THE SIXTY-FOURTH DAY

CARSON CITY (Monday), April 10, 2017

Senate called to order at 11:50 a.m.

President pro Tempore Denis presiding.

Roll called.

All present.

Prayer by the Chaplain, Pastor JJ Tuttle.

Dear wise and loving Father, first, let me say, thank You, on behalf of all who are gathered here, today. Thank You for Your many and abundant blessings. Thank You for life itself, for the measure of health we need to fulfill our callings, for sustenance and for friendships. Thank You for the ability to be involved in useful work and for the honor of bearing appropriate responsibilities. Thanks, as well for the freedom to embrace You or the freedom to reject You. Thank You for loving us even so from Your boundless and gracious nature. In the scriptures, You have said that citizens ought to obey the governing authorities since You have established those very authorities to promote peace and order and justice.

Therefore, I pray for our Senators, for the various committees of this Body and, in particular, for these assembled members and staff gathered here this morning. I am asking that You would graciously grant them wisdom to govern amid the conflicting interests and issues of our times; a sense of the welfare and true needs of our people, a keen thirst for justice and rightness, confidence in what is good and fitting, the ability to work together in harmony even when there is honest disagreement, personal peace in their lives and joy in their tasks.

I pray for the agenda set before them today. Please give an assurance of what would please You and what would benefit those who live and work in the State of Nevada.

It is in Your most blessed Name we pray.

AMEN.

Pledge of Allegiance to the Flag.

By previous order of the Senate, the reading of the Journal is dispensed with, and the President pro Tempore and Secretary are authorized to make the necessary corrections and additions.

REPORTS OF COMMITTEES

Mr. President pro Tempore:

Your Committee on Government Affairs, to which were referred Senate Bills Nos. 399, 422, 501, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Government Affairs, to which was referred Senate Bill No. 186, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass, and re-refer to the Committee on Finance.

DAVID R. PARKS, Chair

Mr. President pro Tempore:

Your Committee on Health and Human Services, to which were referred Senate Bills Nos. 2, 60, 101, 159, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

PAT SPEARMAN, Chair

Mr. President pro Tempore:

Your Committee on Transportation, to which was referred Senate Bill No. 320, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MARK A. MANENDO, Chair

WAIVERS AND EXEMPTIONS NOTICE OF EXEMPTION

April 10, 2017

The Fiscal Analysis Division, pursuant to Joint Standing Rule No. 14.6, has determined the eligibility for exemption of: Senate Bill No. 486.

MARK KRMPOTIC Fiscal Analysis Division

MOTIONS, RESOLUTIONS AND NOTICES

Senator Parks moved that Senate Bill No. 186, just reported out of Committee, be re-referred to the Committee on Finance.

Motion carried.

Senator Ford moved that the following persons be accepted as accredited press representatives, and that they be assigned space at the press table and allowed the use of appropriate media facilities: GREENSPUN MEDIA GROUP - LAS VEGAS SUN: Yvonne Gonzalez; KOLO-TV: Terri Russell; NEVADA FORWARD: Michael Willoughby; RENO GAZETTE-JOURNAL: Jason Bean, Marcella Corona, Michael Higdon; THE VEGAS VOICE: Dan Roberts.

Motion carried.

Senator Ford moved that the Secretary of the Senate dispense with reading the titles of all bills and joint resolutions for this legislative day.

Motion carried.

Senator Ford moved that Senate Bills Nos. 12, 27, 75, 125, 128, 140, 141, 160, 256, 283, 412; Senate Joint Resolution No. 17 of the 78th Session be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

Senator Ford gave notice, per Senate Standing Rule No. 91, that on the next legislative day, the Senate would begin to suspend necessary Standing Rules in order to accommodate the movement of bills and resolutions out of the Senate in a timely manner.

Senator Segerblom has approved the addition of Senator Harris as a primary sponsor of Senate Bill No. 187.

SECOND READING AND AMENDMENT

Senate Bill No. 31.

Bill read second time.

The following amendment was proposed by the Committee on Transportation:

Amendment No. 105.

SUMMARY—Revises provisions governing the registration and regulation of commercial motor vehicles. (BDR 43-141)

AN ACT relating to motor vehicles; revising the requirements for registering certain commercial motor vehicles; revising procedures for

registration, renewal of registration and revocation of registration by the Department of Motor Vehicles relating to certain commercial motor vehicles and motor carriers who are subject to certain out-of-service orders; authorizing a peace officer to impound or seize the license plates from certain commercial motor vehicles operated by a motor carrier who is subject to certain out-of-service orders; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, most motor vehicles, trailers and semitrailers intended to be operated upon any highway in this State must be registered with the Department of Motor Vehicles. (NRS 482.205) Section 5 of this bill requires a motor carrier operating in intrastate commerce and registering a commercial motor vehicle, other than a farm vehicle, that weighs in excess of 26,000 pounds to: (1) obtain an identification number from the United States Department of Transportation, known as a "USDOT number"; (2) display the USDOT number on each commercial vehicle weighing in excess of 26,000 pounds that is operated by the motor carrier in intrastate commerce; and (3) notify the Department of Motor Vehicles of the name of the motor carrier who is responsible for the safety of each such vehicle. Sections 8, 10 and 11 of this bill authorize the Department to refuse to register, refuse to renew the registration of or revoke the registration of any such commercial motor vehicle if the motor carrier does not comply with the requirements of section 5 or if the motor carrier responsible for the safety of the commercial motor vehicle is subject to an out-of-service order, as that term is defined in certain regulations of the Federal Motor Carrier Safety Administration of the United States Department of Transportation. (49 C.F.R. Parts 385 and 386) The Department of Motor Vehicles may, pursuant to sections 8, 10 and 11, refuse to register, refuse to renew the registration of or revoke the registration of all such commercial motor vehicles being operated by the motor carrier in intrastate commerce. Section 5 also requires a motor carrier operating a motor vehicle registered in this State to transport hazardous material to: (1) obtain a USDOT number from the United States Department of Transportation; (2) display the USDOT number on each commercial motor vehicle that is operated by the motor carrier in intrastate commerce; and (3) notify the Department of Motor Vehicles of the name of the motor carrier who is responsible for the safety of each such vehicle. Existing law makes it a misdemeanor to violate the requirements of section 5. (NRS 482.555) Section 6 of this bill requires the Department of Transportation to adopt regulations setting forth each provision of certain federal regulations which, when a violation of those regulations is the basis for a temporary prohibition, qualifies the temporary prohibition as an out-of-service order. Section 7 of this bill requires any application for registration or renewal of registration of any commercial motor vehicle that is required to obtain a USDOT number from the United States Department of Transportation to be submitted to the Motor Carrier Division of the Department [-] of Motor Vehicles.

Existing law authorizes the Department of Motor Vehicles to enter into an agreement with a motor carrier or a service provider which authorizes the motor carrier or service provider to register, transfer or renew the registration of certain motor vehicles owned or operated by the motor carrier and to issue registration credentials on behalf of the Motor Carrier Division of the Department. (NRS 482.217, 706.188) Sections 10 and 19 of this bill authorize the Department to revoke the registration of a commercial motor vehicle weighing over 26,000 pounds, operating in intrastate commerce and registered by a motor carrier or service provider if the Department determines that the motor carrier responsible for the safety of the commercial motor vehicle is subject to an out-of-service order. The Department may also, pursuant to sections 10 and 19: (1) revoke the registration of all the commercial motor vehicles weighing over 26,000 pounds, operating in intrastate commerce and registered by a motor carrier who is subject to an out-of-service order; and (2) revoke the motor carrier or service provider's authority to register motor vehicles.

Existing law requires, for every motortruck, truck-tractor or bus, the payment of an additional fee for registration that is based on the weight of the vehicle. Such a vehicle which weighs not less than 26,001 pounds and not more than 80,000 pounds must pay a fee of \$17 for each 1,000 pounds, with a maximum fee of \$1,360. (NRS 482.482) Section 13.5 of this bill increases the weight limit for such a vehicle, to the extent authorized by federal law, from a minimum of not less than 80,001 pounds to a maximum of not more than 83,000 pounds, and increases the maximum fee commensurately to \$1,411.

Existing law provides that under the Interstate Highway User Fee Apportionment Act the Department of Motor Vehicles may enter into agreements with certain departments or agencies of other states or countries to provide for certain exemptions and the proration of certain fees and taxes for certain commercial motor vehicles used in interstate commerce. (NRS 706.801, 706.826) Section 23 of this bill requires an operator applying to register a commercial motor vehicle to operate in this State under such an apportionment agreement to provide the Department of Motor Vehicles with the operator's USDOT number issued by the United States Department of Transportation and to identify the motor carrier responsible for the safety of each commercial motor vehicle registered. Section 18 of this bill authorizes the Department of Motor Vehicles to refuse to register or refuse to renew the registration of any such commercial motor vehicle that weighs more than 10,000 pounds if the operator does not comply with the requirements to provide a USDOT number or to identify a motor carrier responsible for the safety of the commercial motor vehicle, or if the motor carrier responsible for the safety of the commercial motor vehicle is subject to an out-of-service order. Section 18 authorizes the Department to revoke the registration and plates, licenses, emblems, certificates or other devices of any such commercial motor vehicle registered to the motor carrier responsible for the safety of the commercial motor vehicle that is subject to an out-of-service order.

Section 14 of this bill authorizes a peace officer to seize the license plates from a commercial motor vehicle if the motor carrier responsible for the safety of the commercial motor vehicle is subject to an out-of-service order and the commercial motor vehicle is: (1) registered or operating as an apportioned vehicle in interstate commerce and weighs in excess of 10,000 pounds; (2) registered in this State, operating in intrastate commerce and weighs in excess of 26,000 pounds; or (3) transporting hazardous material. If the motor carrier responsible for the safety of the commercial motor vehicle is not the registered owner of the vehicle, the peace officer may impound the commercial motor vehicle, and must notify the registered owner of the impoundment. Upon seizing any license plates based on an out-of-service order, section 14 requires the peace officer to send the license plates to the Department of Motor Vehicles, which must follow existing procedures to revoke the registration of the commercial motor vehicle. (NRS 482.465)

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

- Section 1. Chapter 482 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 8, inclusive, of this act.
- Sec. 2. "Combined gross vehicle weight" means the actual weight of a commercial motor vehicle, including any load the vehicle is carrying, combined with the actual weight of any trailer or load the vehicle is towing.
- Sec. 3. "Gross vehicle weight" means the actual weight of a commercial motor vehicle, including any load the vehicle is carrying.
- Sec. 4. "Out-of-service order" means a temporary prohibition on operation by a motor carrier that is issued:
- 1. By a federal or state entity with authority to issue such a temporary prohibition; and
- 2. Pursuant to a provision of 49 C.F.R. Part 385 or 386 that is specified in regulations adopted pursuant to section 6 of this act.
- Sec. 5. 1. [Each] Except as otherwise provided in subsection 4, each motor carrier operating a commercial motor vehicle in intrastate commerce with a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 26,000 pounds must:
- (a) Register with the Federal Motor Carrier Safety Administration of the United States Department of Transportation and obtain a USDOT number issued by the United States Department of Transportation;
- (b) Display the USDOT number as required pursuant to 49 C.F.R. § 390.21 on each commercial motor vehicle with a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 26,000 pounds operated by the motor carrier in intrastate commerce; and
- (c) Notify the Department of Motor Vehicles at the time of registration or renewal of registration of each such commercial motor vehicle of:
 - (1) The USDOT number of the motor carrier; and

- (2) The name of the motor carrier responsible for the safety of the commercial motor vehicle.
- 2. A motor carrier operating a commercial motor vehicle which is registered in this State and is being used to transport hazardous material must, in addition to the requirements of chapter 459 of NRS:
- (a) Register with the Federal Motor Carrier Safety Administration and obtain a USDOT number issued by the United States Department of Transportation;
- (b) Display the USDOT number as required pursuant to 49 C.F.R. § 390.21 on each commercial motor vehicle used to transport hazardous material; and
- (c) Notify the Department of Motor Vehicles at the time of registration and renewal of registration of each such commercial motor vehicle of:
 - (1) The USDOT number of the motor carrier; and
- (2) The name of the motor carrier responsible for the safety of the commercial motor vehicle.
- 3. A motor carrier must notify the Department of Motor Vehicles within 10 days after a change in the name of the motor carrier responsible for the safety of a commercial motor vehicle reported to the Department pursuant to subparagraph (2) of paragraph (c) of subsection 1 or subparagraph (2) of paragraph (c) of subsection 2.
- 4. The provisions of subsection 1 do not apply to a farm vehicle or a covered farm vehicle.
- 5. As used in this section [, "hazardous]:
- (a) "Covered farm vehicle" has the meaning ascribed to it in 49 C.F.R. § 390.5.
- (b) "Hazardous material" has the meaning ascribed to it in NRS 459.7024.
- Sec. 6. The Department shall adopt regulations which set forth each provision of 49 C.F.R. Parts 385 and 386 which, when a violation of the provision is the basis for a temporary prohibition against operation by a motor carrier, qualifies that temporary prohibition as an out-of-service order for the purposes of section 4 of this act.
- Sec. 7. An applicant for the registration or renewal of registration of any commercial motor vehicle who is required by any provision of NRS to register with the Federal Motor Carrier Administration and obtain a USDOT number from the United States Department of Transportation must submit the application to the Motor Carrier Division of the Department [1-1] of Motor Vehicles.
- Sec. 8. 1. The Department may refuse to renew the registration of a commercial motor vehicle operating in intrastate commerce which is registered pursuant to this chapter and which has a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 26,000 pounds if:
- (a) The motor carrier applying for renewal has not complied with the requirements of section 5 of this act; or

- (b) The motor carrier responsible for the safety of the commercial motor vehicle is subject to an out-of-service order.
- 2. The Department shall mail a notice to the holder of a certificate of registration for a commercial motor vehicle if the Department refuses to renew the registration pursuant to subsection 1. The notice must be mailed as soon as practicable after the Department refuses to renew the registration and must include, without limitation:
 - (a) The reason for the refusal to renew the registration;
- (b) The name of the federal or state entity which issued the out-of-service order, if applicable; and
- (c) The procedure by which the holder of the certificate of registration for the commercial motor vehicle may renew the registration by providing evidence satisfactory to the Department that, as applicable:
- (1) The motor carrier operating the commercial motor vehicle has complied with the requirements of section 5 of this act; or
- (2) The motor carrier responsible for the safety of the commercial motor vehicle is no longer subject to an out-of-service order.
- 3. A motor carrier applying for the renewal of the registration of a commercial motor vehicle who receives a notice pursuant to this section is not entitled to operate or permit operation of that commercial motor vehicle upon the highways as provided in subsection 5 of NRS 482.280 until the Department notifies the motor carrier that the registration of the commercial motor vehicle is renewed.
 - Sec. 9. NRS 482.010 is hereby amended to read as follows:
- 482.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 482.0105 to 482.137, inclusive, *and sections 2, 3 and 4 of this act* have the meanings ascribed to them in those sections.
 - Sec. 9.5. NRS 482.206 is hereby amended to read as follows:
- 482.206 1. Except as otherwise provided in this section and NRS 482.2065, every motor vehicle, except for a motor vehicle that is registered pursuant to the provisions of NRS 706.801 to 706.861, inclusive, and section 18 of this act, and except for a full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483 or a moped registered pursuant to NRS 482.2155, must be registered for a period of 12 consecutive months beginning the day after the first registration by the owner in this State.
- 2. Except as otherwise provided in subsections 7 and 8 and NRS 482.2065, every vehicle registered by an agent of the Department or a registered dealer must be registered for 12 consecutive months beginning the first day of the month after the first registration by the owner in this State.
- 3. Except as otherwise provided in subsection 7 and NRS 482.2065, a vehicle which must be registered through the Motor Carrier Division of the Department, or a motor vehicle which has a declared gross weight in excess of 26,000 pounds, must be registered for a period of 12 consecutive months beginning on the date established by the Department by regulation.

- 4. Upon the application of the owner of a fleet of vehicles, the Director may permit the owner to register the fleet on the basis of a calendar year.
- 5. Except as otherwise provided in subsections 3, 6, 7 and 8, when the registration of any vehicle is transferred pursuant to NRS 482.399, the expiration date of each regular license plate, special license plate or substitute decal must, at the time of the transfer of registration, be advanced for a period of 12 consecutive months beginning:
- (a) The first day of the month after the transfer, if the vehicle is transferred by an agent of the Department; or
- (b) The day after the transfer in all other cases, and a credit on the portion of the fee for registration and the governmental services tax attributable to the remainder of the current period of registration must be allowed pursuant to the applicable provisions of NRS 482.399.
- 6. When the registration of any trailer that is registered for a 3-year period pursuant to NRS 482.2065 is transferred pursuant to NRS 482.399, the expiration date of each license plate or substitute decal must, at the time of the transfer of the registration, be advanced, if applicable pursuant to NRS 482.2065, for a period of 3 consecutive years beginning:
- (a) The first day of the month after the transfer, if the trailer is transferred by an agent of the Department; or
- (b) The day after the transfer in all other cases, and a credit on the portion of the fee for registration and the governmental services tax attributable to the remainder of the current period of registration must be allowed pursuant to the applicable provisions of NRS 482.399.
- 7. A full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483 is registered until the date on which the owner of the full trailer or semitrailer:
 - (a) Transfers the ownership of the full trailer or semitrailer; or
- (b) Cancels the registration of the full trailer or semitrailer and surrenders the license plates to the Department.
- 8. A moped that is registered pursuant to NRS 482.2155 is registered until the date on which the owner of the moped:
 - (a) Transfers the ownership of the moped; or
- (b) Cancels the registration of the moped and surrenders the license plate to the Department.
 - Sec. 10. NRS 482.217 is hereby amended to read as follows:
- 482.217 1. Upon the request of a motor carrier or a service provider, the Department may enter into an agreement with the motor carrier or service provider which authorizes the motor carrier or service provider:
- (a) Without applying to the Department, to register or transfer or renew the registration of any vehicle:
 - (1) Owned solely by the motor carrier or service provider; or
- (2) Leased solely by the motor carrier or service provider, if the lease is a long-term lease; and

- (b) To issue registration credentials on behalf of the Motor Carrier Division of the Department for any vehicle registered pursuant to paragraph (a) and for any vehicle with a registration that has been renewed or transferred pursuant to paragraph (a).
- 2. Before registering or transferring or renewing the registration of any vehicle pursuant to subsection 1:
- (a) A motor carrier who enters into an agreement with the Department pursuant to this section shall file with the Department a bond of a surety company authorized to transact business in this State for the benefit of this State in an amount not less than \$25,000; and
- (b) A service provider who enters into an agreement with the Department pursuant to this section shall file with the Department a bond of a surety company authorized to transact business in this State for the benefit of this State in an amount not less than \$50,000.
- 3. If a motor carrier or service provider provides a savings certificate, certificate of deposit or investment certificate pursuant to NRS 100.065 in lieu of the bond required pursuant to subsection 2, the certificate must state that the amount is not available for withdrawal except upon the approval of the Director.
- 4. If at any time a motor carrier or service provider is unable to account for an unissued license plate, for decal, the motor carrier or service provider must immediately pay to the Department an amount established by the Department.
- 5. If the Department determines that the motor carrier responsible for the safety of a commercial motor vehicle with a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 26,000 pounds which is operating in intrastate commerce and which is registered pursuant to this section is subject to an out-of-service order, the Department may:
- (a) Revoke the registration of each commercial motor vehicle with a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 26,000 pounds which is operating in intrastate commerce and which is registered to the motor carrier responsible for the safety of the commercial motor vehicles who is subject to the out-of-service order; and
- (b) Revoke or refuse to grant the authority to register or transfer or renew any registration granted pursuant to this section.
- 6. The Department, in revoking a registration pursuant to paragraph (a) of subsection 5, shall comply with the requirements of subsections 4 and 5 of NRS 482.465.
- 7. The Director shall adopt such regulations as are necessary to carry out the provisions of this section.
 - [6.] 8. As used in this section:
- (a) "Long-term lease" means a lease for a fixed period of more than $\frac{31}{30}$ days.

