

THE ONE HUNDRED AND SEVENTEENTH DAY

CARSON CITY (Friday), June 2, 2017

Assembly called to order at 3:21 p.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by Father Chuck Durante, read by Assemblyman William McCurdy.

O God of Love and Grace, we thank You for this warm Spring day and for the work accomplished this week. Yet there is much to be done in the days ahead.

Bless and guide the Assembly and the Senate and the entire legislative staff. Grant them stamina and clarity, insight and wisdom. Send them a renewed compassion and understanding for one another and for the good of all in Nevada so that the many requests, pleas, and demands made may be heard rightly, weighed patiently, and resolved justly.

Thank You for the commitment of all who serve here for the common good and at the end of this day, grant them rest from a job well done.

We make this prayer as Your holy and humble people.

AMEN.

Pledge of allegiance to the Flag.

Assemblywoman Benitez-Thompson 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 Commerce and Labor, to which was referred Senate Bill No. 69, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

IRENE BUSTAMANTE ADAMS, *Chair*

Mr. Speaker:

Your Committee on Corrections, Parole, and Probation, to which were referred Senate Bills Nos. 306, 402, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

JAMES OHRENSCHALL, *Chair*

Mr. Speaker:

Your Committee on Government Affairs, to which was referred Assembly Bill No. 515, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

EDGAR FLORES, *Chair*

Mr. Speaker:

Your Committee on Health and Human Services, to which was referred Senate Bill No. 120, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MICHAEL C. SPRINKLE, *Chair*

Mr. Speaker:

Your Committee on Judiciary, to which was referred Senate Bill No. 361, 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 Judiciary, 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.

STEVE YEAGER, *Chair*

Mr. Speaker:

Your Committee on Transportation, to which was referred Assembly Bill No. 69, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

RICHARD CARRILLO, *Chair*

Mr. Speaker:

Your Committee on Ways and Means, to which was referred Assembly Bill No. 519, 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. 493, 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 referred Assembly Bill No. 497, 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 referred Assembly Bill No. 499, 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 referred Assembly Bill No. 504, 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. 407, 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. 413, 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. 422, 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. 423, 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. 484, 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. 489, 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 referred Senate Bill No. 544, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MAGGIE CARLTON, *Chair*

INTRODUCTION, FIRST READING AND REFERENCE

By Assemblymen Paul Anderson, Krasner, Tolles, Edwards, Wheeler, Ellison, Hambrick, Hansen, Kramer, Marchant, McArthur, Oscarson, Pickard, Titus and Woodbury; Senator Hammond (Emergency Request of Assembly Minority Leader):

Assembly Bill No. 521—AN ACT relating to veterans; establishing a program authorizing a member of a veteran's family to apply to the Director of the Department of Veterans Services for financial assistance for the disinterment of a veteran for relocation to a veterans' cemetery; making an appropriation; and providing other matters properly relating thereto.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Carlton moved that Senate Bill No. 306 be taken from the General File and rereferred to the Committee on Ways and Means.

Motion carried.

Assemblywoman Benitez-Thompson moved that Assembly Bill No. 487 be taken from the Chief Clerk's desk and placed at the top of the General File.

Motion carried.

Assemblywoman Benitez-Thompson moved that Senate Bill No. 544 be taken from its position on the General File and placed at the top of the General File.

Motion carried.

Assemblywoman Benitez-Thompson moved that Senate Bills Nos. 368 and 410 be taken from their positions on the General File and placed on the Chief Clerk's desk.

Motion carried.

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

Assembly in recess at 3:30 p.m.

ASSEMBLY IN SESSION

At 3:35 p.m.

Mr. Speaker presiding.

Quorum present.

GENERAL FILE AND THIRD READING

Senate Bill No. 544.

Bill read third time.

Remarks by Assemblymen Carlton, Paul Anderson, Thompson, Neal, Edwards, Tolles, and Diaz.

ASSEMBLYWOMAN CARLTON:

I rise in support of Senate Bill 544. This is our K-12 public education bill.

Senate Bill 544, as amended, appropriates \$1.192 billion in the first year and \$1.182 billion in the second year of the 2017-2019 biennium from the State General Fund to the Distributive School Account [DSA]. In addition, other revenues authorized to be received and expended for the state support of K-12 public education in Fiscal Years [FYs] 2018 and 2019 total \$390.9 million and \$405.3 million, respectively. These other revenues include annual excise tax on slot machines, sales tax collected on out-of-state sales, interest earned on the Permanent School Fund, revenue from mineral leases on federal land, and room tax revenues from the legislatively approved 2009 Initiative Petition, otherwise known as IP 1.

The statewide average basic support per pupil increases over the upcoming biennium from \$5,774 in the current year to \$5,897 in Fiscal Year 2018 and \$5,967 in Fiscal Year 2019. Enrollment is projected to increase to 476,338 pupils in 2018 and to 482,292 pupils in 2019.

The bill includes General Fund appropriations of \$186.7 million in 2018 and \$199.8 million in 2019 for students with disabilities.

For continued support of the Class-Size Reduction [CSR] program, this bill appropriates \$147.4 million in Fiscal Year 2018 and \$152.1 million in Fiscal Year 2019 for salaries and benefits of at least 1,944 teachers hired to reduce pupil-teacher ratios in the first year and 1,968 teachers in the second year of the biennium. The bill continues the CSR program in the DSA and maintains the separate expenditure category to highlight the program. Funds will be allocated based upon the number of teachers needed in each school district to reach the pupil-teacher ratios of 17 to 1 in first and second grades and 20 to 1 in third grade.

Section 14 of the bill continues the flexibility for certain school districts to carry out alternative programs for reducing the ratio of pupils per teacher or to implement remedial programs that have been found to be effective in improving pupil achievement.

This bill appropriates a total of \$76.4 million and \$77.9 million in each year of the 2017-2019 biennium to the Other State Education Programs budget. Through this budget, State General Fund support is provided for programs including but not limited to Adult High School Diploma, Career and Technical Education, Read by Grade 3, Jobs for America's Graduates, and other miscellaneous programs.

Section 17 of the bill includes \$6.4 million in Fiscal Year 2018 and \$8.3 million in 2019 to assist schools in educating students identified as gifted and talented.

The Other State Education Programs budget also includes General Fund support of \$3.3 million in each year of the 2017-2019 biennium for competitive grants to school districts and community-based organizations for early childhood education programs.

Section 19 provides \$5 million in each year of the 2017-2019 biennium for the College and Career Readiness Grant program.

The bill continues funding in the amount of \$2.5 million in both 2018 and 2019 for the Turnaround Grant program for underperforming schools.

General Fund support of \$20.5 million in each fiscal year is provided for the continuation of the Read by Grade 3 program in section 21.

This bill appropriates a total of approximately \$50 million in each year of the 2017-2019 biennium to the Account for Programs for Innovation and the Prevention of Remediation, with \$38.7 million in each year for transfer to the Clark County School District, \$7.3 million in each year for transfer to the Washoe County School District for continuation of the Zoom school program, and \$3.9 million in each year to provide grants of money to the State Public Charter School Authority and to the other 15 school districts for the support of limited English proficient students.

Section 23 appropriates \$10 million in each year of the upcoming biennium for the continuation of the Nevada Ready 21 Technology grant program, which provides statewide one-to-one computing in certain middle schools.

The bill also appropriates \$25 million in each fiscal year to continue the Victory schools grant program to provide additional services to underperforming elementary, middle, and high schools.

Section 25 appropriates \$10.7 million in each year and authorizes expenditure of \$478,127 in each year for a block grant program to support contract or employee social workers or other licensed mental health workers in schools with identified needs.

This bill appropriates \$2.5 million in each fiscal year to the Account for Programs for Innovation and the Prevention of Remediation to provide financial incentives to newly hired teachers.

The bill further appropriates a total of \$7.6 million in each fiscal year to the Professional Development Programs budget for the continued support of the three Regional Professional Development programs to provide professional development to teachers and administrators.

Section 30 appropriates \$4.9 million in each fiscal year to the new Great Teaching and Leading Fund for a competitive grant program to invest in high-quality professional development and improve leadership development and the teacher pipeline in the state. Expenditure of \$40,776 of non-General Fund revenue in each fiscal year is also authorized from the Great Teaching and Leading Fund.

Additionally, the bill appropriates \$100 in both Fiscal Years 2018 and 2019 to the Contingency Account for Special Education and authorizes approximately \$2 million in each fiscal year to reimburse school districts and charter schools for extraordinary expenses related to the education of students with disabilities.

This bill also appropriates \$1 million in each year of the 2017-2019 biennium to fund the outstanding liability of the cost of the one-fifth retirement credit program in the Grant Fund for Incentives for Licensed Educational Personnel.

Section 34 appropriates \$2.5 million in each fiscal year and authorizes \$13,892 in each year to continue the Teach Nevada Scholarship program.

The bill also appropriates a total of \$5 million over the 2017-2019 biennium to the Teachers' School Supplies Reimbursement Account.

Finally, the bill temporarily transfers estimated funding of \$185.1 million and \$191.1 million in Fiscal Year 2018 and Fiscal Year 2019, respectively, from the State Supplemental School Support Account to the Distributive School Account as a state funding source for the 2017-2019 biennium.

I would be remiss if I did not thank all the staff that are not in this room but are in their offices right now listening to make sure that I say this all absolutely correctly. They have worked so hard. It is not just the 120 days; it is a two-year endeavor. The historical knowledge that they bring and institutional experience they have is just invaluable for us to be able to get this bill to this point in the session. I thank them greatly for all of their hard work.

ASSEMBLYMAN PAUL ANDERSON:

I would be remiss if I did not also thank the staff and the Ways and Means and Senate Finance Committees for all the work they have done on this budget. I served, as you know, in 2015 as Majority Leader and Chair of Ways and Means. I understand wholeheartedly the efforts, the time, and the diligence both the staff and the committee members put into this budget.

I think there needs to be some context given, and I apologize that I do not have any written remarks. I am just going to speak off the cuff. That said, in 2015 we passed significant reforms to education, and part of that was monumental investments in public education. I am not sure if anyone else recognizes that some of those votes came with consequences that were untenable in many ways. For example, my friend in Assembly District 36, where we had to dispatch police to his residence here in Carson City and sheriffs to his residence in Nye County in order to protect him from physical threats because he was going to vote for a budget and a revenue package that invested hundreds of millions of dollars, almost \$400 million, into public education. With that came consequences not only to him, but for many members of our caucus. I myself had

customers, clients, my own livelihood jeopardized because they said that if you vote for this, we may have to reconsider using you as a vendor. I had staff—their employment, their families—in jeopardy for a vote on a package that provided the revenue to invest in public education.

With that, we had to balance the need of an all-of-the-above strategy, and we did that with not only the public investment in Zoom schools, in Victory schools, in CTE [Career Technical Education], in STEM [Science, Technology, Engineering and Math], but across the board in public schools where we thought there was a significant need, where we could move the needle in education significantly in Nevada. We know that we are at the bottom of all the wrong lists, and we were desperate to move that needle, as we are today.

Part of that, certainly, was an Education Savings Account [ESA]. We said We have invested in public education to the extent possible. We have provided Opportunity Scholarships for those in the federal poverty level, that was 300 percent or below, so they could get \$7,100 to take a scholarship program and choose the education that was best for their kids. The Education Savings Account was another portion of that, a percentage of the DSA, which we know through the Supreme Court decision was maybe not the best funding mechanism but was a critical piece of the puzzle for parents to choose what is best for their children.

We had over 10,000 family members, parents of children, decide this was the best way for their children, this was the best opportunity for their children. Even in this session, we decided Well, we're going to put in a needs test. We are going to put in an extra bump for those who had disabilities. Those who had income levels that did not need this money, we were going to make sure that 70 percent of the money, based on the current applications, would go to those who needed it most. Yet, we could not come to a compromise. I recognize that is politics, that is part of this game, that is part of understanding how we get to a good point where we are all unhappy and we can vote for something that is probably best for Nevada.

That said, we understood that we needed an all-of-the-above approach still. We need to make sure that those in public school, in charter schools, using Opportunity Scholarships, whether they are in private school or not, get the education that their parents feel is best for their children. Their parents should be the arbiter as to who is the best educator for their children. That, unfortunately, did not make it into this budget. That is something that from the get-go, from the beginning of this session and even before, we struggled to make sure was a priority. It was a top priority for our caucus and we had hoped was a top priority for this building.

I believe, in good faith, this house negotiated to a point where we were comfortable, that we were close, that we had the ability to get this done. I can bring no fault to this house. That said, Mr. Speaker, I cannot vote for this DSA budget because it does not include the education needs for all children across Nevada and across the spectrum—whether they be disabled, in the bottom quartile, whether they be military, whether this be kindergarten, whether this be just a student that does not fit in and needs to get into a customized education. For that, I would encourage my caucus and my friends to vote no on this budget.

ASSEMBLYMAN THOMPSON:

I rise in support of Senate Bill 544. As a native Nevadan and a proud product of the Clark County School District, I was honored to serve as the Chairman of the Assembly Education Committee this session. When you look at me, you see the public education system, and for that I am very proud. I am very thankful for my parents who said Tyrone, you can be whatever you want to be. I thank them for that, and I know there are thousands of parents that say the exact same thing to their children every single day. I also saw firsthand the impact our actions have made on schools, our teachers, and most importantly, our children and their families. So I say to those who choose to vote against funding our schools, you are actively voting to harm our schools and to harm our children. Now is the time to vote in support for our children. You see, we have thousands of children in our education system, and this is our time to act on that.

As you heard from my colleague from the south, Senate Bill 544 covers a plethora of choices and needs for our students. I just want to highlight a few. The first is it provides crucial funding to the Bullying Prevention Account for programs such as bullying training programs, social awareness campaigns to address bullying prevention. Bullying is one of the key elements within our education system right now, and we have the opportunity to put the necessary funding in

place so that students do not have to be in fear when they go to school. School should be a safe place to go to.

Lastly, it also provides for funding over the biennium for textbooks and other extremely useful classroom instructional materials. You see, every single student deserves to have that. It is so disheartening to go to a school where some students have to share a book or they do not have a book. This is our opportunity, with these funds, to make sure—because we always talk about being equitable for all kids—now is our opportunity because not every kid has that in every community in our state.

Again, I rise in support. I really want—let us set stuff aside. Let us think about our children, and colleagues, please vote for Senate Bill 544.

ASSEMBLYWOMAN NEAL:

I rise in support of Senate Bill 544. This has been a very interesting dialogue. We sat through the 2015 Session where we, after onslaught and onslaught, we did not get any of what we wanted, but we forged ahead. We put the state first, and when it came down to choose between our own philosophical needs versus the universal needs of this state, we chose the greater good. We chose to vote for a budget knowing that the same things were on the line—our philosophy, our ideals were on the line, we were being beaten up every day for 120 days. So I find it interesting that we would place the needs of a few over the great and many needs of this state. I find it amazing that the political whims and games would be played at the expense of children.

She laid out a list of the budget needs of this state and all children—not some, all—who would serve and benefit from that action. Yet we stand here in our own selfishness to say that we want something small at the expense of the needs for the great. It gives me shame because you want to diminish the state, and our purpose here is to serve the greater needs of everyone, not a few. When you took that oath and you walked into this building, you pledged that the universal needs and the people of this state would come first. They always should come first. They are never last, and we never balance an act for the few. We save and we move forward for the greater good. I find it interesting that when you check your obligations to this state and you think about what are the foundations on which you are actually standing right now. Are they rooted in the greater good or are they rooted in your selfish need and your political need and your political drive?

SPEAKER FRIERSON:

Assemblywoman, if I could interrupt. I think we need to stick with our decorum and not question the motives of our other members.

ASSEMBLYWOMAN NEAL:

I will finish with this. We have had many battles in this house on our principles. We have been dealt blows to the things we care dearly about, but we have managed to forge ahead and fight another day and take those losses. I just ask you to take a step back and think about the moral ground that you are standing upon. Why would you sacrifice the greater needs of this state and the children of this state for the few?

ASSEMBLYMAN EDWARDS:

In the last legislative session, we came together and passed one of the most extensive education reform packages, probably in the previous 25 years. We put together with that hundreds of millions of dollars in order to give it a fair chance to succeed. When we did that, a whole lot of folks from my caucus put their political careers on the line. Nine of the 13 did not return. That is a price they were willing to pay.

SPEAKER FRIERSON:

Mr. Edwards, I think that you know better, decorum wise, than to reference election consequences. We are here to make some policies, so if you want to give comments on the bill and the remarks that are made, that is definitely appropriate.

ASSEMBLYMAN EDWARDS:

Yes, sir. We have an opportunity to have both the education budget with all the great things in it that are there, and every Republican is more than happy to support it. We do not understand why—when the money is also there for those 4,000, 5,000—it cannot be provided as well. Many of us talk about how we have to take care of all the children. Education Savings Accounts [ESAs] take care of a good portion of those children. The money is there. We can do this if we want to.

I understand that this Chamber has negotiated very well and very faithfully in order to make this a possibility. We are hugely disappointed that it may not be. I, and many of my colleagues, told our constituents we would come here and support it, come here and fight for it, do our absolute best to bring it home to them. We just do not understand how a program that actually leaves more money in the public schools than it takes out is at all harmful to any single child in the state. I had hoped much better would happen this session. I am truly disappointed that the ESAs have not been included.

ASSEMBLYWOMAN TOLLES:

I came into this building for the first time years ago as a mom, as a citizen advocating for public education, for funding and reforms. I have been an advocate for all those years since. I continue to be an advocate for taking care of our students in public schools, and I will continue beyond today. Over the past few years, I have also heard stories of students who needed an option outside of public schools, who needed a place to go because perhaps they had been bullied, and despite all of our wonderful interventions in schools, they just needed to hit the reset button. They just needed a new environment, or perhaps they were getting away from gang influence, or perhaps there was a school that had a special program that offered something to them that they just could not find.

I remember sitting here in this seat at the State of the State Address and being inspired by our Governor as he mapped out his vision for this session and thinking This is going to be a great session, because he mapped out a plan to be able to add additional funding to public schools and make a space for those students. Yes, the few, but to the few, that little difference could make the difference of a lifetime for them in the outcomes. I was excited about coming into this session feeling like we had a win-win solution that could meet everybody's needs so we could all go back to our constituents and say that we fought for every child according to what they needed. I still have hope that we can get there, but we need to keep this conversation going between now and the time we leave this building so that all of us can go back and say that we met the needs of all of the students in our state.

ASSEMBLYWOMAN DIAZ:

I rise in support of Senate Bill 544. As an educator, but Xavi's mom first, no one in this building needs to explain to me the impact of failing to properly fund our public—I would say starving public schools—which has an extreme impact on our students and our children.

I have seen the devastating impacts of the cuts that were forced onto our public schools almost ten years ago, and I think that is important to raise. I think a lot of people have forgotten that we did a lot of cutting in the last ten years. I have seen the gradual changes of policy this body had implemented when it comes to Zoom and Victory schools, making sure our students can read by three, and trying to find a funding formula that actually meets the needs of all of our communities.

Sadly, I suspect a lot of the bipartisan support of education we have seen in years past is not going to occur this session. Instead, we are going to see an opposition party in this body vote against our students, our educators, and the parents of Nevada so that they can adhere to a rigid orthodoxy that gives tax breaks to rich families at the expense of those trying to get ahead and make a future for their children.

We must invest in public education in this state, and it should not be done trading tax breaks for millionaires and some billionaires in the state. This budget helps to ensure we have quality teachers in every classroom and provides \$2.5 million in competitive incentives to keep them here in Nevada. If history has taught us anything, it is that we must also give teachers the resources they need to help our children succeed. This budget provides almost \$164 million more to help properly fund our classrooms for the upcoming school years.

This education budget is a good foundation to continue to grow. Sadly, others in this building have already decided this week to vote against a sales tax on voter-approved recreational marijuana that takes funding away from our public schools. So simply, we must pass this bill so our children can go back to school this fall. In the future, I hope we can do better by our future Nevadans by putting orthodoxy aside and instead enact good public policy for our students and parents in Nevada.

Roll call on Senate Bill No. 544:

YEAS—27.

NAYS—Paul Anderson, Edwards, Ellison, Hambrick, Hansen, Kramer, Krasner, Marchant, McArthur, Oscarson, Pickard, Titus, Tolles, Wheeler, Woodbury—15.

Senate Bill No. 544 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Assembly Bill No. 487.

Bill read third time.

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

Amendment No. 1055.

AN ACT relating to vehicles; revising provisions relating to taxicabs in certain counties of this State; conferring ~~concurrent~~ **limited** enforcement jurisdiction upon the Taxicab Authority ~~and the Nevada Transportation Authority~~ over **persons who are drivers for** transportation network companies; ~~and affiliated drivers~~; authorizing the use of money obtained from the imposition of a technology fee for certain purposes; revising provisions governing the exterior appearance of certain taxicabs; revising the amount of time a vehicle used as a taxicab may remain in service as a taxicab; requiring the inspection of a taxicab not more than once each year; revising provisions governing the authority of certain certificate holders to lease a taxicab to an independent contractor; authorizing an independent contractor who leases a taxicab to use the taxicab in accordance with an agreement with a transportation network company; ~~repealing~~ **revising** provisions relating to vehicles equipped with a dynamic display; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the Taxicab Authority exercises regulatory authority over taxicabs in any county whose population is 700,000 or more (currently Clark County). (NRS 706.881) The Taxicab Authority may adopt regulations for the administration and enforcement of the provisions of existing law that apply to such taxicabs. (NRS 706.8818) Existing law requires the Nevada Transportation Authority to adopt regulations governing the operation in this State of a transportation network company and each driver who enters into an agreement with a transportation network company to receive connections to potential passengers and provide transportation services. (NRS 706A.100) **Section 3** of this bill confers ~~concurrent~~ **limited** enforcement jurisdiction upon the Taxicab Authority ~~and the Nevada Transportation Authority~~ over

a ~~transportation network company and a~~ person who is a driver for a transportation network company during any period in which the person provides transportation services in the county where the Taxicab Authority has jurisdiction. ~~Sections 1 and 14-16~~ **Section 16.5** of this bill ~~make~~ makes a conforming change, requiring a taxicab field investigator of the Taxicab Authority to have probable cause of a violation before initiating a stop of such a driver.

Existing law requires payment to the Taxicab Authority of a technology fee in an amount set by the Taxicab Authority by each taxicab certificate holder for each compensable trip of each taxicab of the certificate holder. (NRS 706.8826) The money from the technology fee must be deposited in the Taxicab Authority Fund, and existing law requires that the money be used to implement technological improvements in safety, reliability and efficiency, including the implementation of a computerized real-time data system to assist with the regulation of taxicabs. (NRS 706.8825) **Section 5** of this bill removes the requirement for the money from the technology fee to be spent on such a system, and authorizes its use for the implementation of technological improvements in safety. **Section 26** of this bill repeals the provision of existing law authorizing the use of a computerized real-time data system.

Existing law requires the Taxicab Authority to approve or disapprove the color scheme, insignia and design of the cruising lights of the taxicabs of a certificate holder, and to ensure that each certificate holder's taxicabs are readily distinguishable from those of another certificate holder. (NRS 706.8833) **Section 6** of this bill retains the requirement that taxicabs of each certificate holder be readily distinguishable from those of each other certificate holder, but removes the requirement for the Taxicab Authority to approve such color schemes, insignia and design of cruising lights. **Section 6** also revises provisions governing the placement of advertisements on the exterior of taxicabs by authorizing the use of the advertisements if the placement of the advertisements does not impair the ability of the driver to operate the vehicle safely.

Under existing law, a certificate holder may only use for a taxicab a new vehicle or a vehicle with 30,000 miles or less on the odometer. A new vehicle used as a taxicab must be removed from service as a taxicab after 67 months of such use, and a vehicle with less than 30,000 miles on it when put into use as a taxicab must be removed from service after 55 months. If the vehicle is a hybrid electric vehicle, the vehicle is allowed an additional 24 months of service. (NRS 706.8834) **Section 7** of this bill provides instead that any vehicle used as a taxicab may only be used as a taxicab for 120 months after the date on which the vehicle was manufactured.

Section 8 of this bill newly requires each taxicab to display a statement indicating whether the certificate holder accepts credit cards and debit cards and, if so, listing the maximum fee a customer will be charged for the convenience of using a credit card or debit card. Existing law provides that

the maximum amount of such a fee may be prescribed in regulation by the Taxicab Authority. (NRS 706.88355)

Existing law authorizes the Taxicab Administrator of the Department of Business and Industry to inspect a taxicab at any reasonable time. (NRS 706.8839) **Section 9** of this bill requires the Taxicab Administrator to conduct such an inspection not more than once each year.

Existing law authorizes a certificate holder to lease a taxicab to an independent contractor, who may only use the taxicab in a manner authorized by the certificate holder's certificate of public convenience and necessity. (NRS 706.88396) **Section 10** of this bill expands existing law by authorizing the independent contractor to use the taxicab to provide transportation services pursuant to an agreement with a transportation network company. **Section 10** also requires the certificate holder who leases a taxicab to an independent contractor to inspect the taxicab at least monthly. **Section 10** also limits the number of unexpired leases a certificate holder may have to not more than the number of taxicabs allocated to the certificate holder by the Taxicab Authority. **Sections 14 and 15** of this bill make conforming changes.

Existing law requires an applicant for a driver's permit to drive a taxicab to prove that he or she has been a resident of this State for at least 30 days. (NRS 706.8841) **Section 11** of this bill requires the applicant to prove instead that he or she is a resident of this State or a state that adjoins the county in which the applicant has applied for the driver's permit. **Section 12** of this bill revises provisions regarding daily trip sheets to allow for the use of certain electronic operating systems.

Under existing law, a driver of a taxicab is not allowed to take a longer route to a passenger's destination than is necessary, unless specifically requested to do so by the passenger. (NRS 706.8846) **Section 13** of this bill provides that a driver must take the most direct route and is not allowed to take a longer or different route intentionally unless: (1) requested or agreed to by the passenger; or (2) the different route is approved by the Taxicab Authority. **Section 13** also provides that the Taxicab Authority may only conduct an investigation for a violation of this provision upon receipt of a complaint by a passenger.

Under existing law, a person may not operate on the highways of this State any motor vehicle equipped with a dynamic display unless the vehicle is also equipped with a display management system that is configured to prevent the image or content on the dynamic display from changing when the vehicle is moving, in a turnout or in a location where such a change may cause undue distraction to other drivers. Such a dynamic display is also prohibited from projecting moving images or other moving content. (NRS 484D.493) **Section 24.5** of this bill ~~repeals this provision.~~ **removes the prohibition on moving images or content and provides that the display management system must be configured to prevent the image or content from**

changing only when the vehicle is moving at a speed of 55 miles per hour or more.

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

Section 1. NRS 706.759 is hereby amended to read as follows:

706.759 1. ~~1. Except as otherwise provided in subsection 3,~~ a person who drives a taxicab as an employee of a person who holds a certificate of public convenience and necessity which was issued for the operation of a taxicab business shall not act as a driver as defined in NRS 706A.040:

- (a) Using the taxicab provided by his or her employer; or
- (b) During any time for which the person receives wages from his or her employer for duties which include driving a taxicab.

2. A person who holds a certificate of public convenience and necessity which was issued for the operation of a taxicab business may terminate the employment of a person who violates the provisions of subsection 1.

3. *The provisions of subsection 1 do not apply to an independent contractor who leases a taxicab pursuant to NRS 706.88396.*

Sec. 2. NRS 706.8816 is hereby amended to read as follows:

706.8816 1. "Taxicab" means a motor vehicle or vehicles which is designed or constructed to accommodate and transport not more than six passengers, **not** including the driver, and:

- (a) Uses a taximeter or some other device, method or system to indicate and determine the passenger fare charged;
- (b) Is used in the transportation of passengers or light express or both for which a charge or fee is received; or
- (c) Is operated in any service which is held out to the public as being available for the transportation of passengers from place to place in the State of Nevada.

2. "Taxicab" does not include a motor vehicle of:

- (a) A common motor carrier.
- (b) A contract motor carrier which operates along fixed routes.
- (c) An employer who operates the vehicle for the transportation of the employees of that employer, whether or not the employees pay for the transportation.

Sec. 3. NRS 706.8818 is hereby amended to read as follows:

706.8818 1. The Taxicab Authority, consisting of five members appointed by the Governor, is hereby created. Except as otherwise provided in NRS 232A.020, the term of each member is 3 years and no member may serve for more than 6 years. No more than three members may be members of the same political party, and no elected officer of the State or any political subdivision is eligible for appointment.

2. Each member of the Taxicab Authority is entitled to receive a salary of not more than \$80, as fixed by the Authority, for each day actually employed on work of the Authority.

3. While engaged in the business of the Taxicab Authority, each member and employee of the Authority is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

4. The Taxicab Authority shall maintain its principal office in the county or area of the State where it performs most of its regulatory activity.

5. The Taxicab Authority may adopt appropriate regulations for the administration and enforcement of NRS 706.881 to 706.885, inclusive, and, as it may deem necessary, for the conduct of the taxicab business and for the qualifications of and the issuance of permits to taxicab drivers, not inconsistent with the provisions of NRS 706.881 to 706.885, inclusive. The regulations may include different provisions to allow for differences among the counties to which NRS 706.881 to 706.885, inclusive, apply. Local law enforcement agencies and the Nevada Highway Patrol, upon request of the Authority, may assist in enforcing the provisions of NRS 706.881 to 706.885, inclusive, and regulations adopted pursuant thereto.

6. Except to the extent of any inconsistency with the provisions of NRS 706.881 to 706.885, inclusive, every regulation and order issued by the Nevada Transportation Authority remains effective in a county to which those sections apply until modified or rescinded by the Taxicab Authority, and must be enforced by the Taxicab Authority.

7. ~~The Taxicab Authority and the Nevada Transportation Authority have concurrent enforcement jurisdiction over a transportation network company and~~ may issue a written administrative citation to a person who is a driver for ~~the~~ a transportation network company during any period in which the person provides transportation services pursuant to chapter 706A of NRS in a county where the Taxicab Authority has jurisdiction pursuant to NRS 706.881 as follows:

(a) The enforcement jurisdiction of the Taxicab Authority over a person who is a driver for a transportation network company is limited to enforcement of the provisions of ~~chapter 706A of NRS and the traffic laws of this State.~~ subsection 1 of NRS 706A.280, except that such jurisdiction does not include enforcement of any violation or other matter which requires the Taxicab Authority to review or investigate the digital network or software application service of the transportation network company through which the driver is connected to potential passengers.

(b) A written administrative citation issued by the Taxicab Authority ~~for a violation of any provision of chapter 706A of NRS~~ to a ~~transportation network company or a~~ person who is a driver for a transportation network company must be adjudicated by the Nevada Transportation Authority pursuant to the provisions of chapter 706A of NRS.

Sec. 4. NRS 706.88183 is hereby amended to read as follows:

706.88183 1. The Taxicab Authority shall implement a system to verify ~~[through the computerized real time data system implemented pursuant to subsection 4 of NRS 706.8825]~~ the validity of a temporary or permanent medallion issued by the Taxicab Authority.

2. As used in this section, “medallion” means the temporary or permanent authority to operate a taxicab within the jurisdiction of the Taxicab Authority which is issued by the Taxicab Authority pursuant to NRS 706.8811 to 706.885, inclusive.

Sec. 5. NRS 706.8825 is hereby amended to read as follows:

706.8825 1. All fees collected pursuant to NRS 706.881 to 706.885, inclusive, must be deposited by the Administrator to the credit of the Taxicab Authority Fund, which is hereby created as a special revenue fund. The transactions for each county subject to those sections must be accounted for separately within the Fund.

2. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund.

3. The revenues received pursuant to subsection 1 of NRS 706.8826 are hereby appropriated to defray the cost of regulating taxicabs in the county or the city, respectively, making the deposit under that subsection.

4. The fees received pursuant to subsection 3 of NRS 706.8826, NRS 706.8827, 706.8841, 706.8848, 706.8849 and 706.885 are hereby appropriated to defray the cost of regulating taxicabs in the county in which the certificate holder operates a taxicab business. The technology fees received pursuant to paragraph (c) of subsection 3 of NRS 706.8826 ~~[must]~~ **may** be used to implement technological improvements in safety . ~~[r~~ **reliability and efficiency, including, without limitation, the implementation of a computerized real time data system to assist with the regulation of the taxicabs in the county in which the certificate holder operates a taxicab business. A computerized real time data system implemented pursuant to this subsection must, at a minimum, satisfy the following criteria:**

~~—(a) While a taxicab is in service within the jurisdiction of the Taxicab Authority, the system must be capable of collecting in real time from the onboard computer of the taxicab, by wireless access through the onboard diagnostic port or other means, the vehicle identification number and operating and telemetric data for the vehicle.~~

~~—(b) While a taxicab is in service within the jurisdiction of the Taxicab Authority, the system must be capable of collecting in real time, from an onboard diagnostic device capable of using a global positioning system that is installed in the taxicab or any other onboard computer software system capable of using a global positioning system that is installed in the taxicab, the location of the taxicab by latitude and longitude, a record of the time at which the taxicab is at that location and operating and telemetric data for the vehicle.~~

~~—(c) The system must be capable of allowing the driver of a taxicab, while the taxicab is in service within the jurisdiction of the Taxicab Authority, to register in the system, at the beginning and end of each shift, his or her identity and the number of his or her driver’s permit.~~

~~—(d) The system must be capable of allowing, in a manner prescribed by the Taxicab Authority, a certificate holder to digitally associate a taxicab with a~~

~~temporary or permanent medallion for the purpose of verifying the validity of a temporary or permanent medallion pursuant to NRS 706.88183. As used in this paragraph, “medallion” has the meaning ascribed to it in NRS 706.88183.~~

~~—(e) The system must be capable of presenting, in real time to the Taxicab Authority, searchable histories, in both a format that displays the information and data in tables and a digital map format that displays streets and highways, of:~~

~~——(1) The information and data described in this subsection; and~~

~~——(2) The information described in NRS 706.8844.~~

~~—(f) The system must be capable of presenting to a passenger, through an application on a mobile device or on an interactive, digital display or other onboard system in the taxicab, sufficient information for the passenger to select and direct the driver to the passenger’s desired destination by the passenger’s desired route. The information must include, without limitation, sufficient information for the passenger to:~~

~~——(1) Select the shortest route by time or distance to the passenger’s desired destination;~~

~~——(2) Select a multi segment trip directed by the passenger;~~

~~——(3) Select the least expensive route to the passenger’s desired destination; and~~

~~——(4) Make a digital record of the passenger’s selection that is accessible during and after the trip by the passenger, the Taxicab Authority, the driver and the certificate holder.~~

~~—(g) The system must be capable of presenting to the driver, through an application on a mobile device or an interactive, digital display or other onboard system in the taxicab, sufficient information for the driver to:~~

~~——(1) Determine the shortest route by time or distance to the passenger’s desired destination and the least expensive route to the passenger’s desired destination;~~

~~——(2) Follow a multi segment, passenger directed trip by the least expensive route to the passenger’s desired destination; and~~

~~——(3) Allow the passenger to make a digital record of a selection of a desired route to the passenger’s destination that is accessible during and after the trip by the passenger, the Taxicab Authority, the driver and the certificate holder.~~

~~—(h) The system must be capable of allowing passengers to register comments and complaints with the Taxicab Authority, the driver and the certificate holder, through an application on a mobile device or an interactive digital display screen or other onboard system in the taxicab.~~

~~—(i) The system must be capable of assisting the Taxicab Authority in the development of additional preventive measures to detect, investigate and deter the practice of transporting a passenger to a selected destination by a route that is more expensive than necessary under the circumstances of the trip.~~

~~—(j) The system must be capable of providing to the Taxicab Authority reliable real time and historic information concerning service demands, market data, vehicle usage, wait times and customer complaints and comments for use by the Taxicab Authority to make decisions concerning the allocation of medallions pursuant to NRS 706.88237, 706.8824 and 706.88245.~~

~~—(k) The system must be capable of allowing certificate holders to use the system to provide cooperative dispatch and electronic hailing services to the public pursuant to NRS 706.88184.~~

~~—5. The Taxicab Authority shall not use the information and data collected pursuant to paragraph (a) or (b) of subsection 4 for any purpose other than the purposes set forth in those paragraphs unless the Authority has adopted regulations governing the additional use.~~

~~—6. The Taxicab Authority may operate the computerized real time data system implemented pursuant to subsection 4 or enter into an agreement for the provision of such service. If the Taxicab Authority enters into such an agreement, the Taxicab Authority shall ensure that all the information and data collected by the computerized real time data system is under the control of the Taxicab Authority.~~

~~—7.}~~ 5. Any balance remaining in the Fund does not revert to the State General Fund. The Administrator may transfer to the Aging and Disability Services Division of the Department of Health and Human Services any balance over \$200,000 and any interest earned on the Fund, within the limits of legislative authorization for each fiscal year, to subsidize transportation for elderly persons and persons with permanent disabilities in taxicabs. The money transferred to the Aging and Disability Services Division must be administered in accordance with regulations adopted by the Administrator of the Aging and Disability Services Division pursuant to NRS 427A.070.

~~{8.}~~ 6. The Administrator may establish an account for petty cash not to exceed \$2,000 for the support of undercover investigation and if the account is created, the Administrator shall reimburse the account from the Taxicab Authority Fund in the same manner as other claims against the State are paid.

~~{9. As used in this section, “real time” means the transmission of information at a rate no longer than once every 6 seconds, unless the Taxicab Authority authorizes a longer rate while a taxicab is experiencing a low volume of trips.}~~

Sec. 6. NRS 706.8833 is hereby amended to read as follows:

706.8833 1. The color scheme ~~{,}~~ **and** ~~insigne {and design of the cruising lights of each taxicab must conform to those approved for} of the taxicabs of each~~ certificate holder ~~{pursuant to regulations of the Taxicab Authority.~~

~~—2. Except as otherwise provided in subsection 3, the Taxicab Authority shall approve or disapprove the color scheme, insigne and design of the cruising lights of the taxicabs of a certificate holder in any county, and shall ensure that the color scheme and insigne of one certificate holder are} **must**~~

be readily distinguishable from the color schemes and insignia of other certificate holders operating in the same county.

~~{3.}~~ 2. The Taxicab Authority shall allow a certificate holder in any county to place advertisements on the exterior of the vehicles used as taxicabs in the operations of the certificate holder, provided that the ~~{taxicabs of the certificate holder which bear such advertisements are readily distinguishable from the taxicabs of other certificate holders operating in the same county by meeting the requirements of subsection 2 of NRS 706.8835.}~~ ***placement of the advertisements does not impair the ability of the driver to operate the taxicab safely.***

Sec. 7. NRS 706.8834 is hereby amended to read as follows:

706.8834 1. ~~{Except as otherwise provided in subsection 4, if a}~~ A vehicle acquired for use as a taxicab by a certificate holder ~~{pursuant to paragraph (a) of subsection 3 has been}~~ ***may only be used*** in operation as a taxicab for ~~{67}~~ **120** months ~~{based on}~~ ***after*** the date ~~{it was originally placed into operation as a taxicab, the certificate holder:~~

- ~~—(a) Shall remove the vehicle from operation as a taxicab; and~~
- ~~—(b) Shall not permit the vehicle to be used as a taxicab in the operations of the certificate holder at any time thereafter.}~~ ***on which the vehicle was manufactured.***

2. ~~{Except as otherwise provided in subsection 4, if}~~ ***If*** a vehicle acquired for use as a taxicab by a certificate holder ~~{pursuant to paragraph (b) of subsection 3}~~ has been in operation as a taxicab for ~~{55}~~ **120** months ~~{based on}~~ ***after*** the date ~~{it was originally placed into operation as a taxicab,}~~ ***on which the vehicle was manufactured,*** the certificate holder:

- (a) Shall remove the vehicle from operation as a taxicab; and
- (b) Shall not permit the vehicle to be used as a taxicab in the operations of the certificate holder at any time thereafter.

~~{3. Any vehicle which a certificate holder acquires for use as a taxicab must:~~

- ~~—(a) Be new; or~~
- ~~—(b) Register not more than 30,000 miles on the odometer.~~
- ~~4. If a hybrid electric vehicle, as defined in 40 C.F.R. § 86.1702-99, is acquired for use as a taxicab by a certificate holder, the period of operation as a taxicab specified in subsections 1 and 2 shall be extended for an additional 24 months for that vehicle.}~~

Sec. 8. NRS 706.8835 is hereby amended to read as follows:

706.8835 1. A certificate holder shall display on each of the certificate holder's taxicabs ~~{the fare schedule under which it is being operated.}~~ ***a statement indicating whether the certificate holder accepts credit cards and debit cards and, if so, setting forth the maximum fee a customer will be charged for the convenience of using a credit card or debit card pursuant to NRS 706.88355.*** The ~~{schedule}~~ ***statement*** must be permanently affixed:

- (a) On the outside of both front doors in bold block letters which are not less than three-fourths of an inch in height; and

(b) Inside the taxicab so as to be visible and easily readable by passengers.

2. A certificate holder shall have a unit number and the name of the certificate holder displayed on each taxicab in bold block letters not less than 4 inches in height and in a color which contrasts with the color of the taxicab.

Sec. 9. NRS 706.8839 is hereby amended to read as follows:

706.8839 1. The Administrator ~~may~~ **shall** inspect ~~at each~~ taxicab ~~at any reasonable time.~~ **not more than once each year.**

2. If the Administrator finds that a taxicab is in a condition which violates NRS 706.8837, the Administrator shall remove the vehicle from service, shall place an out-of-service sticker on the windshield and shall notify the certificate holder of the defect. The vehicle shall remain out of service until the defect has been remedied and the Administrator upon reinspection has approved the vehicle and removed the out-of-service sticker.

3. If the Administrator finds that a taxicab is in a condition which violates NRS 706.8838, the Administrator shall notify the certificate holder of the improper condition and, after a reasonable time, shall reinspect the vehicle. If upon reinspection the violation has not been corrected, the vehicle shall be removed from service until it is reinspected and approved, as provided in subsection 2.

Sec. 10. NRS 706.88396 is hereby amended to read as follows:

706.88396 1. ~~Except as otherwise provided in subsection 8, a~~ certificate holder may, upon approval from the Taxicab Authority, lease a taxicab to an independent contractor who is not a certificate holder. A certificate holder may lease only one taxicab to each independent contractor with whom the person enters into a lease agreement. The taxicab may be used ~~only in~~, **without limitation:**

(a) **In** a manner authorized by the certificate holder's certificate of public convenience and necessity ~~or~~; **or**

(b) **By the independent contractor to provide transportation services in accordance with an agreement with a transportation network company entered into pursuant to chapter 706A of NRS.**

2. A certificate holder who enters into a lease agreement with an independent contractor pursuant to this section shall submit a copy of the agreement to the Taxicab Authority for its approval. The agreement is not effective until approved by the Taxicab Authority.

3. **Except as otherwise provided in subsection 8, the Taxicab Authority may not limit the number of:**

(a) **Lease agreements entered into by a certificate holder; or**

(b) **Days for which a lease agreement remains in effect.**

4. **A certificate holder who leases a taxicab to an independent contractor shall inspect the taxicab not less than once each month.**

5. **An independent contractor may not operate more than one taxicab pursuant to a lease agreement with a certificate holder during any one 24-hour period.**

6. A certificate holder who leases a taxicab to an independent contractor is jointly and severally liable with the independent contractor for any violation of the provisions of this chapter or the regulations adopted pursuant *thereto or, if applicable, chapter 706A of NRS or the regulations adopted pursuant* thereto, and shall ensure that the independent contractor complies with such provisions and regulations.

~~{4-}~~ 7. The Taxicab Authority or any of its employees may intervene in a civil action involving a lease agreement entered into pursuant to this section.

8. *A certificate holder may not have a number of unexpired leases that exceeds the number of taxicabs allocated to the certificate holder pursuant to NRS 706.8824 and 706.88245.*

Sec. 11. NRS 706.8841 is hereby amended to read as follows:

706.8841 1. The Administrator shall issue a driver's permit to qualified persons who wish to be employed by certificate holders as taxicab drivers. Before issuing a driver's permit, the Administrator shall:

(a) Require the applicant to submit a complete set of the applicant's fingerprints which the Administrator may forward to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation to ascertain whether the applicant has a criminal record and the nature of any such record, and shall further investigate the applicant's background; and

(b) Require proof that the applicant:

(1) ~~{Has been}~~ *Is a resident of {the} this State {for 30 days before the application for a permit;}* *or a state that adjoins the county in which the applicant has applied for a driver's permit;*

(2) Can read and orally communicate in the English language; and

(3) Has a valid license issued under NRS 483.325 which authorizes the applicant to drive a taxicab in this State.

2. The Administrator may refuse to issue a driver's permit if the applicant has been convicted of:

(a) A felony relating to the practice of taxicab drivers in this State or any other jurisdiction at any time before the date of the application;

(b) A felony involving any sexual offense in this State or any other jurisdiction at any time before the date of the application;

(c) A violation of NRS 484C.110, 484C.120 or 484C.430 or a law of any other jurisdiction that prohibits the same or similar conduct within 3 years before the date of the application; or

(d) A violation of NRS 484C.130 or a law of any other jurisdiction that prohibits the same or similar conduct.

3. The Administrator may refuse to issue a driver's permit if the Administrator, after the background investigation of the applicant, determines that the applicant is morally unfit or if the issuance of the driver's permit would be detrimental to public health, welfare or safety.

4. A taxicab driver shall pay to the Administrator, in advance, \$40 for an original driver's permit and \$10 for a renewal.

Sec. 12. NRS 706.8844 is hereby amended to read as follows:

706.8844 1. A certificate holder shall require the certificate holder's drivers to keep a daily trip sheet in a form to be prescribed by the Taxicab Authority, including, without limitation, in electronic form.

2. At the beginning of each period of duty the driver shall record on the driver's trip sheet:

- (a) The driver's name and the number of the taxicab;
- (b) The time at which the driver began the period of duty by means of a time clock provided by the certificate holder;
- (c) If the taxicab is equipped with a taximeter, the meter readings for total miles, paid miles, trips, units, extra passengers and extra charges; and
- (d) The odometer reading of the taxicab.

3. During each period of duty the driver shall record on the driver's trip sheet:

- (a) The time, place of origin and destination of each trip; and
- (b) The number of passengers and amount of fare for each trip.

4. At the end of each period of duty the driver shall record on the driver's trip sheet:

- (a) ~~{The}~~ ***Except as otherwise provided in subsection 5, the*** time at which the driver ended the period of duty by means of a time clock provided by the certificate holder;
- (b) If the taxicab is equipped with a taximeter, the meter readings for total miles, paid miles, trips, units and extra passengers; and
- (c) The odometer reading of the taxicab.

5. ***A driver is not required to record on the driver's trip sheet the time at which the driver ended the period of duty if:***

- (a) The certificate holder uses an operating system which records the time the driver ends the period of duty electronically; and***
- (b) The time entries recorded by the operating system are available to the Taxicab Authority if requested pursuant to an audit.***

6. A certificate holder shall furnish a trip sheet form for each taxicab operated by a driver during the driver's period of duty and shall require the drivers to return their completed trip sheets at the end of each period of duty.

~~{6.}~~ 7. A certificate holder shall retain all trip sheets of all drivers in a safe place for a period of 3 years immediately succeeding December 31 of the year to which they respectively pertain and shall make such manifests available for inspection by the Administrator upon reasonable demand.

~~{7.}~~ 8. Any driver who maintains a trip sheet in a form less complete than that required by subsection 1 is guilty of a misdemeanor.

~~{8.}~~ 9. The Administrator shall prescribe the requirements for the use of an electronic version of a daily trip sheet. If a certificate holder requires its drivers to keep a daily trip sheet in electronic form, the certificate holder may comply with the requirements of this section ~~{-~~

~~{(a) By}~~ ***by*** maintaining the information collected from the daily trip sheet in a secure database and providing the Administrator with access to the

information in the database at regular intervals established by the Administrator and upon reasonable demand. ~~[-or~~

~~—(b) By reporting the information to the Administrator on the computerized real time data system implemented pursuant to subsection 4 of NRS 706.8825.]~~

10. As used in this section, “time clock” means a mechanism which records the time at which a driver begins or ends, as applicable, a period of duty by means of:

- (a) A manual time stamp on the driver’s trip sheet; or**
- (b) An electronically issued time stamp provided by the operating system of the certificate holder.**

Sec. 13. NRS 706.8846 is hereby amended to read as follows:

706.8846 **1.** With respect to a passenger’s destination, ~~[a]~~ **unless a different route is requested or agreed to by the passenger, or a different route has been approved by the Taxicab Authority, a driver shall take the most direct route when transporting a passenger to his or her destination.**

A driver shall not:

~~[1.]~~ **(a)** Deceive or attempt to deceive any passenger who rides or desires to ride in the driver’s taxicab.

~~[2.]~~ **(b)** Convey or attempt to convey any passenger to a destination other than the one directed by the passenger.

~~[3.]~~ **(c)** ~~[Take]~~ **Except as otherwise provided in this subsection, intentionally take** a longer route to the passenger’s destination than is necessary. ~~[- unless specifically requested so to do by the passenger.~~

~~—4.]~~

(d) Fail to comply with the reasonable and lawful requests of the passenger as to speed of travel and route to be taken.

2. The Taxicab Authority may only conduct an investigation for a violation of this section upon receipt of a complaint by a passenger.

Sec. 14. NRS 706A.075 is hereby amended to read as follows:

706A.075 **1.** Except as otherwise provided in subsection 2, the provisions of this chapter do not exempt any person from any law governing the operation of a motor vehicle upon the highways of this State.

2. A transportation network company which holds a valid permit issued by the Authority pursuant to this chapter, a driver who has entered into an agreement with such a company and a vehicle operated by such a driver are exempt from:

- (a)** The provisions of chapter 704 of NRS relating to public utilities; and
- (b)** ~~[The]~~ **Except as otherwise provided in NRS 706.88396, the** provisions of chapter 706 of NRS,

↪ to the extent that the services provided by the company or driver are within the scope of the permit.

Sec. 15. NRS 706A.110 is hereby amended to read as follows:

706A.110 1. A transportation network company shall not engage in business in this State unless the company holds a valid permit issued by the Authority pursuant to this chapter.

2. A driver shall not provide transportation services unless the company with which the driver is affiliated holds a valid permit issued by the Authority pursuant to this chapter.

3. The Authority is authorized and empowered to regulate, pursuant to the provisions of this chapter, all transportation network companies and drivers who operate or wish to operate within this State. ~~{The}~~ ***Except as otherwise provided in NRS 706.8818 and 706.88396, the*** Authority shall not apply any provision of chapter 706 of NRS to a transportation network company or a driver who operates within the provisions of this chapter and the regulations adopted pursuant thereto.

Sec. 16. NRS 706A.130 is hereby amended to read as follows:

706A.130 1. Upon receipt of a completed application and upon a determination by the Authority that an applicant meets the requirements for the issuance of a permit to operate a transportation network company, the Authority shall issue to the applicant within 30 days a permit to operate a transportation network company in this State.

2. In accordance with the provisions of this chapter, a permit issued pursuant to this section:

(a) Authorizes a transportation network company to connect one or more passengers through the use of a digital network or software application service to a driver who can provide transportation services.

(b) Authorizes a transportation network company to make its digital network or software application service available to one or more drivers to receive connections to potential passengers from the company in exchange for the payment of a fee by the driver to the company.

(c) ~~{Does}~~ ***Except as otherwise provided in NRS 706.88396, does not*** authorize a transportation network company or any driver to engage in any activity otherwise regulated pursuant to chapter 706 of NRS other than the activity authorized by this chapter.

3. Nothing in this chapter prohibits the issuance of a permit to operate a transportation network company to a person who is regulated pursuant to chapter 706 of NRS if the person submits an application pursuant to NRS 706A.120 and meets the requirements for the issuance of a permit.

Sec. 16.5. NRS 289.340 is hereby amended to read as follows:

289.340 An employee designated by the Taxicab Administrator as:

1. A taxicab field investigator is a peace officer ~~{ }~~ **for the purposes of enforcing the provisions of chapter 706 of NRS. Such an investigator enforcing the provisions of subsection 1 of NRS 706A.280 pursuant to NRS 706.8818 must have probable cause that a driver is violating subsection 1 of NRS 706A.280 to initiate a traffic stop of the driver's vehicle.**

2. An airport control officer is a peace officer only when on duty at the airport.

Sec. 17. (Deleted by amendment.)

Sec. 18. (Deleted by amendment.)

Sec. 19. (Deleted by amendment.)

Sec. 20. (Deleted by amendment.)

Sec. 21. (Deleted by amendment.)

Sec. 22. (Deleted by amendment.)

Sec. 23. (Deleted by amendment.)

Sec. 24. NRS 427A.070 is hereby amended to read as follows:

427A.070 1. The Administrator shall:

(a) Subject to the approval of the Director, adopt rules and regulations:

(1) Necessary to carry out the purposes of this chapter and chapter 435 of NRS; and

(2) Establishing a program to subsidize the transportation by taxicab of elderly persons and persons with permanent disabilities from money received pursuant to subsection ~~{7}~~ 5 of NRS 706.8825;

(b) Establish appropriate administrative units within the Division;

(c) Appoint such personnel and prescribe their duties as the Administrator deems necessary for the proper and efficient performance of the functions of the Division;

(d) Prepare and submit to the Governor, through the Director before September 1 of each even-numbered year for the biennium ending June 30 of such year, reports of activities and expenditures and estimates of sums required to carry out the purposes of this chapter and chapter 435 of NRS;

(e) Make certification for disbursement of funds available for carrying out the purposes of this chapter and chapter 435 of NRS; and

(f) Take such other action as may be necessary or appropriate for cooperation with public and private agencies and otherwise to carry out the purposes of this chapter and chapter 435 of NRS.

2. The Administrator may delegate to any officer or employee of the Division such of the powers and duties of the Administrator as the Administrator finds necessary to carry out the purposes of this chapter and chapter 435 of NRS.

Sec. 24.5. NRS 484D.493 is hereby amended to read as follows:

484D.493 1. Except as otherwise provided in subsection 2, a person shall not operate upon the highways of this State any motor vehicle that is equipped with a dynamic display unless ~~it~~

~~— (a) The~~ the motor vehicle is equipped with a display management system which is configured to prevent the image or content displayed on the dynamic display from changing when the motor vehicle is ~~it~~

~~— (1) Moving;~~

~~— (2) In a turnout; or~~

~~(3) In any other location where changing the image or content displayed on the dynamic display may cause undue distraction to the operators of other vehicles; and~~

~~(b) The dynamic display does not project or otherwise show moving images, moving information or other moving content.] moving at a speed of 55 miles per hour or more.~~

2. This section does not prohibit the use of a dynamic display that is operated without a display management system if the dynamic display is being used exclusively for purposes other than advertisement, including, without limitation:

- (a) For purposes that are personal and noncommercial in nature;
- (b) For purposes of traffic control;
- (c) For purposes of law enforcement or emergency response;
- (d) As a warning device for a utility or utility vehicle, as described in NRS 484D.465; or
- (e) To display the name, route number or destination of a bus or other vehicle of mass transit.

3. As used in this section:

(a) "Display management system" means equipment or software that is designed to operate a dynamic display, including, without limitation, periodically changing the image, information or content being shown on the dynamic display.

(b) "Dynamic display" means equipment which is attached to a motor vehicle and which consists of at least one monitor, screen or viewer that, without limitation:

- (1) Is designed to display various images, information or other content, including, without limitation, advertisements, which change periodically;
- (2) Is intended to be visible to the drivers of other vehicles on the highway and to persons who are near the highway; and
- (3) May be visible to the operator of the motor vehicle.

Sec. 25. Any regulations adopted by the Taxicab Authority that conflict with the amendatory provisions of this act are void. The Legislative Counsel shall remove those regulations from the Nevada Administrative Code as soon as practicable after July 1, 2017.

Sec. 26. NRS ~~[484D.493 and]~~ 706.88184 ~~[are]~~ is hereby repealed.

Sec. 27. This act becomes effective on July 1, 2017.

TEXT OF REPEALED ~~[SECTIONS]~~ SECTION

~~[484D.493 Dynamic display: Management system required; exceptions.~~

~~1. Except as otherwise provided in subsection 2, a person shall not operate upon the highways of this State any motor vehicle that is equipped with a dynamic display unless:~~

~~(a) The motor vehicle is equipped with a display management system which is configured to prevent the image or content displayed on the dynamic display from changing when the motor vehicle is:~~

- ~~— (1) Moving;~~
- ~~— (2) In a turnout; or~~
- ~~— (3) In any other location where changing the image or content displayed on the dynamic display may cause undue distraction to the operators of other vehicles; and~~
- ~~— (b) The dynamic display does not project or otherwise show moving images, moving information or other moving content.~~
- ~~— 2. This section does not prohibit the use of a dynamic display that is operated without a display management system if the dynamic display is being used exclusively for purposes other than advertisement, including, without limitation:~~
 - ~~— (a) For purposes that are personal and noncommercial in nature;~~
 - ~~— (b) For purposes of traffic control;~~
 - ~~— (c) For purposes of law enforcement or emergency response;~~
 - ~~— (d) As a warning device for a utility or utility vehicle, as described in NRS 484D.465; or~~
 - ~~— (e) To display the name, route number or destination of a bus or other vehicle of mass transit.~~
- ~~— 3. As used in this section:~~
 - ~~— (a) “Display management system” means equipment or software that is designed to operate a dynamic display, including, without limitation, periodically changing the image, information or content being shown on the dynamic display.~~
 - ~~— (b) “Dynamic display” means equipment which is attached to a motor vehicle and which consists of at least one monitor, screen or viewer that, without limitation:~~
 - ~~— (1) Is designed to display various images, information or other content, including, without limitation, advertisements, which change periodically;~~
 - ~~— (2) Is intended to be visible to the drivers of other vehicles on the highway and to persons who are near the highway; and~~
 - ~~— (3) May be visible to the operator of the motor vehicle.]~~

706.88184 Authority required to authorize use of certain technology by certificate holders and to impose reasonable charge.

1. Upon application by a certificate holder, the Taxicab Authority shall authorize the certificate holder to use the computerized real-time data system for the purposes of offering cooperative dispatch and electronic hailing services for taxicabs to the public.

2. If two or more certificate holders apply to the Taxicab Authority to use the computerized real-time data system for the purposes set forth in subsection 1, the Taxicab Authority must establish, by regulation or order, rules providing for the use of the computerized real-time data system by two or more certificate holders for the purposes set forth in subsection 1.

3. The Taxicab Authority shall:

(a) Authorize the certificate holders who are authorized to use the computerized real-time data system for the purposes set forth in subsection 1

to impose a reasonable charge for the use by a passenger of the computerized real-time data system. The charge:

(1) Must be separate from any other rate, fare or charge for taxicab service;

(2) Is not required to be uniform within a county; and

(3) May be assessed in accordance with a schedule of charges based upon factors approved by the Taxicab Authority.

(b) Establish, by regulation or order, requirements for the publication by certificate holders of the charge or the schedule of charges for the use by a passenger of the computerized real-time data system for the purposes set forth in subsection 1.

4. As used in this section, “computerized real-time data system” means the computerized real-time data system implemented by the Taxicab Authority pursuant to subsection 4 of NRS 706.8825.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 69.

Bill read third time.

The following amendment was proposed by the Committee on Transportation:

Amendment No. 691.

SUMMARY—~~[Authorizes the use of an]~~ **Revises provisions relating to** autonomous ~~[vehicle to transport persons or property in certain circumstances.]~~ **vehicles.** (BDR 43-246)

AN ACT relating to transportation; ~~[requiring the approval of the Department of Motor Vehicles before an autonomous vehicle or autonomous technology may be used in this State;]~~ **revising requirements for the testing or operation of an autonomous vehicle on a highway within this State; authorizing the testing and use of driver-assistive platooning technology;** authorizing the use of ~~[an]~~ **a fully** autonomous vehicle ~~[for autonomous technology]~~ to provide transportation services in certain circumstances by persons licensed by the **Department of Motor Vehicles,** Nevada Transportation Authority or Taxicab Authority; ~~[revising provisions relating to the testing of an autonomous vehicle and autonomous technology; revising requirements relating to the operation of autonomous vehicles on the highways within this State; establishing provisions relating to the use of an autonomous vehicle or autonomous technology by a common motor carrier, contract motor carrier, holder of a certificate of public convenience and necessity for the operation of a taxicab business or transportation network company;]~~ **providing for the regulation of autonomous vehicle network companies;** providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Department of Motor Vehicles to adopt regulations authorizing the operation of autonomous vehicles on highways within this State. (NRS 482A.100) Existing law also provides certain requirements which must be met before an autonomous vehicle is tested or operated on a highway within this State. (NRS 482A.060-482A.080) ~~[Section 5 of this bill requires the Department to adopt regulations necessary to authorize the use of a human machine interface or operator interface to communicate with the autonomous technology in an autonomous vehicle. Section 6 of this bill requires the Department to adopt regulations authorizing the testing and use of an autonomous vehicle or autonomous technology without a human operator on the highways within this State.]~~ **Section 5.6 of this bill prohibits a local government from imposing a tax, fee or other requirement on an automated driving system or autonomous vehicle. Section 5.8 of this bill requires a person responsible for the testing of an autonomous vehicle to report certain crashes to the Department. Section 6 of this bill authorizes the Department to impose an administrative fine for violations of laws and regulations relating to autonomous vehicles. Section 8 of this bill allows a fully autonomous vehicle to be tested or operated on a highway within this State with the automated driving system engaged and without a human operator if the vehicle is capable of achieving a minimal risk condition upon a failure of its automated driving system. Section 9 of this bill allows an autonomous vehicle or fully autonomous vehicle to be tested or used on a highway within this State if the vehicle satisfies certain requirements relating to safety if an automated driving system fails. Section 9.5 of this bill extends immunity from liability for damages caused by modifications by a third party to the original manufacturer or developer of an automated driving system. Section 10 of this bill ~~[requires]~~ authorizes the Department to adopt certain regulations ~~[establishing certain requirements for the testing and use of an] relating to~~ autonomous ~~[vehicle on the highways within this State.]~~ vehicles. Sections 5.2 and 5.4 of this bill provide for the testing and use of driver-assistive platooning technology within this State. Section 11.5 of this bill defines the term “driver” for the purposes of the traffic laws of this State to include the owner of a fully autonomous vehicle and the person who causes the automated driving system of any other autonomous vehicle to engage.**

Existing law requires : **(1)** each person operating as a common, contract or private motor carrier in this State to obtain a license from the Department of Motor Vehicles ~~[(NRS 706.491) Section 21 of this bill requires the Nevada Transportation Authority to authorize the use of an autonomous vehicle or autonomous technology by a common motor carrier or a contract motor carrier in certain circumstances. Section 22 of this bill establishes a requirement for insurance to be maintained by a common motor carrier or contract motor carrier that uses an autonomous vehicle to provide~~

~~transportation services. Section 23 of this bill requires the use of an autonomous vehicle by a common motor carrier or contract motor carrier to meet the requirements imposed by certain agencies and the provisions of state law relating to autonomous vehicles. Section 24 of this bill establishes certain requirements for the operator of an autonomous vehicle.~~

~~Existing law requires~~ **;** **(2)** each person who engages in the taxicab business in certain counties to hold a certificate of public convenience and necessity issued by the Public Service Commission of Nevada before July 1, 1981, or by the Taxicab Authority. ~~[(NRS 706.881, 706.8827) Sections 31-34 of this bill establish provisions for taxicab businesses regulated by the Taxicab Authority to use autonomous vehicles or autonomous technology which are similar to those established by sections 21-24 for motor carriers regulated by the Nevada Transportation Authority.~~

~~Existing law requires~~ **;** **and (3)** each person who engages in the business of a transportation network company in this State to hold a permit issued by the Nevada Transportation Authority. **(NRS 706.491, 706.881, 706.8827, 706A.110)** ~~[Sections 54-57 of this bill establish provisions for transportation network companies to use autonomous vehicles or autonomous technology which are similar to those established by sections 21-24 for motor carriers and sections 31-34 for taxicabs. Sections 59-67 and 69 of this bill revise various provisions of existing law to authorize the use of an autonomous vehicle by a transportation network company to provide transportation services.~~

~~Existing law establishes penalties for violations of the provisions of law or regulation applicable to motor carriers, taxicab companies and transportation network companies. (NRS 706.775, 706.8848, 706.8849, 706A.300) Section 5 of this bill requires the Department of Motor Vehicles, in consultation with several other agencies, to adopt regulations which must include provisions governing actions to be taken and sanctions that may be imposed if an autonomous vehicle or autonomous technology fails or violates any law or regulation of this State. Sections 25, 46 and 68 of this bill revise provisions of existing law which impose sanctions for certain violations relating to motor carriers, taxicab businesses and transportation network companies to make failure of autonomous technology or the violation of any law or regulation by an autonomous vehicle subject to the sanctions or requirements for corrective action, or both, provided in the regulations adopted by the Department of Motor Vehicles pursuant to section 4 of this bill.] Sections 14.2-14.9 of this bill provide for the permitting by the Nevada Transportation Authority of autonomous vehicle network companies and the regulation by the Authority of the provision of transportation services using fully autonomous vehicles in a manner generally consistent with the regulation of transportation network companies by the Authority. Section 14.24 of this bill defines an “autonomous vehicle network company” as an entity that, for compensation, connects a passenger to a fully autonomous vehicle to provide transportation~~

services or transports goods using a fully autonomous vehicle. Sections 14.03-14.09 of this bill impose an excise tax on the connection of a passenger to a fully autonomous vehicle for the purpose of providing transportation services in a manner generally consistent with similar excise taxes imposed on connections by common motor carriers, taxicabs and transportation network companies. Section 14.9 of this bill requires an autonomous vehicle network company to maintain insurance for the payment of tort liabilities arising from the operation of a fully autonomous vehicle to provide transportation services. Sections 21 and 31 of this bill require the Nevada Transportation Authority and the Taxicab Authority, respectively, to authorize a common motor carrier or contract motor carrier or a certificate holder to use one or more fully autonomous vehicles in certain circumstances. Section 54 of this bill provides that a transportation network company may obtain a permit to operate an autonomous vehicle network company.

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

Section 1. Chapter 482A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this act.

Sec. 2. ~~*“Human machine interface” means the method by which a human operator or passenger in an autonomous vehicle communicates with the autonomous technology in the autonomous vehicle.*~~ *“Driver-assistive platooning technology” means a combination of vehicle automation, safety technology, sensor arrays, vehicle-to-vehicle communication systems and specialized software that allows for the safety systems, acceleration and braking of two or more trucks or other motor vehicles to be linked while traveling on a highway. The term does not include an automated driving system.*

Sec. 2.3. *“Dynamic driving task” means all of the real-time operational and tactical functions required to operate an autonomous vehicle in traffic on a highway. The term does not include functions relating to planning for the use of the vehicle, including, without limitation, the scheduling of a trip or the selection of a destination or waypoint.*

Sec. 2.5. *“Fully autonomous vehicle” means a vehicle equipped with an automated driving system which is designed to function at a level of driving automation of level 4 or 5 pursuant to SAE J3016.*

Sec. 2.7. *“Minimal risk condition” means a condition in which an autonomous vehicle operating without a human driver, upon experiencing a failure of its automated driving system that renders the autonomous vehicle unable to perform the dynamic driving task, achieves a reasonably safe state which may include, without limitation, bringing the autonomous vehicle to a complete stop.*

~~Sec. 3. “Human operator” means a natural person who is located within and capable of taking immediate control of an autonomous vehicle. “Operational design domain” means a description of the specific domain or domains in which an automated driving system is designed to properly operate, including, without limitation, types of roadways, ranges of speed and environmental conditions.~~

~~Sec. 4. “Operator interface” means the method by which a person outside of an autonomous vehicle communicates with the autonomous technology in the autonomous vehicle. “SAE J3016” means the document published by SAE International on September 30, 2016, as “Taxonomy and Definitions for Terms Related to Driving Automation Systems for On-Road Motor Vehicles.”~~

~~Sec. 5. 1. The Department shall, in consultation with the Department of Public Safety, the Department of Transportation, the Nevada Transportation Authority and the Taxicab Authority, adopt such regulations as are necessary to authorize the use of a human machine interface and an operator interface to communicate with the autonomous technology in an autonomous vehicle tested or used on a highway within this State.~~

~~2. The regulations adopted pursuant to subsection 1 must:~~

~~(a) Include provisions governing actions to be taken and any sanctions that may be imposed if an autonomous vehicle, autonomous technology, human machine interface or operator interface fails or violates any law or regulation of this State; and~~

~~(b) Set forth such other requirements as the Department determines to be necessary. (Deleted by amendment.)~~

~~Sec. 5.2. 1. The Department may adopt regulations authorizing the testing of driver-assistive platooning technology on a truck or other motor vehicle within this State.~~

~~2. The regulations adopted pursuant to subsection 1 may:~~

~~(a) Set forth requirements that a truck or other motor vehicle which uses driver-assistive platooning technology must meet before it may be operated on a highway within this State;~~

~~(b) Set forth requirements for the insurance that is required to test a truck or other motor vehicle which uses driver-assistive platooning technology on a highway within this State; and~~

~~(c) Exempt a truck or other motor vehicle which uses driver-assistive platooning technology from the application of such motor vehicle laws or traffic laws of this State as the Department determines would allow for the safe testing of the technology.~~

~~Sec. 5.4. A truck or other motor vehicle may use driver-assistive platooning technology on a highway within this State only if the truck or other motor vehicle and the driver-assistive platooning technology:~~

~~1. Are capable of being operated in compliance with the applicable motor vehicle laws and traffic laws of this State; or~~

2. If the truck or other motor vehicle has been granted an exemption by the Department pursuant to regulations adopted pursuant to section 5.2 of this act, is capable of being operated in compliance with the applicable motor vehicle laws and traffic laws of this State other than laws for which the truck or other motor vehicle has been granted an exemption.

Sec. 5.6. 1. Notwithstanding any other provision of law and except as otherwise provided in this chapter, only the Department may adopt regulations or impose any requirement relating to the technology of an automated driving system or autonomous vehicle, and any such regulations adopted, ordinance enacted or requirement imposed by another governmental entity or local government is void.

2. A local government shall not impose any tax or fee or impose any other requirement on an automated driving system or autonomous vehicle or on a person who operates an autonomous vehicle.

Sec. 5.8. Any person responsible for the testing of an autonomous vehicle shall report to the Department, within 10 business days after a motor vehicle crash, any motor vehicle crash involving the testing of the autonomous vehicle which results in personal injury or property damage estimated to exceed \$750. The Department shall prescribe by regulation the information which must be included in such a report.

Sec. 6. 1. The Department ~~shall adopt such regulations as are necessary to authorize the testing and use of an autonomous vehicle or autonomous technology without a human operator on a highway within this State. The regulations may include requirements or other standards that the Department determines to be necessary to ensure the safety of the public.~~ may impose an administrative fine, not to exceed \$2,500, for a violation of any provision of this chapter or any regulation adopted pursuant thereto.

2. In addition to any other penalty provided by this chapter, it is a gross misdemeanor for any person knowingly to falsify an application to obtain a license for an autonomous vehicle certification facility or any other document submitted to or issued by the Department pursuant to this chapter.

Sec. 7. NRS 482A.010 is hereby amended to read as follows:

482A.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 482A.025, 482A.030 and 482A.040 and sections 2 ~~f, 3 and~~ to 4 , inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 7.3. NRS 482A.025 is hereby amended to read as follows:

482A.025 ~~["Autonomous technology" means technology which is installed on a motor vehicle and which has the capability to drive the motor vehicle without the active control or monitoring of a human operator. The term does not include an active safety system or a system for driver assistance, including, without limitation, a system to provide electronic blind spot detection, crash avoidance, emergency braking, parking assistance,~~

~~adaptive cruise control, lane keeping assistance, lane departure warning, or traffic jam and queuing assistance, unless any such system, alone or in combination with any other system, enables the vehicle on which the system is installed to be driven without the active control or monitoring of a human operator.]~~ **“Automated driving system” has the meaning ascribed to it in SAE J3016.**

Sec. 7.5. NRS 482A.030 is hereby amended to read as follows:

482A.030 “Autonomous vehicle” means a motor vehicle that is equipped with ~~[autonomous technology.]~~ **an automated driving system which is designed to function at a level of driving automation of level 3, 4 or 5 pursuant to SAE J3016. The term includes a fully autonomous vehicle.**

Sec. 7.7. NRS 482A.060 is hereby amended to read as follows:

482A.060 Before a person ~~[or entity]~~ begins testing an autonomous vehicle on a highway within this State, the person ~~[or entity]~~ must:

1. Submit to the Department proof of insurance or self-insurance acceptable to the Department in the amount of \$5,000,000; or
2. Make a cash deposit or post and maintain a surety bond or other acceptable form of security with the Department in the amount of \$5,000,000.

Sec. 8. NRS 482A.070 is hereby amended to read as follows:

482A.070 ~~[H]~~

1. Except as otherwise provided in ~~[section 6 of this act.]~~ subsection 2, if an autonomous vehicle ~~[or autonomous technology]~~ is being tested or operated on a highway within this State, a human operator must be:

~~[1.]~~ **(a)** Seated in a position which allows the human operator to take immediate manual control of the autonomous vehicle;

~~[2. Monitoring the safe operation of the autonomous vehicle; and~~

~~— 3.] and~~

(b) Capable of taking over immediate manual control of the autonomous vehicle in the event of a failure of the ~~[autonomous technology]~~ **automated driving system** or other emergency.

2. A fully autonomous vehicle may be tested or operated on a highway within this State with the automated driving system engaged and without a human operator being present within the fully autonomous vehicle if the fully autonomous vehicle satisfies the requirements of paragraph (b) of subsection 2 of NRS 482A.080.

Sec. 9. NRS 482A.080 is hereby amended to read as follows:

482A.080 1. An autonomous vehicle shall not be registered in this State unless the autonomous vehicle ~~[meets all state and federal standards and regulations that are applicable to a motor vehicle.]~~ **has affixed to it a label pursuant to 49 C.F.R. § 567.4.**

2. An autonomous vehicle shall not be tested or ~~[operated]~~ **used** on a highway within this State **with a human operator** unless the autonomous vehicle is ~~[.]~~ **capable of operating in compliance with the applicable motor**

vehicle laws and traffic laws of this State, unless an exemption has been granted by the Department, and:

(a) If the autonomous vehicle is not a fully autonomous vehicle, the autonomous vehicle is:

(1) Equipped with a means to engage and disengage the ~~autonomous technology~~ automated driving system which is easily accessible to the human operator of the autonomous vehicle;

~~((b))~~ (2) Equipped with ~~a visual~~ an indicator located inside the autonomous vehicle which indicates when ~~autonomous technology~~ the automated driving system is operating the autonomous vehicle;

~~((c))~~ and

(3) Equipped with a means to alert the human operator to take manual control of the autonomous vehicle if a failure of the ~~autonomous technology~~ has been detected and such failure affects the ability of the autonomous technology to operate safely the autonomous vehicle; and, if the human operator is unable to do so, to bring the autonomous vehicle to a safe stop; and

~~(d) Capable of being operated used in compliance with the applicable motor vehicle laws and traffic laws of this State.~~

~~3. Autonomous technology shall not be added to a vehicle in this State unless the technology meets all state and federal standards and regulations that are applicable to such technology.~~

~~4. An autonomous vehicle shall not be tested or used on a highway within this State without a human operator unless the autonomous vehicle has been approved for such use pursuant to this chapter and any regulations adopted pursuant thereto.~~ automated driving system occurs which renders the automated driving system unable to perform the dynamic driving task relevant to its intended operational design domain; and

(b) If the autonomous vehicle is a fully autonomous vehicle, the fully autonomous vehicle is capable of achieving a minimal risk condition if a failure of the automated driving system occurs which renders the automated driving system unable to perform the dynamic driving task relevant to its intended operational design domain.

Sec. 9.5. NRS 482A.090 is hereby amended to read as follows:

482A.090 1. The original manufacturer of a motor vehicle that has been converted by a third party into an autonomous vehicle is not liable for damages to any person injured due to a defect caused by the conversion of the motor vehicle ~~for by any equipment installed to facilitate the conversion~~ by the third party unless the defect that caused the injury was present in the vehicle as originally manufactured.

2. The original manufacturer or developer of an automated driving system that has been modified by a third party is not liable for damages to any person injured due to a defect caused by the modification of the automated driving system by the third party unless the defect that caused

the injury was present in the automated driving system as originally manufactured or developed.

Sec. 10. NRS 482A.100 is hereby amended to read as follows:

482A.100 1. The Department ~~[shall]~~ may adopt regulations ~~[authorizing]~~ relating to the operation and testing ~~[and use]~~ of autonomous vehicles on highways within the State of Nevada ~~[,] which are consistent with this chapter and do not impose additional requirements upon the operation and testing of autonomous vehicles.~~

2. A regulation adopted pursuant to subsection 1 shall not become effective until at least 180 days after the regulation is adopted by the Department.

