percent of the seats in the house in the calculation of the license fee. The bill requires the Governor to designate a member of the Nevada Athletic Commission as Chair of the Commission for a two-year period unless revoked by the Governor. Lastly, the legislation allows the Commission to impose a ban from participation in unarmed combat in this state for a certain period, including a lifetime ban in addition to any other disciplinary actions pursuant to NRS [Nevada Revised Statutes] 467.158.

ASSEMBLYWOMAN FIORE:

I rise in opposition to Assembly Bill 476. Kudos to my southern colleagues from Districts 14 and 1 in knowing what bills are coming up and what bills are not coming up. The majority of us in our caucus are not aware of this. So again, Assembly Bill 476 is a no. We have to vet these bills out. Vote diligently. I am glad my colleague from District 14 gets to read them and know what she is doing because her caucus is more together.

ASSEMBLYMAN JONES:

I am a licensed promoter under the Athletic Commission, and I do not know how this bill would affect me. I do not think it would affect me any differently than anyone else, but I do not know what is in it. I think that I should be excused from voting on this bill since I am a licensed promoter

under the Athletic Commission. As my colleague to the left says: Out of an abundance of caution, I think I have a conflict so I do not think I should vote.

ASSEMBLYMAN TROWBRIDGE:

I am afraid I am going to have to stand and excuse myself also for reasons that I work as an independent contractor with the Athletic Commission on many events.

Roll call on Assembly Bill No. 476:

YEAS-32.

NAYS—Dickman, Ellison, Fiore, Shelton, Titus, Wheeler—6.

NOT VOTING—Jones, Trowbridge—2.

EXCUSED—Dooling, Moore—2.

Assembly Bill No. 476 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

UNFINISHED BUSINESS

APPOINTMENT OF CONFERENCE COMMITTEES

Mr. Speaker appointed Assemblymen Stewart, Oscarson, and Spiegel as a Conference Committee to meet with a like committee of the Senate for the further consideration of Assembly Bill No. 169.

Mr. Speaker appointed Assemblymen Stewart, Trowbridge, and Ohrenschall as a Conference Committee to meet with a like committee of the Senate for the further consideration of Assembly Bill No. 461.

GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Assemblyman Ellison, the privilege of the floor of the Assembly Chamber for this day was extended to Richard Bunce.

On request of Assemblywoman Joiner, the privilege of the floor of the Assembly Chamber for this day was extended to Matthew Mehlhaff.

On request of Assemblyman Jones, the privilege of the floor of the Assembly Chamber for this day was extended to Aimee Jones.

Assemblyman Paul Anderson moved that the Assembly adjourn until Monday, June 1, 2015, at 9:30 a.m.

Motion carried.

Approved:

Assembly adjourned at 11:13 p.m.

, ,

JOHN HAMBRICK Speaker of the Assembly

Attest: SUSAN FURLONG

Chief Clerk of the Assembly