- (b) "Motor carrier" means a common, contract or private motor carrier registered through the Motor Carrier Division of the Department.
- (c) "Registration credentials" includes, without limitation, license plates, registration cab cards [, decals] and temporary authority permits.
- (d) "Service provider" means a business or organization authorized by the Department to register or transfer or renew the registration of vehicles on behalf of motor carriers.
 - Sec. 11. NRS 482.230 is hereby amended to read as follows:
- 482.230 The Department or a registered dealer shall not grant an application for the registration of a vehicle in any of the following events:
- 1. When the applicant therefor is not entitled thereto pursuant to the provisions of this chapter.
- 2. When the applicant has neglected or refused to furnish the Department or registered dealer with the information required in the appropriate official form or reasonable additional information required by the Department or registered dealer.
 - 3. When the fees required therefor by law have not been paid.
- 4. When the applicant for the registration of a commercial motor vehicle with a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 26,000 pounds and which is intended to operate in intrastate commerce is a motor carrier who:
 - (a) Has not complied with section 5 of this act; or
 - (b) Is subject to an out-of-service order.
 - Sec. 12. NRS 482.280 is hereby amended to read as follows:
- 482.280 1. Except as otherwise provided in NRS 482.2155, the registration of every vehicle expires at midnight on the day specified on the receipt of registration, unless the day specified falls on a Saturday, Sunday or legal holiday. If the day specified on the receipt of registration is a Saturday, Sunday or legal holiday, the registration of the vehicle expires at midnight on the next judicial day. The Department shall mail to each holder of a certificate of registration a notification for renewal of registration for the following period of registration. The notifications must be mailed by the Department in sufficient time to allow all applicants to mail the notifications to the Department or to renew the certificate of registration at a kiosk or authorized inspection station or via the Internet or an interactive response system and to receive new certificates of registration and license plates, stickers, tabs or other suitable devices by mail before the expiration of their registrations. An applicant may present or submit the notification to any agent or office of the Department.
 - 2. A notification:
- (a) Mailed or presented to the Department or to a county assessor pursuant to the provisions of this section;
 - (b) Submitted to the Department pursuant to NRS 482.294; or

- (c) Presented to an authorized inspection station or authorized station pursuant to the provisions of NRS 482.281, must include, if required, evidence of compliance with standards for the control of emissions.
- 3. The Department shall include with each notification mailed pursuant to subsection 1:
- (a) The amount of the governmental services tax to be collected pursuant to the provisions of NRS 482.260.
- (b) The amount set forth in a notice of nonpayment filed with the Department by a local authority pursuant to NRS 484B.527.
 - (c) A statement which informs the applicant:
- (1) That, pursuant to NRS 485.185, the applicant is legally required to maintain insurance during the period in which the motor vehicle is registered which must be 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; and
- (2) Of any other applicable requirements set forth in chapter 485 of NRS and any regulations adopted pursuant thereto.
- (d) A statement which informs the applicant that, if the applicant renews a certificate of registration at a kiosk or via the Internet, he or she may make a nonrefundable monetary contribution of \$2 for each vehicle registration renewed for the Complete Streets Program, if any, created pursuant to NRS 244.2643, 277A.285 or 403.575, as applicable, based on the declaration made pursuant to paragraph (c) of subsection 3 of NRS 482.215. The notification must state in a clear and conspicuous manner that a contribution for a Complete Streets Program is nonrefundable and voluntary and is in addition to any fees required for registration.
- (e) Any amount due for reissuance of a license plate or a plate reissued pursuant to subsection 2 of NRS 482.265, if applicable.
- 4. An application for renewal of a certificate of registration submitted at a kiosk or via the Internet must include a statement which informs the applicant that he or she may make a nonrefundable monetary contribution of \$2, for each vehicle registration which is renewed at a kiosk or via the Internet, for the Complete Streets Program, if any, created pursuant to NRS 244.2643, 277A.285 or 403.575, as applicable, based on the declaration made pursuant to paragraph (c) of subsection 3 of NRS 482.215. The application must state in a clear and conspicuous manner that a contribution for a Complete Streets Program is nonrefundable and voluntary and is in addition to any fees required for registration, and must include a method by which the applicant must indicate his or her intention to opt in or opt out of making such a contribution.
- 5. [An] Except as otherwise provided in section 8 of this act, an owner who has made proper application for renewal of registration before the expiration of the current registration but who has not received the license plate or plates or card of registration for the ensuing period of registration is entitled to operate or permit the operation of that vehicle upon the highways upon displaying thereon the license plate or plates issued for the preceding period

of registration for such a time as may be prescribed by the Department as it may find necessary for the issuance of the new plate or plates or card of registration.

- Sec. 13. NRS 482.465 is hereby amended to read as follows:
- 482.465 1. The Department shall rescind and cancel the registration of a vehicle whenever the person to whom the certificate of registration or license plates therefor have been issued makes or permits to be made any unlawful use of the certificate or plates or permits the use thereof by a person not entitled thereto.
- 2. The Department shall cancel a certificate of title or certificate of registration and license plates which have been issued erroneously or improperly, or obtained illegally.
- 3. In addition to any other penalty set forth in this chapter and chapters 366, 459, 484A, 484D and 706 of NRS, the Department may revoke a certificate of title or a certificate of registration and license plates for a vehicle with a declared gross weight in excess of 26,000 pounds if the Department determines that:
- (a) The licensee of the vehicle has violated one or more of the provisions of this chapter or chapter 366, 459, 484A, 484D or 706 of NRS $[\cdot;]$ and
 - $\frac{1}{1}$ There is reasonable cause for the revocation $\frac{1}{1}$; or
- (b) The motor carrier responsible for the safety of the vehicle is subject to an out-of-service order.
- 4. Before revoking a certificate of title or a certificate of registration and license plates pursuant to subsection 3, *subsection 5 of NRS 482.217 or subsection 5 of NRS 706.188*, the Department must send a written notice by certified mail to the licensee *or motor carrier, as applicable*, at his or her last known address ordering the licensee *or motor carrier* to appear before the Department at a time not less than 10 days after the mailing of the notice to show cause why the certificate of title or the certificate of registration and license plates should not be revoked pursuant to this section.
- 5. Upon rescission, revocation or cancellation of the certificate of title or of the certificate of registration and license plates, the affected certificate or certificate and plates must be returned to the Department upon receipt of notice of rescission, revocation or cancellation.
 - Sec. 13.5. NRS 482.482 is hereby amended to read as follows:
- 482.482 1. In addition to any other applicable fee listed in NRS 482.480, there must be paid to the Department for the registration of every motortruck, truck-tractor or bus which has a declared gross weight of:
 - (a) Less than 6,000 pounds, a fee of \$33.
- (b) Not less than 6,000 pounds and not more than 8,499 pounds, a fee of \$38.
- (c) Not less than 8,500 pounds and not more than 10,000 pounds, a fee of \$48.
- (d) Not less than 10,001 pounds and not more than 26,000 pounds, a fee of \$12 for each 1,000 pounds or fraction thereof.

- (e) Not less than 26,001 pounds and not more than 80,000 pounds, a fee of \$17 for each 1,000 pounds or fraction thereof. The maximum fee is \$1,360.
- (f) To the extent authorized by federal law, not less than 80,001 pounds and not more than 83,000 pounds, a fee of \$17 for each 1,000 pounds or fraction thereof. The maximum fee is \$1,411.
- 2. Except as otherwise provided in subsection 6, the original or renewal registration fees for fleets of vehicles with a declared gross weight in excess of 26,000 pounds and the governmental services tax imposed by the provisions of chapter 371 of NRS for the privilege of operating those vehicles may be paid in installments, the amount of which must be determined by regulation. The Department shall not allow installment payments for a vehicle added to a fleet after the original or renewal registration is issued.
- 3. If the due date of any installment falls on a Saturday, Sunday or legal holiday, that installment is not due until the next following business day.
- 4. Any payment required by subsection 2 shall be deemed received by the Department on the date shown by the post office cancellation mark stamped on an envelope containing payment properly addressed to the Department, if that date is earlier than the actual receipt of that payment.
- 5. A person who fails to pay any fee pursuant to subsection 2 or governmental services tax when due shall pay to the Department a penalty of 10 percent of the amount of the unpaid fee, plus interest on the unpaid fee at the rate of 1 percent per month or fraction of a month from the date the fee and tax were due until the date of payment.
- 6. If a person fails to pay any fee pursuant to subsection 2 or governmental services tax when due, the Department may, in addition to the penalty provided for in subsection 5, require that person to pay:
- (a) The entire amount of the unpaid registration fee and governmental services tax owed by that person for the remainder of the period of registration; and
- (b) On an annual basis, any registration fee and governmental services tax set forth in subsection 2 which may be incurred by that person in any subsequent period of registration.
- 7. A person who is convicted of, or who pleads guilty, guilty but mentally ill or nolo contendere to, a violation of NRS 484D.630 must reregister the vehicle with a declared gross weight equal to:
 - (a) The gross vehicle weight rating; or
- (b) The combined gross vehicle weight rating, if the vehicle was operated in combination at the time of the violation.
- → The registration fee owed pursuant to this subsection is incurred from the date the person was convicted of, or pled guilty, guilty but mentally ill or nolo contendere to, a violation of NRS 484D.630.
- Sec. 14. Chapter 484A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. [A] Except as otherwise provided in subsection 4, a peace officer may seize the license plates from a commercial motor vehicle which is:

- (a) Registered or operating in this State pursuant to the provisions of NRS 706.801 to 706.861, inclusive, and section 18 of this act and has a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 10,000 pounds;
- (b) Registered in this State pursuant to chapter 482 of NRS, operating in intrastate commerce and has a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 26,000 pounds; or
- (c) Transporting hazardous material, if the peace officer determines that the motor carrier responsible for the safety of the commercial motor vehicle is subject to an out-of-service order.
- 2. Upon the seizure of any license plates pursuant to subsection 1, a peace officer shall immediately:
- (a) Provide the motor carrier responsible for the safety of the commercial motor vehicle, if present, or the driver of the commercial motor vehicle if the motor carrier responsible for the safety of the commercial motor vehicle is not present, a notice which explains the procedures required pursuant to this section and NRS 482.465; and
 - (b) Transmit the license plates to the Department.
- 3. The Department, upon the receipt of the license plates pursuant to subsection 2, shall proceed as provided in NRS 482.465.
- 4. A peace officer may impound a commercial motor vehicle which meets the requirements of paragraph (a), (b) or (c) of subsection 1 if the peace officer determines that:
- (a) The motor carrier responsible for the safety of the commercial motor vehicle is subject to an out-of-service order; and
- (b) The motor carrier responsible for the safety of the commercial motor vehicle is not the registered owner of the vehicle.
- 5. Upon the impounding of a commercial motor vehicle pursuant to subsection 4, the peace officer who impounded the vehicle or the law enforcement agency for which he or she is employed shall notify the registered owner of the commercial motor vehicle of the impoundment as soon as practicable.
- 6. As used in this section:
- (a) "Combined gross vehicle weight" has the meaning ascribed to it in section 2 of this act.
- (b) "Combined gross vehicle weight rating" has the meaning ascribed to it in NRS 482.0153.
- (c) "Gross vehicle weight" has the meaning ascribed to it in section 3 of this act.
- (d) "Gross vehicle weight rating" has the meaning ascribed to it in NRS 482.0445.
 - (e) "Hazardous material" has the meaning ascribed to it in NRS 459.7024.
- (f) "Out-of-service order" has the meaning ascribed to it in section 4 of this act.

- Sec. 15. NRS 484D.570 is hereby amended to read as follows:
- 484D.570 1. Except as otherwise provided in subsection 2 and NRS 706.235 [:] and section 14 of this act:
- (a) A person shall not operate any vehicle after notice of an unsafe condition or that the vehicle is not equipped as required by this chapter, unless it is necessary to return the vehicle to the residence or place of business of the owner or driver or to a garage and operation of the vehicle is not further limited by NRS 706.246.
- (b) If any peace officer or vehicle safety inspector finds that any vehicle is unsafe to a degree that continued operation would endanger the driver, any other occupant or any person on a public highway, the officer or inspector may require that the driver cease operation of the vehicle or that the vehicle be taken to the nearest garage or other safe place.
- 2. [Iff] Except as otherwise provided in section 14 of this act, if the vehicle is transporting wet concrete or other perishable cargo and does not pose an immediate threat to the life of the driver or any other person upon a public highway, and if the destination of the vehicle is within a distance of not more than 15 miles, the peace officer or vehicle safety inspector shall permit the vehicle to proceed to its destination and unload its cargo. Upon the arrival of the vehicle at its destination, the officer or inspector may order that the vehicle be taken, after the cargo of the vehicle has been unloaded, to the nearest garage or other place where the vehicle may be safely repaired.
 - Sec. 16. NRS 459.250 is hereby amended to read as follows:
- 459.250 1. Peace officers of the Nevada Highway Patrol shall enforce those provisions of NRS 459.221 and 459.7052 to 459.728, inclusive, which govern the transport and handling of radioactive waste as they affect the safety of drivers or vehicles, the leakage or spill of radioactive waste from its package or the emission of ionizing radiation in an unsafe amount as established by the regulations of the State Board of Health.
 - 2. The peace officer may:
 - (a) Impound a vehicle with unsafe equipment; [or]
- (b) Detain a vehicle, if any waste has leaked or spilled from its package or if the peace officer has detected the emission of ionizing radiation in an unsafe amount, and order the driver of the vehicle to park it in a safe place, as determined by an officer designated by the Division, pending remedial action by that Division $\frac{1}{1-1}$; or
- (c) [Seize] Impound the vehicle or seize the license plates of the vehicle pursuant to the provisions of section 14 of this act.
- 3. After a vehicle has been so detained, an officer designated by the Division may order:
 - (a) The vehicle to be impounded;
 - (b) The leaked or spilled waste to be cleaned up;
 - (c) The contents of any unsafe or leaking package to be repackaged; or

- (d) Any other appropriate precaution or remedy, at the expense of the shipper or broker, carrier or other person who is responsible as determined by the Division.
 - Sec. 17. NRS 459.7052 is hereby amended to read as follows:
- 459.7052 Except as otherwise *provided in section 5 of this act or* required by federal law, before transporting a hazardous material upon a public highway of this State, a motor carrier shall register with and obtain a permit for the transportation of hazardous materials:
 - 1. From the Department; or
- 2. If the motor carrier has designated another participating state as its base state pursuant to the uniform program, from the base state.
- Sec. 18. Chapter 706 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The Department may refuse to register or renew the registration of a commercial motor vehicle operated by a motor carrier pursuant to the provisions of this section and NRS 706.801 to 706.861, inclusive, and which has a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 10,000 pounds if:
- (a) The motor carrier applying for registration or renewal has not complied with the requirements of NRS 706.841; or
- (b) The motor carrier responsible for the safety of the commercial motor vehicle is subject to an out-of-service order.
- 2. The Department shall mail a notice to the applicant for registration or the holder of a certificate of registration for a commercial motor vehicle if the Department refuses to register or renew the registration pursuant to subsection 1. The notice must be mailed as soon as practicable after the Department refuses to register or renew the registration and must include, without limitation:
 - (a) The reason for the refusal to register or renew registration;
- (b) The name of the federal or state entity which issued the out-of-service order, if applicable;
- (c) The procedure by which the applicant may register the commercial motor vehicle or the holder of the certificate of registration for the commercial motor vehicle may renew the registration by providing evidence satisfactory to the Department that, as applicable:
- (1) The motor carrier operating the commercial motor vehicle has complied with the requirements of NRS 706.841; or
- (2) The motor carrier responsible for the safety of the commercial motor vehicle is no longer subject to an out-of-service order.
- 3. In addition to any other penalty set forth in this chapter and chapter 366 of NRS, the Department may revoke the registration and plates, licenses, emblems, certificates or other devices of the vehicle pursuant to NRS 706.846 for a commercial motor vehicle operated by a motor carrier pursuant to the provisions of this section and NRS 706.801 to 706.861, inclusive, and which

has a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 10,000 pounds if the motor carrier responsible for the safety of the commercial motor vehicle is subject to an out-of-service order.