3. The regulations ~~[required to be]~~ adopted ~~[by]~~ pursuant to subsection 1 ~~[must:]~~ may:

(a) ~~[Set forth requirements]~~ Require that an autonomous vehicle ~~[must meet]~~ or automated driving system be certified to comply with the requirements of this chapter by its manufacturer or developer or an autonomous vehicle certification facility licensed pursuant to paragraph (c) before it may be operated ~~[used]~~ on a highway within this State;

(b) ~~[Set forth requirements for the insurance that is required to test or operate use an autonomous vehicle on a highway within this State; which are not inconsistent with other laws of this State concerning insurance for the testing or use of an autonomous vehicle;]~~ Include provisions relating to license plates for and the registration of autonomous vehicles and the licensing and training of drivers that do not conflict with this chapter or unreasonably impede the testing and operation of autonomous vehicles in this State; and

(c) ~~[Establish minimum safety standards for autonomous vehicles and their operation; use;~~

~~—(d) Provide for the testing and use of autonomous vehicles;~~

~~—(e) Restrict the testing of autonomous vehicles to specified geographic areas; and~~

~~—(f) Set forth such other requirements as the Department determines to be necessary.~~

~~3. The Department shall consider the guidelines, standards, recommendations and regulations proposed or adopted by the National Highway Traffic Safety Administration in adopting regulations pursuant to this section.] Provide for the licensing of autonomous vehicle certification facilities.~~

Sec. 11. NRS 482A.200 is hereby amended to read as follows:

482A.200 ~~[The Department shall by regulation establish a driver's license endorsement for the operation use of an autonomous vehicle on the highways of this State. The driver's license endorsement described in this section must, in its restrictions or lack thereof, recognize the fact that a person is not required to actively drive an autonomous vehicle.] No motor vehicle laws or traffic laws of this State shall be construed to require a~~

human driver to operate a fully autonomous vehicle which is being operated by an automated driving system. The automated driving system of a fully autonomous vehicle shall, when engaged, be deemed to fulfill any physical acts which would otherwise be required of a human driver except those acts which by their nature can have no application to such a system.

Sec. 11.5. NRS 484A.080 is hereby amended to read as follows:

484A.080 ~~["Driver"]~~

1. Except as otherwise provided in subsection 2, "driver" means every person who drives or is in actual physical control of a vehicle.

2. If a vehicle is an autonomous vehicle, as defined in NRS 482A.030, and the automated driving system, as defined in NRS 482A.025, of the autonomous vehicle is engaged, "driver" means a person who causes the automated driving system of the autonomous vehicle to engage.

3. If a vehicle is a fully autonomous vehicle, as defined in section 2.5 of this act, and the automated driving system, as defined in NRS 482A.025, of the fully autonomous vehicle is engaged, "driver" does not include a natural person who causes the automated driving system of the fully autonomous vehicle to engage unless the natural person is the owner of the fully autonomous vehicle.

Sec. 12. NRS 484B.165 is hereby amended to read as follows:

484B.165 1. Except as otherwise provided in this section, a person shall not, while operating a motor vehicle on a highway in this State:

(a) Manually type or enter text into a cellular telephone or other handheld wireless communications device, or send or read data using any such device to access or search the Internet or to engage in nonvoice communications with another person, including, without limitation, texting, electronic messaging and instant messaging.

(b) Use a cellular telephone or other handheld wireless communications device to engage in voice communications with another person, unless the device is used with an accessory which allows the person to communicate without using his or her hands, other than to activate, deactivate or initiate a feature or function on the device.

2. The provisions of this section do not apply to:

(a) A paid or volunteer firefighter, emergency medical technician, advanced emergency medical technician, paramedic, ambulance attendant or other person trained to provide emergency medical services who is acting within the course and scope of his or her employment.

(b) A law enforcement officer or any person designated by a sheriff or chief of police or the Director of the Department of Public Safety who is acting within the course and scope of his or her employment.

(c) A person who is reporting a medical emergency, a safety hazard or criminal activity or who is requesting assistance relating to a medical emergency, a safety hazard or criminal activity.

(d) A person who is responding to a situation requiring immediate action to protect the health, welfare or safety of the driver or another person and stopping the vehicle would be inadvisable, impractical or dangerous.

(e) A person who is licensed by the Federal Communications Commission as an amateur radio operator and who is providing a communication service in connection with an actual or impending disaster or emergency, participating in a drill, test, or other exercise in preparation for a disaster or emergency or otherwise communicating public information.

(f) An employee or contractor of a public utility who uses a handheld wireless communications device:

(1) That has been provided by the public utility; and

(2) While responding to a dispatch by the public utility to respond to an emergency, including, without limitation, a response to a power outage or an interruption in utility service.

3. The provisions of this section do not prohibit the use of a voice-operated global positioning or navigation system that is affixed to the vehicle.

4. A person who violates any provision of subsection 1 is guilty of a misdemeanor and:

(a) For the first offense within the immediately preceding 7 years, shall pay a fine of \$50.

(b) For the second offense within the immediately preceding 7 years, shall pay a fine of \$100.

(c) For the third or subsequent offense within the immediately preceding 7 years, shall pay a fine of \$250.

5. A person who violates any provision of subsection 1 may be subject to any additional penalty set forth in NRS 484B.130 or 484B.135.

6. The Department of Motor Vehicles shall not treat a first violation of this section in the manner statutorily required for a moving traffic violation.

7. For the purposes of this section, a person shall be deemed not to be operating a motor vehicle if the motor vehicle is driven autonomously ~~through the use of artificial intelligence software~~ and the autonomous operation of the motor vehicle is authorized by law.

8. As used in this section:

(a) "Handheld wireless communications device" means a handheld device for the transfer of information without the use of electrical conductors or wires and includes, without limitation, a cellular telephone, a personal digital assistant, a pager and a text messaging device. The term does not include a device used for two-way radio communications if:

(1) The person using the device has a license to operate the device, if required; and

(2) All the controls for operating the device, other than the microphone and a control to speak into the microphone, are located on a unit which is used to transmit and receive communications and which is separate from the microphone and is not intended to be held.

(b) “Public utility” means a supplier of electricity or natural gas or a provider of telecommunications service for public use who is subject to regulation by the Public Utilities Commission of Nevada.

Sec. 13. ~~[NRS 484D.490 is hereby amended to read as follows:~~

~~484D.490 1. [A] Except as otherwise provided in subsection 2, a person shall not drive any motor vehicle equipped with television type receiving equipment so located that the viewer or screen is visible from the driver's seat.~~

~~2. This section does not prohibit the use of television type receiving equipment used exclusively for traffic safety, law enforcement or the navigation of a motor vehicle [.] or in an autonomous vehicle.] (Deleted by amendment.)~~

Sec. 14. ~~[NRS 239.010 is hereby amended to read as follows:~~

~~239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 41.071, 49.095, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 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, 130.712, 136.050, 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, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 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, 241.039, 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, 289.830, 293.5002, 293.503, 293.558, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.16925, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 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, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 391.035, 392.029, 392.147, 392.264, 392.271, 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, 408.3888, 408.5484, 412.153, 416.070, 422.2749, 422.305, 422A.342, 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, 439.840, 439B.420, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 445A.665, 445B.570, 449.209, 449.245, 449.720, 450.140, 453.164, 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, 480.365, 481.063, 482.170, 482.5536, 482A.100, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070, 485.316, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 599B.090, 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.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301, 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085, 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.410, 681B.540, 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.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 703.196, 704B.320, 704B.325, 706.1725, 706A.230, 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. (Deleted by amendment.)~~

Sec. 14.01. Chapter 372B of NRS is hereby amended by adding thereto the provisions set forth as sections 14.03 and 14.05 of this act.

Sec. 14.03. “Autonomous vehicle network company” has the meaning ascribed to it in section 14.24 of this act.

Sec. 14.05. 1. In addition to any other fee or assessment imposed pursuant to this chapter, an excise tax is hereby imposed on the use of a dispatch center, software application or other digital means by an autonomous vehicle network company to connect a passenger to a fully autonomous vehicle for the purpose of providing transportation services at the rate of 3 percent of the total fare charged for transportation services, which must include, without limitation, all fees, surcharges, technology fees, convenience charges for the use of a credit or debit card and any other amount that is part of the fare. The Department shall charge and collect from each autonomous vehicle network company the excise tax imposed by this subsection.

2. The excise tax collected by the Department pursuant to subsection 1 must be deposited with the State Treasurer in accordance with the provisions of NRS 372B.170.

3. As used in this section, “fully autonomous vehicle” has the meaning ascribed to it in section 2.5 of this act.

Sec. 14.07. NRS 372B.010 is hereby amended to read as follows:

372B.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 372B.020 to 372B.090, inclusive, and section 14.03 of this act have the meanings ascribed to them in those sections.

Sec. 14.09. NRS 372B.070 is hereby amended to read as follows:

372B.070 “Taxpayer” means: ~~to~~

1. ~~Common~~ An autonomous vehicle network company;

2. A common motor carrier of passengers;

~~{2. Taxicab;}~~

3. A taxicab; or

~~[3. Transportation]~~

4. A transportation network company.

Sec. 14.1. Title 58 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 14.2 to 14.9, inclusive, of this act.

Sec. 14.2. As used in this chapter unless the context otherwise requires, the words and terms defined in sections 14.22 to 14.28, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 14.22. "Authority" means the Nevada Transportation Authority.

Sec. 14.24. "Autonomous vehicle network company" or "company" means an entity that, for compensation:

1. Connects a passenger to a fully autonomous vehicle which can provide transportation services to the passenger; or

2. Transports goods from one location to another using a fully autonomous vehicle.

Sec. 14.26. "Fully autonomous vehicle" has the meaning ascribed to it in section 2.5 of this act.

Sec. 14.28. "Transportation services" means the transportation of one or more passengers between points chosen by the passenger or passengers or of goods between points chosen by a customer using a fully autonomous vehicle. The term includes only the period beginning when a company accepts a request to provide transportation for one or more passengers or goods using a fully autonomous vehicle and ending when all of the goods or passengers fully disembark from the fully autonomous vehicle.

Sec. 14.3. The provisions of this chapter do not apply to:

1. Common motor carriers or contract motor carriers that are providing transportation services pursuant to a contract with the Department of Health and Human Services entered into pursuant to NRS 422.27495.

2. A person who provides a method to enable persons who are interested in sharing expenses for transportation to a destination, commonly known as carpooling, to connect with each other, regardless of whether a fee is charged by the person who provides the method.

Sec. 14.33. 1. Except as otherwise provided in subsection 2, the provisions of this chapter do not exempt any person from any law governing the operation of a motor vehicle upon the highways of this State.

2. An autonomous vehicle network company which holds a valid permit issued by the Authority pursuant to this chapter and each fully autonomous vehicle operated by such a company are exempt from:

(a) The provisions of chapter 704 of NRS relating to public utilities; and

(b) The provisions of chapters 706 and 706A of NRS,

↳ to the extent that the services provided by the company are within the scope of the permit.

Sec. 14.37. 1. The Authority shall adopt such regulations as are necessary to carry out the provisions of this chapter.

2. The regulations adopted by the Authority pursuant to this section must not conflict with or regulate any matter described in chapter 482A of NRS.

Sec. 14.5. 1. An autonomous vehicle network company shall not engage in business in this State unless the company holds a valid permit issued by the Authority pursuant to this chapter.

2. The Authority is authorized and empowered to regulate, pursuant to the provisions of this chapter, all autonomous vehicle network companies who operate or wish to operate within this State. The Authority shall not apply any provision of chapter 706 of NRS to an autonomous vehicle network company who operates, or a fully autonomous vehicle operated by a company, within the provisions of this chapter and the regulations adopted pursuant thereto.

3. A person who is regulated pursuant to chapter 706 of NRS and who holds a valid permit issued pursuant to subsection 1 may apply to the Authority for a permit to use autonomous vehicles to provide transportation services. A person who holds a permit to use autonomous vehicles to provide transportation services:

(a) May combine the operations of an autonomous vehicle network company and a business regulated pursuant to chapter 706 of NRS; and

(b) Must comply with all requirements of this chapter and chapter 706 of NRS which apply to such combined operations.

4. Nothing in this chapter prohibits a company from collaborating to provide transportation services with any other person authorized to provide such services pursuant to this chapter or chapter 706 or 706A of NRS.

Sec. 14.53. A person who desires to operate an autonomous vehicle network company in this State must submit to the Authority an application for the issuance of a permit to operate an autonomous vehicle network company. The application must be in the form required by the Authority and must include such information as the Authority, by regulation, determines is necessary to prove the person meets the requirements of this chapter for the issuance of a permit.

Sec. 14.55. 1. Upon receipt of a completed application and upon a determination by the Authority that an applicant meets the requirements for the issuance of a permit to operate an autonomous vehicle network company, the Authority shall issue to the applicant within 30 days a permit to operate an autonomous vehicle network company in this State.

2. In accordance with the provisions of this chapter, a permit issued pursuant to this section:

(a) Authorizes an autonomous vehicle network company to use a dispatch center, software application or other digital means to connect passengers to a fully autonomous vehicle which can provide transportation services to the passenger or to arrange for the transportation of goods using a fully autonomous vehicle.

(b) Does not authorize an autonomous vehicle network company to engage in any activity otherwise regulated pursuant to chapter 706 or 706A of NRS other than the activity authorized by this chapter.

3. Nothing in this chapter prohibits the issuance of a permit to operate an autonomous vehicle network company to a person who is regulated pursuant to chapter 706 or 706A of NRS if the person submits an application pursuant to section 14.53 of this act and meets the requirements for the issuance of a permit.

Sec. 14.57. 1. The Authority shall charge and collect a fee, in an amount established by the Authority by regulation, from each applicant for a permit to operate an autonomous vehicle network company in this State. The fee required by this subsection is not refundable. The Authority shall not issue a permit to operate an autonomous vehicle network company in this State unless the applicant has paid the fee required by this subsection.

2. For each year after the year in which the Authority issues a permit to an autonomous vehicle network company, the Authority shall levy and collect an annual assessment from the autonomous vehicle network company at a rate determined by the Authority based on the gross operating revenue derived from the intrastate operations of the autonomous vehicle network company in this State.

3. The annual assessment levied and collected by the Authority pursuant to subsection 2 must be used by the Authority for the regulation of autonomous vehicle network companies.

Sec. 14.7. An autonomous vehicle network company shall appoint and keep in this State a registered agent as provided in NRS 14.020.

Sec. 14.71. 1. In accordance with the provisions of this chapter, an autonomous vehicle network company which holds a valid permit issued by the Authority pursuant to this chapter may charge a fare for transportation services.

2. If a fare is charged for transportation services provided to passengers, the company must disclose the rates charged by the company and the method by which the amount of a fare is calculated:

(a) On an Internet website maintained by the company; or

(b) Within the software application or other digital means used by the company to connect passengers to fully autonomous vehicles.

3. If a fare is charged for transportation services provided to passengers, the company must offer to each passenger the option to receive, before the passenger enters the fully autonomous vehicle of the company, an estimate of the amount of the fare that will be charged to the passenger.

4. An autonomous vehicle network company may accept payment of a fare only electronically. An autonomous vehicle network company shall not solicit or accept cash as payment of a fare.

5. An autonomous vehicle network company shall not impose any additional charge for providing transportation services to a person with a physical disability because of the disability.

6. The Authority may adopt regulations establishing a maximum fare that may be charged during an emergency, as defined in NRS 414.0345.

Sec. 14.72. 1. An autonomous vehicle network company shall not connect a fully autonomous vehicle to a potential passenger if the fully autonomous vehicle is not in compliance with the requirements of chapter 482A of NRS.

2. An autonomous vehicle network company shall inspect or cause to be inspected every fully autonomous vehicle used to provide transportation services before using the fully autonomous vehicle to provide transportation services and not less than once each year thereafter.

3. The inspection required by subsection 2 must ensure the proper functioning and safety of the fully autonomous vehicle pursuant to chapter 482A of NRS and any applicable federal law or regulation.

Sec. 14.73. 1. An autonomous vehicle network company shall adopt a policy which prohibits discrimination against a passenger or potential passenger on account of national origin, religion, age, disability, sex, race, color, sexual orientation or gender identity or expression.

2. An autonomous vehicle network company shall provide to each passenger an opportunity to indicate whether the passenger requires transportation in a fully autonomous vehicle that is wheelchair accessible. If the company cannot provide the passenger with transportation services in a fully autonomous vehicle that is wheelchair accessible, the company must direct the passenger to an alternative provider or means of transportation that is wheelchair accessible, if available.

Sec. 14.74. For each instance in which an autonomous vehicle network company uses a fully autonomous vehicle to provide transportation services to a passenger, the company shall provide to the passenger, before the passenger enters the fully autonomous vehicle, the license plate number of the fully autonomous vehicle. The information required by this section must be provided to the passenger:

1. On an Internet website maintained by the company; or

2. Within the software application or other digital means used by the company to connect passengers to fully autonomous vehicles.

Sec. 14.75. An autonomous vehicle network company which connected a passenger to a fully autonomous vehicle shall, within a reasonable period following the provision of transportation services to the passenger, transmit to the passenger an electronic receipt, which must include, without limitation:

1. A description of the point of origin and the destination of the transportation services;

2. The total time for which transportation services were provided;

3. The total distance traveled; and

4. An itemization of the fare, if any, charged for the transportation services.

Sec. 14.76. An autonomous vehicle network company may enter into a contract with any agency of the Department of Health and Human Services to provide assistance in transportation pursuant to the programs administered by the agency.

Sec. 14.77. 1. An autonomous vehicle network company shall maintain the following records relating to the business of the company for a period of at least 3 years after the date on which the record is created:

(a) Trip records;
(b) Vehicle inspection records;
(c) Records of each complaint and the resolution of each complaint; and
(d) Records of each accident or other incident that involved a fully autonomous vehicle and was reported to the company.

2. Each autonomous vehicle network company shall make its records available for inspection by the Authority upon request and only as necessary for the Authority to investigate complaints. This subsection does not require a company to make any proprietary information available to the Authority. Any records provided to the Authority are confidential and must not be disclosed other than to employees of the Authority.

Sec. 14.78. 1. Each autonomous vehicle network company shall:

(a) Keep uniform and detailed accounts of all business transacted in this State and provide such accounts to the Authority upon request;

(b) On or before May 15 of each year, provide an annual report to the Authority regarding all business conducted by the company in this State during the preceding calendar year; and

(c) Provide the information determined by the Authority to be necessary to verify the collection of money owed to the State.

2. The Authority shall adopt regulations setting forth the form and contents of the information required to be provided pursuant to subsection 1.

3. If the Authority determines that an autonomous vehicle network company has failed to include information in its accounts or the report required pursuant to subsection 1, the Authority shall notify the company to provide such information. A company which receives a notice pursuant to this subsection shall provide the specified information within 15 days after receipt of such a notice.

4. All information required to be provided pursuant to this section must be signed by an officer or agent of, or other person authorized by, the autonomous vehicle network company under oath.

Sec. 14.79. Except as otherwise provided in this section, an autonomous vehicle network company shall not disclose to any person the personally identifiable information of a passenger who received services from the company unless:

1. The disclosure is otherwise required by law;
2. The company determines that disclosure is required to protect or defend the terms of use of the services or to investigate violations of those terms of use; or

3. The passenger consents to the disclosure.

Sec. 14.8. Each autonomous vehicle network company shall:

1. Provide notice of the contact information of the Authority on an Internet website maintained by the company or within the software application or other digital means used by the company to connect passengers to fully autonomous vehicles; and

2. Create a system to receive and address complaints from consumers which is available during normal business hours in this State.

Sec. 14.82. 1. Each autonomous vehicle network company shall provide to the Authority reports containing information relating to motor vehicle crashes which occurred in this State while a fully autonomous vehicle was providing transportation services. The reports required by this subsection must contain the information identified in subsection 2 and be submitted:

(a) For all crashes that occurred during the first 6 months that the company operates within this State, not later than 7 months after the date the company was issued a permit.

(b) For all crashes that occurred during the first 12 months that the company operates within this State, not later than 13 months after the date the company was issued a permit.

2. The reports submitted pursuant to subsection 1 must include, for the period of time specified in subsection 1:

(a) The number of motor vehicle crashes which occurred in this State involving such a fully autonomous vehicle;

(b) The highest, lowest and average amount paid for bodily injury or death to one or more persons that occurred as a result of such a crash; and

(c) The highest, lowest and average amount paid for damage to property that occurred as a result of such a crash.

3. Except as otherwise provided in this subsection, any records provided to the Authority are confidential and must not be disclosed other than to employees of the Authority. The Authority shall collect the reports submitted by autonomous vehicle network companies pursuant to subsection 1 and determine whether the limits of coverage required pursuant to section 14.9 of this act are sufficient. The Authority shall submit a report stating whether the limits of coverage required pursuant to section 14.9 of this act are sufficient and containing the information, in an aggregated format which does not reveal the identity of any person, submitted by autonomous vehicle network companies pursuant to subsection 1 since the last report of the Authority pursuant to this subsection:

(a) To the Legislative Commission on or before December 1 of each odd-numbered year.

(b) To the Director of the Legislative Counsel Bureau for transmittal to the Legislature on or before December 1 of each even-numbered year.

Sec. 14.84. 1. With respect to a passenger's destination when using a fully autonomous vehicle provided by the company, an autonomous vehicle network company shall not:

(a) Deceive or attempt to deceive any passenger who rides or desires to ride in the vehicle.

(b) Convey or attempt to convey any passenger to a destination other than the one directed by the passenger.

(c) Take a longer route to the passenger's destination than is necessary, unless specifically requested to do so by the passenger.

2. The Authority shall not consider any action taken by a fully autonomous vehicle which is consistent with its operational design domain, as defined in section 3 of this act, or technological capabilities as a violation of subsection 1.

3. As used in this section, "longer route to the passenger's destination" means any route other than that which would result in the lowest fare to the passenger.

Sec. 14.86. 1. If the Authority determines that an autonomous vehicle network company has violated the terms of a permit issued pursuant to this chapter or any other provision of this chapter or any regulations adopted pursuant thereto, the Authority may, depending on whether the violation was committed by the company or a fully autonomous vehicle used by the company, or both:

(a) If the Authority determines that the violation is willful and endangers public safety in a manner unrelated to the provisions of chapter 482A of NRS, suspend or revoke the permit issued to the company;

(b) If the Authority determines that the violation is willful and endangers public safety in a manner unrelated to the provisions of chapter 482A of NRS, impose against the company an administrative fine in an amount not to exceed \$100,000 per violation; or

(c) Impose any combination of the penalties provided in paragraphs (a) and (b).

2. To determine the amount of an administrative fine imposed pursuant to paragraph (b) or (c) of subsection 1, the Authority shall consider:

(a) The size of the company;

(b) The severity of the violation;

(c) Any good faith efforts by the company to remedy the violation;

(d) The history of previous violations by the company; and

(e) Any other factor that the Authority determines to be relevant.

3. Notwithstanding the provisions of NRS 193.170, a person who violates any provision of this chapter is not subject to any criminal penalty for such a violation.

Sec. 14.88. 1. Except as otherwise provided in subsection 2, a local governmental entity shall not:

(a) Impose any tax or fee on an autonomous vehicle network company operating within the scope of a valid permit issued by the Authority pursuant to this chapter or a fully autonomous vehicle used by such a company to provide transportation services.

(b) Require an autonomous vehicle network company operating within the scope of a valid permit issued by the Authority pursuant to this chapter to obtain from the local government any certificate, license or permit to operate within that scope.

(c) Impose any other requirement upon an autonomous vehicle network company which is not of general applicability to all persons who operate a motor vehicle within the jurisdiction of the local government.

2. Nothing in this section:

(a) Prohibits a local governmental entity from requiring an autonomous vehicle network company to obtain from the local government a business license or to pay any business license fee in the same manner that is generally applicable to any other business that operates within the jurisdiction of the local government.

(b) Prohibits an airport or its governing body from requiring an autonomous vehicle network company to:

(1) Obtain a permit or certification to operate at the airport;

(2) Pay a fee to operate at the airport; or

(3) Comply with any other requirement to operate at the airport.

(c) Exempts a fully autonomous vehicle used by a company from any tax imposed pursuant to NRS 354.705, 371.043 or 371.045.

3. The provisions of this chapter do not exempt any person from the requirement to obtain a state business license issued pursuant to chapter 76 of NRS.

Sec. 14.9. Each autonomous vehicle network company shall maintain insurance provided by an insurance company licensed by the Division of Insurance of the Department of Business and Industry and approved to do business in this State or a broker licensed pursuant to chapter 685A of NRS, procured directly from a nonadmitted insurer, as defined in NRS 685A.0375, or a program of self-insurance which meets criteria established by the Authority in an amount of \$1,500,000 or more for bodily injury to or death of one or more persons and injury to or destruction of property of others in any one accident or motor vehicle crash that occurs while providing transportation services using a fully autonomous vehicle pursuant to this chapter.

Sec. 15. Chapter 706 of NRS is hereby amended by adding thereto the provisions set forth as sections 16 to 34, inclusive, of this act.

Sec. 16. ~~["Autonomous technology" has the meaning ascribed to it in NRS 482A.025.] (Deleted by amendment.)~~

Sec. 17. ~~["Autonomous"]~~ "Fully autonomous vehicle" has the meaning ascribed to it in [NRS 482A.030.] section 2.5 of this act.

Sec. 18. ~~["Human machine interface" has the meaning ascribed to it in section 2 of this act.]~~ (Deleted by amendment.)

Sec. 19. ~~["Operator interface" has the meaning ascribed to it in section 4 of this act.]~~ (Deleted by amendment.)

Sec. 20. ~~["Operator of an autonomous vehicle" means the holder of a certificate, license or permit issued by the Authority under which an autonomous vehicle is used.]~~ (Deleted by amendment.)

Sec. 21. ~~[(1)]~~ The Authority shall authorize a common motor carrier or contract motor carrier to use ~~[an]~~ one or more fully autonomous [vehicle or autonomous technology] vehicles if:

~~[(a)]~~ 1. The fully autonomous [vehicle has been registered pursuant to] vehicles comply with the provisions of chapter 482A of NRS and the regulations adopted pursuant thereto;

~~[(b)]~~ 2. The motor carrier [has provided insurance as required by NRS 706.291 and 706.305 to 706.306, inclusive, and section 22 of this act and the regulations adopted pursuant to NRS 482.100 and 706.475;] holds a permit issued pursuant to section 14.55 of this act as an autonomous vehicle network company and a permit to use autonomous vehicles to provide transportation services pursuant to section 14.5 of this act; and

~~[(c)]~~ 3. The fully autonomous [vehicle or autonomous technology] vehicles will comply with the requirements of NRS 706.011 to 706.791, inclusive, and sections 16 to 25, inclusive, of this act, and any regulations adopted pursuant thereto.

~~[2. The Authority shall adopt regulations providing for the substitution of autonomous vehicles for traditional vehicles in the operations of a common motor carrier or contract motor carrier under the jurisdiction of the Authority or for the approval of the use of autonomous vehicles or autonomous technology. The regulations adopted pursuant to this subsection may not regulate the autonomous technology used in an autonomous vehicle, the human machine interface or operator interface used to communicate with such autonomous technology or any other aspect of the autonomous vehicle or autonomous technology which is regulated by the Department of Motor Vehicles or the National Highway Traffic Safety Administration.]~~

Sec. 22. ~~[Each common motor carrier or contract motor carrier that uses an autonomous vehicle to provide transportation services shall maintain insurance provided by an insurance company licensed by the Division of Insurance of the Department of Business and Industry and approved to do business in this State or a broker licensed pursuant to chapter 685A of NRS, procured directly from a nonadmitted insurer, as defined in NRS 685A.0375, or a program of self insurance which meets criteria established by the Authority in an amount of \$5,000,000 or more for bodily injury to or death of one or more persons and injury to or~~

~~destruction of property of others in any one accident or motor vehicle crash that occurs during the operation of an autonomous vehicle.] (Deleted by amendment.)~~

Sec. 23. ~~[Each autonomous vehicle used under NRS 706.011 to 706.791, inclusive, and sections 16 to 25, inclusive, of this act must meet the requirements imposed by the Authority, the Department of Motor Vehicles, the Department of Transportation and the National Highway Traffic Safety Administration and the provisions of chapter 482A of NRS.] (Deleted by amendment.)~~

Sec. 24. ~~[The operator of an autonomous vehicle shall:~~
~~1. Not permit the autonomous vehicle to remain at a taxicab stand unless it is being held out for hire.~~
~~2. Discourage passengers from entering or leaving the autonomous vehicle from the left side except at the left curb of a one way street or while the autonomous vehicle is parked perpendicularly to a curb.~~
~~3. Not load or unload passengers or luggage at an intersection or crosswalk or at any place in any manner that will interfere with the orderly flow of traffic.~~
~~4. Not carry more passengers in the front seat or in a back seat of the autonomous vehicle than are authorized by the manufacturer's recommendations.~~
~~5. Use the autonomous vehicle in accordance with all applicable state and local laws and regulations and with due regard for the safety, comfort and convenience of the passengers and of the general public.] (Deleted by amendment.)~~

Sec. 25. ~~[If a violation of NRS 706.011 to 706.791, inclusive, and sections 16 to 25, inclusive, of this act is the result of the failure of an autonomous vehicle, autonomous technology, human-machine interface or operator interface, the Administrator shall impose a sanction or require corrective action, or both, in accordance with the regulations adopted pursuant to section 5 of this act.] (Deleted by amendment.)~~

Sec. 26. ~~["Autonomous technology" has the meaning ascribed to it in NRS 482A.025.] (Deleted by amendment.)~~

Sec. 27. ~~["Autonomous"]~~ "Fully autonomous vehicle" has the meaning ascribed to it in ~~[NRS 482A.030.]~~ section 2.5 of this act.

Sec. 28. ~~["Human machine interface" has the meaning ascribed to it in section 2 of this act.] (Deleted by amendment.)~~

Sec. 29. ~~["Operator interface" has the meaning ascribed to it in section 4 of this act.] (Deleted by amendment.)~~

Sec. 30. ~~["Operator of an autonomous vehicle" means the certificate holder under whose certificate of public convenience and necessity an autonomous vehicle is operated.] (Deleted by amendment.)~~

Sec. 31. ~~[The Taxicab Authority shall authorize a certificate holder to use [an] one or more fully autonomous [vehicle or autonomous technology] vehicles if:~~

~~{{(a)}} 1. The fully autonomous {vehicle has been pursuant to} vehicles~~
comply with the provisions of chapter 482A of NRS and the regulations
adopted pursuant thereto;

~~{{(b)}} 2. The certificate holder {has provided insurance as required by~~
~~NRS 706.8828 and section 32 of this act and the regulations adopted~~
~~pursuant to NRS 482.100 and 706.88181,}~~
holds a permit issued pursuant
to section 14.55 of this act as an autonomous vehicle network company and
a permit to use autonomous vehicles to provide transportation services
pursuant to section 14.5 of this act; and

~~{{(c)}} 3. The fully autonomous {vehicle or autonomous technology}~~
vehicles will comply with the requirements of sections 706.881 to 706.885,
inclusive, and sections 26 to 34, inclusive, of this act, and any regulations
adopted pursuant thereto.

~~[2. The Taxicab Authority shall adopt regulations providing for the~~
~~substitution of autonomous vehicles for traditional taxicabs in the~~
~~operations of a certificate holder under the jurisdiction of the Taxicab~~
~~Authority or for the approval of the use of autonomous vehicles or~~
~~autonomous technology. The regulations adopted pursuant to this~~
~~subsection may not regulate the autonomous technology used in an~~
~~autonomous vehicle, the human machine interface or operator interface~~
~~used to communicate with such autonomous technology or any other~~
~~aspect of the autonomous vehicle or autonomous technology which is~~
~~regulated by the Department of Motor Vehicles or the National Highway~~
~~Traffic Safety Administration.]~~

Sec. 32. ~~[Each certificate holder that uses an autonomous vehicle as a~~
~~taxicab shall maintain insurance provided by an insurance company~~
~~licensed by the Division of Insurance of the Department of Business and~~
~~Industry and approved to do business in this State or a broker licensed~~
~~pursuant to chapter 685A of NRS, procured directly from a nonadmitted~~
~~insurer, as defined in NRS 685A.0375, or a program of self insurance~~
~~which meets criteria established by the Taxicab Authority in an amount of~~
~~\$5,000,000 or more for bodily injury to or death of one or more persons~~
~~and injury to or destruction of property of others in any one accident or~~
~~motor vehicle crash that occurs during the operation of an autonomous~~
~~vehicle.] (Deleted by amendment.)~~

Sec. 33. ~~[Each autonomous vehicle used under NRS 706.881 to~~
~~706.885, inclusive, and sections 26 to 34, inclusive, of this act, must meet~~
~~all requirements imposed by the Taxicab Authority, the Department of~~
~~Motor Vehicles, the Department of Transportation and the National~~
~~Highway Traffic Safety Administration and the provisions of chapter 482A~~
~~of NRS.] (Deleted by amendment.)~~

Sec. 34. ~~[The operator of an autonomous vehicle shall:~~
~~1. Not permit the autonomous vehicle to remain at a taxicab stand~~
~~unless it is being held out for hire.~~

~~2. Discourage passengers from entering or leaving the autonomous vehicle from the left side except at the left curb of a one way street or while the autonomous vehicle is parked perpendicularly to a curb.~~

~~3. Not load or unload passengers or luggage at an intersection or crosswalk or at any place in any manner that will interfere with the orderly flow of traffic.~~

~~4. Not carry more passengers in the front seat or in a back seat of the autonomous vehicle than are authorized by the manufacturer's recommendations.~~

~~5. Use the autonomous vehicle in accordance with all applicable state and local laws and regulations and with due regard for the safety, comfort and convenience of the passengers and of the general public.~~ (Deleted by amendment.)

Sec. 35. NRS 706.011 is hereby amended to read as follows:

706.011 As used in NRS 706.011 to 706.791, inclusive, *and sections 16 to 25, inclusive, of this act*, unless the context otherwise requires, the words and terms defined in NRS 706.013 to 706.146, inclusive, *and sections 16 to 20, inclusive, of this act* have the meanings ascribed to them in those sections.

Sec. 36. ~~[NRS 706.124 is hereby amended to read as follows:~~

~~706.124 "Taxicab" means a vehicle which is not operated over a fixed route, is designed or constructed to accommodate and transport not more than six passengers, including the driver [,] if the vehicle is not an autonomous vehicle, and:~~

~~1. Uses a taximeter or some other device, method or system to indicate and determine the passenger fare charged for the distance traveled;~~

~~2. Is used in the transportation of passengers or light express, or both, for which a charge or fee is received; or~~

~~3. Is operated in any service which is held out to the public as being available for the transportation of passengers from place to place in the State of Nevada.] (Deleted by amendment.)~~

Sec. 37. ~~[NRS 706.2885 is hereby amended to read as follows:~~

~~706.2885 1. A certificate of public convenience and necessity, permit or license issued in accordance with this chapter is not a franchise and may be revoked.~~

~~2. The Authority may at any time, for good cause shown, after investigation and hearing and upon 5 days' written notice to the grantee, suspend any certificate, permit or license issued in accordance with the provisions of NRS 706.011 to 706.791, inclusive, and sections 16 to 25, inclusive, of this act for a period not to exceed 60 days.~~

~~3. Upon receipt of a written complaint or on its own motion, the Authority may, after investigation and hearing, revoke any certificate, permit or license. If service of the notice required by subsection 2 cannot be made or if the grantee relinquishes the grantee's interest in the certificate, permit or~~

license by so notifying the Authority in writing, the Authority may revoke the certificate, permit or license without a hearing.

~~4. Except as otherwise provided in NRS 706.1519, the proceedings thereafter are governed by the provisions of chapter 233B of NRS.~~ **(Deleted by amendment.)**

Sec. 38. ~~[NRS 706.756 is hereby amended to read as follows:~~

~~706.756 1. Except as otherwise provided in subsection 2, any person who:~~

~~—(a) Operates a vehicle or causes it to be operated in any carriage to which the provisions of NRS 706.011 to 706.861, inclusive, and sections 16 to 25, inclusive, of this act apply without first obtaining a certificate, permit or license, or in violation of the terms thereof;~~

~~—(b) Fails to make any return or report required by the provisions of NRS 706.011 to 706.861, inclusive, and sections 16 to 25, inclusive, of this act or by the Authority or the Department pursuant to the provisions of NRS 706.011 to 706.861, inclusive [;], and sections 16 to 25, inclusive, of this act;~~

~~—(c) Violates, or procures, aids or abets the violating of, any provision of NRS 706.011 to 706.861, inclusive [;], and sections 16 to 25, inclusive, of this act;~~

~~—(d) Fails to obey any order, decision or regulation of the Authority or the Department;~~

~~—(e) Procures, aids or abets any person in the failure to obey such an order, decision or regulation of the Authority or the Department;~~

~~—(f) Advertises, solicits, proffers bids or otherwise is held out to perform transportation as a common or contract carrier in violation of any of the provisions of NRS 706.011 to 706.861, inclusive [;], and sections 16 to 25, inclusive, of this act;~~

~~—(g) Advertises as providing:~~

~~—(1) The services of a fully regulated carrier; or~~

~~—(2) Towing services;~~

~~—without including the number of the person's certificate of public convenience and necessity or contract carrier's permit in each advertisement;~~

~~—(h) Knowingly offers, gives, solicits or accepts any rebate, concession or discrimination in violation of the provisions of this chapter;~~

~~—(i) Knowingly, willfully and fraudulently seeks to evade or defeat the purposes of this chapter;~~

~~—(j) Operates or causes to be operated a vehicle which does not have the proper identifying device;~~

~~—(k) Displays or causes or permits to be displayed a certificate, permit, license or identifying device, knowing it to be fictitious or to have been cancelled, revoked, suspended or altered;~~

~~—(l) Lends or knowingly permits the use of by one not entitled thereto any certificate, permit, license or identifying device issued to the person so lending or permitting the use thereof; or~~

~~— (m) Refuses or fails to surrender to the Authority or Department any certificate, permit, license or identifying device which has been suspended, cancelled or revoked pursuant to the provisions of this chapter,~~

~~→ is guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than \$100 nor more than \$1,000, or by imprisonment in the county jail for not more than 6 months, or by both fine and imprisonment.~~

~~— 2. Any person who, in violation of the provisions of NRS 706.386, operates as a fully regulated common motor carrier without first obtaining a certificate of public convenience and necessity or any person who, in violation of the provisions of NRS 706.421, operates as a contract motor carrier without first obtaining a permit is guilty of a misdemeanor and shall be punished:~~

~~— (a) For a first offense within a period of 12 consecutive months, by a fine of not less than \$500 nor more than \$1,000. In addition to the fine, the person may be punished by imprisonment in the county jail for not more than 6 months.~~

~~— (b) For a second offense within a period of 12 consecutive months and for each subsequent offense that is committed within a period of 12 consecutive months of any prior offense under this subsection, by a fine of \$1,000. In addition to the fine, the person may be punished by imprisonment in the county jail for not more than 6 months.~~

~~— 3. Any person who, in violation of the provisions of NRS 706.386, operates or permits the operation of a vehicle in passenger service without first obtaining a certificate of public convenience and necessity is guilty of a gross misdemeanor.~~

~~— 4. If a law enforcement officer witnesses a violation of any provision of subsection 2 or 3, the law enforcement officer may cause the vehicle to be towed immediately from the scene and impounded in accordance with NRS 706.476.~~

~~— 5. The fines provided in this section are mandatory and must not be reduced under any circumstances by the court.~~

~~— 6. Any bail allowed must not be less than the appropriate fine provided for by this section. } (Deleted by amendment.)~~

Sec. 39. [NRS 706.781 is hereby amended to read as follows:

~~— 706.781 In addition to all the other remedies provided by NRS 706.011 to 706.861, inclusive, and sections 16 to 25, inclusive, of this act for the prevention and punishment of any violation of the provisions thereof and of all orders of the Authority or the Department, the Authority or the Department may compel compliance with the provisions of NRS 706.011 to 706.861, inclusive, and sections 16 to 25, inclusive, of this act and with the orders of the Authority or the Department by proceedings in mandamus, injunction or by other civil remedies. } (Deleted by amendment.)~~

Sec. 40. NRS 706.881 is hereby amended to read as follows:

706.881 1. The provisions of NRS 372B.160 and 706.8811 to 706.885, inclusive, and sections 26 to 34, inclusive, of this act apply to any county:

(a) Whose population is 700,000 or more; or
 (b) For whom regulation by the Taxicab Authority is not required, if the board of county commissioners of the county has enacted an ordinance approving the inclusion of the county within the jurisdiction of the Taxicab Authority.

2. Upon receipt of a certified copy of such an ordinance from a county for whom regulation by the Taxicab Authority is not required, the Taxicab Authority shall exercise its regulatory authority pursuant to NRS 706.8811 to 706.885, inclusive, *and sections 26 to 34, inclusive, of this act* within that county.

3. Within any such county, the provisions of this chapter which confer regulatory authority over taxicab motor carriers upon the Nevada Transportation Authority do not apply.

Sec. 41. NRS 706.8811 is hereby amended to read as follows:

706.8811 As used in NRS 706.881 to 706.885, inclusive, *and sections 26 to 34, inclusive, of this act*, unless the context otherwise requires, the words and terms defined in NRS 706.8812 to 706.8817, inclusive, *and sections 26 to 30, inclusive, of this act* have the meanings ascribed to them in those sections.

Sec. 42. ~~[NRS 706.8814 is hereby amended to read as follows:~~

~~706.8814 “Driver” means an individual who operates a taxicab and includes a certificate holder when the certificate holder operates a taxicab. The term does not include a certificate holder when the certificate holder acts as the operator of an autonomous vehicle.] (Deleted by amendment.)~~

Sec. 43. ~~[NRS 706.8816 is hereby amended to read as follows:~~

~~706.8816 1. “Taxicab” means a motor vehicle or vehicles which is designed or constructed to accommodate and transport not more than six passengers, including the driver [,] if the motor vehicle is not an autonomous vehicle, and:~~

~~—(a) Uses a taximeter or some other device, method or system to indicate and determine the passenger fare charged;~~

~~—(b) Is used in the transportation of passengers or light express or both for which a charge or fee is received; or~~

~~—(c) Is operated in any service which is held out to the public as being available for the transportation of passengers from place to place in the State of Nevada;~~

~~2. “Taxicab” does not include a motor vehicle of:~~

~~—(a) A common motor carrier;~~

~~—(b) A contract motor carrier which operates along fixed routes;~~

~~—(c) An employer who operates the vehicle for the transportation of the employees of that employer, whether or not the employees pay for the transportation.] (Deleted by amendment.)~~

Sec. 44. ~~[NRS 706.8846 is hereby amended to read as follows:~~

~~706.8846 With respect to a passenger’s destination, a driver or an operator of an autonomous vehicle shall not:~~

~~1. Deceive or attempt to deceive any passenger who rides or desires to ride in the [driver's] taxicab [.] of the driver or operator.~~

~~2. Convey or attempt to convey any passenger to a destination other than the one directed by the passenger.~~

~~3. Take a longer *or slower* route to the passenger's destination than is necessary, unless *approved by or* specifically requested so to do by the passenger.~~

~~4. Fail to comply with the reasonable and lawful requests of the passenger as to speed of travel and route to be taken. (Deleted by amendment.)~~

Sec. 45. [NRS 706.8847 is hereby amended to read as follows:

~~706.8847 1. A driver *or an operator of an autonomous vehicle* shall not refuse or neglect to transport any orderly person to that person's destination if:~~

~~(a) That person requests the driver *or operator* to transport the person; and~~

~~(b) The requested destination is within the area allocated to the certificate holder who employs the driver [.] *or operator*.~~

~~2. Subsection 1 does not apply if the driver *or operator of an autonomous vehicle* can show beyond a reasonable doubt that:~~

~~(a) The driver *or operator* has good reason to fear for the [driver's] personal safety [.] *of the driver or operator*;~~

~~(b) The taxicab has been previously engaged by another person; or~~

~~(c) The driver *or operator* is forbidden by law or regulation to carry the person requesting transportation. (Deleted by amendment.)~~

Sec. 46. [NRS 706.8848 is hereby amended to read as follows:

~~706.8848 1. [If] *Except as otherwise provided in subsection 3, if a driver or an operator of an autonomous vehicle* violates any provision of NRS 706.8844 to 706.8847, inclusive, the Administrator may impose the following sanctions:~~

~~(a) First offense: Warning notice or a fine of not more than \$100, or both warning and fine.~~

~~(b) Second offense: 1 to 3 days' suspension of a driver's permit or a fine of not more than \$200, or both suspension and fine.~~

~~(c) Third offense: 4 to 6 days' suspension of a driver's permit or a fine of not more than \$300, or both suspension and fine.~~

~~(d) Fourth offense: 10 days' suspension of a driver's permit or a fine of not more than \$500, or both suspension and fine.~~

~~(e) Fifth offense: Revocation of a driver's permit or a fine of not more than \$500, or both revocation and fine.~~

~~2. Only violations occurring in the 12 months immediately preceding the most current violation shall be considered for the purposes of subsection 1. The Administrator shall inspect the [driver's] record *of the driver or operator of an autonomous vehicle* for that period to compute the number of offenses committed.~~

~~3. If a violation is the result of a failure of an autonomous vehicle, autonomous technology, human machine interface or operator interface, the Administrator shall impose a sanction or require corrective action, or both, in accordance with the regulations adopted pursuant to section 5 of this act.~~

~~4. The Administrator shall conduct a hearing prior to suspension or revocation of a driver's permit or imposing a fine under this section or NRS 706.8849.~~

~~5. Nothing in this section shall be construed to require the operator of an autonomous vehicle or any passenger in an autonomous vehicle used without a human operator to obtain a driver's permit.] (Deleted by amendment.)~~

Sec. 47. [NRS 706.885 is hereby amended to read as follows:

~~706.885 1. Any person who knowingly makes or causes to be made, either directly or indirectly, a false statement on an application, account or other statement required by the Taxicab Authority or the Administrator or who violates any of the provisions of NRS 706.881 to 706.885, inclusive, and sections 26 to 34, inclusive, of this act is guilty of a misdemeanor.~~

~~2. The Taxicab Authority or Administrator may at any time, for good cause shown and upon at least 5 days' notice to the grantee of any certificate or driver's permit, and after a hearing unless waived by the grantee, penalize the grantee of a certificate to a maximum amount of \$15,000 or penalize the grantee of a driver's permit to a maximum amount of \$500 or suspend or revoke the certificate or driver's permit granted by the Taxicab Authority or Administrator, respectively, for:~~

~~(a) Any violation of any provision of NRS 706.881 to 706.885, inclusive, and sections 26 to 34, inclusive, of this act or any regulation of the Taxicab Authority or Administrator.~~

~~(b) Knowingly permitting or requiring any employee to violate any provision of NRS 706.881 to 706.885, inclusive, and sections 26 to 34, inclusive, of this act or any regulation of the Taxicab Authority or Administrator.~~

~~3. If a penalty is imposed on the grantee of a certificate pursuant to this section, the Taxicab Authority or Administrator may require the grantee to pay the costs of the proceeding, including investigative costs and attorney's fees.~~

~~3. When a driver or certificate holder fails to appear at the time and place stated in the notice for the hearing, the Administrator shall enter a finding of default. Upon a finding of default, the Administrator may suspend or revoke the license, permit or certificate of the person who failed to appear and impose the penalties provided in this chapter. For good cause shown, the Administrator may set aside a finding of default and proceed with the hearing.~~

~~4. Any person who operates or permits a taxicab to be operated in passenger service without a certificate of public convenience and necessity~~

issued pursuant to NRS 706.8827, is guilty of a gross misdemeanor. If a law enforcement officer witnesses a violation of this subsection, the law enforcement officer may cause the vehicle to be towed immediately from the scene.

~~5. The conviction of a person pursuant to subsection 1 does not bar the Taxicab Authority or Administrator from suspending or revoking any certificate, permit or license of the person convicted. The imposition of a fine or suspension or revocation of any certificate, permit or license by the Taxicab Authority or Administrator does not operate as a defense in any proceeding brought under subsection 1.~~ (Deleted by amendment.)

Sec. 48. Chapter 706A of NRS is hereby amended by adding thereto the provisions set forth as sections 49 to 57, inclusive, of this act.

Sec. 49. ~~["Autonomous technology" has the meaning ascribed to it in NRS 482A.025.]~~ (Deleted by amendment.)

Sec. 50. ~~["Autonomous vehicle" has the meaning ascribed to it in NRS 482A.030.]~~ (Deleted by amendment.)

Sec. 51. ~~["Human machine interface" has the meaning ascribed to it in section 2 of this act.]~~ (Deleted by amendment.)

Sec. 52. ~~["Operator interface" has the meaning ascribed to it in section 4 of this act.]~~ (Deleted by amendment.)

Sec. 53. ~~["Operator of an autonomous vehicle" means the holder of a permit issued by the Authority under which an autonomous vehicle is operated.]~~ (Deleted by amendment.)

Sec. 54. ~~1. The Authority shall authorize a transportation network company to use an autonomous vehicle or autonomous technology if:~~

~~(a) The autonomous vehicle has been pursuant to Chapter 482A of NRS and the regulations adopted pursuant thereto;~~

~~(b) The company has provided insurance as required by NRS 690B.470 and section 55 of this act and the regulations adopted pursuant to NRS 482A.100 and 706A.100; and~~

~~(c) The autonomous vehicle or autonomous technology will comply with the requirements of this chapter and any regulations adopted pursuant thereto.~~

~~2. The Authority shall adopt regulations providing for the substitution of autonomous vehicles for drivers in the operations of a transportation network company under the jurisdiction of the Authority or for the approval of the use of autonomous vehicles or autonomous technology. The regulations adopted pursuant to this subsection:~~

~~(a) Must specify conditions for the safe and economical use of autonomous vehicles by a transportation network company; and~~

~~(b) May not regulate the autonomous technology used in an autonomous vehicle or the human machine interface or operator interface used to communicate with such autonomous technology.~~ Nothing in this chapter shall be construed to prohibit a transportation network company from obtaining a permit to act as an autonomous vehicle network company

pursuant to section 14.55 of this act and providing, within the scope of such a permit, the services authorized by sections 14.2 to 14.9, inclusive, of this act.

~~Sec. 55. [Each transportation network company that uses an autonomous vehicle to provide transportation services shall maintain insurance provided by an insurance company licensed by the Division of Insurance of the Department of Business and Industry and approved to do business in this State or a broker licensed pursuant to chapter 685A of NRS, procured directly from a nonadmitted insurer, as defined in NRS 685A.0375, or a program of self insurance which meets criteria established by the Authority in an amount of \$5,000,000 or more for bodily injury to or death of one or more persons and injury to or destruction of property of others in any one accident or motor vehicle crash that occurs during the operation of an autonomous vehicle.] (Deleted by amendment.)~~

~~Sec. 56. [Each autonomous vehicle used under this chapter must meet all requirements imposed by the Authority, the Department of Motor Vehicles, the Department of Transportation and the National Highway Traffic Safety Administration and the provisions of chapter 482A of NRS.] (Deleted by amendment.)~~

~~Sec. 57. [The operator of an autonomous vehicle shall:~~

- ~~— 1. Not permit the autonomous vehicle to remain at a taxicab stand, or a similar location designated for use by transportation network companies, unless it is being held out for hire.~~
- ~~— 2. Discourage passengers from entering or leaving the autonomous vehicle from the left side except at the left curb of a one way street or while the autonomous vehicle is parked perpendicularly to a curb.~~
- ~~— 3. Not load or unload passengers or luggage at an intersection or crosswalk or at any place in any manner that will interfere with the orderly flow of traffic.~~
- ~~— 4. Not carry more passengers in the front seat or in a back seat of the autonomous vehicle than are authorized by the manufacturer's recommendations.~~
- ~~— 5. Use the autonomous vehicle in accordance with all applicable state and local laws and regulations and with due regard for the safety, comfort and convenience of the passengers and of the general public.] (Deleted by amendment.)~~

~~Sec. 58. [NRS 706A.020 is hereby amended to read as follows:~~

- ~~— 706A.020 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 706A.030 to 706A.060, inclusive, and sections 49 to 53, inclusive, of this act have the meanings ascribed to them in those sections.] (Deleted by amendment.)~~

~~Sec. 59. [NRS 706A.050 is hereby amended to read as follows:~~

- ~~— 706A.050 “Transportation network company” or “company” means an entity that uses a digital network or software application service to connect a passenger to [a];~~

~~1. A driver who can provide transportation services to the passenger [.] ;
or~~

~~2. An autonomous vehicle to provide transportation services to the passenger.] (Deleted by amendment.)~~

Sec. 60. [NRS 706A.060 is hereby amended to read as follows:

~~706A.060 “Transportation services” means the transportation by a driver or an autonomous vehicle of one or more passengers between points chosen by the passenger or passengers and prearranged through the use of the digital network or software application service of a transportation network company. The term includes only the period beginning when a driver or an operator of an autonomous vehicle accepts a request by a passenger for transportation through the digital network or software application service of a transportation network company and ending when the last such passenger fully disembarks from the motor vehicle operated by the driver [.] or operator of an autonomous vehicle.] (Deleted by amendment.)~~

Sec. 61. [NRS 706A.130 is hereby amended to read as follows:

~~706A.130 1. Upon receipt of a completed application and upon a determination by the Authority that an applicant meets the requirements for the issuance of a permit to operate a transportation network company, the Authority shall issue to the applicant within 30 days a permit to operate a transportation network company in this State.~~

~~2. In accordance with the provisions of this chapter, a permit issued pursuant to this section:~~

~~(a) Authorizes a transportation network company to connect one or more passengers through the use of a digital network or software application service to [a] ;~~

~~(1) A driver who can provide transportation services [.] ; or~~

~~(2) An autonomous vehicle to provide transportation services.~~

~~(b) Authorizes a transportation network company to make its digital network or software application service available to one or more drivers to receive connections to potential passengers from the company in exchange for the payment of a fee by the driver to the company.~~

~~(c) Does not authorize a transportation network company or any driver to engage in any activity otherwise regulated pursuant to chapter 706 of NRS other than the activity authorized by this chapter.~~

~~3. Nothing in this chapter prohibits the issuance of a permit to operate a transportation network company to a person who is regulated pursuant to chapter 706 of NRS if the person submits an application pursuant to NRS 706A.120 and meets the requirements for the issuance of a permit.] (Deleted by amendment.)~~

Sec. 62. [NRS 706A.170 is hereby amended to read as follows:

~~706A.170 1. In accordance with the provisions of this chapter, a transportation network company which holds a valid permit issued by the Authority pursuant to this chapter may, on behalf of a driver [.] or for the transportation services provided using an autonomous vehicle, charge a~~

~~fare for transportation services provided to a passenger by the driver [.] or autonomous vehicle.~~

~~2. If a fare is charged, the company must disclose the rates charged by the company and the method by which the amount of a fare is calculated:~~

~~(a) On an Internet website maintained by the company; or~~

~~(b) Within the digital network or software application service of the company.~~

~~3. If a fare is charged, the company must offer to each passenger the option to receive, before the passenger enters the motor vehicle of a driver [.] or the autonomous vehicle, as applicable, an estimate of the amount of the fare that will be charged to the passenger.~~

~~4. A transportation network company may accept payment of a fare only electronically. A transportation network company or a driver shall not solicit or accept cash as payment of a fare.~~

~~5. A transportation network company shall not impose any additional charge for a driver who provides transportation services to a person with a physical disability because of the disability [.] or for providing transportation services using an autonomous vehicle to a person with a physical disability because of the disability.~~

~~6. The Authority may adopt regulations establishing a maximum fare that may be charged during an emergency, as defined in NRS 414.0345.]~~
(Deleted by amendment.)

Sec. 63. [NRS 706A.180 is hereby amended to read as follows:]

~~706A.180 1. A transportation network company shall not allow a driver to be connected to potential passengers and shall not connect potential passengers to an autonomous vehicle using the digital network or software application service of the company if the motor vehicle operated by the driver to provide transportation services [.] or the autonomous vehicle.~~

~~(a) Is not in compliance with all federal, state and local laws concerning the operation and maintenance of the [motor] vehicle.~~

~~(b) Has less than four doors.~~

~~(c) Is designed to carry more than eight passengers, including the driver [.] if applicable.~~

~~(d) Is a farm tractor, mobile home, recreational vehicle, semitractor, semitrailer, trailer, bus, motorcycle or tow car.~~

~~2. A transportation network company shall inspect or cause to be inspected every [motor]:~~

~~(a) Motor vehicle used by a driver to provide transportation services before allowing the driver to use the motor vehicle to provide transportation services and not less than once each year thereafter [.]; and~~

~~(b) Autonomous vehicle used to provide transportation services before allowing the use of the autonomous vehicle to provide transportation services and not less than once each year thereafter.~~

~~3. The inspection required by subsection 2 must include, without limitation, an inspection of the foot and emergency brakes, steering,~~

~~windshield, rear window, other glass, windshield wipers, headlights, tail lights, turn indicator lights, braking lights, front seat adjustment mechanism, doors, horn, speedometer, bumpers, muffler, exhaust, tires, rear view mirrors and safety belts of the vehicle which ensures the proper functioning of each component.] (Deleted by amendment.)~~

Sec. 64. ~~[NRS 706A.200 is hereby amended to read as follows:~~

~~706A.200 1. For each instance in which a driver provides transportation services to a passenger, the transportation network company which connected the passenger to the driver shall provide to the passenger, before the passenger enters the motor vehicle of a driver, a photograph of the driver who will provide the transportation services and the license plate number of the motor vehicle operated by the driver.~~

~~2. For each instance in which a transportation network company connects a passenger to an autonomous vehicle to provide transportation services to the passenger, the company shall provide to the passenger, before the passenger enters the autonomous vehicle, a photograph of the autonomous vehicle and the license plate number of the autonomous vehicle.~~

~~3. The information required by this section must be provided to the passenger:~~

~~[1.] (a) On an Internet website maintained by the company; or~~

~~[2.] (b) Within the digital network or software application service of the company.] (Deleted by amendment.)~~

Sec. 65. ~~[NRS 706A.210 is hereby amended to read as follows:~~

~~706A.210 A transportation network company which connected a passenger to a driver or an autonomous vehicle shall, within a reasonable period following the provision of transportation services by the driver or using the autonomous vehicle to the passenger, transmit to the passenger an electronic receipt, which must include, without limitation:~~

~~1. A description of the point of origin and the destination of the transportation services;~~

~~2. The total time for which transportation services were provided;~~

~~3. The total distance traveled; and~~

~~4. An itemization of the fare, if any, charged for the transportation services.] (Deleted by amendment.)~~

Sec. 66. ~~[NRS 706A.230 is hereby amended to read as follows:~~

~~706A.230 1. A transportation network company shall maintain the following records relating to the business of the company for a period of at least 3 years after the date on which the record is created:~~

~~(a) Trip records;~~

~~(b) Driver records, autonomous vehicle records and vehicle inspection records;~~

~~(c) Records of each complaint and the resolution of each complaint; and~~

~~— (d) Records of each accident or other incident that involved a driver *or an autonomous vehicle* and was reported to the transportation network company;~~

~~— 2. Each transportation network company shall make its records available for inspection by the Authority upon request and only as necessary for the Authority to investigate complaints. This subsection does not require a company to make any proprietary information available to the Authority. Any records provided to the Authority are confidential and must not be disclosed other than to employees of the Authority. **(Deleted by amendment.)**~~

~~Sec. 67. [NRS 706A.270 is hereby amended to read as follows:~~

~~706A.270 1. Each transportation network company shall provide to the Authority reports containing information relating to motor vehicle crashes involving drivers affiliated with the company *or autonomous vehicles providing transportation services for the company* which occurred in this State while the driver was providing transportation services or logged into the digital network or software application service of the company and available to receive requests for transportation services [.] *or the autonomous vehicle was providing transportation services.* The reports required by this subsection must contain the information identified in subsection 2 and be submitted:~~

~~— (a) For all crashes that occurred during the first 6 months that the company operates within this State, on or before the date 7 months after the company was issued a permit;~~

~~— (b) For all crashes that occurred during the first 12 months that the company operates within this State, on or before the date 13 months after the company was issued a permit;~~

~~— 2. The reports submitted pursuant to subsection 1 must include, for the period of time specified in subsection 1:~~

~~— (a) The number of motor vehicle crashes which occurred in this State involving such a driver [.] *or autonomous vehicle;*~~

~~— (b) The highest, lowest and average amount paid for bodily injury or death to one or more persons that occurred as a result of such a crash; and~~

~~— (c) The highest, lowest and average amount paid for damage to property that occurred as a result of such a crash;~~

~~— 3. The Authority shall collect the reports submitted by transportation network companies pursuant to subsection 1 and determine whether the limits of coverage required pursuant to NRS 690B.470 are sufficient. The Authority shall submit a report stating whether the limits of coverage required pursuant to NRS 690B.470 are sufficient and containing the information, in an aggregated format which does not reveal the identity of any person, submitted by transportation network companies pursuant to subsection 1 since the last report of the Authority pursuant to this subsection:~~

~~— (a) To the Legislative Commission on or before December 1 of each odd-numbered year.~~

~~— (b) To the Director of the Legislative Counsel Bureau for transmittal to the Nevada Legislature on or before December 1 of each even numbered year.] (Deleted by amendment.)~~

Sec. 68. ~~[NRS 706A.300 is hereby amended to read as follows:~~

~~— 706A.300 1. [If] *Except as otherwise provided in subsection 4, if* the Authority determines that a transportation network company or driver has violated the terms of a permit issued pursuant to this chapter or any provision of this chapter or any regulations adopted pursuant thereto, the Authority may, depending on whether the violation was committed by the company, the driver, or both:~~

~~— (a) If the Authority determines that the violation is willful and endangers public safety, suspend or revoke the permit issued to the transportation network company;~~

~~— (b) If the Authority determines that the violation is willful and endangers public safety, impose against the transportation network company an administrative fine in an amount not to exceed \$100,000 per violation;~~

~~— (c) Prohibit a person from operating as a driver; or~~

~~— (d) Impose any combination of the penalties provided in paragraphs (a), (b) and (c).~~

~~— 2. To determine the amount of an administrative fine imposed pursuant to paragraph (b) or (d) of subsection 1, the Authority shall consider:~~

~~— (a) The size of the transportation network company;~~

~~— (b) The severity of the violation;~~

~~— (c) Any good faith efforts by the transportation network company to remedy the violation;~~

~~— (d) The history of previous violations by the transportation network company; and~~

~~— (e) Any other factor that the Authority determines to be relevant.~~

~~— 3. Notwithstanding the provisions of NRS 193.170, a person who violates any provision of this chapter is not subject to any criminal penalty for such a violation.~~

~~— 4. *If a violation is the result of a failure of an autonomous vehicle, autonomous technology, human machine interface or operator interface, the Authority shall impose a sanction or require corrective action, or both, in accordance with the regulations adopted pursuant to section 5 of this act.* (Deleted by amendment.)~~

Sec. 69. ~~[NRS 706A.310 is hereby amended to read as follows:~~

~~— 706A.310 1. Except as otherwise provided in subsection 2, a local governmental entity shall not:~~

~~— (a) Impose any tax or fee on a transportation network company operating within the scope of a valid permit issued by the Authority pursuant to this chapter, a driver who has entered into an agreement with such a company, [or] a vehicle operated by such a driver or for transportation services provided by such a driver [.] *or an autonomous vehicle used to provide*~~

~~transportation services or for transportation services provided using such an autonomous vehicle.~~

~~—(b) Require a transportation network company operating within the scope of a valid permit issued by the Authority pursuant to this chapter to obtain from the local government any certificate, license or permit to operate within that scope or require a driver who has entered into an agreement with such a company to obtain from the local government any certificate, license or permit to provide transportation services.~~

~~—(c) Impose any other requirement upon a transportation network company or a driver which is not of general applicability to all persons who operate a motor vehicle within the jurisdiction of the local government.~~

~~2. Nothing in this section:~~

~~—(a) Prohibits a local governmental entity from requiring a transportation network company or driver to obtain from the local government a business license or to pay any business license fee in the same manner that is generally applicable to any other business that operates within the jurisdiction of the local government.~~

~~—(b) Prohibits an airport or its governing body from requiring a transportation network company or a driver to:~~

~~—(1) Obtain a permit or certification to operate at the airport;~~

~~—(2) Pay a fee to operate at the airport; or~~

~~—(3) Comply with any other requirement to operate at the airport.~~

~~—(c) Exempts a vehicle operated by a driver or an autonomous vehicle from any tax imposed pursuant to NRS 354.705, 371.043 or 371.045.~~

~~3. The provisions of this chapter do not exempt any person from the requirement to obtain a state business registration issued pursuant to chapter 76 of NRS. A transportation network company shall notify each driver of the requirement to obtain a state business registration issued pursuant to chapter 76 of NRS and the penalties for failing to obtain a state business registration.]~~

~~(Deleted by amendment.)~~

Sec. 69.3. The Department of Motor Vehicles and the Nevada Transportation Authority shall, on or before January 1, 2018, adopt any regulations which are required by or necessary to carry out the provisions of this act.

Sec. 69.5. 1. Notwithstanding any regulation adopted by the Nevada Transportation Authority pursuant to sections 14.2 to 14.9, inclusive, of this act, an autonomous vehicle network company, as defined in section 14.24 of this act, which is issued a permit by the Nevada Transportation Authority pursuant to section 14.55 of this act on or before January 1, 2018, may commence operations in this State immediately upon being issued a permit.

2. Notwithstanding the effective date of any regulation adopted by the Nevada Transportation Authority pursuant to sections 14.2 to 14.9, inclusive, of this act on or before January 1, 2018, an autonomous vehicle network company must not be required to comply with the

provisions of the regulation until 30 days after the regulation is filed with the Secretary of State.

Sec. 69.7. 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. 70. This act becomes effective ~~1.~~

~~1. Upon passage and approval. [for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and~~

~~2. On January 1, 2018, for all other purposes.]~~

Assemblyman Carrillo moved the adoption of the amendment.

Remarks by Assemblyman Carrillo.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 407.

Bill read third time.

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

Amendment No. 1074.

SUMMARY—~~[Makes various changes relating to]~~ Designates the state land grant institutions in this State and requires a legislative audit of cooperative extension programs. (BDR 49-1162)

AN ACT relating to ~~[cooperative extension programs; establishing geographical regions of the State for the purposes of such programs; requiring the creation of an advisory board on cooperative extension education in each county of the State; requiring certain entities to enter into cooperative extension memorandums of understanding or agreement for cooperative extension programs; placing the operation of the programs in the respective regions under the control of the Presidents of the University of Nevada, Reno, and the University of Nevada, Las Vegas, or their designees;]~~ the Nevada System of Higher Education; designating certain institutions within the Nevada System of Higher Education as the state land grant institutions; requiring the Legislative Auditor to conduct a performance and compliance audit of the cooperative extension program of the System; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 8 of Article 11 of the Nevada Constitution designates certain proceeds from public lands to be used for certain colleges in this State. **Section 1** of this bill designates the University of Nevada, Las Vegas, the University of Nevada, Reno, and the Desert Research Institute as the state land grant institutions.

Existing law provides for certain educational, research, outreach and service programs pertaining to agriculture, community development, health and nutrition, horticulture, personal and family development, and natural

resources in this State, conducted in accordance with cooperative agreements between the boards of county commissioners of participating counties and the Director of the Agricultural Extension Department of the Public Service Division of the Nevada System of Higher Education. The money for such programs is provided, in part, by property taxes levied in each participating county and legislative appropriations. (NRS 549.010, 549.020, 549.040)

~~Section 1.3 of this bill establishes Northern and Southern Regions of this State and provides that the budgets and expenditures of those programs must be approved and directed in the respective regions of this State by the President, or a person designated by the President, of the University of Nevada, Reno, in the Northern region of the State, and of the University of Nevada, Las Vegas, in the Southern region of the State pursuant to a cooperative extension memorandum of understanding or agreement with each county.~~

~~Section 1.5 of this bill requires the creation of an advisory board on cooperative extension in each county in this State which enters into a cooperative extension memorandum of understanding or agreement. The advisory board is required to provide advice to the board of county commissioners of the county in which it is created concerning certain issues relating to such cooperative extension memorandums of understanding or agreements.~~

~~Sections 2-5 of this bill transfer certain responsibilities related to cooperative extension programs from the Director of the Agricultural Extension Department of the Public Service Division of the Nevada System of Higher Education to the Northern and Southern Directors of Cooperative Extension of the state land grant institution of the University of Nevada. Section 2 of this bill further requires the Northern and Southern Directors to enter into cooperative extension memorandums of understanding or agreements and activities with the counties.~~

~~Section 5.5 of this bill requires the Northern and Southern Directors of Cooperative Extension of the state land grant institution of the University of Nevada to prepare and transmit a report to the Legislature on or before December 1, 2018, which describes in detail the programs and services provided in their respective regions pursuant to a cooperative extension memorandum of understanding or agreement.]~~

5.7 of this bill requires the Legislative Auditor to: (1) conduct a performance and compliance audit of the cooperative extension program of the Nevada System of Higher Education for fiscal year 2017-2018 and any prior years deemed necessary by the Legislative Auditor; and (2) submit a report of the results of the audit to the Audit Subcommittee of the Legislative Commission on or before February 4, 2019.

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

Section 1. Chapter 549 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3 and 1.5 of this act.

Sec. 1.3. ~~{1.} The state land grant institutions of the University of Nevada are the University of Nevada, Las Vegas, the University of Nevada, Reno, and the Desert Research Institute.~~

~~{2. Except as prohibited by federal law, the proceeds of the tax collected pursuant to NRS 549.020 in each participating county in the relevant region of this State, any money appropriated pursuant to NRS 549.020 and any other money available from any source to carry out the provisions of this chapter must be expended as directed for the relevant region of this State in accordance with subsection 3 or 4, as applicable.~~

~~3. For any cooperative extension work performed in a participating county in the Northern Region of this State, consisting of Carson City, Churchill County, Douglas County, Elko County, Esmeralda County, Eureka County, Humboldt County, Lander County, Lyon County, Mineral County, Pershing County, Storey County, Washoe County and White Pine County, the money described in subsection 2 must be expended as directed by the President of the University of Nevada, Reno, or a person designated by the President as the designee to be the Northern Director of Cooperative Extension of the state land grant institution of the University of Nevada, pursuant to a cooperative extension memorandum of understanding or agreement entered into with each county.~~

~~4. For any cooperative extension work performed in a participating county in the Southern Region of this State, consisting of Clark County, Lincoln County and Nye County, the money described in subsection 2 must be expended as directed by the President of the University of Nevada, Las Vegas, or a person designated by the President as the designee to be the Southern Director of Cooperative Extension of the state land grant institution of the University of Nevada, pursuant to a cooperative extension memorandum of understanding or agreement entered into with each county.~~

Sec. 1.5. ~~{1. An advisory board on cooperative extension education must be created for each county in this State which enters into a cooperative extension memorandum of understanding or agreement pursuant to section 1.3 of this act. Each advisory board shall provide advice to the board of county commissioners of the county in which the advisory board is created concerning:~~

~~(a) The scope of the cooperative extension memorandums of understanding or agreements and the services provided pursuant thereto to serve the communities and businesses within the county; and~~

~~(b) The budget for services to be provided pursuant to such a cooperative extension memorandum of understanding or agreement.~~

~~2. An advisory committee created pursuant to subsection 1 must consist of:~~

~~(a) Seven members appointed by the board of county commissioners for the county in which the advisory board is created. Such members may be members of the county who benefit from cooperative extension programs, members of the business community or chamber of commerce, members of a nonprofit entity, teachers or other educational personnel, administrators of county government or any other person whose experience the board deems appropriate; and~~

~~(b) One member of a research institution listed in subsection 1 of section 1.3 of this act which serves the county for which the advisory board is created who is appointed by the president of the research institution.~~

~~3. Each member of an advisory board serves for a term of 2 years and may be reappointed. A vacancy on the board must be filled in the same manner as the original appointment.~~

~~4. At the first meeting of an advisory board, the members of the advisory board shall elect a Chair and Vice Chair by majority vote. After the initial elections, the Chair and Vice Chair hold office for a term of 1 year beginning on July 1 of each year. If the position of Chair or Vice Chair becomes vacant, the members of the advisory board shall elect a Chair or Vice Chair, as appropriate, from among its members to serve for the balance of the term.~~

~~5. The members of an advisory board:~~

~~(a) Serve without compensation; and~~

~~(b) May, upon written request, receive the per diem allowance and travel expenses provided for state officers and employees generally while engaged in the business of the advisory board.~~

~~6. A member of the advisory board who is an officer or employee of this State or a political subdivision of this State must be relieved from duties without loss of regular compensation so that the officer or employee may prepare for and attend meetings of the advisory board and perform any work necessary to carry out the duties of the advisory board in the most timely manner practicable. A state agency or political subdivision of this State shall not require an officer or employee who is a member of the advisory board to make up the time the officer or employee is absent from work to carry out duties as a member of the advisory board or use annual vacation or compensatory time for the absence.] (Deleted by amendment.)~~

Sec. 2. [NRS 549.010 is hereby amended to read as follows:

~~549.010 To provide for continued educational, research, outreach and service programs pertaining to agriculture, community development, health and nutrition, horticulture, personal and family development, and natural resources in the rural and urban communities in the State of Nevada, the [Director of the Agricultural Extension Department of the Public Service Division of the Nevada System of Higher Education] Northern Director of Cooperative Extension of the state land grant institution of the University~~

~~of Nevada and the Southern Director of Cooperative Extension of the state land grant institution of the University of Nevada who are designated pursuant to section 1.3 of this act and the boards of county commissioners of any or all of the respective counties of the State of Nevada [may] shall enter into cooperative extension memorandums of understanding or agreements and activities subject to the provisions of this chapter. (Deleted by amendment.)~~

Sec. 3. ~~[NRS 549.020 is hereby amended to read as follows:~~

~~549.020 1. [The Director of the Agricultural Extension Department of the Public Service Division of the Nevada System of Higher Education] The Northern Director of Cooperative Extension of the state land grant institution of the University of Nevada and the Southern Director of Cooperative Extension of the state land grant institution of the University of Nevada who are designated pursuant to section 1.3 of this act shall prepare and submit to the board of county commissioners, for each county participating, an annual financial budget covering the county, state and federal funds cooperating in the cost of educational, research, outreach and service programs pertaining to agriculture, community development, health and nutrition, horticulture, personal and family development, and natural resources in the rural and urban communities in the State of Nevada.~~

~~2. The budget must be adopted by the board of county commissioners and certified as a part of the annual county budget, and the county tax levy provided for agricultural extension work in the annual county budget must include a levy of not less than 1 cent on each \$100 of taxable property. If the proceeds of the county tax levy of 1 cent are insufficient to meet the county's share of the cooperative agricultural extension work, as provided in the combined annual financial budget, the board of county commissioners may, by unanimous vote, levy an additional tax so that the total in no instance exceeds 5 cents on each \$100 of the county tax rate.~~

~~3. The proceeds of such a tax must be placed in the agricultural extension fund in each county treasury and must be paid out on claims drawn by the agricultural extension agent of the county as [designated by the Director of the Agricultural Extension Department of the Public Service Division of the Nevada System of Higher Education, when approved by the Director and] directed by the cooperative extension memorandum of understanding or agreement entered into pursuant to NRS 549.010 and countersigned by the Treasurer of the Nevada System of Higher Education.~~

~~4. A record of all such claims approved and paid, segregated by counties, must be kept by the Treasurer of the Nevada System of Higher Education. The cost of maintaining the record must be paid from state funds provided for by this chapter.~~

~~5. The State's cooperative share of the cost of such agricultural extension work, as entered in the budget described in this section, must not be more than a sum equal to the proceeds of 1 cent of such county tax rate; but when the proceeds of a 1-cent tax rate are insufficient to carry out the provisions of~~

the budget previously adopted, the ~~[Director of the Agricultural Extension Department of the Public Service Division of the Nevada System of Higher Education is] Northern Director of Cooperative Extension of the state land grant institution of the University of Nevada and the Southern Director of Cooperative Extension of the state land grant institution of the University of Nevada who are designated pursuant to section 1.3 of this act are authorized to supplement the State's cooperative share from the funds as may be made available in the Public Service Division Fund of the Nevada System of Higher Education.] (Deleted by amendment.)~~

Sec. 4. ~~[NRS 549.030 is hereby amended to read as follows:~~

~~549.030 1. [A] Within 10 days after its approval by the board of county commissioners, a certified copy of the county extension work budget as adopted and approved pursuant to NRS 549.020 must be filed with [the]:~~

~~(a) The President, or a person designated by the President, of the University of Nevada, Reno, or the University of Nevada, Las Vegas, for the applicable region of this State as described in section 1.3 of this act; and~~

~~(b) The Treasurer of the Nevada System of Higher Education, [within 10 days after its approval by the board of county commissioners.]~~

~~2. Necessary modifications thereof, involving county and state funds, resulting from leaves of absence without pay, resignations, changes in salary, dismissals or employment of any cooperative agent, variations in expense accounts or otherwise, not involving an increase in the total expenditures provided to be paid from the funds and consistent with the purposes of this chapter, may be made by filing with the county, at the request of:~~

~~(a) The President, or a person designated by the President, of the University of Nevada, Reno, or the University of Nevada, Las Vegas, for the applicable region of this State as described in section 1.3 of this act;~~

~~(b) The Treasurer of the Nevada System of Higher Education; and [the]~~

~~(c) The board of county commissioners;~~

~~→ a revised budget, approved by the [Director of the Agricultural Extension Department of the Public Service Division of the Nevada System of Higher Education] Northern Director of Cooperative Extension of the state land grant institution of the University of Nevada and the Southern Director of Cooperative Extension of the state land grant institution of the University of Nevada who are designated pursuant to section 1.3 of this act and countersigned by the Treasurer of the Nevada System of Higher Education.] (Deleted by amendment.)~~

Sec. 5. ~~[NRS 549.050 is hereby amended to read as follows:~~

~~549.050 All moneys appropriated pursuant to NRS 549.040 must be expended [under the direction of the Director of the Agricultural Extension Department of the Public Service Division of the Nevada System of Higher Education] as provided in section 1.3 of this act to the extent of the financial budget for cooperation between the State and the respective counties provided for in NRS 549.020.] (Deleted by amendment.)~~

~~Sec. 5.5. [The Northern Director of Cooperative Extension of the state land grant institution of the University of Nevada and the Southern Director of Cooperative Extension of the state land grant institution of the University of Nevada who are designated pursuant to section 1.3 of this act shall each prepare and transmit a report to the Legislature on or before December 1, 2018, which describes in detail the programs and services being provided in their respective regions pursuant to a cooperative extension memorandum of understanding or agreement entered into pursuant to NRS 549.040.] (Deleted by amendment.)~~

Sec. 5.7. 1. The Legislative Auditor shall conduct a performance and compliance audit of the cooperative extension program of the Nevada System of Higher Education for fiscal year 2017-2018 and any previous years as deemed necessary by the Legislative Auditor.