- 4. Before revoking the registration and plates, licenses, emblems, certificates or other devices of a vehicle pursuant to subsection 3, the Department must send a written notice by certified mail to the operator of the vehicle at his or her last known address ordering the operator to appear before the Department not less than 10 days after the mailing of the notice to show cause why the registration and plates, licenses, emblems, certificates or other devices should not be revoked pursuant to this section.
- 5. Upon the revocation of the registration and plates, licenses, emblems, certificates or other devices of a vehicle pursuant to this section, the affected plates, licenses, emblems, certificates or other devices must be returned to the Department upon receipt of the notice of revocation.
 - 6. As used in this section:
- (a) "Combined gross vehicle weight" has the meaning ascribed to it in section 2 of this act.
- (b) "Combined gross vehicle weight rating" has the meaning ascribed to it in NRS 482.0153.
- (c) "Commercial motor vehicle" has the meaning ascribed to it in 49 C.F.R. § 390.5.
- (d) "Gross vehicle weight" has the meaning ascribed to it in section 3 of this act.
- (e) "Gross vehicle weight rating" has the meaning ascribed to it in NRS 482.0445.
 - Sec. 19. NRS 706.188 is hereby amended to read as follows:
- 706.188 1. Upon the request of a motor carrier or a service provider, the Department may enter into an agreement with the motor carrier or service provider which authorizes the motor carrier or service provider:
- (a) Without applying to the Department, to register or transfer or renew the registration of any vehicle:
 - (1) Owned solely by the motor carrier or service provider; or
- (2) Leased solely by the motor carrier or service provider, if the lease is a long-term lease; and
- (b) To issue registration credentials on behalf of the Motor Carrier Division of the Department for any vehicle registered pursuant to paragraph (a) and for any vehicle with a registration that has been renewed or transferred pursuant to paragraph (a).
- 2. Before registering or transferring or renewing the registration of any vehicle pursuant to subsection 1:
- (a) A motor carrier who enters into an agreement with the Department pursuant to this section shall file with the Department a bond of a surety company authorized to transact business in this State for the benefit of this State in an amount not less than \$25,000; and

- (b) A service provider who enters into an agreement with the Department pursuant to this section shall file with the Department a bond of a surety company authorized to transact business in this State for the benefit of this State in an amount not less than \$50,000.
- 3. If a motor carrier or service provider provides a savings certificate, certificate of deposit or investment certificate pursuant to NRS 100.065 in lieu of the bond required pursuant to subsection 2, the certificate must state that the amount is not available for withdrawal except upon the approval of the Director of the Department.
- 4. If at any time a motor carrier or service provider is unable to account for an unissued license plate <u>for decal</u>, the motor carrier or service provider must immediately pay to the Department an amount established by the Department.
- 5. If the Department determines that the motor carrier responsible for the safety of a commercial motor vehicle with a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 26,000 pounds which is operating in intrastate commerce and which is registered pursuant to this section is subject to an out-of-service order, the Department may:
- (a) Revoke the registration of each commercial motor vehicle with a gross vehicle weight rating, a combined gross vehicle weight rating, a gross vehicle weight or a combined gross vehicle weight in excess of 26,000 pounds which is operating in intrastate commerce and which is registered to the motor carrier responsible for the safety of the motor vehicles who is subject to the out-of-service order; and
- (b) Revoke or refuse to grant the authority to register or transfer or renew any registration granted pursuant to this section.
- 6. The Department, in revoking a registration pursuant to paragraph (a) of subsection 5, shall comply with the provisions of subsections 4 and 5 of NRS 482.465.
- 7. The Director of the Department shall adopt such regulations as are necessary to carry out the provisions of this section.
 - [6.] 8. As used in this section:
- (a) "Commercial motor vehicle" has the meaning ascribed to it in 49 C.F.R. § 390.5.
 - (b) "Lease" has the meaning ascribed to it in NRS 482.053.
- $\frac{(b)}{(c)}$ "Long-term lease" means a lease for a fixed period of more than $\frac{(31)}{30}$ days.
- $\{(e)\}\$ (d) "Motor carrier" means a common, contract or private motor carrier registered through the Motor Carrier Division of the Department.
- $\frac{\{(d)\}}{\{(d)\}}$ (e) "Out-of-service order" has the meaning ascribed to it in section 4 of this act.
- (f) "Registration credentials" includes, without limitation, license plates, registration cab cards [, deeals] and temporary authority permits.

- $\{(e)\}\$ (g) "Service provider" means a business or organization authorized by the Department to register or transfer or renew the registration of vehicles on behalf of motor carriers.
 - Sec. 20. NRS 706.235 is hereby amended to read as follows:
- 706.235 1. [Whenever] Except as otherwise provided in section 14 of this act, whenever a peace officer detains the driver of a heavy-duty motor vehicle for a violation of any provision of this chapter or any other specific statute or regulation relating to the equipment, lights, brakes, tires, mechanisms or safety appliances required of such a vehicle, the peace officer shall, in lieu of arresting the driver, prepare manually or electronically and issue a citation, a notice of correction, or both. If a notice of correction is issued, it must set forth the violation with particularity and specify the corrective action which must be taken.
- 2. [If,] Except as otherwise provided in section 14 of this act, if, at the time of the issuance of a citation or a notice of correction, the peace officer determines that the vehicle is unsafe and poses an immediate threat to the life of the driver or any other person upon a public highway, the peace officer may require that the vehicle be taken to the nearest garage or other place where the vehicle may be safely repaired. If the vehicle is transporting wet concrete or other perishable cargo and does not pose an immediate threat to life, and if the destination of the vehicle is within a distance of not more than 15 miles, the peace officer shall not delay the vehicle for more than 15 minutes and shall permit the vehicle to proceed to its destination and unload its cargo. Upon the arrival of the vehicle at its destination, the peace officer may order that the vehicle be taken, after the cargo of the vehicle has been unloaded, to the nearest garage or other place where the vehicle may be safely repaired.
 - 3. As used in this section:
 - (a) "Heavy-duty motor vehicle" means a motor vehicle which:
- (1) Has a manufacturer's gross vehicle weight rating of 10,000 pounds or more; and
- (2) Is owned or leased by or otherwise used in the regular course of the business of a common, contract or private motor carrier.
 - (b) "Peace officer" means:
- (1) A peace officer or an inspector of the Department of Motor Vehicles or Department of Public Safety; or
- (2) A sheriff, peace officer or traffic officer assisting in the enforcement of the provisions of this chapter.
 - Sec. 21. NRS 706.806 is hereby amended to read as follows:
- 706.806 As used in NRS 706.801 to 706.861, inclusive, *and section 18 of this act*, unless the context otherwise requires:
 - 1. "Country" includes any political subdivision thereof.
 - 2. "Department" means the Department of Motor Vehicles.
- 3. "Fee" means each fee for registration and tax imposed by this State, except motor vehicle fuel taxes and motor carrier licensing fees.

- 4. "Mileage" includes mileage in this State and in all other states and countries.
- 5. "Motor vehicle" includes every motor vehicle with a declared gross weight in excess of 26,000 pounds required to be registered under the laws of this State.
 - 6. "Operator" includes the owner or operator of any motor vehicle.
- 7. "Out-of-service order" has the meaning ascribed to it in section 4 of this act.
- 8. "Plan" means a plan adopted by any state or country for the proration of fees on a basis to effectuate the principles set forth in NRS 706.826.
- [8.] 9. "State" includes the states of the United States, the District of Columbia and the territories of the United States.
- [9.] 10. "Vehicle" includes every vehicle of a type required to be registered under the laws of this State.
 - Sec. 22. NRS 706.813 is hereby amended to read as follows:
- 706.813 The provisions of NRS 706.801 to 706.861, inclusive, and section 18 of this act do not apply to:
- 1. Vehicles which are exempt from special fuel tax requirements under NRS 366.221.
- 2. Vehicles having a gross vehicle weight rating or gross combined vehicle weight rating of 26,000 pounds or less unless the vehicle meets the definition of "commercial motor vehicle" set forth in 49 C.F.R. § 350.105, and except that such vehicles are eligible for apportionment under the provisions of this chapter upon application by the operator.
 - Sec. 23. NRS 706.841 is hereby amended to read as follows:
- 706.841 1. Each operator shall qualify to operate pursuant to the provisions of NRS 706.801 to 706.861, inclusive, *and section 18 of this act* by filing an application for that purpose with the Department:
- (a) If the application is an initial application for registration, before the time any fee becomes delinquent; and
- (b) If the application is for the renewal of a registration, on or before December 1.
 - 2. The application must:
- (a) Show the total mileage of motor vehicles operated by the person in this State and all states and countries during the next preceding 12 months ending June 30 and describe and identify each [motor] vehicle to be operated during the period of registration in such detail as the Department may require [.], including, without limitation, the name of the motor carrier responsible for the safety of each vehicle.
- (b) Include the USDOT number issued to the operator by the United States Department of Transportation.
- (c) Be accompanied by a fee, unless the Department of Motor Vehicles is satisfied that the fee is secured, to be computed as follows:
 - (1) Divide the number of in-state miles by the total number of fleet miles;

- (2) Determine the total amount of money necessary to register each motor vehicle in the fleet for which registration is requested; and
- (3) Multiply the amount determined under subparagraph (2) by the fraction obtained pursuant to subparagraph (1).
 - Sec. 24. NRS 706.846 is hereby amended to read as follows:

706.846 [Upon]

- 1. Except as otherwise provided in section 18 of this act, upon the payment of all fees required pursuant to the provisions of NRS 706.801 to 706.861, inclusive, and section 18 of this act, or upon being satisfied that the fee is secured and upon compliance with the laws of this State in order to register the vehicles, the Department shall register them, and issue plates, licenses, emblems, certificates or other devices for the vehicles in the same manner as otherwise provided by law.
- 2. A motor carrier operating pursuant to the provisions of NRS 706.801 to 706.861, inclusive, and section 18 of this act must notify the Department within 10 days after a change in the name of the motor carrier responsible for the safety of a vehicle included in an application submitted to the Department pursuant to NRS 706.841.
- Sec. 25. As soon as practicable after January 1, 2018, upon determining that sufficient resources are available to enable the Department of Motor Vehicles to carry out the amendatory provisions of this act, the Director of the Department shall notify the Governor and the Director of the Legislative Counsel Bureau of that fact, and shall publish on the Internet website of the Department notice to the public of that fact.

Sec. 26. This act becomes effective:

- 1. Upon passage and approval for the purpose of adopting regulations and performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and
 - 2. For all other purposes, on the earlier of:
 - (a) July 1, 2020; or
- (b) The date on which the Director of the Department of Motor Vehicles, pursuant to section 25 of this act, notifies the Governor that sufficient resources are available to enable the Department to carry out the amendatory provisions of this act.

Senator Manendo moved the adoption of the amendment.

Remarks by Senator Manendo.

Amendment No. 105 makes three changes to Senate Bill No. 31: it allows a peace officer to impound the vehicle and notify the owner of the vehicle, if the vehicle is leased; provides an exception for certain farm vehicles from having to register as a commercial vehicle in intrastate commerce, and adds an authorization for DMV to register a commercial motor vehicle up to 83,000 pounds if operation of the truck is authorized by federal law.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 39.

Bill read second time and ordered to third reading.

Senate Bill No. 40.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary: Amendment No. 30.

SUMMARY—Revises provisions relating to the registration of child custody determinations [and support orders] from outside Nevada. (BDR 11-401)

AN ACT relating to domestic relations; revising the provisions of the Uniform Child Custody Jurisdiction and Enforcement Act that set forth the procedures for serving notice of the registration of a child custody determination issued by a court in another state; [revising the provisions of the Uniform Interstate Family Support Act that set forth the procedures for notifying certain persons of the registration of certain support orders;] and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, Nevada has enacted the Uniform Child Custody Jurisdiction and Enforcement Act to establish the procedures and jurisdictional requirements regarding the enforcement of a child custody determination issued by a court in another state. (Chapter 125A of NRS) To make a child custody determination issued by a court in another state enforceable in this State, existing law authorizes a person to register a child custody determination in this State. The court in which the child custody determination is being registered is required to serve notice upon any parent or person acting as a parent who has been awarded custody or visitation in the child custody determination. (NRS 125A.465) [Section 1 of this] This bill amends the Uniform Act by requiring the person seeking registration, instead of the court, to notify, by registered or certified mail, any parent or person who has been awarded custody or visitation in the child custody determination.

Existing federal law requires each state to adopt the Uniform Interstate Family Support Act, as amended in 2008, not later than July 1, 2015, as a condition for the receipt of certain federal funds for support enforcement offorts. (42 U.S.C. § 654(20)(A), 42 U.S.C. § 666(f); Pub. L. No. 113-183, 128 Stat. 1919) To comply with this federal requirement, Nevada has enacted the Uniform Interstate Family Support Act and the amendments to that Act to establish the procedures and jurisdictional requirements regarding the issuance, enforcement and modification of interstate child-support and spousal support orders. (NRS 130.0002 130.802) Under the Act, a support order or income withholding order issued in another state or a foreign support order may be registered in this State for enforcement. (NRS 130.601) When such an order is registered in this State, the tribunal of this State in which the order is registered is required to notify the nonregistering party. support-enforcement agency of this State and, in certain cases, the em of an obligor under an income withholding order. (NRS 130.605) Section 2 of this bill amends the Act by requiring the party who registers the order, instead of the tribunal, to provide these notices.

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

Section 1. NRS 125A.465 is hereby amended to read as follows:

- 125A.465 1. A child custody determination issued by a court of another state may be registered in this state, with or without a simultaneous request for enforcement, by sending to a court of this state which is competent to hear custody matters:
 - (a) A letter or other document requesting registration;
- (b) Two copies, including one certified copy, of the determination sought to be registered, and a statement under penalty of perjury that to the best of the knowledge and belief of the person seeking registration the order has not been modified; and
- (c) Except as otherwise provided in NRS 125A.385, the name and address of the person seeking registration and any parent or person acting as a parent who has been awarded custody or visitation in the child custody determination sought to be registered.
- 2. On receipt of the documents required by subsection 1, the registering court shall [:
- —(a) Cause] cause the determination to be filed as a foreign judgment, together with one copy of any accompanying documents and information, regardless of their form. [: and

(b) Serve notice upon]

- 3. The registering court shall provide the persons named pursuant to paragraph (c) of subsection 1 [and provide them] with an opportunity to contest the registration in accordance with this section.
- [3.] 4. The person seeking registration of a child custody determination pursuant to subsection 1 shall serve notice , by registered or certified mail, return receipt requested, upon each parent or person who has been awarded custody or visitation identified pursuant to paragraph (c) of subsection 1.
- 5. The notice required by $\{paragraph (b) of\}$ subsection $\{2\}$ 4 must state that:
- (a) A registered determination is enforceable as of the date of the registration in the same manner as a determination issued by a court of this state;
- (b) A hearing to contest the validity of the registered determination must be requested within 20 days after service of notice; and
- (c) Failure to contest the registration will result in confirmation of the child custody determination and preclude further contest of that determination with respect to any matter that could have been asserted.
- [4.] 6. A person seeking to contest the validity of a registered order must request a hearing within 20 days after service of the notice. At that hearing, the court shall confirm the registered order unless the person contesting registration establishes that:
- (a) The issuing court did not have jurisdiction pursuant to NRS 125A.305 to 125A.395, inclusive;

- (b) The child custody determination sought to be registered has been vacated, stayed or modified by a court having jurisdiction to do so pursuant to NRS 125A.305 to 125A.395, inclusive; or
- (c) The person contesting registration was entitled to notice, but notice was not given in accordance with the standards of NRS 125A.255, in the proceedings before the court that issued the order for which registration is sought.
- [5.] 7. If a timely request for a hearing to contest the validity of the registration is not made, the registration is confirmed as a matter of law and the person requesting registration and all persons served must be notified of the confirmation.
- [6.] 8. Confirmation of a registered order, whether by operation of law or after notice and hearing, precludes further contest of the order with respect to any matter that could have been asserted at the time of registration.
- [7.] 9. The provisions of this section do not apply to an order for protection against domestic violence issued by the court of another state, territory or Indian tribe within the United States which is registered pursuant to NRS 33.090.
 - Sec. 2. [NRS 130.605 is hereby amended to read as follows:
- —130.605—1. When a support order or income-withholding order issued in another state or a foreign support order is registered, the registering [tribunal of this State] party shall notify the nonregistering party and a support enforcement agency of this State. The notice must be accompanied by a copy of the registered order and the documents and relevant information accompanying the order.
- 2. The notice must inform the nonregistering party:
- (a) That a registered order is enforceable as of the date of registration in the
- (b) That a hearing to contest the validity or enforcement of the registered order must be requested within 20 days after the notice unless the registered order is pursuant to NRS 130.707:
- (e) That failure to contest the validity or enforcement of the registered order in a timely manner will result in confirmation of the order and enforcement of the order and the alleged arrearages and precludes further contest of that order with respect to any matter that could have been asserted; and
- (d) Of the amount of any alleged arrearages.
- 3. If the registering party asserts that two or more orders are in effect, the notice must also:
- (a) Identify the two or more orders and the order alleged by the registering party to be the controlling order and the consolidated arrears, if any:
- (b) Notify the nonregistering party of the right to a determination of which is the controlling order;
- (e) State that the procedures provided in subsection 2 apply to the determination of which is the controlling order; and

- (d) State that failure to contest the validity or enforcement of the order alleged to be the controlling order in a timely manner may result in confirmation that the order is the controlling order.
- 4. Upon registration of an income withholding order for enforcement, the support enforcement agency or the registering [tribunal] party shall cause appropriate notice of the order to be provided to the employer of the obligor in accordance with chapter 31A of NRS.] (Deleted by amendment.)
 - Sec. 3. This act becomes effective on July 1, 2017.

Senator Segerblom moved the adoption of the amendment.

Remarks by Senator Segerblom.

Amendment No. 30 to Senate Bill No. 40 provides that notifications required under the provisions of this bill be sent by registered or certified mail and deletes section 2 of the bill addressing the Uniform Interstate Family Support Act entirely at the request of the sponsor.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 41.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 31.

SUMMARY—Revises various provisions relating to business entities. (BDR 7-425)

AN ACT relating to business; removing the exemption from the requirement to obtain a state business registration for businesses whose primary purpose is to create or produce motion pictures; revising provisions governing the examination of the records required to be maintained by registered agents; revising the requirement for certain charitable organizations to register with the Secretary of State before soliciting charitable contributions in this State; revising provisions governing the reinstatement of the charter of a corporation sole; revising provisions governing the examination of the records required to be maintained by certain business entities; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires certain businesses to obtain a state business registration from the Secretary of State and to pay an annual fee for such registration. (NRS 76.100, 76.130) Section 1 of this bill removes the exemption from this requirement for businesses whose primary purpose is to create or produce motion pictures and, thus, requires such businesses to obtain a state business registration and pay the annual fee.

Existing law requires foreign and domestic entities to appoint a registered agent. (NRS 77.310) Under existing law, the Secretary of State may conduct an examination of the records required to be maintained by a registered agent if the Secretary of State has reason to believe that a violation of the laws governing registered agents has been committed. (NRS 77.443) Section 2 of this bill revises this provision to authorize the Secretary of State to conduct a

periodic, special or other examination of the records of a registered agent as the Secretary of State deems necessary or appropriate to determine whether a violation of the law governing registered agents has been committed.

Existing law requires certain charitable organizations that intend to solicit tax-deductible charitable contributions in this State to register with the Secretary of State by filing certain information and a financial report with the Secretary of State before the charitable organization first solicits charitable contributions in this State or has charitable contributions solicited in this State on its behalf. (NRS 82A.100) For the purposes of this registration requirement, the definition of "charitable organization" excludes an organization that is established for and serving bona fide religious purposes and, thus, such religious organizations are exempt from the requirement to register with the Secretary of State before soliciting tax-deductible charitable contributions. (NRS 82A.025) Section 3 of this bill removes a duplicative exemption from the registration requirement for certain church organizations.

Under existing law, if a corporation sole has not filed an annual list within 1 year after the annual list is due, the corporation sole's right to transact business in this State is forfeited. (NRS 78.175, 84.110, 84.140) The corporation sole may reinstate its right to transact business in this State if, within 5 years after forfeiting its right to transact business, it files the required annual lists and pays certain fees, including, without limitation, a reinstatement fee. (NRS 78.180, 84.110, 84.150) Existing law contains two conflicting provisions that set forth the reinstatement fee, one provision states that the fee for reinstatement is \$25 and the other provision states that the fee is \$100. (NRS 84.110, 84.150) Under a well-established rule of statutory construction, "when statutes are in conflict, the one more recent in time controls over the provisions of an earlier enactment." Laird v. State of Nev. Pub. Employees Ret. Bd., 98 Nev. 42, 45 (1982). Because the \$25 reinstatement fee was enacted in 1995 and the \$100 reinstatement fee was enacted in 2003, the fee for reinstatement under existing law is \$100. (Section 39 of Chapter 435, Statutes of Nevada 1995, p. 1124; Section 69 of Chapter 4, Statutes of Nevada 2003, 20th Special Session, p. 57) Section 4 of this bill clarifies that the reinstatement fee is \$100 by removing a reference to the \$25 reinstatement fee.

Existing law requires a limited-liability company to maintain at its registered office or principal place of business in this State a statement indicating where a list of the names and business addresses of each member and manager is maintained. (NRS 86.246) Section 5 of this bill removes this requirement.

Existing law requires a limited partnership to maintain a principal office in this State or a custodian of records. (NRS 88.330) If a limited partnership maintains a custodian of records, section 6 of this bill requires the limited partnership to make its name and street address available at its registered office.

Existing law requires a limited partnership to maintain a list of the name and business address of each partner at its principal office or with its custodian of records. (NRS 88.335) Existing law also requires a limited partnership to

maintain at its registered office or principal place of business in this State a statement indicating where such a list is maintained. (NRS 88.3355) Section 7 of this bill removes the requirement to maintain such a statement and instead requires a limited partnership to maintain the list at its principal place of business in this State or with its custodian of records, in addition to the requirement under existing law to maintain such a list at its principal office or with its custodian of records.

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

Section 1. NRS 76.020 is hereby amended to read as follows:

- 76.020 1. Except as otherwise provided in subsection 2, "business" means:
- (a) Any person, except a natural person, that performs a service or engages in a trade for profit;
- (b) Any natural person who performs a service or engages in a trade for profit if the person is required to file with the Internal Revenue Service a Schedule C (Form 1040), Profit or Loss From Business Form, or its equivalent or successor form, a Schedule E (Form 1040), Supplemental Income and Loss Form, or its equivalent or successor form, or a Schedule F (Form 1040), Profit or Loss From Farming Form, or its equivalent or successor form, for that activity; or
- (c) Any entity organized pursuant to this title, including, without limitation, those entities required to file with the Secretary of State, whether or not the entity performs a service or engages in a business for profit.
 - 2. The term does not include:
 - (a) A governmental entity.
- (b) A nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. \S 501(c).
- (c) A person who operates a business from his or her home and whose net earnings from that business are not more than 66 2/3 percent of the average annual wage, as computed for the preceding calendar year pursuant to chapter 612 of NRS and rounded to the nearest hundred dollars.
- (d) A natural person whose sole business is the rental of four or fewer dwelling units to others.
- (e) [A business whose primary purpose is to create or produce motion pictures. As used in this paragraph, "motion pictures" has the meaning ascribed to it in NRS 231.020.
- —(f)] A business organized pursuant to chapter 82 or 84 of NRS.
- $\frac{\{(g)\}}{(f)}$ A business organized pursuant to chapter 81 of NRS if the business is a nonprofit unit-owners' association.
 - Sec. 2. NRS 77.443 is hereby amended to read as follows:
- 77.443 The Secretary of State may conduct *periodic*, *special or any other* examinations of any records required to be maintained pursuant to this chapter or any other provision of NRS pertaining to the duties of a registered agent [if] as the Secretary of State [has reason to believe that] deems necessary or

appropriate to determine whether a violation of this chapter or any other provision of NRS pertaining to the duties of a registered agent has been [violated.] committed.

- Sec. 3. NRS 82A.110 is hereby amended to read as follows:
- 82A.110 1. A charitable organization is not required to be registered with the Secretary of State pursuant to NRS 82A.100 during any year in which its only solicitations for contributions, donations, gifts or the like are:
 - (a) Directed only to a total of fewer than 15 persons annually;
- (b) Directed only to persons who are related within the third degree of consanguinity or affinity to the officers, directors, trustees or executive personnel of the charitable organization;
- (c) [Conducted by a church or one or more of its integrated auxiliaries or by a convention or association of churches that is exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), and exempt from filing an annual return pursuant to section 6033 of the Internal Revenue Code, 26 U.S.C. § 6033;
- —(d)] Appeals for funds to benefit a particular person or his or her immediate family named in the solicitation, but only if all the proceeds of the solicitation are given to or expended for the direct benefit of the person or his or her immediate family; or
- [(e)] (d) Conducted by an alumni association of an accredited institution which solicits only persons who have an established affiliation with the institution, including, without limitation, current and former students, members of the faculty or staff, or persons who are within the third degree of consanguinity or affinity of such persons.
- 2. A charitable organization that believes it is exempt from registration pursuant to this section must, before it solicits a charitable contribution in this State or has a charitable contribution solicited in this State on its behalf by another person, and annually thereafter, file a declaration of exemption on a form prescribed by the Secretary of State.
 - Sec. 4. NRS 84.150 is hereby amended to read as follows:
- 84.150 1. Except as otherwise provided in subsections 3 and 4, the Secretary of State shall reinstate any corporation sole which has forfeited its right to transact business under the provisions of this chapter and restore the right to carry on business in this State and exercise its corporate privileges and immunities, if it:
 - (a) Files with the Secretary of State:
 - (1) The information required pursuant to NRS 77.310; and
- (2) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the archbishop, bishop, president, trustee in trust, president of stake, president of congregation, overseer, presiding elder, district superintendent, other presiding officer or member of the clergy of a church or religious society or denomination, who has been chosen, elected or appointed in conformity with the constitution, canons, rites, regulations or discipline of

the church or religious society or denomination, and in whom is vested the legal title to property held for the purposes, use or benefit of the church or religious society or denomination; and

- (b) Pays to the Secretary of State [:] the:
- (1) [The filing] Filing fees and penalties set forth in this chapter for each year or portion thereof during which its charter has been revoked; and
- (2) [A fee of \$25] Fee for reinstatement [.] set forth in paragraph (c) of subsection 2 of NRS 84.110.
- 2. When the Secretary of State reinstates the corporation to its former rights, the Secretary of State shall:
- (a) Immediately issue and deliver to the corporation a certificate of reinstatement authorizing it to transact business, as if the fees had been paid when due; and
- (b) Upon demand, issue to the corporation a certified copy of the certificate of reinstatement.
- 3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation of its charter occurred only by reason of its failure to pay the fees and penalties.
- 4. If a corporate charter has been revoked pursuant to the provisions of this chapter and has remained revoked for 10 consecutive years, the charter must not be reinstated.
- 5. A reinstatement pursuant to this section relates back to the date on which the corporation forfeited its right to transact business under the provisions of this chapter and reinstates the corporation's right to transact business as if such right had at all times remained in full force and effect.
 - Sec. 5. NRS 86.246 is hereby amended to read as follows:
- 86.246 1. [A limited-liability company shall maintain at its registered office or principal place of business in this State a statement indicating where the list required pursuant to paragraph (a) of subsection 1 of NRS 86.241 is maintained.
- -2.] Upon the request of the Secretary of State, [the] \underline{a} limited-liability company shall:
- (a) Provide the Secretary of State with the name and contact information of the custodian of the list described in <u>paragraph (a) of</u> subsection 1 <u>[+] of NRS 86.241</u>, if different than the registered agent for such company. The information required pursuant to this paragraph shall be kept confidential by the Secretary of State.
- (b) Provide written notice to the Secretary of State within 10 days after any change in the custodian of the list described in <u>paragraph (a) of</u> subsection 1 L
- 3.] of NRS 86.241.
- <u>2.</u> Upon the request of any law enforcement agency in the course of a criminal investigation, the Secretary of State may require a limited-liability company to:

- (a) Submit to the Secretary of State, within 3 business days, a copy of the list required to be maintained pursuant to paragraph (a) of subsection 1 of NRS 86.241; or
- (b) Answer any interrogatory submitted by the Secretary of State that will assist in the criminal investigation.
- [4.] 3. If a limited-liability company fails to comply with any requirement pursuant to subsection [3,] 2, the Secretary of State may take any action necessary, including, without limitation, the suspension or revocation of the charter of the limited-liability company.
- [5.] 4. The Secretary of State shall not reinstate or revive a charter that was revoked or suspended pursuant to subsection [4] 3 unless:
- (a) The limited-liability company complies with the requirements of subsection $\frac{3}{3}$ 2; or
- (b) The law enforcement agency conducting the investigation advises the Secretary of State to reinstate or revive the charter.
- [6.] 5. The Secretary of State may adopt regulations to administer the provisions of this section.
 - Sec. 6. NRS 88.330 is hereby amended to read as follows:
 - 88.330 1. Each limited partnership shall continuously maintain:
- (a) A principal office in this State, which may but need not be a place of its business in this State, or a custodian of records whose name and street address is available at the limited partnership's registered office, at which must be kept the records required by NRS 88.335 to be maintained; and
 - (b) A registered agent.
- 2. Within 30 days after changing the location of the office which contains records for a limited partnership, a general partner of the limited partnership shall file a certificate of a change in address with the Secretary of State which sets forth the name of the limited partnership, the previous address of the office which contains records and the new address of the office which contains records.
 - Sec. 7. NRS 88.3355 is hereby amended to read as follows:
- 88.3355 1. A limited partnership shall maintain at its [registered office or] principal place of business in this State [a statement indicating where] or with the custodian of records as referred to in paragraph (a) of subsection 1 of NRS 88.330, the list required pursuant to paragraph (a) of subsection 1 of NRS 88.335. [is maintained.]
 - 2. Upon the request of the Secretary of State, the limited partnership shall:
- (a) Provide the Secretary of State with the name and contact information of the custodian of the list described in subsection 1, if different than the registered agent for such limited partnership. The information required pursuant to this paragraph shall be kept confidential by the Secretary of State.
- (b) Provide written notice to the Secretary of State within 10 days after any change in the custodian of the list described in subsection 1.

- 3. Upon the request of any law enforcement agency in the course of a criminal investigation, the Secretary of State may require a limited partnership to:
- (a) Submit to the Secretary of State, within 3 business days, a copy of the list required to be maintained pursuant to paragraph (a) of subsection 1 of NRS 88.335; or
- (b) Answer any interrogatory submitted by the Secretary of State that will assist in the criminal investigation.
- 4. If a limited partnership fails to comply with any requirement pursuant to subsection 3, the Secretary of State may take any action necessary, including, without limitation, the suspension or revocation of the right of the limited partnership to transact any business in this State.
- 5. The Secretary of State shall not reinstate or revive the right of a limited partnership to transact any business in this State that was revoked or suspended pursuant to subsection 4 unless:
- (a) The limited partnership complies with the requirements of subsection 3; or
- (b) The law enforcement agency conducting the investigation advises the Secretary of State to reinstate or revive the right of the limited partnership to transact business in this State.
- 6. The Secretary of State may adopt regulations to administer the provisions of this section.

Senator Segerblom moved the adoption of the amendment.

Remarks by Senator Segerblom.

Amendment No. 31 to Senate Bill No. 41 makes several technical changes relating to maintaining of records. It deletes an existing requirement that a Limited Liability Company maintain a statement at its main place of business indicating where a list of names and business addresses of its manager and each of its members is located. It also adds a requirement that if a limited partnership maintains a custodian of records, it must make the custodian's name and street address available at the limited partnership's registered office.

Finally, it deletes an existing requirement for a partnership to maintain at its principal office or with a custodian of records a statement indicating where a list containing the names and business addresses of its partners is kept and instead, requires the factual list be kept at its principal place of business in this State and at its principal office or with a custodian of records.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 49.

Bill read second time.

The following amendment was proposed by the Committee on Education:

Amendment No. 112.

SUMMARY—Revises provisions relating to funding for pupils with disabilities in public schools. (BDR 34-405)

AN ACT relating to education; removing the limitation on the number of pupils with disabilities for which additional money is provided to public schools through the basic support guarantee per pupil; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for a basic support guarantee to be provided for each pupil who attends public school in this State. The money is paid from the State Distributive School Account in the State General Fund. The amount of the basic support guarantee is established for each school district for each school year according to a formula. Existing law further provides for a multiplier to be applied for pupils with disabilities so that additional funding is provided for such pupils from the State Distributive School Account. However, that additional funding is limited to not more than 13 percent of the total pupil enrollment in the school district or charter school, except in limited circumstances. (NRS 387.122) This bill removes the limitation on the number of pupils to whom the multiplier may apply. This bill also requires the additional funding to: (1) be equal or greater than the amount received during Fiscal Year 2017-2018; and (2) satisfy federal requirements for maintenance of effort. In addition, this bill fauthorizes requires the Department of Education to: (1) establish standards for determining whether a pupil has a disability for which the multiplier applies; and (2) conduct such audits as it deems necessary to ensure that the school districts and the State Public Charter School Authority accurately identify pupils to whom the multiplier applies.

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

Section 1. NRS 387.122 is hereby amended to read as follows:

- 387.122 1. For making the apportionments of the State Distributive School Account in the State General Fund required by the provisions of this title, the basic support guarantee per pupil for each school district is established by law for each school year. The formula for calculating the basic support guarantee may be expressed as an estimated weighted average per pupil, based on the total expenditures for public education in the immediately preceding even-numbered fiscal year, plus any legislative appropriations for the immediately succeeding biennium, minus those local funds not guaranteed by the State pursuant to NRS 387.163.
- 2. The estimated weighted average per pupil for the State must be calculated as a basic support guarantee for each school district through an equity allocation model that incorporates:
 - (a) Factors relating to wealth in the school district;
 - (b) Salary costs;
 - (c) Transportation; and
- (d) Any other factor determined by the Superintendent of Public Instruction after consultation with the school districts and the State Public Charter School Authority.
- 3. The basic support guarantee per pupil must include a multiplier for pupils with disabilities. Except as otherwise provided in this subsection, the *[The]* funding provided to each school district and charter school through the multiplier for pupils with disabilities is limited to the actual number of pupils with disabilities enrolled in the school district or charter school. [, not to

exceed 13 percent of total pupil enrollment for the school district or charter school. If a school district or charter school has reported an enrollment of pupils with disabilities equal to more than 13 percent of total pupil enrollment, If the funding which would otherwise be provided to a school district or charter school pursuant to this subsection would be less than the amount received as the basic support guarantee by the school district or charter school for Fiscal Year 2017-2018 or would fail to satisfy the requirements for maintenance of effort under federal law, the school district or charter school must receive an amount of money [necessary]:

- (a) Which equals the amount of money received as the basic support guarantee by the school district or charter school for Fiscal Year 2017-2018; or
- (b) Which is necessary to satisfy the requirements for maintenance of effort under federal [law.] law, as applicable.
- 4. Not later than July 1 of each even-numbered year, the Superintendent of Public Instruction shall review and, if necessary, revise the factors used for the equity allocation model adopted for the previous biennium and present the review and any revisions at a meeting of the Legislative Committee on Education for consideration and recommendations by the Committee. After the meeting, the Superintendent of Public Instruction shall consider any recommendations of the Legislative Committee on Education, determine whether to include those recommendations in the equity allocation model and adopt the model. The Superintendent of Public Instruction shall submit the equity allocation model to the:
 - (a) Governor for inclusion in the proposed executive budget.
- (b) Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.
- 5. The Department shall make available updated information regarding the equity allocation model on the Internet website maintained by the Department.
 - 6. The Department shall [conduct] :
- (a) Establish, after consultation with the school districts and the State Public Charter School Authority, standards for determining whether a pupil has a disability for which the multiplier described in subsection 3 applies; and
- (b) Conduct such audits as the Department deems necessary to ensure that each school district and the State Public Charter School Authority has a process in place that accurately determines whether a pupil has a disability for which the multiplier described in subsection 3 applies.
 - Sec. 2. This act becomes effective on July 1, 2017.

Senator Woodhouse moved the adoption of the amendment.

Remarks by Senator Woodhouse.

Amendment No. 112 to Senate Bill No. 49 requires that every district or charter school receive enough money to meet federal Maintenance of Effort requirements to equal the funding received as the basic support guarantee for Fiscal Year 2017-2018. The amendment also requires the Department of Education to develop standards, in consultation with school districts, for the consistent statewide identification of students with disabilities.

Amendment adopted.

Senator Woodhouse moved that the bill be re-referred to the Committee on Finance upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and re-referred to the Committee on Finance.

Senate Bill No. 51.

Bill read second time.

The following amendment was proposed by the Committee on Natural Resources:

Amendment No. 61.