2. The audit conducted pursuant to this section must include, without limitation, an examination and analysis of:

(a) The amount and use of program funds in counties participating in the cooperative extension program;

(b) Controls over the collection, distribution and expenditure of the program funds;

(c) Controls over the use of program assets; and

(d) Compliance with federal, state and local laws, regulations, agreements and policies applicable to the cooperative extension program.

3. On or before February 4, 2019, the Legislative Auditor shall prepare and present a final written report of the audit to the Audit Subcommittee of the Legislative Commission created by NRS 218E.240.

4. To the extent the provisions of NRS 218G.030 to 218G.270, inclusive, are consistent with the requirements of this section, those provisions apply to the audit conducted pursuant to this section. Upon the request of the Legislative Auditor or his or her authorized representative, the officers and employees of the Nevada System of Higher Education shall make available to the Legislative Auditor any of their books, accounts, claims, reports, vouchers or other records of information, confidential or otherwise and irrespective of their form or location, which the Legislative Auditor deems necessary to conduct the audit required by this section.

Sec. 6. This act becomes effective on July 1, 2017.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 413.

Bill read third time.

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

Amendment No. 1041.

AN ACT relating to electronic documents; establishing provisions relating to electronic wills and trusts; revising provisions governing electronic notaries public; authorizing electronic notaries public to perform authorized electronic notarial acts remotely using audio-video communication; **establishing provisions concerning electronic documents relating to real property located in this State; authorizing the Secretary of State to require notaries public registering as electronic notaries public to complete an online course on electronic notarization;** increasing the amount of the fees authorized to be charged by an electronic notary public for the performance of certain electronic notarial acts and authorizing the collection of a fee to recover certain costs; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes provisions relating to electronic wills. (NRS 132.119, 133.085, 136.185) **Sections 10-17** of this bill establish various other provisions relating to electronic wills. **Sections 8 and 19** of this bill revise the description of an electronic will and **section 10** establishes the circumstances in which an electronic will is self-proving. **Sections 11 and 12** establish the qualifications and duties of a qualified custodian of an electronic will, who is required to store electronic records of electronic wills in a system that protects electronic records from destruction, alteration or unauthorized access and detects any change to an electronic record. **Sections 13 and 14** set forth the circumstances in which a qualified custodian is authorized to cease serving in such a capacity. **Section 15** establishes provisions concerning affidavits relating to the creation of a certified paper original of an electronic will, which **section 3** of this bill generally defines as a tangible document containing the text of an electronic will. **Section 16** sets forth provisions relating to the ability of an electronic notary public or other notarial officer to perform certain notarial acts. **Section 17** establishes various provisions for purposes relating to the execution and filing of any document with a court in any proceeding relating to an electronic will and for certain other purposes.

Section 18 of this bill establishes requirements relating to a declaration or affidavit of a witness to an electronic will. **Section 20** of this bill provides the methods by which an electronic will may be revoked. **Section 21** of this bill sets forth provisions relating to the jurisdiction in which an electronic will may be proved and the admittance of a certified paper original of an electronic will to probate.

Sections 23-28 of this bill revise provisions relating to trusts. **Section 24** provides that a video recording or other electronic record may be admissible in court as evidence of certain issues relating to a trust, and **section 28** revises the description of an electronic trust.

Existing law establishes the Electronic Notary Public Authorization Act pursuant to which an electronic notary public appointed by the Secretary of State is authorized to perform electronic notarial acts. (NRS 240.181-240.206) **Section 39** of this bill renames the act as the ~~Remote~~ **Electronic** Notarization Enabling Act and **section 45** of this bill requires electronic notaries public to register with, instead of be appointed by, the Secretary of State. **Section 35** of this bill: (1) authorizes an electronic notary public to perform authorized electronic notarial acts remotely using audio-video communication, which **section 30** of this bill generally defines as communication by which a person is able to see, hear and communicate with another person in real time using electronic means; and (2) sets forth certain requirements relating to such electronic notarial acts. **Section 36** of this bill ~~generally provides that an authorized~~ **authorizes an electronic notary public to perform an** electronic notarial act ~~performed~~ using audio-video communication ~~shall be deemed to have been performed in this State and must be governed by the laws of~~ **for a person located: (1) in this State, regardless of whether the person for whom the act is performed is physically located in another jurisdiction; (2) outside this State but within the United States; or (3) in certain circumstances, outside the United States.**

Section 37 of this bill requires an electronic notary public to arrange for a recording to be made of each electronic notarial act performed using audio-video communication and to give all participating persons advance notice of the recording. **Section 37** also requires the recording to be kept for not less than ~~5~~ **7** years. **Section 51** of this bill requires an electronic notary public to keep an electronic journal of each notarial act which he or she performs and to maintain and protect the electronic journal at all times. **Section 51 also provides that, except as otherwise provided by law, an electronic notary public is required to keep all required notarial records for a period of 7 years after the termination of the registration of the electronic notary public.**

Section 38 of this bill establishes provisions relating to the confirmation of the identity of a person for whom an electronic notarial act is performed using audio-video communication. **Section 50** of this bill requires an electronic notary public to render an electronic document that is the subject of an electronic notarial act tamper-evident.

Section 38.3 of this bill establishes provisions concerning electronic documents relating to real property located in this State.

Section 46.5 of this bill authorizes the Secretary of State to require a notary public who registers with the Secretary of State as an electronic notary public to complete an online course of study on electronic notarization. Section 38.7 of this bill establishes provisions relating to the completion of such a course of study.

Section 48 of this bill increases the amount of fees which an electronic notary public may charge for performing certain electronic notarial acts and authorizes an electronic notary public to charge a reasonable fee to recover

any cost of providing a copy of an entry or a recording of an audio-video communication in the electronic journal maintained by the electronic notary public. **Section 48** also prohibits an electronic notary public who is an officer or employee of the State or a local government from charging a fee for an electronic notarial act that the electronic notary public performs within the scope of such employment.

Sections 56-60 of this bill delete certain provisions of Assembly Bill No. 476 of this session that are replaced with the provisions of sections 45, 46, 46.5, 51 and 52 of this bill, and section 61 of this bill provides that the provisions of this bill are intended to supersede any provisions of Assembly Bill No. 476 that conflict with the provisions of this bill.

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

Section 1. Chapter 132 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.

Sec. 2. *Except as otherwise specifically provided in this title, the provisions of this title must be construed in a manner consistent with the provisions of chapter 719 of NRS.*

Sec. 3. *“Certified paper original” means a tangible document that contains the text of an electronic will and, if applicable, a self-proving affidavit concerning the electronic will.*

Sec. 4. *“Electronic notary public” has the meaning ascribed to it in NRS 240.186.*

Sec. 5. *“Qualified custodian” means a person who meets the requirements of section 11 of this act.*

Sec. 6. NRS 132.025 is hereby amended to read as follows:

132.025 As used in this title, unless the context otherwise requires, the words and terms defined in NRS 132.030 to 132.370, inclusive, *and sections 3, 4 and 5 of this act* have the meanings ascribed to them in those sections.

Sec. 7. NRS 132.117 is hereby amended to read as follows:

132.117 “Electronic record” means a record created, generated , *sent, communicated, received* or stored by electronic means.

Sec. 8. NRS 132.119 is hereby amended to read as follows:

132.119 “Electronic will” means ~~{a testamentary document that complies}~~ *an instrument, including, without limitation, a codicil, that is executed by a person in accordance* with the requirements of NRS 133.085 ~~{}~~ *and which disposes of the property of the person upon or after his or her death.*

Sec. 9. Chapter 133 of NRS is hereby amended by adding thereto the provisions set forth as sections 10 to 17, inclusive, of this act.

Sec. 10. 1. *An electronic will is self-proving if:*

(a) The declarations or affidavits of the attesting witnesses are incorporated as part of, attached to or logically associated with the electronic will, as described in NRS 133.050;

(b) The electronic will designates a qualified custodian to maintain custody of the electronic record of the electronic will; and

(c) Before being offered for probate or being reduced to a certified paper original that is ~~admitted to~~ offered for probate, the electronic will was at all times under the custody of a qualified custodian.

2. A declaration or affidavit of an attesting witness made pursuant to NRS 133.050 and an affidavit of a person made pursuant to section 15 of this act must be accepted by a court as if made before the court.

Sec. 11. A qualified custodian of an electronic will:

1. Must not be an heir of the testator or a beneficiary or devisee under the electronic will.

2. Shall consistently employ, and store electronic records of electronic wills in, a system that protects electronic records from destruction, alteration or unauthorized access and detects any change to an electronic record.

3. Shall store in the electronic record of an electronic will each of the following:

(a) A photograph or other visual record of the testator and the attesting witnesses that was taken contemporaneously with the execution of the electronic will;

(b) A photocopy, photograph, facsimile or other visual record of any documentation that was taken contemporaneously with the execution of the electronic will and provides satisfactory evidence of the identities of the testator and the attesting witnesses, including, without limitation, documentation of the methods of identification used pursuant to subsection 4 of NRS 240.1655; and

(c) An audio and video recording of the testator, attesting witnesses and notary public, as applicable, taken at the time the testator, each attesting witness and notary public, as applicable, placed his or her electronic signature on the electronic will, as required pursuant to paragraph (b) of subsection 1 of NRS 133.085.

4. Shall provide to any court that is hearing a matter involving an electronic will which is currently or was previously stored by the qualified custodian any information requested by the court pertaining to the qualifications of the qualified custodian and the policies and practices of the qualified custodian concerning the maintenance, storage and production of electronic wills.

Sec. 12. 1. With regard to an electronic record of an electronic will, a qualified custodian:

(a) Shall provide access to or information concerning the electronic will or the certified paper original of the electronic will only to:

(1) The testator or another person as directed by the written instructions of the testator; and

(2) After the death of the testator, the nominated personal representative of the testator or any interested person; and

(b) May, in the absolute discretion of the qualified custodian, destroy the electronic record at any time:

(1) Five or more years after the admission of any will of the testator to probate;

(2) Five or more years after the revocation of the electronic will;

(3) Five or more years after ceasing to serve as the qualified custodian of the electronic record of the electronic will pursuant to section 13 of this act;

(4) Ten or more years after the death of the testator; or

(5) One hundred and fifty years after the execution of the electronic will.

2. At the direction of a testator in a writing executed with the same formalities required for the execution of an electronic will, a qualified custodian shall cancel, render unreadable or obliterate the electronic record.

Sec. 13. 1. A qualified custodian may cease serving in such a capacity by:

(a) If not designating a successor qualified custodian, providing to the testator:

(1) Thirty days' written notice that the qualified custodian has decided to cease serving in such a capacity; and

(2) The certified paper original of, and all records concerning, the electronic will.

(b) If designating a successor qualified custodian:

(1) Providing 30 days' written notice that the qualified custodian has decided to cease serving in such a capacity to:

(I) The testator; and

(II) The designated successor qualified custodian; and

(2) Providing to the successor qualified custodian the electronic record of the electronic will and an affidavit which states:

(I) That the qualified custodian ceasing to act in such a capacity is eligible to act as a qualified custodian in this State and is the qualified custodian designated by the testator in the electronic will or was designated to act in such a capacity by another qualified custodian pursuant to this paragraph;

(II) That an electronic record was created at the time the testator executed the electronic will;

(III) That the electronic record has been in the custody of one or more qualified custodians since the execution of the electronic will and has not been altered since the time it was created; and

(IV) The identity of all qualified custodians who have had custody of the electronic record since the execution of the electronic will.

2. For purposes of making the affidavit pursuant to subparagraph (2) of paragraph (b) of subsection 1, a qualified custodian is entitled to rely conclusively on any affidavits provided by a predecessor qualified

custodian if all such affidavits are provided to the successor qualified custodian.

3. Subject to the provisions of section 14 of this act, if the testator designates a successor qualified custodian in a writing executed with the same formalities required for the execution of an electronic will, a qualified custodian shall cease serving in such a capacity and provide to the designated successor qualified custodian:

(a) The electronic record; and

(b) The affidavit described in subparagraph (2) of paragraph (b) of subsection 1.

4. If a qualified custodian is an entity, an affidavit of a duly authorized officer or agent of such entity constitutes the affidavit of the qualified custodian.

Sec. 14. 1. *A person must execute a written statement affirmatively agreeing to serve as the qualified custodian of an electronic will before he or she may serve in such a capacity.*

2. Except as otherwise provided in paragraph (a) of subsection 1 of section 13 of this act, a qualified custodian may not cease serving in such a capacity until a successor qualified custodian executes the written statement required by subsection 1.

Sec. 15. 1. *Upon the creation of a certified paper original of an electronic will:*

(a) If the electronic will has always been in the custody of a qualified custodian, the ~~designated~~ qualified custodian shall state in an affidavit:

(1) That the qualified custodian is eligible to act as a qualified custodian in this State;

(2) That the qualified custodian is the qualified custodian designated by the testator in the electronic will or was designated to act in such a capacity pursuant to paragraph (b) of subsection 1 of section 13 of this act;

(3) That an electronic record was created at the time the testator executed the electronic will;

(4) That the electronic record has been in the custody of one or more qualified custodians since the execution of the electronic will, and has not been altered since the time it was created;

(5) The identity of all qualified custodians who have had custody of the electronic record since the execution of the electronic will;

(6) That the certified paper original is a true, correct and complete tangible manifestation of the electronic will; and

(7) That the records described in subsection 3 of section 11 of this act are in the custody of the qualified custodian.

(b) If the electronic will has not always been under the custody of a qualified custodian, the person who discovered the electronic will and the person who reduced the electronic will to the certified paper original shall each state in an affidavit the following information, to the best of their knowledge:

(1) *When the electronic will was created, if not indicated in the electronic will;*

(2) *When, how and by whom the electronic will was discovered;*

(3) *The identities of each person who has had access to the electronic will;*

(4) *The method in which the electronic will was stored and the safeguards in place to prevent alterations to the electronic will;*

(5) *Whether the electronic will has been altered since its execution; and*

(6) *That the certified paper original is a true, correct and complete tangible manifestation of the electronic will.*

2. *For purposes of making an affidavit pursuant to paragraph (a) of subsection 1, the qualified custodian may rely conclusively on any affidavits delivered by a predecessor qualified custodian.*

Sec. 16. 1. *Notwithstanding any other provision of law, an electronic notary public or other notarial officer may, for purposes of this title, including, without limitation, all purposes relating to the execution and filing of any document with the court in any proceeding relating to an electronic will:*

(a) *Notarize the signature or electronic signature of a person, as applicable, who is not in the physical presence of the electronic notary public or other notarial officer if the person is in his or her presence within the meaning of section 17 of this act; and*

(b) *Notarize any document relating to a will, codicil or testamentary trust.*

2. *This section must be liberally construed and applied to promote the purposes of NRS 133.085 and sections 10 to 17, inclusive, of this act.*

Sec. 17. 1. *For purposes of this title, including, without limitation, any declaration or affidavit made by an attesting witness as described in NRS 133.050, for all purposes relating to the execution and filing of any document with the court in any proceeding relating to an electronic will and for purposes of executing a power of attorney pursuant to NRS 162A.220, an advance directive or any document relating to an advance directive:*

(a) *A person shall be deemed to be in the presence of or appearing before another person if such persons are in:*

(1) *The same physical location; or*

(2) *Different physical locations but can communicate with each other by means of audio-video communication.*

(b) *An electronic notary public may electronically notarize electronic documents, including, without limitation, documents constituting or relating to an electronic will, in accordance with NRS 240.181 to 240.206, inclusive, and sections 30 to ~~38.7~~ 38.7, inclusive, of this act.*

(c) *Any requirement that a document be signed may be satisfied by an electronic signature.*

(d) *If a provision of law requires a written record, an electronic record satisfies such a provision.*

(e) ~~HH~~ Except as otherwise provided in subparagraph (3), regardless of the physical location of the person executing a document or of any witness, if a document is executed electronically, the document shall be deemed to be executed in this State and will be governed by the laws of this State and subject to the jurisdiction of the courts of this State if:

(1) *The person executing the document states that he or she understands that he or she is executing, and that he or she intends to execute, the document in and pursuant to the laws of this State;*

(2) *The document states that the validity and effect of its execution are governed by the laws of this State;*

(3) *Any attesting witnesses or an electronic notary public whose electronic signatures are contained in the document were physically located within this State at the time the document was executed in accordance with this section; or*

(4) *In the case of a self-proving electronic will, the electronic will designates a qualified custodian who, at the time of execution:*

(I) *If a natural person, is domiciled in this State; or*

(II) *If an entity, is organized under the laws of this State or whose principal place of business is located in this State.*

2. Notwithstanding the provisions of subsection 1, the validity of a notarial act performed by an electronic notary public must be determined by applying the laws of the jurisdiction in which the electronic notary public is commissioned or appointed.

3. As used in this section:

(a) *“Advance directive” has the meaning ascribed to it in NRS 449.905.*

(b) ~~“Audio-video communication” has the meaning ascribed to it in section 30 of this act.~~ means communication by which a person is able to see, hear and communicate with another person in real time using electronic means and that meets any rules or regulations adopted by the Secretary of State.

Sec. 18. NRS 133.050 is hereby amended to read as follows:

133.050 1. Any attesting witness to a will , *including, without limitation, an electronic will*, may sign a declaration under penalty of perjury or an affidavit before any person authorized to administer oaths in or out of the State, stating such facts as the witness would be required to testify to in court to prove the will. The declaration or affidavit must be written on the will or, if that is impracticable, on some paper attached thereto. *If the will is an electronic will, the declaration or affidavit must be in a record incorporated as part of, attached to or logically associated with the electronic will.* The sworn statement of any witness so taken must be accepted by the court as if it had been taken before the court.

2. The affidavit described in subsection 1 may be in substantially the following form:

State of Nevada }
 }ss.
 County of..... }

(Date)

Then and there personally appeared and, who, being duly sworn, depose and say: That they witnessed the execution of the foregoing will of the testator,; that the testator subscribed the will and declared it to be his or her last will and testament in their presence; that they thereafter subscribed the will as witnesses in the presence of the testator and in the presence of each other and at the request of the testator; and that the testator at the time of the execution of the will appeared to them to be of full age and of sound mind and memory.

.....

Affiant

.....

Affiant

Subscribed and sworn to before me
 this day of the month of of the year

.....

Notary Public

3. The declaration described in subsection 1 may be in substantially the following form:

Under penalty of perjury pursuant to the law of the State of Nevada, the undersigned, and, declare that the following is true of their own knowledge: That they witnessed the execution of the foregoing will of the testator,; that the testator subscribed the will and declared it to be his or her last will and testament in their presence; that they thereafter subscribed the will as witnesses in the presence of the testator and in the presence of each other and at the request of the testator; and that the testator at the time of the execution of the will appeared to them to be of full age and of sound mind and memory.

Dated this day of,

..... Declarant

..... Declarant

4. If a testator or a witness signing an affidavit or declaration described in subsection 1 appears by means of audio-video communication, the form for the affidavit or declaration, as set forth in subsections 2 and 3, respectively, must be modified to indicate that fact.

5. As used in this section, “audio-video communication” has the meaning ascribed to it in section 17 of this act.

Sec. 19. NRS 133.085 is hereby amended to read as follows:

133.085 1. An electronic will is a will of a testator that:

(a) Is ~~{written,}~~ created and ~~{stored}~~ ***maintained*** in an electronic record;
and

(b) Contains the date and the electronic signature of the testator and which includes, without limitation, at least one ***of the following:***

(1) ***An*** authentication characteristic of the testator; ~~{and~~

~~—(e) Is created and stored in such a manner that:~~

~~—(1) Only one authoritative copy exists;}~~

(2) The ~~{authoritative copy is maintained and controlled by the testator or a custodian designated by the testator in the}~~ electronic ~~{will;}~~ ***signature and electronic seal of an electronic notary public, placed thereon in the presence of the testator and in whose presence the testator placed his or her electronic signature thereon; or***

(3) ~~{Any attempted alteration of the authoritative copy is readily identifiable; and~~

~~—(4) Each copy of the authoritative copy is readily identifiable as a copy that is not the authoritative copy.}~~ ***The electronic signatures of two or more attesting witnesses, placed thereon in the presence of the testator and in whose presence the testator placed his or her electronic signature thereon.***

2. Every person of sound mind over the age of 18 years may, by last electronic will, dispose of all of his or her estate, real and personal, but the estate is chargeable with the payment of the testator’s debts.

3. ~~{An electronic will that meets the requirements of this section is subject to no other form, and may be made in or out of this State. An electronic will is valid and has the same force and effect as if formally executed.~~

~~—4. An electronic will shall be deemed to be executed in this State if the authoritative copy of the electronic will is:~~

~~—(a) Transmitted to and maintained by a custodian designated in the electronic will at the custodian’s place of business in this State or at the custodian’s residence in this State; or~~

~~—(b) Maintained by the testator at the testator’s place of business in this State or at the testator’s residence in this State.~~

~~—5.}~~ ***Except as otherwise provided in this section and sections 10 to 17, inclusive, of this act, all questions relating to the force, effect, validity and interpretation of an electronic will that complies with the provisions of this section and sections 10 to 17, inclusive, of this act must be determined in the same manner as a will executed in accordance with NRS 133.040.***

4. The provisions of this section do not apply to a trust other than a trust contained in an electronic will.

~~{6.}~~ 5. As used in this section:

(a) "Authentication characteristic" means a characteristic of a certain person that is unique to that person and that is capable of measurement and recognition in an electronic record as a biological aspect of or physical act performed by that person. Such a characteristic may consist of a fingerprint, a retinal scan, voice recognition, facial recognition, **video recording**, a digitized signature or other **commercially reasonable** authentication using a unique characteristic of the person.

(b) ~~["Authoritative copy" means the original, unique, identifiable and unalterable electronic record of an electronic will.~~

~~—(e)—~~ "Digitized signature" means a graphical image of a handwritten signature that is created, generated or stored by electronic means.

(c) **"Electronic seal" has the meaning ascribed to it in NRS 240.187.**

Sec. 20. NRS 133.120 is hereby amended to read as follows:

133.120 1. A written will ***other than an electronic will*** may only be revoked by:

(a) Burning, tearing, cancelling or obliterating the will, with the intention of revoking it, by the testator, or by some person in the presence and at the direction of the testator; ~~{or}~~

(b) Another will or codicil in writing, executed as prescribed in this chapter ~~{or}~~; ***or***

(c) ***An electronic will, executed as prescribed in this chapter.***

2. ***An electronic will may only be revoked by:***

(a) ***Another will, codicil, electronic will or other writing, executed as prescribed in this chapter; or***

(b) ***Cancelling, rendering unreadable or obliterating the will with the intention of revoking it, by:***

(1) The testator or a person in the presence and at the direction of the testator; or

(2) If the will is in the custody of a qualified custodian, the qualified custodian at the direction of a testator in an electronic will.

3. This section does not prevent the revocation implied by law from subsequent changes in the condition or circumstances of the testator.

Sec. 21. NRS 136.185 is hereby amended to read as follows:

136.185 1. An electronic will **executed or deemed to be executed in or pursuant to the laws of this State** may be proved ~~{by authentication satisfactory to the court.}~~ ***and letters granted in the county in which the decedent was a resident at the time of his or her death or the domicile or registered office of the qualified custodian exists.***

2. ***A certified paper original of an electronic will may be offered for and admitted to probate in the same manner as if it were a will executed in accordance with NRS 133.040.***

3. ***A certified paper original of an electronic will that is self-proving pursuant to section 10 of this act is presumed to be valid and, absent any objection, must be admitted to probate expeditiously without requiring any further proof of validity.***

4. *An electronic will that is executed or deemed to be executed in or pursuant to the laws of another state in accordance with the laws of the other state or of this State is a valid electronic will in this State.*

Sec. 22. Chapter 163 of NRS is hereby amended by adding thereto the provisions set forth as sections 23 and 24 of this act.

Sec. 23. *As used in this chapter, unless the context otherwise requires, when the terms “execute” or “sign” are used in reference to a will, trust or instrument to convey property, the terms include the use of an electronic signature.*

Sec. 24. *Subject to the provisions of any applicable court rules, a video recording or other electronic record may be admissible as evidence of:*

- 1. The proper execution of a trust.*
- 2. The intentions of a settlor.*
- 3. The mental state or capacity of a settlor.*
- 4. The authenticity of a trust.*
- 5. Matters that are determined by a court to be relevant to the administration of a trust.*

Sec. 25. NRS 163.0016 is hereby amended to read as follows:

163.0016 “Nontestamentary trust” means a trust , ***including, without limitation, an electronic trust***, that is created and takes effect during the lifetime of the settlor.

Sec. 26. NRS 163.0018 is hereby amended to read as follows:

163.0018 “Testamentary trust” means a trust that is created by the terms of the will , ***including, without limitation, the electronic will***, of a person.

Sec. 27. NRS 163.00185 is hereby amended to read as follows:

163.00185 “Trust instrument” means a will, trust agreement, declaration, or other instrument , ***including, without limitation, an electronic trust***, that creates or defines the duties and powers of a trustee and shall include a court order or any instrument that modifies a trust instrument or, in effect, alters the duties and powers of a trustee or other terms of a trust instrument.

Sec. 28. NRS 163.0095 is hereby amended to read as follows:

163.0095 1. An electronic trust is a trust instrument that:

(a) Is ~~written,~~ created and ~~stored~~ ***maintained*** in an electronic record ~~;~~ ***in such a manner that any alteration thereto is detectable;***

(b) Contains the electronic signature of the settlor ~~;~~ and ***the date and time thereof;***

(c) ***Includes, without limitation, an authentication method which is attached to or logically associated with the trust instrument to identify the settlor or is electronically notarized in accordance with all applicable provisions of law;***

(d) ***Is subject to the provisions of chapter 719 of NRS; and***

(e) Meets the requirements set forth in this chapter for a valid trust.

2. ~~[(a)]~~ ***Regardless of the physical location of the settlor, an*** electronic trust shall be deemed to be executed in this State ***and will be governed by the***

laws of this State and subject to the jurisdiction of the courts of this State if the electronic trust is:

(a) Transmitted to and maintained by a custodian designated in the trust instrument at the custodian's place of business in this State or at the custodian's residence in this State; or

(b) Maintained by the settlor at the settlor's place of business in this State or at the settlor's residence in this State, or by the trustee at the trustee's place of business in this State or at the trustee's residence in this State.

3. Notwithstanding the provisions of subsection 2, the validity of a notarial act performed by an electronic notary public must be determined by applying the laws of the jurisdiction in which the electronic notary public is commissioned or appointed.

4. The provisions of this section do not apply to a testamentary trust.

~~4.~~ 5. As used in this section:

(a) "Authentication characteristic" has the meaning ascribed to it in NRS 133.085.

(b) "Authentication method" means a method of identification using ~~1.~~

~~(1) A copy of the valid driver's license, passport or other government issued identification card of a settlor; and~~

~~(2) A dynamic knowledge-based authentication assessment;~~ any applicable method authorized or required by law, including, without limitation, a digital certificate using a public key or a physical device, including, without limitation, a smart card, flash drive or other type of token, an authentication characteristic or another commercially reasonable method.

(c) ~~"Dynamic knowledge-based authentication assessment" has the meaning ascribed to it in section 32 of this act.~~

~~(d)~~ "Public key" has the meaning ascribed to it in NRS 720.110.

Sec. 29. Chapter 240 of NRS is hereby amended by adding thereto the provisions set forth as sections 30 to ~~38.1~~ 38.7, inclusive, of this act.

Sec. 30. "Audio-video communication" means communication by which a person is able to see, hear and communicate with another person in real time using electronic means ~~1.~~ and that meets any rules or regulations adopted by the Secretary of State.

Sec. 31. "Credential" means a tangible record evidencing the identity of a person.

Sec. 32. "Dynamic knowledge-based authentication assessment" means an identity assessment that is based on a set of questions formulated from public or private data sources for which the person taking the assessment has not previously provided an answer ~~1.~~ and that meets any rules or regulations adopted by the Secretary of State.

Sec. 33. "Electronic" means of or relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities.

Sec. 34. "In the presence of" or "appear before" means being:

1. In the same physical location as another person and close enough to see, hear, communicate with and exchange credentials with that person; or

2. In a different physical location from another person but able to see, hear and communicate with the person by means of audio-video communication ~~that~~ that meets any rules or regulations adopted by the Secretary of State.

Sec. 35. 1. An electronic notary public may perform any of the acts set forth in NRS 240.196 using audio-video communication in accordance with NRS 240.181 to 240.206, inclusive, and sections 30 to ~~38.7~~ 38.7, inclusive, of this act and any rules or regulations adopted by the Secretary of State.

2. Before an electronic notary public performs electronic notarial acts using audio-video communication, he or she must register with the Secretary of State pursuant to NRS ~~240.196~~ 240.192 and identify the technology that the electronic notary public intends to use, which must conform to any ~~standards established by regulation~~ rules or regulations adopted by the Secretary of State. ~~The Secretary of State shall approve the use of the technology if it conforms to such standards.~~

3. If an electronic notarial act is performed using audio-video communication:

(a) The technology used must allow the persons communicating to see and speak to each other simultaneously; ~~and~~

(b) The signal transmission must be in real time ~~that~~ ; and

(c) The electronic notarial act must be recorded in accordance with section 37 of this act.

Sec. 36. 1. An electronic notary public may perform an electronic notarial act using audio-video communication in accordance with NRS 240.181 to 240.206, inclusive, and sections 30 to ~~38.7~~ 38.7, inclusive, of this act and any rules or regulations adopted by the Secretary of State for a person who is physically located:

(a) In this State;

(b) Outside this State but within the United States; or

(c) Outside the United States if:

(1) The electronic notary public has no actual knowledge of the electronic notarial act being prohibited in the jurisdiction in which the person is physically located; and

(2) The person placing his or her electronic signature on the electronic document confirms to the electronic notary public that the requested electronic notarial act and the electronic document:

(I) Are part of or pertain to a matter that is to be filed with or is currently before a court, governmental entity or other entity in the United States;

(II) Relate to property located in the United States; or

(III) Relate to a transaction substantially connected to ~~a territorial jurisdiction of~~ the United States.

2. ~~[Subject to the provisions of section 17 of this act, an electronic notarial act performed by an]~~ An electronic notary public who is ~~[physically present in this State]~~ registered with the Secretary of State pursuant to NRS 240.192 may perform an electronic notarial act using audio-video communication in accordance with NRS 240.181 to 240.206, inclusive, and sections 30 to [38.] 38.7, inclusive, of this act and any rules or regulations adopted by the Secretary of State [shall be deemed to have been performed in this State and must be governed by the laws of] if the electronic notary public is physically present in this State [.] at the time of performing the electronic notarial act, regardless of whether the person who placed the electronic signature on the electronic document is physically located in another jurisdiction at the time of the electronic notarial act. The validity of the notarial act will be determined by applying the laws of this State.

Sec. 37. 1. An electronic notary public shall arrange for a recording to be made of each electronic notarial act performed using audio-video communication. Before performing any electronic notarial act using audio-video communication, the electronic notary public must inform all participating persons that the electronic notarization will be electronically recorded.

2. If the person for whom the electronic notarial act is being performed is identified by personal knowledge, the recording of the electronic notarial act must include an explanation by the electronic notary public as to how he or she knows the person and how long he or she has known the person.

3. If the person for whom the electronic notarial act is being performed is identified by a credible witness:

(a) The credible witness must appear before the electronic notary public; and

(b) The recording of the electronic notarial act must include:

(1) A statement by the electronic notary public as to whether he or she identified the credible witness by personal knowledge or satisfactory evidence; and

(2) An explanation by the credible witness as to how he or she knows the person for whom the electronic notarial act is being performed and how long he or she has known the person.

4. An electronic notary public shall keep a recording made pursuant to this section for a period of not less than [5] 7 years, regardless of whether the electronic notarial act was actually completed.

Sec. 38. 1. For the purposes of performing an electronic notarial act for a person using audio-video communication, an electronic notary public has satisfactory or documentary evidence of the identity of the person if the electronic notary public confirms the identity of the person by:

~~[.]~~ (a) Personal knowledge;

~~[2. The successful completion by the person of a dynamic knowledge-based authentication assessment that is combined with at least one]~~

(b) Each of the following:

~~[(a) The use of software that relies on high resolution imaging and record classification by which to perform a forensic analysis of an unexpired]~~

(1) Remote presentation by the person of a government-issued identification credential [of the person] that contains a photograph [;

~~=(b) Visual inspection by the electronic notary public of a high resolution image of an unexpired government issued credential of the person that contains a photograph and comparison, to the satisfaction of the electronic notary public, of the information thereon to the person appearing before the electronic notary public and to the identity] and the signature of the person [as established through the];~~

(2) Credential analysis of the government-issued identification credential and the data thereon;

(3) A dynamic knowledge-based authentication assessment; [;

~~=(c)];~~ and

(4) Any other method that complies with any rules or regulations adopted by the Secretary of State; or

~~[;~~ (c) A valid certificate that complies with any rules or regulations adopted by the Secretary of State.

2. As used in this [subsection, "certificate"] section:

(a) "Certificate" has the meaning ascribed to it in NRS 720.030.

(b) "Credential analysis" means a process or service that complies with any rules or regulations adopted by the Secretary of State through which a third party affirms the validity of a government-issued identification credential or any data thereon through the review of data sources.

(c) "Remote presentation" means the transmission of a quality image of a government-issued identification credential to an electronic notary public through communication technology for the purpose of enabling the electronic notary public to identify the person appearing before the electronic notary public and to perform a credential analysis.

Sec. 38.3. 1. If an electronic document relating to real property located in this State contains an electronic acknowledgment, notwithstanding any omission or error in the certificate of acknowledgment or failure of the document to show an acknowledgment in compliance with applicable law, upon the document being recorded with the county recorder of the county in which the real property is located or filed with the Secretary of State:

(a) The electronic document shall be deemed to be lawfully recorded or filed; and

(b) All persons, including, without limitation, any creditor, encumbrancer, mortgagee, subsequent purchaser for valuable consideration or any other subsequent transferee thereof or of any interest therein, are deemed to have notice of its contents.

2. For the purposes of this section, a document is deemed to comply with all applicable requirements upon the acceptance for recording by the county recorder of the county in which the real property is located or the filing of the document with the Secretary of State, as required by law.

Sec. 38.7. 1. Except as otherwise provided in this section, a notary public who registers with the Secretary of State as an electronic notary public pursuant to NRS 240.192 for the first time must successfully complete any required course of study on electronic notarization required pursuant to NRS 240.195 before filing such registration with the Secretary of State.

2. A notary public may register with the Secretary of State as an electronic notary public pursuant to NRS 240.192 and thereafter perform the functions of an electronic notary public pursuant to this chapter without completing any course of study on electronic notarization required pursuant to NRS 240.195 if, at the time of registration, the course of study is not yet offered by the Secretary of State or a vendor approved by the Secretary of State.

3. If a notary public registers and performs the functions of an electronic notary public without first completing any required course of study on electronic notarization pursuant to subsection 2, he or she must complete the required course of study and pass any required examination within 120 days after the course of study is first offered by the Secretary of State or a vendor approved by the Secretary of State. The registrant shall thereafter complete any required course of study in accordance with paragraph (b) or (c) of subsection 3 of NRS 240.195, as applicable.

Sec. 39. NRS 240.181 is hereby amended to read as follows:

240.181 NRS 240.181 to 240.206, inclusive, ~~and sections 30 to 38.7~~, inclusive, of this act may be cited as the Electronic [Notary Public Authorization-Remote] Notarization Enabling Act.

Sec. 40. NRS 240.182 is hereby amended to read as follows:

240.182 As used in NRS 240.181 to 240.206, inclusive, ~~and sections 30 to 38.7~~, inclusive, of this act, unless the context otherwise requires, the words and terms defined in NRS 240.183 to 240.188, inclusive, ~~and sections 30 to 34~~, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 40.5. NRS 240.185 is hereby amended to read as follows:

240.185 “Electronic notarial act” means an act that an electronic notary public of this State is authorized to perform. The term includes:

1. Taking an acknowledgment;
2. Administering an oath or affirmation;
3. Executing a jurat; ~~and~~
4. Certifying a true and correct copy; and
5. Performing such other duties as may be prescribed by a specific statute.

Sec. 41. NRS 240.186 is hereby amended to read as follows:

240.186 “Electronic notary public” means a person ~~[appointed by]~~ **registered with** the Secretary of State pursuant to NRS 240.181 to 240.206, inclusive, **and sections 30 to ~~[38.7]~~ 38.7, inclusive, of this act** to perform electronic notarial acts.

Sec. 42. NRS 240.187 is hereby amended to read as follows:

240.187 “Electronic seal” means information within a notarized electronic document that includes the name, jurisdiction and expiration date of the ~~[appointment]~~ **registration** of an electronic notary public and generally includes the information required to be set forth in a mechanical stamp pursuant to NRS 240.040.

Sec. 43. NRS 240.189 is hereby amended to read as follows:

240.189 An electronic notary public shall comply with those provisions of NRS 240.001 to 240.169, inclusive, which are not inconsistent with NRS 240.181 to 240.206, inclusive ~~[, and sections 30 to ~~[38.7]~~ 38.7, inclusive, of this act]~~. To the extent that the provisions of NRS 240.001 to 240.169, inclusive, conflict with the provisions of NRS 240.181 to 240.206, inclusive, **and sections 30 to ~~[38.7]~~ 38.7, inclusive, of this act**, the provisions of NRS 240.181 to 240.206, inclusive, **and sections 30 to ~~[38.7]~~ 38.7, inclusive, of this act** control.

Sec. 44. NRS 240.191 is hereby amended to read as follows:

240.191 1. ~~[The Secretary of State may appoint electronic notaries public in this State.]~~

~~— 2. The Secretary of State shall not appoint as an electronic notary public a person who submits an application containing a substantial and material misstatement or omission of fact.~~

~~— 3. An electronic notary public may cancel his or her appointment by submitting a written notice to the Secretary of State.~~

~~— 4.] It is unlawful for a person to:~~

(a) Represent himself or herself as an electronic notary public ~~[appointed pursuant to this section]~~ if the person has not ~~[received a certificate of appointment from]~~ **registered with** the Secretary of State pursuant to NRS 240.192.

(b) Submit ~~[an application for appointment]~~ **a registration** as an electronic notary public that contains a substantial and material misstatement or omission of fact.

~~[5.] 2.~~ The Secretary of State may request that the Attorney General bring an action to enjoin any violation of paragraph (a) of subsection ~~[4.] 1.~~

Sec. 45. NRS 240.192 is hereby amended to read as follows:

240.192 1. Each person ~~[applying for appointment]~~ **registering** as an electronic notary public must:

(a) At the time of ~~[application]~~ **registration**, be a notarial officer in this State ~~[, and]~~ **who has complied with the requirements pertaining to taking an oath and filing a bond set forth in NRS 240.030 and 240.033**, have been a notarial officer in this State for not less than 4 years ~~[, and]~~ **have**

complied with all applicable notarial requirements set forth in this chapter
~~;~~ ~~including, without limitation, the bond requirements set forth in NRS~~
~~240.030 and 240.033;~~

(b) ~~Submit to~~ *Register with* the Secretary of State *by submitting* an electronic ~~application~~ *registration* pursuant to subsection 2; ~~and~~

(c) Pay to the Secretary of State ~~an application~~ *a registration* fee of \$50
~~;~~, which is in addition to the application fee required pursuant to NRS
240.030 to be a notarial officer in this State;

(d) ~~Take and subscribe to the oath set forth in Section 2 of Article 15 of~~
~~the Constitution of the State of Nevada as if the applicant were a public~~
~~officer;~~

~~(e)~~ Submit to the Secretary of State *with the registration* proof
satisfactory to the Secretary of State that the ~~applicant~~ *registrant* has
~~successfully~~;

(1) Successfully completed ~~;~~ any required course of study on
electronic notarization provided pursuant to NRS 240.195; and

~~(f) Enter into a bond to the State of Nevada in the sum of \$10,000, to be~~
~~filed with the clerk of the county in which the applicant resides or, if the~~
~~applicant is a resident of an adjoining state, with the clerk of the county in~~
~~this State in which the applicant maintains a place of business or is~~
~~employed. The applicant must submit to the Secretary of State a certificate~~
~~issued by the appropriate county clerk which indicates that the applicant filed~~
~~the bond required pursuant to this paragraph.~~ ~~in addition to the application~~
~~fee required pursuant to NRS 240.030 to be a notarial officer in this State.~~

(2) Complied with the requirements pertaining to taking an oath and
filing a bond set forth in NRS 240.030 and 240.033.

2. ~~The application for an appointment~~ Unless the Secretary of State
establishes a different process for submitting a registration as an electronic
notary public, the registration as an electronic notary public must be
submitted as an electronic document to the electronic mail address
designated by the Secretary of State and must contain, without limitation,
the following information:

(a) ~~The applicant's full legal name, and the name to be used for~~
~~appointment, if different.~~ *All information required to be included in an*
application for appointment as a notary public pursuant to NRS 240.030.

(b) ~~The county in which the applicant resides.~~

~~(c) The electronic mail address of the applicant.~~

~~(d)~~ A description of the technology or device ~~approved by the Secretary~~
~~of State,~~ that the ~~applicant~~ *registrant* intends to use to create his or her
electronic signature in performing electronic notarial acts.

~~(e)~~ (c) The electronic signature of the ~~applicant~~

~~(f)~~ *registrant.*

(d) Any other information ~~requested~~ *required pursuant to any rules or*
regulations adopted by the Secretary of State.

~~3. [An applicant for appointment as an electronic notary public who resides in an adjoining state, in addition to the requirements set forth in subsections 1 and 2, must submit to the Secretary of State with the application:~~

~~—(a) An affidavit setting forth the adjoining state in which the applicant resides, the applicant's mailing address and the address of the applicant's place of business or employment that is located within the State of Nevada;~~

~~—(b) A copy of the applicant's state business registration issued pursuant to chapter 76 of NRS and any business license required by the local government where the applicant's business is located, if the applicant is self-employed; and~~

~~—(c) Unless the applicant is self employed, a copy of the state business registration of the applicant's employer issued pursuant to chapter 76 of NRS, a copy of any business license of the applicant's employer that is required by the local government where the business is located and an affidavit from the applicant's employer setting forth the facts which show that the employer regularly employs the applicant at an office, business or facility which is located within the State of Nevada.~~

~~4. In completing an application, bond, oath or other document necessary to apply for appointment as an electronic notary public, an applicant must not be required to disclose his or her residential address or telephone number on any such document which will become available to the public.~~

~~5. The bond, together with the oath, must be filed and recorded in the office of the county clerk of the county in which the applicant resides when the applicant applies for appointment or, if the applicant is a resident of an adjoining state, with the clerk of the county in this State in which the applicant maintains a place of business or is employed. On a form provided by the Secretary of State, the county clerk shall immediately certify to the Secretary of State that the required bond and oath have been filed and recorded. Upon receipt of the application, fee and certification that the required bond and oath have been filed and recorded, the Secretary of State shall issue a certificate of appointment as an electronic notary public to the applicant.~~

~~6. The term of an electronic notary public commences on the effective date of the bond required pursuant to paragraph (f) of subsection 1. An electronic notary public shall not perform an electronic notarial act after the effective date of the bond unless the electronic notary public has been issued a certificate of appointment pursuant to subsection 5.~~

~~7. Except as otherwise provided in this subsection, the Secretary of State shall charge a fee of \$10 for each duplicate or amended certificate of appointment which is issued to an electronic notary public. If the electronic notary public does not receive an original certificate of appointment, the Secretary of State shall provide a duplicate certificate of appointment without charge if the electronic notary public requests such a duplicate within 60 days after the date on which the original certificate was issued.] Unless the~~

Secretary of State establishes a different process for the payment of the registration fee required pursuant to paragraph (c) of subsection 1, the registration fee must be paid by check or draft, made payable to the Secretary of State and transmitted to the Office of the Secretary of State.

4. Registration as an electronic notary public shall be deemed effective upon the payment of the registration fee required pursuant to paragraph (c) of subsection 1 if the registrant has satisfied all other applicable requirements.

Sec. 46. NRS 240.194 is hereby amended to read as follows:

240.194 1. The ~~initial term~~ **period** of ~~appointment~~ **registration** ~~as~~ of an electronic notary public is ~~2 years. Each~~ **coterminous with his or her term** ~~period~~ of ~~appointment~~ **registration** ~~as a notary public pursuant to NRS 240.010. Registration~~ as an electronic notary public ~~subsequent to the initial term is 4 years.~~ **must be renewed at the same time a person renews his or her appointment as a notary public.**

2. The ~~appointment~~ **registration** of an electronic notary public is suspended by operation of law when the electronic notary public is no longer appointed as a notary public in this State. If the ~~appointment~~ **registration** of an electronic notary public has expired or been revoked or suspended, the Secretary of State shall immediately notify the electronic notary public in writing that his or her ~~appointment~~ **registration** as an electronic notary public will be suspended by operation of law until he or she is appointed as a notary public in this State.

3. If, at any time ~~during his or her appointment, an~~ , **a registered** electronic notary public changes his or her electronic mail address, county of residence, name, electronic signature or the technology or device used to create his or her electronic signature, the electronic notary public shall, within 10 days after making the change, submit to the Secretary of State:

(a) An electronic document, signed with the electronic signature submitted by the electronic notary public pursuant to subsection 2 of NRS 240.192, that includes the change of information; and

(b) A fee of \$10.

Sec. 46.5. **NRS 240.195 is hereby amended to read as follows:**

240.195 1. **In addition to any courses of study a notary public is required to complete pursuant to NRS 240.018, the Secretary of State may, by rule or regulation, require a notary public who registers with the Secretary of State as an electronic notary public pursuant to NRS 240.192 to complete an additional course of study on electronic notarization in accordance with this section.**

2. Except as otherwise provided in subsection ~~2, an applicant for appointment~~ **3, a registrant** as an electronic notary public must successfully:

(a) Complete ~~in~~ **any** course of study **on electronic notarization** that is **required pursuant to subsection 1** in accordance with the requirements of subsection ~~5;~~ **6;** and

(b) Pass an examination at the completion of the course.

~~{2.}~~ 3. The following persons are required to enroll in and successfully complete ~~{a} any~~ course of study ~~{as} on electronic notarization that is~~ required pursuant to subsection 1:

- (a) A person ~~{applying}~~ registering for ~~{his or her} the~~ first ~~{appointment}~~ time as an electronic notary public;
- (b) A person renewing his or her ~~{appointment}~~ registration as an electronic notary public; and
- (c) A person who has committed a violation of this chapter or whose ~~{appointment}~~ registration as an electronic notary public has been suspended, and who has been required by the Secretary of State to enroll in a course of study provided pursuant to this section.

~~{3.}~~ 4. A course of study required to be completed pursuant to subsection 1 must:

- (a) ~~{Include at least}~~ Be taken online and be of a duration of not more than 3 hours ~~{of instruction}, including instruction and completion of an examination of the course content;~~
- (b) Provide instruction in electronic notarization, including, without limitation, notarial law and ethics, technology and procedures;
- (c) ~~{Include an examination of the course content;~~
- ~~{(d)}~~ Comply with ~~{the}~~ any regulations adopted pursuant to NRS 240.206 relating to courses of study on electronic notarization; and
- ~~{(e)}~~ (d) Be approved by the Secretary of State.

~~{4.}~~ 5. The Secretary of State may, with respect to a course of study required to be completed pursuant to subsection 1 ~~{~~

- ~~{(a) Provide such a course of study; and~~
- ~~{(b) Charge},~~ charge a reasonable fee to each person who enrolls in such a course of study.

~~{5.}~~ 6. A course of study provided pursuant to this section:

- (a) Must satisfy the criteria set forth in subsection ~~{3.}~~ 4 and comply with ~~{the}~~ any requirements set forth in the regulations adopted pursuant to NRS 240.206 ~~{relating to courses of study on electronic notarization.~~

(b) May be provided ~~{in person or online}~~ by the Secretary of State or a vendor approved by the Secretary of State.

~~{6.}~~ 7. The Secretary of State shall deposit the fees collected pursuant to ~~{paragraph (b) of}~~ subsection ~~{4.}~~ 5 in the Notary Public Training Account created pursuant to NRS 240.018.

Sec. 47. NRS 240.196 is hereby amended to read as follows:

240.196 A person ~~{appointed}~~ registered as an electronic notary public pursuant to NRS 240.181 to 240.206, inclusive, and sections 30 to ~~{38.}~~ 38.7, inclusive, of this act may ~~{, during normal business hours,}~~ perform the following electronic notarial acts for a person who requests the electronic notarial act and tenders ~~{the appropriate}~~ any authorized fee:

1. Taking an acknowledgment;
2. Executing a jurat; ~~{and}~~
3. Administering an oath or affirmation ~~{,}~~ ~~{and}~~

4. Certifying a true and correct copy; and

5. Performing such other duties as prescribed by law.

Sec. 48. NRS 240.197 is hereby amended to read as follows:

240.197 1. ***Except as otherwise provided in this section:***

(a) An electronic notary public may charge the following fees: ~~and no more:~~

~~—(a)}~~ (1) For taking an acknowledgment, for each signature~~[\$10]~~ \$25

~~{{(b)}}~~ (2) For executing a jurat, for each signature~~[\$10]~~ \$25

~~{{(c)}}~~ (3) For administering an oath or affirmation without a signature.....~~[\$10]~~ \$25

~~{{2.}}~~ (b) An electronic notary public shall not charge a fee to perform ~~for a service~~ **an electronic notarial act** unless he or she is authorized to charge a fee for such ~~for a service~~ **an electronic notarial act** pursuant to this section.

~~{{3.}}~~ (c) All fees prescribed in this section are payable in advance, if demanded.

~~{{4.}}~~ (d) An electronic notary public may charge an additional fee for traveling to perform an electronic notarial act if:

~~{{(a)}}~~ (1) The person requesting the electronic notarial act asks the electronic notary public to travel;

~~{{(b)}}~~ (2) The electronic notary public explains to the person requesting the electronic notarial act that the fee for travel is in addition to the fee authorized in ~~subsection 1~~ **paragraph (a)** and is not required by law;

~~{{(c)}}~~ (3) The person requesting the electronic notarial act agrees in advance upon the hourly rate that the electronic notary public will charge for the additional fee for travel; and

~~{{(d)}}~~ (4) The additional fee for travel does not exceed:

~~{{(1)}}~~ (I) If the person requesting the electronic notarial act asks the electronic notary public to travel between the hours of 6 a.m. and 7 p.m., \$10 per hour.

~~{{(2)}}~~ (II) If the person requesting the electronic notarial act asks the electronic notary public to travel between the hours of 7 p.m. and 6 a.m., \$25 per hour.

➤ The electronic notary public may charge a minimum of 2 hours for such travel and shall charge on a pro rata basis after the first 2 hours.

~~{{5.}}~~ (e) An electronic notary public is entitled to charge the amount of the additional fee for travel agreed to in advance by the person requesting the electronic notarial act pursuant to ~~subsection 4~~ **paragraph (d)** if:

~~{{(a)}}~~ (1) The person requesting the electronic notarial act cancels the request after the electronic notary public begins traveling to perform the requested electronic notarial act.

~~{{(b)}}~~ (2) The electronic notary public is unable to perform the requested electronic notarial act as a result of the actions of the person who requested the electronic notarial act or any other person who is necessary for the performance of the electronic notarial act.

~~{6-}~~ (f) For each additional fee for travel that an electronic notary public charges pursuant to ~~[subsection 4-]~~ **paragraph (d)**, the electronic notary public shall enter in the *electronic* journal that he or she keeps pursuant to NRS 240.201:

~~{(a)}~~ (1) The amount of the fee; and

~~{(b)}~~ (2) The date and time that the electronic notary public began and ended such travel.

~~{7-}~~ (g) *An electronic notary public may charge a reasonable fee to recover any cost of providing a copy of an entry or a recording of an audio-video communication in an electronic journal maintained pursuant to NRS 240.201.*

2. A person who employs an electronic notary public may prohibit the electronic notary public from charging a fee for an electronic notarial act that the electronic notary public performs within the scope of the employment. Such a person shall not require the electronic notary public whom the person employs to surrender to the person all or part of a fee charged by the electronic notary public for an electronic notarial act performed outside the scope of the employment of the electronic notary public.

3. *An electronic notary public who is an officer or employee of the State or a local government shall not charge a fee for an electronic notarial act that the electronic notary public performs within the scope of such employment.*

4. *This section does not apply to any compensation for services provided by an electronic notary public which do not constitute electronic notarial acts or comply with the other requirements of this chapter.*

Sec. 49. NRS 240.198 is hereby amended to read as follows:

240.198 *Except as otherwise specifically provided by law:*

1. An electronic notary public shall not willfully electronically notarize the signature or electronic signature of a person unless the person is in the presence of the electronic notary public at the time of notarization and:

(a) Is known to the electronic notary public; or

(b) If unknown to the electronic notary public, provides a credible witness or documentary evidence of identification to the electronic notary public.

2. A person who:

(a) Violates the provisions of subsection 1; or

(b) Aids and abets an electronic notary public to commit a violation of subsection 1,

↪ is guilty of a gross misdemeanor.

3. ~~[An electronic notary public shall not electronically notarize any electronic document related to the following:~~

~~—(a) A will, codicil or testamentary trust; and~~

~~—(b) Any any transaction governed by the Uniform Commercial Code other than NRS 104.1306, 104.2101 to 104.2725, inclusive, and 104A.2101 to 104A.2532, inclusive.~~

~~4. An appointment]~~ **Registration** as an electronic notary public pursuant to NRS 240.181 to 240.206, inclusive, **and sections 30 to ~~38.7~~ 38.7, inclusive, of this act** does not authorize the electronic notary public to perform notarial acts in another state.

4. A notarial act performed by an electronic notary public in this State for a person located outside this State by means of audio-video communication in accordance with the provisions of this chapter shall not be deemed to be performed outside this State.

Sec. 50. NRS 240.199 is hereby amended to read as follows:

240.199 **1.** An electronic notarial act must be evidenced by the following, which must be attached to or logically associated with the electronic document that is the subject of the electronic notarial act and which must be immediately perceptible and reproducible:

~~{1-}~~ (a) The electronic signature of the electronic notary public;

~~{2-}~~ (b) The electronic seal of the electronic notary public; and

~~{3-}~~ (c) The wording of a notarial certificate pursuant to NRS 240.1655, 240.166 to 240.167, inclusive, 240.1685 or 240.169 ~~{-}~~, **including, without limitation, language explicitly stating that the notarial act was performed using audio-video communication, if applicable.**

2. Upon the completion of an electronic notarial act in accordance with subsection 1, an electronic notary public shall use technology to render the electronic document tamper-evident.

Sec. 51. NRS 240.201 is hereby amended to read as follows:

240.201 **1.** An electronic notary public shall keep ~~{a}~~ **an electronic** journal of each electronic notarial act which includes, without limitation, the requirements of subsections 1 and 5 of NRS 240.120 ~~{-}~~, **but does not include the electronic signatures of the person for whom the electronic notarial act was performed and any witnesses.**

2. An electronic notary public who performs electronic notarial acts shall:

(a) Describe each electronic notarial act in the electronic journal and specify whether the electronic notarial act was performed using audio-video communication;

(b) Maintain and protect the electronic journal at all times under his or her sole control; and

(c) Provide for lawful inspection and copying of the electronic journal.

3. An electronic notary public may maintain more than one electronic journal to record electronic notarial acts.

4. The fact that the employer or contractor of an electronic notary public keeps a record of electronic notarial acts does not relieve the electronic notary public of the duties required by this section.

5. An electronic journal must:

(a) Enable access by a password or other secure means of authentication; and

(b) Be capable of providing tangible or electronic copies of any entry made therein.

6. The Secretary of State may suspend the ~~[appointment]~~ **registration** of an electronic notary public who fails to produce any **electronic** journal entry within 10 days after receipt of a request from the Secretary of State.

~~[3.]~~ 7. Upon ~~[resignation,]~~ **surrender**, revocation or expiration of ~~[an appointment]~~ **a registration** as an electronic notary public, all notarial records required pursuant to NRS 240.001 to 240.206, inclusive, **and sections 30 to ~~[38.]~~ 38.7, inclusive, of this act** must **, except as otherwise provided by law,** be ~~delivered to the Secretary of State.~~

~~4. An electronic notary public who performs electronic notarial acts shall:~~

~~(a) Describe each electronic notarial act in the electronic journal;~~

~~(b) Maintain and protect the electronic journal at all times under his or her sole control; and~~

~~(c) Provide for lawful inspection and copying of the electronic journal.~~

~~5. An electronic notary public may maintain more than one electronic journal to record electronic notarial acts.~~

~~6. The fact that the employer or contractor of an electronic notary public keeps a record of electronic notarial acts does not relieve the electronic notary public of the duties required by this section.~~

~~7. An electronic journal must:~~

~~(a) Enable access by a password or other secure means of authentication; and~~

~~(b) Be capable of providing tangible or electronic copies of any entry made therein; kept by the electronic notary public for a period of 7 years after the termination of the registration of the electronic notary public.~~

8. As used in this section, “sole control” means being in the direct physical custody of or safeguarded by an electronic notary public with a password or other secure means of authentication.

Sec. 52. NRS 240.202 is hereby amended to read as follows:

240.202 1. The electronic signature and electronic seal of an electronic notary public must be used only for the purposes of performing electronic notarial acts.

2. An electronic notary public shall safeguard his or her electronic signature, the electronic seal and all notarial records maintained by the electronic notary public as follows:

(a) When not in use, the electronic notary public shall keep the electronic signature, electronic seal and all notarial records secure, under the exclusive control of the electronic notary public and protected by a password where applicable.

(b) An electronic notary public shall not permit his or her electronic signature or electronic seal to be used by any other person.

(c) An electronic notary public shall not surrender or destroy his or her notarial records except as otherwise required by the order of a court or as

allowed pursuant to NRS 240.001 to 240.206, inclusive, and sections 30 to 38.7, inclusive, of this act or any regulations adopted pursuant thereto.

(d) Except as otherwise provided in subsection 3, an electronic notary public, within 10 days after discovering that his or her electronic signature or electronic seal has been stolen, lost, damaged or otherwise rendered incapable of affixing a legible image, shall:

(1) Inform the appropriate law enforcement agency in the case of theft or vandalism; and

(2) Notify the Secretary of State and the entity from which the electronic notary public obtained the electronic signature or electronic seal in writing, including, without limitation, a signature using the name ~~for the certificate of appointment issued~~ under which the electronic notary public is registered pursuant to ~~subsection 5 of~~ NRS 240.192.

3. An electronic notary public shall take reasonable steps to maintain the technology or device used to create his or her electronic signature, and to ensure that the technology or device has not been recalled, revoked, terminated or otherwise rendered ineffective or unsecure by the entity that created the technology or device. Upon learning that the technology or device used to create his or her electronic signature has been rendered ineffective or unsecure, an electronic notary public shall cease performing electronic notarial acts until:

(a) A new technology or device is acquired; and

(b) The electronic notary public sends an electronic notice to the Secretary of State that includes ~~_, without limitation, the~~ information electronic signature of the electronic notary public required pursuant to ~~paragraphs (d), (b) and (c)~~ paragraph (c) of subsection 2 of NRS 240.192 relating to the new technology or device.

Sec. 53. NRS 240.203 is hereby amended to read as follows:

240.203 1. Except as otherwise provided in subsection 3, if an electronic notary public dies ~~for resigns~~ during his or her ~~appointment~~ period of registration, or if the ~~appointment~~ registration of the electronic notary public is **surrendered or** revoked or expires, the electronic notary public, the executor of his or her estate or an authorized representative of the electronic notary public, as appropriate, shall:

(a) Notify the Secretary of State of the resignation or death; and

(b) Erase, delete, destroy or otherwise render ineffective the technology or device used to create his or her electronic signature.

2. Upon receipt of the notice required by subsection 1, the Secretary of State shall cancel the ~~appointment~~ registration of the electronic notary public, effective on the date on which the notice was received.

3. A former electronic notary public whose previous ~~appointment~~ registration as an electronic notary public was not revoked and whose previous ~~application for appointment~~ registration as an electronic notary public was not denied is not required to erase, delete, destroy or otherwise render ineffective the technology or device used to create his or her

electronic signature if the former electronic notary public renews his or her ~~[appointment]~~ **registration**, using the same electronic signature, within 3 months after the expiration of his or her previous ~~[appointment]~~ **registration** as an electronic notary public.

Sec. 54. NRS 240.204 is hereby amended to read as follows:

240.204 1. A person who knowingly creates, manufactures or distributes software or hardware for the purpose of allowing a person to act as an electronic notary public without being ~~[appointed]~~ **registered** in accordance with NRS 240.181 to 240.206, inclusive, **and sections 30 to ~~38,~~ 38.7, inclusive, of this act** is guilty of a gross misdemeanor.

2. A person who wrongfully obtains, conceals, damages or destroys the technology or device used to create the electronic signature of an electronic notary public is guilty of a gross misdemeanor.

Sec. 55. NRS 719.200 is hereby amended to read as follows:

719.200 1. Except as otherwise provided in subsection 2, the provisions of this chapter apply to electronic records and electronic signatures relating to a transaction.

2. The provisions of this chapter do not apply to a transaction to the extent it is governed by:

- (a) ~~[A]~~ **Except as otherwise specifically provided by law, a law** governing the creation and execution of wills, codicils or testamentary trusts;
- (b) The Uniform Commercial Code other than NRS 104.1306, 104.2101 to 104.2725, inclusive, and 104A.2101 to 104A.2532, inclusive; or
- (c) The provisions of NRS 439.581 to 439.595, inclusive, and the regulations adopted pursuant thereto.

3. The provisions of this chapter apply to an electronic record or electronic signature otherwise excluded from the application of this chapter under subsection 2 to the extent it is governed by a law other than those specified in subsection 2.

4. A transaction subject to the provisions of this chapter is also subject to other applicable substantive law.

Sec. 56. Section 4 of Assembly Bill No. 476 of this session is hereby amended to read as follows:

~~Sec. 4. [NRS 240.192 is hereby amended to read as follows:~~

~~240.192 1. Each person applying for appointment as an electronic notary public must:~~

~~(a) At the time of application, be a notarial officer in this State **who has complied with the requirements pertaining to taking an oath and filing a bond set forth in NRS 240.030** and [have] has been a notarial officer in this State for not less than 4 years;~~

~~(b) Submit to the Secretary of State an electronic application pursuant to subsection 2;~~

~~(c) Pay to the Secretary of State an application fee of \$50; **and**~~

~~—(d) [Take and subscribe to the oath set forth in Section 2 of Article 15 of the Constitution of the State of Nevada as if the applicant were a public officer;~~

~~—(e)] Submit to the Secretary of State proof satisfactory to the Secretary of State that the applicant has [successfully]—~~

~~—(1) Successfully completed a course of study provided pursuant to NRS 240.195; and~~

~~—[(f) Enter into a bond to the State of Nevada in the sum of \$10,000, to be filed with the clerk of the county in which the applicant resides or, if the applicant is a resident of an adjoining state, with the clerk of the county in this State in which the applicant maintains a place of business or is employed. The applicant must submit to the Secretary of State a certificate issued by the appropriate county clerk which indicates that the applicant filed the bond required pursuant to this paragraph.]~~

~~—(2) Complied with the requirements pertaining to taking an oath and filing a bond set forth in NRS 240.030.~~

~~—2. The application for an appointment as an electronic notary public must be submitted as an electronic document and must contain, without limitation, the following information:~~

~~—(a) The applicant's full legal name, and the name to be used for appointment, if different.~~

~~—(b) The county in which the applicant resides.~~

~~—(c) The electronic mail address of the applicant.~~

~~—(d) [A description of the technology or device, approved by the Secretary of State, that the applicant intends to use to create his or her electronic signature in performing electronic notarial acts.~~

~~—(e)] The electronic signature of the applicant.~~

~~—[(f)] (e) Any other information requested by the Secretary of State.~~

~~—3. An applicant for appointment as an electronic notary public who resides in an adjoining state, in addition to the requirements set forth in subsections 1 and 2, must submit to the Secretary of State with the application:~~

~~—(a) An affidavit setting forth the adjoining state in which the applicant resides, the applicant's mailing address and the address of the applicant's place of business or employment that is located within the State of Nevada;~~

~~—(b) A copy of the applicant's state business registration issued pursuant to chapter 76 of NRS and any business license required by the local government where the applicant's business is located, if the applicant is self-employed; and~~

~~—(c) Unless the applicant is self-employed, a copy of the state business registration of the applicant's employer issued pursuant to chapter 76 of NRS, a copy of any business license of the applicant's employer that is required by the local government where the business is located and an affidavit from the applicant's employer setting forth the facts which~~

~~show that the employer regularly employs the applicant at an office, business or facility which is located within the State of Nevada.~~

~~4. In completing an application [, bond, oath] or other document necessary to apply for appointment as an electronic notary public, an applicant must not be required to disclose his or her residential address or telephone number on any such document which will become available to the public.~~

~~5. [The bond, together with the oath, must be filed and recorded in the office of the county clerk of the county in which the applicant resides when the applicant applies for appointment or, if the applicant is a resident of an adjoining state, with the clerk of the county in this State in which the applicant maintains a place of business or is employed. On a form provided by the Secretary of State, the county clerk shall immediately certify to the Secretary of State that the required bond and oath have been filed and recorded.] Upon receipt of the application, fee and [certification] **proof** that the [required] bond and oath **required by NRS 240.030** have been filed and recorded, the Secretary of State shall issue a certificate of appointment as an electronic notary public to the applicant.~~

~~6. The term of an electronic notary public commences on the [effective] date [of the bond required pursuant to paragraph (f) of subsection 1.] **on which the certificate of appointment is issued to the electronic notary public pursuant to subsection 5.** An electronic notary public shall not perform an electronic notarial act [after the effective date of the bond] unless the electronic notary public has been issued a certificate of appointment pursuant to subsection 5.~~

~~7. Except as otherwise provided in this subsection, the Secretary of State shall charge a fee of \$10 for each duplicate or amended certificate of appointment which is issued to an electronic notary public. If the electronic notary public does not receive an original certificate of appointment, the Secretary of State shall provide a duplicate certificate of appointment without charge if the electronic notary public requests such a duplicate within 60 days after the date on which the original certificate was issued.] **(Deleted by amendment.)**~~

Sec. 57. Section 5 of Assembly Bill No. 476 of this session is hereby amended to read as follows:

Sec. 5. ~~[NRS 240.194 is hereby amended to read as follows:~~

~~240.194 1. The [initial] term of appointment [as] of an electronic notary public is [2 years. Each] **coterminous with his or her** term of appointment as [an electronic] **a** notary public [subsequent to the initial term is 4 years.] **pursuant to NRS 240.010. An appointment as an electronic notary public must be renewed at the same time a person renews his or her appointment as a notary public.**~~

~~2. The appointment of an electronic notary public is suspended by operation of law when the electronic notary public is no longer~~

~~appointed as a notary public in this State. If the appointment of an electronic notary public has expired or been revoked or suspended, the Secretary of State shall immediately notify the electronic notary public in writing that his or her appointment as an electronic notary public will be suspended by operation of law until he or she is appointed as a notary public in this State.~~

~~3. If, at any time during his or her appointment, an electronic notary public changes his or her electronic mail address, county of residence, name, electronic signature or the technology or device used to create his or her electronic signature, the electronic notary public shall, within 10 days after making the change, submit to the Secretary of State:~~

~~(a) An electronic document, signed with the electronic signature submitted by the electronic notary public pursuant to subsection 2 of NRS 240.192, that includes the change of information; and~~

~~(b) A fee of \$10.] (Deleted by amendment.)~~

Sec. 58. Section 6 of Assembly Bill No. 476 of this session is hereby amended to read as follows:

Sec. 6. ~~[NRS 240.195 is hereby amended to read as follows:~~

~~240.195 1. Except as otherwise provided in subsection 2, an applicant for appointment as an electronic notary public must successfully:~~

~~(a) Complete a course of study that is in accordance with the requirements of subsection 5; and~~

~~(b) Pass an examination at the completion of the course.~~

~~2. The following persons are required to enroll in and successfully complete a course of study as required pursuant to subsection 1:~~

~~(a) A person applying for his or her first appointment as an electronic notary public;~~

~~(b) A person renewing his or her appointment as an electronic notary public; and~~

~~(c) A person who has committed a violation of this chapter or whose appointment as an electronic notary public has been suspended, and who has been required by the Secretary of State to enroll in a course of study provided pursuant to this section.~~

~~3. A course of study required to be completed pursuant to subsection 1 must:~~

~~(a) [Include at least] ***Be taken online and be of a duration of not more than 3 hours [of instruction;] , including instruction and completion of an examination of the course content;***~~

~~(b) Provide instruction in electronic notarization, including, without limitation, notarial law and ethics, technology and procedures;~~

~~(c) [Include an examination of the course content;~~

~~(d)] Comply with the regulations adopted pursuant to NRS 240.206; and~~

~~[(e)] (d) Be approved by the Secretary of State.~~

~~4. The Secretary of State may, with respect to a course of study required to be completed pursuant to subsection 1 [:~~

~~(a) Provide such a course of study; and~~

~~(b) Charge], *charge* a reasonable fee to each person who enrolls in such a course of study.~~

~~5. A course of study provided pursuant to this section:~~

~~(a) Must satisfy the criteria set forth in subsection 3 and comply with the requirements set forth in the regulations adopted pursuant to NRS 240.206.~~

~~(b) May be provided [in person or online] by the Secretary of State or a vendor approved by the Secretary of State.~~

~~6. The Secretary of State shall deposit the fees collected pursuant to [paragraph (b) of] subsection 4 in the Notary Public Training Account created pursuant to NRS 240.018.] (Deleted by amendment.)~~

Sec. 59. Section 8 of Assembly Bill No. 476 of this session is hereby amended to read as follows:

Sec. 8. ~~[NRS 240.201 is hereby amended to read as follows:~~

~~240.201 1. An electronic notary public shall keep a journal of each electronic notarial act which includes, without limitation, the requirements of subsections 1 and 5 of NRS 240.120.~~

~~2. The Secretary of State may suspend the appointment of an electronic notary public who fails to produce any journal entry within 10 days after receipt of a request from the Secretary of State.~~

~~3. Upon resignation, revocation or expiration of an appointment as an electronic notary public, all notarial records required pursuant to NRS 240.001 to 240.206, inclusive, must be [delivered to the Secretary of State.] *kept for a period of 7 years after the termination of the appointment as an electronic notary public.*] (Deleted by amendment.)~~

Sec. 60. Section 9 of Assembly Bill No. 476 of this session is hereby amended to read as follows:

Sec. 9. ~~[NRS 240.202 is hereby amended to read as follows:~~

~~240.202 1. The electronic signature and electronic seal of an electronic notary public must be used only for the purposes of performing electronic notarial acts.~~

~~2. An electronic notary public shall safeguard his or her electronic signature, the electronic seal and all notarial records maintained by the electronic notary public as follows:~~

~~(a) When not in use, the electronic notary public shall keep the electronic signature, electronic seal and all notarial records secure, under the exclusive control of the electronic notary public and protected by a password where applicable.~~

~~(b) An electronic notary public shall not permit his or her electronic signature or electronic seal to be used by any other person.~~

~~(c) An electronic notary public shall not surrender or destroy his or her notarial records except as otherwise required by the order of a court~~

~~or as allowed pursuant to NRS 240.001 to 240.206, inclusive, or any regulations adopted pursuant thereto.~~

~~(d) Except as otherwise provided in subsection 3, an electronic notary public, within 10 days after discovering that his or her electronic signature or electronic seal has been stolen, lost, damaged or otherwise rendered incapable of affixing a legible image, shall:~~

~~(1) Inform the appropriate law enforcement agency in the case of theft or vandalism; and~~

~~(2) Notify the Secretary of State and the entity from which the electronic notary public obtained the electronic signature or electronic seal in writing, including, without limitation, a signature using the name on the certificate of appointment issued pursuant to subsection 5 of NRS 240.192.~~

~~3. An electronic notary public shall take reasonable steps to maintain the technology or device used to create his or her electronic signature, and to ensure that the technology or device has not been recalled, revoked, terminated or otherwise rendered ineffective or unsecure by the entity that created the technology or device. Upon learning that the technology or device used to create his or her electronic signature has been rendered ineffective or unsecure, an electronic notary public shall cease performing electronic notarial acts until:~~

~~(a) A new technology or device is acquired; and~~

~~(b) The electronic notary public sends an electronic notice to the Secretary of State that includes [, without limitation,] the [information] electronic signature of the electronic notary public required pursuant to [paragraphs (d) and] paragraph (c) of subsection 2 of NRS 240.192, [relating to the new technology or device.] (Deleted by amendment.)~~

Sec. 61. The provisions of this act are intended to supersede any provisions of Assembly Bill No. 476 of this session that conflict with the provisions of this act.

~~{Sec. 56.}~~ **Sec. 62. NRS 240.193 [and 240.195 are] is hereby repealed.**

Sec. 63. 1. This section and sections 56 to 60, inclusive, of this act become effective upon passage and approval.

2. Sections 1 to 28, inclusive, and 61 of this act become effective on July 1, 2017.

3. Sections 29 to 55, inclusive, and 62 of this act become effective:

(a) Upon passage and approval for the purpose of adopting any rules and regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On December 1, 2017, for all other purposes.

TEXT OF REPEALED [SECTIONS] SECTION

240.193 Requirements for bond; notification of exhaustion of penal sum; release of surety; suspension of appointment; reinstatement of appointment.

1. The bond required to be filed pursuant to NRS 240.192 must be executed by the person applying to become an electronic notary public as principal and by a surety company qualified and authorized to do business in this State. The bond must be made payable to the State of Nevada and be conditioned to provide indemnification to a person determined to have suffered damage as a result of an act by the electronic notary public which violates a provision of NRS 240.001 to 240.206, inclusive. The surety company shall pay a final, nonappealable judgment of a court of this State that has jurisdiction, upon receipt of written notice of final judgment. The bond may be continuous, but regardless of the duration of the bond, the aggregate liability of the surety does not exceed the penal sum of the bond.

2. If the penal sum of the bond is exhausted, the surety company shall notify the Secretary of State in writing within 30 days after its exhaustion.

3. The surety bond must cover the period of the appointment of the electronic notary public, except when a surety is released.

4. A surety on a bond filed pursuant to NRS 240.192 may be released after the surety gives 30 days' written notice to the Secretary of State and the electronic notary public, but the release does not discharge or otherwise affect a claim filed by a person for damage resulting from an act of the electronic notary public which is alleged to have occurred while the bond was in effect.

5. The appointment of an electronic notary public is suspended by operation of law when the electronic notary public is no longer covered by a surety bond as required by this section and NRS 240.192 or the penal sum of the bond is exhausted. If the Secretary of State receives notice pursuant to subsection 4 that the bond will be released or pursuant to subsection 2 that the penal sum of the bond is exhausted, the Secretary of State shall immediately notify the electronic notary public in writing that his or her appointment will be suspended by operation of law until another surety bond is filed in the same manner and amount as the bond being terminated.

6. The Secretary of State may reinstate the appointment of an electronic notary public whose appointment has been suspended pursuant to subsection 5 if the electronic notary public, before his or her current term of appointment expires:

(a) Submits to the Secretary of State:

(1) An application for an amended certificate of appointment as an electronic notary public; and

(2) A certificate issued by the clerk of the county in which the applicant resides or, if the applicant is a resident of an adjoining state, the county in this State in which the applicant maintains a place of business or is employed, which indicates that the applicant filed a new surety bond with the clerk; and

(b) Pays to the Secretary of State a fee of \$10.

~~§240.195 Courses of study required; persons required to successfully complete course of study; fees.~~

~~1. Except as otherwise provided in subsection 2, an applicant for appointment as an electronic notary public must successfully:~~
~~— (a) Complete a course of study that is in accordance with the requirements of subsection 5; and~~
~~— (b) Pass an examination at the completion of the course.~~
~~2. The following persons are required to enroll in and successfully complete a course of study as required pursuant to subsection 1:~~
~~— (a) A person applying for his or her first appointment as an electronic notary public;~~
~~— (b) A person renewing his or her appointment as an electronic notary public; and~~
~~— (c) A person who has committed a violation of this chapter or whose appointment or an electronic notary public has been suspended, and who has been required by the Secretary of State to enroll in a course of study provided pursuant to this section.~~
~~3. A course of study required to be completed pursuant to subsection 1 must:~~
~~— (a) Include at least 3 hours of instruction;~~
~~— (b) Provide instruction in electronic notarization, including, without limitation, notarial law and ethics, technology and procedures;~~
~~— (c) Include an examination of the course content;~~
~~— (d) Comply with the regulations adopted pursuant to NRS 240.206; and~~
~~— (e) Be approved by the Secretary of State.~~
~~4. The Secretary of State may, with respect to a course of study required to be completed pursuant to subsection 1:~~
~~— (a) Provide such a course of study; and~~
~~— (b) Charge a reasonable fee to each person who enrolls in such a course of study.~~
~~5. A course of study provided pursuant to this section:~~
~~— (a) Must satisfy the criteria set forth in subsection 3 and comply with the requirements set forth in the regulations adopted pursuant to NRS 240.206.~~
~~— (b) May be provided in person or online by the Secretary of State or a vendor approved by the Secretary of State.~~
~~6. The Secretary of State shall deposit the fees collected pursuant to paragraph (b) of subsection 4 in the Notary Public Training Account created pursuant to NRS 240.018.~~

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 422.

Bill read third time.

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

Amendment No. 1073.