SUMMARY—Makes various changes relating to the adjudication of vested water rights. (BDR 48-180)

AN ACT relating to water; revising provisions relating to the adjudication of certain water rights; revising requirements relating to the notice of a pending determination of certain water rights; revising requirements for hydrological surveys and maps prepared by the State Engineer; revising provisions relating to a proof of appropriation; revising the time period in which a person may intervene in a determination of certain water rights; authorizing the State Engineer to make certain documents related to a determination of water rights available on the Internet; revising provisions relating to objections to certain orders of the State Engineer; requiring certain persons to pay certain costs for a hearing on objections; authorizing a district court to require parties to file a revised map under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the State Engineer is required, under certain circumstances, to determine the relative rights of various claimants to a stream or stream system [upon receiving a petition for such determination or his or her own order for such determination.] in order of the importance of the stream for irrigation. (NRS 533.090) Section 1 of this bill [authorizes, rather than requires,] removes the requirement for the State Engineer to make these determinations [...] in order of the importance of the stream for irrigation.

Existing law provides that notice that the State Engineer will begin taking proofs of appropriation to determine the relative rights of various claimants to a stream or stream system is not required until after the State Engineer gathers certain information and has certain surveys and maps prepared. (NRS 533.110) Section 2 of this bill requires instead that the notice of when the State Engineer will begin taking proofs of appropriation must be given as soon as practicable after the State Engineer grants the petition or makes his or her own order. Sections 17 and 19 of this bill make conforming changes.

Sections 3 and 4 of this bill revise the requirements relating to the hydrological surveys executed and maps prepared by the State Engineer for the determination of the water rights in a stream. Section 3 provides that the

State Engineer is required to execute the surveys or prepare the maps only if necessary. Section 4 eliminates a requirement that the costs for the surveys and maps be assessed and collected from the claimants of the water rights in proportionate shares.

Section 5 of this bill provides specifications for the information and documents which must accompany a proof of appropriation. Section 7 of this bill provides that any proof of appropriation or accompanying map which is found to be defective must be returned to the claimant with an explanation of why the proof or map is defective. A corrected proof or map must be refiled with the State Engineer within 60 days.

Under existing law, any person who does not receive notice of the pendency of the proceedings and who has no actual knowledge may file a petition to intervene at any time prior to 6 months after the entry of the determinations of the State Engineer. (NRS 533.130) Section 8 of this bill revises the time in which a person may intervene to any time prior to the certification of the order of determination.

Existing law requires the State Engineer, after receiving the proofs of appropriation, to prepare a preliminary order of determination regarding the rights of claimants to the water and to deliver a copy of the preliminary order to each person who has filed a proof of appropriation. (NRS 533.140) Section 10 of this bill authorizes the State Engineer to make a copy of the preliminary order available on the Internet in lieu of sending a copy to each claimant.

Under existing law, any person claiming any interest in the water may file an objection to the preliminary order [within: (1) 30 days after evidence and proofs have been open to public inspection; or (2) such further time as may be allowed by the State Engineer for good cause shown. Thel and the State Engineer must hold a hearing on the objections \rightleftharpoons not less than 30 days or more than 60 days after the date notice is served on persons who are or may be affected by the objections. (NRS 533.145, 533.150) [Section 11 of this bill requires the objections to be filed with the State Engineer within: (1) 30 days after the date on which the preliminary order is sent, delivered or made available on the Internet website of the State Engineer; or (2) such further time as may be allowed by the State Engineer for good cause shown.] Section 12 of this bill removes the required time by which the State Engineer must hold a hearing on the objections. Section 13 of this bill requires all testimony taken at a hearing on objections to be transcribed by a certified court reporter and requires the original and one copy of the transcript to be filed with the State Engineer. Section 13 also requires the claimants objecting to the preliminary order to pay the fees and expenses of the court reporter.

As soon as practicable after the hearing on objections to the preliminary order, existing law requires the State Engineer to : (1) enter an order of determination [1-]; (2) file a certified copy of the order of determination with the court; (3) procure an order from the court setting a time for a hearing on the order of determination; and (4) publish a copy of the order of the court in

a newspaper of general circulation published in each county in which the stream system or any part of the stream system is located. (NRS 533.160) [533.165] Section 14 of this bill authorizes the State Engineer to make a copy of the order of determination available on the Internet in lieu of sending a copy to each claimant. Section 15 of this bill requires the State Engineer to publish the order of the court in a newspaper of general circulation that is available in print in each county, instead of a newspaper of general circulation published in each county.

Under existing law, any party aggrieved or dissatisfied with the State Engineer's order of determination may file with the clerk of the district court a notice of exception to the order and, after a hearing on the order of determination, the district court must enter a decree affirming or modifying the order. (NRS 533.170, 533.185) Section 16 of this bill authorizes the district court to require, under certain circumstances, that a revised map which accurately reflects the decree and conforms with the rules and regulations of the State Engineer be prepared and filed with the district court and the State Engineer.

Existing law requires the State Engineer to prepare an annual budget of the money estimated to be necessary to pay the expenses of each stream system or water district. (NRS 533.280) Section 18 of this bill provides instead that the State Engineer prepare an annual budget of the money estimated to be necessary to pay the expenses of administering each stream system or water district. [Section 18 also eliminates a provision that limits the assessment for water distribution expenses to not more than 30 cents per acre-foot of water decreed if the stream system irrigates more than 200,000 acres of land.]

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

Section 1. NRS 533.090 is hereby amended to read as follows:

- 533.090 1. Upon a petition to the State Engineer, signed by one or more water users of any stream or stream system, requesting the determination of the relative rights of the various claimants to the waters thereof, the State Engineer shall, [may,] if upon investigation the State Engineer finds the facts and conditions justify it, enter an order granting the petition and shall make proper arrangements to proceed with such determination.
- 2. The State Engineer shall, [may,] in the absence of such a petition requesting a determination of relative rights, enter an order for the determination of the relative rights to the use of water of any stream selected by the State Engineer . [, commencing on the streams in the order of their importance for irrigation.] As soon as practicable after the order is made and entered, the State Engineer shall proceed with such determination as provided in this chapter.
- 3. A water user upon or from any stream or body of water shall be held and deemed to be a water user upon the stream system of which such stream or body of water is a part or tributary.

- Sec. 2. NRS 533.095 is hereby amended to read as follows:
- 533.095 1. As soon as practicable after the State Engineer [shall make and enter the] enters an order granting the petition or selecting the streams upon which the determination of rights is to begin, the State Engineer shall prepare a notice setting forth the fact of the entry of the order and of the pendency of the proceedings.
 - 2. The notice shall [:] set forth:
- (a) [Name a date when the State Engineer or the State Engineer's assistants shall begin the examination.
- (b) Set forth that] That all claimants to rights in the waters of the stream system are required, as provided in this chapter, to make proof of their claims [.];
- (b) The date on which the State Engineer will commence taking proofs of appropriation regarding the rights in and to the waters of the stream system;
 - (c) The date by which all proofs of appropriation must be filed; and
- (d) That all proofs of appropriation must be accompanied by maps prepared in accordance with <u>and depicting any information required pursuant to NRS 533.100</u> and 533.115.
- 3. The notice shall be published for a period of 4 consecutive weeks in one or more newspapers of general circulation within the boundaries of the stream system.
- 4. At or near the time of the first publication of the notice, the State Engineer shall send by mail to each person, or deliver to each person, in person, hereinafter designated as claimant, claiming rights in or to the waters of the stream system, insofar as such claimants can be reasonably ascertained, a notice equivalent in terms to the published notice setting forth the date when the State Engineer will commence the taking of proofs, and the date prior to which proofs must be filed with the State Engineer. The notice must be mailed at least 30 days prior to the date fixed for the commencement of the taking of proofs. The date set prior to which the proofs must be filed shall not be less than 60 days from the date set for the commencement of taking proofs. The notice shall be deemed to be an order of the State Engineer as to its contents.
 - Sec. 3. NRS 533.100 is hereby amended to read as follows:
- 533.100 1. [At the time set in the notice, the] *The* State Engineer shall begin an investigation of the flow of the stream and of the ditches diverting water, and of the lands irrigated therefrom, and shall gather such other data and information as may be essential to the proper determination of the water rights in the stream.
 - 2. The State Engineer shall:
 - (a) Reduce his or her observations and measurements to writing.
 - (b) [Execute] If necessary, execute surveys or cause them to be executed.
- (c) [Prepare,] *If necessary, prepare*, or cause to be prepared, maps from the observations of such surveys in accordance with such uniform rules and regulations as the State Engineer may adopt.
 - 3. The surveys and maps shall show with substantial accuracy:

- (a) The course of the stream.
- (b) The location of each ditch or canal diverting water therefrom, together with the point of diversion thereof.
- (c) The area and outline of each parcel of land upon which the water of the stream has been employed for the irrigation of crops or pasture.
 - (d) The kind of culture upon each of the parcels of land.
- 4. The map shall be prepared as the surveys and observations progress, and, when completed, shall be filed and made of record in the Office of the State Engineer. Such map for original filing in the Office of the State Engineer shall, in addition to complying with any other applicable rule or regulation of the State Engineer, be on [tracing linen,] mylar, on a scale of not less than 1.000 feet to the inch.
 - Sec. 4. NRS 533.105 is hereby amended to read as follows:
- 533.105 [1.] If satisfactory data are available from the measurements and areas compiled by the United States Geological Survey or other persons, the State Engineer may dispense with the execution of such surveys and the preparation of such maps and stream measurements, except insofar as is necessary to prepare them to conform with the rules and regulations, as provided in NRS 533.100.
- [2. If the surveys are executed and maps are prepared and filed with the State Engineer at the instance of the person claiming a right to the use of water, the proportionate cost thereof, as determined by the State Engineer, to be assessed and collected for the adjudication of the relative rights, as provided in this chapter, shall be remitted to the claimant after the completion of the determination; but the map must conform with the rules and regulations of the State Engineer and shall be accepted only after the State Engineer is satisfied that the data shown thereon are substantially correct. Such measurements, maps and determinations shall be exhibited for inspection at the time of taking proofs and during the period during which such proofs and evidence are kept open for inspection in accordance with the provisions of this chapter.]
 - Sec. 5. NRS 533.115 is hereby amended to read as follows:
- 533.115 *1*. The State Engineer shall, in addition, enclose with the notice to be mailed as provided in NRS [533.110,] 533.095, blank forms upon which the claimant shall present in writing all particulars necessary for the determination of the claimant's right in or to the waters of the stream system. [, the statement to] *The form for a proof of appropriation must* include the following:
 - [1.] (a) The name and [post office] mailing address of the claimant.
- [2.] (b) The nature of the right or use on which the claim for appropriation is based.
- [3.] (c) The time of the initiation of such right, the priority date claimed and a description of the *[point]* place of diversion and works of diversion and distribution.
 - [4.] (d) The date of beginning of construction.
 - [5.] (e) The date when completed.

- [6.] (f) The dates of beginning and completion of enlargements.
- [7.] (g) The dimensions of the ditch as originally constructed and as enlarged.
- [8.] (h) The date when water was first used for irrigation or other beneficial purposes. [and, if]
- (i) If the water was used for irrigation, the [amount of land reclaimed] number of acres irrigated the first year, the [amount] number of acres irrigated in subsequent years, [with] the dates of [reclamation, and] irrigation, the area and location of the lands which [are intended to be] were irrigated [.
- 9. The], the character of the soil and the kind of crops cultivated, the rate of diversion and the number of acre-feet of water per annum required to irrigate the land. [, and such]
- (j) If the water was used for a beneficial purpose other than irrigation, the rate of diversion and the number of acre-feet of water used annually.
- (k) If the water was used for watering livestock, the number and type of livestock.
- (1) Any other facts as will show the extent and nature of the right and compliance with the law in acquiring the same, as may be required by the State Engineer.
- 2. A claimant must submit a separate [statement] proof of appropriation for each source of water of the stream system in which or to which the claimant claims a right.
- 3. The proof of appropriation submitted by the claimant must be accompanied by a map prepared, except as otherwise provided in subsection 4, in accordance with <u>and depicting any information required pursuant to the requirements of subsections 3 and 4 of NRS 533.100.</u>
- 4. If the map submitted with a proof of appropriation is prepared for water used for watering livestock, the map must be on a scale of not less than 1:24,000 or a map prepared by the United States Geological Survey covering a quadrangle of 7 1/2 minutes of latitude and longitude, and further identifying the location or extent of the livestock use by one-sixteenth sections within a numbered section, township and range.
 - Sec. 6. NRS 533.120 is hereby amended to read as follows:
- 533.120 1. Each claimant shall be required to certify to his or her statement under oath. [The State Engineer and the State Engineer's assistants authorized to take proofs are hereby authorized to administer such oaths.]
- 2. [Oaths shall be administered and blank] Blank forms must be furnished by the State Engineer [and the State Engineer's assistants] without charge.
 - Sec. 7. NRS 533.125 is hereby amended to read as follows:
- 533.125 1. The State Engineer shall commence the taking of proofs on the date fixed and named in the notice provided for in NRS [533.110] 533.095 for the commencement of the taking of proofs. The State Engineer shall proceed therewith during the period fixed by the State Engineer and named in the notice, after which no proofs shall be received by or filed by the State

Engineer. The State Engineer may, in his or her discretion, for cause shown, extend the time in which proofs may be filed.

- 2. Upon neglect or refusal of any person to make proof of his or her claim or rights in or to the waters of such stream system, as required by this chapter, prior to the expiration of the period fixed by the State Engineer during which proofs may be filed, the State Engineer shall determine the right of such person from such evidence as the State Engineer may obtain or may have on file in the Office of the State Engineer in the way of maps, plats, surveys and transcripts, and exceptions to such determination may be filed in court, as provided in this chapter.
- 3. If a proof of appropriation or a supporting map is found to be defective, it shall be returned with a statement explaining why the proof or map was found to be defective. The date of the return must be marked on the proof or map and a record of the return made in the Office of the State Engineer.
- 4. A person may file a corrected proof of appropriation or supporting map with the Office of the State Engineer within 60 days after the date of return marked on the proof or map. A defective proof of appropriation or supporting map that is not properly corrected and refiled within 60 days must be rejected. Upon application for an extension of time within the 60-day period, the State Engineer may, in his or her discretion, grant an extension of time not to exceed 60 days in which the person may file the corrected proof of appropriation or supporting map.
 - Sec. 8. NRS 533.130 is hereby amended to read as follows:
- 533.130 1. Any person interested in the water of any stream upon whom no service of notice shall have been had of the pendency of proceedings for the determination of the relative rights to the use of water of such stream system, and who shall have no actual knowledge or notice of the pendency of the proceedings, may, at any time prior to the expiration of 6 months after the entry of the determinations of the State Engineer, file a petition to intervene in the proceedings.
 - 2. Such petition shall be under oath and shall contain, among other things:
- (a) All matters required by this chapter of claimants who have been duly served with notice of the proceedings; and
- (b) A statement that the intervener had no actual knowledge of notice of the pendency of the proceedings.
- 3. Upon the filing of the petition in intervention granted by the State Engineer, the petitioner shall be allowed to intervene upon such terms as may be equitable, and thereafter shall have all rights [vouchsafed] provided by this chapter to claimants who have been duly served.
 - Sec. 9. NRS 533.135 is hereby amended to read as follows:
- 533.135 1. At the time of submission of proofs of appropriation, [where] the [necessary maps are prepared by the State Engineer, the fee collected from any claimants must be the actual cost of the survey and the preparation of maps.

- 2. The] State Engineer shall collect a fee of \$60 for a proof of water used for watering livestock [or wildlife] purposes. The State Engineer shall collect a fee of \$120 for any other character of claim to water.
- [3.] 2. All fees collected as provided in this section must be accounted for in detail and deposited with the State Treasurer into the Water Distribution Revolving Account created pursuant to NRS 532.210.
 - Sec. 10. NRS 533.140 is hereby amended to read as follows:
- 533.140 1. As soon as practicable after the expiration of the period fixed in which proofs <u>of appropriation</u> may be filed, the State Engineer shall assemble all proofs which have been filed with the State Engineer, and prepare, certify and have printed an abstract of all such proofs <u>[-] of appropriation</u>. The State Engineer shall also prepare from the proofs <u>of appropriation</u> and evidence taken or given before the State Engineer, or obtained by the State Engineer, a preliminary order of determination establishing the several rights of claimants to the waters of the stream.
- 2. [When] Except as otherwise provided in subsection 3, when the abstract of proofs <u>of appropriation</u> and the preliminary order of determination [is] are completed <u>f</u>, the]:
- (a) The State Engineer shall then prepare a notice fixing and setting a time and place when and where the evidence taken by or filed with the State Engineer and the proofs of claims must be open to the inspection of all interested persons, the period of inspection to be not less than 20 days. The notice shall be deemed an order of the State Engineer as to the matters contained therein.
- [4.] (c) The State Engineer shall be present at the time and place designated in the notice and allow, during that period, any persons interested to inspect such evidence and proofs of appropriation as have been filed with or taken by the State Engineer in accordance with this chapter.
- 3. In lieu of sending or serving a copy of the preliminary order of determination and the abstract of proofs of appropriation pursuant to subsection 2, the State Engineer may:
- (a) Make available a copy of the preliminary order of determination and the abstract of proofs <u>of appropriation</u> on the Internet website of the Office of the State Engineer; and
- (b) Send by registered or certified mail or deliver in person to each person who has filed a proof of appropriation notice that the preliminary order of determination and the abstract of proofs of appropriation are available on the Internet website of the Office of the State Engineer.