AN ACT relating to marijuana; revising various provisions relating to the medical use of marijuana; transferring ~~the program~~ **responsibility** for the **regulation of** medical ~~use of~~ marijuana **establishments** from the Division of Public and Behavioral Health of the Department of Health and Human Services to the Department of Taxation; revising provisions relating to ~~the~~ registry ~~of persons who are authorized to engage in or assist in the medical use of marijuana~~ **identification cards and letters of approval**; revising provisions relating to the authorization of nonresidents to engage in the medical use of marijuana; prohibiting the Department of Taxation from requiring a medical marijuana dispensary to determine whether a person has exceeded the legal limits for possession of marijuana for medical use; revising provisions relating to medical marijuana establishment agents; prohibiting the use of a vending machine to dispense marijuana; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law exempts a person who holds a valid registry identification card or letter of approval from state prosecution for the use, possession, delivery and production of marijuana. (NRS 453A.200, 453A.205) Existing law also exempts a person who holds a valid medical marijuana establishment registration certificate or medical marijuana establishment agent registration card from state prosecution for possession, delivery and production of marijuana and provides for the registration and regulation of such persons and establishments. (NRS 453A.200, 453A.320-453A.370) **Sections 2, ~~3, 5, 7-9, 11-16, 18-23, 25-48, 51-55~~ 8, 9, 11, 13-15, 27-42, 44-48, 51 and 66-68** of this bill transfer the responsibility for the regulation of ~~the~~ medical ~~use of~~ marijuana **establishments** from the Division of Public and Behavioral Health of the Department of Health and Human Services to the Department of Taxation. **Section 38** of this bill prohibits a medical marijuana establishment from dispensing or otherwise selling marijuana using a vending machine. **Section ~~56.5~~ 56.7** of this bill establishes a similar prohibition for recreational marijuana establishments after January 1, 2020.

~~[The Nevada Legislature is required to provide by law for a registry of patients and their attendants who are authorized to use marijuana for a medical purpose. (Nev. Const. Art. 4, § 38)]~~ Existing law ~~carries this out by requiring such persons~~ **requires a person who wishes to engage in the medical use of marijuana** to apply to the Division of Public and Behavioral Health of the Department of Health and Human Services for a registry identification card or letter of approval, as applicable, and ~~granting a~~ **grants the** holder of such a card or letter an exemption from state prosecution for certain crimes relating to marijuana. (NRS 453A.200, 453A.205) ~~[Sections 4, 5, 10, 13, 16-26, 35, 36, 38-40, 43, 44, 47-51 and 55-65 of this bill replace the requirement to obtain a registry identification card to qualify for the exemption from state prosecution with a requirement to be listed in the medical marijuana registry. Section 5 of this bill requires the Department of~~

~~Taxation to maintain the medical marijuana registry. Section 5 requires a medical marijuana dispensary to list in the medical marijuana registry a person who submits certain documentation to the medical marijuana dispensary. Section 18 of this bill applies the exemption from state prosecution for certain crimes relating to marijuana to a person who is listed in the medical marijuana registry. Sections 19-23 of this bill authorize the Department to issue a letter of registration or letter of approval to a person who is listed in the medical marijuana registry which may be presented to show that the person is exempt from state prosecution for engaging in the medical use of marijuana. Section 55 of this bill eliminates all existing fees relating to applications for and the issuance or renewal of registry identification cards and letters of approval. Section 65.5 of this bill provides for certain information of persons who hold a registry identification card or letter of approval issued on or before June 30, 2017, to be entered into the medical marijuana registry maintained by the Department.] Existing law requires such an application to be accompanied by valid, written documentation from the applicant's attending physician. (NRS 453A.210) Section 19 of this bill instead requires the applicant's attending physician to: (1) maintain such written documentation and make such written documentation available to the Division upon request; and (2) sign the application to affirm that the requirements of such written documentation have been met. Section 20 of this bill provides that such written documentation may be valid for either 1 year or 2 years and that a registry identification card or letter of approval based on such written documentation is valid for the same period of time. Section 55 of this bill reduces the maximum fee that the Division may charge for issuing a registry identification card or letter of approval from \$75 per year to \$50 per year.~~

Existing law requires a medical marijuana establishment that wishes to retain as a volunteer or employ or contract with a person to provide labor to the medical marijuana establishment to submit an application to register the person as a medical marijuana establishment agent. (NRS 453A.332) **Section 31** of this bill allows such a person to submit an application for registration as a medical marijuana establishment agent on his or her own behalf. **Section 31** also provides for the temporary registration of a person as a medical marijuana establishment agent upon submission of a complete application for registration or renewal of registration. Finally, **section 31** allows an independent contractor or employee of an independent contractor who is registered as a medical marijuana establishment agent to provide labor to any medical marijuana establishment and any other person who is registered as a medical marijuana establishment agent to work or volunteer at any medical marijuana establishment for which the category of the person's medical marijuana establishment agent card is valid.

Existing law limits the exemption from state prosecution for the medical use of marijuana to the possession of not more than 2.5 ounces of usable

marijuana in a 14-day period, 12 marijuana plants and a quantity of edible marijuana products and marijuana-infused products established by regulation. (NRS 453A.200) Existing law also prohibits a medical marijuana dispensary from selling marijuana in excess of these limits to a person. (NRS 453A.358)

Section 41 of this bill instead: (1) prohibits a medical marijuana dispensary from selling more than 1 ounce of marijuana in a transaction; and (2) prohibits the Department of Taxation from requiring a medical marijuana dispensary to track the purchases of a person or determine whether a person has exceeded the legal limits for possession of marijuana for medical use.

Section 41 further provides that only persons who are 21 years of age or more or hold a registry identification card or letter of approval are allowed to enter a medical marijuana dispensary.

Existing law allows a medical marijuana dispensary to recognize a nonresident card for the purpose of dispensing marijuana for medical use if the nonresident card meets certain requirements that make it the functional equivalent of a registry identification card. Existing law also requires, as of April 1, 2018, a nonresident card to be verified by the use of certain databases. (NRS 453A.364) **Section 43** of this bill instead: (1) deems a nonresident who is authorized to engage in the medical use of marijuana under the laws of his or her state or jurisdiction of residence to be listed in the medical marijuana registry for the purpose of exemption from state prosecution, if the person abides by the legal limits on the possession, delivery and production of marijuana in this State; and (2) authorizes a medical marijuana dispensary to dispense marijuana to such a person if the person presents a document which is valid proof of exemption under the laws of the state or jurisdiction of which the person is a resident. **Section 69** of this bill eliminates the prospective requirement to verify a nonresident authorization by the use of certain databases.

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

Section 1. Chapter 453A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.

Sec. 2. *“Department” means the Department of Taxation.*

Sec. 3. ~~“Director” means the Executive Director of the Department of Taxation.~~ (Deleted by amendment.)

Sec. 4. ~~“Medical marijuana registry” means the registry established pursuant to section 5 of this act.~~ (Deleted by amendment.)

Sec. 5. ~~1. The Department shall establish and maintain a registry of patients and the designated primary caregivers who are authorized to engage in or assist in the medical use of marijuana.~~

~~2. A person who is at least 18 years of age and wishes to be listed in the medical marijuana registry as a patient must submit to a medical marijuana dispensary~~

~~—(a) Valid, written documentation from the person's attending physician stating that:~~

~~—(1) The person has been diagnosed with a chronic or debilitating medical condition;~~

~~—(2) The medical use of marijuana may mitigate the symptoms or effects of that condition; and~~

~~—(3) The attending physician has explained the possible risks and benefits of the medical use of marijuana; and~~

~~—(b) The name and date of birth of the person.~~

~~3. A medical marijuana dispensary may list a person who is less than 18 years of age in the medical marijuana registry only if the custodial parent or legal guardian with responsibility for health care decisions for the person who is less than 18 years of age submits:~~

~~—(a) Valid, written documentation from the attending physician of the person who is less than 18 years of age stating that:~~

~~—(1) The person has been diagnosed with a chronic or debilitating medical condition;~~

~~—(2) The medical use of marijuana may mitigate the symptoms or effects of that condition; and~~

~~—(3) The attending physician has explained the possible risks and benefits of the medical use of marijuana;~~

~~—(b) The name and date of birth of the person who is less than 18 years of age;~~

~~—(c) The name and date of birth of the custodial parent or legal guardian with responsibility for health care decisions for the person who is less than 18 years of age; and~~

~~—(d) A written statement signed by the custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age setting forth that:~~

~~—(1) The attending physician of the person under 18 years of age has explained to that person and to the custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age the possible risks and benefits of the medical use of marijuana;~~

~~—(2) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age consents to the use of marijuana by the person under 18 years of age for medical purposes;~~

~~—(3) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age agrees to serve as the designated primary caregiver for the person under 18 years of age; and~~

~~—(4) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age agrees to control the acquisition of marijuana and the dosage and frequency of use by the person under 18 years of age.~~

~~4. Upon submission of the information described in subsection 2 or 3 or NRS 453A.250 to a medical marijuana dispensary, the medical marijuana dispensary shall enter the name and date of birth of the person into the medical marijuana registry.~~

~~5. An attending physician who provides the written documentation described in subsection 2 or 3 must indicate on the written documentation that it expires either 1 year or 2 years after the date of issuance. A listing in the medical marijuana registry expires on the date that the written documentation which was submitted to the medical marijuana dispensary pursuant to subsection 2 or 3 or NRS 453A.250 expires or, for a listing for a designated primary caregiver, on the date of expiration for the listing of the patient for whom the person is a designated primary caregiver. A listing in the medical marijuana registry may be renewed by the submission of new written documentation to a medical marijuana dispensary.] (Deleted by amendment.)~~

Sec. 6. NRS 453A.010 is hereby amended to read as follows:

453A.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 453A.020 to 453A.170, inclusive, *and sections 2, 3 and 4 of this act* have the meanings ascribed to them in those sections.

Sec. 7. ~~[NRS 453A.050 is hereby amended to read as follows:~~

~~453A.050 “Chronic or debilitating medical condition” means:~~

- ~~1. Acquired immune deficiency syndrome;~~
- ~~2. Cancer;~~
- ~~3. Glaucoma;~~
- ~~4. A medical condition or treatment for a medical condition that produces, for a specific patient, one or more of the following:~~
 - ~~(a) Cachexia;~~
 - ~~(b) Persistent muscle spasms, including, without limitation, spasms caused by multiple sclerosis;~~
 - ~~(c) Seizures, including, without limitation, seizures caused by epilepsy;~~
 - ~~(d) Severe nausea; or~~
 - ~~(e) Severe pain; or~~
- ~~5. Any other medical condition or treatment for a medical condition that is:~~
 - ~~(a) Classified as a chronic or debilitating medical condition by regulation of the [Division:] **Department**; or~~
 - ~~(b) Approved as a chronic or debilitating medical condition pursuant to a petition submitted in accordance with NRS 453A.710.] (Deleted by amendment.)~~

Sec. 8. NRS 453A.056 is hereby amended to read as follows:

453A.056 “Cultivation facility” means a business that:

1. Is registered with the ~~[Division]~~ **Department** pursuant to NRS 453A.322; and

2. Acquires, possesses, cultivates, delivers, transfers, transports, supplies or sells marijuana and related supplies to:

- (a) Medical marijuana dispensaries;
- (b) Facilities for the production of edible marijuana products or marijuana-infused products; or
- (c) Other cultivation facilities.

Sec. 9. NRS 453A.102 is hereby amended to read as follows:

453A.102 “Electronic verification system” means an electronic database that:

- 1. Keeps track of data in real time; and
- 2. Is accessible by the Division ~~and the Department~~ and by registered medical marijuana establishments.

Sec. 10. ~~[NRS 453A.103 is hereby amended to read as follows:~~

~~453A.103 “Enclosed, locked facility” means a closet, display case, room, greenhouse or other enclosed area that meets the requirements of NRS 453A.362 and is equipped with locks or other security devices which allow access only by a medical marijuana establishment agent and [the holder of a valid registry identification card.] a person who is listed in the medical marijuana registry.] (Deleted by amendment.)~~

Sec. 11. NRS 453A.105 is hereby amended to read as follows:

453A.105 “Facility for the production of edible marijuana products or marijuana-infused products” means a business that:

- 1. Is registered with the ~~[Division]~~ **Department** pursuant to NRS 453A.322; and
- 2. Acquires, possesses, manufactures, delivers, transfers, transports, supplies or sells edible marijuana products or marijuana-infused products to medical marijuana dispensaries.

Sec. 12. ~~[NRS 453A.109 is hereby amended to read as follows:~~

~~453A.109 “Letter of approval” means a document issued by the [Division] Department or its designee to an applicant who is under 10 years of age pursuant to NRS 453A.220 which provides that the applicant is exempt from state prosecution for engaging in the medical use of marijuana.] (Deleted by amendment.)~~

Sec. 13. NRS 453A.115 is hereby amended to read as follows:

453A.115 “Medical marijuana dispensary” means a business that:

- 1. Is registered with the ~~[Division]~~ **Department** pursuant to NRS 453A.322; and
- 2. Acquires, possesses, delivers, transfers, transports, supplies, sells or dispenses marijuana or related supplies and educational materials to the holder of a valid registry identification card ~~[a person who is listed in the medical marijuana registry.]~~ or to another medical marijuana dispensary.

Sec. 14. NRS 453A.118 is hereby amended to read as follows:

453A.118 “Medical marijuana establishment agent registration card” means a registration card that is issued by the ~~[Division]~~ **Department**

pursuant to NRS 453A.332 to authorize a person to volunteer or work at a medical marijuana establishment.

Sec. 15. NRS 453A.119 is hereby amended to read as follows:

453A.119 “Medical marijuana establishment registration certificate” means a registration certificate that is issued by the ~~[Division]~~ **Department** pursuant to NRS 453A.322 to authorize the operation of a medical marijuana establishment.

Sec. 16. ~~[NRS 453A.140 is hereby amended to read as follows:~~

~~453A.140 [“Registry identification card”] “Letter of registration” means a document issued by the [Division] Department or its designee pursuant to NRS 453A.220 that identifies~~

~~1. A person who is exempt from state prosecution for engaging in the medical use of marijuana; or~~

~~2. The designated primary caregiver, if any, of a person described in subsection 1.] (Deleted by amendment.)~~

Sec. 17. ~~[NRS 453A.170 is hereby amended to read as follows:~~

~~453A.170 1. “Written documentation” means:~~

~~[1.] (a) A statement signed by the attending physician of a person diagnosed with a chronic or debilitating medical condition; or~~

~~[2.] (b) Copies of the relevant medical records of a person diagnosed with a chronic or debilitating medical condition.~~

~~2. The term includes such documentation which is submitted electronically to a medical marijuana dispensary.] (Deleted by amendment.)~~

Sec. 18. NRS 453A.200 is hereby amended to read as follows:

453A.200 1. Except as otherwise provided in this section ~~for~~ **and** NRS 453A.300, a person who holds a valid registry identification card issued to the person pursuant to NRS 453A.220 or 453A.250 ~~is listed in the medical marijuana registry~~ is exempt from state prosecution for:

(a) Possession, delivery or production of marijuana;

(b) Possession or delivery of paraphernalia;

(c) Aiding and abetting another in the possession, delivery or production of marijuana;

(d) Aiding and abetting another in the possession or delivery of paraphernalia;

(e) Any combination of the acts described in paragraphs (a) to (d), inclusive; and

(f) Any other criminal offense in which the possession, delivery or production of marijuana or the possession or delivery of paraphernalia is an element.

2. In addition to the provisions of subsections 1 and 5, no person may be subject to state prosecution for constructive possession, conspiracy or any other criminal offense solely for being in the presence or vicinity of the medical use of marijuana in accordance with the provisions of this chapter.

3. The exemption from state prosecution set forth in subsection 1 applies only to the extent that a person who holds a registry identification card issued to the person pursuant to paragraph (a) of subsection 1 of NRS 453A.220 and the designated primary caregiver, if any, of such a person: ~~is listed in the medical marijuana registry.~~

(a) Engage ~~[Engages]~~ in or assist ~~[assists]~~ in, as applicable, the medical use of marijuana in accordance with the provisions of this chapter as justified to mitigate the symptoms or effects of a person's chronic or debilitating medical condition; and

(b) Do ~~[Does]~~ not, at any one time, collectively possess with another who is authorized to possess, deliver or produce more than:

(1) Two and one-half ounces of usable marijuana ~~for~~ in any one 14-day period;

(2) Twelve marijuana plants, irrespective of whether the marijuana plants are mature or immature; and

(3) A maximum allowable quantity of edible marijuana products and marijuana-infused products as established by regulation of the Division, ~~[Department]~~

↪ The persons described in this subsection must ensure that the usable marijuana and marijuana plants described in this subsection are safeguarded in an enclosed, secure location.

4. If the persons described in subsection 3 possess, deliver or produce marijuana in an amount which exceeds the amount described in paragraph (b) of that subsection, those persons:

(a) Are not exempt from state prosecution for possession, delivery or production of marijuana.

(b) May establish an affirmative defense to charges of possession, delivery or production of marijuana, or any combination of those acts, in the manner set forth in NRS 453A.310.

5. A person who holds a valid medical marijuana establishment registration certificate issued to the person pursuant to NRS 453A.322 or a valid medical marijuana establishment agent registration card issued to the person pursuant to NRS 453A.332, and who confines his or her activities to those authorized by NRS 453A.320 to 453A.370, inclusive, and the regulations adopted by the ~~[Division]~~ **Department** pursuant thereto, is exempt from state prosecution for:

(a) Possession, delivery or production of marijuana;

(b) Possession or delivery of paraphernalia;

(c) Aiding and abetting another in the possession, delivery or production of marijuana;

(d) Aiding and abetting another in the possession or delivery of paraphernalia;

(e) Any combination of the acts described in paragraphs (a) to (d), inclusive; and

(f) Any other criminal offense in which the possession, delivery or production of marijuana or the possession or delivery of paraphernalia is an element.

6. Notwithstanding any other provision of law and except as otherwise provided in this subsection, after a medical marijuana dispensary opens in the county of residence of a person who holds a registry identification card, including, without limitation, a designated primary caregiver, ~~is listed in the medical marijuana registry,~~ such a person is not authorized to cultivate, grow or produce marijuana. The provisions of this subsection do not apply if:

(a) The person who holds the registry identification card ~~is listed in the medical marijuana registry,~~ was cultivating, growing or producing marijuana in accordance with this chapter on or before July 1, 2013;

(b) All the medical marijuana dispensaries in the county of residence of the person who holds the registry identification card ~~is listed in the medical marijuana registry,~~ close or are unable to supply the quantity or strain of marijuana necessary for the medical use of the person to treat his or her specific medical condition;

(c) Because of illness or lack of transportation, the person who holds the registry identification card ~~is listed in the medical marijuana registry,~~ is unable reasonably to travel to a medical marijuana dispensary; or

(d) No medical marijuana dispensary was operating within 25 miles of the residence of the person who holds the registry identification card ~~is listed in the medical marijuana registry,~~ at the time the person first applied for his or her registry identification card, ~~was listed in the medical marijuana registry,~~

7. As used in this section, “marijuana” includes, without limitation, edible marijuana products and marijuana-infused products.

Sec. 19. NRS 453A.210 is hereby amended to read as follows:

453A.210 1. The Division ~~Department~~ shall establish and maintain a program for the issuance of registry identification cards ~~Letters of registration,~~ and letters of approval to persons who meet the requirements of this section, ~~are listed in the medical marijuana registry,~~

2. Except as otherwise provided in subsections 3 and 5 ~~4~~ and NRS 453A.225, the Division ~~Department~~ or its designee shall issue a registry identification card ~~Letter of registration upon request,~~ to a person who is a resident of this State ~~listed in the medical marijuana registry,~~ and who submits an application on ~~in~~ a form prescribed by the Division accompanied by the following:

(a) ~~Valid, written documentation~~ A signature from the person’s attending physician ~~stating~~ affirming that:

(1) The person has been diagnosed with a chronic or debilitating medical condition;

(2) The medical use of marijuana may mitigate the symptoms or effects of that condition; ~~and~~

(3) The attending physician has explained the possible risks and benefits of the medical use of marijuana; and

(4) The attending physician will keep, in the files maintained by the attending physician for the person, valid, written documentation and make such written documentation available to the Division upon request;

(b) The name, address, telephone ~~number, social security~~ number and date of birth of the person;

(c) Proof satisfactory to the Division that the person is a resident of this State;

(d) The name, address and telephone number of the person's attending physician;

(e) If the person elects to designate a primary caregiver at the time of application:

(1) The name, address ~~[-]~~ and telephone number ~~[and social security number]~~ of the designated primary caregiver; and

(2) A ~~[written, signed statement]~~ signature from the person's attending physician ~~[in which]~~ affirming that the attending physician approves of the designation of the primary caregiver; and

(f) If the person elects to designate a medical marijuana dispensary at the time of application, the name of the medical marijuana dispensary. ~~[Department]~~

3. The Division ~~[Department]~~ or its designee shall issue a registry identification card ~~[letter of registration]~~ to a person who is at least 10 years of age but less than 18 years of age or a letter of approval to a person who is less than 10 years of age if:

(a) ~~[The person is listed in the medical marijuana registry;~~

~~—(b)—~~ The person submits the materials ~~[application]~~ required pursuant to subsection 2; and

~~(b) ~~[(c)]~~~~ The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age signs a written statement setting forth that:

(1) The attending physician of the person under 18 years of age has explained to that person and to the custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age the possible risks and benefits of the medical use of marijuana;

(2) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age consents to the use of marijuana by the person under 18 years of age for medical purposes;

(3) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age agrees to serve as the designated primary caregiver for the person under 18 years of age; and

(4) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age agrees to control the acquisition of marijuana and the dosage and frequency of use by the person under 18 years of age.

4. ~~[The form prescribed by the Division to be used by a person applying for a registry identification card or letter of approval pursuant to this section must be a form that is in quintuplicate.]~~ Upon receipt of an application that is completed and submitted pursuant to this section, the Division ~~[Department]~~ shall:

- (a) Record on the application the date on which it was received;
- (b) Retain one copy of the application for the records of the Division; and
- (c) Distribute ~~[the other four]~~ copies of the application in the following manner:

- (1) One copy to the person who submitted the application;
 - (2) One copy to the applicant's designated primary caregiver, if any;
- and

(3) ~~[One copy to the Central Repository for Nevada Records of Criminal History; and~~

~~—(4)] One copy to:~~

(I) If the attending physician of the applicant is licensed to practice medicine pursuant to the provisions of chapter 630 of NRS, the Board of Medical Examiners; or

(II) If the attending physician of the applicant is licensed to practice osteopathic medicine pursuant to the provisions of chapter 633 of NRS, the State Board of Osteopathic Medicine.

↪ ~~[The Central Repository for Nevada Records of Criminal History shall report to the Division its findings as to the criminal history, if any, of an applicant within 15 days after receiving a copy of an application pursuant to subparagraph (3) of paragraph (c).]~~ The Board of Medical Examiners or the State Board of Osteopathic Medicine, as applicable, shall report to the Division its findings as to the licensure and standing of the applicant's attending physician within 15 days after receiving a copy of an application pursuant to subparagraph ~~[(4)]~~ (3) of paragraph (c).

5. The Division shall verify the information contained in an application submitted pursuant to this section ~~[verify whether the applicant is listed in the medical marijuana registry]~~ and shall approve or deny an ~~[the]~~ application within ~~[30 days after receiving the application.]~~ the period of time specified by the Division by regulation. The Division ~~[Department]~~ may contact an applicant, the applicant's attending physician and designated primary caregiver, if any, by telephone to determine that the information provided on or accompanying the application is accurate. The Division ~~[Department]~~ may deny an application only on the following grounds:

(a) The applicant failed to provide the information required pursuant to subsections 2 and 3; ~~to:~~

~~—(1) Establish the applicant's chronic or debilitating medical condition;~~

or

~~—(2) Document the applicant's consultation with an attending physician regarding the medical use of marijuana in connection with that condition;]~~

(b) The applicant failed to comply with regulations adopted by the Division, including, without limitation, the regulations adopted by the Administrator of the Division pursuant to NRS 453A.740;

(c) The Division determines that the information provided by the applicant was falsified;

(d) The Division determines that the attending physician of the applicant is not licensed to practice medicine or osteopathic medicine in this State or is not in good standing, as reported by the Board of Medical Examiners or the State Board of Osteopathic Medicine, as applicable;

(e) [The Division determines that the applicant, or the applicant's designated primary caregiver, if applicable, has been convicted of knowingly or intentionally selling a controlled substance;

—(f) The Division [Department] has prohibited the applicant from obtaining or using a registry identification card or letter of approval [being listed in the medical marijuana registry] pursuant to subsection 2 of NRS 453A.300;

[g] (f) The Division determines that the applicant, or the applicant's designated primary caregiver, if applicable, has had a registry identification card or letter of approval revoked pursuant to NRS 453A.225;

[(b) The Department determines that the applicant is not listed in the medical marijuana registry]; or

[(h) (e)] (g) In the case of a person under 18 years of age, the custodial parent or legal guardian with responsibility for health care decisions for the person has not signed the written statement required pursuant to paragraph (b) [(e)] of subsection 3.

6. [5.] The decision of the Division [Department] to deny an application for a registry identification card [letter of registration] or letter of approval is a final decision for the purposes of judicial review. Only the person whose application has been denied or, in the case of a person under 18 years of age whose application has been denied, the person's parent or legal guardian, has standing to contest the determination of the Division. [Department.] A judicial review authorized pursuant to this subsection must be limited to a determination of whether the denial was arbitrary, capricious or otherwise characterized by an abuse of discretion and must be conducted in accordance with the procedures set forth in chapter 233B of NRS for reviewing a final decision of an agency.

7. [6.] A person whose application has been denied may not reapply for 6 months after the date of the denial, unless the Division [Department] or a court of competent jurisdiction authorizes reapplication in a shorter time.

8. Except as otherwise provided in this subsection, if a person has applied for a registry identification card or letter of approval pursuant to this section and the Division has not yet approved or denied the application, the person, and the person's designated primary caregiver, if any, shall be deemed to hold a registry identification card or letter of approval [upon the presentation to a law enforcement officer of the] and may present a copy of

the application provided to him or her pursuant to subsection 4 ~~[]~~ *as proof that the person is deemed to hold a registry identification card to any person, including, without limitation, a law enforcement officer or a medical marijuana establishment agent at a medical marijuana dispensary.*

9. An attending physician who signs an application pursuant to subsection 2 for a patient shall maintain valid, written documentation in the file the attending physician maintains for the patient and make such written documentation available to the Division upon request.

10. As used in this section, “resident” has the meaning ascribed to it in NRS 483.141.

Sec. 20. NRS 453A.220 is hereby amended to read as follows:

453A.220 1. If the Division ~~[Department]~~ approves an application pursuant to subsection 5 ~~[4]~~ of NRS 453A.210, the Division ~~[Department]~~ or its designee shall, as soon as practicable after the Division ~~[Department]~~ approves the application :

(a) Issue ~~[, issue]~~ a ~~[letter of registration or]~~ letter of approval ~~[,]~~ or serially numbered registry identification card, as applicable, to the applicant ~~[,]~~; and

(b) If the applicant has designated a primary caregiver, issue a serially numbered registry identification card to the designated primary caregiver.

2. A registry identification card ~~[letter of registration]~~ issued pursuant to paragraph (a) of subsection 1 must set forth:

(a) The name, address, photograph and date of birth of the applicant;

(b) The date of issuance and date of expiration of the registry identification card; ~~[letter of registration and the date of expiration of the applicant's listing in the medical marijuana registry,]~~

(c) The name and address ~~[date of birth]~~ of the applicant's designated primary caregiver, if any; ~~[for the name and date of birth of the person for whom the applicant is a designated primary caregiver, as applicable,]~~

(d) The name of the applicant's designated medical marijuana dispensary, if any; ~~[that listed the applicant in the medical marijuana registry,]~~

(e) Whether the applicant is authorized to cultivate, grow or produce marijuana pursuant to subsection 6 of NRS 453A.200; and

(f) Any other information prescribed by regulation of the Division, ~~[Department,]~~

3. A letter of approval issued pursuant to paragraph (a) of subsection 1 must set forth:

(a) The name, address and date of birth of the applicant;

(b) The date of issuance and date of expiration of the registry identification card of the designated primary caregiver; ~~[letter of approval and the date of expiration of the applicant's listing in the medical marijuana registry,]~~

(c) The name and address ~~[date of birth]~~ of the applicant's designated primary caregiver;

(d) The name of the applicant's designated medical marijuana dispensary, if any; ~~that listed the applicant in the medical marijuana registry;~~ and

(e) Any other information prescribed by regulation of the Division. ~~[Department]~~

4. A registry identification card issued pursuant to paragraph (b) of subsection 1 must set forth:

(a) The name, address and photograph of the designated primary caregiver;

(b) The date of issuance and date of expiration of the registry identification card;

(c) The name and address of the applicant for whom the person is the designated primary caregiver;

(d) The name of the designated primary caregiver's designated medical marijuana dispensary, if any;

(e) Whether the designated primary caregiver is authorized to cultivate, grow or produce marijuana pursuant to subsection 6 of NRS 453A.200; and

(f) Any other information prescribed by regulation of the Division.

5. Except as otherwise provided in NRS 453A.225, subsection 3 of NRS 453A.230 and subsection 2 of NRS 453A.300, a registry identification card ~~for a letter of registration~~ or letter of approval issued pursuant to this section is valid for a period of either 1 year or 2 years, as specified by the attending physician on the application for the issuance or renewal of the registry identification card or letter of approval, and may be renewed in accordance with regulations adopted by the Division. ~~expires on the date on which the applicant's listing in the medical marijuana registry expires.~~

Sec. 21. NRS 453A.225 is hereby amended to read as follows:

453A.225 1. If, at any time after the Division ~~[Department]~~ or its designee has issued a registry identification card ~~letter of registration~~ or letter of approval to a person pursuant to paragraph (a) of subsection 1 of NRS 453A.220, the Division ~~[Department]~~ determines, on the basis of official documents or records or other credible evidence, that the person ~~is~~:

~~—(a) Provided~~ provided falsified information on his or her application to the Division or its designee, as described in paragraph (c) of subsection 5 of NRS 453A.210; ~~or~~

~~—(b) Has been convicted of knowingly or intentionally selling a controlled substance, as described in paragraph (e) of subsection 5 of NRS 453A.210;~~

~~is not listed in the medical marijuana registry;~~ the Division ~~[Department]~~ shall immediately revoke the registry identification card ~~letter of registration~~ or letter of approval issued to that person ~~for~~ and shall immediately revoke the registry identification card issued to that person's designated primary caregiver, if any.

2. ~~— If, at any time after the Division or its designee has issued a registry identification card to a person pursuant to paragraph (b) of subsection 1 of NRS 453A.220 or pursuant to NRS 453A.250, the Division determines, on the basis of official documents or records or other credible evidence, that the~~

person has been convicted of knowingly or intentionally selling a controlled substance, as described in paragraph (e) of subsection 5 of NRS 453A.210, the Division shall immediately revoke the registry identification card issued to that person.

~~3.2.~~ Upon the revocation of a registry identification card ~~letter of registration~~ or letter of approval pursuant to this section:

(a) The Division ~~Department~~ shall send, by certified mail, return receipt requested, notice to the person whose registry identification card ~~letter of registration~~ or letter of approval has been revoked, advising the person of the requirements of paragraph (b); and

(b) The person shall return his or her registry identification card ~~letter of registration~~ or letter of approval to the Division ~~Department~~ within 7 days after receiving the notice sent pursuant to paragraph (a).

~~4.~~ 3. The decision of the Division ~~Department~~ to revoke a registry identification card ~~letter of registration~~ or letter of approval pursuant to this section is a final decision for the purposes of judicial review.

~~5.~~ 4. A person whose registry identification card ~~letter of registration~~ or letter of approval has been revoked pursuant to this section may not reapply for a registry identification card ~~letter of registration~~ or letter of approval pursuant to NRS 453A.210 for 12 months after the date of the revocation, unless the Division ~~Department~~ or a court of competent jurisdiction authorizes reapplication in a shorter time.

Sec. 22. NRS 453A.230 is hereby amended to read as follows:

453A.230 1. A person to whom the Division ~~Department~~ or its designee has issued a registry identification card ~~letter of registration~~ or letter of approval pursuant to paragraph (a) of subsection 1 of NRS 453A.220 shall, in accordance with regulations adopted by the Division:

(a) Notify ~~Department, notify~~ the Division ~~Department~~ of any change in the person's name, address, telephone number, designated medical marijuana dispensary, attending physician ~~registration with the medical marijuana registry~~ or designated primary caregiver, if any ~~is~~; and

(b) Submit ~~annually~~ to the Division, on a form prescribed by the Division:

(1) ~~Updated written documentation~~ On or before the date specified by the attending physician on the application for the issuance or renewal of the registry identification card or letter of approval pursuant to subsection 5 of NRS 453A.220, a signature from the person's attending physician ~~in which the attending physician sets forth~~ affirming that:

(I) The person continues to suffer from a chronic or debilitating medical condition;

(II) The medical use of marijuana may mitigate the symptoms or effects of that condition; and

(III) The attending physician has explained to the person the possible risks and benefits of the medical use of marijuana; and

(2) If the person elects to designate a primary caregiver for the subsequent year and the primary caregiver so designated was not the person's designated primary caregiver during the previous year:

(I) The name, address ~~{,}~~ **and** telephone number ~~{and social security number}~~ of the designated primary caregiver; and

(II) A ~~{written, signed statement}~~ **signature** from the person's attending physician ~~{in which}~~ **affirming that** the attending physician approves of the designation of the primary caregiver.

2. A person to whom the Division or its designee has issued a registry identification card pursuant to paragraph (b) of subsection 1 of NRS 453A.220 or pursuant to NRS 453A.250 shall, in accordance with regulations adopted by the Division, notify the Division of any change in the person's name, address, telephone number, designated medical marijuana dispensary or the identity of the person for whom he or she acts as designated primary caregiver.

3. ~~{2.}~~ If a person fails to comply with the provisions of subsection 1 ~~or 2~~, the registry identification card ~~{, the letter of registration}~~ or letter of approval issued to the person shall be deemed expired. If the registry identification card ~~{letter of registration}~~ or letter of approval of a person to whom the ~~Division~~ ~~{Department}~~ or its designee issued the card or letter pursuant to paragraph (a) of subsection 1 of NRS 453A.220 is deemed expired pursuant to this subsection, a registry identification card ~~{letter of registration}~~ issued to the person's designated primary caregiver, if any, shall also be deemed expired. Upon the deemed expiration of a registry identification card ~~{letter of registration}~~ or letter of approval pursuant to this subsection:

(a) The ~~Division~~ ~~{Department}~~ shall send, by certified mail, return receipt requested, notice to the person whose registry identification card ~~{letter of registration}~~ or letter of approval has been deemed expired, advising the person of the requirements of paragraph (b); and

(b) The person shall return his or her registry identification card ~~{letter of registration}~~ or letter of approval to the ~~Division~~ ~~{Department}~~ within 7 days after receiving the notice sent pursuant to paragraph (a).

Sec. 23. ~~[NRS 453A.240 is hereby amended to read as follows:~~

~~453A.240 If a person to whom the [Division] Department or its designee has issued a [registry identification card] letter of registration or letter of approval pursuant to [paragraph (a) of] subsection 1 of NRS 453A.220 is [diagnosed by the person's attending physician as] no longer [having a chronic or debilitating medical condition,] listed in the medical marijuana registry, the person shall return his or her [registry identification card] letter of registration or letter of approval and his or her designated primary caregiver, if any, shall return his or her [registry identification card] letter of registration to the [Division] Department within 7 days after [notification of the diagnosis.] the expiration of the listing. (Deleted by amendment.)~~

Sec. 24. NRS 453A.250 is hereby amended to read as follows:

453A.250 1. If a person who applies to the Division for a registry identification card or letter of approval or to whom the Division or its designee has issued a registry identification card or letter of approval pursuant to paragraph (a) of subsection 1 of NRS 453A.220 ~~is listed in the medical marijuana registry~~ desires or is required to designate a primary caregiver, the person must:

(a) To designate a primary caregiver at the time of application, ~~the person is listed in the medical marijuana registry~~, submit to the Division, on a form prescribed by the Division, the information required pursuant to paragraph (e) of subsection 2 of NRS 453A.210; ~~medical marijuana dispensary the name and date of birth of the designated primary caregiver;~~ or

(b) To designate a primary caregiver after the Division or its designee has issued a registry identification card or letter of approval to the person, ~~is listed in the medical marijuana registry~~, submit to the Division, on a form prescribed by the Division, the information required pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 453A.230. ~~medical marijuana dispensary the name and date of birth of the designated primary caregiver.~~

2. A person may have only one designated primary caregiver at any one time.

3. If a person designates a primary caregiver after the time that the person initially applies for a registry identification card or letter of approval, the Division or its designee shall, except as otherwise provided in subsection 5 of NRS 453A.210, issue a registry identification card to the designated primary caregiver as soon as practicable after receiving the information submitted pursuant to paragraph (b) of subsection 1.

4. A person who is the parent or legal guardian of one or more children who are listed in the medical marijuana registry may be the designated primary caregiver for each such child regardless of whether the person is also listed in the medical marijuana registry as a patient.

Sec. 25. ~~NRS 453A.300 is hereby amended to read as follows:~~

~~453A.300 1. A person who [holds a registry identification card or letter of approval issued to him or her pursuant to NRS 453A.220 or 453A.250] is listed in the medical marijuana registry is not exempt from state prosecution for, nor may the person establish an affirmative defense to charges arising from, any of the following acts:~~

~~(a) Driving, operating or being in actual physical control of a vehicle or a vessel under power or sail while under the influence of marijuana.~~

~~(b) Engaging in any other conduct prohibited by NRS 484C.110, 484C.120, 484C.130, 484C.430, subsection 2 of NRS 488.400, NRS 488.410, 488.420, 488.425 or 493.130.~~

~~(c) Possessing a firearm in violation of paragraph (b) of subsection 1 of NRS 202.257.~~

~~— (d) Possessing marijuana in violation of NRS 453.336 or possessing paraphernalia in violation of NRS 453.560 or 453.566;~~

~~— (1) If the possession of the marijuana or paraphernalia is discovered because the person engaged or assisted in the medical use of marijuana in:~~

~~— (I) Any public place or in any place open to the public or exposed to public view; or~~

~~— (II) Any local detention facility, county jail, state prison, reformatory or other correctional facility, including, without limitation, any facility for the detention of juvenile offenders; or~~

~~— (2) If the possession of the marijuana or paraphernalia occurs on school property;~~

~~— (e) Delivering marijuana to another person who he or she knows [does not lawfully hold a registry identification card or letter of approval issued by the Division or its designee pursuant to NRS 453A.220 or 453A.250.] **is not listed in the medical marijuana registry.**~~

~~— (f) Delivering marijuana for consideration to any person, regardless of whether the recipient [lawfully holds a registry identification card or letter of approval issued by the Division or its designee pursuant to NRS 453A.220 or 453A.250.] **is listed in the medical marijuana registry.**~~

~~— 2. Except as otherwise provided in NRS 453A.225 and in addition to any other penalty provided by law, if the [Division] **Department** determines that a person has willfully violated a provision of this chapter or any regulation adopted by the [Division] **Department** to carry out the provisions of this chapter, the [Division] **Department** may, at its own discretion, prohibit the person from [obtaining or using a registry identification card or letter of approval] **being listed in the medical marijuana registry** for a period of up to 6 months.~~

~~— 3. As used in this section, “school property” means the grounds of any public school described in NRS 388.020 and any private school as defined in NRS 394.103.} (Deleted by amendment.)~~

Sec. 26. ~~[NRS 453A.310 is hereby amended to read as follows:~~

~~— 453A.310 1. Except as otherwise provided in this section and NRS 453A.300, it is an affirmative defense to a criminal charge of possession, delivery or production of marijuana, or any other criminal offense in which possession, delivery or production of marijuana is an element, that the person charged with the offense:~~

~~— (a) Is a person who:~~

~~— (1) Has been diagnosed with a chronic or debilitating medical condition within the 12-month period preceding his or her arrest and has been advised by his or her attending physician that the medical use of marijuana may mitigate the symptoms or effects of that chronic or debilitating medical condition;~~

~~— (2) Is engaged in the medical use of marijuana; and~~

~~— (3) Possesses, delivers or produces marijuana only in the amount described in paragraph (b) of subsection 3 of NRS 453A.200 or in excess of~~

~~that amount if the person proves by a preponderance of the evidence that the greater amount is medically necessary as determined by the person's attending physician to mitigate the symptoms or effects of the person's chronic or debilitating medical condition; or~~

~~— (b) Is a person who:~~

~~— (1) Is assisting a person described in paragraph (a) in the medical use of marijuana; and~~

~~— (2) Possesses, delivers or produces marijuana only in the amount described in paragraph (b) of subsection 3 of NRS 453A.200 or in excess of that amount if the person proves by a preponderance of the evidence that the greater amount is medically necessary as determined by the assisted person's attending physician to mitigate the symptoms or effects of the assisted person's chronic or debilitating medical condition.~~

~~— 2. A person need not hold a [registry identification card] **letter of registration** or letter of approval issued to the person by the [Division] **Department** or its designee pursuant to NRS 453A.220 [or 453A.250] to assert an affirmative defense described in this section.~~

~~— 3. Except as otherwise provided in this section and in addition to the affirmative defense described in subsection 1, a person engaged or assisting in the medical use of marijuana who is charged with a crime pertaining to the medical use of marijuana is not precluded from:~~

~~— (a) Asserting a defense of medical necessity; or~~

~~— (b) Presenting evidence supporting the necessity of marijuana for treatment of a specific disease or medical condition;~~

~~— if the amount of marijuana at issue is not greater than the amount described in paragraph (b) of subsection 3 of NRS 453A.200 and the person has taken steps to comply substantially with the provisions of this chapter.~~

~~— 4. A defendant who intends to offer an affirmative defense described in this section shall, not less than 5 days before trial or at such other time as the court directs, file and serve upon the prosecuting attorney a written notice of the defendant's intent to claim the affirmative defense. The written notice must:~~

~~— (a) State specifically why the defendant believes he or she is entitled to assert the affirmative defense; and~~

~~— (b) Set forth the factual basis for the affirmative defense.~~

~~— A defendant who fails to provide notice of his or her intent to claim an affirmative defense as required pursuant to this subsection may not assert the affirmative defense at trial unless the court, for good cause shown, orders otherwise.] (Deleted by amendment.)~~

Sec. 27. NRS 453A.322 is hereby amended to read as follows:

453A.322 1. Each medical marijuana establishment must register with the ~~[Division.]~~ **Department**.

2. A person who wishes to operate a medical marijuana establishment must submit to the ~~[Division.]~~ **Department** an application on a form prescribed by the ~~[Division.]~~ **Department**.

3. Except as otherwise provided in NRS 453A.324, 453A.326, 453A.328 and 453A.340, not later than 90 days after receiving an application to operate a medical marijuana establishment, the ~~{Division}~~ **Department** shall register the medical marijuana establishment and issue a medical marijuana establishment registration certificate and a random 20-digit alphanumeric identification number if:

(a) The person who wishes to operate the proposed medical marijuana establishment has submitted to the ~~{Division}~~ **Department** all of the following:

(1) The application fee, as set forth in NRS 453A.344;

(2) An application, which must include:

(I) The legal name of the proposed medical marijuana establishment;

(II) The physical address where the proposed medical marijuana establishment will be located and the physical address of any co-owned additional or otherwise associated medical marijuana establishments, the locations of which may not be within 1,000 feet of a public or private school that provides formal education traditionally associated with preschool or kindergarten through grade 12 and that existed on the date on which the application for the proposed medical marijuana establishment was submitted to the ~~{Division}~~ **Department**, or within 300 feet of a community facility that existed on the date on which the application for the proposed medical marijuana establishment was submitted to the ~~{Division}~~ **Department**;

(III) Evidence that the applicant controls not less than \$250,000 in liquid assets to cover the initial expenses of opening the proposed medical marijuana establishment and complying with the provisions of NRS 453A.320 to 453A.370, inclusive;

(IV) Evidence that the applicant owns the property on which the proposed medical marijuana establishment will be located or has the written permission of the property owner to operate the proposed medical marijuana establishment on that property;

(V) For the applicant and each person who is proposed to be an owner, officer or board member of the proposed medical marijuana establishment, a complete set of the person's fingerprints and written permission of the person authorizing the ~~{Division}~~ **Department** to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;

(VI) The name, address and date of birth of each person who is proposed to be an owner, officer or board member of the proposed medical marijuana establishment; and

(VII) The name, address and date of birth of each person who is proposed to be employed by or otherwise provide labor at the proposed medical marijuana establishment as a medical marijuana establishment agent;

(3) Operating procedures consistent with rules of the ~~{Division}~~ **Department** for oversight of the proposed medical marijuana establishment, including, without limitation:

(I) Procedures to ensure the use of adequate security measures; and

(II) The use of an electronic verification system and an inventory control system, pursuant to NRS 453A.354 and 453A.356;

(4) If the proposed medical marijuana establishment will sell or deliver edible marijuana products or marijuana-infused products, proposed operating procedures for handling such products which must be preapproved by the ~~Division~~ **Department**;

(5) If the city, town or county in which the proposed medical marijuana establishment will be located has enacted zoning restrictions, proof of licensure with the applicable local governmental authority or a letter from the applicable local governmental authority certifying that the proposed medical marijuana establishment is in compliance with those restrictions and satisfies all applicable building requirements; and

(6) Such other information as the ~~Division~~ **Department** may require by regulation;

(b) None of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment have been convicted of an excluded felony offense;

(c) None of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment have:

(1) Served as an owner, officer or board member for a medical marijuana establishment that has had its medical marijuana establishment registration certificate revoked; or

(2) Previously had a medical marijuana establishment agent registration card revoked; and

(d) None of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment are under 21 years of age.

4. For each person who submits an application pursuant to this section, and each person who is proposed to be an owner, officer or board member of a proposed medical marijuana establishment, the ~~Division~~ **Department** shall submit the fingerprints of the person to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation to determine the criminal history of that person.

5. Except as otherwise provided in subsection 6, if an application for registration as a medical marijuana establishment satisfies the requirements of this section and the establishment is not disqualified from being registered as a medical marijuana establishment pursuant to this section or other applicable law, the ~~Division~~ **Department** shall issue to the establishment a medical marijuana establishment registration certificate. A medical marijuana establishment registration certificate expires 1 year after the date of issuance and may be renewed upon:

(a) Resubmission of the information set forth in this section ~~to~~ **, except that the fingerprints of each person who is an owner, officer or board**

member of a medical marijuana establishment required to be submitted pursuant to subsection 4 must only be submitted:

(1) If such a person holds 5 percent or less of the ownership interest in any one medical marijuana establishment or an ownership interest in more than one medical marijuana establishment of the same kind that, when added together, equals 5 percent or less, once in any 5-year period; and

(2) If such a person holds more than 5 percent of the ownership interest in any one medical marijuana establishment or an ownership interest in more than one medical marijuana establishment of the same kind that, when added together, equals more than 5 percent, or is an officer or board member of a medical marijuana establishment, once in any 3-year period; and

(b) Payment of the renewal fee set forth in NRS 453A.344.

6. In determining whether to issue a medical marijuana establishment registration certificate pursuant to this section, the ~~[Division]~~ **Department** shall consider the criteria of merit set forth in NRS 453A.328.

7. **The Department:**

(a) Shall not require an applicant for registration as a medical marijuana establishment or for the renewal of a medical marijuana establishment registration certificate to submit a financial statement with the application for registration or renewal; and

(b) May require a medical marijuana establishment to submit a financial statement as determined to be necessary by the Department to ensure the collection of any taxes which may be owed by the medical marijuana establishment.

8. As used in this section, “community facility” means:

(a) A facility that provides day care to children.

(b) A public park.

(c) A playground.

(d) A public swimming pool.

(e) A center or facility, the primary purpose of which is to provide recreational opportunities or services to children or adolescents.

(f) A church, synagogue or other building, structure or place used for religious worship or other religious purpose.

Sec. 28. NRS 453A.324 is hereby amended to read as follows:

453A.324 1. Except as otherwise provided in this section and NRS 453A.326, the ~~[Division]~~ **Department** shall issue medical marijuana establishment registration certificates for medical marijuana dispensaries in the following quantities for applicants who qualify pursuant to NRS 453A.322:

(a) In a county whose population is 700,000 or more, 40 certificates;

(b) In a county whose population is 100,000 or more but less than 700,000, ten certificates;

(c) In a county whose population is 55,000 or more but less than 100,000, two certificates; and

(d) In each other county, one certificate.

2. Notwithstanding the provisions of subsection 1, the ~~{Division}~~ **Department**:

(a) Shall not issue medical marijuana establishment registration certificates for medical marijuana dispensaries in such a quantity as to cause the existence within the applicable county of more than one medical marijuana dispensary for every ten pharmacies that have been licensed in the county pursuant to chapter 639 of NRS. The ~~{Division}~~ **Department** may issue medical marijuana establishment registration certificates for medical marijuana dispensaries in excess of the ratio otherwise allowed pursuant to this paragraph if to do so is necessary to ensure that the ~~{Division}~~ **Department** issues at least one medical marijuana establishment registration certificate in each county of this State in which the ~~{Division}~~ **Department** has approved an application for such an establishment to operate.

(b) Shall, for any county for which no applicants qualify pursuant to NRS 453A.322, within 2 months after the end of the period during which the ~~{Division}~~ **Department** accepts applications pursuant to subsection 4, reallocate the certificates provided for that county pursuant to subsection 1 to the other counties specified in subsection 1 in the same proportion as provided in subsection 1.

3. With respect to medical marijuana establishments that are not medical marijuana dispensaries, the ~~{Division}~~ **Department** shall determine the appropriate number of such establishments as are necessary to serve and supply the medical marijuana dispensaries to which the ~~{Division}~~ **Department** has granted medical marijuana establishment registration certificates.

4. The ~~{Division}~~ **Department** shall not, for more than a total of 10 business days in any 1 calendar year, accept applications to operate medical marijuana establishments.

Sec. 29. NRS 453A.326 is hereby amended to read as follows:

453A.326 1. Except as otherwise provided in this subsection, in a county whose population is 100,000 or more, the ~~{Division}~~ **Department** shall ensure that not more than 25 percent of the total number of medical marijuana dispensaries that may be certified in the county, as set forth in NRS 453A.324, are located in any one local governmental jurisdiction within the county. The board of county commissioners of the county may increase the percentage described in this subsection if it determines that to do so is necessary to ensure that the more populous areas of the county have access to sufficient distribution of marijuana for medical use.

2. To prevent monopolistic practices, the ~~{Division}~~ **Department** shall ensure, in a county whose population is 100,000 or more, that it does not issue, to any one person, group of persons or entity, the greater of:

- (a) One medical marijuana establishment registration certificate; or
- (b) More than 10 percent of the medical marijuana establishment registration certificates otherwise allocable in the county.

3. In a local governmental jurisdiction that issues business licenses, the issuance by the ~~[Division]~~ **Department** of a medical marijuana establishment registration certificate shall be deemed to be provisional until such time as:

- (a) The establishment is in compliance with all applicable local governmental ordinances or rules; and
- (b) The local government has issued a business license for the operation of the establishment.

4. As used in this section, "local governmental jurisdiction" means a city, town, township or unincorporated area within a county.

Sec. 30. NRS 453A.328 is hereby amended to read as follows:

453A.328 In determining whether to issue a medical marijuana establishment registration certificate pursuant to NRS 453A.322, the ~~[Division]~~ **Department** shall, in addition to the factors set forth in that section, consider the following criteria of merit:

- 1. The total financial resources of the applicant, both liquid and illiquid;
- 2. The previous experience of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment at operating other businesses or nonprofit organizations;
- 3. The educational achievements of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment;
- 4. Any demonstrated knowledge or expertise on the part of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment with respect to the compassionate use of marijuana to treat medical conditions;
- 5. Whether the proposed location of the proposed medical marijuana establishment would be convenient to serve the needs of persons who are authorized to engage in the medical use of marijuana;
- 6. The likely impact of the proposed medical marijuana establishment on the community in which it is proposed to be located;
- 7. The adequacy of the size of the proposed medical marijuana establishment to serve the needs of persons who are authorized to engage in the medical use of marijuana;
- 8. Whether the applicant has an integrated plan for the care, quality and safekeeping of medical marijuana from seed to sale;
- 9. The amount of taxes paid to, or other beneficial financial contributions made to, the State of Nevada or its political subdivisions by the applicant or the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment; and
- 10. Any other criteria of merit that the ~~[Division]~~ **Department** determines to be relevant.

Sec. 31. NRS 453A.332 is hereby amended to read as follows:

453A.332 1. Except as otherwise provided in this section, a person shall not volunteer or work at, contract to provide labor to or be employed by an independent contractor to provide labor to a medical marijuana establishment as a medical marijuana establishment agent unless the person is registered with the ~~[Division]~~ **Department** pursuant to this section.

2. *A person who wishes to volunteer or work at a medical marijuana establishment, or a medical marijuana establishment that wishes to retain as a volunteer or employ ~~a medical marijuana establishment agent~~ such a person,* shall submit to the ~~[Division]~~ **Department** an application on a form prescribed by the ~~[Division]~~ **Department**. The application must be accompanied by:

(a) The name, address and date of birth of the prospective medical marijuana establishment agent;

(b) A statement signed by the prospective medical marijuana establishment agent pledging not to dispense or otherwise divert marijuana to any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;

(c) A statement signed by the prospective medical marijuana establishment agent asserting that he or she has not previously had a medical marijuana establishment agent registration card revoked;

(d) A complete set of the fingerprints and written permission of the prospective medical marijuana establishment agent authorizing the ~~[Division]~~ **Department** to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;

(e) The application fee, as set forth in NRS 453A.344; and

(f) Such other information as the ~~[Division]~~ **Department** may require by regulation.

3. *A person who wishes to contract to provide labor to or be employed by an independent contractor to provide labor to a medical marijuana establishment, or a medical marijuana establishment that wishes to contract with ~~an independent contractor to provide labor as a medical marijuana establishment agent~~ such a person,* shall submit to the ~~[Division]~~ **Department** an application on a form prescribed by the ~~[Division]~~ **Department** for the registration of the independent contractor and each employee of the independent contractor who will provide labor as a medical marijuana establishment agent. The application must be accompanied by:

(a) The name, address and, if the prospective medical marijuana establishment agent has a state business registration, the business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS;

(b) The name, address and date of birth of each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent;

(c) A statement signed by the prospective medical marijuana establishment agent pledging not to dispense or otherwise divert marijuana to, or allow any of its employees to dispense or otherwise divert marijuana to, any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;

(d) A statement signed by the prospective medical marijuana establishment agent asserting that it has not previously had a medical marijuana establishment agent registration card revoked and that none of its employees who will provide labor as a medical marijuana establishment agent have previously had a medical marijuana establishment agent registration card revoked;

(e) A complete set of the fingerprints of each employee of the prospective medical marijuana establishment agent who will provide labor as a medical marijuana establishment agent and written permission of the prospective medical marijuana establishment agent and each employee of the prospective medical marijuana establishment agent authorizing the ~~{Division}~~ **Department** to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;

(f) The application fee, as set forth in NRS 453A.344; and

(g) Such other information as the ~~{Division}~~ **Department** may require by regulation.

4. A medical marijuana establishment shall notify the ~~{Division}~~ **Department** within 10 days after a medical marijuana establishment agent ceases to be employed by, volunteer at or provide labor as a medical marijuana establishment agent to the medical marijuana establishment.

5. A person who:

(a) Has been convicted of an excluded felony offense; or

(b) Is less than 21 years of age,

➔ shall not serve as a medical marijuana establishment agent.

6. The ~~{Division}~~ **Department** shall submit the fingerprints of an applicant for registration as a medical marijuana establishment agent to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation to determine the criminal history of the applicant.

7. The provisions of this section do not require a person who is an owner, officer or board member of a medical marijuana establishment to resubmit information already furnished to the ~~{Division}~~ **Department** at the time the establishment was registered with the ~~{Division}~~ **Department**.

8. If an applicant for registration as a medical marijuana establishment agent satisfies the requirements of this section and is not disqualified from serving as such an agent pursuant to this section or any other applicable law, the ~~{Division}~~ **Department** shall issue to the person and, for an independent contractor, to each person identified in the independent contractor's application for registration as an employee who will provide labor as a

medical marijuana establishment agent, a medical marijuana establishment agent registration card. If the ~~Division~~ **Department** does not act upon an application for a medical marijuana establishment agent registration card within 30 days after the date on which the application is received, the application shall be deemed conditionally approved until such time as the ~~Division~~ **Department** acts upon the application. A medical marijuana establishment agent registration card expires 1 year after the date of issuance and may be renewed upon:

- (a) Resubmission of the information set forth in this section; and
- (b) Payment of the renewal fee set forth in NRS 453A.344.

9. A medical marijuana establishment agent registration card issued pursuant to this section to an independent contractor or an employee of an independent contractor authorizes the independent contractor or employee to provide labor to any medical marijuana establishment in this State.

10. A medical marijuana establishment agent registration card issued pursuant to this section to a person who wishes to volunteer or work at a medical marijuana establishment authorizes the person to volunteer or work at any medical marijuana establishment in this State for which the category of the medical marijuana establishment agent registration card authorizes the person to volunteer or work.

11. Except as otherwise prescribed by regulation of the Department, an applicant for registration or renewal of registration as a medical marijuana establishment agent is deemed temporarily registered as a medical marijuana establishment agent on the date on which a complete application for registration or renewal of registration is submitted to the Department. A temporary registration as a medical marijuana establishment agent expires 30 days after the date upon which the application is received.

Sec. 32. NRS 453A.334 is hereby amended to read as follows:

453A.334 1. Except as otherwise provided in subsection 2, the following are nontransferable:

- (a) A medical marijuana establishment agent registration card.
- (b) A medical marijuana establishment registration certificate.

2. A medical marijuana establishment may , upon submission of a statement signed by a person authorized to submit such a statement by the governing documents of the medical marijuana establishment, transfer all or any portion of its ownership to another party, and the ~~Division~~ **Department** shall transfer the medical marijuana establishment registration certificate issued to the establishment to the party acquiring ownership, if the party who will acquire the ownership of the medical marijuana establishment submits:

- (a) ~~Evidence~~ If the party will acquire the entirety of the ownership interest in the medical marijuana establishment, evidence satisfactory to the ~~Division~~ **Department** that the party has complied with the provisions of sub-subparagraph (III) of subparagraph (2) of paragraph (a) of subsection 3

of NRS 453A.322 for the purpose of operating the medical marijuana establishment.

(b) For the party and each person who is proposed to be an owner, officer or board member of the proposed medical marijuana establishment, the name, address and date of birth of the person, a complete set of the person's fingerprints and written permission of the person authorizing the ~~{Division}~~ **Department** to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

(c) Proof satisfactory to the ~~{Division}~~ **Department** that, as a result of the transfer of ownership, no person, group of persons or entity will, in a county whose population is 100,000 or more, hold more than one medical marijuana establishment registration certificate or more than 10 percent of the medical marijuana establishment registration certificates allocated to the county, whichever is greater.

Sec. 33. NRS 453A.336 is hereby amended to read as follows:

453A.336 1. In addition to any other requirements set forth in this chapter, an applicant for the issuance or renewal of a medical marijuana establishment agent registration card or medical marijuana establishment registration certificate shall:

(a) Include the social security number of the applicant in the application submitted to the ~~{Division}~~ **Department**.

(b) Submit to the ~~{Division}~~ **Department** the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.

2. The ~~{Division}~~ **Department** shall include the statement required pursuant to subsection 1 in:

(a) The application or any other forms that must be submitted for the issuance or renewal of the medical marijuana establishment agent registration card or medical marijuana establishment registration certificate; or

(b) A separate form prescribed by the ~~{Division}~~ **Department**.

3. A medical marijuana establishment agent registration card or medical marijuana establishment registration certificate may not be issued or renewed by the ~~{Division}~~ **Department** if the applicant:

(a) Fails to submit the statement required pursuant to subsection 1; or

(b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment

of the amount owed pursuant to the order, the ~~{Division}~~ **Department** shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

Sec. 34. NRS 453A.338 is hereby amended to read as follows:

453A.338 1. If the ~~{Division}~~ **Department** receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a medical marijuana establishment agent registration card or medical marijuana establishment registration certificate, the ~~{Division}~~ **Department** shall deem the card or certificate issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the ~~{Division}~~ **Department** receives a letter issued to the holder of the card or certificate by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the card or certificate has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

2. The ~~{Division}~~ **Department** shall reinstate a medical marijuana establishment agent registration card or medical marijuana establishment registration certificate that has been suspended by a district court pursuant to NRS 425.540 if the ~~{Division}~~ **Department** receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose card or certificate was suspended stating that the person whose card or certificate was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

Sec. 35. NRS 453A.340 is hereby amended to read as follows:

453A.340 The following acts constitute grounds for immediate revocation of a medical marijuana establishment registration certificate:

1. Dispensing, delivering or otherwise transferring marijuana to a person other than a medical marijuana establishment agent, another medical marijuana establishment or a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver. ~~*is listed in the medical marijuana registry.*~~

2. Acquiring usable marijuana or mature marijuana plants from any person other than a medical marijuana establishment agent, another medical marijuana establishment or a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver. ~~*is listed in the medical marijuana registry.*~~

3. Violating a regulation of the ~~{Division}~~ **Department**, the violation of which is stated to be grounds for immediate revocation of a medical marijuana establishment registration certificate.

4. Failure to pay a fee imposed pursuant to NRS 453A.330.

Sec. 36. NRS 453A.342 is hereby amended to read as follows:

453A.342 The following acts constitute grounds for the immediate revocation of the medical marijuana establishment agent registration card of a medical marijuana establishment agent:

1. Having committed or committing any excluded felony offense.
2. Dispensing, delivering or otherwise transferring marijuana to a person other than a medical marijuana establishment agent, another medical marijuana establishment or a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver. ~~is listed in the medical marijuana registry.~~
3. Violating a regulation of the ~~[Division,]~~ **Department**, the violation of which is stated to be grounds for immediate revocation of a medical marijuana establishment agent registration card.

Sec. 37. NRS 453A.344 is hereby amended to read as follows:

453A.344 1. Except as otherwise provided in subsection 2, the ~~[Division]~~ **Department** shall collect not more than the following maximum fees:

For the initial issuance of a medical marijuana establishment registration certificate for a medical marijuana dispensary	\$30,000
For the renewal of a medical marijuana establishment registration certificate for a medical marijuana dispensary	5,000
For the initial issuance of a medical marijuana establishment registration certificate for a cultivation facility	3,000
For the renewal of a medical marijuana establishment registration certificate for a cultivation facility	1,000
For the initial issuance of a medical marijuana establishment registration certificate for a facility for the production of edible marijuana products or marijuana-infused products	3,000
For the renewal of a medical marijuana establishment registration certificate for a facility for the production of edible marijuana products or marijuana-infused products	1,000
For each person identified in an application for the initial issuance of a medical marijuana establishment agent registration card.....	75
For each person identified in an application for the renewal of a medical marijuana establishment agent registration card	75
For the initial issuance of a medical marijuana establishment registration certificate for an independent testing laboratory	5,000

For the renewal of a medical marijuana establishment
 registration certificate for an independent testing
 laboratory..... 3,000

2. In addition to the fees described in subsection 1, each applicant for a medical marijuana establishment registration certificate must pay to the ~~[Division]~~ **Department**:

- (a) A one-time, nonrefundable application fee of \$5,000; and
- (b) The actual costs incurred by the ~~[Division]~~ **Department** in processing the application, including, without limitation, conducting background checks.

3. Any revenue generated from the fees imposed pursuant to this section:

- (a) Must be expended first to pay the costs of the ~~[Division]~~ **Department** in carrying out the provisions of NRS 453A.320 to 453A.370, inclusive; and
- (b) If any excess revenue remains after paying the costs described in paragraph (a), such excess revenue must be paid over to the State Treasurer to be deposited to the credit of the State Distributive School Account in the State General Fund.

Sec. 38. NRS 453A.352 is hereby amended to read as follows:

453A.352 1. The operating documents of a medical marijuana establishment must include procedures:

- (a) For the oversight of the medical marijuana establishment; and
- (b) To ensure accurate recordkeeping, including, without limitation, the provisions of NRS 453A.354 and 453A.356.

2. Except as otherwise provided in this subsection, a medical marijuana establishment:

- (a) That is a medical marijuana dispensary must have a single entrance for patrons, which must be secure, and shall implement strict security measures to deter and prevent the theft of marijuana and unauthorized entrance into areas containing marijuana.

- (b) That is not a medical marijuana dispensary must have a single secure entrance and shall implement strict security measures to deter and prevent the theft of marijuana and unauthorized entrance into areas containing marijuana.
- ➡ The provisions of this subsection do not supersede any state or local requirements relating to minimum numbers of points of entry or exit, or any state or local requirements relating to fire safety.

3. A medical marijuana establishment is prohibited from acquiring, possessing, cultivating, manufacturing, delivering, transferring, transporting, supplying or dispensing marijuana for any purpose except to:

- (a) Directly or indirectly assist patients who possess valid registry identification cards; ~~are listed in the medical marijuana registry; and~~

- (b) Assist patients who possess valid registry identification cards or letters of approval ~~are listed in the medical marijuana registry~~ by way of those patients' designated primary caregivers ~~}; and~~

- (c) *Return for a refund marijuana, edible marijuana products or marijuana-infused products to the medical marijuana establishment from*

which the marijuana, edible marijuana products or marijuana-infused products were acquired.

↪ For the purposes of this subsection, a person shall be deemed to be a patient who possesses a valid registry identification card or letter of approval ~~is listed in the medical marijuana registry~~ if he or she qualifies for nonresident reciprocity pursuant to NRS 453A.364.

4. All cultivation or production of marijuana that a cultivation facility carries out or causes to be carried out must take place in an enclosed, locked facility at the physical address provided to the ~~Division~~ **Department** during the registration process for the cultivation facility. Such an enclosed, locked facility must be accessible only by medical marijuana establishment agents who are lawfully associated with the cultivation facility, except that limited access by persons necessary to perform construction or repairs or provide other labor is permissible if such persons are supervised by a medical marijuana establishment agent.

5. A medical marijuana dispensary and a cultivation facility may acquire usable marijuana or marijuana plants from a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver ~~is listed in the medical marijuana registry~~. Except as otherwise provided in this subsection, the patient or caregiver, as applicable, must receive no compensation for the marijuana. A patient who holds a valid registry identification card, and the designated primary caregiver of such a patient, or the designated primary caregiver of a person who holds a letter of approval ~~is listed in the medical marijuana registry~~ may sell usable marijuana to a medical marijuana dispensary one time and may sell marijuana plants to a cultivation facility one time.

6. A medical marijuana establishment shall not allow any person to consume marijuana on the property or premises of the establishment.

7. Medical marijuana establishments are subject to reasonable inspection by the ~~Division~~ **Department** at any time, and a person who holds a medical marijuana establishment registration certificate must make himself or herself, or a designee thereof, available and present for any inspection by the ~~Division~~ **Department** of the establishment.

8. *A dual licensee, as defined in NRS 453D.030:*

(a) *Shall comply with the regulations adopted by the Department pursuant to paragraph (k) of subsection 1 of NRS 453D.200 with respect to the medical marijuana establishment operated by the dual licensee; and*

(b) *May, to the extent authorized by such regulations, combine the location or operations of the medical marijuana establishment operated by the dual licensee with the marijuana establishment, as defined in NRS 453D.030, operated by the dual licensee.*

9. *A medical marijuana establishment shall not dispense or otherwise sell marijuana, edible marijuana products or marijuana-infused products from a vending machine or allow such a vending machine to be installed at*

the interior or exterior of the premises of the medical marijuana establishment.

Sec. 39. NRS 453A.354 is hereby amended to read as follows:

453A.354 1. Each medical marijuana establishment, in consultation with the ~~[Division]~~ **Department**, shall maintain an electronic verification system.

2. The electronic verification system required pursuant to subsection 1 must be able to monitor and report information, including, without limitation:

(a) In the case of a medical marijuana dispensary, for each person who holds a valid registry identification card ~~[is listed in the medical marijuana registry]~~ and who purchased marijuana from the dispensary in the immediately preceding 60-day period:

(1) The number ~~[date of birth]~~ of the card; ~~[person];~~

(2) The date on which the card ~~[person]~~ was issued; ~~[listed in the medical marijuana registry];~~ and

(3) The date on which the card ~~[listing of the person in the medical marijuana registry]~~ will expire.

(b) For each medical marijuana establishment agent who is employed by or volunteers at the medical marijuana establishment, the number of the person's medical marijuana establishment agent registration card.

(c) In the case of a medical marijuana dispensary, such information as may be required by the ~~[Division]~~ **Department** by regulation regarding persons who are not residents of this State and who have purchased marijuana from the dispensary.

(d) Verification of the identity of a person to whom marijuana, edible marijuana products or marijuana-infused products are sold or otherwise distributed.

(e) Such other information as the ~~[Division]~~ **Department** may require.

3. Nothing in this section prohibits more than one medical marijuana establishment from co-owning an electronic verification system in cooperation with other medical marijuana establishments, or sharing the information obtained therefrom.

4. A medical marijuana establishment must exercise reasonable care to ensure that the personal identifying information of persons who hold registry identification cards ~~[are listed in the medical marijuana registry]~~ which is contained in an electronic verification system is encrypted, protected and not divulged for any purpose not specifically authorized by law.

Sec. 40. NRS 453A.356 is hereby amended to read as follows:

453A.356 1. Each medical marijuana establishment, in consultation with the ~~[Division]~~ **Department**, shall maintain an inventory control system.

2. The inventory control system required pursuant to subsection 1 must be able to monitor and report information, including, without limitation:

(a) Insofar as is practicable, the chain of custody and current whereabouts, in real time, of medical marijuana from the point that it is harvested at a cultivation facility until it is sold at a medical marijuana dispensary and, if

applicable, if it is processed at a facility for the production of edible marijuana products or marijuana-infused products;

(b) The name of each person or other medical marijuana establishment, or both, to which the establishment sold marijuana;

(c) In the case of a medical marijuana dispensary, the date on which it sold marijuana to a person who holds a registry identification card ~~is listed in the medical marijuana registry~~ and, if any, the quantity of edible marijuana products or marijuana-infused products sold, measured both by weight and potency; and

(d) Such other information as the ~~{Division}~~ **Department** may require.

3. Nothing in this section prohibits more than one medical marijuana establishment from co-owning an inventory control system in cooperation with other medical marijuana establishments, or sharing the information obtained therefrom.

4. A medical marijuana establishment must exercise reasonable care to ensure that the personal identifying information of persons who hold registry identification cards ~~are listed in the medical marijuana registry~~ which is contained in an inventory control system is encrypted, protected and not divulged for any purpose not specifically authorized by law.

Sec. 41. NRS 453A.358 is hereby amended to read as follows:

453A.358 **1.** Each medical marijuana dispensary shall ensure all of the following:

~~{1.}~~ **(a)** The weight, concentration and content of THC in all marijuana, edible marijuana products and marijuana-infused products that the dispensary sells is clearly and accurately stated on the product sold.

~~{2.}~~ **(b)** That the dispensary does not sell to a person, in any one ~~{14-day period, an amount}~~ **transaction, more than 1 ounce** of marijuana . ~~{for medical purposes that exceeds the limits set forth in NRS 453A.200.~~

~~—3.}~~ **(c)** That, posted clearly and conspicuously within the dispensary, are the legal limits on the possession of marijuana for medical purposes, as set forth in NRS 453A.200.

~~{4.}~~ **(d)** That, posted clearly and conspicuously within the dispensary, is a sign stating unambiguously the legal limits on the possession of marijuana for medical purposes, as set forth in NRS 453A.200.

(e) That only persons who are at least 21 years of age or hold a registry identification card or letter of approval are allowed to enter the premises of the medical marijuana dispensary.

2. A medical marijuana dispensary may, but is not required to, track the purchases of marijuana for medical purposes by any person to ensure that the person does not exceed the legal limits on the possession of marijuana for medical purposes, as set forth in NRS 453A.200. The Department shall not adopt a regulation or in any other way require a medical marijuana dispensary to track the purchases of a person or determine whether the person has exceeded the legal limits on the

possession of marijuana for medical purposes, as set forth in NRS 453A.200.

3. A medical marijuana dispensary which is a dual licensee, as defined in NRS 453D.030, may, to the extent authorized by the regulations adopted by the Department pursuant to paragraph (k) of subsection 1 of NRS 453D.200, allow any person who is at least 21 years of age to enter the premises of the medical marijuana dispensary, regardless of whether such a person holds a valid registry identification card or letter of approval.

Sec. 42. NRS 453A.360 is hereby amended to read as follows:

453A.360 Each medical marijuana dispensary and facility for the production of edible marijuana products or marijuana-infused products shall, in consultation with the ~~{Division,}~~ **Department**, cooperate to ensure that all edible marijuana products and marijuana-infused products offered for sale:

1. Are labeled clearly and unambiguously as medical marijuana.
2. Are not presented in packaging that is appealing to children.
3. Are regulated and sold on the basis of the concentration of THC in the products and not by weight.
4. Are packaged and labeled in such a manner as to allow tracking by way of an inventory control system.

Sec. 43. NRS 453A.364 is hereby amended to read as follows:

453A.364 ~~[1. The State of Nevada and the medical marijuana dispensaries in this State which hold valid medical marijuana establishment registration certificates will recognize a nonresident card only under the following circumstances:~~

- ~~— (a) The state or jurisdiction from which the holder or bearer obtained the nonresident card grants an exemption from criminal prosecution for the medical use of marijuana;~~
- ~~— (b) The state or jurisdiction from which the holder or bearer obtained the nonresident card requires, as a prerequisite to the issuance of such a card, that a physician advise the person that the medical use of marijuana may mitigate the symptoms or effects of the person's medical condition;~~
- ~~— (c) The nonresident card has an expiration date and has not yet expired;~~
- ~~— (d) The holder or bearer of the nonresident card signs an affidavit in a form prescribed by the Division which sets forth that the holder or bearer is entitled to engage in the medical use of marijuana in his or her state or jurisdiction of residence; and~~
- ~~— (e) The holder or bearer of the nonresident card agrees to abide by, and does abide by, the legal limits on the possession of marijuana for medical purposes in this State, as set forth in NRS 453A.200.~~
- ~~— 2. For the purposes of the reciprocity described in this section:~~
 - ~~— (a) The amount of medical marijuana that the holder or bearer of a nonresident card is entitled to possess in his or her state or jurisdiction of residence is not relevant; and~~

~~—(b) Under no circumstances, while in this State, may the holder or bearer of a nonresident card possess marijuana for medical purposes in excess of the limits set forth in NRS 453A.200.~~

~~—3. As used in this section, “nonresident card” means a card or other identification that:~~

~~—(a) Is issued by a state or jurisdiction other than Nevada; and~~

~~—(b) Is the functional equivalent of a registry identification card or letter of approval, as determined by the Division.]~~

1. A person who is not a resident of this State, but who is authorized to engage in the medical use of marijuana under the laws of his or her state or jurisdiction of residence, is deemed to ~~be listed in the medical marijuana registry~~ hold a valid registry identification card for the purpose of the exemption from state prosecution described in subsection 1 of NRS 453A.200 if the person abides by the legal limits on the possession, delivery and production of marijuana for medical purposes in this State, as set forth in NRS 453A.200.

2. A medical marijuana dispensary may dispense marijuana to a person described in subsection 1 if the person presents to the medical marijuana dispensary any document which is valid to prove the authorization of the person to engage in the medical use of marijuana under the laws of his or her state or jurisdiction of residence. Such documentation may include, without limitation, written documentation from a physician if, under the laws of the person’s state or jurisdiction of residence, written documentation from a physician is sufficient to exempt the person from prosecution for engaging in the medical use of marijuana.

Sec. 44. NRS 453A.366 is hereby amended to read as follows:

453A.366 1. A patient who holds a valid registry identification card or letter of approval and his or her designated primary caregiver, if any, ~~person who is listed in the medical marijuana registry~~ may select one medical marijuana dispensary to serve as his or her designated medical marijuana dispensary at any one time.

2. A patient who designates a medical marijuana dispensary as described in subsection 1:

(a) Shall communicate the designation to the Division and the Department within the time specified by the ~~Division.] Department.~~

(b) May change his or her designation not more than once in a 30-day period.

Sec. 45. NRS 453A.368 is hereby amended to read as follows:

453A.368 1. The ~~Division] Department~~ shall establish standards for and certify one or more private and independent testing laboratories to test marijuana, edible marijuana products and marijuana-infused products that are to be sold in this State.

2. Such an independent testing laboratory must be able to determine accurately, with respect to marijuana, edible marijuana products and

marijuana-infused products that are sold or will be sold at medical marijuana dispensaries in this State:

- (a) The concentration therein of THC and cannabidiol.
- (b) The presence and identification of molds and fungus.
- (c) The composition of the tested material.
- (d) The presence of chemicals in the tested material, including, without limitation, pesticides, herbicides or growth regulators.

3. To obtain certification by the ~~[Division]~~ **Department** on behalf of an independent testing laboratory, an applicant must:

- (a) Apply successfully as required pursuant to NRS 453A.322.
- (b) Pay the fees required pursuant to NRS 453A.344.

Sec. 46. NRS 453A.369 is hereby amended to read as follows:

453A.369 The ~~[Division]~~ **Department** may enter into an interlocal agreement pursuant to NRS 277.080 to 277.180, inclusive, to carry out the provisions of NRS 453A.320 to 453A.370, inclusive.

Sec. 47. NRS 453A.370 is hereby amended to read as follows:

453A.370 The ~~[Division]~~ **Department** shall adopt such regulations as it determines to be necessary or advisable to carry out the provisions of NRS 453A.320 to 453A.370, inclusive. Such regulations are in addition to any requirements set forth in statute and must, without limitation:

1. Prescribe the form and any additional required content of registration and renewal applications submitted pursuant to NRS 453A.322 and 453A.332.