- [-4.—Any persons interested to may inspect such evidence and proof as have been filed with or taken by the State Engineer in accordance with this chapter at any time during regular office hours.]
 - Sec. 11. [NRS 533.145 is hereby amended to read as follows:
- 533.145 1. Any person claiming any interest in the stream system involved in the determination of relative rights to the use of water, whether claiming under vested right or under permit from the State Engineer, may object to any finding, part or portion of the preliminary order of determination made by the State Engineer by filing objections with the State Engineer within 30 days after the [evidence and proofs, as provided in NRS 533.140, shall have been opened to public inspection,] date on which the copy of the preliminary order of determination is sent, delivered or made available on the Internet website of the State Engineer, pursuant to NRS 533.140 or within such further time as for good cause shown may be allowed by the State Engineer upon application.
- 2. Such objections shall be verified by the affidavit of the objector, or the objector's agent or attorney, and shall state with reasonable certainty the grounds of objection.] (Deleted by amendment.)
 - Sec. 12. NRS 533.150 is hereby amended to read as follows:
- 533.150 1. [The] Unless the claimant waives the [time limits of this subsection or the] requirement for a hearing, the State Engineer shall fix a time and place for the hearing of objections. [, which date must not be less than 30 days nor more than 60 days after the date the notice is served on the persons who are, or may be, affected thereby. The notice] Notice of the hearing may be sent by registered or certified mail to the persons to be affected by the objections, and the receipt therefor constitutes legal and valid proof of service. The notice may also be served by the State Engineer, or by any person, appointed by the State Engineer, qualified and competent to serve a summons in civil actions. Return thereof must be made in the same manner as in civil actions in the district courts of this state.
- 2. The State Engineer may adjourn hearings from time to time upon reasonable notice to all parties interested. Depositions may be taken by any person authorized to administer oaths and designated by the State Engineer or the parties in interest, and oral testimony may be introduced in all hearings.
- 3. Witnesses are entitled to receive fees as in civil cases, to be paid by the party calling those witnesses.
- 4. The evidence in the proceedings must be confined to the subjects enumerated in the objections and the preliminary order of determination.
- 5. All testimony taken at the hearings must be reported and transcribed in its entirety.
 - Sec. 13. NRS 533.155 is hereby amended to read as follows:
- 533.155 [The] All testimony taken at the hearings must be reported and transcribed by a certified court reporter. The original and one copy of the transcript of the proceedings must be filed with the State Engineer . [shall require daily from each party while engaged in taking evidence on objections

a deposit sufficient to pay the cost of reporting and transcribing testimony and to pay any necessary transportation and subsistence expenses of the reporter.] The claimants objecting to the preliminary order of determination shall pay, in equal portions, the fees for the appearance and travel expenses of the court reporter and for transcribing the portion of the hearing consisting of the comments of the State Engineer. Each such claimant shall pay a pro rata portion of the fees for the remaining portion of the hearing consisting of the case made by that claimant.

- Sec. 14. NRS 533.160 is hereby amended to read as follows:
- 533.160 1. As soon as practicable after the hearing of objections to the preliminary order of determination, the State Engineer shall make and cause to be entered of record in the Office of the State Engineer an order of determination, defining the several rights to the waters of the stream or stream system. The order of determination, when filed with the clerk of the district court as provided in NRS 533.165, has the legal effect of a complaint in a civil action.
- 2. The order of determination must be certified by the State Engineer . [, who shall have printed as many copies of the order of determination as required. A] Except as otherwise provided in subsection 3, a copy of the order of determination must be sent by registered or certified mail or delivered in person to each person who has filed proof of claim and to each person who has become interested through intervention or through filing of objections under the provisions of NRS 533.130 or 533.145.
- 3. In lieu of sending or delivering a copy of the order of determination pursuant to subsection 2, the State Engineer may:
- (a) Make available a copy of the order of determination on the Internet website of the Office of the State Engineer; and
- (b) Send by registered or certified mail or deliver in person to each person who has filed a proof <u>of appropriation</u> and to each person who has become interested through intervention notice that the order of determination is available on the Internet website of the Office of the State Engineer.
 - Sec. 15. NRS 533.165 is hereby amended to read as follows:
- 533.165 1. As soon as practicable thereafter, a certified copy of the order of determination, together with the *copies of the* original evidence and transcript of testimony filed with, or taken before, the State Engineer, duly certified by the State Engineer, shall be filed with the clerk of the county, as ex officio clerk of the district court, in which the stream system is situated, or, if in more than one county but all within one judicial district, then with the clerk of the county wherein reside the largest number of parties in interest.
- 2. If such stream system shall be in two or more judicial districts, then the State Engineer shall notify the district judge of each of such judicial districts of his or her intent to file such order of determination, whereupon, within 10 days after receipt of such notice, such judges shall confer and agree where the court proceedings under this chapter shall be held and upon the judge who shall preside, and on notification thereof the State Engineer shall file the order

of determination, evidence and transcripts with the clerk of the court so designated.

- 3. If such district judges fail to notify the State Engineer of their agreement, as provided in subsection 2, within 5 days after the expiration of such 10 days, then the State Engineer may file such order of determination, evidence and transcript with the clerk of any county the State Engineer may elect, and the district judge of such county shall have jurisdiction over the proceedings in relation thereto.
- 4. If the judge so selected and acting shall retire from office, or be removed from office or be disqualified, for any cause, then the judge of the district court having jurisdiction of the proceedings shall act as the judge on the matter or shall select the judge to preside in such matter.
- 5. In all instances a certified copy of the order of determination shall be filed with the county clerk of each county in which such stream system, or any part thereof, is situated.
- 6. Upon the filing of the certified copy of the order, evidence and transcript with the clerk of the court in which the proceedings are to be had, the State Engineer shall procure an order from the court setting the time for hearing. The clerk of such court shall immediately furnish the State Engineer with a certified copy thereof. The State Engineer immediately thereupon shall mail a copy of such certified order of the court, by registered or certified mail, addressed to each party in interest at the party's last known place of residence, and shall cause the same to be published at least once a week for 4 consecutive weeks in some newspaper of general circulation [published] that is available in general circulation in each county in which such stream system or any part thereof is located. The State Engineer shall file with the clerk of the court proof of such service by registered or certified mail and by publication. Such service by registered or certified mail and by publication shall be deemed full and sufficient notice to all parties in interest of the date and purpose of such hearing.
 - Sec. 16. NRS 533.185 is hereby amended to read as follows:
- 533.185 *1.* After the hearing the court shall enter a decree affirming or modifying the order of the State Engineer.
- 2. If the court enters a decree holding that the water right of a claimant is different than the right claimed in the proof of appropriation filed by the claimant or determined by the State Engineer in the order of determination, the court may require the claimant to prepare and file with the court and the Office of the State Engineer a revised map which conforms to the decree and the rules and regulations of the State Engineer.
- 3. Within 30 days after the entry of final judgment by the district court, or if an appeal is taken, within 30 days after the entry of the final judgment by the appellate court or within 30 days after the entry of the final judgment after remand, the clerk of the court issuing the final judgment shall:
- [1.] (a) Deliver to the State Engineer a certified copy of the final judgment; and

- [2.] (b) Cause a certified copy of the final judgment to be filed in the office of the county recorder in each county in which the water adjudicated is applied to beneficial use and in each county in which the water adjudicated is diverted from its natural source.
 - Sec. 17. NRS 533.250 is hereby amended to read as follows:
- 533.250 1. Any and all maps, plats, surveys and evidence on file in the Office of the State Engineer relating to any proof of appropriation involved in the proceeding for the determination of the relative rights in and to the waters of any stream system, obtained or filed under the provisions of this chapter or any preceding act relating to the Office of State Engineer, shall be admissible in court and shall have the same force and effect as though obtained and submitted under the provisions of this chapter.
- 2. At least 90 days prior to the rendering of his or her order of determination of the relative rights in and to the waters of any stream system, the State Engineer shall notify all parties in interest of his or her intention to consider such maps, plats and evidence, and of his or her intention to submit the findings of the State Engineer to the court under the provisions of this chapter. [The notice shall be given in the manner prescribed in NRS 533.110.]
- 3. Within 60 days after such notice, any party in interest may file with the State Engineer any additional or supplementary maps, plats, surveys or evidence, or objections to the admissibility of any evidence hitherto presented and on file in the office of the State Engineer, in relation to his or her claim of water right or adverse to the claim or claims of the water right of any other party or parties in interest, in order so to perfect his or her claim in accordance with the provisions of this chapter, and the State Engineer shall consider the whole thereof in rendering such order of determination, and the same shall become a part of the record which shall be submitted to the court as provided by NRS 533.165 to 533.235, inclusive.
 - Sec. 18. NRS 533.280 is hereby amended to read as follows:
- 533.280 1. The State Engineer shall, between the first Monday of October and the first Monday of December of each year, prepare a budget of the amount of money estimated to be necessary to pay the expenses of *administering* the stream system or each water district for the then current year.
 - 2. The budget must show the following detail:
- (a) The aggregate amount estimated to be necessary to pay the expenses of *administering* the stream system or water district.
- (b) The aggregate water rights in the stream system or water district as determined by the State Engineer or the court.
 - (c) The unit charge necessary to provide the money required.
- (d) The charge against each water user, which must be based upon the proportion which the water right of that water user bears to the aggregate water rights in the stream system, but the minimum charge is \$1.
- 3. When the stream system lies in more than one county, a separate budget must be prepared for each county showing only the claimants and charges assessable within the county.

- 4. When the stream system irrigates more than 200,000 acres of land, the assessment for water distribution expenses must not exceed 30 cents per acre-foot of water decreed.
 - Sec. 19. NRS 533.110 is hereby repealed.
 - Sec. 20. This act becomes effective upon passage and approval.

TEXT OF REPEALED SECTION

- 533.110 Notice of commencement of taking of proofs as to rights; time for filing; publication and mailing of notice.
- 1. Upon the filing of such measurements, maps and determinations, the State Engineer shall prepare a notice setting forth the date when the State Engineer is to commence the taking of proofs as to the rights in and to the waters of the stream system, and the date prior to which the same must be filed. The date set prior to which the proofs must be filed shall not be less than 60 days from the date set for the commencement of the taking of proofs. The notice shall be deemed to be an order of the State Engineer as to its contents. The State Engineer shall cause the notice to be published for a period of 4 consecutive weeks in one or more newspapers of general circulation within the boundaries of the stream system, the date of the last publication of the notice to be not less than 15 days prior to the date fixed for the commencement of the taking of proofs by the State Engineer.
- 2. At or near the time of the first publication of the notice, the State Engineer shall send by registered or certified mail to each person, or deliver to each person, in person, hereinafter designated as claimant, claiming rights in or to the waters of the stream system, insofar as such claimants can be reasonably ascertained, a notice equivalent in terms to the published notice setting forth the date when the State Engineer will commence the taking of proofs, and the date prior to which proofs must be filed with the State Engineer. The notice must be mailed at least 30 days prior to the date fixed for the commencement of the taking of proofs.

Senator Cancela moved the adoption of the amendment.

Remarks by Senator Cancela.

Amendment No. 61 to Senate Bill No. 51 does the following: retains the word "shall" instead of "may" regarding the State Engineer's initiation of an adjudication; retains existing language in several sections regarding notice requirements; changes the term "proof" to "proof of appropriation"; clarifies that required notice must be placed in a newspaper available in general circulation in the county, not necessarily published in the county; and retains existing cap on assessment for water distribution expenses.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 74.

Bill read second time.

The following amendment was proposed by the Committee on Natural Resources:

Amendment No. 71.

SUMMARY—Revises provisions relating to water. (BDR 48-178)

AN ACT relating to water; providing for the collection of rainwater under certain circumstances; authorizing the State Engineer to consider a declaration of drought when determining whether to grant certain extensions; authorizing the State Engineer to create the Advisory Committee on Water [Planning] Conservation and Drought; setting forth the membership and responsibilities of the Advisory Committee; authorizing the State Engineer to impose an administrative fine for the violation of certain provisions relating to water planning and development; authorizing the State Engineer to seek injunctive relief under certain circumstances; revising certain provisions relating to the Water Planning Section of the Division of Water Resources of the State Department of Conservation and Natural Resources; revising provisions relating to a plan of water conservation; revising the membership of the Western Regional Water Commission; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 1 of this bill provides that precipitation may be collected without a water right from the rooftop of a single-family residence for <u>nonpotable</u> domestic use or <u>under certain circumstances</u> in a guzzler [by certain agencies] to provide water to wildlife.

Existing law authorizes the State Engineer to grant an extension of time to: (1) an applicant for a water right to complete construction and put water to beneficial use; or (2) the holder of any water right to work a forfeiture of the right. (NRS 533.380, 534.090) Sections 2 and 3 of this bill provide that in determining whether to grant or deny such an extension, the State Engineer may consider whether the <u>place of diversion of the</u> water right is located in a <u>[basin]</u> county that has been officially designated as being in a drought.

Section 5 of this bill authorizes the establishment by the State Engineer of the Advisory Committee on Water [Planning] Conservation and Drought to advise the State Engineer on matters relating to water [planning,] conservation, near- and long-term drought and drought resiliency.

Sections 6 and 7 of this bill authorize the State Engineer to, after notice and the opportunity for a hearing, impose administrative fines, order the payment of certain costs for an administrative proceeding and seek injunctive relief on a person who violates the provisions of chapter 540 of NRS.

Existing law creates the Water Planning Section of the Division. (NRS 540.031) Section 8 of this bill renames this Section as the Water [Planning] Conservation and Drought Resiliency Section. Section 11 of this bill revises the duties of the Section. Sections 9, 10 and 15 of this bill make conforming changes.

Existing law requires each supplier of water to prepare and adopt a plan of water conservation, which the Section is charged with reviewing within 30 days. (NRS 540.131, 540.141) Section 12 of this bill revises the period from 30 days to 120 days. Section 13 of this bill revises the provisions which must be included in a plan or a joint plan of water conservation.

Section 14 of this bill eliminates the member of the Western Regional Water Commission who is appointed by the Chief of the Water Planning Section of the Division of Water Resources of the State Department of Conservation and Natural Resources.

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

Section 1. NRS 533.030 is hereby amended to read as follows:

- 533.030 1. Subject to existing rights, and except as otherwise provided in this section, all water may be appropriated for beneficial use as provided in this chapter and not otherwise.
- 2. The use of water, from any stream system as provided in this chapter and from underground water as provided in NRS 534.080, for any recreational purpose, or the use of water from the Muddy River or the Virgin River to create any developed shortage supply or intentionally created surplus, is hereby declared to be a beneficial use. As used in this subsection:
- (a) "Developed shortage supply" has the meaning ascribed to it in Volume 73 of the Federal Register at page 19,884, April 11, 2008, and any subsequent amendment thereto.
- (b) "Intentionally created surplus" has the meaning ascribed to it in Volume 73 of the Federal Register at page 19,884, April 11, 2008, and any subsequent amendment thereto.
- 3. Except as otherwise provided in subsection 4, in any county whose population is 700,000 or more:
- (a) The board of county commissioners may prohibit or restrict by ordinance the use of water and effluent for recreational purposes in any artificially created lake or stream located within the unincorporated areas of the county.
- (b) The governing body of a city may prohibit or restrict by ordinance the use of water and effluent for recreational purposes in any artificially created lake or stream located within the boundaries of the city.
- 4. In any county whose population is 700,000 or more, the provisions of subsection 1 and of any ordinance adopted pursuant to subsection 3 do not apply to:
- (a) Water stored in an artificially created reservoir for use in flood control, in meeting peak water demands or for purposes relating to the treatment of sewage;
 - (b) Water used in a mining reclamation project; or
- (c) A body of water located in a recreational facility that is open to the public and owned or operated by the United States or the State of Nevada.
 - 5. Precipitation may be collected without a water right:
- (a) From the rooftop of a single-family dwelling for <u>nonpotable</u> domestic use; or
- (b) [In] If the collection does not conflict with any existing water rights as determined by the State Engineer, in a guzzler to provide water for use by wildlife. [by the Department of Wildlife, the Bureau of Land Management of

the United States Department of the Interior or the Forest Service of the United States Department of Agriculture if the precipitation collection does not conflict with any existing water rights.] The guzzler must:

- (1) Have a capacity of 20,000 gallons or less;
- (2) Have a capture area of 1 acre or less;
- (3) Have a pipe length of 1/4 mile or less;
- (4) Be developed by a state or federal agency responsible for wildlife management or by any other person in consultation with the Department of Wildlife; and
 - (5) Be approved for use by the Department of Wildlife.
 - 6. As used in subsection 5:
 - (a) "Domestic use" has the meaning ascribed to it in NRS 534.013; and
 - (b) "Guzzler" has the meaning ascribed to it in NRS 501.121.
 - Sec. 2. NRS 533.380 is hereby amended to read as follows:
- 533.380 1. Except as otherwise provided in subsection 5, in an endorsement of approval upon any application, the State Engineer shall:
- (a) Set a time before which the construction of the work must be completed, which must be within 5 years after the date of approval.
- (b) Except as otherwise provided in this paragraph, set a time before which the complete application of water to a beneficial use must be made, which must not exceed 10 years after the date of the approval. The time set under this paragraph respecting an application for a permit to apply water to a municipal or quasi-municipal use on any land:
- (1) For which a final subdivision map has been recorded pursuant to chapter 278 of NRS;
- (2) For which a plan for the development of a project has been approved by the local government pursuant to NRS 278.010 to 278.460, inclusive; or
- (3) On any land for which a plan for the development of a planned unit development has been recorded pursuant to chapter 278A of NRS, must not be less than 5 years.
- 2. The State Engineer may limit the applicant to a smaller quantity of water, to a shorter time for the completion of work, and, except as otherwise provided in paragraph (b) of subsection 1, to a shorter time for the perfecting of the application than named in the application.
- 3. Except as otherwise provided in subsection 4 and NRS 533.395 and 533.4377, the State Engineer may, for good cause shown, *including, without limitation, that the place of diversion of the water right is located in a [basin] county that has been officially designated as being in a drought, grant any number of extensions of time within which construction work must be completed, or water must be applied to a beneficial use under any permit therefor issued by the State Engineer, but a single extension of time for a municipal or quasi-municipal use for a public water system, as defined in NRS 445A.235, must not exceed 5 years, and any other single extension of time must not exceed 1 year. An application for the extension must in all cases be:*

- (a) Made within 30 days following notice by registered or certified mail that proof of the work is due as provided for in NRS 533.390 and 533.410; and
- (b) Accompanied by proof and evidence of the reasonable diligence with which the applicant is pursuing the perfection of the application.
- → The State Engineer shall not grant an extension of time unless the State Engineer determines from the proof and evidence so submitted that the applicant is proceeding in good faith and with reasonable diligence to perfect the application. The failure to provide the proof and evidence required pursuant to this subsection is prima facie evidence that the holder is not proceeding in good faith and with reasonable diligence to perfect the application.
- 4. Except as otherwise provided in subsection 5 and NRS 533.395, whenever the holder of a permit issued for any municipal or quasi-municipal use of water on any land referred to in paragraph (b) of subsection 1, or for any use which may be served by a county, city, town, public water district or public water company, requests an extension of time to apply the water to a beneficial use, the State Engineer shall, in determining whether to grant or deny the extension, consider, among other factors:
- (a) Whether the holder has shown good cause for not having made a complete application of the water to a beneficial use;
- (b) The number of parcels and commercial or residential units which are contained in or planned for the land being developed or the area being served by the county, city, town, public water district or public water company;
- (c) Any economic conditions which affect the ability of the holder to make a complete application of the water to a beneficial use;
- (d) Any delays in the development of the land or the area being served by the county, city, town, public water district or public water company which were caused by unanticipated natural conditions; [and]
- (e) Whether the <u>place of diversion of the water right</u> is located in a [basin] <u>county that has been officially designated as being in a drought; and</u>
 - (f) The period contemplated in the:
- (1) Plan for the development of a project approved by the local government pursuant to NRS 278.010 to 278.460, inclusive; or
- (2) Plan for the development of a planned unit development recorded pursuant to chapter 278A of NRS, if any, for completing the development of the land.
- 5. The provisions of subsections 1 and 4 do not apply to an environmental permit or a temporary permit issued pursuant to NRS 533.436 or 533.504.
- 6. For the purposes of this section, the measure of reasonable diligence is the steady application of effort to perfect the application in a reasonably expedient and efficient manner under all the facts and circumstances. When a project or integrated system is composed of several features, work on one feature of the project or system may be considered in finding that reasonable diligence has been shown in the development of water rights for all features of the entire project or system.

- Sec. 3. NRS 534.090 is hereby amended to read as follows:
- 534.090 1. Except as otherwise provided in this section, failure for 5 successive years after April 15, 1967, on the part of the holder of any right, whether it is an adjudicated right, an unadjudicated right or a right for which a certificate has been issued pursuant to NRS 533.425, and further whether the right is initiated after or before March 25, 1939, to use beneficially all or any part of the underground water for the purpose for which the right is acquired or claimed, works a forfeiture of both undetermined rights and determined rights to the use of that water to the extent of the nonuse. If the records of the State Engineer or any other documents specified by the State Engineer indicate at least 4 consecutive years, but less than 5 consecutive years, of nonuse of all or any part of a water right which is governed by this chapter, the State Engineer shall notify the owner of the water right, as determined in the records of the Office of the State Engineer, by registered or certified mail that the owner has 1 year after the date of the notice in which to use the water right beneficially and to provide proof of such use to the State Engineer or apply for relief pursuant to subsection 2 to avoid forfeiting the water right. If, after 1 year after the date of the notice, proof of resumption of beneficial use is not filed in the Office of the State Engineer, the State Engineer shall, unless the State Engineer has granted a request to extend the time necessary to work a forfeiture of the water right, declare the right forfeited within 30 days. Upon the forfeiture of a right to the use of groundwater, the water reverts to the public and is available for further appropriation, subject to existing rights. If, upon notice by registered or certified mail to the owner of record whose right has been declared forfeited, the owner of record fails to appeal the ruling in the manner provided for in NRS 533.450, and within the time provided for therein, the forfeiture becomes final. The failure to receive a notice pursuant to this subsection does not nullify the forfeiture or extend the time necessary to work the forfeiture of a water right.
- 2. The State Engineer may, upon the request of the holder of any right described in subsection 1, extend the time necessary to work a forfeiture under that subsection if the request is made before the expiration of the time necessary to work a forfeiture. The State Engineer may grant, upon request and for good cause shown, any number of extensions, but a single extension must not exceed 1 year. In determining whether to grant or deny a request, the State Engineer shall, among other reasons, consider:
- (a) Whether the holder has shown good cause for the holder's failure to use all or any part of the water beneficially for the purpose for which the holder's right is acquired or claimed;
- (b) The unavailability of water to put to a beneficial use which is beyond the control of the holder;
- (c) Any economic conditions or natural disasters which made the holder unable to put the water to that use;
- (d) [Any prolonged period in which precipitation in the basin where the water right is located is below the average for that basin or in which indexes

that measure soil moisture show that a deficit in soil moisture has occurred in that basin;] Whether the <u>place of diversion of the</u> water right is located in a <u>fbasin</u> county that has been officially designated as being in a drought;

- (e) Whether a groundwater management plan has been approved for the basin pursuant to NRS 534.037; [and]
- (f) Whether the holder has demonstrated efficient ways of using the water for agricultural purposes, such as center-pivot irrigation $\{\cdot,\cdot\}$; or
- (g) Whether the holder has demonstrated efforts to conserve water which have resulted in a reduction in water consumption.
- → The State Engineer shall notify, by registered or certified mail, the owner of the water right, as determined in the records of the Office of the State Engineer, of whether the State Engineer has granted or denied the holder's request for an extension pursuant to this subsection. If the State Engineer grants an extension pursuant to this subsection and, before the expiration of that extension, proof of resumption of beneficial use or another request for an extension is not filed in the Office of the State Engineer, the State Engineer shall declare the water right forfeited within 30 days after the expiration of the extension granted pursuant to this subsection.
- 3. If the failure to use the water pursuant to subsection 1 is because of the use of center-pivot irrigation before July 1, 1983, and such use could result in a forfeiture of a portion of a right, the State Engineer shall, by registered or certified mail, send to the owner of record a notice of intent to declare a forfeiture. The notice must provide that the owner has at least 1 year after the date of the notice to use the water beneficially or apply for additional relief pursuant to subsection 2 before forfeiture of the owner's right is declared by the State Engineer.
- 4. A right to use underground water whether it is vested or otherwise may be lost by abandonment. If the State Engineer, in investigating a groundwater source, upon which there has been a prior right, for the purpose of acting upon an application to appropriate water from the same source, is of the belief from his or her examination that an abandonment has taken place, the State Engineer shall so state in the ruling approving the application. If, upon notice by registered or certified mail to the owner of record who had the prior right, the owner of record of the prior right fails to appeal the ruling in the manner provided for in NRS 533.450, and within the time provided for therein, the alleged abandonment declaration as set forth by the State Engineer becomes final.
- Sec. 4. Chapter 540 of NRS is hereby amended by adding thereto the provisions set forth as sections 5, 6 and 7 of this act.
- Sec. 5. 1. The State Engineer may create within the Division the Advisory Committee on Water [Planning] Conservation and Drought, whose members are appointed by the State Engineer for the purpose of advising him or her on matters of statewide importance related to water [planning,] conservation, near- and long-term drought and drought resiliency.

- 2. The State Engineer may appoint to the Advisory Committee members who have demonstrated an interest in water [planning] conservation and drought-related matters, including, without limitation, members from local water authorities, State Government, local governments, tribal governments, the science and technology community, conservation groups, agriculture and industry. Members of the Advisory Committee serve at the pleasure of the State Engineer. The State Engineer has the discretion to determine the number of members to be on the Advisory Committee and appoint a Chair.
- 3. The Advisory Committee may advise the State Engineer on matters relating to water [planning,] conservation, near- and long-term drought and drought resiliency, including, without limitation:
 - (a) Amendments to statutes relating to water [planning;] conservation;
- (b) Additional management measures that may help to recharge and recover impacted river, storage and groundwater systems;
- (c) Changes in water policies and areas of emphasis for water [resource planning;] conservation;
- (d) Emerging science and technological advances, efficacy and cost efficiencies, including, without limitation, desalination of brackish water, cloud seeding and evaporative control;
- (e) Topics for public outreach efforts on water conservation and drought resiliency, even in nondrought conditions; and
- (f) The coordination and dissemination of public information statewide on water *[planning]* conservation and drought resiliency.
- Sec. 6. 1. In addition to any other penalty provided by law, the State Engineer may, after notice and opportunity for a hearing, require a person who violates any provision of this chapter or any order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120 to pay an administrative fine not to exceed \$10,000 per day for each violation, as determined by the State Engineer.
- 2. If an administrative fine is imposed against a person pursuant to subsection 1, the State Engineer may require the person to pay the costs of the proceeding, including, without limitation, investigative costs and attorney's fees.
- 3. An order imposing an administrative fine or the payment of costs or fees pursuant to this section may be reviewed by a district court pursuant to NRS 533.450.
- Sec. 7. 1. The State Engineer may seek injunctive relief in the appropriate court to prevent the continuance or occurrence of any act or practice which violates any provision of this chapter, or any order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120.
- 2. On a showing by the State Engineer that a person is engaged, or is about to engage, in any act or practice which violates or will violate any provision of this chapter, or any order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120, the

court may issue, without a bond, any prohibitory or mandatory injunction that the facts may warrant, including, without limitation, a temporary restraining order issued ex parte or, after notice and a hearing, a preliminary or permanent injunction.

- 3. Failure to establish lack of an adequate remedy at law or irreparable harm is not a ground for denying a request for a temporary restraining order or injunction.
- 4. The court may require the posting of a sufficient performance bond or other security to ensure compliance with the court order within the period prescribed.
- 5. Any proceeding conducted or injunction or order issued pursuant to this section is in addition to, and not in lieu of, any other penalty or remedy available for a violation of this chapter.
 - Sec. 8. NRS 540.021 is hereby amended to read as follows:

540.021 As used in this chapter:

- 1. "Chief" means the *Program* Chief of the Section.
- 2. "Department" means the State Department of Conservation and Natural Resources.
 - 3. "Division" means the Division of Water Resources of the Department.
- 4. "Section" means the Water [Planning] <u>Conservation</u> and Drought Resiliency Section of the Division.
 - Sec. 9. NRS 540.031 is hereby amended to read as follows:
- 540.031 The Water [Planning] <u>Conservation</u> and Drought Resiliency Section of the Division is hereby created.
 - Sec. 10. NRS 540.041 is hereby amended to read as follows:
 - 540.041 1. The Chief:
- (a) Must be selected with special reference to his or her training, experience, capability and interest in the [field] fields of water [resource planning -.] conservation and drought resiliency.
 - (b) Shall coordinate the activities of the Section.
- 2. The Chief is responsible for the administration of all provisions of law relating to the functions of the Section.
- 3. The Chief, with the approval of the State Engineer, may employ, within the limits of legislative appropriations, such staff as is necessary to the performance of his or her duties.
 - Sec. 11. NRS 540.051 is hereby amended to read as follows:
- 540.051 [The] Unless carried out by another section of the Division, the Section shall:
 - 1. [Include in its planning:
- —(a) Recognition] Recognize and [protection of] protect existing water rights consistent with chapters 533 and 534 of NRS [;] and
- [(b) Consideration of] consider the factors relating to the quality of water in this State, [and the importance of considering the issues of quantity and quality simultaneously,] but the State Environmental Commission and

Division of Environmental Protection of the Department retain full responsibility for the management of water quality.

- 2. Suggest to the [Legislature] State Engineer changes in water policy which may be necessary to meet [new] the requirements of law . [or of the people of the State.]
- 3. [Assist the State Engineer in dealings with the Federal Government and other states, but the State Engineer is solely responsible for the allocation of water resources and litigation.] Coordinate with federal, state, local or other entities on drought and federal management activities.
- 4. Review local and federal documents regarding water [planning] conservation and drought resiliency that are relevant to the use of water in Nevada . [, including, without limitation, local water and resource plans. Reviews conducted pursuant to this subsection must consider, without limitation:
- (a) The accuracy of information relating to water use and water planning;
- (b) Compliance with the water law of this State; and
- (c) General advice relating to water planning.]
- 5. Compile and update summarized data relating to hydrographic basins to support decisions that the State Engineer makes regarding such basins, and provide summarized information regarding such basins to the public. The Section shall cause to be generated and updated a summary for each hydrographic basin to show critical information regarding that basin, including, without limitation:
- (a) Whether the basin is designated;
- (b) All appurtenant or associated studies related to the availability of water;
- (c) Rulings and orders affecting new appropriations of water:
- (d) The availability of crop and pumpage inventories;
- (e) The availability of data regarding water levels; and
- <u>(f) Current commitments of water from the basin that are attributable to existing water rights.</u>
- → The information described in this subsection must, insofar as practicable, be provided in an electronic format and made available on the website of the State Engineer on the Internet or its successor.
- <u>6. [Upon request, provide technical assistance to the Board for Financing Water Projects created by NRS 349.957, including, without limitation, the review of letters of intent and applications for grants.</u>
- $\frac{7.5.7}{}$ Promote water conservation by $\frac{1}{1}$
- (a) Consulting consulting with suppliers of water concerning [:
- (1) Community plans of water conservation [plans; and
- (2) The] required pursuant to NRS 540.131, including, without limitation, the content and scope of [water] the plans [; and
- (b) Reviewing of water conservation.
- [6.] 7. Review plans of water conservation for compliance with the applicable provisions of NRS 540.121 to 540.151, inclusive.
 - [7.] 8. Review any other state or local plans for the use of water.

- [8-] 9. Assist federal, state and local governments and the general public in obtaining information regarding water [planning, the availability of water and issues relating to water rights.] conservation, drought conditions, drought resiliency and the management of floodplains.
- [9.] 10. Support activities in response to drought as provided for under the drought plan established for the State [.], including, without limitation, by providing staff assistance to and coordinating with the Division of Emergency Management of the Department of Public Safety on drought-related activities.
- [10.] 11. Administer the statewide program established for the management of floodplains.
- [11.—Upon request, provide updates to local governments on water issues relevant to this State, changes in policy and the availability of new information concerning water resources.]
- <u>12.</u> Provide staff assistance to the Advisory Committee on Water [Planning] Conservation and Drought, if the Advisory Committee has been established pursuant to section 5 of this act.
 - Sec. 12. NRS 540.131 is hereby amended to read as follows:
- 540.131 1. Except as otherwise provided in subsection 5, each supplier of water which supplies water for municipal, industrial or domestic purposes shall, on or before July 1, 1992, adopt a plan of water conservation based on the climate and the living conditions of its service area in accordance with the provisions of NRS 540.141, and shall update the plan pursuant to paragraph (c) of subsection 4. The provisions of the plan must apply only to the supplier's property and its customers. The supplier of water shall submit the plan to the Section for review by the Section pursuant to subsection 3.
- 2. As part of the procedure of adopting a plan, the supplier of water shall provide an opportunity for any interested person, including, but not limited to, any private or public entity that supplies water for municipal, industrial or domestic purposes, to submit written views and recommendations on the plan.
- 3. The plan must be reviewed by the Section within [30] 120 days after its submission and approved for compliance with this section and NRS 540.141 before it is adopted by the supplier of water.
 - 4. The plan:
- (a) Must be available for inspection by members of the public during office hours at the offices of the supplier of water;
- (b) May be revised from time to time to reflect the changing needs and conditions of the service area. Each such revision must be made available for inspection by members of the public; and
- (c) Must be updated every 5 years and comply with the requirements of this section and NRS 540.141.
 - 5. Suppliers of water:
- (a) Who are required to adopt a plan of water conservation pursuant to this section; and
- (b) Whose service areas are located in a common geographical area, may adopt joint plans of water conservation based on the climate and living

conditions of that common geographical area. Such a plan must comply with the requirements of this section and NRS 540.141.

- 6. The board of county commissioners of a county, the governing body of a city and the town board or board of county commissioners having jurisdiction of the affairs of a town shall:
- (a) Adopt any ordinances necessary to carry out a plan of *water* conservation adopted pursuant to this section which applies to property within its jurisdiction;
- (b) Establish a schedule of fines for the violation of any ordinances adopted pursuant to this subsection; and
- (c) Hire such employees as it deems necessary to enforce the provisions of any ordinances it adopts pursuant to this subsection.
 - Sec. 13. NRS 540.141 is hereby amended to read as follows:
- 540.141 1. A plan or joint plan of water conservation submitted to the Section for review must include provisions relating to:
 - (a) Methods of public education to:
- (1) Increase public awareness of the limited supply of water in this State and the need to conserve water.
- (2) Encourage reduction in the size of lawns and encourage the use of plants that are adapted to arid and semiarid climates.
- (b) Specific conservation measures required to meet the needs of the service area, including, but not limited to, any conservation measures required by law.
 - (c) The management of water to:
- (1) Identify and reduce leakage in water supplies, inaccuracies in water meters and high pressure in water supplies; and
 - (2) Where applicable, increase the reuse of effluent.
- (d) A contingency plan for drought conditions that ensures a supply of potable water.
 - (e) A schedule for carrying out the plan or joint plan.
- (f) A plan for how the supplier of water will progress towards the installation of meters on all connections.
 - $(g) \ \ \textit{Standards for water efficiency for new development}.$
- (h) Tiered rate structures for the pricing of water to promote the conservation of water, including, without limitation, an estimate of the manner in which the tiered rate structure will impact the consumptive use of water.
 - (i) Watering restrictions based on the time of day and the day of the week.
- 2. In addition to the requirements of subsection 1, a plan or joint plan of water conservation submitted to the Section for review by a supplier of water providing service for 500 or more connections must include provisions relating to:
 - (a) Measures to evaluate the effectiveness of the plan or joint plan.
- [(g)] (b) For each conservation measure specified in the plan or joint plan, an estimate of the amount of water that will be conserved each year as a result of the adoption of the plan or joint plan, stated in terms of gallons of water [per person per day.

- =2. A plan or joint plan submitted for review must be accompanied by an analysis of:
- (a) The feasibility of charging variable rates for the use of water to encourage the conservation of water.
- (b) How the rates that are proposed to be charged for the use of water in the plan or joint plan will maximize water conservation, including, without limitation, an estimate of the manner in which the rates will affect consumption of water.] saved annually.
- 3. The Section shall review any plan or joint plan submitted to it within [30] 120 days after its submission and approve the plan if it is based on the climate and living conditions of the service area and complies with the requirements of this section.
- 4. The Chief may exempt wholesale water purveyors from the provisions of this section which do not reasonably apply to wholesale supply.
- 5. To the extent practicable, the State Engineer shall provide on the Internet website of the State Engineer a link to the plans and joint plans that are submitted for review. In carrying out the provisions of this subsection, the State Engineer is not responsible for ensuring, and is not liable for failing to ensure, that the plans and joint plans which are provided on the Internet website are accurate and current.
- Sec. 14. Section 37 of the Western Regional Water Commission Act, being chapter 531, Statutes of Nevada 2007, at page 3294, is hereby amended to read as follows:
 - Sec. 37. In addition to the voting members, the Water Planning Commission includes the following nonvoting members:
 - 1. One member appointed by the Public Utilities Commission of Nevada:
 - 2. One member appointed by the Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General;
 - 3. One member appointed by the Administrator of the Division;
 - 4. One member appointed by the State Engineer;
 - 5. [One member appointed by the Chief of the Water Planning Section of the Division of Water Resources of the State Department of Conservation and Natural Resources;
 - -6.] One member appointed by the board of directors of the water conservancy district which is largest in area in the planning area;
 - [7.] 6. One member appointed by the county or district board of health;
 - [8.] 7. One member of the public at large appointed by the affirmative vote of a majority of the voting members; and
 - [9.] 8. Additional members with expertise in an area that the majority of the voting members determines is necessary, appointed by the affirmative vote of a majority of the voting members.
- Sec. 15. 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. 16. This act becomes effective upon passage and approval.

Senator Cancela moved the adoption of the amendment.