2. Set forth rules pertaining to the safe and healthful operation of medical marijuana establishments, including, without limitation:

(a) The manner of protecting against diversion and theft without imposing an undue burden on medical marijuana establishments or compromising the confidentiality of the holders of registry identification cards and letters of approval. ~~persons who are listed in the medical marijuana registry.~~

(b) Minimum requirements for the oversight of medical marijuana establishments.

(c) Minimum requirements for the keeping of records by medical marijuana establishments.

(d) Provisions for the security of medical marijuana establishments, including, without limitation, requirements for the protection by a fully operational security alarm system of each medical marijuana establishment.

(e) Procedures pursuant to which medical marijuana dispensaries must use the services of an independent testing laboratory to ensure that any marijuana, edible marijuana products and marijuana-infused products sold by the dispensaries to end users are tested for content, quality and potency in accordance with standards established by the ~~[Division]~~ **Department**.

(f) Procedures pursuant to which a medical marijuana dispensary will be notified by the ~~[Division]~~ **Department** if a patient who holds a valid registry identification card or letter of approval ~~Department if a person who is listed~~

~~in the medical marijuana registry]~~ has chosen the dispensary as his or her designated medical marijuana dispensary, as described in NRS 453A.366.

3. Establish circumstances and procedures pursuant to which the maximum fees set forth in NRS 453A.344 may be reduced over time. ~~It~~

~~—(a) To~~ to ensure that the fees imposed pursuant to NRS 453A.344 are, insofar as may be practicable, revenue neutral. ~~It and~~

~~—(b) To reflect gifts and grants received by the Division Director pursuant to NRS 453A.720.]~~

4. Set forth the amount of usable marijuana that a medical marijuana dispensary may dispense to a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver, ~~is listed in the medical marijuana registry]~~ in any one 14-day period. Such an amount must not exceed the limits set forth in NRS 453A.200.

5. As far as possible while maintaining accountability, protect the identity and personal identifying information of each person who receives, facilitates or delivers services in accordance with this chapter.

6. In cooperation with the Board of Medical Examiners and the State Board of Osteopathic Medicine, establish a system to:

(a) Register and track attending physicians who advise their patients that the medical use of marijuana may mitigate the symptoms or effects of the patient's medical condition;

(b) Insofar as is possible, track and quantify the number of times an attending physician described in paragraph (a) makes such an advisement; and

(c) Provide for the progressive discipline of attending physicians who advise the medical use of marijuana at a rate at which the Department, in consultation with the Division, ~~[Department]~~ and Board determine and agree to be unreasonably high.

7. Establish different categories of medical marijuana establishment agent registration cards, including, without limitation, criteria for training and certification, for each of the different types of medical marijuana establishments at which such an agent may be employed or volunteer or provide labor as a medical marijuana establishment agent.

8. Provide for the maintenance of a log by the Department, in consultation with the Division, ~~[Department]~~ of each person who is authorized to cultivate, grow or produce marijuana pursuant to subsection 6 of NRS 453A.200. The ~~[Division]~~ Department shall ensure that the contents of the log are available for verification by law enforcement personnel 24 hours a day.

9. Address such other matters as may assist in implementing the program of dispensation contemplated by NRS 453A.320 to 453A.370, inclusive.

Sec. 48. NRS 453A.400 is hereby amended to read as follows:

453A.400 1. The fact that a person ~~is listed in the medical marijuana registry or]~~ possesses a registry identification card ~~[letter of registration]~~ or letter of approval issued to the person by the Division ~~[Department]~~ or its

designee pursuant to NRS 453A.220 ~~or~~ or 453A.250, a medical marijuana establishment registration certificate issued to the person by the ~~[Division]~~ **Department** or its designee pursuant to NRS 453A.322 or a medical marijuana establishment agent registration card issued to the person by the ~~[Division]~~ **Department** or its designee pursuant to NRS 453A.332 does not, alone:

(a) Constitute probable cause to search the person or the person's property; or

(b) Subject the person or the person's property to inspection by any governmental agency.

2. Except as otherwise provided in this subsection, if officers of a state or local law enforcement agency seize marijuana, paraphernalia or other related property from a person engaged in, facilitating or assisting in the medical use of marijuana:

(a) The law enforcement agency shall ensure that the marijuana, paraphernalia or other related property is not destroyed while in the possession of the law enforcement agency.

(b) Any property interest of the person from whom the marijuana, paraphernalia or other related property was seized must not be forfeited pursuant to any provision of law providing for the forfeiture of property, except as part of a sentence imposed after conviction of a criminal offense.

(c) Upon:

(1) A decision not to prosecute;

(2) The dismissal of charges; or

(3) Acquittal,

↪ the law enforcement agency shall, to the extent permitted by law, return to that person any usable marijuana, marijuana plants, paraphernalia or other related property that was seized. The provisions of this subsection do not require a law enforcement agency to care for live marijuana plants.

Sec. 49. NRS 453A.500 is hereby amended to read as follows:

453A.500 The Board of Medical Examiners or the State Board of Osteopathic Medicine, as applicable, shall not take any disciplinary action against an attending physician on the basis that the attending physician:

1. ~~[Advised]~~ **Regardless of whether the person is a resident of this State, advised** a person whom the attending physician has diagnosed as having a chronic or debilitating medical condition, or a person whom the attending physician knows has been so diagnosed by another physician licensed to practice medicine pursuant to the provisions of chapter 630 of NRS or licensed to practice osteopathic medicine pursuant to the provisions of chapter 633 of NRS:

(a) About the possible risks and benefits of the medical use of marijuana; or

(b) That the medical use of marijuana may mitigate the symptoms or effects of the person's chronic or debilitating medical condition,

↪ if the advice is based on the attending physician's personal assessment of the person's medical history and current medical condition.

2. Provided or maintained the written documentation or signature, as applicable, required pursuant to paragraph (a) of subsection 2 of NRS 453A.210 for the issuance of a registry identification card or letter of approval or pursuant to subparagraph (1) of paragraph (b) of subsection 1 of NRS 453A.230 for the renewal of a registry identification card or letter of approval ~~for a person to be listed in the medical marijuana registry or for the renewal of a person's listing in the medical marijuana registry,~~ or any similar documentation required for the person to be authorized to engage in the medical use of marijuana pursuant to the laws of another state or jurisdiction, if:

(a) Such documentation is based on the attending physician's personal assessment of the person's medical history and current medical condition; and

(b) The physician has advised the person about the possible risks and benefits of the medical use of marijuana.

Sec. 50. ~~[NRS 453A.510 is hereby amended to read as follows:~~

~~453A.510 A professional licensing board shall not take any disciplinary action against a person licensed by the board on the basis that:~~

~~1. The person engages in or has engaged in the medical use of marijuana in accordance with the provisions of this chapter; or~~

~~2. The person acts as or has acted as the designated primary caregiver of a person who [holds a registry identification card or letter of approval issued to him or her pursuant to paragraph (a) of subsection 1 of NRS 453A.220.] is listed in the medical marijuana registry.] (Deleted by amendment.)~~

Sec. 51. NRS 453A.700 is hereby amended to read as follows:

453A.700 1. Except as otherwise provided in this section, ~~and~~ NRS 239.0115 ~~is~~ and subsection 4 of NRS 453A.210, the Division and the Department shall not disclose:

(a) The contents of any tool used by the ~~[Division]~~ **Department** to evaluate an applicant or its affiliate.

(b) Any information, documents or communications provided to the ~~[Division]~~ **Department** by an applicant or its affiliate pursuant to the provisions of this chapter, without the prior written consent of the applicant or affiliate or pursuant to a lawful court order after timely notice of the proceedings has been given to the applicant or affiliate.

(c) The name or any other identifying information of:

(1) An attending physician; or

(2) A person who has applied for or to whom the Division ~~[Department]~~ or its designee has issued a registry identification card ~~[letter of registration]~~ or letter of approval.

↪ Except as otherwise provided in NRS 239.0115, the items of information described in this subsection are confidential, not subject to subpoena or discovery and not subject to inspection by the general public.

2. Notwithstanding the provisions of subsection 1, the Division ~~[Department]~~ or its designee may release the name and other identifying information of a person to whom the Division ~~[Department]~~ or its designee has issued a registry identification card ~~[letter of registration]~~ or letter of approval to:

(a) Authorized employees of the Division ~~[Department]~~ or its designee as necessary to perform official duties of the Division; ~~[Department];~~ and

(b) Authorized employees of state and local law enforcement agencies, only as necessary to verify that a person is the lawful holder of a registry identification card or letter of approval issued to him or her pursuant to NRS 453A.220 or 453A.250. ~~[listed in the medical marijuana registry.]~~

Sec. 52. [NRS 453A.710 is hereby amended to read as follows:

~~453A.710 1. A person may submit to the [Division] **Department** a petition requesting that a particular disease or condition be included among the diseases and conditions that qualify as chronic or debilitating medical conditions pursuant to NRS 453A.050.~~

~~2. The [Division] **Department** shall adopt regulations setting forth the manner in which the [Division] **Department** will accept and evaluate petitions submitted pursuant to this section. The regulations must provide, without limitation, that:~~

~~(a) The [Division] **Department** will approve or deny a petition within 180 days after the [Division] **Department** receives the petition; and~~

~~(b) The decision of the [Division] **Department** to deny a petition is a final decision for the purposes of judicial review.] **(Deleted by amendment.)**~~

Sec. 53. NRS 453A.720 is hereby amended to read as follows:

453A.720 1. The Administrator of the Division ~~[Director]~~ or his or her designee may apply for or accept any gifts, grants, donations or contributions from any source to carry out the provisions of this chapter ~~[.]~~ governing the issuance of registry identification cards and letters of approval and the regulation of the holders of such cards and letters.

2. Any money the Administrator ~~[Director]~~ or his or her designee receives pursuant to subsection 1 must be deposited in the State Treasury pursuant to NRS 453A.730.

Sec. 54. NRS 453A.730 is hereby amended to read as follows:

453A.730 1. Any money the Administrator of the Division ~~[Director]~~ or his or her designee receives pursuant to NRS 453A.720 or that is appropriated to carry out the provisions of this chapter ~~[.]~~ governing the issuance of registry identification cards and letters of approval and the regulation of the holders of such cards and letters:

(a) Must be deposited in the State Treasury and accounted for separately in the State General Fund;

(b) May only be used to carry out:

(1) The provisions of this chapter ~~[.]~~ governing the issuance of registry identification cards and letters of approval and the regulation of the holders of such cards and letters, including the dissemination of information

concerning ~~the~~ those provisions ~~[of this chapter]~~ and such other information as determined appropriate by the Administrator; ~~Director~~ and

(2) Alcohol and drug abuse programs pursuant to NRS 458.094; and

(c) Does not revert to the State General Fund at the end of any fiscal year.

2. ~~The Director shall annually:~~

~~(a) Determine the amount of money necessary to carry out the provisions of this chapter pursuant to subparagraph (1) of paragraph (b) of subsection 1;~~

~~(b) Notify the Administrator of the Division of Public and Behavioral Health of the Department of Health and Human Services of any amount of money in the account in excess of the amount determined pursuant to paragraph (a); and~~

~~(c) In consultation with the Administrator of the Division of Public and Behavioral Health of the Department of Health and Human Services, use the excess money in the account to carry out alcohol and drug abuse programs pursuant to NRS 458.094.~~

~~3.~~ The Administrator of the Division ~~Director~~ shall administer the account. Any interest or income earned on the money in the account must be credited to the account. Any claims against the account must be paid as other claims against the State are paid.

Sec. 55. NRS 453A.740 is hereby amended to read as follows:

453A.740 The Administrator of the Division ~~Director~~ shall adopt such regulations as the Administrator ~~Director~~ determines are necessary to carry out the provisions of this chapter ~~1~~ governing the issuance of registry identification cards and letters of approval and the regulation of the holders of such cards and letters. The regulations must set forth, without limitation :

1. Procedures ~~1. procedures~~ pursuant to which the Division ~~Department~~ will issue a registry identification card ~~letter of registration~~ or letter of approval ~~1~~ or, in cooperation with the Department of Motor Vehicles, cause a registry identification card to be prepared and issued to a qualified person as a type of identification card described in NRS 483.810 to 483.890, inclusive. The procedures described in this subsection must provide that the Division will:

(a) Issue a registry identification card or letter of approval to a qualified person; or

(b) Designate the Department of Motor Vehicles to issue a registry identification card to a person if:

(1) The person presents to the Department of Motor Vehicles valid documentation issued by the Division indicating that the Division has approved the issuance of a registry identification card to the person; and

(2) The Department of Motor Vehicles, before issuing the registry identification card, confirms by telephone or other reliable means that the Division has approved the issuance of a registry identification card to the person.

2. That if the Division issues a registry identification card pursuant to subsection 1, the Division may charge and collect any fee authorized for the issuance of an identification card described in NRS 483.810 to 483.890, inclusive.

3. Fees for {:

~~— (a) Providing to an applicant an application for a registry identification card or letter of approval, which fee must not exceed \$25; and~~

~~— (b) Processing} processing and issuing a registry identification card or letter of approval, which {fee} must not exceed {\$75.}~~;

(a) For a registry identification card or letter of approval which is valid for 1 year, \$50.

(b) For a registry identification card or letter of approval which is valid for 2 years, \$100.

~~Sec. 56. [NRS 453A.800 is hereby amended to read as follows:~~

~~453A.800 The provisions of this chapter do not:~~

~~1. Require an insurer, organization for managed care or any person or entity who provides coverage for a medical or health care service to pay for or reimburse a person for costs associated with the medical use of marijuana.~~

~~2. Require any employer to allow the medical use of marijuana in the workplace.~~

~~3. Except as otherwise provided in subsection 4, require an employer to modify the job or working conditions of a person who engages in the medical use of marijuana that are based upon the reasonable business purposes of the employer but the employer must attempt to make reasonable accommodations for the medical needs of an employee who engages in the medical use of marijuana if the employee [holds a valid registry identification card,] is listed in the medical marijuana registry, provided that such reasonable accommodation would not:~~

~~— (a) Pose a threat of harm or danger to persons or property or impose an undue hardship on the employer; or~~

~~— (b) Prohibit the employee from fulfilling any and all of his or her job responsibilities.~~

~~4. Prohibit a law enforcement agency from adopting policies and procedures that preclude an employee from engaging in the medical use of marijuana.~~

~~5. As used in this section, “law enforcement agency” means:~~

~~— (a) The Office of the Attorney General, the office of a district attorney within this State or the Nevada Gaming Control Board and any attorney, investigator, special investigator or employee who is acting in his or her professional or occupational capacity for such an office or the Nevada Gaming Control Board; or~~

~~— (b) Any other law enforcement agency within this State and any peace officer or employee who is acting in his or her professional or occupational capacity for such an agency.] (Deleted by amendment.)~~

Sec. 56.5. Chapter 453D of NRS is hereby amended by adding thereto ~~a new section to read as follows:~~ the provisions set forth as sections 56.7 and 56.9 of this act.

Sec. 56.7. A marijuana establishment shall not dispense or otherwise sell marijuana or marijuana products from a vending machine or allow such a vending machine to be installed at the interior or exterior of the premises of the marijuana establishment.

Sec. 56.9. 1. When conducting a background check pursuant to subsection 6 of NRS 453D.200, the Department may require each prospective owner, officer and board member of a marijuana establishment license applicant to submit a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

2. When determining the criminal history of a person pursuant to paragraph (c) of subsection 1 of NRS 453D.300, a marijuana establishment may require the person to submit to the Department a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

Sec. 57. ~~[NRS 176.01247 is hereby amended to read as follows:~~

~~176.01247 1. There is hereby created the Subcommittee on the Medical Use of Marijuana of the Commission.~~

~~2. The Chair of the Commission shall appoint the members of the Subcommittee. The Subcommittee must consist of legislative and nonlegislative members, including, without limitation:~~

~~(a) At least four Legislators, who may or may not be members of the Commission.~~

~~(b) A representative of the Division of Public and Behavioral Health of the Department of Health and Human Services.~~

~~(c) A patient who [holds a valid registry identification card to engage in the medical use of marijuana pursuant to chapter 453A of NRS.] is listed in the medical marijuana registry, as defined in section 4 of this act.~~

~~(d) An owner or operator of a cultivation facility that is certified to operate pursuant to chapter 453A of NRS.~~

~~(e) An owner or operator of a facility for the production of edible marijuana products or marijuana-infused products that is certified to operate pursuant to chapter 453A of NRS.~~

~~(f) An owner or operator of a medical marijuana dispensary that is certified to operate pursuant to chapter 453A of NRS.~~

~~(g) A representative of the Attorney General.~~

~~(h) A representative of a civil liberties organization.~~

~~(i) A representative of an organization which advocates for persons who use marijuana for medicinal purposes.~~

~~— (j) A representative of a law enforcement agency located within the jurisdiction of Clark County.~~

~~— (k) A representative of a law enforcement agency located within the jurisdiction of Washoe County.~~

~~— (l) A representative of local government.~~

~~— 3. The Chair of the Commission shall designate one of the legislative members of the Commission as Chair of the Subcommittee.~~

~~— 4. The Subcommittee shall meet at the times and places specified by a call of the Chair. A majority of the members of the Subcommittee constitutes a quorum, and a quorum may exercise any power or authority conferred on the Subcommittee.~~

~~— 5. The Subcommittee shall:~~

~~— (a) Consider issues concerning the medical use of marijuana, the dispensation of marijuana for medical use and the implementation of provisions of law providing for the dispensation of marijuana for medical use; and~~

~~— (b) Evaluate, review and submit a report to the Commission with recommendations concerning such issues.~~

~~— 6. Any Legislators who are members of the Subcommittee are entitled to receive the salary provided for a majority of the members of the Legislature during the first 60 days of the preceding session for each day's attendance at a meeting of the Subcommittee.~~

~~— 7. While engaged in the business of the Subcommittee, to the extent of legislative appropriation, each member of the Subcommittee is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally. (Deleted by amendment.)~~

Sec. 58. [NRS 207.335 is hereby amended to read as follows:

~~— 207.335 1. It is unlawful for any person to:~~

~~— (a) Counterfeit or forge or attempt to counterfeit or forge a [registry identification card] **letter of registration** or letter of approval; or~~

~~— (b) Have in his or her possession with the intent to use any counterfeit or forged [registry identification card] **letter of registration** or letter of approval.~~

~~— 2. Any person who violates the provisions of subsection 1 is guilty of a category E felony and shall be punished as provided in NRS 193.130.~~

~~— 3. As used in this section:~~

~~— (a) "Letter of approval" has the meaning ascribed to it in NRS 453A.109.~~

~~— (b) ["Registry identification card"] **"Letter of registration"** has the meaning ascribed to it in NRS 453A.140. (Deleted by amendment.)~~

Sec. 58.5. NRS 212.160 is hereby amended to read as follows:

212.160 1. A person, who is not authorized by law, who knowingly furnishes, attempts to furnish, or aids or assists in furnishing or attempting to furnish to a prisoner confined in an institution of the Department of Corrections, or any other place where prisoners are authorized to be or are assigned by the Director of the Department, any deadly weapon, explosive, a

facsimile of a firearm or an explosive, any controlled substance or intoxicating liquor, shall be punished:

(a) Where a deadly weapon, controlled substance, explosive or a facsimile of a firearm or explosive is involved, for a category B felony by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$5,000.

(b) Where an intoxicant is involved, for a gross misdemeanor.

2. Knowingly leaving or causing to be left any deadly weapon, explosive, facsimile of a firearm or explosive, controlled substance or intoxicating liquor where it may be obtained by any prisoner constitutes, within the meaning of this section, the furnishing of the article to the prisoner.

3. A prisoner confined in an institution of the Department of Corrections, or any other place where prisoners are authorized to be or are assigned by the Director of the Department, who possesses a controlled substance without lawful authorization *or marijuana or marijuana paraphernalia, regardless of whether the person is listed in the medical marijuana registry, as defined in section 4 of this act,* holds a valid registry identification card to engage in the medical use of marijuana pursuant to chapter 453A of NRS, is guilty of a category D felony and shall be punished as provided in NRS 193.130.

Sec. 59. ~~[NRS 284.4062 is hereby amended to read as follows:~~

~~284.4062 1. Except as otherwise provided in subsections 3 and 4, an employee who:~~

~~(a) Consumes or is under the influence of alcohol while on duty, unless the alcohol is an integral part of a commonly recognized medication which the employee consumes pursuant to the manufacturer's instructions or in accordance with a lawfully issued prescription;~~

~~(b) Possesses, consumes or is under the influence of a controlled substance while on duty, at a work site or on state property, except in accordance with a lawfully issued prescription; or~~

~~(c) Consumes or is under the influence of any other drug which could interfere with the safe and efficient performance of the employee's duties, unless the drug is an integral part of a commonly recognized medication which the employee consumes pursuant to the manufacturer's instructions or in accordance with a lawfully issued prescription;~~

~~is subject to disciplinary action. An appointing authority may summarily discharge an employee who, within a period of 5 years, commits a second act which would subject the employee to disciplinary action pursuant to this subsection.~~

~~2. Except as otherwise provided in subsection 3, a state agency shall refer an employee who:~~

~~(a) Tests positive for the first time in a screening test; and~~

~~(b) Has committed no other acts for which the employee is subject to termination during the course of conduct giving rise to the screening test, to an employee assistance program. An employee who fails to accept such a referral or fails to complete such a program successfully is subject to further disciplinary action.~~

~~3. The Commission may adopt regulations setting forth the circumstances under which a person who [holds a valid registry identification card to engage in the medical use of marijuana pursuant to chapter 453A of NRS] is listed in the medical marijuana registry, as defined in section 4 of this act, is subject to disciplinary action pursuant to subsection 1 or must be referred to an employee assistance program pursuant to subsection 2.~~

~~4. Subsection 1 does not apply to:~~

~~(a) An employee who consumes alcohol in the course of the employment of the employee while hosting or attending a special event.~~

~~(b) A peace officer who possesses a controlled substance or consumes alcohol within the scope of the peace officer's duties.] (Deleted by amendment.)~~

~~Sec. 60. [NRS 284.4063 is hereby amended to read as follows:~~

~~284.4063 1. Except as otherwise provided in subsection 2 and subsection 5 of NRS 284.4065, an employee who:~~

~~(a) Fails to notify the employee's supervisor as soon as possible after consuming any drug which could interfere with the safe and efficient performance of the employee's duties;~~

~~(b) Fails or refuses to submit to a screening test as requested by a state agency pursuant to subsection 1 or 2 of NRS 284.4065; or~~

~~(c) After taking a screening test which indicates the presence of a controlled substance, fails to provide proof, within 72 hours after being requested by the employee's appointing authority, that the employee had taken the controlled substance as directed pursuant to a current and lawful prescription issued in the employee's name,~~

~~is subject to disciplinary action.~~

~~2. The Commission may adopt regulations setting forth the circumstances under which a person who [holds a valid registry identification card to engage in the medical use of marijuana pursuant to chapter 453A of NRS] is listed in the medical marijuana registry, as defined in section 4 of this act, is subject to disciplinary action pursuant to this section.] (Deleted by amendment.)~~

~~Sec. 61. [NRS 284.4064 is hereby amended to read as follows:~~

~~284.4064 1. If an employee informs the employee's appointing authority that the employee has consumed any drug which could interfere with the safe and efficient performance of the employee's duties, the appointing authority may require the employee to obtain clearance from the employee's physician before the employee continues to work.~~

~~2. If an appointing authority reasonably believes, based upon objective facts, that an employee's ability to perform the employee's duties safely and efficiently:~~

~~(a) May be impaired by the consumption of alcohol or other drugs, it may ask the employee whether the employee has consumed any alcohol or other drugs and, if so:~~

~~(1) The amount and types of alcohol or other drugs consumed and the time of consumption;~~

~~(2) If a controlled substance other than marijuana was consumed, the name of the person who prescribed its use; and~~

~~(3) If marijuana was consumed, to provide proof that the employee [holds a valid registry identification card to engage in the medical use of marijuana pursuant to chapter 453A of NRS.] *is listed in the medical marijuana registry, as defined in section 4 of this act.*~~

~~(b) Is impaired by the consumption of alcohol or other drugs, it shall prevent the employee from continuing work and transport the employee or cause the employee to be transported safely away from the employee's place of employment in accordance with regulations adopted by the Commission.]~~

(Deleted by amendment.)

Sec. 62. ~~[NRS 284.4066 is hereby amended to read as follows:~~

~~284.4066 1. Each appointing authority shall, subject to the approval of the Commission, determine whether each of its positions of employment affects the public safety. The appointing authority shall not hire an applicant for such a position unless the applicant submits to a screening test to detect the general presence of a controlled substance. Notice of the provisions of this section must be given to each applicant for such a position at or before the time of application.~~

~~2. An appointing authority shall consider the results of a screening test in determining whether to employ an applicant. If those results indicate the presence of a controlled substance other than marijuana, the appointing authority shall not hire the applicant unless the applicant provides, within 72 hours after being requested, proof that the applicant had taken the controlled substance as directed pursuant to a current and lawful prescription issued in the applicant's name.~~

~~3. An appointing authority shall, at the request of an applicant, provide the applicant with the results of the applicant's screening test.~~

~~4. If the results of a screening test indicate the presence of a controlled substance, the appointing authority shall:~~

~~(a) Provide the Administrator with the results of the applicant's screening test.~~

~~(b) If applicable, inform the Administrator whether the applicant [holds a valid registry identification card to engage in the medical use of marijuana pursuant to chapter 453A of NRS.] *is listed in the medical marijuana registry, as defined in section 4 of this act.*~~

~~5. The Commission may adopt regulations relating to an applicant for a position which affects the public safety who tests positive for marijuana and [holds a valid registry identification card to engage in the medical use of marijuana pursuant to chapter 453A of NRS.] *is listed in the medical marijuana registry, as defined in section 4 of this act.* (Deleted by amendment.)~~

~~Sec. 63. [NRS 484C.210 is hereby amended to read as follows:~~

~~484C.210 1. If a person fails to submit to an evidentiary test as requested by a police officer pursuant to NRS 484C.160, the license, permit or privilege to drive of the person must be revoked as provided in NRS 484C.220, and the person is not eligible for a license, permit or privilege to drive for a period of:~~

~~(a) One year; or~~

~~(b) Three years, if the license, permit or privilege to drive of the person has been revoked during the immediately preceding 7 years for failure to submit to an evidentiary test.~~

~~2. If the result of a test given under NRS 484C.150 or 484C.160 shows that a person had a concentration of alcohol of 0.08 or more in his or her blood or breath or a detectable amount of a controlled substance or prohibited substance in his or her blood or urine for which he or she did not have a valid prescription, as defined in NRS 453.128, or [hold a valid registry identification card, as defined in NRS 453A.140,] *for which he or she was not listed in the medical marijuana registry, as defined in section 4 of this act*, at the time of the test, the license, permit or privilege of the person to drive must be revoked as provided in NRS 484C.220 and the person is not eligible for a license, permit or privilege for a period of 90 days.~~

~~3. If a revocation of a person's license, permit or privilege to drive under NRS 62E.640 or 483.460 follows a revocation under subsection 2 which was based on the person having a concentration of alcohol of 0.08 or more in his or her blood or breath, the Department shall cancel the revocation under that subsection and give the person credit for any period during which the person was not eligible for a license, permit or privilege.~~

~~4. Periods of ineligibility for a license, permit or privilege to drive which are imposed pursuant to this section must run consecutively.] (Deleted by amendment.)~~

~~Sec. 64. [NRS 484C.220 is hereby amended to read as follows:~~

~~484C.220 1. As agent for the Department, the officer who requested that a test be given pursuant to NRS 484C.150 or 484C.160 or who obtained the result of a test given pursuant to NRS 484C.150 or 484C.160 shall immediately serve an order of revocation of the license, permit or privilege to drive on a person who failed to submit to a test requested by the police officer pursuant to NRS 484C.150 or 484C.160 or who has a concentration of alcohol of 0.08 or more in his or her blood or breath or has a detectable amount of a controlled substance or prohibited substance in his or her blood or urine for which he or she did not have a valid prescription, as defined in~~

~~NRS 453.128, or [hold a valid registry identification card, as defined in NRS 453A.140,] for which he or she was not listed in the medical marijuana registry, as defined in section 4 of this act, if that person is present, and shall seize the license or permit to drive of the person. The officer shall then, unless the information is expressly set forth in the order of revocation, advise the person of his or her right to administrative and judicial review of the revocation pursuant to NRS 484C.230 and, except as otherwise provided in this subsection, that the person has a right to request a temporary license. If the person currently is driving with a temporary license that was issued pursuant to this section or NRS 484C.230, the person is not entitled to request an additional temporary license pursuant to this section or NRS 484C.230, and the order of revocation issued by the officer must revoke the temporary license that was previously issued. If the person is entitled to request a temporary license, the officer shall issue the person a temporary license on a form approved by the Department if the person requests one, which is effective for only 7 days including the date of issuance. The officer shall immediately transmit the person's license or permit to the Department along with the written certificate required by subsection 2.~~

~~2. When a police officer has served an order of revocation of a driver's license, permit or privilege on a person pursuant to subsection 1, or later receives the result of an evidentiary test which indicates that a person, not then present, had a concentration of alcohol of 0.08 or more in his or her blood or breath or had a detectable amount of a controlled substance or prohibited substance in his or her blood or urine for which he or she did not have a valid prescription, as defined in NRS 453.128, or [hold a valid registry identification card, as defined in NRS 453A.140,] for which he or she was not listed in the medical marijuana registry, as defined in section 4 of this act, the officer shall immediately prepare and transmit to the Department, together with the seized license or permit and a copy of the result of the test, if any, a written certificate that the officer had reasonable grounds to believe that the person had been driving or in actual physical control of a vehicle:~~

~~—(a) With a concentration of alcohol of 0.08 or more in his or her blood or breath or with a detectable amount of a controlled substance or prohibited substance in his or her blood or urine for which he or she did not have a valid prescription, as defined in NRS 453.128, or [hold a valid registry identification card, as defined in NRS 453A.140,] for which he or she was not listed in the medical marijuana registry, as defined in section 4 of this act, as determined by a chemical test; or~~

~~—(b) While under the influence of intoxicating liquor or a controlled substance or with a prohibited substance in his or her blood or urine and the person refused to submit to a required evidentiary test.~~

~~➔ The certificate must also indicate whether the officer served an order of revocation on the person and whether the officer issued the person a temporary license.~~

~~3. The Department, upon receipt of such a certificate for which an order of revocation has not been served, after examining the certificate and copy of the result of the chemical test, if any, and finding that revocation is proper, shall issue an order revoking the person's license, permit or privilege to drive by mailing the order to the person at the person's last known address. The order must indicate the grounds for the revocation and the period during which the person is not eligible for a license, permit or privilege to drive and state that the person has a right to administrative and judicial review of the revocation and to have a temporary license. The order of revocation becomes effective 5 days after mailing.~~

~~4. Notice of an order of revocation and notice of the affirmation of a prior order of revocation or the cancellation of a temporary license provided in NRS 484C.230 is sufficient if it is mailed to the person's last known address as shown by any application for a license. The date of mailing may be proved by the certificate of any officer or employee of the Department, specifying the time of mailing the notice. The notice is presumed to have been received upon the expiration of 5 days after it is deposited, postage prepaid, in the United States mail. (Deleted by amendment.)~~

Sec. 65. [NRS 484C.230 is hereby amended to read as follows:

~~484C.230 1. At any time while a person is not eligible for a license, permit or privilege to drive following an order of revocation issued pursuant to NRS 484C.220, the person may request in writing a hearing by the Department to review the order of revocation, but the person is only entitled to one hearing. The hearing must be conducted as soon as is practicable at any location, if the hearing officer permits each party and witness to attend the hearing by telephone, videoconference or other electronic means. The Director or agent of the Director may issue subpoenas for the attendance of witnesses and the production of relevant books and papers and may require a reexamination of the requester. Unless the person is ineligible for a temporary license pursuant to NRS 484C.220, the Department shall issue an additional temporary license for a period which is sufficient to complete the administrative review.~~

~~2. The scope of the hearing must be limited to the issue of whether the person:~~

~~(a) Failed to submit to a required test provided for in NRS 484C.150 or 484C.160; or~~

~~(b) At the time of the test, had a concentration of alcohol of 0.08 or more in his or her blood or breath or a detectable amount of a controlled substance or prohibited substance in his or her blood or urine for which he or she did not have a valid prescription, as defined in NRS 453.128, or [hold a valid registry identification card, as defined in NRS 453A.140.] **for which he or she was not listed in the medical marijuana registry, as defined in section 4 of this act.**~~

~~Upon an affirmative finding on either issue, the Department shall affirm the order of revocation. Otherwise, the order of revocation must be rescinded.~~

~~3. If, after the hearing, the order of revocation is affirmed, the person whose license, privilege or permit has been revoked is entitled to a review of the same issues in district court in the same manner as provided by chapter 233B of NRS. The court shall notify the Department upon the issuance of a stay, and the Department shall issue an additional temporary license for a period which is sufficient to complete the review.~~

~~4. If a hearing officer grants a continuance of a hearing at the request of the person whose license was revoked, or a court does so after issuing a stay of the revocation, the officer or court shall notify the Department, and the Department shall cancel the temporary license and notify the holder by mailing the order of cancellation to the person's last known address.]~~

(Deleted by amendment.)

~~Sec. 65.5. [On or before June 30, 2017, the Division of Public and Behavioral Health of the Department of Health and Human Services shall ensure that the name, date of birth and unique identification number of each person who, on June 30, 2017, holds a valid registry identification card or valid letter of approval issued by the Division is entered into the medical marijuana registry of the Department of Taxation established pursuant to section 5 of this act.]~~

~~Sec. 66. 1. [A person who holds a valid, unexpired registry identification card on July 1, 2017, shall be deemed to be listed in the medical marijuana registry until the registry identification card expires.~~

~~2.]~~ The amendatory provisions of this act do not affect the validity of an unexpired ~~[registry identification card, letter of approval,]~~ medical marijuana establishment registration certificate or medical marijuana establishment agent registration card that was issued by the Division of Public and Behavioral Health of the Department of Health and Human Services before July 1, 2017. However, upon the expiration of such a ~~[registry identification card, letter of approval,]~~ medical marijuana establishment registration certificate or medical marijuana establishment agent registration card, a person who wishes to retain the limited exemption from state prosecution which is set forth in NRS 453A.200 must:

(a) Reapply to the Department of Taxation for a new ~~[letter of approval,]~~ medical marijuana establishment registration certificate or medical marijuana establishment agent registration card issued by that agency. ~~[for comply with the provisions of section 5 of this act to be listed in the medical marijuana registry, as applicable.]~~

(b) Pay any necessary fees as ~~[determined by the Department of Taxation]~~ **set forth in NRS 453A.344, as amended by section 37 of this act,** or any regulations adopted pursuant to chapter 453A of NRS.

~~3.]~~ **2.** As used in this section:

(a) ~~["Letter of approval" has the meaning ascribed to it in NRS 453A.109.~~

~~(b)]~~ "Medical marijuana establishment agent registration card" has the meaning ascribed to it in NRS 453A.118.

~~[(c)]~~ **(b)** “Medical marijuana establishment registration certificate” has the meaning ascribed to it in NRS 453A.119.

~~[(d)] “Medical marijuana registry” has the meaning ascribed to it in section 4 of this act.~~

~~— (e) “Registry identification card” means a document issued by the Division of Public and Behavioral Health of the Department of Health and Human Services or its designee that identifies:~~

~~— (1) A person who is exempt from state prosecution for engaging in the medical use of marijuana; or~~

~~— (2) The designated primary caregiver, if any, of a person described in subparagraph (1).]~~

Sec. 67. 1. The administrative regulations adopted by the Division of Public and Behavioral Health of the Department of Health and Human Services pursuant to chapter 453A of NRS **governing the licensing and regulation of medical marijuana establishments** remain in force and are hereby transferred to become the administrative regulations of the Department of Taxation on July 1, 2017. On and after July 1, 2017, these regulations must be interpreted in a manner so that all references to the Division of Public and Behavioral Health of the Department of Health and Human Services and its constituent parts are read and interpreted as being references to the Department of Taxation and its constituent parts, regardless of whether those references have been conformed pursuant to section 68 of this act at the time of interpretation.

2. Any contracts or other agreements entered into by the Division of Public and Behavioral Health of the Department of Health and Human Services and its constituent parts pursuant to chapter 453A of NRS **governing the licensing and regulation of medical marijuana establishments** are binding upon the Department of Taxation on and after July 1, 2017, rather than the Division of Public and Behavioral Health of the Department of Health and Human Services and its constituent parts. Such contracts and other agreements may be enforced by the Department of Taxation on and after July 1, 2017.

3. Any action taken by the Division of Public and Behavioral Health of the Department of Health and Human Services or its constituent parts pursuant to chapter 453A of NRS **governing the licensing and regulation of medical marijuana establishments** before July 1, 2017, remains in effect as if taken by the Department of Taxation or its constituent parts on and after July 1, 2017.

4. As used in this section, “medical marijuana establishment” has the meaning ascribed to it in NRS 453A.116.

Sec. 68. The Legislative Counsel shall:

1. In preparing the reprint and supplements to the Nevada Revised Statutes, appropriately change any references to an officer, agency or other entity whose name is changed or whose responsibilities are transferred

pursuant to the provisions of this act to refer to the appropriate officer, agency or other entity.

2. In preparing supplements to the Nevada Administrative Code, appropriately change any references to an officer, agency or other entity whose name is changed or whose responsibilities are transferred pursuant to the provisions of this act to refer to the appropriate officer, agency or other entity.

Sec. 69. ~~1. NRS 453A.090 is hereby repealed.~~

~~2.~~ Section 24.9 of chapter 547, Statutes of Nevada 2013, at page 3728, is hereby repealed.

Sec. 70. 1. This section and sections **56.5 and 56.9 of this act become effective upon passage and approval.**

2. Sections 1 to 56, inclusive, and 57 to 69, inclusive, of this act become effective:

(a) Upon passage and approval for the purposes of adopting any regulations and performing any preparatory administrative tasks necessary to carry out the provisions of this act; and

(b) On July 1, 2017, for all other purposes.

2. Section ~~[56.5]~~ **56.7** of this act becomes effective on January 1, 2020.

~~TEXT OF REPEALED SECTION OF NRS AND~~

TEXT OF REPEALED SECTION OF STATUTES OF NEVADA

~~[453A.090 “Division” defined. “Division” means the Division of Public and Behavioral Health of the Department of Health and Human Services.]~~

Section 24.9 of chapter 547, Statutes of Nevada 2013, at page 3728:

Sec. 24.9. Section 19.5 of this act is hereby amended to read as follows:

Sec. 19.5 1. The State of Nevada and the medical marijuana dispensaries in this State which hold valid medical marijuana establishment registration certificates will recognize a nonresident card only under the following circumstances:

(a) The state or jurisdiction from which the holder or bearer obtained the nonresident card grants an exemption from criminal prosecution for the medical use of marijuana;

(b) The state or jurisdiction from which the holder or bearer obtained the nonresident card requires, as a prerequisite to the issuance of such a card, that a physician advise the person that the medical use of marijuana may mitigate the symptoms or effects of the person's medical condition;

(c) The nonresident card has an expiration date and has not yet expired;

(d) The ~~holder or bearer of the nonresident card signs an affidavit in a form prescribed by the Division which sets forth that the holder or bearer is entitled to engage in the medical use of marijuana in his or her state or jurisdiction of residence; and~~

~~—(e)}~~ *state or jurisdiction from which the holder or bearer obtained the nonresident card maintains a database which preserves such information as may be necessary to verify the authenticity or validity of the nonresident card;*

(e) The state or jurisdiction from which the holder or bearer obtained the nonresident card allows the Division and medical marijuana dispensaries in this State to access the database described in paragraph (d);

(f) The Division determines that the database described in paragraph (d) is able to provide to medical marijuana dispensaries in this State information that is sufficiently accurate, current and specific as to allow those dispensaries to verify that a person who holds or bears a nonresident card is entitled lawfully to do so; and

(g) The holder or bearer of the nonresident card agrees to abide by, and does abide by, the legal limits on the possession of marijuana for medical purposes in this State, as set forth in NRS 453A.200.

2. For the purposes of the reciprocity described in this section:

(a) The amount of medical marijuana that the holder or bearer of a nonresident card is entitled to possess in his or her state or jurisdiction of residence is not relevant; and

(b) Under no circumstances, while in this State, may the holder or bearer of a nonresident card possess marijuana for medical purposes in excess of the limits set forth in NRS 453A.200.

3. As used in this section, “nonresident card” means a card or other identification that:

(a) Is issued by a state or jurisdiction other than Nevada; and

(b) Is the functional equivalent of a registry identification card, as determined by the Division.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblymen Carlton, Ohrenschall, and Paul Anderson.

Potential conflict of interest declared by Assemblyman Ohrenschall.

Assemblyman Ohrenschall requested that his remarks be entered in the journal.

ASSEMBLYMAN OHRENSCHALL:

I have a disclosure to make. Because we are considering Assembly Bill 422, which proposes to make changes relating to medical marijuana and marijuana establishments, I would like to advise this Chamber that my wife is employed as the executive director of the Nevada Dispensary Association, a trade association consisting of medical marijuana dispensaries and medical marijuana cultivators, which actively lobbies the Legislature and other governmental entities on issues affecting its members. I have sought the advice of our Legislative Counsel, and although Assembly Bill 422 does not affect the members of the trade association that my wife is employed with any differently than other medical marijuana dispensary owners and medical marijuana cultivators, I am making this disclosure, and I am abstaining from voting on Assembly Bill 422 out of an abundance of caution.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 423.

Bill read third time.

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

Amendment No. 1076.

AN ACT relating to gender equality; requiring the Nevada Commission for Women to conduct a survey of certain employers to collect data and information related to issues of gender equality in the workplace; requiring the Commission to create and maintain a database that provides information about employers that have best practices and policies on issues of gender equality and submit a report to the Governor and the Director of the Legislative Counsel Bureau; **making an appropriation**; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Nevada Commission for Women which is: (1) required to study the roles of women in society; and (2) authorized to collect and disseminate information on activities, programs and essential services available to women in Nevada. (NRS 233I.020, 233I.060) **Section 2** of this bill requires the Commission, with the assistance of the Director of the Department of Administration, to design and conduct a survey of employers in this State with 100 or more employees to collect data and information related to issues of gender equality in the workplace. The Commission must use the data and information to create and maintain a database that provides information about employers that have best practices and policies on issues of gender equality in the workplace. The database must be made available on the Internet website of the Department of Administration and the Commission must submit a report to the Governor and the Director of the Legislative Counsel Bureau on issues of gender equality in the workplace.

Section 3 of this bill provides that an employer is not required to respond to the Commission's survey. **Section 3** also provides that the Commission may include an employer in the database if the Commission is otherwise able to obtain sufficient information about the employer on issues of gender equality in the workplace from the public records of state agencies.

Sections ~~4 and 5~~ 4, 5 and 6 of this bill make conforming changes.

Section 5.5 of this bill makes an appropriation from the State General Fund to the Department of Administration for personnel and information technology expenses associated with the Commission's survey.

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

Section 1. Chapter 233I of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. *With the assistance of the Director of the Department of Administration, the Commission shall:*

1. Design and conduct a survey of employers in this State for the purpose of collecting data and information from employers related to issues of gender equality in the workplace. The survey:

(a) Must be considered and approved by the Commission at a public hearing; and

(b) May be conducted using a web-based system.

2. Use the data and information collected pursuant to subsection 1:

(a) To create and maintain a database that provides information about employers that have best practices and policies on issues of gender equality in the workplace. The database must be made available to the public on the Internet website of the Department of Administration.

(b) To create and submit a report to the Governor and the Director of the Legislative Counsel Bureau on issues of gender equality in the workplace.


Sec. 3. 1. An employer:

(a) Is not required to respond to a survey conducted pursuant to section 2 of this act.

(b) Is not subject to any penalty if the employer does not respond to a survey conducted pursuant to section 2 of this act.

2. If an employer does not respond to such a survey, the Commission may include the employer in the database created pursuant to section 2 of this act if the Commission is otherwise able to obtain sufficient information about the employer on issues of gender equality in the workplace from the public records of state agencies.

Sec. 4. NRS 233I.010 is hereby amended to read as follows:

233I.010 As used in this chapter, unless the context otherwise requires :

1. “Commission” means the Nevada Commission for Women.

2. “Employer” means any entity that performs a service or engages in a trade for profit and has 100 or more employees.

Sec. 5. NRS 233I.080 is hereby amended to read as follows:

233I.080 1. The Director of the Department of Administration shall provide staff assistance to the Commission *in carrying out:*

(a) The provisions of sections 2 and 3 of this act; and

(b) Other duties and responsibilities of the Commission, as the Governor deems appropriate.

2. The Commission may engage the services of volunteer workers and consultants without salary as is necessary from time to time.

Sec. 5.5. 1. There is hereby appropriated from the State General Fund to the Department of Administration for personnel and information technology expenses of the Department that are associated with assisting the Nevada Commission for Women to design and conduct a survey of employers in this State on issues of gender equality as required by the provisions of this act the following sums:

For the Fiscal Year 2017-2018..... \$107,772

For the Fiscal Year 2018-2019..... \$81,672

2. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years 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 21, 2018, and September 20, 2019, respectively, 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 21, 2018, and September 20, 2019, respectively.

Sec. 6. 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. 7. This act becomes effective on July 1, 2017.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 484.

Bill read third time.

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

Amendment No. 900.

AN ACT relating to education; ~~eliminating the position of Administrator of the Commission on Postsecondary Education and providing for the assumption of the powers and duties of the Administrator by the Deputy Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation;~~ revising provisions relating to the accreditation of postsecondary educational institutions; revising the composition of the Commission ~~[-authorizing the Director of the Department to accept certain federal money for use in workforce development and adult education programs; relocating the Commission within the Division; providing for the appointment and authority of the Deputy Administrator;]~~

on Postsecondary Education; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a postsecondary educational institution is considered "accredited" if it has met the standards required by an accrediting body recognized by the United States Department of Education. (NRS 394.006) Section 2.5 of this bill provides that a postsecondary educational institution is also considered to be accredited if it is recognized as accredited directly by the United States Department of Education.

Under existing law, the Commission on Postsecondary Education is an independent body, responsible for licensing and regulating certain academic, vocational, technical and business schools and privately owned colleges and universities. (NRS 394.099, 394.383, 394.415) The Administrator of the Commission serves as its Executive Secretary and is responsible for executing or supervising the execution of the policies and regulations of the Commission, subject to its direction and control. (NRS 394.385, 394.411)

Section ~~394~~ 6 of this bill ~~relocates~~ locates the Commission within the Employment Security Division of the Department of Employment, Training and Rehabilitation. ~~Section 44 of this bill provides for the appointment by the Division's Administrator of a Deputy Administrator, who replaces the Administrator of the Commission and, pursuant to sections 1-36 of this bill, generally has all the powers and duties presently vested in the Administrator of the Commission. However, section 44 provides that the Deputy Administrator works under the supervision of and serves at the pleasure of the Administrator of the Division as an unclassified employee. Section 8 makes a conforming change.~~ Section 46 of this bill makes the Administrator of the Employment Security Division responsible for the administration of the Commission, through the Administrator of the Commission. Sections 8 and 41 of this bill make conforming changes.

The Commission presently consists of seven members appointed by the Governor, including ~~two members~~ one member who ~~are representatives~~ is a representative of the ~~general public.~~ State Board of Education. (NRS 394.383, 394.385) ~~Sections 6 and 44 make the Deputy Administrator an ex officio member of the Commission, and section 7 reduces, from two to one, the number of public representatives serving on the Commission.~~

~~Notwithstanding the other provisions of this bill, section 49 of this bill authorizes the current Administrator of the Commission, who is a classified employee, to serve in the position of Deputy Administrator as a classified or unclassified employee, at his or her election, while he or she remains in that position.~~ Section 6 of this bill revises the composition of the Commission such that it consists of six voting members and one employee of the Department of Employment, Training and Rehabilitation appointed by the Director of the Department who serves as a nonvoting member.

Section 7 of this bill eliminates the member who is a representative of the State Board of Education from the Commission.

Existing law makes certain activities related to postsecondary educational institutions unlawful. (NRS 394.560) Section 35 of this bill makes the commission of such acts a gross misdemeanor.

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

Section 1. ~~[Chapter 394 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~***“Deputy Administrator” means the Deputy Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation.*** (Deleted by amendment.)~~

Sec. 2. ~~[NRS 394.005 is hereby amended to read as follows:~~
~~394.005 As used in this chapter, unless the context otherwise requires,~~
~~the words and terms defined in NRS 394.006 to 394.112, inclusive, and~~
~~section 1 of this act have the meanings ascribed to them in those sections.]~~
~~(Deleted by amendment.)~~

Sec. 2.5. NRS 394.006 is hereby amended to read as follows:

394.006 A postsecondary educational institution is “accredited” if ~~it~~:

1. *It* has met the standards required by an accrediting body recognized by the United States Department of Education ~~[-]~~; *or*
2. *The United States Department of Education recognizes it as accredited.*

Sec. 3. NRS 394.024 is hereby amended to read as follows:

394.024 “Commissioner” means any member of the Commission on Postsecondary Education ~~[-except the Administrator.]~~

Sec. 4. ~~[NRS 394.026 is hereby amended to read as follows:~~

~~394.026 “Confidential” means information that is subject to disclosure only to:~~

- ~~1. The Attorney General;~~
- ~~2. A member of the Commission or its staff; or~~
- ~~3. As deemed appropriate by the Deputy Administrator, a person responsible for reviewing the curriculum or financial records of a postsecondary educational institution.] (Deleted by amendment.)~~

Sec. 5. ~~[NRS 394.160 is hereby amended to read as follows:~~

~~394.160 1. Any person who has the duty, in a private school, college or university in this state, of giving instruction in the Constitution of the United States and the Constitution of the State of Nevada must show, by examination or credentials showing college, university or normal school study, satisfactory evidence of adequate knowledge of the origin, history, provisions and principles of the Constitution of the United States and the Constitution of the State of Nevada.~~

~~2. The Superintendent with respect to a private school or the Deputy Administrator with respect to a private college or university may grant a~~

~~reasonable time for compliance with the terms of this section.] (Deleted by amendment.)~~

Sec. 6. NRS 394.383 is hereby amended to read as follows:

394.383 1. The Commission on Postsecondary Education ~~[, consisting]~~ is hereby created within the Employment Security Division of the Department of Employment, Training and Rehabilitation. The Commission consists of [seven the Deputy Administrator] :

(a) An employee of the Department of Employment, Training and Rehabilitation designated by the Director of the Department of Employment, Training and Rehabilitation to serve as a nonvoting member; and [six]

(b) Six voting members appointed by the Governor. ~~[, is hereby created.]~~

2. The ~~[appointed]~~ voting members of the Commission are entitled to receive a salary of not more than \$80, as fixed by the Commission, for each day's attendance at a meeting of the Commission.

3. The nonvoting member of the Commission designated pursuant to paragraph (a) of subsection 1 must be relieved from his or her duties with the Department of Employment, Training and Rehabilitation without loss of regular compensation so that he or she may prepare for and attend meetings of the Commission and perform any work necessary to carry out the duties of the Commission in the most timely manner practicable. The Department may not require the member to make up time or take annual vacation or compensatory time for the time that he or she is absent from work to carry out his or her duties as a member of the Commission.

4. While engaged in the business of the Commission, each ~~[appointed]~~ member ~~[and employee]~~ of the Commission is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

Sec. 7. NRS 394.385 is hereby amended to read as follows:

394.385 1. The Governor shall appoint:

(a) ~~[One member who is a representative of the State Board of Education.]~~

~~—(b)—~~ Two members who are knowledgeable in the field of education, but not persons representing postsecondary educational institutions, or colleges established or maintained under the laws of this State.

~~[(c)]~~ (b) Two members who are representatives of private postsecondary educational institutions.

~~[(d)]~~ (c) Two members ~~[One member]~~ who are representatives ~~is a representative]~~ of the general public and are [is] not associated with the field of education.

2. The Commission shall designate a Chair. ~~[The Administrator is the Executive Secretary.]~~ The Commission may meet regularly at least four times each year at such places and times as may be specified by a call of the Chair or majority of the Commission. The Commission shall prescribe regulations for its own management. Four voting members of the

Commission constitute a quorum which may exercise all the authority conferred upon the Commission.

3. Any Commissioner may be removed by the Governor if, in the opinion of the Governor, the Commissioner is guilty of malfeasance in office or neglect of duty.

Sec. 8. NRS 394.411 is hereby amended to read as follows:

394.411 1. The Commission shall adopt regulations governing the administration of NRS 394.383 to 394.560, inclusive, and may adopt such other regulations as are proper or necessary for the execution of the powers and duties conferred upon it by law.

2. ~~[The Deputy]~~ Subject to the administrative supervision of the Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation pursuant to NRS 612.220, the Administrator of the Commission shall execute, direct or supervise all administrative, technical and procedural activities for which the ~~[Deputy]~~ Administrator is responsible in accordance with the policies and regulations of the Commission. ~~[and subject to the Commission's direction and control.]~~

Sec. 9. ~~[NRS 394.415 is hereby amended to read as follows:~~

~~394.415 Except as otherwise provided in NRS 397.060, the Commission is the sole authority for licensing a postsecondary educational institution. Any person who operates or claims to operate such an institution must be licensed by the Commission. The Deputy Administrator may require any person who operates or claims to operate such an institution to furnish information which will allow the Commission to determine whether a license is required.] (Deleted by amendment.)~~

Sec. 10. ~~[NRS 394.430 is hereby amended to read as follows:~~

~~394.430 1. The Deputy Administrator shall:~~

- ~~(a) Receive and investigate applications for a license and applications to add a new vocational program or a new degree;~~
- ~~(b) Receive, investigate and act upon:~~
 - ~~(1) Applications for an agent's permit, renewal of a license or agent's permit or authorization for the employment of agents; and~~
 - ~~(2) Changes in ownership or requirements for a degree;~~
- ~~(c) Recommend to the Commission whether licensing is required.~~

~~2. The Deputy Administrator may:~~

- ~~(a) With the approval of the Commission, negotiate and enter into interstate reciprocity agreements with similar agencies in other states, if in the judgment of the Deputy Administrator the agreements are or will be helpful in effectuating the purposes of NRS 394.383 to 394.560, inclusive. Nothing contained in any reciprocity agreement may limit the powers, duties and responsibilities of the Deputy Administrator independently to investigate or act upon any application for a license to operate a postsecondary educational institution, or an application for issuance or renewal of any agent's permit, or with respect to the enforcement of any provision of this chapter, or any regulation promulgated pursuant to it.~~

~~(b) Investigate, on the *Deputy* Administrator's own initiative or in response to any complaint lodged with the *Deputy* Administrator, any person subject to, or reasonably believed by the *Deputy* Administrator to be subject to, the Commission's jurisdiction. During an investigation the *Deputy* Administrator may:~~

~~— (1) Subpoena any persons, books, records or documents pertaining to the investigation;~~

~~— (2) Require answers in writing under oath to questions prepared by the *Deputy* Administrator or the Commission; and~~

~~— (3) Administer an oath or affirmation to any person;~~

~~→ A subpoena issued by the *Deputy* Administrator may be enforced by any district court of this state.~~

~~— (e) Exercise other powers implied but not enumerated in this section that are necessary in order to carry out the *Deputy* Administrator's duties.]~~

~~(Deleted by amendment.)~~

Sec. 11. ~~[NRS 394.440 is hereby amended to read as follows:~~

~~— 394.440 1. The *Deputy* Administrator may request from any department, division, board, bureau, commission or other agency of the State, and the latter agency shall provide at no cost, any information which it possesses or expert witnesses whom it employs that will enable the *Deputy* Administrator to exercise properly his or her powers and perform his or her duties. If the witness or information is requested to aid the Commission in deciding whether to issue or renew a license or to allow a postsecondary educational institution to add new programs or degrees, the *Deputy* Administrator may require the institution making the application to pay to the witness the per diem allowance and travel expenses allowed for state officers and employees generally.~~

~~— 2. If no agency of the State possesses the information or expert knowledge which the Commission finds is necessary to a determination of whether an applicant for the issuance or renewal of a license has complied with the minimum standards prescribed by the Commission pursuant to law, the Commission may consult with persons outside State Government who have the requisite expert knowledge, and may require that the necessary cost of such consultation be paid by the institution whose application is under consideration.] (Deleted by amendment.)~~

Sec. 12. ~~[NRS 394.441 is hereby amended to read as follows:~~

~~— 394.441 A postsecondary educational institution shall:~~

~~— 1. Provide students and other interested persons with a catalog or brochure containing information describing the programs offered, objectives of the program, length of the program, schedule of tuition, fees and all other charges and expenses necessary for completion of the course of study, policies concerning cancellations and refunds, an explanation of the Account for Student Indemnification and other material facts concerning the institution and the program or course of instruction that are likely to affect the decision of the student to enroll therein, together with any other~~

~~disclosures specified by the **Deputy** Administrator or defined in the regulations of the Commission. The information must be provided before enrollment.~~

~~2. Provide each student who satisfactorily completes the training with appropriate educational credentials indicating:~~

~~(a) That the course of instruction or study has been satisfactorily completed by the student; and~~

~~(b) If the training does not lead to a degree, the number of hours of instruction or credits required of the student to complete the training.~~

~~3. Unless otherwise authorized by the Commission, maintain adequate records at the licensed facility to reflect the attendance, progress and performance of each student at the facility.~~

~~4. Provide each student with a copy of the agreement to enroll, dated and signed by the student or the student's guardian and an officer of the institution.~~

~~5. For each program offered at the institution that does not lead to a degree, collect and maintain information concerning:~~

~~(a) The number of students enrolled in the program and the number and names of students who have obtained employment in related fields, with their locations of placement;~~

~~(b) The number of:~~

~~(1) Students enrolled in the program;~~

~~(2) Students who have graduated from the program; and~~

~~(3) Graduates who have obtained employment in fields related to the instruction offered in the program, with the average compensation of such graduates; or~~

~~(c) For each such program offered to prepare students for a licensing examination:~~

~~(1) The number of students enrolled in the program;~~

~~(2) The number of such students who have graduated from the program; and~~

~~(3) The number of such graduates who have passed the examination.~~

~~6. Select, from the information collected pursuant to subsection 5, the information relating to any 6 month period within the 18 month period preceding its next date for enrollment. The information for the period selected must be set forth in written form and posted conspicuously at the institution.] (Deleted by amendment.)~~

Sec. 13. [NRS 394.443 is hereby amended to read as follows:

~~394.443 A postsecondary educational institution shall:~~

~~1. Post in a conspicuous place a notice supplied by the **Deputy** Administrator stating that grievances may be submitted to the **Deputy** Administrator for resolution.~~

~~2. Issue a receipt to all students, and retain a copy, for all money paid to the institution.~~

~~3. Submit an annual report to the Commission on forms it supplies. The report must include, without limitation, the annual income received by the institution from tuition.] (Deleted by amendment.)~~

~~Sec. 14. [NRS 394.447 is hereby amended to read as follows:
394.447 Accreditation may be accepted as evidence of compliance with the minimum standards established by the Commission, or the *Deputy* Administrator may require further evidence and make further investigation as in the judgment of the *Deputy* Administrator or the judgment of the Commission are necessary. Accreditation may be accepted as evidence of compliance only as to the portion or program of an institution accredited by the agency if the institution as a whole is not accredited. Upon request by the *Deputy* Administrator, the institution shall submit copies of all written materials in its possession relating to its accreditation. Except as otherwise provided in NRS 239.0115, the *Deputy* Administrator shall keep the materials confidential.] (Deleted by amendment.)~~

~~Sec. 15. [NRS 394.449 is hereby amended to read as follows:
394.449 1. Each postsecondary educational institution shall have a policy for refunds which at least provides:
(a) That if the institution has substantially failed to furnish the training program agreed upon in the enrollment agreement, the institution shall refund to a student all the money the student has paid.
(b) That if a student cancels his or her enrollment before the start of the training program, the institution shall refund to the student all the money the student has paid, minus 10 percent of the tuition agreed upon in the enrollment agreement or \$150, whichever is less, and that if the institution is accredited by a regional accrediting agency recognized by the United States Department of Education, the institution may also retain any amount paid as a nonrefundable deposit to secure a position in the program upon acceptance so long as the institution clearly disclosed to the applicant that the deposit was nonrefundable before the deposit was paid.
(c) That if a student withdraws or is expelled by the institution after the start of the training program and before the completion of more than 60 percent of the program, the institution shall refund to the student a pro rata amount of the tuition agreed upon in the enrollment agreement, minus 10 percent of the tuition agreed upon in the enrollment agreement or \$150, whichever is less.
(d) That if a student withdraws or is expelled by the institution after completion of more than 60 percent of the training program, the institution is not required to refund the student any money and may charge the student the entire cost of the tuition agreed upon in the enrollment agreement.
2. If a refund is owed pursuant to subsection 1, the institution shall pay the refund to the person or entity who paid the tuition within 15 calendar days after the:
(a) Date of cancellation by a student of his or her enrollment;
(b) Date of termination by the institution of the enrollment of a student;~~

~~— (e) Last day of an authorized leave of absence if a student fails to return after the period of authorized absence; or~~

~~— (d) Last day of attendance of a student;~~

~~— whichever is applicable.~~

~~— 3. Books, educational supplies or equipment for individual use are not included in the policy for refund required by subsection 1, and a separate refund must be paid by the institution to the student if those items were not used by the student. Disputes must be resolved by the *Deputy* Administrator for refunds required by this subsection on a case-by-case basis.~~

~~— 4. For the purposes of this section:~~

~~— (a) The period of a student's attendance must be measured from the first day of instruction as set forth in the enrollment agreement through the student's last day of actual attendance, regardless of absences.~~

~~— (b) The period of time for a training program is the period set forth in the enrollment agreement.~~

~~— (c) Tuition must be calculated using the tuition and fees set forth in the enrollment agreement and does not include books, educational supplies or equipment that is listed separately from the tuition and fees.] (Deleted by amendment.)~~

Sec. 16. ~~[NRS 394.455 is hereby amended to read as follows:~~

~~— 394.455 1. The Commission shall not issue a license to operate an unaccredited institution which grants degrees until the institution has been evaluated by the Commission. Each existing or new institution must be evaluated at least once, but the Commission may require subsequent evaluations.~~

~~— 2. The Chair of the Commission shall appoint a panel of evaluators for each institution composed of representatives of institutions or businesses that are directly affected by the program and persons who significantly contribute to the evaluation because of special knowledge. The *Deputy* Administrator shall accompany the panel as an observer.~~

~~— 3. One hundred and twenty days before the meeting of the Commission at which the issuance or renewal of a license will be considered, the panel of evaluators shall present to the *Deputy* Administrator and to the institution a report specifying the extent to which the institution meets the standards established by the Commission, and recommending:~~

~~— (a) Issuance or renewal of the license with no qualifications;~~

~~— (b) Issuance of a provisional license; or~~

~~— (c) Revocation of the license.~~

~~— 4. The institution's response to the report must be received in the office of the *Deputy* Administrator no later than 90 days before the meeting at which the license will be considered.~~

~~— 5. If the institution's response shows progress toward meeting the standards, or if the response furnishes information which indicates that the standards are being adhered to, the representatives of the panel of evaluators shall review the institution again to verify the response and incorporate it into~~

~~their report. The panel of evaluators shall make a final report to the **Deputy** Administrator no later than 45 days before the meeting at which the license will be considered.~~

~~6. The **Deputy** Administrator may recommend that the Commission accept the evaluation or that it reject the report. If the Commission rejects the panel's recommendation, it shall record the specific reason for doing so in its minutes.}] (Deleted by amendment.)~~

Sec. 17. ~~[NRS 394.460 is hereby amended to read as follows:~~

~~394.460 1. Each person required to be licensed as a postsecondary educational institution by the Commission or each postsecondary educational institution requesting to add a new program or degree or to renew a license must apply to the **Deputy** Administrator, upon forms provided by the **Deputy** Administrator. The application must be accompanied by the required fees. The institution's curriculum and financial statement are confidential except as otherwise provided in NRS 239.0115 or unless, in the opinion of the Commission, they militate against the issuance of a license.~~

~~2. After review of the application, any other information required by the **Deputy** Administrator and the report of the panel of evaluators, and an investigation of the applicant if necessary, the Commission shall grant or deny a license or grant a provisional license for a term specified by the Commission. Before the expiration of a provisional license, the **Deputy** Administrator shall inspect the institution, or the Commission may require the appointment of a panel of evaluators to inspect the institution, and recommend whether to revoke or continue the provisional license or to grant an unqualified license. The Commission may accept or reject the recommendation.~~

~~3. The license must state at least the following information:~~

- ~~(a) The date of issuance, effective date and term of the license.~~
- ~~(b) The correct name, address and owner of the institution.~~
- ~~(c) The approved degrees or occupational subjects.~~
- ~~(d) Any limitation considered necessary by the Commission.~~

~~4. The term for which a license is given must not exceed 2 years. The license must be posted in a conspicuous place.~~

~~5. The license must be issued to the owner or governing body of the institution and is nontransferable. If a change in ownership of the institution occurs, the owner to whom the license was issued shall inform the **Deputy** Administrator, and the new owner or governing body must, within 10 days after the change in ownership, apply for an approval of the change of ownership. If it fails to do so, the license terminates.~~

~~6. Within 10 days after a change of location or an addition of buildings or other facilities, the institution must file a notice of the change with the **Deputy** Administrator.~~

~~7. At least 60 days before the expiration of a license, the institution must complete and file with the **Deputy** Administrator an application for renewal of its license.}] (Deleted by amendment.)~~

Sec. 18. NRS 394.463 is hereby amended to read as follows:

394.463 1. The institution shall pay the per diem allowance and travel expenses allowed for state officers and employees generally ~~[]~~ to the members of the panel of evaluators ~~[]~~ and the ~~[Deputy]~~ Administrator ~~[and employees of the Commission]~~ during their inspections of the institution and to the member of the panel who attends the meeting of the Commission at which the license is discussed. The institution shall also pay the cost of preparing and printing the report of the panel.

2. Each claim for reimbursement of these expenses must be submitted to the ~~[Deputy]~~ Administrator within 30 days after they are incurred. The ~~[Deputy]~~ Administrator shall verify the claim and forward it to the institution. Within 30 days after its receipt, the institution shall issue a negotiable instrument which is payable to the claimant and send it to the ~~[Deputy]~~ Administrator, who shall send it to the claimant.

Sec. 19. ~~[NRS 394.465 is hereby amended to read as follows:]~~

~~394.465 1. Except as otherwise provided in subsection 6, before a postsecondary educational institution employs or contracts with a person:~~

~~— (a) To occupy an instructional position;~~

~~— (b) To occupy an administrative or financial position, including a position as school director, personnel officer, counselor, admission representative, solicitor, canvasser, surveyor, financial aid officer or any similar position; or~~

~~— (c) To act as an agent for the institution;~~

~~the applicant must submit to the *Deputy* Administrator the information set forth in subsection 2.~~

~~2. The applicant must submit to the *Deputy* Administrator:~~

~~— (a) A complete set of fingerprints taken by a law enforcement agency and written permission authorizing the *Deputy* Administrator to submit the applicant's fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for a report on the applicant's background and to such other law enforcement agencies as the *Deputy* Administrator deems necessary; or~~

~~— (b) Written verification, on a form prescribed by the *Deputy* Administrator, stating that the fingerprints of the applicant were taken and directly forwarded electronically or by another means to the Central Repository and that the applicant has given written permission to the law enforcement agency or other authorized entity taking the fingerprints to submit the fingerprints to the Central Repository for submission to the Federal Bureau of Investigation for a report on the applicant's background and to such other law enforcement agencies as the *Deputy* Administrator deems necessary.~~

~~3. The *Deputy* Administrator may:~~

~~— (a) Unless the applicant's fingerprints are directly forwarded pursuant to paragraph (b) of subsection 2, submit those fingerprints to the Central Repository for submission to the Federal Bureau of Investigation and to such~~

~~other law enforcement agencies as the **Deputy** Administrator deems necessary; and~~

~~— (b) Request from each such agency any information regarding the applicant's background as the **Deputy** Administrator deems necessary.~~

~~— 4. Except as otherwise provided in NRS 239.0115, the **Deputy** Administrator shall keep the results of the investigation confidential.~~

~~— 5. The applicant shall pay the cost of the investigation.~~

~~— 6. An applicant is not required to satisfy the requirements of this section if the applicant:~~

~~— (a) Is licensed by the Superintendent of Public Instruction;~~

~~— (b) Is an employee of the United States Department of Defense;~~

~~— (c) Is a member of the faculty of an accredited postsecondary educational institution in another state who is domiciled in a state other than Nevada and is present in Nevada for a temporary period to teach at a branch of that accredited institution;~~

~~— (d) Is an instructor who provides instruction from a location outside this State through a program of distance education for a postsecondary educational institution licensed by the Commission who previously underwent an investigation of his or her background and the **Deputy** Administrator determines that an additional investigation is not necessary; or~~

~~— (e) Has satisfied the requirements of subsection 1 within the immediately preceding 5 years.~~

~~— 7. As used in this section, "distance education" means instruction delivered by means of video, computer, television, or the Internet or other electronic means of communication, or any combination thereof, in such a manner that the person supervising or providing the instruction and the student receiving the instruction are separated geographically.] (Deleted by amendment.)~~

~~Sec. 20. [NRS 394.470 is hereby amended to read as follows:~~

~~— 394.470 1. Each person desiring to solicit or perform the services of an agent in this state must apply to the **Deputy** Administrator upon forms provided by the **Deputy** Administrator. The application must:~~

~~— (a) Be accompanied by evidence of the good reputation and character of the applicant;~~

~~— (b) Be in a form prescribed by the **Deputy** Administrator;~~

~~— (c) Include a copy of the application for an investigation of the applicant's background by the sheriff;~~

~~— (d) Include the social security number of the applicant; and~~

~~— (e) State the name of the institution the applicant intends to represent.~~

~~— 2. An agent representing more than one institution must obtain a separate agent's permit for each institution represented, except that if an agent represents institutions having a common ownership, only one agent's permit is required with respect to the institutions.~~

~~— 3. If any institution the applicant intends to represent does not have a license to operate in this state, the application must be accompanied by:~~

- ~~— (a) The information required from institutions applying for a license;~~
- ~~— (b) Evidence that the institution meets the criteria established for licensed institutions;~~
- ~~— (c) Evidence of compliance with NRS 394.480 and the payment of the fees required by law; and~~
- ~~— (d) Evidence that the institution is accredited.~~
- ~~4. After a review of the application and other information submitted by the applicant, as required by regulation of the Commission, and any investigation of the applicant the *Deputy* Administrator considers appropriate, the *Deputy* Administrator shall grant or deny an agent's permit to the applicant.~~
- ~~5. The agent's permit must state in a clear and conspicuous manner at least the following information:~~
 - ~~— (a) The date of issuance, effective date and term of the permit;~~
 - ~~— (b) The correct name and address of the agent;~~
 - ~~— (c) The names of the institutions the agent is authorized to represent.~~
- ~~6. An agent's permit must not be issued for a term of more than 1 year.~~
- ~~7. At least 30 days before the expiration of an agent's permit, the agent must complete and file with the *Deputy* Administrator an application for renewal of the permit. The *Deputy* Administrator shall review and act upon the renewal application as provided in this section for an original application.] (Deleted by amendment.)~~

Sec. 21. ~~[NRS 394.473 is hereby amended to read as follows:~~

- ~~394.473 1. An applicant for the issuance or renewal of an agent's permit shall submit to the *Deputy* Administrator the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.~~
- ~~2. The *Deputy* Administrator shall include the statement required pursuant to subsection 1 in:~~
 - ~~— (a) The application or any other forms that must be submitted for the issuance or renewal of the agent's permit; or~~
 - ~~— (b) A separate form prescribed by the *Deputy* Administrator.~~
- ~~3. An agent's permit may not be issued or renewed by the *Deputy* Administrator if the applicant:~~
 - ~~— (a) Fails to submit the statement required pursuant to subsection 1; or~~
 - ~~— (b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.~~
- ~~4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment~~

~~of the amount owed pursuant to the order, the *Deputy* Administrator shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.}] (Deleted by amendment.)~~

~~Sec. 22. [NRS 394.474 is hereby amended to read as follows:
394.474 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of an agent's permit must indicate in the application submitted to the *Deputy* Administrator whether the applicant has a state business registration. If the applicant has a state business registration, the applicant must include in the application the business identification number assigned by the Secretary of State upon compliance with the provisions of chapter 76 of NRS.
2. An agent's permit may not be renewed by the *Deputy* Administrator if:
(a) The applicant fails to submit the information required by subsection 1;
or
(b) The State Controller has informed the *Deputy* Administrator pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.
3. As used in this section:
(a) "Agency" has the meaning ascribed to it in NRS 353C.020.
(b) "Debt" has the meaning ascribed to it in NRS 353C.040.}] (Deleted by amendment.)~~

~~Sec. 23. [NRS 394.475 is hereby amended to read as follows:
394.475 Before a postsecondary educational institution employs agents or contracts with persons to act as agents for the institution, it must apply for and receive from the *Deputy* Administrator authorization for the employment of agents.}] (Deleted by amendment.)~~

~~Sec. 24. [NRS 394.480 is hereby amended to read as follows:
394.480 1. Notwithstanding the provisions of NRS 100.065 to the contrary, each:
(a) Postsecondary educational institution initially licensed on or after July 1, 1995, shall file with the *Deputy* Administrator a surety bond in the amount of \$10,000 or in a greater amount determined by the Commission for the period of the initial license to operate, including any provisional period.
(b) Postsecondary educational institution or other entity which is authorized to employ one or more agents in this State shall file with the *Deputy* Administrator a surety bond in the amount of \$10,000 or in a greater amount determined by the Commission for the period of the agent's permit.~~

~~—(c) Postsecondary educational institution that poses a financial risk to the students who are enrolled in the institution, as determined by the Commission, shall file with the *Deputy* Administrator a surety bond in the amount of \$10,000 or in a greater amount determined by the Commission for a period that the Commission determines is appropriate.~~

~~—(d) Postsecondary educational institution that files for a change of ownership shall file with the *Deputy* Administrator a surety bond in the amount of \$10,000 or in a greater amount determined by the Commission for the period of the initial license to operate issued to the new owner, including any provisional period.~~

~~—(e) Postsecondary educational institution may be required by the Commission to file a new or supplementary bond in an amount and for a period determined appropriate by the Commission if the Commission determines that the current bond filed by the institution is insufficient to cover all claims, accrued or contingent, against the institution.~~

~~—2. The bond required of a postsecondary educational institution pursuant to subsection 1 must be executed by the entity that owns the institution as principal, by a surety company as surety and by a licensed insurance agent residing in this State. The bond must be payable to the State of Nevada and must be conditioned to provide indemnification to any student, enrollee or his or her parent or guardian determined by the Commission to have suffered damage as a result of any act by the postsecondary educational institution that is a violation of NRS 394.383 to 394.560, inclusive. The bonding company shall provide indemnification upon receipt of written notice of the determination by the Commission. The bond may be continuous, but regardless of the duration of the bond the aggregate liability of the surety does not exceed the penal sum of the bond.~~

~~—3. A surety on any bond filed pursuant to this section may be released after the surety gives 30 days' written notice to the *Deputy* Administrator, but the release does not discharge or otherwise affect any claim filed by a student, enrollee or his or her parent or guardian for damage resulting from any act of the postsecondary educational institution or agent alleged to have occurred while the bond was in effect, or for an institution's ceasing operations during the term for which tuition had been paid while the bond was in force.~~

~~—4. A license or an agent's permit is suspended by operation of law when the institution or agent is no longer covered by a surety bond as required by this section. The *Deputy* Administrator shall give the institution or agent, or both, at least 20 days' written notice before the release of the surety, to the effect that the license or permit will be suspended by operation of law until another surety bond is filed in the same manner and amount as the bond being terminated.~~

~~—5. If any student is entitled to a refund from an institution pursuant to any provision of NRS 394.383 to 394.560, inclusive, the surety shall provide indemnification.] (Deleted by amendment.)~~

Sec. 25. ~~[NRS 394.490 is hereby amended to read as follows:~~

~~394.490 1. If the Commission, upon review and consideration of a person required to be licensed or of an application for a license to operate, or the Deputy Administrator, upon review and consideration of an application for an agent's permit, for renewal of a license or agent's permit or for authorization to employ agents, determines that the applicant fails to meet the criteria for granting the application, the Deputy Administrator shall notify the applicant by certified mail, setting forth the reasons for the denial of the application.~~

~~2. The Deputy Administrator may grant to an applicant for renewal an extension of time to eliminate the reasons recited in the denial letter if:~~

~~(a) The applicant has demonstrated his or her desire to meet the criteria; and~~

~~(b) The Deputy Administrator reasonably believes that the applicant can correct the deficiencies within the extension period.~~

~~3. If the Deputy Administrator denies an application for an agent's permit, or an application for renewal, the Deputy Administrator shall notify the institution the agent represented or sought to represent, setting forth the reasons for the denial.] (Deleted by amendment.)~~

Sec. 26. ~~[NRS 394.510 is hereby amended to read as follows:~~

~~394.510 1. The Commission may impose an administrative fine of not more than \$10,000 against a licensee, revoke a license, or make a license conditional after its issuance, if the Commission reasonably believes that the holder has violated the provisions of NRS 394.383 to 394.560, inclusive, or regulations adopted pursuant to those sections, or has failed to comply with a lawful order of the Commission. The Deputy Administrator shall notify the institution of the reasons for the action by certified mail to its last known address, 20 days before the meeting of the Commission at which the action will be considered.~~

~~2. If the Commission revokes a license, the institution shall cease its operations and granting degrees and shall refund to each enrolled student the cost of the student's current course or program.~~

~~3. The Deputy Administrator may impose an administrative fine of not more than \$10,000 against an institution or agent, revoke an agent's permit, or make a permit conditional after its issuance, if the Deputy Administrator reasonably believes that the holder has violated the provisions of NRS 394.383 to 394.560, inclusive, or regulations adopted pursuant thereto. Before action is taken, the Deputy Administrator shall notify the holder by certified mail of facts or conduct that warrant the impending action and advise the holder that if a hearing is desired it must be requested within 10 days after receipt of the notice letter. If no hearing is requested within the prescribed period the action becomes final.~~

~~4. If an agent is fined or the agent's permit is revoked or conditions imposed, the Deputy Administrator shall notify, by certified mail, the~~

institution the agent represented in addition to the agent and any other parties to any hearing.] (Deleted by amendment.)

Sec. 27. ~~[NRS 394.515 is hereby amended to read as follows:~~

~~394.515 1. If the *Deputy* Administrator receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of an agent's permit, the *Deputy* Administrator shall deem the permit issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the *Deputy* Administrator receives a letter issued to the holder of the permit by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the permit has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.~~

~~2. The *Deputy* Administrator shall reinstate an agent's permit that has been suspended by a district court pursuant to NRS 425.540 if the *Deputy* Administrator receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose permit was suspended stating that the person whose permit was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.]~~

(Deleted by amendment.)

Sec. 28. ~~[NRS 394.520 is hereby amended to read as follows:~~

~~394.520 1. Until 1 year after the last date of attendance or date on which the damage occurred, whichever is later, a person claiming damage as a result of any act by a postsecondary educational institution or its agent, or both, that is a violation of NRS 394.383 to 394.560, inclusive, or regulations adopted pursuant thereto, may file with the *Deputy* Administrator a verified complaint against the institution, its agent, or both. The complaint must set forth the alleged violation and contain other information as required by regulations of the Commission. A complaint may also be filed by a Commissioner or the Attorney General or initiated by the *Deputy* Administrator.~~

~~2. The *Deputy* Administrator shall investigate any verified complaint and may, at his or her discretion, attempt to effectuate a settlement by arbitration, mediation or negotiation. The *Deputy* Administrator may also consult with the applicable accrediting body to resolve the complaint. If a settlement cannot be reached, the *Deputy* Administrator shall render a decision and notify each party of the decision and the reasons for it by certified mail to his or her last known address. Either party may request a hearing before the Commission by notifying the *Deputy* Administrator by certified mail within 15 days after the decision was mailed to the party. The hearing must be held at the next meeting of the Commission in the geographical area convenient to the parties. If a hearing is not requested, the decision of the *Deputy* Administrator is final.~~

~~3. If, after consideration of all the evidence presented at a hearing, the Commission finds that a postsecondary educational institution or its agent, or~~

~~both, are guilty of the violation alleged in the complaint, it shall issue and the Deputy Administrator shall serve upon the institution or agent, or both, an order to cease and desist from the violation. If the Commission finds the institution has substantially failed to furnish the instruction or services agreed upon in the agreement to enroll, it shall order the institution to make full restitution to the student of all money paid pursuant to the agreement. If the Commission finds that the institution has substantially furnished the instruction or services agreed upon in the agreement to enroll, but that conditions in the school were sufficiently substandard that it was not reasonable to expect the student to complete the instruction, the Commission shall order the institution to make restitution to the student of one-half the money paid pursuant to the agreement. The Commission may also, as appropriate, based on the Deputy Administrator's investigation and the evidence adduced at the hearing, or either of them, institute proceedings to revoke an institution's license or recommend that the Deputy Administrator institute proceedings to revoke an agent's permit.}] (Deleted by amendment.)~~

~~Sec. 29. [NRS 394.530 is hereby amended to read as follows:~~

~~394.530 If the Commission or the Deputy Administrator determines that irreparable injury would result from putting into immediate effect a final action or penalty, the Commission or Deputy Administrator, as appropriate, shall postpone the effective date of the action pending review.}] (Deleted by amendment.)~~

~~Sec. 30. [NRS 394.540 is hereby amended to read as follows:~~

~~394.540 1. The fees imposed pursuant to this section must be collected by the Deputy Administrator and deposited in the State Treasury to the credit of the State General Fund, and no fees so collected are subject to refund.~~

~~2. The fees are:~~

~~(a) For a new license \$2,000~~
~~(b) For an application by an unlicensed out of state~~
~~educational institution to employ agents in this state or offer~~
~~experiential courses 1,500~~
~~(c) For a change of ownership 1,000~~
~~(d) For approval of an alcohol awareness program 500~~
~~(e) To add a new degree or vocational program 500~~
~~(f) For an initial agent's permit 200~~
~~(g) For the renewal of an agent's permit 200~~
~~(h) For a transcript of an academic record which is in the~~

~~possession of the Deputy Administrator pursuant to NRS~~

~~394.550 5~~

~~3. In addition, the Deputy Administrator shall collect from each licensed postsecondary educational institution a fee of \$4 for each student from which the institution has received tuition or registration fees. The institution shall collect this fee from each such student at the time of the student's initial enrollment with the institution. On or before the first day of January, April, July and October, the institution shall transmit to the Deputy Administrator~~

~~the fees collected pursuant to this subsection during the preceding quarter. The **Deputy** Administrator shall deposit the fees so transmitted with the State Treasurer for credit to the State General Fund.] (Deleted by amendment.)~~

~~Sec. 31. [NRS 394.545 is hereby amended to read as follows:~~

~~394.545 1. A driving school~~

~~(a) Must be located more than 200 feet from any office of the Department of Motor Vehicles;~~

~~(b) Must have the equipment necessary to instruct students in the safe operation of motor vehicles and maintain the equipment in a safe condition; and~~

~~(c) Must have insurance in at least the following amounts:~~

~~(1) For bodily injury to or death of two or more persons in one crash, \$40,000; and~~

~~(2) For damage to property in any one crash, \$10,000.~~

~~2. The Department of Motor Vehicles may review and approve or disapprove any application to issue, renew or revoke a license for a driving school. The Department of Motor Vehicles may, at any time, inspect a licensed driving school and may recommend that its license be suspended or revoked. The **Deputy** Administrator shall investigate and recommend to the Commission the appropriate action.] (Deleted by amendment.)~~

~~Sec. 32. [NRS 394.550 is hereby amended to read as follows:~~

~~394.550 If any postsecondary educational institution operating in this state discontinues or proposes to discontinue its operation, the chief administrative officer of the institution shall file with the **Deputy** Administrator original or true copies of all academic records of the institution specified by regulations of the Commission. The records must include, as a minimum, academic information customarily required by colleges when considering students for transfer or advanced study; and, as a separate document, the academic record of each former student. If the **Deputy** Administrator establishes the likelihood that academic records of an institution discontinuing its operations are in danger of being destroyed, secreted, mislaid or otherwise made unavailable to the Commission, the **Deputy** Administrator may obtain a court order permitting the seizure of such records. The **Deputy** Administrator shall receive and maintain a file of such records in the **Deputy** Administrator's possession.] (Deleted by amendment.)~~

~~Sec. 33. [NRS 394.553 is hereby amended to read as follows:~~

~~394.553 1. The Account for Student Indemnification is hereby created in the State General Fund. The existence of the Account does not create a right in any person to receive money from the Account. The **Deputy** Administrator shall administer the Account in accordance with regulations adopted by the Commission.~~

~~2. Except as otherwise limited by subsection 3, the money in the Account may be used to indemnify any student or enrollee who has suffered damage as a result of:~~

~~— (a) The discontinuance of operation of a postsecondary educational institution licensed in this state, or~~

~~— (b) The violation by such an institution of any provision of NRS 394.383 to 394.560, inclusive, or the regulations adopted pursuant thereto.~~

~~— 3. If a student or enrollee is entitled to indemnification from a surety bond pursuant to NRS 394.480, the bond must be used to indemnify the student or enrollee before any money in the Account may be used for indemnification.~~

~~— 4. In addition to the expenditures made for indemnification pursuant to subsection 2, the *Deputy* Administrator may use the money in the Account to pay extraordinary expenses incurred to investigate claims for indemnification or resulting from the discontinuance of the operation of a postsecondary educational institution licensed in this state. Money expended pursuant to this subsection must not exceed, for each institution for which indemnification is made, 15 percent of the total amount expended for indemnification pursuant to subsection 2 or \$10,000, whichever is less.~~

~~— 5. No expenditure may be made from the Account if the expenditure would cause the balance in the Account to fall below \$10,000.~~

~~— 6. Interest and income earned on the money in the Account, after deducting any applicable charges, must be credited to the Account.~~

~~— 7. The money in the Account does not lapse to the State General Fund at the end of any fiscal year.] (Deleted by amendment.)~~

Sec. 34. [NRS 394.557 is hereby amended to read as follows:

~~— 394.557 1. Except as otherwise provided in subsection 2, each postsecondary educational institution licensed in this state shall pay to the *Deputy* Administrator a fee of \$5 for each student the institution initially enrolls in a program for which the student pays a tuition or registration fee. On or before January 1, April 1, July 1 and October 1 of each year, each institution shall transmit to the *Deputy* Administrator the fees required by this subsection for the immediately preceding quarter. The *Deputy* Administrator shall deposit the money in the State Treasury for credit to the Account for Student Indemnification.~~

~~— 2. The *Deputy* Administrator shall notify each postsecondary educational institution licensed in this state if the balance in the Account is \$250,000 or more. If the balance in the Account is \$250,000 or more, a postsecondary educational institution is not required to pay the fee required by subsection 1. If the balance in the Account subsequently falls below \$250,000, the *Deputy* Administrator shall notify each postsecondary educational institution licensed in this state that the fee must be paid until the balance in the Account is \$250,000 or more.] (Deleted by amendment.)~~

Sec. 35. NRS 394.610 is hereby amended to read as follows:

394.610 Unless a specific penalty is otherwise provided, a person who willfully violates the provisions of NRS 394.005 to {394.550,} **394.560**, inclusive, ~~[and section 1 of this act]~~ is guilty of a gross misdemeanor. Each

day's failure to comply with the provisions of these sections is a separate offense.

Sec. 36. ~~[NRS 394.630 is hereby amended to read as follows:~~
~~394.630 A person, firm, association, partnership or corporation shall not~~
~~award, bestow, confer, give, grant, convey or sell to another person a degree~~
~~or honorary degree upon which is inscribed, in any language, the word~~
~~"associate," "bachelor," "baccalaureate," "master," "doctor" or "fellow," or~~
~~any abbreviation thereof, unless it is a school, academy, institute, community~~
~~college, junior college, college, university or other educational organization~~
~~or entity located in the State of Nevada or operating from a place of business~~
~~in this state that offers courses of instruction or study wherein credits may be~~
~~earned toward an academic or professional degree in a field of endeavor~~
~~beyond the secondary school level, and:~~

- ~~1. Is accredited; or~~
- ~~2. Has filed and kept current with appropriate amendments, in the office~~
~~of the *Deputy* Administrator, an affidavit by each president of two separate~~
~~accredited colleges or universities stating that the majority of the course~~
~~credits offered by the unaccredited institution are generally acceptable or~~
~~transferable to the accredited college or university which each president~~
~~represents.] (Deleted by amendment.)~~

Sec. 37. ~~[Chapter 232 of NRS is hereby amended by adding thereto the~~
~~provisions set forth as sections 38 and 39 of this act.] (Deleted by~~
~~amendment.)~~

Sec. 38. ~~[1. The Director may accept, and adopt regulations or~~
~~establish policies for the disbursement of, money appropriated by any Act~~
~~of Congress and apportioned to the State of Nevada for use in connection~~
~~with the workforce development and adult education programs of this~~
~~State.~~

~~2. In accepting the benefits of the Acts of Congress referred to in~~
~~subsection 1, the State of Nevada agrees to comply with all of their~~
~~provisions and observe all of their requirements.] (Deleted by~~
~~amendment.)~~

Sec. 39. ~~[The Employment Security Division of the Department~~
~~consists of the Administrator of the Division and the Commission on~~
~~Postsecondary Education.] (Deleted by amendment.)~~

Sec. 40. ~~[NRS 232.900 is hereby amended to read as follows:~~
~~232.900 As used in NRS 232.900 to 232.960, inclusive, and sections 38~~
~~and 39 of this act, unless the context otherwise requires:~~

~~1. "Department" means the Department of Employment, Training and~~
~~Rehabilitation.~~

~~2. "Director" means the Director of the Department.] (Deleted by~~
~~amendment.)~~

Sec. 41. NRS 232.920 is hereby amended to read as follows:

232.920 The Director:

1. Shall:

(a) Organize the Department into divisions and other operating units as needed to achieve the purposes of the Department;

(b) Upon request, provide the Director of the Department of Administration with a list of organizations and agencies in this State whose primary purpose is the training and employment of persons with disabilities;

(c) Except as otherwise provided by a specific statute, direct the divisions to share information in their records with agencies of local governments which are responsible for the collection of debts or obligations if the confidentiality of the information is otherwise maintained under the terms and conditions required by law; and

(d) Provide the employment and wage information to the Board of Regents of the University of Nevada for purposes of the reporting required of the Board of Regents by subsection 4 of NRS 396.531.

2. Is responsible for the administration, through the divisions of the Department, of the provisions of NRS ~~394.383 to 394.560, inclusive~~, 426.010 to 426.720, inclusive, 426.740, 426.790 and 426.800, and chapters 612 and 615 of NRS, and all other provisions of law relating to the functions of the Department and its divisions, but is not responsible for the professional line activities of the divisions or other operating units except as otherwise provided by specific statute.

3. May employ, within the limits of legislative appropriations, such staff as is necessary for the performance of the duties of the Department.

Sec. 42. ~~[Chapter 612 of NRS is hereby amended by adding thereto the provisions set forth as sections 43 and 44 of this act.] (Deleted by amendment.)~~

Sec. 43. ~~["Deputy Administrator" means the Deputy Administrator of the Division.] (Deleted by amendment.)~~

Sec. 44. ~~[1. The Commission on Postsecondary Education is administered by the Deputy Administrator, who is appointed by and serves at the pleasure of the Administrator.~~

~~2. Subject to the provisions of NRS 394.383 to 394.560, inclusive, the Deputy Administrator:~~

~~(a) Is in the unclassified service of the State.~~

~~(b) Serves ex officio as a member of the Commission.~~

~~(c) Has full administrative authority with respect to the operation and functions of the Commission, subject to the administrative supervision of the Administrator.~~

~~(d) Shall devote his or her entire time and attention to the business of his or her office and shall not pursue any other business or occupation or hold any other office of profit.~~

~~(e) Is responsible for the administration of the provisions of this section, NRS 394.383 to 394.560, inclusive, and all other provisions of law relating to the functions of the Commission.] (Deleted by amendment.)~~

Sec. 45. ~~[NRS 612.015 is hereby amended to read as follows:
612.015 As used in this chapter, unless the context clearly requires otherwise, the words and terms defined in NRS 612.016 to 612.200, inclusive, and section 43 of this act have the meanings ascribed to them in those sections.] (Deleted by amendment.)~~

Sec. 46. NRS 612.220 is hereby amended to read as follows:

612.220 The Administrator:

1. Shall administer this chapter.
2. *Is responsible for the administration, through the ~~[Deputy]~~ Administrator ~~[and]~~ of the Commission on Postsecondary Education, of the provisions of NRS 394.383 to 394.560, inclusive.*

3. Has power and authority to adopt, amend or rescind such rules and regulations, to employ, in accordance with the provisions of this chapter, such persons, make such expenditures, require such reports, make such investigations, and take such other action as the Administrator deems necessary or suitable to that end.

~~{3.}~~ 4. Shall determine his or her own organization and methods of procedure for the Division in accordance with the provisions of this chapter.

Sec. 47. ~~[NRS 612.230 is hereby amended to read as follows:~~

~~612.230 1. For the purpose of ensuring the impartial selection of personnel on the basis of merit, the Administrator shall fill all positions in the Division, except the [post] posts of Administrator [,] and Deputy Administrator, from registers prepared by the Division of Human Resource Management of the Department of Administration, in conformity with such rules, regulations and classification and compensation plans relating to the selection of personnel as may be adopted or prescribed by the Administrator.~~

~~2. The Administrator shall select all personnel either from the first five candidates on the eligible lists as provided in this chapter, or from the highest rating candidate within a radius of 60 miles of the place in which the duties of the position will be performed. The Administrator may fix the compensation and prescribe the duties and powers of such personnel, including such officers, accountants, attorneys, experts, and other persons as may be necessary in the performance of the duties under this chapter, and may delegate to any such person such power and authority as the Administrator deems reasonable and proper for its effective administration.~~

~~3. The Administrator shall classify positions under this chapter and shall establish salary schedules and minimum personnel standards for the positions so classified. The Administrator shall devise and establish fair and reasonable regulations governing promotions, demotions and terminations for cause in accordance with such established personnel practices as will tend to promote the morale and welfare of the organization.~~

~~4. The Administrator may grant educational leave stipends to officers and employees of the Division if all of the cost of the educational leave stipends may be paid from money of the Federal Government.] (Deleted by amendment.)~~

Sec. 48. The term of the member of the Commission on Postsecondary Education:

1. Appointed pursuant to paragraph ~~[(d)]~~ **(a)** of subsection 1 of NRS 394.385; **and**

2. Who is incumbent on June 30, 2017, ~~[(f)]~~ **and**

~~3. Whose term, but for this section, would otherwise have expired first after that date,]~~

↪ expires on June 30, 2017.

Sec. 49. ~~[Notwithstanding any provision of this act to the contrary, the Administrator of the Commission on Postsecondary Education who is incumbent on June 30, 2017:~~

~~1. May be appointed Deputy Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation pursuant to section 44 of this act;~~

~~2. If so appointed, is entitled to remain in the classified service or serve in the unclassified service of the State, at his or her election, until he or she vacates the position of Deputy Administrator; and~~

~~3. If so appointed, has all the powers and duties vested in the Deputy Administrator by the provisions of this act or as otherwise provided by law.]~~

(Deleted by amendment.)

Sec. 50. The Legislative Counsel shall, in preparing the Nevada Revised Statutes or any supplements to the Nevada Administrative Code, use the authority set forth in subsection 10 of NRS 220.120 to change appropriately the name of any agency, officer or instrumentality of the State whose name is changed or whose responsibilities are transferred pursuant to the provisions of this act to refer to the appropriate agency, officer or instrumentality.

Sec. 51. ~~[NRS 394.007 is hereby repealed.]~~ **(Deleted by amendment.)**

Sec. 52. ~~[(1.) This [section and sections 48 and 49 of this] act [become]~~ **becomes** effective ~~[upon passage and approval]~~

~~2. Sections 1 to 47, inclusive, and 50 and 51 of this act become effective]~~ on July 1, 2017.

†

TEXT OF REPEALED SECTION

~~394.007 “Administrator” defined. “Administrator” means the Administrator of the Commission on Postsecondary Education.]~~

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 489.

Bill read third time.

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

Amendment No. 845.

AN ACT relating to state land; revising provisions governing the Revolving Account for Land Management; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Revolving Account for Land Management as a special account in the State General Fund. The State Land Registrar is required to use money in the Account to pay the expenses relating to the management of land held by the Division of State Lands of the State Department of Conservation and Natural Resources, including expenses for appraisals and surveys, construction of fences and barriers for vehicles and the cleanup and maintenance of the land. (NRS 321.067) **Section 1** of this bill expands the use of money in the Account to expenditures for: (1) ~~activities to acquire land or an interest~~ **the acquisition of or interests in** land; (2) **required** environmental assessments of the land, including surveys of the biological, environmental and cultural conditions and resources of the land; and (3) mitigation of the land.

Under existing law, the State Land Registrar is authorized to request an allocation from the Contingency Account in the State General Fund if the balance in the Revolving Account is below \$5,000. (NRS 321.067) **Section 1** raises that threshold amount to \$20,000.

Section 2 of this bill makes an appropriation of \$200,000 to the Revolving Account for Land Management.

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

Section 1. NRS 321.067 is hereby amended to read as follows:

321.067 1. The Revolving Account for Land Management is hereby created as a special account in the State General Fund.

2. The State Land Registrar shall use the money in the *Revolving* Account to pay the expenses related to the management of land held by the Division ~~[-]~~ **and ~~for activities to acquire land or an interest~~ the acquisition of or interests in land,** including, without limitation, expenses for:

- (a) Appraisals and *land* surveys;
- (b) ~~Environmental~~ **Required environmental assessments of the land, including, without limitation, surveys of the biological, environmental and cultural conditions and resources of the land;**
- (c) Construction of fences and barriers for vehicles; ~~and~~
- ~~—(e) [-]~~ **(d) The cleanup and maintenance of the land [-]; and**
- (e) Any mitigation required of the land.**

3. The State Land Registrar shall:

- (a) Approve any disbursement from the Revolving Account; and
- (b) Maintain records of any such disbursement.

4. The State Land Registrar shall deposit into the Revolving Account money received by the Division as a donation or as a reimbursement for or advance payment of an expense paid out of the Revolving Account.

5. The balance of the Revolving Account must be carried forward at the end of each fiscal year.

6. If the balance in the ~~account~~ **Revolving Account** is below ~~[\$5,000,]~~ **\$20,000**, the State Land Registrar may request an allocation from the Contingency Account in the State General Fund pursuant to NRS 353.266, 353.268 and 353.269.

Sec. 2. ~~It~~ There is hereby appropriated from the State General Fund to the Revolving Account for Land Management created by NRS 321.067 the sum of \$200,000 to replenish the balance of the Account.

~~[2. Any remaining balance of the appropriation made by this section must not be committed for expenditure after June 30, 2019, 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 20, 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 20, 2019.]~~

Sec. 3. This act becomes effective on July 1, 2017.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 493.

Bill read third time.

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

Amendment No. 680.

SUMMARY—Makes a supplemental appropriation to the Department of Corrections for a projected shortfall related to outside medical expenditures ~~It~~ **, contract temporary professional services and personnel expenditures.** (BDR S-1177)

AN ACT making a supplemental appropriation to the Department of Corrections for a projected shortfall related to outside medical expenditures ~~It~~ **, contract temporary professional services and personnel expenditures;** and providing other matters properly relating thereto.

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

Section 1. 1. There is hereby appropriated from the State General Fund to the Department of Corrections the sum of ~~[\$1,327,561 for a projected shortfall related to outside medical expenditures.]~~ **\$5,952,535 for expenditure pursuant to subsection 2.** This appropriation is supplemental to that made by section 23 of chapter 534, Statutes of Nevada 2015, at page 3674.

2. The money appropriated by subsection 1 must be allocated as follows:

(a) For a projected shortfall for outside medical expenditures, \$5,067,144;

(b) For contract temporary professional services, \$321,239; and

(c) For personnel expenditures and revenue shortfalls at Florence McClure Women's Correctional Center, \$564,152.

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

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 497.

Bill read third time.

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

Amendment No. 846.

AN ACT making a supplemental appropriation to the Division of Administrative Services of the Department of Motor Vehicles for a projected shortfall related to credit card processing fees; and providing other matters properly relating thereto.

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

Section 1. There is hereby appropriated from the State Highway Fund to the Division of Administrative Services of the Department of Motor Vehicles the sum of ~~[\$847,022]~~ **\$734,147** for a projected shortfall related to credit card processing fees. This appropriation is supplemental to that made by section 33 of chapter 534, Statutes of Nevada 2015, at page 3677.

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

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 499.

Bill read third time.

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

Amendment No. 1075.

AN ACT making appropriations to restore the balances in the State Claims Account, Reserve for Statutory Contingency Account and Contingency Account; and providing other matters properly relating thereto.

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

Section 1. 1. There is hereby appropriated from the State General Fund to restore the balance in the State Claims Account created by NRS 353.097 the sum of \$500,000.

2. There is hereby appropriated from the State General Fund to restore the balance in the Reserve for Statutory Contingency Account created by NRS 353.264 the sum of \$2,000,000.

3. There is hereby appropriated from the State General Fund to restore the balance in the Contingency Account created by NRS 353.266 the sum of ~~[\$5,000,000.]~~ **\$7,000,000.**

Sec. 2. This act becomes effective ~~on July 1, 2017.]~~ **upon passage and approval.**

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 504.

Bill read third time.

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

Amendment No. 1072.

SUMMARY—Makes ~~[an appropriation]~~ **appropriations** to the Office of Finance **and the Interim Finance Committee** to replace the existing financial and human resource management information technology system. (BDR S-1194)

AN ACT making ~~[an appropriation]~~ **appropriations** to the Office of Finance **and the Interim Finance Committee** to replace the existing financial and human resource management information technology system ~~[.]~~ **and requiring that certain related costs be included in the statewide cost allocation plan;** and providing other matters properly relating thereto.

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

Section 1. 1. There is hereby appropriated ~~from the State General Fund~~ to the Office of Finance **in the Office of the Governor:**

(a) From the State General Fund the sum of ~~[\$15,000,000]~~ \$486,000;
and

(b) From the State Highway Fund the sum of \$114,000,
↪ for the development of a project plan and request for proposals and
the evaluation of such proposals to replace the existing financial and human resource management information technology system.

2. Money appropriated to the Office of Finance pursuant to subsection 1 are available for both Fiscal Year 2017-2018 and 2018-2019, and may be transferred from 1 fiscal year to the other with the approval of the Interim Finance Committee upon the recommendation of the Governor.

Sec. 1.5. 1. There is hereby appropriated to the Interim Finance Committee:

(a) From the State General Fund the sum of \$11,664,000; and

(b) From the State Highway Fund the sum of \$2,736,000.

2. Money appropriated to the Interim Finance Committee pursuant to subsection 1 are available for both Fiscal Year 2017-2018 and 2018-2019, and may be allocated to the Office of Finance in the Office of the Governor to replace the existing financial and human resource management information technology system upon presentation to the Interim Finance Committee of a project plan and an itemization of related costs.

Sec. 2. Any remaining balance of the ~~[appropriation]~~ **appropriations** made by ~~[section]~~ **sections 1 and 1.5** of this act must not be committed for expenditure after June 30, 2019, 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 20, 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]~~ **fund from which it was appropriated** on or before September 20, 2019.

Sec. 2.5. Commencing in Fiscal Year 2019-2020, the portion of the actual costs associated with replacing the existing financial and human resource management information technology system derived from the State General Fund pursuant to sections 1 and 1.5 of this act must be included in the statewide cost allocation plan prepared pursuant to NRS 353.331.

Sec. 3. This act becomes effective on July 1, 2017.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 515.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 1048.

SUMMARY—Revises provisions governing ~~payday lending~~, deferred deposit loans, title loans and high-interest loans. (BDR 52-1227)

AN ACT relating to financial services; requiring the Commissioner of Financial Institutions to develop, implement and maintain a database storing certain information relating to deferred deposit loans, ~~and~~ title loans and high-interest loans made to customers in this State; providing that information in such a database is confidential under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes standards and procedures for the licensing and regulation of certain short-term loans, commonly referred to as “payday loans,” high-interest loans and title loans. (Chapter 604A of NRS)

Section 1 of this bill requires the Commissioner of Financial Institutions to develop, implement and maintain, by contract with a vendor or service provider or otherwise, a database of all deferred deposit loans, ~~and~~ title loans and high-interest loans in this State. Under **section 1**, a licensee who makes such loans must enter and update certain information concerning each deferred deposit loan, ~~and~~ title loan and high-interest loan made by the licensee. **Section 1** further requires the Commissioner to establish a fee which must be charged and collected by the vendor or service provider from a licensee who is required to enter information into the database. The fee must be used to pay for the administration and operation of the database. Finally, **sections 1 and 2** of this bill provide that information in the database or obtained by the Commissioner from the database is confidential, except that the Commissioner may use such information for statistical purposes if the identity of a person is not discernible from the information disclosed.

Section 3 of this bill provides that the provisions of this bill do not apply to any loan made before October 1, 2017.

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

Section 1. Chapter 604A of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Commissioner shall, by contract with a vendor or service provider or otherwise, develop, implement and maintain a database by

which the Commissioner may generate a report related to deferred deposit loans ~~_, ~~for~~~~ title loans and high-interest loans made by licensees to customers in this State which includes, without limitation:

(a) Whether a customer has a deferred deposit loan ~~_, ~~for~~~~ title loan or high-interest loan outstanding with more than one licensee;

(b) Whether a customer has had such a loan outstanding with one or more licensees within the 30 days immediately preceding the making of a loan;

(c) Whether a customer has had a total of three or more such loans outstanding with one or more licensees within the 6 months immediately preceding the making of the loan; and

(d) Any other information necessary to ~~comply~~ determine compliance with the provisions of this chapter.

2. After the development and implementation of the database created pursuant to subsection 1, a licensee who makes a deferred deposit loan ~~_, ~~for~~~~ title loan or high-interest loan shall enter or update the following information in the database for each such loan made to a customer at the time a transaction takes place:

(a) The date on which the loan was made;

(b) The type of loan made;

(c) The principal amount of the loan;

(d) The fees charged for the loan;

(e) The annual percentage rate of the loan;

(f) The total finance charge associated with the loan;

(g) If the customer defaults on the loan, the date of default;

(h) If the customer enters into a repayment plan pursuant to NRS 604A.475, the date on which the customer enters into the repayment plan; and

(i) The date on which the customer pays the loan in full.

3. The Commissioner shall establish, and cause the vendor or service provider administering the database created pursuant to subsection 1 to charge and collect, a fee for each loan entered into the database by the licensee. The money collected pursuant to this subsection must be used to pay for the operation and administration of the database.

4. Except as otherwise provided in this subsection, any information in the database created pursuant to subsection 1 is confidential and shall not be considered a public book or record pursuant to NRS 239.010. The information may be used by the Commissioner for statistical purposes if the identity of the persons is not discernible from the information disclosed.

5. The Commissioner shall adopt regulations that:

(a) Prescribe the specifications for the information entered into the database created pursuant to subsection 1;

(b) Establish standards for the retention, access, reporting, archiving and deletion of information entered into or stored by the database;

(c) *Establish the amount of the fee required pursuant to subsection 3; and*

(d) *Are necessary for the administration of the database.*

6. For the purposes of this section, the term “high-interest loan” does not include a high-interest loan made to a customer if the licensee:

(a) Makes the high-interest loan pursuant to a loan agreement which, under its original terms:

(1) Charges an annual percentage rate of less than 200 percent;

(2) Requires the customer to make a payment on the loan at least once every 30 days;

(3) Requires the loan to be paid in full in not less than 150 days; and

(4) Provides that interest does not accrue on the loan at the annual percentage rate set forth in the loan agreement after the date of maturity of the loan;

(b) Performs a credit check of the customer with a major consumer reporting agency before making the loan;

(c) Reports information relating to the loan experience of the customer to a major consumer reporting agency;

(d) Gives the customer the right to rescind the new high-interest loan within 5 days after the loan is made without charging the customer any fee for rescinding the loan;

(e) Participates in good faith with a counseling agency that is:

(1) Accredited by the Council on Accreditation, or its successor organization; and

(2) A member of the National Foundation for Credit Counseling, or its successor organization; and

(f) Does not commence any civil action or process of alternative dispute resolution on a defaulted loan or any extension or repayment plan thereof.

Sec. 2. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 41.071, 49.095, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 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, 130.712, 136.050, 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, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 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, 241.039, 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, 289.830, 293.5002, 293.503, 293.558, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.16925, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 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, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 391.035, 392.029, 392.147, 392.264, 392.271, 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, 408.3888, 408.5484, 412.153, 416.070, 422.2749, 422.305, 422A.342, 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, 439.840, 439B.420, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 445A.665, 445B.570, 449.209, 449.245, 449.720, 450.140, 453.164, 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, 480.365, 481.063, 482.170, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070, 485.316, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 599B.090, 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.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301, 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085, 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.410, 681B.540, 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.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 703.196, 704B.320, 704B.325, 706.1725, 706A.230, 710.159, 711.600, *and section 1 of this act*, 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. The provisions of this act do not apply to any contract or agreement entered into pursuant to chapter 604A of NRS before October 1, 2017, and any such contract or agreement remains in effect in accordance with the provisions of the contract or agreement.

Sec. 4. This act becomes effective:

1. Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

2. On October 1, 2017, for all other purposes.

Assemblyman McCurdy moved the adoption of the amendment.

Remarks by Assemblyman McCurdy.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 519.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

I rise in support of Assembly Bill 519. Assembly Bill 519 makes an appropriation of \$8 million from the State General Fund to the Secretary of State for the award of grants to the counties in this state for the purchase of voting machines and related costs. The bill provides that the grants of money, upon application from the counties, shall be allocated as follows: Clark County, not more than \$4.5 million; Washoe County, not more than \$1.7 million; remaining counties, not more than \$1.8 million. The act becomes effective on July 1, 2017, and this will be a grant process, Mr. Speaker.

Roll call on Assembly Bill No. 519:

YEAS—42.

NAYS—None.

Assembly Bill No. 519 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Assembly Bill No. 487.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

Assembly Bill 487, as amended, confers to the Taxicab Authority limited enforcement jurisdiction over persons who are drivers for transportation network companies [TNCs] and solicit passengers or provide transportation services outside of the TNC application. The bill also makes various changes to provisions concerning the Taxicab Authority, including a number of the things that I cited earlier, and I would be happy to go over the whole list again if the body wishes me to.

Roll call on Assembly Bill No. 487:

YEAS—30.

NAYS—Paul Anderson, Ellison, Hansen, Jauregui, Krasner, Marchant, McArthur, Pickard, Titus, Tolles, Watkins, Woodbury—12.

Assembly Bill No. 487 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 69.

Bill read third time.

Remarks by Assemblyman Carrillo.

ASSEMBLYMAN CARRILLO:

Assembly Bill 69 authorizes a fully autonomous vehicle to be tested or operated on a highway within this state under certain circumstances. The bill also provides for the testing and use of driver-assistive platooning technology within this state. The bill authorizes Nevada's Department of Motor Vehicles to adopt certain regulations relating to autonomous vehicles. The bill further authorizes the Department to impose an administrative fine for violations of laws and regulations related to autonomous vehicles.

The bill requires a person responsible for testing of an autonomous vehicle to report certain crashes to the Department. The bill prohibits a local government from imposing fees, taxes, and

other requirements on any automated driving system or autonomous vehicle. The effective date is effective upon approval and passage.

This bill went through kind of a rollercoaster of working with the stakeholders to get to where we could get and have a bill that we could bring to the floor. Again, there was a lot of work put into this, and we still have to get it to the other side. I urge your support.

Roll call on Assembly Bill No. 69:

YEAS—36.

NAYS—Carlton, Diaz, Flores, Miller, Neal, Spiegel—6.

Assembly Bill No. 69 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 407.

Bill read third time.

Remarks by Assemblywoman Diaz.

ASSEMBLYWOMAN DIAZ:

Assembly Bill 407 will designate UNR [University of Nevada, Reno], UNLV [University of Nevada, Las Vegas], and DRI [Desert Research Institute] with land grant status—will give the status to those three entities as land grant institutions. Also, this bill seeks to have our legislative auditor conduct an audit into the Cooperative Extension programming to see where our dollars that we allocate for these purposes are being expended so that we can get more data moving forward.

Roll call on Assembly Bill No. 407:

YEAS—30.

NAYS—Benitez-Thompson, Ellison, Hambrick, Hansen, Joiner, Kramer, Krasner, Marchant, McArthur, Titus, Tolles, Wheeler—12.

Assembly Bill No. 407 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 413.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

Assembly Bill 413, as amended, revises various provisions relating to electronic wills and trusts, including establishing when an electronic will is self-proving, establishing the qualifications and duties of a qualified custodian of an electronic will, establishing requirements relating to a declaration or affidavit of a witness to an electronic will, and providing the methods by which an electronic will may be revoked.

The bill renames the Electronic Notary Public Authorization Act as the Electronic Notarization Enabling Act and makes various changes to provisions governing electronic notaries public. The bill authorizes electronic notaries public to perform electronic notarial acts remotely using audio-video communication. In addition, this bill authorizes the Secretary of State to require notaries public registering as electronic notaries public to complete an online course on electronic notarization.

Additionally, the measure increases the amount of fees that an electronic notary public may charge from \$10 to \$25 for performing certain electronic notarial acts and authorizes an electronic notary public to charge a reasonable fee to recover any cost of providing a copy of an entry or a recording of an audio-video communication in the electronic journal maintained by the

electronic notary public. Lastly, the measure prohibits government employees acting in their official capacity from charging a fee for an electronic notarial act.

The act becomes effective on October 1, 2017.

Roll call on Assembly Bill No. 413:

YEAS—41.

NAYS—Krasner.

Assembly Bill No. 413 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 422.

Bill read third time.

Remarks by Assemblymen Araujo and Ohrenschall.

Potential conflict of interest declared by Assemblyman Ohrenschall.

ASSEMBLYMAN ARAUJO:

Assembly Bill 422, as amended, transfers the responsibility of licensing and regulating medical marijuana establishments, owners, and agents from the Division of Public and Behavioral Health within the Department of Health and Human Services to the Department of Taxation. Assembly Bill 422, as amended, also revises certain procedures for renewal applications of a medical marijuana establishment and individuals with ownership interests in a medical marijuana establishment.

Assembly Bill 422, as amended, retains the Medical Marijuana Registry program within the Division of Public and Behavioral Health and revises provisions for obtaining a registry identification card to purchase medical marijuana. Specifically, A.B. 422 eliminates the requirement for the Central Repository for Nevada Records of Criminal History to conduct a criminal history check for registry card applicants; allows the attending physician to select a time period of either one or two years for the issuance of a registry identification card; and allows the Administrator of the Division of Public and Behavioral Health to adopt regulations necessary to carry out provisions governing the issuance and regulation of registry identification cards. Assembly Bill 422 revises the fees for processing and issuing a registry identification card from \$75 per year to \$50 per year and eliminates the initial \$25 fee for requesting an application.

Assembly Bill 422 allows a medical marijuana dispensary to track the purchases of marijuana for medical purposes to ensure the person does not exceed the legal limits on the possession of marijuana for medical purposes.

The provisions of section 56.7 become effective on January 1, 2020.

ASSEMBLYMAN OHRENSCHALL:

I would like to refer to the earlier disclosure I made about 20 minutes ago on Assembly Bill 422—disclose and abstain. I'll be abstaining on this vote.

Roll call on Assembly Bill No. 422:

YEAS—36.

NAYS—Krasner, Marchant, McArthur, Tolles, Wheeler—5.

NOT VOTING—Ohrenschall.

Assembly Bill No. 422 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 423.

Bill read third time.

Remarks by Assemblywoman Spiegel.

ASSEMBLYWOMAN SPIEGEL:

Assembly Bill 423, as amended, requires the Nevada Commission for Women, with the assistance of the Director of the Department of Administration, to design and conduct a survey of employers in the state with 100 or more employees to collect data and information related to issues of gender equality in the workplace. The Commission must create, maintain, and make available to the public a database that provides information about employers that have best practices and policies on issues of gender equality in the workplace and must submit a report to the Governor and the Director of the Legislative Counsel Bureau on issues of gender equality in the workplace. The bill becomes effective on July 1, 2017.

Roll call on Assembly Bill No. 423:

YEAS—27.

NAYS—Paul Anderson, Edwards, Ellison, Hambrick, Hansen, Kramer, Krasner, Marchant, McArthur, Oscarson, Pickard, Titus, Tolles, Wheeler, Woodbury—15.

Assembly Bill No. 423 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 484.

Bill read third time.

Remarks by Assemblywoman Bustamante Adams.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:

Assembly Bill 484, as amended, would relocate the Commission on Postsecondary Education within the Employment Security Division of the Department of Employment, Training and Rehabilitation. This bill would also reduce the Governor-appointed voting members of the Commission from seven to six by eliminating a member representing the State Board of Education.

Roll call on Assembly Bill No. 484:

YEAS—42.

NAYS—None.

Assembly Bill No. 484 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved that Senate Bill No. 545 be taken from the Chief Clerk's desk and placed at the top of the General File.

Remarks by Assemblywoman Benitez-Thompson.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 545.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

Senate Bill 545 has a 12-page floor statement which I will abbreviate and then will be happy to stand for any questions from the body. This is our Expenditures Act.

Senate Bill 545 represents authority for agencies to collect and expend monies, including federal funds, gifts, grants, interagency transfers, service fees, and other funds which total \$16.2 billion over the 2017-2019 biennium. Additionally, due to specific statutory language for

these agencies, Senate Bill 545 includes authority for the Gaming Control Board and the Nevada Gaming Commission to expend \$60.9 million from the General Fund over the 2017-2019 biennium. Similarly, the bill includes authority for Nevada's Department of Transportation to expend \$650.1 million from the Highway Fund over the 2017-2019 biennium.

Under elected officials, the State Office of Energy, the money committees approved the Governor's recommendation to authorize \$2.5 million of Renewable Energy Abatement Tax revenue in each year of the 2017-2019 biennium and \$1 million of Renewable Energy Abatement Tax revenue in Fiscal Year 2018 to assist Nevada in securing the federal Frontier Observatory for Research in Geothermal Energy, otherwise known as FORGE, project.

In the Office of the Attorney General, the money committees approved the Governor's recommendation to use National Mortgage Settlement funds of \$12.8 million over the 2017-2019 biennium to continue funding the Housing Call Center, Financial Guidance Center, and Legal Services contracts for the Home Again program, as well as the Criminal Mortgage Fraud unit and the Financial Fraud unit, and transfers to nonprofit legal entities to provide guardianship abuse assistance to Nevada consumers.

The money committees further approved \$5.5 million in settlement funds to establish a new State Settlements budget and approved a \$1.3 million transfer in settlement funds to the Department of Business and Industry to support the Consumer Affairs Unit and \$205,000 over the biennium for the Confidential Address Program, which was transferred from the Attorney General's Office to the Division of Child and Family Services pursuant to S.B. 25. A reserve balance of \$4 million remains in the new State Settlements budget.

In the Treasurer's Office, the money committees approved Endowment Account funds of \$3.6 million over the 2017-2019 biennium to fund \$50 deposits into College Kick Start accounts for public school kindergarten students.

Under the Judicial Branch, the money committees approved replacing General Fund appropriations of \$575,000 in each year of the 2017-2019 biennium with fees from misdemeanor and felony convictions of driving under the influence to serve participants in the specialty courts.

In the Department of Financial Administration, the Director's Office, the money committees approved \$209,000 for the licensing of an IT cloud-based email solution for the Department of Administration employees.

In the Administrative Services Division, the money committees approved the Governor's recommendation to eliminate three vacant Accounting Assistant positions and to add a new Administrative Services Officer position.

In Purchasing, contingent upon passage and approval of enabling legislation, the money committees approved expenditures of \$1.5 million over the 2017-2019 biennium to implement a new E-Procurement system funded by a new vendor administrative fee.

In the Division of Human Resource Management, the money committees approved eliminating written employment tests, as recommended by the Governor, including the elimination of two filled positions, generating savings totaling \$350,000 over the 2017-2019 biennium.

In the Division of Enterprise Information Technology Services [EITS], the money committees approved \$98.1 million in authorized revenues for the Division of Enterprise IT for the 2017-2019 biennium. The money committees approved the intra-division transfer of 21 positions in five EITS budgets to better align employee duties with budgets and to improve customer service. The money committees also approved \$6.9 million, including a \$2 million loan from the General Fund, for bandwidth enhancements. A sum of \$3.4 million was approved by the money committees for cybersecurity initiatives, including a \$804,000 interest-free General Fund loan to EITS. The money committees chose not to eliminate two positions in order to preserve the agency's planning capabilities and approved a total of 9.51 new positions to address an increasing workload and new technology.

In the State Public Works Division, the money committees approved \$1.5 million in the 2017-2019 biennium to fund deferred maintenance projects throughout the state. Inspection fees totaling \$2.2 million were approved to fund three new project management and eight construction inspection positions resulting from the workload increase.

The Department of Taxation: The money committees approved the Governor's recommendation to fund 16 new positions for the Department of Taxation and funding for local

government to carry out the provisions of the Regulation and Taxation of Marijuana Act and the transfer of the net proceeds to—well, that doesn't work anymore; we won't talk about that.

Under the State Public Charter School Authority, in closing the State Public Charter School Authority budgets, the money committees approved reserve reductions totaling \$950,000 over the 2017-2019 biennium to fund four new positions to support the agency's charter authorizer responsibilities, as recommended by the Governor.

In closing the budgets for NSHE [the Nevada System of Higher Education], the money committees approved revenue from all sources totaling \$1.9 billion for the 2017-2019 biennium. Non-General Fund revenues total \$673.1 million, or 35.5 percent of total funding, and include student registration fees, nonresident tuition, student application fees, federal and county revenues, operating capital investment income, and an interagency transfer of funds from the Governor's Office of Workforce Innovation.

Under commerce and industry, the Department of Agriculture, total authorizations to the Department of Agricultural increased by 38.2 percent, or \$123.2 million, when compared to the 2015-2017 legislatively approved amount, primarily due to an increase in federal program funding for nutrition education and commodity food programs.

For the Gaming Control Board, the money committees approved the Governor's recommendation to eliminate seven vacant unclassified positions in the Investigation Division, resulting in a \$1.3 million reduction in the transfer of investigation fees.

In the Department of Business and Industry, in closing of the budgets for the Department of Business and Industry, the money committees authorized funding of \$289.8 million over the 2017-2019 biennium to the State Small Business Credit Initiative program and \$5.2 million for the Rural Community Development program.

In the Department of Tourism and Cultural Affairs, the money committees authorized room tax revenues of \$25.0 million in [Fiscal Year] 2018 and \$25.7 million in 2019, reflecting significant increases from the 2016 actual receipts of \$22.6 million.

In Health and Human Services, the Director's Office, in closing the budgets administered by the Department of Health and Human Services, Director's Office, the money committees approved the Healthy Nevada Fund spending plan recommended by the Governor for the Grants Management Unit, which allocates tobacco settlement funds totaling \$16.7 million over the biennium, including: \$ million for a new Health Center Incubator project; \$4 million for food security; \$760,000 for suicide prevention; \$300,000 for immunizations; \$1.22 million for the Nevada 2-1-1 system; \$2.7 million for differential response; \$2.73 million for family resource centers; \$3 million for disability grants; and \$949,000 for administrative costs. The money committees also approved \$28.3 million in Title XX funds over the biennium to provide grants to state agencies and nonprofit organizations to support health and social service programs and approved \$950,000 over the biennium in Temporary Assistance for Needy Families reserve funds for statewide Hunger One-Stop Shops. That particular budget is very large, and I will be making sure that all of my notes are given to the desk so everything will be included. I will be happy to answer any other questions on that.

Moving to the Division of Child and Family Services, in closing the budgets of the Division of Child and Family Services, the money committees approved non-General Fund revenues totaling \$291.7 million over the 2017-2019 biennium. These revenues include federal grants and county assessments which support projected caseload increases in foster care and adoption subsidies, child protective services, and juvenile justice services.

The money committees authorized additional federal Title IV-E revenues of \$3.4 million to increase expenditure authority for existing mandated statewide core training for social workers for the 2017-2019 biennium, for a total of \$5 million. Additionally, the money committees authorized an increase to the China Spring/Aurora Pines youth camp budget of \$324,000 over the biennium to address a projected salary deficit and an increase in the Douglas County cost allocation funded by county participation fees.

Within the Department of Rehabilitation, in closing the budgets of the Department of Employment, Training and Rehabilitation, the money committees authorized total non-General Fund revenues of \$340 million over the 2017-2019 biennium. Mr. Speaker, I will not go into detail on that. It is a very long budget.

In the Department of Public Safety [DPS], Department of Motor Vehicles, the money committees approved funding of \$301,000 over the 2017-2019 biennium for bond service payments associated with the Motor Vehicle Pollution Control budget's share of the DMV field office. In closing the budgets for the Department of Public Safety, the money committees approved \$475.4 million over the 2017-2019 biennium, of which \$202.7 million was authorized in non-General Fund and non-Highway Funds.

Nevada Highway Patrol, DPS Forfeitures, law enforcement—the money committees approved grant funding of \$472,000 over the 2017-2019 biennium to support access charges for body-worn cameras. In an effort to reduce teen motor vehicle crashes and support the expansion of the Driving Responsibly Includes Vehicle Education, the DRIVE program, the money committees approved grant funding of \$133,000 over the 2017-019 biennium.

We also provided dollars for the Highway Safety Grants Account, Parole and Probation, Emergency Management, Criminal History Repository, and General Services.

Under infrastructure in the Department of Conservation and Natural Resources, for the Department of Conservation and Natural Resources, the money committees authorized total funding of \$194 million over the 2017-2019 biennium.

In the Department of Wildlife, the money committees authorized funding to modify the Department's information systems to implement license simplification measures contained in Senate Bill 511. The money committees also authorized Sportsmen Revenue totaling \$69,000 to replace the Department's current email and established marketing system and \$40,000 for equipment, travel, and training to establish a Wildlife Human Attack Response Team.

In the Nevada Department of Transportation, the money committees authorized funding of \$678 million in 2018 and \$669.5 million in 2019, including \$419.8 million in 2018 and \$416.2 million in 2019 to support highway and other capital construction. The money committees approved 19 new positions for the Department, including 10 positions to establish a new maintenance crew in southern Nevada and a new maintenance crew in northwestern Nevada.

Under special purpose agencies, Public Employees' Benefits Program, the money committees authorized a total of \$476.1 million in Fiscal Year 2018 and \$476.9 million in 2019 for the Public Employees' Benefits Program. With the exception of modifying enhanced health savings account/health reimbursement arrangement contributions to be tied to the completion of preventive services, the plan design for the 2017-2019 biennium did not change significantly from 2017.

In the Office of the Military the money committees approved a budget amendment to eliminate 37 state Army Military Security Officer positions and authorize federal funds of \$1.2 million for contract security each year of the 2017-2019 biennium and \$370,000 per year for additional contract costs that may be needed for increased security threats or for physical security improvements at bases throughout our state.

In the Office of Veterans Services, the money committees authorized funding of \$55 million over the 2017-2019 biennium for the Department of Veterans Services, which is 0.8 percent less than the amount authorized in the 2015-2017 biennium. Additionally, the money committees approved transferring \$2 million from the Southern Nevada Veterans Home to the new Northern Nevada Veterans Home in Sparks if it gets funded, which has an anticipated completion date of December 2018.

The money committees authorized revenues of \$54.3 million over the 2017-2019 biennium for the Silver State Health Insurance Exchange and did not approve the Governor's recommendation to transition the Exchange to a privately developed health insurance exchange but instead directed the agency to continue using HealthCare.gov as its technology platform. Accordingly, the money committees approved funding of \$6.2 million in 2018 and \$9.3 million in 2019 to remain on HealthCare.gov and directed the agency to approach the 2019 Legislature or the Interim Finance Committee, as necessary, with a plan to transition to a private exchange if it is determined to be in the best interests of the state.

Roll call on Senate Bill No. 545:

YEAS—27.

NAYS—Paul Anderson, Edwards, Ellison, Hambrick, Hansen, Kramer, Krasner, Marchant, McArthur, Oscarson, Pickard, Titus, Tolles, Wheeler, Woodbury—15.

Senate Bill No. 545 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Assembly Bill No. 489.

Bill read third time.

Remarks by Assemblywoman Spiegel.

ASSEMBLYWOMAN SPIEGEL:

Assembly Bill 489, as amended, expands the use of money in the Revolving Account for Land Management to include expenditures for: (1) activities to acquire land or an interest in land; (2) environmental assessments of land, including surveys of the biological, environmental, and cultural conditions and resources of the lands; and (3) mitigation of the land. In addition, Assembly Bill 489, as amended, raises the threshold amount from below \$5,000 to below \$20,000 before the State Land Registrar is authorized to request an allocation from the Contingency Account in the State General Fund. Finally, this bill appropriates \$200,000 from the State General Fund to the Revolving Account for Land Management to replenish the balance of the account. The bill is effective on July 1, 2017.

Roll call on Assembly Bill No. 489:

YEAS—41.

NAYS—None.

EXCUSED—Titus.

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

Bill ordered transmitted to the Senate.

Assembly Bill No. 493.

Bill read third time.

Remarks by Assemblyman Sprinkle.

ASSEMBLYMAN SPRINKLE:

Assembly Bill 493, as amended, appropriates \$5,067,144 from the General Fund to the Department of Corrections for outside medical expenditures and \$321,239 for temporary staffing for prison medical in Fiscal Year 2017. The bill also appropriates \$564,152 from the General Fund to the Department of Corrections for an unanticipated shortfall in personnel costs at Florence McClure Women's Correctional Center, for a total supplemental appropriation of \$5,952,535 for the Department.

Roll call on Assembly Bill No. 493:

YEAS—41.

NAYS—None.

EXCUSED—Titus.

Assembly Bill No. 493 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 497.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

Assembly Bill 497, as amended, appropriates \$734,147 from the Highway Fund to the Department of Motor Vehicles for a projected shortfall related to credit card processing fees. As amended, it becomes effective upon passage and approval.

Roll call on Assembly Bill No. 497:

YEAS—41.

NAYS—None.

EXCUSED—Titus.

Assembly Bill No. 497 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 499.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

Assembly Bill 499, as amended, appropriates \$500,000 from the State General Fund to the State Claims Account, \$2 million from the State General Fund to the Reserve for Statutory Contingency Account, and \$7 million from the State General Fund to the Contingency Account to restore account balances. The act becomes effective upon passage and approval.

Roll call on Assembly Bill No. 499:

YEAS—41.

NAYS—None.

EXCUSED—Titus.

Assembly Bill No. 499 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 504.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

Assembly Bill 504, as amended, provides funding totaling \$15 million in the 2017-2019 biennium for the first phase of an information technology project to replace the state's existing financial, human resource, procurement, and budgeting information systems. The bill, as amended, appropriates a total of \$600,000, including \$486,000 in General Fund and \$114,000 in Highway Fund, to the Governor's Office of Finance for the development of a project plan and request for proposals and the evaluation of such proposals.

As amended, Assembly Bill 504 appropriates \$14.4 million, including \$11,664,000 in General Fund and \$2,736,000 in Highway Fund, to the Interim Finance Committee for allocation to the Governor's Office of Finance for the project upon presentation of a project plan and the itemization of the costs. Finally, the bill requires that the portion of actual project costs funded with General Fund appropriations be included in the statewide cost recovery plan, beginning in Fiscal Year 2020. The bill becomes effective on July 1, 2017.

Roll call on Assembly Bill No. 504:

YEAS—41.

NAYS—None.

EXCUSED—Titus.

Assembly Bill No. 504 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 515.

Bill read third time.

Remarks by Assemblywoman Swank.

ASSEMBLYWOMAN SWANK:

Assembly Bill 515 requires the Commissioner of Financial Institutions to develop, implement, and maintain, by contract with a vendor or service provider or otherwise, a database of all deferred deposit loans, title loans, and high-interest loans in this state. The bill also provides that information in the database or obtained by the Commissioner from the database is confidential, except that the Commissioner may use such information for statistical purposes only if the identity of a person is not discernible from the information disclosed.

Roll call on Assembly Bill No. 515:

YEAS—30.

NAYS—Paul Anderson, Edwards, Ellison, Hambrick, Krasner, Marchant, McArthur,
Oscarson, Pickard, Wheeler, Woodbury—11.

EXCUSED—Titus.

Assembly Bill No. 515 having received a constitutional 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 5:07 p.m.

ASSEMBLY IN SESSION

At 5:08 p.m.

Mr. Speaker presiding.

Quorum present.

Senate Bill No. 69.

Bill read third time.

The following amendment was proposed by the Committee on Commerce
and Labor:

Amendment No. 1014.

AN ACT relating to regulatory bodies; ~~authorizing the Governor to issue an executive order directing a regulatory body to expedite action on pending applications for licensure;~~ requiring certain regulatory bodies to adopt regulations governing the issuance of a license by endorsement to a natural person who holds a comparable license issued by the District of Columbia or any state or territory of the United States and meets certain other

requirements; prohibiting the appointment as a member of a regulatory body of a person who has served as a member for 12 years or more under certain circumstances; prohibiting regulatory bodies from entering into an agreement for the payment of fees for legal services on a contingent basis; ~~revising the information required to be included with an application for the issuance of a license to practice medicine and the biennial registration of a physician;~~ and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the regulation of certain occupations and professions in this State. (Title 54 of NRS) The various state agencies, boards and commissions that are authorized to license and regulate particular occupations or professions are generally referred to as "regulatory bodies." (NRS 622.060)

~~[Section 2 of this bill provides that if the Governor determines that there are critical unmet needs with regard to the number of persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body that adversely affect public health or safety, the Governor may, by executive order, direct the regulatory body to take final action on all completed applications for licensure in its possession within the time specified by the executive order. Section 2 also sets forth the factors that the Governor may consider in determining whether there are such critical unmet needs.]~~

Section 3 of this bill requires a regulatory body that is not otherwise authorized or required by specific statute to issue a license to engage in an occupation or profession in this State to a **natural** person who has been issued a comparable license by another jurisdiction to adopt regulations providing for the issuance of a license by endorsement to engage in an occupation or profession in this State to a **natural** person who: (1) holds a corresponding valid and unrestricted license to engage in that occupation or profession in the District of Columbia or any state or territory of the United States; (2) possesses qualifications that are substantially similar to the qualifications required for issuance of a license to engage in that occupation or profession in this State; and (3) satisfies certain other requirements.

Section 4 of this bill establishes term limits for members of regulatory bodies. Specifically, **section 4** provides that a person may not be appointed as a member of a regulatory body if the person has served as a member of that regulatory body, or at the expiration of his or her current term if he or she is so serving will have served, 12 years or more at the time of his or her appointment, unless the person is serving as a member of a regulatory body with less than 250 licensees.

Existing law establishes specific requirements that must be satisfied before certain state agencies or officials may enter into a contingent fee contract with an attorney or law firm. (NRS 228.111-228.1118) **Section 5** of this bill prohibits any regulatory body from entering into such a contract. **Section 8** of this bill makes a conforming change.

~~[Existing law requires a regulatory body to exercise its authority over an occupation or profession for the protection and benefit of the public. (NRS 622.080) Section 6 of this bill requires a regulatory body also to exercise its authority over the occupation or profession for the expansion of economic opportunity, promotion of competition and encouragement of innovation. Section 6 also imposes certain limitations on the manner in which a regulatory body may exercise its authority over an occupation or profession.]~~

Existing law requires each regulatory body to submit a quarterly report to the Director of the Legislative Counsel Bureau that includes certain information concerning the disciplinary actions taken and the number of licenses issued by the regulatory body during the immediately preceding calendar quarter. (NRS 622.100) **Section 7** of this bill requires the regulatory body also to include in the report: (1) the total number of applications for licensure received by the regulatory body; (2) the number of applications rejected by the regulatory body as incomplete; (3) the average number of days between the date of rejection of an application as incomplete and the resubmission by the applicant of a complete application; (4) a list of each reason given by the regulatory body for the denial of an application and the number of applications denied by the regulatory body for each such reason; and (5) the number of applications reviewed on an individual basis by the regulatory body or the executive head of the regulatory body.

~~[Existing law requires an applicant for a license to practice medicine to submit to the Board of Medical Examiners a description of any complaints filed against the applicant with a licensing board of another state and any disciplinary action taken against the applicant by the licensing board of another state. (NRS 630.173) Section 7.3 of this bill provides that an applicant for such a license is not required to report with his or her application: (1) an anonymous complaint submitted to the licensing board of another state if such a board refused to consider or investigate the anonymous complaint; or (2) a complaint filed against the applicant that did not result in any disciplinary action taken against the applicant by the licensing board of another state.]~~

~~— Existing law also requires each holder of a license to practice medicine to register with the Board on or before June 30 of each odd-numbered year and provides that each license issued will expire if not renewed. Existing law further requires each holder of a license to practice medicine, when registering with the Board, to submit a list of all actions filed or claims submitted for malpractice against him or her during the previous 2 years. (NRS 630.267) Section 7.6 of this bill provides that the holder of such a license does not need to report with his or her biennial registration: (1) an anonymous complaint submitted to the Board that the Board refused to consider; or (2) a complaint filed against the holder of such a license that did not result in any disciplinary action taken against the holder by the Board.]~~

Section 18 of Senate Bill No. 516 of this session creates the Office of Workforce Innovation in the Office of the Governor. Section 19 of

Senate Bill No. 516 of this session requires the Governor to appoint the Executive Director of the Office of Workforce Innovation. Section 9.5 of this bill requires the Executive Director of the Office of Workforce Innovation, on or before January 1 of each year, to submit to the Director of the Legislative Counsel Bureau a written report that includes: (1) the number of persons in this State who are engaged in an occupation or profession that is regulated by a regulatory body; and (2) the demand for the services of such persons engaged in such a regulated occupation or profession.

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

Section 1. Chapter 622 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.

~~Sec. 2. 1. If the Governor determines, according to the provisions set forth in subsection 2, that there are critical unmet needs with regard to the number of persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body and such unmet needs adversely affect public health or safety, the Governor may, by executive order, direct the regulatory body to take final action on all completed applications for licensure in the possession of the regulatory body within the time specified by the executive order.~~

~~2. Except as otherwise provided by specific statute, in determining whether there is a critically unmet need as described in subsection 1 that adversely affects public health or safety, the Governor may consider, without limitation:~~

~~(a) Statistical data based on an analysis of the number of persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body in relation to the total population of this State or any geographic area within this State;~~

~~(b) The demand within this State or any geographic area within this State for types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body; and~~

~~(c) Any other factors relating to the types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body that adversely affect public health or safety.~~

~~3. As used in this section, "final action" means the approval or denial of an application for a license by a regulatory body.] (Deleted by amendment.)~~

Sec. 3. 1. Except as otherwise provided by specific statute relating to the issuance of a license by endorsement, a regulatory body shall adopt regulations providing for the issuance of a license by endorsement to engage in an occupation or profession in this State to any natural person who:

(a) Holds a corresponding valid and unrestricted license to engage in that occupation or profession in the District of Columbia or any state or territory of the United States;

(b) Possesses qualifications that are substantially similar to the qualifications required for issuance of a license to engage in that occupation or profession in this State; and

(c) Satisfies the requirements of this section and the regulations ~~that~~ adopted pursuant thereto.

2. The regulations adopted pursuant to subsection 1 must not allow the issuance of a license by endorsement to engage in an occupation or profession in this State to a natural person unless ~~the~~ such a person:

(a) Is a citizen of the United States or otherwise has the legal right to work in the United States;

(b) Has not been disciplined by the corresponding regulatory authority of the District of Columbia or any state or territory in which the applicant currently holds or has held a license to engage in an occupation or profession;

(c) Has not been held civilly or criminally liable in the District of Columbia or any state or territory of the United States for misconduct relating to his or her occupation or profession;

(d) Has not had a license to engage in an occupation or profession suspended or revoked in the District of Columbia or any state or territory of the United States;

(e) Has not been refused a license to engage in an occupation or profession in the District of Columbia or any state or territory of the United States for any reason;

(f) Does not have pending any disciplinary action concerning his or her license to engage in an occupation or profession in the District of Columbia or any state or territory of the United States;

(g) Pays any applicable fees for the issuance of a license that are otherwise required for a natural person to obtain a license in this State;

(h) Submits to the regulatory body a complete set of his or her fingerprints and written permission authorizing the regulatory body to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report or proof that the applicant has previously passed a comparable criminal background check; and

(i) Submits to the regulatory body the statement required by NRS 425.520.

3. A regulatory body may, by regulation, require an applicant for issuance of a license by endorsement to engage in an occupation or profession in this State to submit with his or her application:

(a) Proof satisfactory to the regulatory body that the applicant:

(1) *Has achieved a passing score on a nationally recognized, nationally accredited or nationally certified examination or other examination approved by the regulatory body;*

(2) *Has completed the requirements of an appropriate vocational, academic or professional program of study in the occupation or profession for which the applicant is seeking a license by endorsement in this State;*

(3) *Has engaged in the occupation or profession for which the applicant is seeking a license by endorsement in this State pursuant to the applicant's existing licensure for the period determined by the regulatory body preceding the date of the application; and*

(4) *Possesses a sufficient degree of competency in the occupation or profession for which he or she is seeking licensure by endorsement in this State;*

(b) *An affidavit stating that the information contained in the application and any accompanying material is true and complete; and*

(c) *Any other information required by the regulatory body.*

4. *Not later than ~~15~~ 21 business days after receiving an application for a license by endorsement to engage in an occupation or profession pursuant to this section, the regulatory body shall provide written notice to the applicant of any additional information required by the regulatory body to consider the application. Unless the regulatory body denies the application for good cause, the regulatory body shall approve the application and issue a license by endorsement to engage in the occupation or profession to the applicant not later than:*

(a) *~~Thirty~~ Sixty days after receiving the application;*

(b) *If the regulatory body requires an applicant to submit fingerprints and authorize the preparation of a report on the applicant's background based on the submission of the applicant's fingerprints, ~~10~~ 15 days after the regulatory body receives the report; or*

(c) *If the regulatory body requires the filing and maintenance of a bond as a requirement for the issuance of a license, ~~10~~ 15 days after the filing of the bond with the regulatory body,*

↪ whichever occurs later.

5. *A license by endorsement to engage in an occupation or profession in this State issued pursuant to this section may be issued at a meeting of the regulatory body or between its meetings by the presiding member of the regulatory body and the executive head of the regulatory body. Such an action shall be deemed to be an action of the regulatory body.*

6. *A regulatory body may deny an application for licensure by endorsement if:*

(a) *An applicant willfully fails to comply with the provisions of paragraph (h) of subsection 2; or*

(b) *The report from the Federal Bureau of Investigation indicates that the applicant has been convicted of a crime that would be grounds for taking disciplinary action against the applicant as a licensee and the*

regulatory body has not previously taken disciplinary action against the licensee based on that conviction.

7. The provisions of this section are intended to supplement other provisions of statute governing licensure by endorsement. If any provision of statute conflicts with this section, the other provision of statute prevails over this section to the extent that the other provisions provide more specific requirements relating to licensure by endorsement.

Sec. 4. 1. Except as otherwise provided in subsection 2, notwithstanding any other provision of law, a person may not be appointed as a member of a regulatory body if the person has served as a member of that regulatory body, or at the expiration of his or her current term if he or she is so serving will have served, 12 years or more at the time of his or her appointment.

2. The provisions of subsection 1 do not apply to a person who has served as a member of a regulatory body which has less than 250 licensees.

Sec. 5. 1. Notwithstanding the provisions of NRS 228.111 to 228.1118, inclusive, and any other provision of law, a regulatory body shall not employ, retain or otherwise contract with an attorney or law firm pursuant to a contingent fee contract.

2. As used in this section, "contingent fee contract" means a contract for legal services between a regulatory body and an attorney or law firm, pursuant to which the fee of the attorney or law firm is payable, in whole or in part, from any money recovered in a matter governed by the contract.

Sec. 6. ~~[NRS 622.080 is hereby amended to read as follows:~~

~~— 622.080 1. In regulating an occupation or profession pursuant to this title, each regulatory body shall carry out and enforce the provisions of this title for the [protection]:~~

~~— (a) Protection and benefit of the public [.];~~

~~— (b) Expansion of economic opportunity;~~

~~— (c) Promotion of competition; and~~

~~— (d) Encouragement of innovation.~~

~~— 2. In adopting regulations pursuant to chapter 233B of NRS, a regulatory body shall consider whether a regulation under consideration:~~

~~— (a) Expands economic opportunity;~~

~~— (b) Promotes competition; and~~

~~— (c) Encourages innovation.~~

~~— 3. If a regulatory body finds it necessary to take action that may limit or reduce competition in an occupation or profession that it is authorized to regulate, the regulatory body shall select the regulatory action that limits or reduces such competition no more than is necessary to protect the public from present, significant and substantiated harms that threaten public health and safety.~~

~~— 4. A regulatory body shall not enforce a law or regulation against a person except to the extent that the person engages in conduct that is~~

~~expressly included in a statute or regulation that establishes the authorized scope of practice of the occupation or profession.~~

~~5. Each regulatory body that issues a license by endorsement to engage in an occupation or profession in this State to a person who holds a corresponding valid and unrestricted license to engage in that occupation or profession in the District of Columbia or any state or territory of the United States shall ensure that its process of issuing such licenses is conducted with the highest possible levels of efficiency and transparency.]~~
(Deleted by amendment.)

Sec. 7. NRS 622.100 is hereby amended to read as follows:

622.100 1. Each regulatory body shall, on or before the 20th day of January, April, July and October, submit to the Director of the Legislative Counsel Bureau in an electronic format prescribed by the Director:

(a) A summary of each disciplinary action taken by the regulatory body during the immediately preceding calendar quarter against any licensee of the regulatory body; and

(b) A report that includes:

(1) ***For the immediately preceding calendar quarter:***

(I) The number of licenses issued by the regulatory body ~~[during the immediately preceding calendar quarter;];~~

(II) ***The total number of applications for licensure received by the regulatory body;***

(III) ***The number of applications rejected by the regulatory body as incomplete;***

(IV) ***The average number of days between the date of rejection of an application as incomplete and the resubmission by the applicant of a complete application;***

(V) ***A list of each reason given by the regulatory body for the denial of an application and the number of applications denied by the regulatory body for each such reason; and***

(VI) ***The number of applications reviewed on an individual basis by the regulatory body or the executive head of the regulatory body; and***

(2) Any other information that is requested by the Director or which the regulatory body determines would be helpful to the Legislature in evaluating whether the continued existence of the regulatory body is necessary.

2. The Director shall:

(a) Provide any information received pursuant to subsection 1 to a member of the public upon request;

(b) Cause a notice of the availability of such information to be posted on the public website of the Nevada Legislature on the Internet; and

(c) Transmit a compilation of the information received pursuant to subsection 1 to the Legislative Commission quarterly, unless otherwise directed by the Commission.

3. The Director, on or before the first day of each regular session of the Legislature and at such other times as directed, shall compile the reports

received pursuant to paragraph (b) of subsection 1 and distribute copies of the compilation to the Senate Standing Committee on Commerce and Labor and the Assembly Standing Committee on Commerce and Labor, each of which shall review the compilation to determine whether the continued existence of each regulatory body is necessary.

Sec. 7.3. ~~[NRS 630.173 is hereby amended to read as follows:~~

~~630.173 1. In addition to the other requirements for licensure, an applicant for a license to practice medicine shall submit to the Board information describing:~~

~~—(a) Any claims made against the applicant for malpractice, whether or not a civil action was filed concerning the claim;~~

~~—(b) [Any] **Except as otherwise provided in subsection 4, any** complaints filed against the applicant with a licensing board of another state [and] **that resulted in** any disciplinary action taken against the applicant by a licensing board of another state; and~~

~~—(c) Any complaints filed against the applicant with a hospital, clinic or medical facility or any disciplinary action taken against the applicant by a hospital, clinic or medical facility.~~

~~2. The Board may consider any information specified in subsection 1 that is more than 10 years old if the Board receives the information from the applicant or any other source from which the Board is verifying the information provided by the applicant.~~

~~3. The Board may refuse to consider any information specified in subsection 1 that is more than 10 years old if the Board determines that the claim or complaint is remote or isolated and that obtaining or attempting to obtain a record relating to the information will unreasonably delay the consideration of the application.~~

~~4. **An applicant for a license to practice medicine is not required to submit information describing:**~~

~~—(a) **An anonymous complaint that the licensing board of another state refused to consider or investigate; or**~~

~~—(b) **A complaint filed against the applicant that did not result in any disciplinary action taken against the applicant by the licensing board of another state.**~~

~~5. The Board shall not issue a license to the applicant until it has received all the information required by this section.] (Deleted by amendment.)~~

Sec. 7.6. ~~[NRS 630.267 is hereby amended to read as follows:~~

~~630.267 1. Each holder of a license to practice medicine must, on or before June 30, or if June 30 is a Saturday, Sunday or legal holiday, on the next business day after June 30, of each odd numbered year:~~

~~—(a) [Submit] **Except as otherwise provided in subsection 2, submit** a list of all actions filed or claims submitted to arbitration or mediation for malpractice or negligence against him or her during the previous 2 years.~~

~~— (b) Pay to the Secretary Treasurer of the Board the applicable fee for biennial registration. This fee must be collected for the period for which a physician is licensed.~~

~~— (c) Submit all information required to complete the biennial registration.~~

~~— 2. A holder of a license to practice medicine is not required to submit with his or her biennial registration information describing:~~

~~— (a) An anonymous complaint that the Board refused to consider pursuant to subsection 1 of NRS 630.307; or~~

~~— (b) A complaint filed against the holder of the license that did not result in any disciplinary action taken against the holder of the license by the Board.~~

~~— 3. When a holder of a license fails to pay the fee for biennial registration and submit all information required to complete the biennial registration after they become due, his or her license to practice medicine in this State expires. The holder may, within 2 years after the date the license expires, upon payment of twice the amount of the current fee for biennial registration to the Secretary Treasurer and submission of all information required to complete the biennial registration and after he or she is found to be in good standing and qualified under the provisions of this chapter, be reinstated to practice.~~

~~— [3.] 4. The Board shall make such reasonable attempts as are practicable to notify a licensee:~~

~~— (a) At least once that the fee for biennial registration and all information required to complete the biennial registration are due; and~~

~~— (b) That his or her license has expired.~~

~~— A copy of this notice must be sent to the Drug Enforcement Administration of the United States Department of Justice or its successor agency.] (Deleted by amendment.)~~

Sec. 8. NRS 228.1111 is hereby amended to read as follows:

228.1111 1. ~~[The]~~ *Subject to the limitations of section 5 of this act, the* Attorney General or any other officer, agency or employee in the Executive Department of the State Government shall not enter into a contingent fee contract unless:

(a) The Governor, in consultation with the Attorney General, has determined in writing:

(1) That the Attorney General lacks the resources, skill or expertise to provide representation in the matter that is the subject of the proposed contract; and

(2) That representation pursuant to a contingent fee contract is cost-effective and in the public interest; and

(b) The proposed contract complies with the requirements of NRS 228.111 to 228.1118, inclusive.

2. Before entering into a contingent fee contract, the Attorney General or other officer, agency or employee, as applicable, must obtain approval from the Interim Finance Committee to commit money for that purpose.

Sec. 9. Section 3 of this act is hereby amended to read as follows:

Sec. 3. 1. Except as otherwise provided by specific statute relating to the issuance of a license by endorsement, a regulatory body shall adopt regulations providing for the issuance of a license by endorsement to engage in an occupation or profession in this State to any natural person who:

(a) Holds a corresponding valid and unrestricted license to engage in that occupation or profession in the District of Columbia or any state or territory of the United States;

(b) Possesses qualifications that are substantially similar to the qualifications required for issuance of a license to engage in that occupation or profession in this State; and

(c) Satisfies the requirements of this section and the regulations adopted pursuant thereto.

2. The regulations adopted pursuant to subsection 1 must not allow the issuance of a license by endorsement to engage in an occupation or profession in this State to a natural person unless such a person:

(a) Is a citizen of the United States or otherwise has the legal right to work in the United States;

(b) Has not been disciplined by the corresponding regulatory authority of the District of Columbia or any state or territory in which the applicant currently holds or has held a license to engage in an occupation or profession;

(c) Has not been held civilly or criminally liable in the District of Columbia or any state or territory of the United States for misconduct relating to his or her occupation or profession;

(d) Has not had a license to engage in an occupation or profession suspended or revoked in the District of Columbia or any state or territory of the United States;

(e) Has not been refused a license to engage in an occupation or profession in the District of Columbia or any state or territory of the United States for any reason;

(f) Does not have pending any disciplinary action concerning his or her license to engage in an occupation or profession in the District of Columbia or any state or territory of the United States;

(g) Pays any applicable fees for the issuance of a license that are otherwise required for a natural person to obtain a license in this State;

and

(h) Submits to the regulatory body a complete set of his or her fingerprints and written permission authorizing the regulatory body to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report or proof that the applicant has previously passed a comparable criminal background check. ~~and~~

~~(i) Submits to the regulatory body the statement required by NRS 425.520.1~~

3. A regulatory body may, by regulation, require an applicant for issuance of a license by endorsement to engage in an occupation or profession in this State to submit with his or her application:

(a) Proof satisfactory to the regulatory body that the applicant:

(1) Has achieved a passing score on a nationally recognized, nationally accredited or nationally certified examination or other examination approved by the regulatory body;

(2) Has completed the requirements of an appropriate vocational, academic or professional program of study in the occupation or profession for which the applicant is seeking a license by endorsement in this State;

(3) Has engaged in the occupation or profession for which the applicant is seeking a license by endorsement in this State pursuant to the applicant's existing licensure for the period determined by the regulatory body preceding the date of the application; and

(4) Possesses a sufficient degree of competency in the occupation or profession for which he or she is seeking licensure by endorsement in this State;

(b) An affidavit stating that the information contained in the application and any accompanying material is true and complete; and

(c) Any other information required by the regulatory body.

4. Not later than 21 business days after receiving an application for a license by endorsement to engage in an occupation or profession pursuant to this section, the regulatory body shall provide written notice to the applicant of any additional information required by the regulatory body to consider the application. Unless the regulatory body denies the application for good cause, the regulatory body shall approve the application and issue a license by endorsement to engage in the occupation or profession to the applicant not later than:

(a) Sixty days after receiving the application;

(b) If the regulatory body requires an applicant to submit fingerprints and authorize the preparation of a report on the applicant's background based on the submission of the applicant's fingerprints, 15 days after the regulatory body receives the report; or

(c) If the regulatory body requires the filing and maintenance of a bond as a requirement for the issuance of a license, 15 days after the filing of the bond with the regulatory body,

➡ whichever occurs later.

5. A license by endorsement to engage in an occupation or profession in this State issued pursuant to this section may be issued at a meeting of the regulatory body or between its meetings by the presiding member of the regulatory body and the executive head of the regulatory

body. Such an action shall be deemed to be an action of the regulatory body.

6. A regulatory body may deny an application for licensure by endorsement if:

(a) An applicant willfully fails to comply with the provisions of paragraph (h) of subsection 2; or

(b) The report from the Federal Bureau of Investigation indicates that the applicant has been convicted of a crime that would be grounds for taking disciplinary action against the applicant as a licensee and the regulatory body has not previously taken disciplinary action against the licensee based on that conviction.

7. The provisions of this section are intended to supplement other provisions of statute governing licensure by endorsement. If any provision of statute conflicts with this section, the other provision of statute prevails over this section to the extent that the other provisions provide more specific requirements relating to licensure by endorsement.

Sec. 9.5. Section 20 of Senate Bill No. 516 of this session is hereby amended to read as follows:

Sec. 20. The Executive Director of the Office of Workforce Innovation shall:

1. Provide support to the Office of the Governor, the Governor's Workforce Development Board created by NRS 232.935 and the industry sector councils established by the Governor's Workforce Development Board on matters relating to workforce development.

2. Work in coordination with the Office of Economic Development to establish criteria and goals for workforce development and diversification in this State.

3. Collect and systematize and present in biennial reports to the Governor and the Legislature such statistical details relating to workforce development in the State as the Executive Director of the Office may deem essential to further the objectives of the Office of Workforce Innovation.

4. At the direction of the Governor:

(a) Identify, recommend and implement policies related to workforce development.

(b) Define career pathways and identify priority career pathways for secondary and postsecondary education.

(c) Discontinue career pathways offered by the State which fail to meet minimum standards of quality, rigor and cross-education alignment, or that do not demonstrate a connection to priority industry needs.

(d) In consultation with the Governor's Workforce Development Board, identify industry-recognized credentials, workforce development programs and education.

(e) Maintain and oversee the statewide longitudinal data system that links data relating to early childhood education programs and K-12 public education with data relating to postsecondary education and the workforce in this State.

(f) Collect accurate educational data in the statewide longitudinal data system for the purpose of analyzing student performance through employment to assist in improving the educational system and workforce training program in this State.

(g) Apply for and administer grants, including, without limitation, those that may be available from funding reserved for statewide workforce investment activities.

(h) Review the status and structure of local workforce investment areas in the State, in coordination with the Governor and the Governor's Workforce Development Board.

(i) Report periodically to the Governor's Workforce Development Board concerning the administration of the policies and programs of the Office of Workforce Innovation.

(j) On or before March 31 of each year, submit to the Governor a complete report of the activities, discussions, findings and recommendations of the Office of Workforce Innovation.

(k) Oversee the State Apprenticeship Council and the State Apprenticeship Director pursuant to NRS 610.110 to 610.185, inclusive, and perform such other functions as may be necessary for the fulfillment of the intent and purposes of chapter 610 of NRS.

(l) Suggest improvements regarding the allocation of federal and state money to align workforce training and related education programs in the State, including, but not limited to, career and technical education.

(m) On or before January 1 of each year, collect and analyze data as needed to create a written report for the purposes of this paragraph, and submit such a report to the Director of the Legislative Counsel Bureau. The report must include, without limitation:

(1) Statistical data based on an analysis of the number of persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body in relation to the total population of this State or any geographic area within this State;

(2) The demand within this State or any geographic area within this State for the types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body; and

(3) Any other factors relating to the types of services provided by persons within this State who are engaged in an occupation or profession that is regulated by a regulatory body that adversely affect public health or safety.

↪ As used in this paragraph, "regulatory body" has the meaning ascribed to it in NRS 622.060.

Sec. 10. The provisions of section 4 of this act apply only to time served as a member of a regulatory body pursuant to an appointment made after the effective date of this act.

Sec. 11. The provisions of section 5 of this act do not apply to an agreement between a regulatory body and an attorney or law firm entered into before the effective date of this act, but do apply to any renewal or extension of such an agreement.

Sec. 12. 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. 13. A regulatory body that is required to adopt regulations pursuant to section 3 of this act shall adopt such regulations not later than February 1, 2018.

Sec. 14. 1. This section and sections 1 to ~~7, inclusive,~~ 8, **inclusive,** and 10 to 13, inclusive, of this act become effective upon passage and approval.

2. ~~Sections 7.3 and 7.6~~ **Section 9.5** of this act ~~become~~ **becomes** effective on July 1, 2017 ~~if~~ **, if and only if Senate Bill No. 516 of this session is enacted by the Legislature and approved by the Governor.**

3. Section 9 of this act becomes effective on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or enforce an obligation for the support of a child; or

(b) Are in arrears in the payment for the support of one or more children,
 ➤ are repealed by the Congress of the United States.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Remarks by Assemblywoman Bustamante Adams.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved that Senate Bill No. 69 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. 69.

Bill read third time.

Remarks by Assemblyman Araujo.

ASSEMBLYMAN ARAUJO:

Senate Bill 69 provides that a regulatory body that is not otherwise authorized or required by a specific statute to issue a license to engage in an occupation or profession must adopt regulations providing for the issuance of a license by endorsement. The measure also establishes term limits for members of regulatory bodies. A regulatory body is prohibited from entering into a contingent fee contract with any attorney or law firm.

The bill also requires each regulatory body to submit a quarterly report to the Director of the Legislative Counsel Bureau that includes information concerning the number of applications rejected by, and the reasons for denial by, the regulatory body during the immediately preceding calendar quarter. Finally, S.B. 69 requires the Executive Director of the Office of Workforce Innovation, also known as OWINN, to submit to the Director of the Legislative Counsel Bureau a written report that includes the number of persons in this state who are engaged in an occupation or profession that is regulated by a regulatory body and the demand for services of persons engaged in those occupations or professions.

Roll call on Senate Bill No. 69:

YEAS—41.

NAYS—None.

EXCUSED—Titus.

Senate Bill No. 69 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assemblywoman Benitez-Thompson moved that the Assembly recess until 7:30 p.m.

Motion carried.

Assembly in recess at 5:13 p.m.

ASSEMBLY IN SESSION

At 10:05 p.m.

Mr. Speaker presiding.

Quorum present.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved that the Assembly reconsider the action whereby Assembly Bill No. 487 was passed.

Motion carried.

Assemblywoman Benitez-Thompson moved Assembly Bill No. 487 be placed on the Chief Clerk's desk.

Motion carried.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Commerce and Labor, to which was referred Senate Bill No. 498, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

IRENE BUSTAMANTE ADAMS, *Chair*

Mr. Speaker:

Your Committee on Government Affairs, to which was referred Senate Bill No. 500, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

EDGAR FLORES, *Chair*

Mr. Speaker:

Your Committee on Judiciary, to which were referred Senate Bills Nos. 124, 344, 490, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

STEVE YEAGER, *Chair*

Mr. Speaker:

Your Committee on Taxation, to which was referred Senate Bill No. 439, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

DINA NEAL, *Chair*

Mr. Speaker:

Your Committee on Ways and Means, to which were referred Assembly Bills Nos. 520, 521, 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 rereferred Assembly Bill No. 434, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass, as amended.

Also, your Committee on Ways and Means, to which were referred Senate Bills Nos. 126, 373, 503, 522, 527, 528, 529, 530, 531, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Ways and Means, to which were referred Senate Bills Nos. 532, 533, 534, 536, 537, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Ways and Means, to which were rereferred Senate Bills Nos. 244, 481, 514, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MAGGIE CARLTON, *Chair*

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, June 2, 2017

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. 127, Amendment No. 1063; Assembly Bill No. 280, Amendment No. 1057; Assembly Bill No. 468, Amendment No. 1052, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bill No. 403, Amendments Nos. 805, 968, 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 receded from its action on Assembly Bill No. 36, Senate Amendment No. 960.

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. 249, Senate Amendments Nos. 751, 966, and requests a conference, and appointed Senators Spearman, Ratti and Gansert 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 Senate Bill No. 543.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bill No. 178.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 187, 192, 200, 343, 451, 467.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 249, 303.

Also, I have the honor to inform your honorable body that the Senate on this day concurred in Assembly Amendment No. 1058 to Senate Bill No. 394.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Segerblom, Cannizzaro and Gustavson as a Conference Committee concerning Senate Bill No. 258.

Also, I have the honor to inform your honorable body that the Senate on this day appointed Senators Segerblom, Cannizzaro and Harris 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 Segerblom, Cannizzaro and Harris as a Conference Committee concerning Senate Bill No. 432.

SHERRY RODRIGUEZ
Assistant Secretary of the Senate

INTRODUCTION, FIRST READING AND REFERENCE

By Assemblymen Frierson and Benitez-Thompson (Emergency Request of Speaker of the Assembly):

Assembly Bill No. 522—AN ACT making an appropriation to the NevadaTeach Program at the University of Nevada, Reno; and providing other matters properly relating thereto.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 178.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 187.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 192.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 200.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 249.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 303.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 343.

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

Motion carried.

Senate Bill No. 451.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Corrections, Parole, and Probation.

Motion carried.

Senate Bill No. 467.

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

Motion carried.

Senate Bill No. 543.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

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

Assembly in recess at 10:16 p.m.

ASSEMBLY IN SESSION

At 10:35 p.m.

Mr. Speaker presiding.

Quorum present.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Ways and Means, to which was referred Assembly Bill No. 522, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MAGGIE CARLTON, *Chair*

GENERAL FILE AND THIRD READING

Assembly Bill No. 522.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

Assembly Bill 522 makes an appropriation to the NevadaTeach program of \$300,000.

Roll call on Assembly Bill No. 522:

YEAS—39.

NAYS—None.

EXCUSED—Hansen, Pickard, Titus—3.

Assembly Bill No. 522 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved that Senate Bill No. 442 and Assembly Bill No. 487 be taken from the Chief Clerk's desk and placed at the top of the General File.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 442.

Bill read third time.

The following amendment was proposed by Assemblywoman Benitez-Thompson:

Amendment No. 1106.

AN ACT relating to economic development; revising the requirements that a business must satisfy to obtain a partial abatement of certain taxes and certain transferable tax credits; providing for the partial abatement of certain taxes imposed on a project located at multiple sites in this State that satisfies certain capital investment and other requirements; **creating the Legislative Committee on Tax Expenditures and Incentives for Economic Development; setting forth the composition and administration of the Committee; prescribing the powers and duties of the Committee;** authorizing a municipality to create an improvement district to acquire, improve, equip, operate and maintain a rail project for a qualified project; revising provisions governing an improvement district created to finance certain infrastructure improvements for a qualified project; revising provisions governing the creation of a tax increment area by the governing body of a municipality; authorizing the governing body of a municipality that creates a tax increment area to enter into a contract for the payment of money in the tax increment account to a property owner to reimburse the property owner for certain costs paid by the property owner for an undertaking; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Office of Economic Development to grant a partial abatement of property taxes, business taxes and sales and use taxes to a business that locates or expands in this State and meets certain qualifications for the abatement. (NRS 274.310, 274.320, 360.750, 360.752, 360.753, 360.754, 701A.210) Under existing law, a business applying for certain types of partial abatements may meet the requirements for the partial abatement if the business satisfies certain criteria, even if the business pays

its new employees less than the average hourly wage in this State and does not provide health insurance to its employees in this State. **Sections 1-3** of this bill revise the eligibility criteria for these partial abatements so that to qualify for the partial abatement, a business is required to pay the new employees hired by the business a wage that is at least equal to the average statewide hourly wage and offer to all of its employees health benefits that meet standards established by the Office. **Sections 1-3 and 22** of this bill remove provisions authorizing the Office to make less stringent the requirements related to the payment of wages and the offering of health benefits to employees. However, **section 1** also: (1) maintains a provision of existing law that authorizes the Office to approve a reduced partial abatement if the business pays the new employees hired by the business a wage that is less than the average statewide wage; and (2) revises the criteria under which the Office may approve a reduced partial abatement under that provision. Finally, **sections 1, 11 and 22** of this bill revise the eligibility criteria for certain partial abatements so that certain criteria applicable to a business expanding or locating in a county whose population is 100,000 or less (currently all counties other than Clark and Washoe Counties) also apply to a business expanding or locating in an area of such a county that is located: (1) within the geographic boundaries of an area that is designated as rural by the United States Department of Agriculture; and (2) at least 20 miles outside of the geographic boundaries of an area designated as urban by the United States Department of Agriculture.

Under existing law, the eligibility criteria for certain partial abatements of taxes and the issuance of certain transferable tax credits require at least 50 percent of the employees engaged or anticipated to be engaged in the construction of the project for which the partial abatement or tax credits are awarded to be residents of this State. **Sections 4, 6 and 9** of this bill remove the term “anticipated to be engaged” so that the eligibility criteria for the partial abatements and tax credits require at least 50 percent of the employees engaged in the construction of the project to be residents of this State.

Existing law authorizes the Office of Economic Development to approve applications for partial abatements of certain taxes and the issuance of transferable tax credits submitted by the lead participant engaged in a qualified project with other participants for a common purpose or business endeavor and which is located within the geographic boundaries of a single project site in this State. (NRS 360.880-360.980) **Sections 5-7** of this bill authorize the Office to approve an application for partial abatements of certain taxes for qualified projects located on multiple project sites if the capital investment by certain participants in the qualified project will be at least \$1 billion and certain criteria are met. **Sections 5 and 8** of this bill revise the definition of a “project” so that: (1) the participants must be engaged in a common business purpose or industry; and (2) such participants must be deemed to be engaged in a common business purpose or industry if the participants are in the same supply chain related to the common business

purpose or industry or provide components or services related to the common business purpose or industry. **Sections 6 and 9** of this bill require the lead participant in the qualified project to enter into an agreement with the governing body of the city or county in which the qualified project is located, which requires: (1) the lead participant to pay the cost of certain engineering and design work necessary to determine the cost of infrastructure improvements required by the qualified project; and (2) the governing body of the city or county to reimburse the lead participant for those costs.

Under existing law governing a partial abatement of certain taxes for a qualified project that will make a capital investment in this State of at least \$1 billion, as a condition of the partial abatement, the lead participant is required to pay all or a portion of the abated taxes into a trust fund in the State Treasury until part or all of the requirements for the partial abatement have been met. If the requirements for the partial abatement are met, the abated taxes paid into the trust fund, including the interest and income earned on that money, must be returned to the lead participant. If the requirements for the partial abatement are not met, the money in the trust fund must be transferred to the entity that would have received the money if the partial abatement had not been granted, as determined by the Department of Taxation. (NRS 360.893) **Sections 7 and 9.5** of this bill provide that if certain assessments, or installments thereof, used to pay bonds or other obligations of this State or a local government in connection with the qualified project are delinquent, the money in the trust fund must be used to repay any bonds or other obligations issued by this State or a local government in connection with the qualified project. **Section 14.5** of this bill provides that any money collected to enforce the assessment, or installment thereof, including the proceeds of a sale of property to collect or enforce the assessment, or installment thereof, must be used to repay any amounts paid from the trust fund to repay such bonds or other obligations.

Existing law establishes provisions pursuant to which a local government that receives notice from the Office of Economic Development that a qualified project will be located within the jurisdiction of the local government and that determines there is a need to finance infrastructure projects to support the development of the qualified project may submit to the Office an economic development financing proposal pursuant to which the infrastructure projects would be financed from the proceeds of bonds, securities or other indebtedness issued by the State of Nevada. (NRS 360.981-360.992) Before the issuance of any bonds, securities or other indebtedness of the State pursuant to such an economic development financing proposal, the lead participant in the qualified project is required to provide adequate security that the lead participant will carry out the qualified project. **Section 10** of this bill provides that a lien for special assessments imposed on the qualified project may constitute such adequate security.

Existing law requires a business applying to the Office for certain partial abatements of property taxes to satisfy certain requirements, including,

without limitation, a requirement to make a minimum amount of capital investment in the county in which the business is located. (NRS 361.0687) The minimum amount of the capital investment is scheduled to increase on July 1, 2017. **Section 11** of this bill permanently extends the current requirement for the minimum capital investment.

Section 11.5 of this bill creates the Legislative Committee on Tax Expenditures and Incentives for Economic Development and prescribes the appointment of its membership. Section 11.6 of this bill sets forth requirements for meetings of the Committee. Under section 11.6, members of the Committee must not receive compensation or per diem or travel expenses.

Existing law requires the Board of Economic Development to review and evaluate all programs of economic development in Nevada and to make recommendations to the Legislature for legislation to improve the effectiveness of those programs in implementing the State Plan for Economic Development. (NRS 231.037) Section 11.7 of this bill requires the Legislative Committee on Tax Expenditures and Incentives for Economic Development to identify and evaluate all incentives for economic development in this State and provide the Legislature with a report concerning its activities. Section 11.8 of this bill authorizes the Committee to evaluate, review and comment on tax expenditures and to make recommendations for the addition, modification or elimination of a tax expenditure or incentive for economic development.

Existing law authorizes the governing body of any county, city or unincorporated town to create an improvement district for the acquisition, operation and maintenance of certain improvement projects and to finance the cost of any project through the issuance of bonds and the levy of assessments upon property in the improvement district. (NRS 271.265, 271.270, 271.325) Existing law authorizes a municipality in which a qualified project is located to create an improvement district to acquire, improve, equip, operate and maintain an electrical project or a fire protection project for the qualified project. (NRS 271.265) **Sections 12 and 14** of this bill authorize such a municipality to create an improvement district to acquire, improve, equip, operate and maintain a rail project for a qualified project. **Section 16** of this bill amends provisions governing tax increment areas to enact the same definition for “rail project” as is set forth in **section 12**.

Existing law authorizes the governing body of a municipality to designate a tax increment area for the purpose of creating a special account for the payment of bonds or other securities issued to defray the cost of certain undertakings. The designation of a tax increment area by the governing body provides for the allocation of a portion of the taxes levied upon taxable property in the tax increment area each year to pay the bond requirements of loans, money advanced to or indebtedness incurred by the municipality to finance or refinance the undertaking. In addition to such property taxes, a

portion of the sales and use taxes imposed within the tax increment area and the excise tax imposed on financial institutions and employers (the “modified business tax”) located in the tax increment area may be allocated to pay the debt incurred by the municipality to finance or refinance the undertaking if the undertaking is a rail project in relation to a qualified project or a natural resources project. (Chapter 278C of NRS) **Sections 17 and 18** of this bill authorize the governing body of a municipality to enter into an agreement with a property owner in a tax increment area under which the municipality is required to pay the property owner money from the tax increment account for costs incurred by the property owner in connection with an undertaking. **Section 15** of this bill enacts a definition of “bond requirements” for the purpose of enabling a municipality to pay a property owner money from the tax increment account in accordance with an agreement entered into pursuant to **sections 17 and 18**.

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

Section 1. NRS 360.750 is hereby amended to read as follows:

360.750 1. A person who intends to locate or expand a business in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of the taxes imposed on the new or expanded business pursuant to chapter 361, 363B or 374 of NRS.

2. The Office of Economic Development shall approve an application for a partial abatement pursuant to this section if the Office makes the following determinations:

(a) The business offers primary jobs and is consistent with:

(1) The State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Executive Director of the Office to implement the State Plan for Economic Development.

(b) The applicant has executed an agreement with the Office which must:

(1) Comply with the requirements of NRS 360.755;

(2) State the date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application;

(3) State that the business will, after the date on which the abatement becomes effective, continue in operation in this State for a period specified by the Office, which must be at least 5 years, and will continue to meet the eligibility requirements set forth in this subsection;

(4) State that the business will offer primary jobs; and

(5) Bind the successors in interest of the business for the specified period.

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

(d) *Except as otherwise provided in subsection 4 or 5, the average hourly wage that will be paid by the business to its new employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.*

(e) *The business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, offer a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees, and the health care benefits the business offers to its employees in this State will meet the minimum requirements for health care benefits established by the Office.*

(f) Except as otherwise provided in *this subsection and* NRS 361.0687, if the business is a new business in a county whose population is 100,000 or more or a city whose population is 60,000 or more, the business meets at least ~~two~~ *one* of the following requirements:

(1) The business will have 50 or more full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

(2) Establishing the business will require the business to make, not later than the date which is 2 years after the date on which the abatement becomes effective, a capital investment of at least \$1,000,000 in this State in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

~~{(3) The average hourly wage that will be paid by the new business to its new employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:~~

~~—— (I) The business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, provide a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees; and~~

~~—— (II) The health care benefits the business provides to its employees in this State will meet the minimum requirements for health care benefits established by the Office.~~

~~—(e)}~~ (g) Except as otherwise provided in NRS 361.0687, if the business is a new business in a county whose population is less than 100,000 , *in an area of a county whose population is 100,000 or more that is located within the geographic boundaries of an area that is designated as rural by the*

United States Department of Agriculture and at least 20 miles outside of the geographic boundaries of an area designated as urban by the United States Department of Agriculture, or in a city whose population is less than 60,000, the business meets at least ~~two~~ one of the following requirements:

(1) The business will have 10 or more full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

(2) Establishing the business will require the business to make, not later than the date which is 2 years after the date on which the abatement becomes effective, a capital investment of at least \$250,000 in this State in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

~~{(3) The average hourly wage that will be paid by the new business to its new employees in this State is at least 100 percent of the average statewide hourly wage or the average countywide hourly wage, whichever is less, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:~~

~~—— (I) The business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, provide a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees; and~~

~~—— (II) The health care benefits the business provides to its employees in this State will meet the minimum requirements for health care benefits established by the Office.~~

~~—(f) (h)~~ If the business is an existing business, the business meets at least ~~two~~ one of the following requirements:

(1) For a business in:

(I) ~~{A}~~ *Except as otherwise provided in sub-subparagraph (II), a county whose population is 100,000 or more or a city whose population is 60,000 or more, the business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, increase the number of employees on its payroll in that county or city by 10 percent more than it employed in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective or by twenty-five employees, whichever is greater, who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective; or*

(II) *A county whose population is less than 100,000, an area of a county whose population is 100,000 or more that is located within the geographic boundaries of an area that is designated as rural by the United States Department of Agriculture and at least 20 miles outside of the*

geographic boundaries of an area designated as urban by the United States Department of Agriculture, or a city whose population is less than 60,000, the business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, increase the number of employees on its payroll in that county or city by 10 percent more than it employed in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective or by six employees, whichever is greater, who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

(2) The business will expand by making a capital investment in this State, not later than the date which is 2 years after the date on which the abatement becomes effective, in an amount equal to at least 20 percent of the value of the tangible property possessed by the business in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective, and the capital investment will be in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective. The determination of the value of the tangible property possessed by the business in the immediately preceding fiscal year must be made by the:

(I) County assessor of the county in which the business will expand, if the business is locally assessed; or

(II) Department, if the business is centrally assessed.

~~[(3) The average hourly wage that will be paid by the existing business to its new employees in this State is at least the amount of the average hourly wage required to be paid by businesses pursuant to subparagraph (2) of either paragraph (a) or (b) of subsection 2 of NRS 361.0687, whichever is applicable, and:~~

~~—(I) The business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, provide a health insurance plan for all new employees that includes an option for health insurance coverage for dependents of the employees; and~~

~~—(II) The health care benefits the business provides to its new employees in this State will meet the minimum requirements for health care benefits established by the Office.~~

~~—(g)}~~ (i) The applicant has provided in the application an estimate of the total number of new employees which the business anticipates hiring in this State by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective if the Office approves the application.

3. Notwithstanding the provisions of subsection 2, the Office of Economic Development:

(a) Shall not consider an application for a partial abatement pursuant to this section unless the Office has requested a letter of acknowledgment of the

request for the abatement from any affected county, school district, city or town.

(b) Shall consider the level of health care benefits provided by the business to its employees, the projected economic impact of the business and the projected tax revenue of the business after deducting projected revenue from the abated taxes.

(c) May, if the Office determines that such action is necessary:

(1) Approve an application for a partial abatement pursuant to this section by a business that does not meet the requirements set forth in paragraph ~~[(d), (e) or (f)]~~ (f), **(g) or (h)** of subsection 2;

(2) Make **any of** the requirements set forth in ~~paragraph (d), (e) or (f)]~~ **paragraphs (d) to (h), inclusive**, of subsection 2 more stringent; or

(3) Add additional requirements that a business must meet to qualify for a partial abatement pursuant to this section.

4. Notwithstanding any other provision of law, the Office of Economic Development shall not approve an application for a partial abatement pursuant to this section if:

(a) The applicant intends to locate or expand in a county in which the rate of unemployment is ~~6~~ 7 percent or more and the average hourly wage that will be paid by the applicant to its new employees in this State is less than ~~65~~ 70 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.

(b) The applicant intends to locate or expand in a county in which the rate of unemployment is less than ~~6~~ 7 percent and the average hourly wage that will be paid by the applicant to its new employees in this State is less than ~~80~~ 85 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.

5. Notwithstanding any other provision of law, if the Office of Economic Development approves an application for a partial abatement pursuant to this section, in determining the types of taxes imposed on a new or expanded business for which the partial abatement will be approved and the amount of the partial abatement:

(a) If the new or expanded business is located in a county in which the rate of unemployment is ~~6~~ 7 percent or more and the average hourly wage that will be paid by the business to its new employees in this State is less than ~~80~~ 85 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year, the Office shall not:

(1) Approve an abatement of the taxes imposed pursuant to chapter 361 of NRS which exceeds 25 percent of the taxes on personal property payable by the business each year.

(2) Approve an abatement of the taxes imposed pursuant to chapter 363B of NRS which exceeds 25 percent of the amount of tax otherwise due pursuant to NRS 363B.110.

(b) If the new or expanded business is located in a county in which the rate of unemployment is less than ~~6~~ 7 percent and the average hourly wage that will be paid by the business to its new employees in this State is less than 100 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year, the Office shall not:

(1) Approve an abatement of the taxes imposed pursuant to chapter 361 of NRS which exceeds 25 percent of the taxes on personal property payable by the business each year.

(2) Approve an abatement of the taxes imposed pursuant to chapter 363B of NRS which exceeds 25 percent of the amount of tax otherwise due pursuant to NRS 363B.110.

(3) Approve an abatement of the taxes imposed pursuant to chapter 374 of NRS which exceeds the local sales and use taxes. As used in this subparagraph, “local sales and use taxes” means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the new or expanded business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.

6. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer.

7. An applicant for a partial abatement pursuant to this section or an existing business whose partial abatement is in effect shall, upon the request of the Executive Director of the Office of Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.

8. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the requirements set forth in subsection 2; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 2,

➡ the business shall repay to the Department or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the exemption that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232

and 360.320, the business shall, in addition to the amount of the exemption required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

9. A county treasurer:

(a) Shall deposit any money that he or she receives pursuant to subsection 8 in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and

(b) May use the money deposited pursuant to paragraph (a) only for the purposes authorized by NRS 354.6113 and 354.6115.

10. The Office of Economic Development may adopt such regulations as the Office of Economic Development determines to be necessary to carry out the provisions of this section and NRS 360.755.

11. The Nevada Tax Commission:

(a) Shall adopt regulations regarding:

(1) The capital investment that a new business must make to meet the requirement set forth in paragraph ~~[(d)]~~ (f) or ~~[(e)]~~ (g) of subsection 2; and

(2) Any security that a business is required to post to qualify for a partial abatement pursuant to this section.

(b) May adopt such other regulations as the Nevada Tax Commission determines to be necessary to carry out the provisions of this section and NRS 360.755.

12. An applicant for a partial abatement pursuant to this section who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

13. For the purposes of this section, an employee is a “full-time employee” if he or she is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in subsection 2.

Sec. 2. NRS 360.752 is hereby amended to read as follows:

360.752 1. A person who intends to locate or expand a business in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of the tax imposed on the new or expanded business pursuant to chapter 361 of NRS.

2. The Office of Economic Development shall approve an application for a partial abatement pursuant to this section if the Office makes the following determinations:

(a) The business is in one or more of the industry sectors for economic development promoted, identified or otherwise approved by the Governor’s Workforce Investment Board described in NRS 232.935.

(b) The business is consistent with:

(1) The State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Executive Director of the Office to implement the State Plan for Economic Development.

(c) The applicant has executed an agreement with the Office which must:

(1) Comply with the requirements of NRS 360.755;

(2) Require the business to submit to the Department the reports required by paragraph (c) of subsection 1 of NRS 218D.355;

(3) State the agreed terms of the partial abatement, which must comply with the requirements of subsection 4;

(4) State the date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application;

(5) State that the business will, after the date on which a certificate of eligibility for the abatement is issued pursuant to subsection 5, continue in operation in this State for a period specified by the Office, which must be at least 5 years, and will continue to meet the eligibility requirements set forth in this subsection; and

(6) Bind the successors in interest of the business for the specified period.

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

(e) The business does not receive:

(1) Any funding from a governmental entity, other than any private activity bonds as defined in 26 U.S.C. § 141; or

(2) Any real or personal property from a governmental entity at no cost or at a reduced cost.

(f) *The average hourly wage that will be paid by the business to its new employees in this State is at least 100 percent of the average statewide hourly wage or the average countywide hourly wage, whichever is less, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.*

(g) *The business will offer a health insurance plan for all full-time employees that includes an option for health insurance coverage for dependents of those employees, or will abide by all applicable provisions of the Patient Protection and Affordable Care Act, Public Law 111-148, or both, and the benefits the business offers to its employees in this State will meet the minimum requirements for benefits established by the Office.*

(h) The business meets the following requirements:

(1) The business makes a capital investment of at least \$1,000,000 in a program of the University of Nevada, Reno, the University of Nevada, Las Vegas, or the Desert Research Institute to be used in support of research, development or training related to the field of endeavor of the business.

(2) The business will employ 15 or more full-time employees for the duration of the abatement.

(3) The business will employ two or more graduate students from the program in which the capital investment is made on a part-time basis during years 2 through 5, inclusive, of the abatement.

~~(4) [The average hourly wage that will be paid by the business to its new employees in this State is at least 100 percent of the average statewide hourly wage or the average countywide hourly wage, whichever is less, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:~~

~~—— (I) The business will provide a health insurance plan for all full-time employees that includes an option for health insurance coverage for dependents of those employees, or will abide by all applicable provisions of the Patient Protection and Affordable Care Act, Public Law 111-148, or both; and~~

~~—— (II) The benefits the business provides to its employees in this State will meet the minimum requirements for benefits established by the Office.~~

~~—— (5)] The business submits with its application for a partial abatement:~~

(I) A letter of support from the institution in which the capital investment is made, which is signed by the chief administrative officer of the institution and the director or chair of the program or the appropriate department, and which includes, without limitation, a summary of the financial and other resources the business will provide to the program and an agreement that the institution will provide to the Office periodic reports, at such times and containing such information as the Office may require, regarding the use of those resources; and

(II) A letter of support which is signed by the chair of the board of directors of the regional economic development authority within whose jurisdiction the institution is located and which includes, without limitation, a summary of the role the business will play in diversifying the economy and, if applicable, in achieving the broader goals of the regional economic development authority for economic development and diversification.

~~[(g)]~~ (i) In lieu of meeting the requirements of paragraph ~~[(f)]~~ (h), the business meets the following requirements:

(1) The business makes a capital investment of at least \$500,000 in the Nevada State College or an institution of the Nevada System of Higher Education other than those set forth in subparagraph (1) of paragraph ~~[(f)]~~ (h), to be used in support of college certification or in support of research or training related to the field of endeavor of the business.

(2) The business will employ 15 or more full-time employees for the duration of the abatement.

(3) The business will employ two or more students from the college or institution in which the capital investment is made on a full-time basis during years 2 through 5, inclusive, of the abatement.

~~(4) [The average hourly wage that will be paid by the business to its new employees in this State is at least 100 percent of the average statewide hourly wage or the average countywide hourly wage, whichever is less, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:~~

~~—— (I) The business will provide a health insurance plan for all full-time employees that includes an option for health insurance coverage for dependents of those employees, or will abide by all applicable provisions of the Patient Protection and Affordable Care Act, Public Law 111-148, or both; and~~

~~—— (II) The benefits the business provides to its employees in this State will meet the minimum requirements for benefits established by the Office.~~

~~—— (5)] The business submits with its application for a partial abatement:~~

(I) A letter of support from the college or institution in which the capital investment is made, which is signed by the chief administrative officer of the college or institution and which includes, without limitation, a summary of the financial and other resources the business will provide to the program and an agreement that the college or institution will provide to the Office periodic reports, at such times and containing such information as the Office may require, regarding the use of those resources; and

(II) A letter of support which is signed by the chair of the board of directors of the regional economic development authority within whose jurisdiction the college or institution is located and which includes, without limitation, a summary of the role the business will play in diversifying the economy and, if applicable, in achieving the broader goals of the regional economic development authority for economic development and diversification.

3. Notwithstanding the provisions of subsection 2, the Office of Economic Development:

(a) Shall furnish to the board of county commissioners of each affected county a copy of each application for a partial abatement pursuant to this section.

(b) Shall not consider an application for a partial abatement pursuant to this section unless the Office has requested a letter of acknowledgment of the request for the abatement from any affected county, school district, city or town.

(c) Shall not approve an application for a partial abatement pursuant to this section unless the abatement is approved or deemed approved as described in this paragraph. The board of county commissioners of each affected county must approve or deny the application not later than 30 days after the board of county commissioners receives a copy of the application as described in paragraph (a). If the board of county commissioners does not approve or deny the application within 30 days after the board of county commissioners receives a copy of the application, the application shall be deemed approved.

(d) May, if the Office determines that such action is necessary add additional requirements that a business must meet to qualify for a partial abatement pursuant to this section.

4. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:

(a) The total amount of the abatement must not exceed;

(1) Fifty percent of the amount of the taxes imposed on the personal property of the business pursuant to chapter 361 of NRS during the period of the abatement; or

(2) Fifty percent of the amount of the capital investment by the business,

↳ whichever amount is less;

(b) The duration of the abatement must be for 5 years; and

(c) The abatement applies only to the business for which the abatement was approved pursuant to this section and the property used in connection with that business.

5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of the county in which the business will be located.

6. An applicant for a partial abatement pursuant to this section or an existing business whose partial abatement is in effect shall, upon the request of the Executive Director of the Office of Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.

7. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases to meet the requirements set forth in subsection 2 or ceases operation before the time specified in the agreement described in paragraph (c) of subsection 2:

(a) The business shall repay to the county treasurer the amount of the exemption that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the exemption required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

(b) The applicable institution of higher education is entitled to keep the entire capital investment made by the business in that institution.

8. A county treasurer:

(a) Shall deposit any money that he or she receives pursuant to subsection 7 in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and

(b) May use the money deposited pursuant to paragraph (a) only for the purposes authorized by NRS 354.6113 and 354.6115.

9. The Office of Economic Development:

(a) Shall adopt regulations relating to the minimum level of benefits that a business must provide to its employees to qualify for a partial abatement pursuant to this section; and

(b) May adopt such regulations as the Office determines to be necessary to carry out the provisions of this section.

10. The Nevada Tax Commission:

(a) Shall adopt regulations regarding any security that a business is required to post to qualify for a partial abatement pursuant to this section; and

(b) May adopt such other regulations as the Nevada Tax Commission determines to be necessary to carry out the provisions of this section.

11. An applicant for a partial abatement pursuant to this section who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

12. Except as otherwise provided in this subsection, as used in this section, “capital investment” includes, without limitation, an investment of real or personal property, money or other assets by a business in an institution of the Nevada System of Higher Education. The Office of Economic Development may, by regulation, specify the types of real or personal property or assets that are included within the definition of “capital investment.”

Sec. 3. NRS 360.753 is hereby amended to read as follows:

360.753 1. An owner of a business or a person who intends to locate or expand a business in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of:

(a) The personal property taxes imposed on an aircraft and the personal property used to own, operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft; and

(b) The local sales and use taxes imposed on the purchase of tangible personal property used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft.

2. Notwithstanding the provisions of any law to the contrary and except as otherwise provided in subsections 3 and 4, the Office of Economic Development shall approve an application for a partial abatement if the Office makes the following determinations:

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

(1) Complies with the requirements of NRS 360.755;

(2) States the date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application;

(3) States that the business will, after the date on which a certificate of eligibility for the partial abatement is issued pursuant to subsection 5, continue in operation in this State for a period specified by the Office, which must be not less than 5 years, and will continue to meet the eligibility requirements set forth in this subsection; and

(4) Binds any successor in interest of the applicant for the specified period;

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

(c) The business owns, operates, manufactures, services, maintains, tests, repairs, overhauls or assembles an aircraft or any component of an aircraft;

(d) *The average hourly wage that will be paid by the business to its employees in this State during the period of partial abatement is not less than 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.*

(e) *The business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, offer a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees, and the health care benefits the business offers to its employees in this State will meet the minimum requirements for health care benefits established by the Office.*

(f) If the business is:

(1) A new business, that it will have five or more full-time employees on the payroll of the business within 1 year after receiving its certificate of eligibility for a partial abatement; or

(2) An existing business, that it will increase its number of full-time employees on the payroll of the business in this State by 3 percent or three employees, whichever is greater, within 1 year after receiving its certificate of eligibility for a partial abatement; and

~~{(e)}~~ (g) The business meets at least one of the following requirements:

(1) The business will make a new capital investment of at least \$250,000 in this State within 1 year after receiving its certificate of eligibility for a partial abatement.

(2) The business will maintain and possess in this State tangible personal property having a value of not less than \$5,000,000 during the period of partial abatement.

(3) ~~{The average hourly wage that will be paid by the business to its employees in this State during the period of partial abatement is not less than~~

~~100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.~~

~~—(4) The business develops, refines or owns a patent or other intellectual property, or has been issued a type certificate by the Federal Aviation Administration pursuant to 14 C.F.R. Part 21.~~

3. The Office of Economic Development:

(a) Shall approve or deny an application submitted pursuant to this section and notify the applicant of its decision not later than 45 days after receiving the application.

(b) Must not:

(1) Consider an application for a partial abatement unless the Office has requested a letter of acknowledgment of the request for the partial abatement from any affected county, school district, city or town and has complied with the requirements of NRS 360.757; or

(2) Approve a partial abatement for any applicant for a period of more than 20 years.

4. The Office of Economic Development must not approve a partial abatement of personal property taxes for a business whose physical property is collectively valued and centrally assessed pursuant to NRS 361.320 and 361.3205. ~~[unless the business is regulated under 14 C.F.R. Part 125 or 135.]~~

5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office shall immediately forward a certificate of eligibility for the partial abatement to:

(a) The Department;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from personal property taxes, the appropriate county treasurer.

6. An applicant for a partial abatement pursuant to this section or an existing business whose partial abatement is in effect shall, upon the request of the Executive Director of the Office of Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.

7. If a business whose partial abatement has been approved pursuant to this section and whose partial abatement is in effect ceases:

(a) To meet the requirements set forth in subsection 2; or

(b) Operation before the time specified in the agreement described in paragraph (a) of subsection 2,

➡ the business shall repay to the Department or, if the partial abatement was from personal property taxes, to the appropriate county treasurer, the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement required

to be repaid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

8. The Office of Economic Development may adopt such regulations as the Office determines to be necessary to carry out the provisions of this section.

9. The Nevada Tax Commission may adopt such regulations as the Commission determines are necessary to carry out the provisions of this section.

10. An applicant for a partial abatement who is aggrieved by a final decision of the Office of Economic Development may petition a court of competent jurisdiction to review the decision in the manner provided in chapter 233B of NRS.

11. If the Office of Economic Development approves an application for a partial abatement of local sales and use taxes pursuant to this section, the Department shall issue to the business a document certifying the partial abatement which can be presented to retailers and customers of the business at the time of sale. The document must clearly state that the purchaser is only required to pay sales and use taxes imposed in this State at the rate of 2 percent.

12. As used in this section:

(a) "Aircraft" means any fixed-wing, rotary-wing or unmanned aerial vehicle.

(b) "Component of an aircraft" means any:

(1) Element that makes up the physical structure of an aircraft, or is affixed thereto;

(2) Mechanical, electrical or other system of an aircraft, including, without limitation, any component thereof; and

(3) Raw material or processed material, part, machinery, tool, chemical, gas or equipment used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or component of an aircraft.

(c) "Full-time employee" means a person who is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in subparagraph (3) of paragraph (a) of subsection 2.

(d) "Local sales and use taxes" means any taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in any political subdivision of this State, except the taxes imposed by the Sales and Use Tax Act.

(e) "Personal property taxes" means any taxes levied on personal property by the State or a local government pursuant to chapter 361 of NRS.

Sec. 4. NRS 360.754 is hereby amended to read as follows:

360.754 1. A person who intends to locate or expand a data center in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of the taxes imposed on the new or expanded data center pursuant to chapter 361 or 374 of NRS.

2. The Office of Economic Development shall approve an application for a partial abatement pursuant to this section if the Office makes the following determinations:

(a) The application is consistent with the State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053 and any guidelines adopted by the Executive Director of the Office to implement the State Plan for Economic Development.

(b) The applicant has executed an agreement with the Office of Economic Development which must:

(1) Comply with the requirements of NRS 360.755;

(2) State the date on which the abatement becomes effective, as agreed to by the applicant and the Office of Economic Development, which must not be earlier than the date on which the Office received the application;

(3) State that the data center will, after the date on which the abatement becomes effective, continue in operation in this State for a period specified by the Office of Economic Development, which must be at least 10 years, and will continue to meet the eligibility requirements set forth in this subsection; and

(4) Bind the successors in interest of the applicant for the specified period.

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

(d) If the applicant is seeking a partial abatement for a period of not more than 10 years, the applicant meets the following requirements:

(1) The data center will, by not later than the date that is 5 years after the date on which the abatement becomes effective, have or have added 10 or more full-time employees who are residents of Nevada and who will be employed at the data center and will continue to employ 10 or more full-time employees who are residents of Nevada at the data center until at least the date which is 10 years after the date on which the abatement becomes effective.

(2) Establishing or expanding the data center will require the data center or any combination of the data center and one or more colocated businesses to make in each county in this State in which the data center is located, by not later than the date which is 5 years after the date on which the abatement becomes effective, a cumulative capital investment of at least \$25,000,000 in capital assets that will be used or located at the data center.

(3) The average hourly wage that will be paid by the data center to its employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The data center will, by not later than the date which is 2 years after the date on which the abatement becomes effective, provide a health insurance plan for all employees employed at the data center that includes an option for health insurance coverage for dependents of the employees; and

(II) The health care benefits provided to employees employed at the data center will meet the minimum requirements for health care benefits established by the Office of Economic Development by regulation pursuant to subsection 12.

(4) At least 50 percent of the employees engaged ~~for anticipated to be engaged~~ in the construction of the data center are residents of Nevada, unless waived by the Executive Director of the Office of Economic Development upon proof satisfactory to the Executive Director of the Office of Economic Development that there is an insufficient number of residents of Nevada available and qualified for such employment.

(e) If the applicant is seeking a partial abatement for a period of 10 years or more but not more than 20 years, the applicant meets the following requirements:

(1) The data center will, by not later than the date that is 5 years after the date on which the abatement becomes effective, have or have added 50 or more full-time employees who are residents of Nevada and who will be employed at the data center and will continue to employ 50 or more full-time employees who are residents of Nevada at the data center until at least the date which is 20 years after the date on which the abatement becomes effective.

(2) Establishing or expanding the data center will require the data center or any combination of the data center and one or more colocated businesses to make in each county in this State in which the data center is located, by not later than the date which is 5 years after the date on which the abatement becomes effective, a cumulative capital investment of at least \$100,000,000 in capital assets that will be used or located at the data center.

(3) The average hourly wage that will be paid by the data center to its employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The data center will, by not later than the date which is 2 years after the date on which the abatement becomes effective, provide a health insurance plan for all employees employed at the data center that includes an option for health insurance coverage for dependents of the employees; and

(II) The health care benefits provided to employees employed at the data center will meet the minimum requirements for health care benefits established by the Office of Economic Development by regulation pursuant to subsection 12.

(4) At least 50 percent of the employees engaged ~~for anticipated to be engaged~~ in the construction of the data center are residents of Nevada, unless waived by the Executive Director of the Office of Economic Development upon proof satisfactory to the Executive Director of the Office of Economic Development that there is an insufficient number of residents of Nevada available and qualified for such employment.

(f) The applicant has provided in the application an estimate of the total number of new employees which the data center anticipates hiring in this State if the Office of Economic Development approves the application.

3. Notwithstanding the provisions of subsection 2, the Office of Economic Development:

(a) Shall not consider an application for a partial abatement pursuant to this section unless the Office of Economic Development has requested a letter of acknowledgment of the request for the abatement from each affected county, school district, city or town.

(b) Shall consider the level of health care benefits provided to employees employed at the data center, the projected economic impact of the data center and the projected tax revenue of the data center after deducting projected revenue from the abated taxes.

(c) May, if the Office of Economic Development determines that such action is necessary:

(1) Approve an application for a partial abatement pursuant to this section by a data center that does not meet the requirements set forth in paragraph (d) or (e) of subsection 2;

(2) Make the requirements set forth in paragraph (d) and (e) of subsection 2 more stringent; or

(3) Add additional requirements that an applicant must meet to qualify for a partial abatement pursuant to this section.

4. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of each county in which the data center is or will be located.

5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office may also approve a partial abatement of taxes for each colocated business that enters into a contract to use or occupy, for a period of at least 2 years, all or a portion of the new or expanded data center. Each such colocated business shall obtain a

state business registration issued by the Secretary of State. The percentage amount of a partial abatement approved for a colocated business pursuant to this subsection must not exceed the percentage amount of the partial abatement approved for the data center. The duration of a partial abatement approved for a colocated business pursuant to this subsection must not exceed the duration of the contract or contracts entered into between the colocated business and the data center, including the duration of any contract or contracts extended or renewed by the parties. If a colocated business ceases to meet the requirements set forth in this subsection, the colocated business shall repay the amount of the abatement that was allowed in the same manner in which a data center is required by subsection 7 to repay the Department or a county treasurer. If a data center ceases to meet the requirements of subsection 2 or ceases operation before the time specified in the agreement described in paragraph (b) of subsection 2, any partial abatement approved for a colocated business ceases to be in effect, but the colocated business is not required to repay the amount of the abatement that was allowed before the date on which the abatement ceases to be in effect. A data center shall provide the Executive Director of the Office and the Department with a list of the colocated businesses that are qualified to receive a partial abatement pursuant to this subsection and shall notify the Executive Director within 30 days after any change to the list. The Executive Director shall provide the list and any updates to the list to the Department and the county treasurer of each affected county.

6. An applicant for a partial abatement pursuant to this section or a data center whose partial abatement is in effect shall, upon the request of the Executive Director of the Office of Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.

7. If a data center whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the requirements set forth in subsection 2; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 2,

➤ the data center shall repay to the Department or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the abatement that was allowed pursuant to this section before the failure of the data center to comply unless the Nevada Tax Commission determines that the data center has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the data center shall, in addition to the amount of the abatement required to be repaid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

8. A county treasurer:

(a) Shall deposit any money that he or she receives pursuant to subsection 5 or 7 in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and

(b) May use the money deposited pursuant to paragraph (a) only for the purposes authorized by NRS 354.6113 and 354.6115.

9. An applicant for a partial abatement pursuant to this section who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

10. For an employee to be considered a resident of Nevada for the purposes of this section, a data center must maintain the following documents in the personnel file of the employee:

(a) A copy of the current and valid Nevada driver's license of the employee or a current and valid identification card for the employee issued by the Department of Motor Vehicles;

(b) If the employee is a registered owner of one or more motor vehicles in Nevada, a copy of the current motor vehicle registration of at least one of those vehicles;

(c) Proof that the employee is a full-time employee; and

(d) Proof that the employee is covered by the health insurance plan which the data center is required to provide pursuant to sub-subparagraph (I) of subparagraph (3) of paragraph (d) of subsection 2 or sub-subparagraph (I) of subparagraph (3) of paragraph (e) of subsection 2.

11. For the purpose of obtaining from the Executive Director of the Office of Economic Development any waiver of the requirements set forth in subparagraph (4) of paragraph (d) of subsection 2 or subparagraph (4) of paragraph (e) of subsection 2, a data center must submit to the Executive Director of the Office of Economic Development written documentation of the efforts to meet the requirements and documented proof that an insufficient number of Nevada residents is available and qualified for employment.

12. The Office of Economic Development:

(a) Shall adopt regulations relating to the minimum level of health care benefits that a data center must provide to its employees to meet the requirement set forth in paragraph (d) or (e) of subsection 2;

(b) May adopt such other regulations as the Office determines to be necessary to carry out the provisions of this section; and

(c) Shall not approve any application for a partial abatement submitted pursuant to this section which is received on or after January 1, 2036.

13. The Nevada Tax Commission:

(a) Shall adopt regulations regarding:

(1) The capital investment necessary to meet the requirement set forth in paragraph (d) or (e) of subsection 2; and

(2) Any security that a data center is required to post to qualify for a partial abatement pursuant to this section.

(b) May adopt such other regulations as the Nevada Tax Commission determines to be necessary to carry out the provisions of this section.

14. As used in this section, unless the context otherwise requires:

(a) “Colocated business” means a person who enters into a contract with a data center that is qualified to receive an abatement pursuant to this section to use or occupy all or part of the data center.

(b) “Data center” means one or more buildings located at one or more physical locations in this State which house a group of networked server computers for the purpose of centralizing the storage, management and dissemination of data and information pertaining to one or more businesses and includes any modular or preassembled components, associated telecommunications and storage systems and, if the data center includes more than one building or physical location, any network or connection between such buildings or physical locations.

(c) “Full-time employee” means a person who is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in paragraph (d) or (e) of subsection 2.

Sec. 5. NRS 360.886 is hereby amended to read as follows:

360.886 “Project” means a project undertaken by a business or group of businesses:

1. Located within the geographic boundaries of a single project site *or sites* in this State; and

2. Engaged in a common *business* purpose or ~~{business endeavor.}~~ *industry. A business or group of businesses must be deemed to be engaged in a common business purpose or industry if the business or group of businesses are in a supply chain related to the common business purpose or industry or provide components or services related to the common business purpose or industry.*

Sec. 5.5. NRS 360.888 is hereby amended to read as follows:

360.888 “Qualified project” means a project which the Office of Economic Development determines meets all the requirements set forth in subsections 2, ~~{3 and}~~ 4 *and 5* of NRS 360.889.

Sec. 6. NRS 360.889 is hereby amended to read as follows:

360.889 1. On behalf of a project, the lead participant in the project may apply to the Office of Economic Development for:

(a) A certificate of eligibility for transferable tax credits which may be applied to:

- (1) Any tax imposed by chapters 363A and 363B of NRS;
- (2) The gaming license fees imposed by the provisions of NRS 463.370;
- (3) Any tax imposed by chapter 680B of NRS; or
- (4) Any combination of the fees and taxes described in subparagraphs

(1), (2) and (3).

(b) A partial abatement of property taxes, employer excise taxes or local sales and use taxes, or any combination of any of those taxes.

2. For a project to be eligible for the transferable tax credits described in paragraph (a) of subsection 1 and the partial abatement of the taxes described in paragraph (b) of subsection 1, the lead participant in the project must, on behalf of the project:

(a) Submit an application that meets the requirements of subsection ~~{3;} 4;~~

(b) Provide documentation satisfactory to the Office that approval of the application would promote the economic development of this State and aid the implementation of the State Plan for Economic Development developed by the Executive Director of the Office pursuant to subsection 2 of NRS 231.053;

(c) Provide documentation satisfactory to the Office that the participants in the project collectively will make a total new capital investment of at least \$1 billion in this State within the 10-year period immediately following approval of the application;

(d) Provide documentation satisfactory to the Office that the participants in the project are engaged in a common **business** purpose or ~~{business endeavor;}~~ **industry;**

(e) Provide documentation satisfactory to the Office that the place of business of each participant is or will be located within the geographic boundaries of the project site ~~{;} or sites;~~

(f) Provide documentation satisfactory to the Office that each participant in the project is registered pursuant to the laws of this State or commits to obtaining a valid business license and all other permits required by the county, city or town in which the project operates;

(g) Provide documentation satisfactory to the Office of the number of employees engaged ~~{or anticipated to be engaged}~~ in the construction of the project;

(h) Provide documentation satisfactory to the Office of the number of qualified employees employed or anticipated to be employed at the project by the participants;

(i) Provide documentation satisfactory to the Office that each employer engaged in the construction of the project provides a plan of health insurance and that each employee engaged in the construction of the project is offered coverage under the plan of health insurance provided by his or her employer;

(j) Provide documentation satisfactory to the Office that each participant in the project provides a plan of health insurance and that each employee employed at the project by each participant is offered coverage under the plan of health insurance provided by his or her employer;

(k) Provide documentation satisfactory to the Office that at least 50 percent of the employees engaged ~~{or anticipated to be engaged}~~ in construction of the project and 50 percent of the employees employed at the project are residents of Nevada, unless waived by the Executive Director of the Office upon proof satisfactory to the Executive Director of the Office that there is an insufficient number of Nevada residents available and qualified for such employment;

(l) Agree to provide the Office with a full compliance audit of the participants in the project at the end of each fiscal year which:

(1) Shows the amount of money invested in this State by each participant in the project;

(2) Shows the number of employees engaged in the construction of the project and the number of those employees who are residents of Nevada;

(3) Shows the number of employees employed at the project by each participant and the number of those employees who are residents of Nevada; and

(4) Is certified by an independent certified public accountant in this State who is approved by the Office;

(m) Pay the cost of the audit required by paragraph (l); ~~and~~

(n) *Enter into an agreement with governing body of the city or county in which the qualified project is located that:*

(1) Requires the lead participant to pay the cost of any engineering or design work necessary to determine the cost of infrastructure improvements required to be made by the governing body pursuant to an economic development financing proposal approved pursuant to NRS 360.990; and

(2) Requires the lead participant to seek reimbursement for any costs paid by the lead participant pursuant to subparagraph (1) from the proceeds of bonds issued pursuant to NRS 360.991; and

(o) Meet any other requirements prescribed by the Office.

3. *In addition to meeting the requirements set forth in subsection 2, for a project located on more than one site in this State to be eligible for the partial abatement of the taxes described in paragraph (b) of subsection 1, the lead participant must, on behalf of the project, submit an application that meets the requirements of subsection 4 on or before June 30, 2019, and provide documentation satisfactory to the Office that:*

(a) The initial project will have a total of 500 or more full-time employees employed at the site of the initial project and the average hourly wage that will be paid to employees of the initial project in this State is at least 120 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year;

(b) Each participant in the project must be a subsidiary or affiliate of the lead participant; and

(c) Each participant offers primary jobs and:

(1) Except as otherwise provided in subparagraph (2), satisfies the requirements of paragraph (f) or (g) of subsection 2 of NRS 360.750, regardless of whether the business is a new business or an existing business; and

(2) If a participant owns, operates, manufactures, services, maintains, tests, repairs, overhauls or assembles an aircraft or any component of an

aircraft, that the participant satisfies the applicable requirements of paragraph (f) or (g) of subsection 2 of NRS 360.753.

↪ If any participant is a data center, as defined in NRS 360.754, any capital investment by that participant must not be counted in determining whether the participants in the project collectively will make a total new capital investment of at least \$1 billion in this State within the 10-year period immediately following approval of the application, as required by paragraph (c) of subsection 2.

4. An application submitted pursuant to subsection 2 must include:

(a) A detailed description of the project, including a description of the common purpose or business endeavor in which the participants in the project are engaged;

(b) A detailed description of the location of the project, including a precise description of the geographic boundaries of the project site ~~[-]~~ *or sites*;

(c) The name and business address of each participant in the project, which must be an address in this State;

(d) A detailed description of the plan by which the participants in the project intend to comply with the requirement that the participants collectively make a total new capital investment of at least \$1 billion in this State in the 10-year period immediately following approval of the application;

(e) If the application includes one or more partial abatements, an agreement executed by the Office with the lead participant in the project which:

(1) Complies with the requirements of NRS 360.755;

(2) States the date on which the partial abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application;

(3) States that the project will, after the date on which a certificate of eligibility for the partial abatement is approved pursuant to NRS 360.893, continue in operation in this State for a period specified by the Office; and

(4) Binds successors in interest of the lead participant for the specified period; and

(f) Any other information required by the Office.

~~[4.]~~ 5. For an employee to be considered a resident of Nevada for the purposes of this section, each participant in the project must maintain the following documents in the personnel file of the employee:

(a) A copy of the:

(1) Current and valid Nevada driver's license of the employee originally issued by the Department of Motor Vehicles more than 60 days before the hiring of the employee or a current and valid identification card for the employee originally issued by the Department of Motor Vehicles more than 60 days before the hiring of the employee; or

(2) If the employee is a veteran of the Armed Forces of the United States, a current and valid Nevada driver's license of the employee or a

current and valid identification card for the employee issued by the Department of Motor Vehicles;

(b) If the employee is a registered owner of one or more motor vehicles in Nevada, a copy of the current motor vehicle registration of at least one of those vehicles;

(c) Proof that the employee is employed full-time and scheduled to work for an average minimum of 30 hours per week; and

(d) Proof that the employee is offered coverage under a plan of health insurance provided by his or her employer.

~~{5-}~~ 6. For the purpose of obtaining from the Executive Director of the Office any waiver of the requirement set forth in paragraph (k) of subsection 2, the lead participant in the project must submit to the Executive Director of the Office written documentation of the efforts to meet the requirement and documented proof that an insufficient number of Nevada residents is available and qualified for employment.

~~{6-}~~ 7. The Executive Director of the Office shall make available to the public and post on the Internet website of the Office:

(a) Any request for a waiver of the requirements set forth in paragraph (k) of subsection 2; and

(b) Any approval of such a request for a waiver that is granted by the Executive Director of the Office.

~~{7-}~~ 8. The Executive Director of the Office shall post a request for a waiver of the requirements set forth in paragraph (k) of subsection 2 on the Internet website of the Office within 3 days after receiving the request and shall keep the request posted on the Internet website for not less than 5 days. The Executive Director of the Office shall ensure that the Internet website allows members of the public to post comments regarding the request.

~~{8-}~~ 9. The Executive Director of the Office shall consider any comments posted on the Internet website concerning any request for a waiver of the requirements set forth in paragraph (k) of subsection 2 before making a decision regarding whether to approve the request. If the Executive Director of the Office approves the request for a waiver, the Executive Director of the Office must post the approval on the Internet website of the Office within 3 days and ensure that the Internet website allows members of the public to post comments regarding the approval.

Sec. 7. NRS 360.893 is hereby amended to read as follows:

360.893 1. If the Office of Economic Development approves an application for a partial abatement of property taxes, employer excise taxes or local sales and use taxes submitted pursuant to paragraph (b) of subsection 1 of NRS 360.889, the Office shall immediately forward a certificate of eligibility for the partial abatement of the taxes described in that paragraph to:

(a) The Department;

(b) The Nevada Tax Commission; and

(c) The county treasurer of the county in which the qualified project will be located.

2. ~~[The]~~ *Except as otherwise provided in subsection 3, the* partial abatement for the lead participant in the qualified project must:

(a) For property taxes, be for a duration of not more than 10 years after the effective date of the partial abatement and in an amount that equals 75 percent of the amount of the property taxes that would otherwise be owed by each participant for the qualified project;

(b) For employer excise taxes, be for a duration of not more than 10 years after the effective date of the partial abatement and in an amount that equals 75 percent of the amount of the employer excise taxes that would otherwise be owed by each participant for employees employed by the participant for the qualified project; and

(c) For local sales and use taxes, be for a duration of not more than 15 years after the effective date of the partial abatement and in an amount that equals the amount of the local sales and use taxes that would otherwise be owed by each participant in the qualified project.

3. *If the qualified project is a project located on more than one site in this State, the partial abatement for the lead participant must:*

(a) For property taxes, be for a duration of not more than 10 years after the effective date of the partial abatement and in an amount that equals 75 percent of the amount of the property taxes that would otherwise be owed by each participant for the qualified project;

(b) For employer excise taxes, be for a duration of not more than 10 years after the effective date of the partial abatement and in an amount that equals 75 percent of the amount of the employer excise taxes that would otherwise be owed by each participant for employees employed by the participant for the qualified project; and

(c) For local sales and use taxes, be for a duration of not more than 15 years after the effective date of the partial abatement and in an amount that equals that portion of the combined rate of all the local sales and use taxes payable by each participant in the qualified project each year which exceeds 0.6 percent. The Department of Taxation shall issue to the lead participant a document certifying the abatement which can be presented to retailers at the time of sale. The document must clearly state that the purchaser is only required to pay sales and use taxes imposed in this State at the rate of 2.6 percent. As used in this paragraph, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the new or expanded business is located, except the taxes imposed by the Sales and Use Tax Act.

➡ *Notwithstanding any other provision of law, if the Office of Economic Development approves an application for a partial abatement of property taxes, employer excise taxes or local sales and use taxes submitted*

pursuant to paragraph (b) of subsection 1 of NRS 360.889 for a lead participant of a qualified project located on more than one site in this State, the State Controller shall allocate, transfer and remit an amount equal to all the sales and use taxes imposed in this State and collected from the qualified project for the period of the abatement in the same manner as if that amount consisted solely of the proceeds of the taxes imposed by NRS 374.110 and 374.190.

4. As a condition of approving a partial abatement of taxes pursuant to NRS 360.880 to 360.896, inclusive, the Executive Director of the Office of Economic Development, if he or she determines it to be in the best interests of the State of Nevada, may require the lead participant to pay at such time or times as deemed appropriate, an amount of money equal to all or a portion of the abated taxes into a trust fund in the State Treasury to be held until all or a portion of the requirements for the partial abatement have been met. Interest and income earned on money in the trust fund must be credited to the trust fund. Any money remaining in the trust fund at the end of a fiscal year does not revert to the State General Fund, and the balance in the trust fund must be carried forward to the next fiscal year. Money in the trust fund must not be used for any purpose other than the purposes set forth in ~~subsection 4.~~

~~4.]~~ *subsections 5 and 6.*

5. *If any assessment, or installment thereof, imposed on a qualified project pursuant to chapter 271 of NRS is delinquent, the money in the trust fund established pursuant to subsection 4 must:*

(a) *First be used to repay the bonds or other obligations of the State which are issued in connection with the qualified project.*

(b) *If any money remains in the trust fund after payments are made pursuant to paragraph (a), be used to repay bonds or other obligations of a municipality issued in connection with the qualified project.*

6. Upon a determination by the Executive Director of the Office of Economic Development that the requirements for the partial abatement have been met, the money in the trust fund established pursuant to subsection ~~{3,}~~ 4, including any interest and income earned on the money during the time it was in the trust fund, must be returned to the lead participant. If the Executive Director of the Office of Economic Development determines that the requirements for the partial abatement have not been met:

(a) Except as otherwise provided in this subsection ~~{, the}~~ :

(1) *The money in the trust fund established pursuant to subsection {3} 4, after any payment made pursuant to subsection 5, must be transferred to the entity that would have received the money if the Office had not approved the partial abatement, as determined by the Department {-} ; and*

(2) *Any amount of money in the trust fund used to repay bonds or other obligations of the State or municipality pursuant to subsection 5 must proportionally reduce the amount transferred to an entity pursuant to subparagraph (1).*

(b) The interest and income earned on the money in the trust fund during the time it was in the trust fund must be distributed to an entity receiving a distribution pursuant to paragraph (a) in the proportion that the money distributed to the entity pursuant to that paragraph bears to the total money distributed pursuant to that paragraph.

~~{5.}~~ 7. If the Office approves a partial abatement of local sales and use taxes, the Office shall issue to the lead participant in the qualified project a document certifying the partial abatement which can be presented to retailers at the time of sale. The document must clearly state the rate of sales and use taxes which the purchaser is required to pay in the county in which the abatement is effective.

Sec. 7.5. NRS 360.894 is hereby amended to read as follows:

360.894 1. The lead participant in a qualified project shall, upon the request of the Office of Economic Development, furnish the Office with copies of all records necessary to verify that the qualified project meets the eligibility requirements for any transferable tax credits issued pursuant to NRS 360.891 and the partial abatement of any taxes pursuant to NRS 360.893.

2. The lead participant shall repay to the Department or the Nevada Gaming Control Board, as applicable, any portion of the transferable tax credits to which the lead participant is not entitled if:

(a) The participants in the qualified project collectively fail to make the investment in this State necessary to support the determination by the Executive Director of the Office of Economic Development that the project is a qualified project;

(b) The participants in the qualified project collectively fail to employ the number of qualified employees identified in the certificate of eligibility approved for the qualified project;

(c) The lead participant submits any false statement, representation or certification in any document submitted for the purpose of obtaining transferable tax credits; or

(d) The lead participant otherwise becomes ineligible for transferable tax credits after receiving the transferable tax credits pursuant to NRS 360.880 to 360.896, inclusive.

3. Transferable tax credits purchased in good faith are not subject to forfeiture unless the transferee submitted fraudulent information in connection with the purchase.

4. Notwithstanding any provision of this chapter or chapter 361 of NRS, if the lead participant in a qualified project for which a partial abatement has been approved pursuant to NRS 360.893 and is in effect:

(a) Fails to meet the requirements for eligibility pursuant to that section;
or

(b) Ceases operation before the time specified in the agreement described in paragraph (e) of subsection ~~{3}~~ 4 of NRS 360.889,

↪ the lead participant shall repay to the Department or, if the partial abatement is from the property tax imposed by chapter 361 of NRS, to the appropriate county treasurer, the amount of the partial abatement that was allowed to the lead participant pursuant to NRS 360.893 before the failure of the lead participant to meet the requirements for eligibility. Except as otherwise provided in NRS 360.232 and 360.320, the lead participant shall, in addition to the amount of the partial abatement required to be repaid by the lead participant pursuant to this subsection, pay interest on the amount due from the lead participant at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

5. The Secretary of State may, upon application by the Executive Director of the Office, revoke or suspend the state business registration of the lead participant in a qualified project which is required to repay any portion of transferable tax credits pursuant to subsection 2 or the amount of any partial abatement pursuant to subsection 4 and which the Office determines is not in compliance with the provisions of this section governing repayment. If the state business registration of the lead participant in a qualified project is suspended or revoked pursuant to this subsection, the Secretary of State shall provide written notice of the action to the lead participant. The Secretary of State shall not reinstate a state business registration suspended pursuant to this subsection or issue a new state business registration to the lead participant whose state business registration has been revoked pursuant to this subsection unless the Executive Director of the Office provides proof satisfactory to the Secretary of State that the lead participant is in compliance with the requirements of this section governing repayment.

Sec. 8. NRS 360.930 is hereby amended to read as follows:

360.930 “Project” means a project undertaken by a business or group of businesses:

1. Located within the geographic boundaries of a single project site in this State; and

2. Engaged in a common *business* purpose or ~~{business endeavor.}~~ *industry. A business or group of businesses must be deemed to be engaged in a common business purpose or industry if the business or group of businesses are in a supply chain related to the common business purpose or industry or provide components or services related to the common business purpose or industry.*

Sec. 9. NRS 360.945 is hereby amended to read as follows:

360.945 1. On behalf of a project, the lead participant in the project may apply to the Office of Economic Development for:

(a) A certificate of eligibility for transferable tax credits which may be applied to:

- (1) Any tax imposed by chapters 363A and 363B of NRS;
- (2) The gaming license fees imposed by the provisions of NRS 463.370;
- (3) Any tax imposed by chapter 680B of NRS; or
- (4) Any combination of the fees and taxes described in subparagraphs (1), (2) and (3).

(b) An abatement of property taxes, employer excise taxes or local sales and use taxes, or any combination of any of those taxes.

2. For a project to be eligible for the transferable tax credits described in paragraph (a) of subsection 1 and abatement of the taxes described in paragraph (b) of subsection 1, the lead participant in the project must, on behalf of the project:

(a) Submit an application that meets the requirements of subsection 3;

(b) Provide documentation satisfactory to the Office that approval of the application would promote the economic development of this State and aid the implementation of the State Plan for Economic Development developed by the Executive Director of the Office pursuant to subsection 2 of NRS 231.053;

(c) Provide documentation satisfactory to the Office that the participants in the project collectively will make a total new capital investment of at least \$3.5 billion in this State within the 10-year period immediately following approval of the application;

(d) Provide documentation satisfactory to the Office that the participants in the project are engaged in a common **business** purpose or ~~business endeavor;~~ **industry**;

(e) Provide documentation satisfactory to the Office that the place of business of each participant is or will be located within the geographic boundaries of the project site;

(f) Provide documentation satisfactory to the Office that each participant in the project is registered pursuant to the laws of this State or commits to obtaining a valid business license and all other permits required by the county, city or town in which the project operates;

(g) Provide documentation satisfactory to the Office of the number of employees engaged ~~for anticipated to be engaged~~ in the construction of the project;

(h) Provide documentation satisfactory to the Office of the number of qualified employees employed or anticipated to be employed at the project by the participants;

(i) Provide documentation satisfactory to the Office that each employer engaged in the construction of the project provides a plan of health insurance and that each employee engaged in the construction of the project is offered coverage under the plan of health insurance provided by his or her employer;

(j) Provide documentation satisfactory to the Office that each participant in the project provides a plan of health insurance and that each employee employed at the project by each participant is offered coverage under the plan of health insurance provided by his or her employer;

(k) Provide documentation satisfactory to the Office that at least 50 percent of the employees engaged ~~for anticipated to be engaged~~ in construction of the project and 50 percent of the employees employed at the project are residents of Nevada, unless waived by the Executive Director of the Office upon proof satisfactory to the Executive Director of the Office that there is an insufficient number of Nevada residents available and qualified for such employment;

(l) Agree to provide the Office with a full compliance audit of the participants in the project at the end of each fiscal year which:

(1) Shows the amount of money invested in this State by each participant in the project;

(2) Shows the number of employees engaged in the construction of the project and the number of those employees who are residents of Nevada;

(3) Shows the number of employees employed at the project by each participant and the number of those employees who are residents of Nevada; and

(4) Is certified by an independent certified public accountant in this State who is approved by the Office;

(m) Pay the cost of the audit required by paragraph (l); ~~and~~

(n) ***Enter into an agreement with governing body of the city or county in which the qualified project is located that:***

(1) Requires the lead participant to pay the cost of any engineering or design work necessary to determine the cost of infrastructure improvements required to be made by the governing body pursuant to an economic development financing proposal approved pursuant to NRS 360.990; and

(2) Requires the lead participant to seek reimbursement for any costs paid by the lead participant pursuant to subparagraph (1) from the proceeds of bonds of the State of Nevada issued pursuant to NRS 360.991; and

(o) Meet any other requirements prescribed by the Office.

3. An application submitted pursuant to subsection 2 must include:

(a) A detailed description of the project, including a description of the common purpose or business endeavor in which the participants in the project are engaged;

(b) A detailed description of the location of the project, including a precise description of the geographic boundaries of the project site;

(c) The name and business address of each participant in the project, which must be an address in this State;

(d) A detailed description of the plan by which the participants in the project intend to comply with the requirement that the participants collectively make a total new capital investment of at least \$3.5 billion in this State in the 10-year period immediately following approval of the application;

(e) If the application includes one or more abatements, an agreement executed by the Office with the lead participant in the project which:

- (1) Complies with the requirements of NRS 360.755;
 - (2) States that the project will, after the date on which a certificate of eligibility for the abatement is approved pursuant to NRS 360.965, continue in operation in this State for a period specified by the Office; and
 - (3) Binds successors in interest of the lead participant for the specified period; and
- (f) Any other information required by the Office.

4. For an employee to be considered a resident of Nevada for the purposes of this section, each participant in the project must maintain the following documents in the personnel file of the employee:

- (a) A copy of the current and valid Nevada driver's license of the employee or a current and valid identification card for the employee issued by the Department of Motor Vehicles;
- (b) If the employee is a registered owner of one or more motor vehicles in Nevada, a copy of the current motor vehicle registration of at least one of those vehicles;
- (c) Proof that the employee is employed full-time and scheduled to work for an average minimum of 30 hours per week; and
- (d) Proof that the employee is offered coverage under a plan of health insurance provided by his or her employer.

5. For the purpose of obtaining from the Executive Director of the Office any waiver of the requirement set forth in paragraph (k) of subsection 2, the lead participant in the project must submit to the Executive Director of the Office written documentation of the efforts to meet the requirement and documented proof that an insufficient number of Nevada residents is available and qualified for employment.

6. The Executive Director of the Office shall make available to the public and post on the Internet website for the Office:

- (a) Any request for a waiver of the requirements set forth in paragraph (k) of subsection 2; and
- (b) Any approval of such a request for a waiver that is granted by the Executive Director of the Office.

7. The Executive Director of the Office shall post a request for a waiver of the requirements set forth in paragraph (k) of subsection 2 on the Internet website of the Office within 3 days after receiving the request and shall keep the request posted on the Internet website for not less than 5 days. The Executive Director of the Office shall ensure that the Internet website allows members of the public to post comments regarding the request.

8. The Executive Director of the Office shall consider any comments posted on the Internet website concerning any request for a waiver of the requirements set forth in paragraph (k) of subsection 2 before making a decision regarding whether to approve the request. If the Executive Director of the Office approves the request for a waiver, the Executive Director of the

Office must post the approval on the Internet website of the Office within 3 days and ensure that the Internet website allows members of the public to post comments regarding the approval.

Sec. 9.5. NRS 360.990 is hereby amended to read as follows:

360.990 1. Upon receipt of an economic development financing proposal, the Office shall:

(a) Request from the State Treasurer a determination of the capacity available under the State's debt limit; and

(b) In consultation with any person or entity the Office determines is appropriate, review the proposal. The Office may request any additional information from the governing body as it determines is necessary to evaluate the proposal.

2. Except as otherwise provided in paragraph (c) of subsection 3, the Office shall approve, approve and modify, or reject any economic development financing proposal within 45 days after receiving the completed proposal.

3. The Executive Director of the Office may approve an economic development financing proposal only if:

(a) The proposal includes such provisions as the Executive Director of the Office determines are necessary to ensure that:

(1) The Office will enter into one or more agreements with the local government pursuant to which the Office will administer any districts or areas which are or may be created for the purpose of carrying out the infrastructure projects identified in the proposal, including, without limitation, any district or area created pursuant to chapters 271, 271A and 278C of NRS;

(2) The proceeds of any bonds, securities or other indebtedness issued pursuant to NRS 360.991 will be allocated to the Office for the purpose of providing financing for the infrastructure projects identified in the proposal;

(3) The revenues from any districts or areas created for the purpose of financing the infrastructure projects identified in the proposal will be pledged for the repayment of any bonds, securities or other indebtedness issued pursuant to NRS 360.991; and

(4) Notwithstanding any other provision of law, if the revenues from any districts or areas created for the purpose of financing the infrastructure projects identified in the proposal which are pledged for the repayment of the general obligation bonds of the State issued pursuant to NRS 360.991 are insufficient to pay any sums coming due on the bonds, before such sums are paid from the State General Fund, the local government that created the districts or areas shall promptly pay such sums to the extent of the money available in the uncommitted balance of the general fund of the local government. If the money available in the uncommitted balance of the general fund of the local government is insufficient to pay the sums coming due on the bonds ~~and~~ *and if, pursuant to subsection 4 of NRS 360.893, the Executive Director of the Office of Economic Development required the*

lead participant to pay money into a trust fund in the State Treasury, the money in the trust fund, including any interest and income earned on the money during the time it was in the trust fund, must be used to pay sums coming due on the bonds. If the amount of money in the trust fund is insufficient to pay the sums coming due on the bonds, the remainder of such sums must be paid in accordance with the State Securities Law. The payment of any sums by a local government pursuant to this subparagraph is not secured by a pledge of the taxing power of the local government. For the purposes of this subparagraph the uncommitted balance of the general fund of a local government is the uncommitted balance as determined by the Department of Taxation.

(b) The Executive Director of the Office makes a finding, which shall be conclusive, that the revenues pledged as provided in subparagraph (3) of paragraph (a) will be sufficient, together with any capitalized interest, to fully repay any bonds, securities or other indebtedness issued pursuant to NRS 360.991.

(c) For a proposal submitted on or after July 1, 2017, the Office submits the proposal to and obtains the approval of the Legislature or the Interim Finance Committee if the Legislature is not in session.

4. In addition to the agreements described in subparagraph (1) of paragraph (a) of subsection 3, the Office may enter into one or more cooperative agreements with any state or local agency which the Office determines is necessary to carry out an economic development financing proposal approved pursuant to this section.

5. If the Office approves an economic development financing proposal, the Office shall provide notice and a copy of the decision approving the proposal to the governing body of the local government and the State Board of Finance.

Sec. 10. NRS 360.991 is hereby amended to read as follows:

360.991 1. As soon as practicable after receiving notice from the Office that it has approved an economic development financing agreement, the State Board of Finance shall issue general obligation bonds of the State of Nevada to finance the infrastructure projects identified in the economic development financing agreement. The provisions of the State Securities Law contained in chapter 349 of NRS apply to the issuance of bonds pursuant to this section. The State Board of Finance shall issue the bonds in the amount set forth in the economic development financing agreement but shall not issue bonds in an amount that exceeds \$175,000,000 for each economic development financing agreement or have outstanding at any time bonds issued pursuant to this section in an amount that exceeds \$200,000,000. Before any bonds may be issued pursuant to this section, the lead participant in the qualified project must provide adequate security that the lead participant will carry out the qualified project. The security may consist of one or more performance bonds or similar documents, actual expenditures on the qualified project, commitments to make such expenditures, *a lien for*

special assessments pursuant to chapter 271 of NRS or other security deemed appropriate by the Executive Director of the Office ~~[-] in consultation with the Office of the State Treasurer.~~ A commitment to make an expenditure may be conditioned upon the issuance of bonds pursuant to this section but may not be subject to any other conditions.

2. The proceeds of any bonds issued pursuant to subsection 1 must be allocated to the Office in the manner prescribed by the economic development financing agreement.

Sec. 11. NRS 361.0687 is hereby amended to read as follows:

361.0687 1. A person who intends to locate or expand a business in this State may, pursuant to NRS 360.750, apply to the Office of Economic Development for a partial abatement from the taxes imposed by this chapter.

2. For a business to qualify pursuant to NRS 360.750 for a partial abatement from the taxes imposed by this chapter, the Office of Economic Development must determine that, in addition to meeting the other requirements set forth in subsection 2 of that section:

(a) ~~[-] Except as otherwise provided in paragraph (b), if~~ the business is a new business in a county whose population is 100,000 or more or a city whose population is 60,000 or more ~~[-]~~

~~—(1) The~~, *the* business will, not later than the date which is 2 years after the date on which the abatement becomes effective, make a capital investment in the county or city of:

~~[(1)] (1)~~ At least ~~[\$50,000,000]~~ **\$5,000,000** if the business is an industrial or manufacturing business; or

~~[(1)] (2)~~ At least ~~[\$5,000,000]~~ **\$1,000,000** if the business is not an industrial or manufacturing business,

↪ in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective . ~~[-] and~~

~~—(2) The average hourly wage that will be paid by the new business to its employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.]~~

(b) If the business is a new business in a county whose population is less than 100,000 , *in an area of a county whose population is 100,000 or more that is located within the geographic boundaries of an area that is designated as rural by the United States Department of Agriculture and at least 20 miles outside of the geographic boundaries of an area designated as urban by the United States Department of Agriculture*, or in a city whose population is less than 60,000 ~~[-]~~

~~—(1) The~~, *the* business will, not later than the date which is 2 years after the date on which the abatement becomes effective, make a capital investment in the county or city of:

~~[(1)] (1)~~ At least ~~[\$5,000,000]~~ **\$1,000,000** if the business is an industrial or manufacturing business; or

~~[(H)]~~ (2) At least ~~[\$500,000]~~ \$250,000 if the business is not an industrial or manufacturing business,

↪ in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective . ~~[- and~~

~~— (2) The average hourly wage that will be paid by the new business to its employees in this State is at least 100 percent of the average statewide hourly wage or the average countywide hourly wage, whichever is less, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.]~~

3. Except as otherwise provided in NRS 701A.210, if a partial abatement from the taxes imposed by this chapter is approved by the Office of Economic Development pursuant to NRS 360.750:

(a) The partial abatement must:

(1) Be for a duration of at least 1 year but not more than 10 years;

(2) Subject to any limitation on the abatement set forth in NRS 360.750, not exceed 50 percent of the taxes on personal property payable by a business each year pursuant to this chapter; and

(3) Be administered and carried out in the manner set forth in NRS 360.750.

(b) The Executive Director of the Office of Economic Development shall notify the county assessor of the county in which the business is or will be located of the approval of the partial abatement, including, without limitation, the duration and percentage of the partial abatement that the Office granted. The Executive Director shall, on or before April 15 of each year, advise the county assessor of each county in which a business qualifies for a partial abatement during the current fiscal year as to whether the business is still eligible for the partial abatement in the next succeeding fiscal year.

Sec. 11.1. Chapter 218E of NRS is hereby amended by adding thereto the provisions set forth as sections 11.2 to 11.8, inclusive, of this act.

Sec. 11.2. As used in sections 11.2 to 11.8, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 11.3 and 11.4 of this act have the meanings ascribed to them in those sections.

Sec. 11.3. "Committee" means the Legislative Committee on Tax Expenditures and Incentives for Economic Development created by section 11.5 of this act.

Sec. 11.4. "Tax expenditure" has the meaning ascribed to it in NRS 360.137.

Sec. 11.5. 1. The Legislative Committee on Tax Expenditures and Incentives for Economic Development, consisting of six legislative members, is hereby created. The membership of the Committee consists of:

(a) Two members of the Senate appointed by the Majority Leader of the Senate;

(b) One member of the Senate appointed by the Minority Leader of the Senate;

(c) Two members of the Assembly appointed by the Speaker of the Assembly; and

(d) One member of the Assembly appointed by the Minority Leader of the Assembly.

2. In making appointments pursuant to subsection 1:

(a) Appropriate regard must be given to a member's experience with and knowledge of matters relating to state and local government taxes and finances; and

(b) First preference must be given to members of the standing committees of the Legislature with primary jurisdiction over matters relating to taxation and second preference must be given to members of the standing committees of the Legislature with primary jurisdiction over matters relating to budgets and finances.

3. The Legislative Commission shall select the Chair and Vice Chair of the Committee from among the members of the Committee. After the initial selection, each Chair and Vice Chair holds office for a term of 2 years commencing on July 1 of each odd-numbered year. The office of Chair of the Committee must alternate each biennium between the Houses. If a vacancy occurs in the office of Chair or Vice Chair, the vacancy must be filled in the same manner as the original selection for the remainder of the unexpired term.

4. The Legislative Commission shall review and approve the budget and work program for the Committee and any changes to the budget or work program.

5. Any member of the Committee who is not a candidate for reelection or who is defeated for reelection continues to serve after the general election until the next regular or special session convenes.

6. A vacancy on the Committee must be filled in the same manner as the original appointment for the remainder of the unexpired term.

Sec. 11.6. 1. Except as otherwise ordered by the Legislative Commission, the members of the Committee shall meet not earlier than November 1 of each odd-numbered year and not later than August 31 of the following even-numbered year at the times and places specified by a call of the Chair or a majority of the Committee.

2. The Director or his or her designee shall act as the nonvoting recording Secretary of the Committee.

3. Four members of the Committee constitute a quorum, and a quorum may exercise all the power and authority conferred upon the Committee.

4. Each member of the Committee serves without compensation and is not entitled to receive a per diem allowance or travel expenses.

Sec. 11.7. The Committee shall:

1. Meet at least once each biennium to review the most recent tax expenditure report submitted by the Executive Director of the Department of Taxation pursuant to NRS 360.137.

2. Review any other reports submitted to the Legislature relating to tax expenditures and incentives for economic development.

3. Identify all incentives for economic development provided for by law in this State, including, without limitation, tax incentives, grants, loans and initiatives for workforce development.

4. Evaluate and review each incentive for economic development identified pursuant to subsection 3 at least once every 6 years. The Committee shall examine, review and comment on, without limitation:

(a) The purpose, intent or goal of the incentive for economic development.

(b) Whether the incentive for economic development is accomplishing its purpose, intent or goal.

(c) Whether there is a more effective method to achieve the goal of the incentive for economic development.

(d) The cost of the incentive for economic development to the State, including, without limitation, administrative costs and lost revenue.

(e) The impact of the incentive for economic development on the revenues of and services provided by local governments.

(f) The economic and fiscal impact of the incentive for economic development, including, without limitation:

(1) The extent to which the incentive changes business behavior;

(2) The results of the incentive for the state and local economies, including, without limitation, both positive direct and indirect impacts and any negative impacts on businesses in this State; and

(3) A comparison to the results of other incentives or programs for economic development with similar goals.

(g) Any other matters that, in the determination of the Committee, concern incentives for economic development in this State.

Sec. 11.8. The Committee may:

1. Evaluate, review and comment upon any tax expenditure within this State, including, without limitation:

(a) The purpose, intent or goal of the tax expenditure.

(b) The intended beneficiaries of the tax expenditure.

(c) Whether the tax expenditure is accomplishing its purpose, intent or goal.

(d) The manner in which the tax expenditure compares to similar tax expenditures in other states.

(e) Whether there are other tax expenditures in this State that have the same or a similar purpose, intent or goal as the tax expenditure being reviewed and the manner in which the two tax expenditures are coordinated, including, without limitation, whether the coordination

between the two tax expenditures could be improved or if there are any redundancies that could be eliminated.

(f) Whether the evaluation of the tax expenditure is hindered by the unavailability of certain data.

(g) The cost of the tax expenditure, including, without limitation, administrative costs and lost revenue of the State and local governments, and an evaluation of the extent to which the tax expenditure is a cost-effective use of resources compared to other methods of accomplishing the same purpose or goal.

(h) Opportunities to improve the effectiveness of the tax expenditure.

2. Contract with private consultants or academic institutions to complete the reviews provided for by this section and section 11.7 of this act.

3. Request that the Legislative Counsel Bureau assist in the research, investigations, hearings and reviews of the Committee.

4. Request that a representative of the Office of Economic Development within the Office of the Governor or a representative of the Office of Energy within the Office of the Governor appear before the Committee and provide information on programs for economic development, including, without limitation:

(a) The number of entities applying or approved for a particular program for economic development;

(b) The number of entities approved for a particular incentive for economic development;

(c) The number of entities that have used a particular incentive for economic development; and

(d) The projected and actual benefits of the programs for economic development in this State.

5. Request books, papers, records and other information from state or local governmental agencies, including, without limitation, the Nevada System of Higher Education.

6. Apply for any available grants and accept any gifts, grants or donations to assist the Committee in carrying out its duties.

7. Conduct investigations and hold hearings in connection with its duties pursuant to this section and section 11.7 of this act, and exercise any of the investigative powers set forth in NRS 218E.105 to 218E.140, inclusive.

8. Make recommendations to the Legislature concerning the addition, elimination or modification of tax expenditures and incentives for economic development.

Sec. 12. Chapter 271 of NRS is hereby amended by adding thereto a new section to read as follows:

“Rail project” means any railroad, railroad tracks, rail spurs and any structures or facilities necessary for freight rail service provided by a regional transportation commission pursuant to NRS 277A.283, including,

without limitation, equipment, terminals, stations, platforms and other facilities necessary, useful or desirable for such a project and all property, easements, rights-of-way and other rights or interests incidental to the project.

Sec. 13. NRS 271.030 is hereby amended to read as follows:

271.030 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 271.035 to 271.253, inclusive, *and section 12 of this act* have the meanings ascribed to them in those sections.

Sec. 14. NRS 271.265 is hereby amended to read as follows:

271.265 1. The governing body of a county, city or town, upon behalf of the municipality and in its name, without any election, may from time to time acquire, improve, equip, operate and maintain, within or without the municipality, or both within and without the municipality:

- (a) A curb and gutter project;
- (b) A drainage project;
- (c) An energy efficiency improvement project;
- (d) A neighborhood improvement project;
- (e) An off-street parking project;
- (f) An overpass project;
- (g) A park project;
- (h) A public safety project;
- (i) A renewable energy project;
- (j) A sanitary sewer project;
- (k) A security wall;
- (l) A sidewalk project;
- (m) A storm sewer project;
- (n) A street project;
- (o) A street beautification project;
- (p) A transportation project;
- (q) An underpass project;
- (r) A water project;
- (s) A waterfront project; and
- (t) Any combination of such projects.

2. In addition to the power specified in subsection 1, the governing body of a city having a commission form of government as defined in NRS 267.010, upon behalf of the municipality and in its name, without any election, may from time to time acquire, improve, equip, operate and maintain, within or without the municipality, or both within and without the municipality:

- (a) An electrical project;
- (b) A telephone project;
- (c) A combination of an electrical project and a telephone project;
- (d) A combination of an electrical project or a telephone project with any of the projects, or any combination thereof, specified in subsection 1; and

(e) A combination of an electrical project and a telephone project with any of the projects, or any combination thereof, specified in subsection 1.

3. In addition to the power specified in subsections 1 and 2, the governing body of a municipality, on behalf of the municipality and in its name, without an election, may finance an underground conversion project with the approval of each service provider that owns the overhead service facilities to be converted.

4. In addition to the power specified in subsections 1, 2 and 3, if the governing body of a municipality in a county whose population is less than 700,000 complies with the provisions of NRS 271.650, the governing body of the municipality, on behalf of the municipality and in its name, without any election, may from time to time acquire, improve, equip, operate and maintain, within or without the municipality, or both within and without the municipality:

(a) An art project; and

(b) A tourism and entertainment project.

5. In addition to the power specified in this section, if a qualified project is located within the jurisdiction of the municipality, the governing body of the municipality, on behalf of the municipality and in its name, without any election, may from time to time acquire, improve, equip, operate and maintain, within or without the municipality, or both within and without the municipality, an electrical project for the qualified project, ~~{or}~~ a fire protection project for the qualified project ~~{-}~~ *or a rail project for the qualified project.*

6. As used in this section, "qualified project" has the meaning ascribed to it in NRS 360.888 or 360.940.

Sec. 14.5. NRS 271.635 is hereby amended to read as follows:

271.635 1. Notwithstanding any provision of this chapter to the contrary, if the governing body submits to the Office of Economic Development an economic development financing proposal described in NRS 360.989 and the Office approves the proposal and an economic development financing agreement pursuant to NRS 360.990, any improvement district which is or may be created for the purpose of carrying out the projects identified in the proposal must be administered as provided in the agreement.

2. The economic development financing agreement may provide, without limitation, that:

(a) The Office of Economic Development, the Executive Director of the Office or any designee of either is authorized or required to perform any function or duty that under the provisions of this chapter would otherwise be performed by the municipality, the governing body or any officer or employee of the municipality.

(b) Any assessments or other money collected pursuant to this chapter must be paid, collected, deposited, distributed or remitted as provided in the agreement, notwithstanding any provision of this chapter to the contrary.

(c) It may be modified at any time by the Executive Director of the Office of Economic Development, in the exercise of his or her discretion and upon approval of the Board of Economic Development.

3. *Notwithstanding any other provision of law, if an improvement district is administered pursuant to an economic development financing agreement and any assessment, or installment thereof, required to be paid pursuant to this chapter is delinquent, any money collected to enforce the assessment, or installment thereof, including, without limitation, the proceeds of a sale of property to collect or enforce the assessment, or installment thereof, must, before being deposited, distributed or remitted for any other purpose, be used to repay any amounts paid pursuant to subsection 5 of NRS 360.893 from the trust fund established pursuant to subsection 4 of that section.*

Sec. 14.7. NRS 271B.070 is hereby amended to read as follows:

271B.070 1. Except as otherwise provided in this section, if a qualified project is located within the jurisdiction of a municipality, the governing body of the municipality may:

(a) Create an economic diversification district for the purposes of carrying out this chapter by adopting an ordinance describing the boundaries of the district, which must be the geographic boundaries of the qualified project, and generally describing the purposes within the district for which money pledged pursuant to this chapter may be used; and

(b) For the purposes of carrying out paragraph (a), include in an ordinance adopted pursuant to that paragraph the pledge of an amount equal to the proceeds of all sales and use taxes imposed on or owed by each participant in the qualified project with regard to tangible personal property purchased in the municipality for use in the district, or stored, used or otherwise consumed in the district by the participant, during a fiscal year other than the amount of any local sales and use taxes for which the lead participant has received an abatement pursuant to an application approved by the Office of Economic Development pursuant to NRS 360.950.

2. The governing body of a municipality may not include in an ordinance adopted to create a district pursuant to paragraph (a) of subsection 1 on or after September 11, 2014, the pledge of any proceeds of the taxes imposed pursuant to NRS 374.110 or 374.111 and NRS 374.190 or 374.191 with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, if the governing body obtains an opinion from independent bond counsel stating that the applicability of this provision would impair an existing contract for the sale of bonds which were issued before September 11, 2014.

3. If:

(a) The qualified project is a qualified project described in NRS 360.888;

(b) The governing body of the municipality includes in the ordinance adopted pursuant to paragraph (a) of subsection 1 a pledge of money pursuant to paragraph (b) of subsection 1; and

(c) The Executive Director of the Office of Economic Development has required the lead participant to make payments to a trust fund in the State Treasury pursuant to subsection ~~{3}~~ 4 of NRS 360.893,

↪ the governing body must include in the ordinance a provision providing that the pledge of that money is conditioned upon the lead participant qualifying for a return of the money paid into the trust fund pursuant to subsection ~~{4}~~ 6 of NRS 360.893.

4. A district created pursuant to this section by:

(a) A city must be located entirely within the boundaries of that city.

(b) A county must be located entirely within the boundaries of that county and, when the district is created, entirely outside of the boundaries of any city.

Sec. 14.9. NRS 271B.080 is hereby amended to read as follows:

271B.080 1. After the adoption of an ordinance pursuant to NRS 271B.070:

(a) The governing body of the municipality and the Department of Taxation shall enter into an agreement specifying the dates and procedure for distribution to the municipality of any money pledged pursuant to NRS 271B.070.

(b) If the qualified project is a qualified project described in NRS 360.888 and the Executive Director of the Office of Economic Development has required the lead participant to make payments to a trust fund in the State Treasury pursuant to subsection ~~{3}~~ 4 of NRS 360.893, the Department of Taxation shall deposit in that trust fund the proceeds of any taxes conditionally pledged pursuant to subsection 3 of NRS 271B.070 until:

(1) The lead participant qualifies for a return of the money paid into the trust fund pursuant to subsection ~~{4}~~ 6 of NRS 360.893, in which case the taxes conditionally pledged, including any interest and income earned on those taxes, must be distributed pursuant to the agreement described in paragraph (a); or

(2) The Executive Director determines that the requirements for the partial abatement set forth in NRS 360.893 have not been met, in which case any taxes conditionally pledged and deposited in the trust fund must be transferred to the entity that would have received those taxes if the taxes had not been conditionally pledged, as determined by the Department of Taxation. The interest and income earned on those taxes during the time the taxes were in the trust fund must be distributed to an entity receiving a distribution pursuant to this subparagraph in the proportion that the taxes distributed to the entity pursuant to this subparagraph bears to the total taxes distributed pursuant to this subparagraph.

2. If the qualified project is a qualified project described in NRS 360.940, the distributions pursuant to the agreement described in paragraph (a) of subsection 1 must:

- (a) Be made not less frequently than monthly; and
- (b) Cease at the end of the fiscal year in which the 20th anniversary of the adoption of the ordinance creating the district occurs.

3. If the qualified project is a qualified project described in NRS 360.888, the distributions pursuant to the agreement described in paragraph (a) of subsection 1 must:

- (a) Be made not less frequently than monthly;
- (b) Cease at the end of the fiscal year in which the 15th anniversary of the adoption of the ordinance creating the district occurs; and
- (c) If the Executive Director of the Office of Economic Development has required the lead participant to make payments to a trust fund in the State Treasury pursuant to subsection ~~{3}~~ 4 of NRS 360.893, not commence until the lead participant qualifies for a return of the money paid into the trust fund pursuant to subsection ~~{4}~~ 6 of NRS 360.893.

Sec. 15. Chapter 278C of NRS is hereby amended by adding thereto a new section to read as follows:

“Bond requirements” means the principal of, any prior redemption premiums due in connection with and the interest on, or other amounts due in connection with, the designated bonds or other securities, advances, loans or indebtedness.

Sec. 16. NRS 278C.105 is hereby amended to read as follows:

278C.105 “Rail project” means any railroad, railroad tracks, rail spurs and any structures or facilities necessary for ~~{a} freight rail port, and all appurtenances and incidentals, or any combination thereof, including real and other property therefor.}~~ ***service provided by a regional transportation commission pursuant to NRS 277A.283, including, without limitation, equipment, terminals, stations, platforms and other facilities necessary, useful or desirable for such a project and all property, easements, rights-of-way and other rights or interests incidental to the project.***

Sec. 17. NRS 278C.150 is hereby amended to read as follows:

278C.150 1. Except as otherwise provided in subsections 2, 3 and 4, the governing body of a municipality, on the behalf and in the name of the municipality, may designate a tax increment area comprising any specially benefited zone within the municipality designated for the purpose of creating a special account for the payment of bonds or securities issued or loans, money advanced or indebtedness incurred to defray the cost of an undertaking, including, without limitation, the condemnation of property for an undertaking, as supplemented by the Local Government Securities Law, except as otherwise provided in this chapter. ***The governing body of a municipality, on behalf and in the name of the municipality, may enter into a contract with any property owner in a tax increment area agreeing to pay tax increment revenues from the tax increment account created by NRS 278C.250 to such property owner for costs incurred by such owner in connection with an undertaking. Such a contract constitutes an***

indebtedness of the municipality for the purposes of this chapter but is not a security for the purposes of NRS 278C.280.

2. The right-of-way property of a railroad company that is under the jurisdiction of the Surface Transportation Board must not be included in a tax increment area unless the inclusion of the property is mutually agreed upon by the governing body and the railroad company.

3. A tax increment area may not include a property that is, at the time the boundaries of the tax increment area are created, included within a redevelopment area previously established pursuant to the laws of this State.

4. The taxable property of a tax increment area must not be included in any subsequently created tax increment area until at least 50 years after the effective date of creation of the first tax increment area in which the property was included.

Sec. 18. NRS 278C.157 is hereby amended to read as follows:

278C.157 1. A municipality may adopt an ordinance ordering an undertaking and creating the tax increment area and the tax increment account pertaining thereto pursuant to NRS 278C.220 which includes provisions for:

(a) The allocation of the proceeds of any tax on the sale or use of tangible personal property to the tax increment account of the proposed tax increment area pursuant to paragraph (b) of subsection 1 of NRS 278C.250;

(b) The allocation of the proceeds of any tax imposed pursuant to NRS 363A.130 and 363B.110 to the tax increment account of the proposed tax increment area pursuant to paragraph (c) of subsection 1 of NRS 278C.250; ~~for~~

(c) The issuance of municipal securities and revenue securities described in paragraph (f) of subsection 1 of NRS 278C.280 ~~for~~; *or*

(d) Making a contract with any property owner in a tax increment area agreeing to pay tax increment revenues from the tax increment account created by NRS 278C.250 to the property owner to reimburse the owner for costs incurred by the owner in connection with an undertaking, which contract constitutes an indebtedness of the municipality for the purposes of this chapter but is not a security for the purposes of NRS 278C.280,

➡ *only for an undertaking that is a rail project in relation to a qualified project or a natural resources project, and only after approval by the Interim Finance Committee of a written request submitted by the municipality.*

2. The Interim Finance Committee may approve a request submitted pursuant to this section only if the Interim Finance Committee determines that approval of the request:

(a) Will not impede the ability of the Legislature to carry out its duty to provide for an annual tax sufficient to defray the estimated expenses of the State for each fiscal year as set forth in Article 9, Section 2 of the Nevada Constitution; and

(b) Will not threaten the protection and preservation of the property and natural resources of the State of Nevada.

3. A request submitted pursuant to this section must include any information required by the Interim Finance Committee.

4. As used in this section, “qualified project” has the meaning ascribed to it in NRS 360.888 or 360.940.

Sec. 19. (Deleted by amendment.)

Sec. 20. NRS 278C.270 is hereby amended to read as follows:

278C.270 The Federal Government, the State, any public body or any ~~natural~~ person filing a written complaint, protest or objection in the manner and within the time provided in NRS 278C.170, may, within 30 days after the governing body has finally passed on the complaint, protest or objection by resolution pursuant to NRS 278C.210 or by ordinance pursuant to NRS 278C.220, commence an action or suit in a court of competent jurisdiction to correct or set aside the determination, but thereafter all actions or suits attacking the validity of the proceedings are perpetually barred.

Sec. 21. NRS 350A.070 is hereby amended to read as follows:

350A.070 “Municipal securities” means notes, warrants, interim debentures, bonds and temporary bonds validly issued as obligations for a purpose related to natural resources which are payable:

1. From taxes whether or not additionally secured by any municipal revenues available therefor;

2. For bonds issued by an irrigation district, from assessments against real property;

3. For bonds issued by a water authority organized as a political subdivision created by cooperative agreement, from revenues of the water system of the water authority or one or more of the water purveyors who are members of the water authority or any combination thereof;

4. For bonds issued by a wastewater authority, from revenues of the water reclamation system of the wastewater authority or one or more of the municipalities that are members of the wastewater authority, or any combination thereof;

5. For bonds issued by a flood management authority, from revenues of the flood management authority or one or more of the municipalities that are members of the flood management authority, or any combination thereof; or

6. For assessment bonds issued by a municipality under chapter 271 of NRS ~~[-]~~ *from assessments against real property.*

Sec. 22. NRS 701A.365 is hereby amended to read as follows:

701A.365 1. The Director, in consultation with the Office of Economic Development, shall approve an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, if the Director, in consultation with the Office of Economic Development, makes the following determinations:

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

(1) State that the facility will, after the date on which the abatement becomes effective, continue in operation in this State for a period specified

by the Director, which must be at least 10 years, and will continue to meet the eligibility requirements for the abatement; and

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

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

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

(d) ~~HH~~ ***Except as otherwise provided in paragraph (e), if*** the facility will be located in a county whose population is 100,000 or more or a city whose population is 60,000 or more, the facility meets the following requirements:

(1) There will be 75 or more full-time employees working on the construction of the facility during the second quarter of construction, including, unless waived by the Director for good cause, at least 50 percent who are residents of Nevada;

(2) Establishing the facility will require the facility to make a capital investment of at least \$10,000,000 in this State in capital assets that will be retained at the location of the facility until at least the date which is 5 years after the date on which the abatement becomes effective;

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

(4) Except as otherwise provided in subsection 6, the average hourly wage of the employees working on the construction of the facility will be at least 175 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The employees working on the construction of the facility must be provided a health insurance plan that is provided by a third-party administrator and includes health insurance coverage for dependents of the employees; and

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

(e) If the facility will be located in a county whose population is less than 100,000 , ***in an area of a county whose population is 100,000 or more that is located within the geographic boundaries of an area that is designated as rural by the United States Department of Agriculture and at least 20 miles outside of the geographic boundaries of an area designated as urban by the***

United States Department of Agriculture, or ***in*** a city whose population is less than 60,000, the facility meets the following requirements:

(1) There will be 50 or more full-time employees working on the construction of the facility during the second quarter of construction, including, unless waived by the Director for good cause, at least 50 percent who are residents of Nevada;

(2) Establishing the facility will require the facility to make a capital investment of at least \$3,000,000 in this State in capital assets that will be retained at the location of the facility until at least the date which is 5 years after the date on which the abatement becomes effective;

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

(4) Except as otherwise provided in subsection 6, the average hourly wage of the employees working on the construction of the facility will be at least 175 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The employees working on the construction of the facility must be provided a health insurance plan that is provided by a third-party administrator and includes health insurance coverage for dependents of the employees; and

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

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

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

2. The Director shall not approve an application for a partial abatement of the taxes imposed pursuant to chapter 361 of NRS submitted pursuant to NRS 701A.360 by a facility for the generation of process heat from solar renewable energy or a wholesale facility for the generation of electricity from renewable energy unless the application is approved or deemed approved pursuant to this subsection. The board of county commissioners of a county must provide notice to the Director that the board intends to consider an application and, if such notice is given, must approve or deny the application

not later than 30 days after the board receives a copy of the application. The board of county commissioners:

(a) Shall, in considering an application pursuant to this subsection, make a recommendation to the Director regarding the application;

(b) May, in considering an application pursuant to this subsection, deny an application only if the board of county commissioners determines, based on relevant information, that:

(1) The projected cost of the services that the local government is required to provide to the facility will exceed the amount of tax revenue that the local government is projected to receive as a result of the abatement; or

(2) The projected financial benefits that will result to the county from the employment by the facility of the residents of this State and from capital investments by the facility in the county will not exceed the projected loss of tax revenue that will result from the abatement;

(c) Must not condition the approval of the application on a requirement that the facility agree to purchase, lease or otherwise acquire in its own name or on behalf of the county any infrastructure, equipment, facilities or other property in the county that is not directly related to or otherwise necessary for the construction and operation of the facility; and

(d) May, without regard to whether the board has provided notice to the Director of its intent to consider the application, make a recommendation to the Director regarding the application.

➡ If the board of county commissioners does not approve or deny the application within 30 days after the board receives from the Director a copy of the application, the application shall be deemed approved.

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

(a) Approve an application for a partial abatement for a facility that does not meet ~~the requirements~~ **any requirement** set forth in **subparagraph (1) or (2) of** paragraph (d) or **subparagraph (1) or (2) of paragraph** (e) of subsection 1; or

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

4. The Director shall cooperate with the Office of Economic Development in carrying out the provisions of this section.

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

6. The provisions of subparagraph (4) of paragraph (d) of subsection 1 and subparagraph (4) of paragraph (e) of subsection 1 concerning the average hourly wage of the employees working on the construction of a facility do not apply to the wages of an apprentice as that term is defined in NRS 610.010.

7. As used in this section, “wage” or “wages” has the meaning ascribed to it in NRS 338.010.

Sec. 23. 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. 24. The amendatory provisions of this act do not apply to or otherwise affect any abatement of taxes or deferment of the payment of taxes approved by the Office of Economic Development or the Director of the Office of Energy before July 1, 2017.

Sec. 25. 1. This act becomes effective on July 1, 2017.

2. Section 2 of this act expires by limitation on June 30, 2023.

3. Sections 5, 5.5, 6, 7, 7.5, 14.7 and 14.9 of this act expire by limitation on June 30, 2032.

4. Section 3 of this act expires by limitation on June 30, 2035.

5. Sections 8 and 9 of this act expire by limitation on June 30, 2036.

6. Section 22 of this act expires by limitation on June 30, 2049.

7. Section 4 expires by limitation on December 31, 2056.

Assemblywoman Benitez-Thompson moved the adoption of the amendment.

Remarks by Assemblywoman Benitez-Thompson.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 487.

Bill read third time.

The following amendment was proposed by Assemblyman Frierson:

Amendment No. 1108.

AN ACT relating to vehicles; revising provisions relating to taxicabs in certain counties of this State; conferring limited enforcement jurisdiction upon the Taxicab Authority over persons who are drivers for transportation network companies; authorizing the use of money obtained from the imposition of a technology fee for certain purposes; revising provisions governing the exterior appearance of certain taxicabs; revising the amount of time a vehicle used as a taxicab may remain in service as a taxicab; requiring the inspection of a taxicab not more than once each year; revising provisions governing the authority of certain certificate holders to lease a taxicab to an independent contractor; authorizing an independent contractor who leases a taxicab to use the taxicab in accordance with an agreement with a transportation network company; revising provisions relating to vehicles equipped with a dynamic display; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Under existing law, the Taxicab Authority exercises regulatory authority over taxicabs in any county whose population is 700,000 or more (currently Clark County). (NRS 706.881) The Taxicab Authority may adopt regulations

for the administration and enforcement of the provisions of existing law that apply to such taxicabs. (NRS 706.8818) Existing law requires the Nevada Transportation Authority to adopt regulations governing the operation in this State of a transportation network company and each driver who enters into an agreement with a transportation network company to receive connections to potential passengers and provide transportation services. (NRS 706A.100) **Section 3** of this bill confers limited enforcement jurisdiction upon the Taxicab Authority over a person who is a driver for a transportation network company during any period in which the person provides transportation services in the county where the Taxicab Authority has jurisdiction. **Section 16.5** of this bill makes a conforming change, requiring a taxicab field investigator of the Taxicab Authority to have probable cause of a violation before initiating a stop of such a driver.

Existing law requires payment to the Taxicab Authority of a technology fee in an amount set by the Taxicab Authority by each taxicab certificate holder for each compensable trip of each taxicab of the certificate holder. (NRS 706.8826) The money from the technology fee must be deposited in the Taxicab Authority Fund, and existing law requires that the money be used to implement technological improvements in safety, reliability and efficiency, including the implementation of a computerized real-time data system to assist with the regulation of taxicabs. (NRS 706.8825) **Section 5** of this bill removes the requirement for the money from the technology fee to be spent on such a system, and authorizes its use for the implementation of technological improvements in safety. **Section 26** of this bill repeals the provision of existing law authorizing the use of a computerized real-time data system.

Existing law requires the Taxicab Authority to approve or disapprove the color scheme, insignie and design of the cruising lights of the taxicabs of a certificate holder, and to ensure that each certificate holder's taxicabs are readily distinguishable from those of another certificate holder. (NRS 706.8833) **Section 6** of this bill retains the requirement that taxicabs of each certificate holder be readily distinguishable from those of each other certificate holder, but removes the requirement for the Taxicab Authority to approve such color schemes, insignie and design of cruising lights. **Section 6** also revises provisions governing the placement of advertisements on the exterior of taxicabs by authorizing the use of the advertisements if the placement of the advertisements does not impair the ability of the driver to operate the vehicle safely.

Under existing law, a certificate holder may only use for a taxicab a new vehicle or a vehicle with 30,000 miles or less on the odometer. A new vehicle used as a taxicab must be removed from service as a taxicab after 67 months of such use, and a vehicle with less than 30,000 miles on it when put into use as a taxicab must be removed from service after 55 months. If the vehicle is a hybrid electric vehicle, the vehicle is allowed an additional 24 months of service. (NRS 706.8834) **Section 7** of this bill provides instead that any

vehicle used as a taxicab may only be used as a taxicab for 120 months after the date on which the vehicle was manufactured.

Section 8 of this bill newly requires each taxicab to display a statement indicating whether the certificate holder accepts credit cards and debit cards and, if so, listing the maximum fee a customer will be charged for the convenience of using a credit card or debit card. Existing law provides that the maximum amount of such a fee may be prescribed in regulation by the Taxicab Authority. (NRS 706.88355)

Existing law authorizes the Taxicab Administrator of the Department of Business and Industry to inspect a taxicab at any reasonable time. (NRS 706.8839) **Section 9** of this bill requires the Taxicab Administrator to conduct such an inspection not more than once each year.

Existing law authorizes a certificate holder to lease a taxicab to an independent contractor, who may only use the taxicab in a manner authorized by the certificate holder's certificate of public convenience and necessity. (NRS 706.88396) **Section 10** of this bill expands existing law by authorizing the independent contractor to use the taxicab to provide transportation services pursuant to an agreement with a transportation network company. **Section 10** also requires the certificate holder who leases a taxicab to an independent contractor to inspect the taxicab at least monthly. **Section 10** also limits the number of unexpired leases a certificate holder may have to not more than the number of taxicabs allocated to the certificate holder by the Taxicab Authority. **Sections 14 and 15** of this bill make conforming changes.

Existing law requires an applicant for a driver's permit to drive a taxicab to prove that he or she has been a resident of this State for at least 30 days. (NRS 706.8841) **Section 11** of this bill requires the applicant to prove instead that he or she is a resident of this State or a state that adjoins the county in which the applicant has applied for the driver's permit. **Section 12** of this bill revises provisions regarding daily trip sheets to allow for the use of certain electronic operating systems.

Under existing law, a driver of a taxicab is not allowed to take a longer route to a passenger's destination than is necessary, unless specifically requested to do so by the passenger. (NRS 706.8846) **Section 13** of this bill provides that a driver must take the most direct route and is not allowed to take a longer or different route intentionally unless ~~[(1)]~~ requested or agreed to by the passenger ~~. [(1)]~~ or ~~[(2)] the different route is approved by the Taxicab Authority. Section 13 also provides that the Taxicab Authority may only conduct an investigation for a violation of this provision upon receipt of a complaint by a passenger.]~~

Under existing law, a person may not operate on the highways of this State any motor vehicle equipped with a dynamic display unless the vehicle is also equipped with a display management system that is configured to prevent the image or content on the dynamic display from changing when the vehicle is moving, in a turnout or in a location where such a change may cause undue

distraction to other drivers. Such a dynamic display is also prohibited from projecting moving images or other moving content. (NRS 484D.493) **Section 24.5** of this bill removes the prohibition on moving images or content and provides that the display management system must be configured to prevent the image or content from changing only when the vehicle is moving at a speed of 55 miles per hour or more.

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

Section 1. NRS 706.759 is hereby amended to read as follows:

706.759 1. ~~[A]~~ ***Except as otherwise provided in subsection 3, a*** person who drives a taxicab as an employee of a person who holds a certificate of public convenience and necessity which was issued for the operation of a taxicab business shall not act as a driver as defined in NRS 706A.040:

- (a) Using the taxicab provided by his or her employer; or
- (b) During any time for which the person receives wages from his or her employer for duties which include driving a taxicab.

2. A person who holds a certificate of public convenience and necessity which was issued for the operation of a taxicab business may terminate the employment of a person who violates the provisions of subsection 1.

3. *The provisions of subsection 1 do not apply to an independent contractor who leases a taxicab pursuant to NRS 706.88396.*

Sec. 2. NRS 706.8816 is hereby amended to read as follows:

706.8816 1. "Taxicab" means a motor vehicle or vehicles which is designed or constructed to accommodate and transport not more than six passengers, ***not*** including the driver, and:

- (a) Uses a taximeter or some other device, method or system to indicate and determine the passenger fare charged;
- (b) Is used in the transportation of passengers or light express or both for which a charge or fee is received; or
- (c) Is operated in any service which is held out to the public as being available for the transportation of passengers from place to place in the State of Nevada.

2. "Taxicab" does not include a motor vehicle of:

- (a) A common motor carrier.
- (b) A contract motor carrier which operates along fixed routes.
- (c) An employer who operates the vehicle for the transportation of the employees of that employer, whether or not the employees pay for the transportation.

Sec. 3. NRS 706.8818 is hereby amended to read as follows:

706.8818 1. The Taxicab Authority, consisting of five members appointed by the Governor, is hereby created. Except as otherwise provided in NRS 232A.020, the term of each member is 3 years and no member may serve for more than 6 years. No more than three members may be members

of the same political party, and no elected officer of the State or any political subdivision is eligible for appointment.

2. Each member of the Taxicab Authority is entitled to receive a salary of not more than \$80, as fixed by the Authority, for each day actually employed on work of the Authority.

3. While engaged in the business of the Taxicab Authority, each member and employee of the Authority is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

4. The Taxicab Authority shall maintain its principal office in the county or area of the State where it performs most of its regulatory activity.

5. The Taxicab Authority may adopt appropriate regulations for the administration and enforcement of NRS 706.881 to 706.885, inclusive, and, as it may deem necessary, for the conduct of the taxicab business and for the qualifications of and the issuance of permits to taxicab drivers, not inconsistent with the provisions of NRS 706.881 to 706.885, inclusive. The regulations may include different provisions to allow for differences among the counties to which NRS 706.881 to 706.885, inclusive, apply. Local law enforcement agencies and the Nevada Highway Patrol, upon request of the Authority, may assist in enforcing the provisions of NRS 706.881 to 706.885, inclusive, and regulations adopted pursuant thereto.

6. Except to the extent of any inconsistency with the provisions of NRS 706.881 to 706.885, inclusive, every regulation and order issued by the Nevada Transportation Authority remains effective in a county to which those sections apply until modified or rescinded by the Taxicab Authority, and must be enforced by the Taxicab Authority.

7. *The Taxicab Authority may issue a written administrative citation to a person who is a driver for a transportation network company during any period in which the person provides transportation services pursuant to chapter 706A of NRS in a county where the Taxicab Authority has jurisdiction pursuant to NRS 706.881 as follows:*

(a) The enforcement jurisdiction of the Taxicab Authority over a person who is a driver for a transportation network company is limited to enforcement of the provisions of subsection 1 of NRS 706A.280, except that such jurisdiction does not include enforcement of any violation or other matter which requires the Taxicab Authority to review or investigate the digital network or software application service of the transportation network company through which the driver is connected to potential passengers.

(b) A written administrative citation issued by the Taxicab Authority to a person who is a driver for a transportation network company must be adjudicated by the Nevada Transportation Authority pursuant to the provisions of chapter 706A of NRS.

Sec. 4. NRS 706.88183 is hereby amended to read as follows:

706.88183 1. The Taxicab Authority shall implement a system to verify ~~through the computerized real-time data system implemented~~

~~pursuant to subsection 4 of NRS 706.8825]~~ the validity of a temporary or permanent medallion issued by the Taxicab Authority.

2. As used in this section, “medallion” means the temporary or permanent authority to operate a taxicab within the jurisdiction of the Taxicab Authority which is issued by the Taxicab Authority pursuant to NRS 706.8811 to 706.885, inclusive.

Sec. 5. NRS 706.8825 is hereby amended to read as follows:

706.8825 1. All fees collected pursuant to NRS 706.881 to 706.885, inclusive, must be deposited by the Administrator to the credit of the Taxicab Authority Fund, which is hereby created as a special revenue fund. The transactions for each county subject to those sections must be accounted for separately within the Fund.

2. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund.

3. The revenues received pursuant to subsection 1 of NRS 706.8826 are hereby appropriated to defray the cost of regulating taxicabs in the county or the city, respectively, making the deposit under that subsection.

4. The fees received pursuant to subsection 3 of NRS 706.8826, NRS 706.8827, 706.8841, 706.8848, 706.8849 and 706.885 are hereby appropriated to defray the cost of regulating taxicabs in the county in which the certificate holder operates a taxicab business. The technology fees received pursuant to paragraph (c) of subsection 3 of NRS 706.8826 ~~[must]~~ *may* be used to implement technological improvements in safety . ~~[- reliability and efficiency, including, without limitation, the implementation of a computerized real time data system to assist with the regulation of the taxicabs in the county in which the certificate holder operates a taxicab business. A computerized real time data system implemented pursuant to this subsection must, at a minimum, satisfy the following criteria:~~

~~—(a) While a taxicab is in service within the jurisdiction of the Taxicab Authority, the system must be capable of collecting in real time from the onboard computer of the taxicab, by wireless access through the onboard diagnostic port or other means, the vehicle identification number and operating and telemetric data for the vehicle.~~

~~—(b) While a taxicab is in service within the jurisdiction of the Taxicab Authority, the system must be capable of collecting in real time, from an onboard diagnostic device capable of using a global positioning system that is installed in the taxicab or any other onboard computer software system capable of using a global positioning system that is installed in the taxicab, the location of the taxicab by latitude and longitude, a record of the time at which the taxicab is at that location and operating and telemetric data for the vehicle.~~

~~—(c) The system must be capable of allowing the driver of a taxicab, while the taxicab is in service within the jurisdiction of the Taxicab Authority, to register in the system, at the beginning and end of each shift, his or her identity and the number of his or her driver’s permit.~~

~~—(d) The system must be capable of allowing, in a manner prescribed by the Taxicab Authority, a certificate holder to digitally associate a taxicab with a temporary or permanent medallion for the purpose of verifying the validity of a temporary or permanent medallion pursuant to NRS 706.88183. As used in this paragraph, “medallion” has the meaning ascribed to it in NRS 706.88183.~~

~~—(e) The system must be capable of presenting, in real time to the Taxicab Authority, searchable histories, in both a format that displays the information and data in tables and a digital map format that displays streets and highways, of:~~

~~——(1) The information and data described in this subsection; and~~

~~——(2) The information described in NRS 706.8844.~~

~~—(f) The system must be capable of presenting to a passenger, through an application on a mobile device or on an interactive, digital display or other onboard system in the taxicab, sufficient information for the passenger to select and direct the driver to the passenger’s desired destination by the passenger’s desired route. The information must include, without limitation, sufficient information for the passenger to:~~

~~——(1) Select the shortest route by time or distance to the passenger’s desired destination;~~

~~——(2) Select a multi-segment trip directed by the passenger;~~

~~——(3) Select the least expensive route to the passenger’s desired destination; and~~

~~——(4) Make a digital record of the passenger’s selection that is accessible during and after the trip by the passenger, the Taxicab Authority, the driver and the certificate holder.~~

~~—(g) The system must be capable of presenting to the driver, through an application on a mobile device or an interactive, digital display or other onboard system in the taxicab, sufficient information for the driver to:~~

~~——(1) Determine the shortest route by time or distance to the passenger’s desired destination and the least expensive route to the passenger’s desired destination;~~

~~——(2) Follow a multi-segment, passenger directed trip by the least expensive route to the passenger’s desired destination; and~~

~~——(3) Allow the passenger to make a digital record of a selection of a desired route to the passenger’s destination that is accessible during and after the trip by the passenger, the Taxicab Authority, the driver and the certificate holder.~~

~~—(h) The system must be capable of allowing passengers to register comments and complaints with the Taxicab Authority, the driver and the certificate holder, through an application on a mobile device or an interactive digital display screen or other onboard system in the taxicab.~~

~~—(i) The system must be capable of assisting the Taxicab Authority in the development of additional preventive measures to detect, investigate and deter the practice of transporting a passenger to a selected destination by a~~

route that is more expensive than necessary under the circumstances of the trip.

~~—(j) The system must be capable of providing to the Taxicab Authority reliable real time and historic information concerning service demands, market data, vehicle usage, wait times and customer complaints and comments for use by the Taxicab Authority to make decisions concerning the allocation of medallions pursuant to NRS 706.88237, 706.8824 and 706.88245.~~

~~—(k) The system must be capable of allowing certificate holders to use the system to provide cooperative dispatch and electronic hailing services to the public pursuant to NRS 706.88184.~~

~~—5. The Taxicab Authority shall not use the information and data collected pursuant to paragraph (a) or (b) of subsection 4 for any purpose other than the purposes set forth in those paragraphs unless the Authority has adopted regulations governing the additional use.~~

~~—6. The Taxicab Authority may operate the computerized real time data system implemented pursuant to subsection 4 or enter into an agreement for the provision of such service. If the Taxicab Authority enters into such an agreement, the Taxicab Authority shall ensure that all the information and data collected by the computerized real time data system is under the control of the Taxicab Authority.~~

~~—7.}~~ 5. Any balance remaining in the Fund does not revert to the State General Fund. The Administrator may transfer to the Aging and Disability Services Division of the Department of Health and Human Services any balance over \$200,000 and any interest earned on the Fund, within the limits of legislative authorization for each fiscal year, to subsidize transportation for elderly persons and persons with permanent disabilities in taxicabs. The money transferred to the Aging and Disability Services Division must be administered in accordance with regulations adopted by the Administrator of the Aging and Disability Services Division pursuant to NRS 427A.070.

~~{8.}~~ 6. The Administrator may establish an account for petty cash not to exceed \$2,000 for the support of undercover investigation and if the account is created, the Administrator shall reimburse the account from the Taxicab Authority Fund in the same manner as other claims against the State are paid.

~~{9. As used in this section, “real time” means the transmission of information at a rate no longer than once every 6 seconds, unless the Taxicab Authority authorizes a longer rate while a taxicab is experiencing a low volume of trips.}~~

Sec. 6. NRS 706.8833 is hereby amended to read as follows:

706.8833 1. The color scheme ~~{ }~~ **and** insigne ~~{and design of the cruising lights of each taxicab must conform to those approved for}~~ **of the taxicabs of each** certificate holder ~~{pursuant to regulations of the Taxicab Authority.~~

~~—2. Except as otherwise provided in subsection 3, the Taxicab Authority shall approve or disapprove the color scheme, insigne and design of the~~

~~cruising lights of the taxicabs of a certificate holder in any county, and shall ensure that the color scheme and insignia of one certificate holder are]~~ **must be** readily distinguishable from the color schemes and insignia of other certificate holders operating in the same county.

~~[3.] 2. The Taxicab Authority shall allow a certificate holder in any county to place advertisements on the exterior of the vehicles used as taxicabs in the operations of the certificate holder, provided that the [taxicabs of the certificate holder which bear such advertisements are readily distinguishable from the taxicabs of other certificate holders operating in the same county by meeting the requirements of subsection 2 of NRS 706.8835.]~~ **placement of the advertisements does not impair the ability of the driver to operate the taxicab safely.**

Sec. 7. NRS 706.8834 is hereby amended to read as follows:

706.8834 1. ~~[Except as otherwise provided in subsection 4, if a] A vehicle acquired for use as a taxicab by a certificate holder [pursuant to paragraph (a) of subsection 3 has been] **may only be used** in operation as a taxicab for ~~[67] 120 months [based on] after the date [it was originally placed into operation as a taxicab, the certificate holder:~~~~

~~—(a) Shall remove the vehicle from operation as a taxicab; and~~
~~—(b) Shall not permit the vehicle to be used as a taxicab in the operations of the certificate holder at any time thereafter.]~~ **on which the vehicle was manufactured.**

2. ~~[Except as otherwise provided in subsection 4, if] If a vehicle acquired for use as a taxicab by a certificate holder [pursuant to paragraph (b) of subsection 3] has been in operation as a taxicab for ~~[55] 120 months [based on] after the date [it was originally placed into operation as a taxicab,] on which the vehicle was manufactured,~~ the certificate holder:~~

(a) Shall remove the vehicle from operation as a taxicab; and
 (b) Shall not permit the vehicle to be used as a taxicab in the operations of the certificate holder at any time thereafter.

~~[3. Any vehicle which a certificate holder acquires for use as a taxicab must:~~

~~—(a) Be new; or~~
~~—(b) Register not more than 30,000 miles on the odometer.~~
~~4. If a hybrid electric vehicle, as defined in 40 C.F.R. § 86.1702-99, is acquired for use as a taxicab by a certificate holder, the period of operation as a taxicab specified in subsections 1 and 2 shall be extended for an additional 24 months for that vehicle.]~~

Sec. 8. NRS 706.8835 is hereby amended to read as follows:

706.8835 1. A certificate holder shall display on each of the certificate holder's taxicabs ~~[the fare schedule under which it is being operated.]~~ **a statement indicating whether the certificate holder accepts credit cards and debit cards and, if so, setting forth the maximum fee a customer will be charged for the convenience of using a credit card or debit card pursuant to NRS 706.88355.** The ~~[schedule]~~ **statement** must be permanently affixed:

(a) On the outside of both front doors in bold block letters which are not less than three-fourths of an inch in height; and

(b) Inside the taxicab so as to be visible and easily readable by passengers.

2. A certificate holder shall have a unit number and the name of the certificate holder displayed on each taxicab in bold block letters not less than 4 inches in height and in a color which contrasts with the color of the taxicab.

Sec. 9. NRS 706.8839 is hereby amended to read as follows:

706.8839 1. The Administrator ~~may~~ **shall** inspect ~~at~~ **each** taxicab ~~at any reasonable time.~~ **not more than once each year.**

2. If the Administrator finds that a taxicab is in a condition which violates NRS 706.8837, the Administrator shall remove the vehicle from service, shall place an out-of-service sticker on the windshield and shall notify the certificate holder of the defect. The vehicle shall remain out of service until the defect has been remedied and the Administrator upon reinspection has approved the vehicle and removed the out-of-service sticker.

3. If the Administrator finds that a taxicab is in a condition which violates NRS 706.8838, the Administrator shall notify the certificate holder of the improper condition and, after a reasonable time, shall reinspect the vehicle. If upon reinspection the violation has not been corrected, the vehicle shall be removed from service until it is reinspected and approved, as provided in subsection 2.

Sec. 10. NRS 706.88396 is hereby amended to read as follows:

706.88396 1. ~~At~~ **Except as otherwise provided in subsection 8, a** certificate holder may, upon approval from the Taxicab Authority, lease a taxicab to an independent contractor who is not a certificate holder. A certificate holder may lease only one taxicab to each independent contractor with whom the person enters into a lease agreement. The taxicab may be used ~~only in~~, **without limitation:**

(a) **In** a manner authorized by the certificate holder's certificate of public convenience and necessity ~~it~~; **or**

(b) **By the independent contractor to provide transportation services in accordance with an agreement with a transportation network company entered into pursuant to chapter 706A of NRS.**

2. A certificate holder who enters into a lease agreement with an independent contractor pursuant to this section shall submit a copy of the agreement to the Taxicab Authority for its approval. The agreement is not effective until approved by the Taxicab Authority.

3. **Except as otherwise provided in subsection 8, the Taxicab Authority may not limit the number of:**

(a) **Lease agreements entered into by a certificate holder; or**

(b) **Days for which a lease agreement remains in effect.**

4. **A certificate holder who leases a taxicab to an independent contractor shall inspect the taxicab not less than once each month.**

5. An independent contractor may not operate more than one taxicab pursuant to a lease agreement with a certificate holder during any one 24-hour period.

6. A certificate holder who leases a taxicab to an independent contractor is jointly and severally liable with the independent contractor for any violation of the provisions of this chapter or the regulations adopted pursuant ***thereto or, if applicable, chapter 706A of NRS or the regulations adopted pursuant*** thereto, and shall ensure that the independent contractor complies with such provisions and regulations.

~~{4.}~~ 7. The Taxicab Authority or any of its employees may intervene in a civil action involving a lease agreement entered into pursuant to this section.

8. A certificate holder may not have a number of unexpired leases that exceeds the number of taxicabs allocated to the certificate holder pursuant to NRS 706.8824 and 706.88245.

Sec. 11. NRS 706.8841 is hereby amended to read as follows:

706.8841 1. The Administrator shall issue a driver's permit to qualified persons who wish to be employed by certificate holders as taxicab drivers. Before issuing a driver's permit, the Administrator shall:

(a) Require the applicant to submit a complete set of the applicant's fingerprints which the Administrator may forward to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation to ascertain whether the applicant has a criminal record and the nature of any such record, and shall further investigate the applicant's background; and

(b) Require proof that the applicant:

(1) ~~{Has been}~~ ***Is*** a resident of ~~{the}~~ ***this*** State ~~{for 30 days before the application for a permit;}~~ ***or a state that adjoins the county in which the applicant has applied for a driver's permit;***

(2) Can read and orally communicate in the English language; and

(3) Has a valid license issued under NRS 483.325 which authorizes the applicant to drive a taxicab in this State.

2. The Administrator may refuse to issue a driver's permit if the applicant has been convicted of:

(a) A felony relating to the practice of taxicab drivers in this State or any other jurisdiction at any time before the date of the application;

(b) A felony involving any sexual offense in this State or any other jurisdiction at any time before the date of the application;

(c) A violation of NRS 484C.110, 484C.120 or 484C.430 or a law of any other jurisdiction that prohibits the same or similar conduct within 3 years before the date of the application; or

(d) A violation of NRS 484C.130 or a law of any other jurisdiction that prohibits the same or similar conduct.

3. The Administrator may refuse to issue a driver's permit if the Administrator, after the background investigation of the applicant,

determines that the applicant is morally unfit or if the issuance of the driver's permit would be detrimental to public health, welfare or safety.

4. A taxicab driver shall pay to the Administrator, in advance, \$40 for an original driver's permit and \$10 for a renewal.

Sec. 12. NRS 706.8844 is hereby amended to read as follows:

706.8844 1. A certificate holder shall require the certificate holder's drivers to keep a daily trip sheet in a form to be prescribed by the Taxicab Authority, including, without limitation, in electronic form.

2. At the beginning of each period of duty the driver shall record on the driver's trip sheet:

- (a) The driver's name and the number of the taxicab;
- (b) The time at which the driver began the period of duty by means of a time clock provided by the certificate holder;
- (c) If the taxicab is equipped with a taximeter, the meter readings for total miles, paid miles, trips, units, extra passengers and extra charges; and
- (d) The odometer reading of the taxicab.

3. During each period of duty the driver shall record on the driver's trip sheet:

- (a) The time, place of origin and destination of each trip; and
 - (b) The number of passengers and amount of fare for each trip.
4. At the end of each period of duty the driver shall record on the driver's trip sheet:

(a) ~~{The}~~ ***Except as otherwise provided in subsection 5, the*** time at which the driver ended the period of duty by means of a time clock provided by the certificate holder;

(b) If the taxicab is equipped with a taximeter, the meter readings for total miles, paid miles, trips, units and extra passengers; and

(c) The odometer reading of the taxicab.

5. ***A driver is not required to record on the driver's trip sheet the time at which the driver ended the period of duty if:***

(a) ***The certificate holder uses an operating system which records the time the driver ends the period of duty electronically; and***

(b) ***The time entries recorded by the operating system are available to the Taxicab Authority if requested pursuant to an audit.***

6. A certificate holder shall furnish a trip sheet form for each taxicab operated by a driver during the driver's period of duty and shall require the drivers to return their completed trip sheets at the end of each period of duty.

~~{6-}~~ 7. A certificate holder shall retain all trip sheets of all drivers in a safe place for a period of 3 years immediately succeeding December 31 of the year to which they respectively pertain and shall make such manifests available for inspection by the Administrator upon reasonable demand.

~~{7-}~~ 8. Any driver who maintains a trip sheet in a form less complete than that required by subsection 1 is guilty of a misdemeanor.

~~{8-}~~ 9. The Administrator shall prescribe the requirements for the use of an electronic version of a daily trip sheet. If a certificate holder requires its

drivers to keep a daily trip sheet in electronic form, the certificate holder may comply with the requirements of this section ~~[-~~

~~—(a) By] by~~ maintaining the information collected from the daily trip sheet in a secure database and providing the Administrator with access to the information in the database at regular intervals established by the Administrator and upon reasonable demand. ~~[- or~~

~~—(b) By reporting the information to the Administrator on the computerized real time data system implemented pursuant to subsection 4 of NRS 706.8825.]~~

10. As used in this section, “time clock” means a mechanism which records the time at which a driver begins or ends, as applicable, a period of duty by means of:

(a) A manual time stamp on the driver’s trip sheet; or

(b) An electronically issued time stamp provided by the operating system of the certificate holder.

Sec. 13. NRS 706.8846 is hereby amended to read as follows:

706.8846 ~~[-]~~ With respect to a passenger’s destination, ~~[a] unless a different route is requested or agreed to by the passenger, for a different route has been approved by the Taxicab Authority,]~~ a driver shall take the most direct route when transporting a passenger to his or her destination. A driver shall not:

1. ~~[(a)]~~ Deceive or attempt to deceive any passenger who rides or desires to ride in the driver’s taxicab.

2. ~~[(b)]~~ Convey or attempt to convey any passenger to a destination other than the one directed by the passenger.

3. ~~[(c) Take]~~ **Except as otherwise provided in this subsection, intentionally take** a longer route to the passenger’s destination than is necessary. ~~[- unless specifically requested so to do by the passenger.]~~

4. ~~[(d)]~~ Fail to comply with the reasonable and lawful requests of the passenger as to speed of travel and route to be taken.

~~[- 2. The Taxicab Authority may only conduct an investigation for a violation of this section upon receipt of a complaint by a passenger.]~~

Sec. 14. NRS 706A.075 is hereby amended to read as follows:

706A.075 1. Except as otherwise provided in subsection 2, the provisions of this chapter do not exempt any person from any law governing the operation of a motor vehicle upon the highways of this State.

2. A transportation network company which holds a valid permit issued by the Authority pursuant to this chapter, a driver who has entered into an agreement with such a company and a vehicle operated by such a driver are exempt from:

(a) The provisions of chapter 704 of NRS relating to public utilities; and

(b) ~~[The]~~ **Except as otherwise provided in NRS 706.88396, the** provisions of chapter 706 of NRS,

➡ to the extent that the services provided by the company or driver are within the scope of the permit.

Sec. 15. NRS 706A.110 is hereby amended to read as follows:

706A.110 1. A transportation network company shall not engage in business in this State unless the company holds a valid permit issued by the Authority pursuant to this chapter.

2. A driver shall not provide transportation services unless the company with which the driver is affiliated holds a valid permit issued by the Authority pursuant to this chapter.

3. The Authority is authorized and empowered to regulate, pursuant to the provisions of this chapter, all transportation network companies and drivers who operate or wish to operate within this State. ~~{The}~~ ***Except as otherwise provided in NRS 706.88396, the*** Authority shall not apply any provision of chapter 706 of NRS to a transportation network company or a driver who operates within the provisions of this chapter and the regulations adopted pursuant thereto.

Sec. 16. NRS 706A.130 is hereby amended to read as follows:

706A.130 1. Upon receipt of a completed application and upon a determination by the Authority that an applicant meets the requirements for the issuance of a permit to operate a transportation network company, the Authority shall issue to the applicant within 30 days a permit to operate a transportation network company in this State.

2. In accordance with the provisions of this chapter, a permit issued pursuant to this section:

(a) Authorizes a transportation network company to connect one or more passengers through the use of a digital network or software application service to a driver who can provide transportation services.

(b) Authorizes a transportation network company to make its digital network or software application service available to one or more drivers to receive connections to potential passengers from the company in exchange for the payment of a fee by the driver to the company.

(c) ~~{Does}~~ ***Except as otherwise provided in NRS 706.88396, does not*** authorize a transportation network company or any driver to engage in any activity otherwise regulated pursuant to chapter 706 of NRS other than the activity authorized by this chapter.

3. Nothing in this chapter prohibits the issuance of a permit to operate a transportation network company to a person who is regulated pursuant to chapter 706 of NRS if the person submits an application pursuant to NRS 706A.120 and meets the requirements for the issuance of a permit.

Sec. 16.5. NRS 289.340 is hereby amended to read as follows:

289.340 An employee designated by the Taxicab Administrator as:

1. A taxicab field investigator is a peace officer ~~{}~~ ***for the purposes of enforcing the provisions of chapter 706 of NRS. Such an investigator enforcing the provisions of subsection 1 of NRS 706A.280 pursuant to NRS 706.8818 must have probable cause that a driver is violating subsection 1 of NRS 706A.280 to initiate a traffic stop of the driver's vehicle.***

2. An airport control officer is a peace officer only when on duty at the airport.

Sec. 17. (Deleted by amendment.)

Sec. 18. (Deleted by amendment.)

Sec. 19. (Deleted by amendment.)

Sec. 20. (Deleted by amendment.)

Sec. 21. (Deleted by amendment.)

Sec. 22. (Deleted by amendment.)

Sec. 23. (Deleted by amendment.)

Sec. 24. NRS 427A.070 is hereby amended to read as follows:

427A.070 1. The Administrator shall:

(a) Subject to the approval of the Director, adopt rules and regulations:

(1) Necessary to carry out the purposes of this chapter and chapter 435 of NRS; and

(2) Establishing a program to subsidize the transportation by taxicab of elderly persons and persons with permanent disabilities from money received pursuant to subsection ~~{7}~~ 5 of NRS 706.8825;

(b) Establish appropriate administrative units within the Division;

(c) Appoint such personnel and prescribe their duties as the Administrator deems necessary for the proper and efficient performance of the functions of the Division;

(d) Prepare and submit to the Governor, through the Director before September 1 of each even-numbered year for the biennium ending June 30 of such year, reports of activities and expenditures and estimates of sums required to carry out the purposes of this chapter and chapter 435 of NRS;

(e) Make certification for disbursement of funds available for carrying out the purposes of this chapter and chapter 435 of NRS; and

(f) Take such other action as may be necessary or appropriate for cooperation with public and private agencies and otherwise to carry out the purposes of this chapter and chapter 435 of NRS.

2. The Administrator may delegate to any officer or employee of the Division such of the powers and duties of the Administrator as the Administrator finds necessary to carry out the purposes of this chapter and chapter 435 of NRS.

Sec. 24.5. NRS 484D.493 is hereby amended to read as follows:

484D.493 1. Except as otherwise provided in subsection 2, a person shall not operate upon the highways of this State any motor vehicle that is equipped with a dynamic display unless ~~it~~

~~—(a) The~~ *the* motor vehicle is equipped with a display management system which is configured to prevent the image or content displayed on the dynamic display from changing when the motor vehicle is ~~it~~

~~—(1) Moving;~~

~~—(2) In a turnout; or~~

~~—(3) In any other location where changing the image or content displayed on the dynamic display may cause undue distraction to the operators of other vehicles; and~~

~~—(b) The dynamic display does not project or otherwise show moving images, moving information or other moving content.] *moving at a speed of 55 miles per hour or more.*~~

2. This section does not prohibit the use of a dynamic display that is operated without a display management system if the dynamic display is being used exclusively for purposes other than advertisement, including, without limitation:

- (a) For purposes that are personal and noncommercial in nature;
- (b) For purposes of traffic control;
- (c) For purposes of law enforcement or emergency response;
- (d) As a warning device for a utility or utility vehicle, as described in NRS 484D.465; or
- (e) To display the name, route number or destination of a bus or other vehicle of mass transit.

3. As used in this section:

(a) “Display management system” means equipment or software that is designed to operate a dynamic display, including, without limitation, periodically changing the image, information or content being shown on the dynamic display.

(b) “Dynamic display” means equipment which is attached to a motor vehicle and which consists of at least one monitor, screen or viewer that, without limitation:

- (1) Is designed to display various images, information or other content, including, without limitation, advertisements, which change periodically;
- (2) Is intended to be visible to the drivers of other vehicles on the highway and to persons who are near the highway; and
- (3) May be visible to the operator of the motor vehicle.

Sec. 25. Any regulations adopted by the Taxicab Authority that conflict with the amendatory provisions of this act are void. The Legislative Counsel shall remove those regulations from the Nevada Administrative Code as soon as practicable after July 1, 2017.

Sec. 26. NRS 706.88184 is hereby repealed.

Sec. 27. This act becomes effective on July 1, 2017.

TEXT OF REPEALED SECTION

706.88184 Authority required to authorize use of certain technology by certificate holders and to impose reasonable charge.

1. Upon application by a certificate holder, the Taxicab Authority shall authorize the certificate holder to use the computerized real-time data system for the purposes of offering cooperative dispatch and electronic hailing services for taxicabs to the public.

2. If two or more certificate holders apply to the Taxicab Authority to use the computerized real-time data system for the purposes set forth in subsection 1, the Taxicab Authority must establish, by regulation or order, rules providing for the use of the computerized real-time data system by two or more certificate holders for the purposes set forth in subsection 1.

3. The Taxicab Authority shall:

(a) Authorize the certificate holders who are authorized to use the computerized real-time data system for the purposes set forth in subsection 1 to impose a reasonable charge for the use by a passenger of the computerized real-time data system. The charge:

(1) Must be separate from any other rate, fare or charge for taxicab service;

(2) Is not required to be uniform within a county; and

(3) May be assessed in accordance with a schedule of charges based upon factors approved by the Taxicab Authority.

(b) Establish, by regulation or order, requirements for the publication by certificate holders of the charge or the schedule of charges for the use by a passenger of the computerized real-time data system for the purposes set forth in subsection 1.

4. As used in this section, “computerized real-time data system” means the computerized real-time data system implemented by the Taxicab Authority pursuant to subsection 4 of NRS 706.8825.

Assemblywoman Benitez-Thompson moved the adoption of the amendment.

Remarks by Assemblywoman Benitez-Thompson.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 434.

Bill read third time.

Remarks by Assemblywoman Diaz.

ASSEMBLYWOMAN DIAZ:

Assembly Bill 434, as amended, appropriates \$5 million over the 2017-2019 biennium from the State General Fund to the Department of Education to provide incentives for hiring new teachers to teach at Title I schools or schools that are designated as under-performing pursuant to the statewide system of accountability for public schools and to provide incentives for teachers who transfer to teach at those schools. The bill is effective on July 1, 2017.

Roll call on Assembly Bill No. 434:

YEAS—39.

NAYS—None.

EXCUSED—Hansen, Pickard, Titus—3.

Assembly Bill No. 434 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 520.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

I rise in support of Assembly Bill 520, which makes an appropriation to the Nevada State Museum of Las Vegas for construction of a new playground located at the Springs Preserve. It will be a play area associated with the teaching area and the butterfly house. It is an appropriation of \$500,000.

Roll call on Assembly Bill No. 520:

YEAS—39.

NAYS—None.

EXCUSED—Hansen, Pickard, Titus—3.

Assembly Bill No. 520 having received a constitutional majority,
Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Assembly Bill No. 521.

Bill read third time.

Remarks by Assemblyman Paul Anderson.

ASSEMBLYMAN PAUL ANDERSON:

I rise in support of Assembly Bill 521, which establishes a program to provide financial assistance to a veteran's family for the disinterment of a veteran for relocation to a veterans' cemetery. This bill also requires the Director of the Department of Veterans Services to adopt regulations prescribing the application process and the criteria for the award of such financial assistance. Finally, this bill makes an appropriation from the State General Fund to the Director of the Department of Veterans Services for the sum of \$100,000 for the purpose of providing financial assistance for the program. Assembly Bill 521 is effective on July 1, 2017.

Roll call on Assembly Bill No. 521:

YEAS—39.

NAYS—None.

EXCUSED—Hansen, Pickard, Titus—3.

Assembly Bill No. 521 having received a constitutional majority,
Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 442.

Bill read third time.

Remarks by Assemblywoman Cohen.

ASSEMBLYWOMAN COHEN:

Senate Bill 442 makes various changes to the administrative provisions, eligibility criteria, and the authority granted to the Governor's Office of Economic Development with respect to the issuance of tax credits and granting of partial abatements of taxes to new and expanding businesses. The bill increases the percentage of statewide average wage that must be paid in order to be eligible for an abatement and requires that healthcare benefits be provided by all businesses approved for abatements.

Roll call on Senate Bill No. 442:

YEAS—30.

NAYS—Carlton, Daly, Diaz, Flores, Krasner, Marchant, McArthur, Neal, Wheeler—9.

EXCUSED—Hansen, Pickard, Titus—3.

Senate Bill No. 442 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 487.

Bill read third time.

Remarks by Assemblyman Araujo.

ASSEMBLYMAN ARAUJO:

Assembly Bill 487, again, confers to the Taxicab Authority limited enforcement jurisdiction over persons who are drivers for transportation network companies [TNC] and solicit passengers or provide transportation services outside of the TNC application.

Roll call on Assembly Bill No. 487:

YEAS—36.

NAYS—Jauregui, Monroe-Moreno, Watkins—3.

EXCUSED—Hansen, Pickard, Titus—3.

Assembly Bill No. 487 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved that Senate Bills Nos. 481, 150, 414, 448, and 189 be taken from their positions on the General File and placed at the top of the General File.

Motion carried.

Assemblywoman Benitez-Thompson moved that Senate Bills Nos. 126, 244, 534, and 533 be taken from their positions on the General File and placed after Senate Bill No. 189 on the General File.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 481.

Bill read third time.

Remarks by Assemblywoman Benitez-Thompson.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

Senate Bill 481, as amended, makes various changes to the Subcommittee on Communication Services for Persons Who Are Deaf or Hard of Hearing and Persons with Speech Disabilities. Specifically, the bill will change the Subcommittee's name to the Nevada Commission for Persons Who Are Deaf, Hard of Hearing or Speech Impaired; require the Governor to appoint the Director of the Commission and provides that the Director serves without compensation; require the Legislative Committee on Health Care to study during the 2017–2018 interim grants and other sources of money that may be available to transform the Director position into a full-time position; and appropriates \$25,000 from the State General Fund to the Commission in each fiscal year of the 2017–2019 biennium for per diem, travel, and administrative costs.

I want to thank the Chair of Health and Human Services and especially the Chair of Ways and Means. There was an attempt to fund the Commission for Persons Who Are Deaf, Hard of Hearing or Speech Impaired in the other house, and I want to thank so much our Chair of Ways and Means and our Chair of Health and Human Services for working together to find this appropriation. I want to wish the Commission good luck in all of its endeavors.

Roll call on Senate Bill No. 481:

YEAS—39.

NAYS—None.

EXCUSED—Hansen, Pickard, Titus—3.

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

Bill ordered transmitted to the Senate.

Senate Bill No. 150.

Bill read third time.

Remarks by Assemblywoman Spiegel.

ASSEMBLYWOMAN SPIEGEL:

Senate Bill 150, as amended, requires the Public Utilities Commission of Nevada [PUCN] to establish by regulation goals for energy savings for each electric utility. The bill allows the Commission to modify a goal for energy savings that are not cost effective if the Commission determines that the energy efficiency plan as a whole is cost effective.

Senate Bill 150, as amended, requires that not less than 5 percent of the total expenditures related to energy efficiency programs must be directed to energy efficiency programs for low-income customers of the electric utility, unless the Commission determines it is not cost effective. The bill allows the Commission to include a rate adjustment mechanism to ensure that the revenue per customer authorized in a general rate application is recovered, without regard to the difference in the quantity of electricity actually sold by the electric utility subsequent to the date on which the rates take effect.

This bill becomes effective upon passage and approval for the purpose of adopting regulations and performing any preparatory administrative tasks to carry out the provisions of the bill and on July 1, 2017, for all other purposes.

Roll call on Senate Bill No. 150:

YEAS—34.

NAYS—Ellison, Krasner, Marchant, McArthur, Wheeler—5.

EXCUSED—Hansen, Pickard, Titus—3.

Senate Bill No. 150 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 414.

Bill read third time.

Remarks by Assemblywoman Cohen.

ASSEMBLYWOMAN COHEN:

Senate Bill 414 revises the current exemption from property taxes for personal property owned by nonresidents of Nevada to specify that the following types of property that are located in Nevada by a nonresident are exempt from taxation: an exhibit that is used in a convention or tradeshow located in Nevada or a display, exhibition, carnival, fair, or circus that is transient in nature and which is located in Nevada for not more than 30 days.

Roll call on Senate Bill No. 414:

YEAS—39.

NAYS—None.

EXCUSED—Hansen, Pickard, Titus—3.

Senate Bill No. 414 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 448.

Bill read third time.

Remarks by Assemblyman Carrillo.

ASSEMBLYMAN CARRILLO:

Senate Bill 448 provides, in any county whose population is 700,000 or more, for the use of a public-private partnership to plan, finance, design, construct, improve, maintain, operate, or acquire the rights-of-way for a transportation facility. The measure establishes procedures for the financing of a transportation facility and for the disposition of money that is received and is to be retained by a public body pursuant to a public-private partnership. The effective date is July 1, 2017.

Roll call on Senate Bill No. 448:

YEAS—35.

NAYS—Daly, Flores, Miller, Neal—4.

EXCUSED—Hansen, Pickard, Titus—3.

Senate Bill No. 448 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 189.

Bill read third time.

Remarks by Assemblywoman Joiner.

ASSEMBLYWOMAN JOINER:

Senate Bill 189 revises various provisions relating to child care facilities. Among other things, the bill revises training requirements for facility employees; expands background check requirements for certain employees, residents, and participants of such facilities; requires an employee, license applicant, or a licensee, resident, or participant of such a facility to provide notification within 24 hours of being charged with or convicted of certain crimes to the applicant or licensee who is then required to notify the Division of Public and Behavioral Health of DHHS [the Department of Health and Human Services]; and it requires the Division to establish by regulation a rating system that assigns a letter grade to each facility based on certain inspections, including compliance with laws and regulations as to the health, safety, and welfare of children in the care of the facility.

Roll call on Senate Bill No. 189:

YEAS—27.

NAYS—Paul Anderson, Edwards, Ellison, Hambrick, Kramer, Krasner, Marchant, McArthur, Oscarson, Tolles, Wheeler, Woodbury—12.

EXCUSED—Hansen, Pickard, Titus—3.

Senate Bill No. 189 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 126.

Bill read third time.

Remarks by Assemblywoman Spiegel.

ASSEMBLYWOMAN SPIEGEL:

Senate Bill 126, as amended, requires the Office of Economic Development [GOED] to develop and implement a program under which a business certified as a small business enterprise, minority-own business enterprise, woman-owned business enterprise, or disadvantaged business enterprise may obtain a loan to finance the expansion of its business in this state. The bill also establishes the Small Business Enterprise Loan Account in the State General Fund as a revolving loan account which must be administered by GOED and provides a General Fund appropriation of \$1,000,000 to the account. The bill becomes effective on July 1, 2017.

Roll call on Senate Bill No. 126:

YEAS—36.

NAYS—Krasner, Marchant, McArthur—3.

EXCUSED—Hansen, Pickard, Titus—3.

Senate Bill No. 126 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 244.

Bill read third time.

Remarks by Assemblywoman Swank.

ASSEMBLYWOMAN SWANK:

Senate Bill 244, as amended, provides that both the Museum Director of the Nevada State Museum and the Office of Historic Preservation of the State Department of Conservation and Natural Resources, in consultation with Indian tribes, must adopt regulations concerning the process for repatriation of native Indian human remains and other cultural items.

As amended, Senate Bill 244 prohibits a person from knowingly excavating a historic or prehistoric site on private lands located in this state without first obtaining a permit from the Museum Director of the Nevada State Museum, with the exception of a person who is engaging in lawful activity on private lands, including construction, mining, logging, or farming activities.

Additionally, as amended, the bill adds \$1,390 of General Fund appropriations to the Office of Historic Preservation of the State Department of Conservation in Fiscal Year 2018 and \$4,589 in General Fund appropriations over the 2017-2019 biennium to the Division of Museums and History and \$65,635 of General Fund appropriations over the 2017-2019 biennium to the Nevada State Museum.

The bill becomes effective upon passage and approval for the purpose of adopting regulations and performing any other preparatory tasks.

Roll call on Senate Bill No. 244:

YEAS—33.

NAYS—Ellison, Krasner, Marchant, McArthur, Oscarson, Wheeler—6.

EXCUSED—Hansen, Pickard, Titus—3.

Senate Bill No. 244 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 534.

Bill read third time.

Remarks by Assemblywoman Benitez-Thompson.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

Senate Bill 534, as amended, appropriates \$2.8 million from the State General Fund to the Division of Child and Family Services of the Department of Health and Human Services for deferred maintenance projects essential for the security and operation of Summit View Youth Center, the Caliente Youth Center, the Nevada Youth Training Center, the Northern Nevada Child and Adolescent Services, and the Southern Nevada Child and Adolescent Services. It becomes effective upon passage and approval.

Roll call on Senate Bill No. 534:

YEAS—39.

NAYS—None.

EXCUSED—Hansen, Pickard, Titus—3.

Senate Bill No. 534 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 533.

Bill read third time.

Remarks by Assemblywoman Benitez-Thompson.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

Senate Bill 533 makes appropriations to the Division of Welfare and Supportive Services of the Department of Health and Human Services for four information system projects as follows: Section 1 appropriates General Funds of \$127,500 and authorizes other funds of \$1.1 million for a master client index to develop a cross index of all databases of the Department. There are also additional appropriations for a modernization of the Access Nevada program, a case management system, and a second phase of the modernization program as well.

Roll call on Senate Bill No. 533:

YEAS—36.

NAYS—Krasner, Marchant, McArthur—3.

EXCUSED—Hansen, Pickard, Titus—3.

Senate Bill No. 533 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 11:07 p.m.

ASSEMBLY IN SESSION

At 11:11 p.m.

Mr. Speaker presiding.

Quorum present.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved that Senate Bills Nos. 66, 72, 74, 106, 120, 124, 132, 212, 213, 225, 229, 344, 355, 361, 373, 402, 427, 428, 439, 457, 458, 488, 498, 500, 503, 511, 514, 522, 527, 528, 529, 530, 531, 532, 536, 537, 538, 541; Senate Joint Resolution No. 14 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Assemblywoman Benitez-Thompson, the privilege of the floor of the Assembly Chamber for this day was extended to Olivia Komanduri.

On request of Assemblywoman Krasner, the privilege of the floor of the Assembly Chamber for this day was extended to Dema Guinn.

On request of Assemblywoman Swank, the privilege of the floor of the Assembly Chamber for this day was extended to Michelle Larime, Michael Yunkin, and Scott Swank.

Assemblywoman Benitez-Thompson moved that the Assembly adjourn until Saturday, June 3, 2017, at 1 p.m.

Motion carried.

Assembly adjourned at 11:14 p.m.

Approved:

JASON FRIERSON
Speaker of the Assembly

Attest: SUSAN FURLONG
Chief Clerk of the Assembly