Remarks by Senator Cancela.

Amendment No. 71 to Senate Bill No. 74 is one of the State Engineer's rainwater bills. It clarifies that collected precipitation may be used for non-potable domestic use; adds that a wildlife guzzler must have a capacity of 20,000 gallons or less, have a capture area of 1 acre or less, have a piping length of ½ mile or less, and must be approved for use by the Department of Wildlife; clarifies that the State Engineer may consider whether the place of diversion of a water right is located in a county that has been officially designated as being in a drought when determining whether to grant an extension; changes the word "planning" to "conservation" in reference to the duties and name of the Advisory Committee on Water Conservation and Drought, and adds a member from tribal governments to those who may be appointed to the Advisory Committee. It also discusses how a water supplier can estimate conserved-water gallons as saved annually, not per person per day, among other language changes.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 76.

Bill read second time.

The following amendment was proposed by the Committee on Education:

Amendment No. 15.

SUMMARY—Revises provisions governing the investment of money held by the State or certain political subdivisions of the State. (BDR 31-431)

AN ACT relating to governmental financial administration; authorizing the State Treasurer to invest in certain securities issued or guaranteed by certain supranational organizations or issued by a foreign financial institution, corporation or government; authorizing certain political subdivisions of the State to invest in such securities; revising requirements for certain kinds of investments; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the State Treasurer is responsible for the investment of all money of the State unless a specific statute imposes this responsibility on some other person with respect to particular money. (NRS 226.110) The State Treasurer is also responsible for the investment of certain money that the State holds in trust, such as the money in the Nevada Higher Education Prepaid Tuition Trust Fund. (NRS 353B.160) In addition, existing law authorizes the State Treasurer to invest all money of the State's "General Portfolio" in specified categories of securities. (NRS 355.140) Existing law provides separate authorization for the State Treasurer's investments of money held in certain funds, such as the Nevada Higher Education Prepaid Tuition Trust Fund and the State Permanent School Fund. (NRS 353B.160, 355.060)

Existing law authorizes the governing body of certain local governments to invest their available money only in certain specified securities.

(NRS 355.170) Existing law similarly authorizes a board of county commissioners, a board of trustees of a county school district or the governing body of an incorporated city to invest available money in certain securities. (NRS 355.171)

The Board of Trustees of the College Savings Plans of Nevada is required to develop policies for investment to be followed by the State Treasurer in investing money in the Nevada Higher Education Prepaid Tuition Trust Fund. (NRS 353B.160) Section 1 of this bill expands the list of authorized investments for the Fund to include: (1) certain bonds, notes and other obligations that are issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation or Inter-American Development Bank which are supranational entities; and (2) certain bonds, notes and other obligations, commonly called "Yankee bonds," that are issued by a foreign financial institution, corporation or government. Sections 2 and 3 of this bill similarly expand the list of authorized investments for money in the State Permanent School Fund and money invested through the General Portfolio. Section 3 also increases, from 20 to 25 percent, the maximum share of the value of the General Portfolio that is authorized to be invested in the obligations of certain corporations and depository institutions operating in the United States.

Sections 4 and 5 of this bill likewise authorize the governing body of certain local governments, a board of county commissioners, the board of trustees of a county school district or the governing body of an incorporated city to invest in the additional types of securities described above. Section 6 of this bill makes a conforming change for any money held by a local government pursuant to a deferred compensation plan.

Existing law places various requirements on money invested in the State's "General Portfolio" in certain kinds of securities. (NRS 355.140) Existing law places similar requirements on money invested in certain kinds of securities by certain local governments, a board of county commissioners, a board of trustees of a county school district or the governing body of an incorporated city. (NRS 355.170, 355.171) Sections 3-5 eliminate the requirement that certain securities be sold as soon as possible if the rating of the security falls below the level required by law. Sections 3-5 also specify that the requirement that the aggregate value of certain investments not to exceed a certain percentage must be determined at the time of purchase.

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

Section 1. NRS 353B.160 is hereby amended to read as follows:

- 353B.160 1. The Board shall create a comprehensive plan that specifies the policies for investment which the State Treasurer shall follow in administrating the Trust Fund.
- 2. The Board may authorize the State Treasurer to invest the property of the Trust Fund in:

- (a) A bond, note, certificate or other general obligation of the State of Nevada, or of a county, city, general improvement district or school district of the State of Nevada.
- (b) A corporate bond of a corporation created by or existing under the laws of the United States or of a state, district or territory of the United States with a rating not lower than "A" or its equivalent by a nationally recognized rating service. The total amount invested in such bonds must not exceed 50 percent of the book value of the total fixed income investments of the Trust Fund.
- (c) Commercial paper of a corporation created by or existing under the laws of the United States or of a state, district or territory of the United States or of a wholly owned subsidiary of such a corporation with a rating not lower than "A-3" or "P-3" by a nationally recognized rating service.
- (d) A bond, note, debenture or other valid obligation that is issued by the Treasury of the United States.
- (e) A bond, note, debenture or other security that is issued by an agency or instrumentality of the United States or that is fully guaranteed by the United States in:
 - (1) The Federal Farm Credit [Bank;] Banks Funding Corporation;
 - (2) The Federal National Mortgage Association;
 - (3) The Federal Home Loan [Banks;] Banks;
 - (4) The Federal Home Loan Mortgage Corporation; or
 - (5) The Government National Mortgage Association.
- (f) A bond, note, debenture or other security in the Student Loan Marketing Association, regardless of whether it is guaranteed by the United States.
- (g) A bond, note or other obligation issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation or Inter-American Development Bank that:
 - (1) Is denominated in United States dollars;
 - (2) Is a senior unsecured unsubordinated obligation;
 - (3) Is purchased from a registered broker-dealer;
- (4) At the time of purchase has a remaining term to maturity of 5 years or less; and
- (5) Is rated by a nationally recognized rating organization as "AA" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 15 percent of the total par value of the Trust Fund as determined at the time of purchase.
- (h) A bond, note or other obligation publicly issued in the United States by a foreign financial institution, corporation or government that:
 - (1) Is denominated in United States dollars;
 - (2) Is a senior unsecured unsubordinated obligation;
- (3) Is registered with the United States Securities and Exchange Commission in accordance with the provisions of the Securities Act of 1933, 15 U.S.C. §§ 77a et seq., as amended;
 - (4) Is publicly traded;
 - (5) Is purchased from a registered broker-dealer;

- (6) At the time of purchase has a remaining term to maturity of 5 years or less: and
- (7) Is rated by a nationally recognized rating organization as "AA" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 10 percent of the total par value of the Trust Fund as determined at the time of purchase.
- (i) Collateralized mortgage obligations that are rated "AAA" or its equivalent by a nationally recognized rating service.
- $\frac{\{(h)\}}{\{(j)\}}$ (j) Asset-backed securities that are rated "AAA" or its equivalent by a nationally recognized rating service.
 - $\frac{\{(i)\}}{\{(k)\}}$ Money market mutual funds that:
 - (1) Are registered with the Securities and Exchange Commission;
- (2) Are rated by a nationally recognized rating service as "A" or its equivalent, or better; and
- (3) Invest only in securities issued by the Federal Government or agencies of the Federal Government or in repurchase agreements fully collateralized by such securities.
- → The total dollar amount invested in such mutual funds must not exceed 20 percent of the total dollar amount of the Trust Fund that is invested.
- $\frac{\{(j)\}}{(l)}$ (*l*) Common or preferred stock of a corporation created by or existing under the laws of the United States or of a state, district or territory of the United States, if:
 - (1) The stock of the corporation is:
 - (I) Listed on a national stock exchange; or
- (II) Traded in the over-the-counter market, if the price quotations for the over-the-counter stock are quoted by the National Association of Securities Dealers Automated [Quotations] Quotation System, NASDAQ;
- (2) The outstanding shares of the corporation have a total market value of not less than \$50,000,000;
- (3) The maximum investment in stock is not greater than 60 percent of the book value of the total investments of the Trust Fund;
- (4) Except for investments made pursuant to paragraph {(m),} (o), the amount of an investment in a single corporation is not greater than 3 percent of the book value of the assets of the Trust Fund; and
- (5) Except for investments made pursuant to paragraph $\frac{\{(m),\}}{\{(o),\}}$ (o), the total amount of shares owned by the Trust Fund is not greater than 5 percent of the outstanding stock of a single corporation.
- $\frac{\{(k)\}}{\{(m)\}}$ (m) A covered call or put option on securities that are traded on one or more of the regulated exchanges in the United States.
- [(1)] (n) A pooled or commingled real estate fund or a real estate security that is managed by a corporate trustee or by an investment advisory firm that is registered with the Securities and Exchange Commission, either of which may be retained by the Board as an investment manager. The shares and the pooled or commingled fund must be held in trust. The total book value of an

investment made under this paragraph must not at any time be greater than 5 percent of the total book value of all investments of the Trust Fund.

 $\frac{[(m)]}{(o)}$ Mutual funds or common trust funds that consist of any combination of the investments listed in paragraphs (a) to $\frac{[(1),]}{(n)}$, inclusive.

- 3. The State Treasurer shall exercise the standard of care in investing the property of the Trust Fund that a person of prudence, discretion and intelligence would exercise in the management of his or her own affairs, given the prevailing circumstances, not in regard to speculation but rather to the permanent disposition of the property, considering the potential income from and the probable safety of his or her capital.
- 4. Subject to the terms, conditions, limitations and restrictions set forth in this section, the State Treasurer may sell, assign, transfer or dispose of the property and investments of the Trust Fund upon the approval of a majority of the Board.
 - 5. The assets of the Trust Fund:
- (a) Must be maintained, invested and expended solely for the purposes of NRS 353B.010 to 353B.190, inclusive; and
- (b) Must not be loaned, transferred or otherwise used for a purpose other than the purposes of NRS 353B.010 to 353B.190, inclusive.
- 6. The State Treasurer shall credit any income derived from an investment or a gain from a sale or exchange of an investment to the Trust Fund.
- 7. The State Treasurer shall acquire each investment for the Trust Fund at a price not to exceed the prevailing market value for such an investment.
- 8. Each investment in the Trust Fund must be clearly marked to indicate ownership by the Trust Fund.
- 9. The State Treasurer, an employee of the State Treasurer, or a member or employee of the Board shall not:
- (a) Have a direct or indirect interest in the income, gain or profit of an investment that the State Treasurer makes;
- (b) Receive pay or emolument for his or her services in connection with an investment that the State Treasurer makes; or
- (c) Become an endorser, surety or obligor for money that is borrowed from the Trust Fund.
- 10. If the annual actuarial study performed pursuant to NRS 353B.190 reveals that there is insufficient money to ensure the actuarial soundness of the Trust Fund, the Board shall modify the terms of subsequent prepaid tuition contracts.
- 11. The terms, conditions, limitations and restrictions regarding investments of the Trust Fund listed in this section apply only at the time an investment is originally acquired and must not be construed to require the liquidation of an investment at any time.
 - Sec. 2. NRS 355.060 is hereby amended to read as follows:
- 355.060 1. The State Controller shall notify the State Treasurer monthly of the amount of uninvested money in the State Permanent School Fund.

- 2. Whenever there is a sufficient amount of money for investment in the State Permanent School Fund, the State Treasurer shall proceed to negotiate for the investment of the money in:
 - (a) United States bonds.
- (b) A bond, note or other obligation issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation or Inter-American Development Bank that:
 - (1) Is denominated in United States dollars;
 - (2) Is a senior unsecured unsubordinated obligation;
 - (3) Is purchased from a registered broker-dealer;
- (4) At the time of purchase has a remaining term to maturity of 5 years or less; and
- (5) Is rated by a nationally recognized rating organization as "AA" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 15 percent of the total par value of the portfolio as determined at the time of purchase.
- (c) A bond, note or other obligation publicly issued in the United States by a foreign financial institution, corporation or government that:
 - (1) Is denominated in United States dollars;
 - (2) Is a senior unsecured unsubordinated obligation;
- (3) Is registered with the United States Securities and Exchange Commission in accordance with the provisions of the Securities Act of 1933, 15 U.S.C. §§ 77a et seq., as amended;
 - (4) Is publicly traded;
 - (5) Is purchased from a registered broker-dealer;
- (6) At the time of purchase has a remaining term to maturity of 5 years or less; and
- (7) Is rated by a nationally recognized rating organization as "AA" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 10 percent of the total par value of the portfolio as determined at the time of purchase.
- (d) Obligations or certificates of the Federal National Mortgage Association, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal Farm Credit Banks Funding Corporation or the Student Loan Marketing Association, whether or not guaranteed by the United States.
 - (e) Bonds of this state or of other states.
 - [(d)] (f) Bonds of any county of the State of Nevada.
 - $\{(e)\}\$ (g) United States treasury notes.
- $\frac{\{(f)\}}{\{(h)\}}$ (h) Farm mortgage loans fully insured and guaranteed by the Farm Service Agency of the United States Department of Agriculture.
- $\frac{\{(g)\}}{(i)}$ (i) Loans at a rate of interest of not less than 6 percent per annum, secured by mortgage on agricultural lands in this state of not less than three times the value of the amount loaned, exclusive of perishable improvements, of unexceptional title and free from all encumbrances.

- $\{(h)\}$ (j) Money market mutual funds that:
 - (1) Are registered with the Securities and Exchange Commission;
- (2) Are rated by a nationally recognized rating service as "AAA" or its equivalent; and
- (3) Invest only in securities issued or guaranteed as to payment of principal and interest by the Federal Government, or its agencies or instrumentalities, or in repurchase agreements that are fully collateralized by such securities.
- $\frac{\{(i)\}}{(k)}$ (k) Common or preferred stock of a corporation created by or existing under the laws of the United States or of a state, district or territory of the United States, if:
 - (1) The stock of the corporation is:
 - (I) Listed on a national stock exchange; or
- (II) Traded in the over-the-counter market, if the price quotations for the over-the-counter stock are quoted by the National Association of Securities Dealers Automated [Quotations] Quotation System (NASDAQ);
- (2) The outstanding shares of the corporation have a total market value of not less than \$50,000,000;
- (3) The maximum investment in stock is not greater than 50 percent of the book value of the total investments of the State Permanent School Fund:
- (4) Except for investments made pursuant to paragraph $\frac{\{(k),\}}{m}$, the amount of an investment in a single corporation is not greater than 3 percent of the book value of the assets of the State Permanent School Fund; and
- (5) Except for investments made pursuant to paragraph $\frac{\{(k),\}}{m}$, the total amount of shares owned by the State Permanent School Fund is not greater than 5 percent of the outstanding stock of a single corporation.
- (j)) (l) A pooled or commingled real estate fund or a real estate security that is managed by a corporate trustee or by an investment advisory firm that is registered with the Securities and Exchange Commission, either of which may be retained by the State Treasurer as an investment manager. The shares and the pooled or commingled fund must be held in trust. The total book value of an investment made under this paragraph must not at any time be greater than 5 percent of the total book value of all investments of the State Permanent School Fund.
- [(k)] (m) Mutual funds or common trust funds that consist of any combination of the investments listed in paragraphs (a) to [(i),] (l), inclusive.
- $\frac{\{(1)\}}{\{(1)\}}$ (n) The limited partnerships or limited-liability companies described in NRS 355.280.
- 3. The State Treasurer shall not invest any money in the State Permanent School Fund pursuant to paragraph $\frac{(i), (j) \text{ or}}{(k)}$, (l) or (m) of subsection 2 unless the State Treasurer obtains a judicial determination that the proposed investment or category of investments will not violate the provisions of Section 9 of Article 8 of the Constitution of the State of Nevada. The State Treasurer shall contract for the services of independent contractors to manage any investments of the State Treasurer made pursuant to paragraph $\frac{(i), (j) \text{ or}}{(l), (j) \text{ or}}$

- (k), (l) or (m) of subsection 2. The State Treasurer shall establish such criteria for the qualifications of such an independent contractor as are appropriate to ensure that each independent contractor has expertise in the management of such investments.
- 4. In addition to the investments authorized by subsection 2, the State Treasurer may make loans of money from the State Permanent School Fund to school districts pursuant to NRS 387.526.
- 5. No part of the State Permanent School Fund may be invested pursuant to a reverse-repurchase agreement.
 - Sec. 3. NRS 355.140 is hereby amended to read as follows:
- 355.140 1. In addition to other investments provided for by a specific statute, the following bonds and other securities are proper and lawful investments of any of the money of this state, of its various departments, institutions and agencies, and of the State Insurance Fund:
 - (a) Bonds and certificates of the United States;
- (b) Bonds, notes, debentures and loans if they are underwritten by or their payment is guaranteed by the United States;
- (c) Obligations or certificates of the United States Postal Service, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Agricultural Mortgage Corporation, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation or the Student Loan Marketing Association, whether or not guaranteed by the United States:
 - (d) Bonds of this state or other states of the Union;
 - (e) Bonds of any county of this state or of other states;
- (f) Bonds of incorporated cities in this state or in other states of the Union, including special assessment district bonds if those bonds provide that any deficiencies in the proceeds to pay the bonds are to be paid from the general fund of the incorporated city;
- (g) General obligation bonds of irrigation districts and drainage districts in this state which are liens upon the property within those districts, if the value of the property is found by the board or commission making the investments to render the bonds financially sound over all other obligations of the districts;
 - (h) Bonds of school districts within this state;
- (i) Bonds of any general improvement district whose population is 200,000 or more and which is situated in two or more counties of this state or of any other state, if:
- (1) The bonds are general obligation bonds and constitute a lien upon the property within the district which is subject to taxation; and
- (2) That property is of an assessed valuation of not less than five times the amount of the bonded indebtedness of the district;
- (j) Medium-term obligations for counties, cities and school districts authorized pursuant to chapter 350 of NRS;
- (k) Loans bearing interest at a rate determined by the State Board of Finance when secured by first mortgages on agricultural lands in this state of not less

than three times the value of the amount loaned, exclusive of perishable improvements, and of unexceptional title and free from all encumbrances;

- (l) Farm loan bonds, consolidated farm loan bonds, debentures, consolidated debentures and other obligations issued by federal land banks and federal intermediate credit banks under the authority of the Federal Farm Loan Act, formerly 12 U.S.C. §§ 636 to 1012, inclusive, and §§ 1021 to 1129, inclusive, and the Farm Credit Act of 1971, 12 U.S.C. §§ 2001 to 2259, inclusive, and bonds, debentures, consolidated debentures and other obligations issued by banks for cooperatives under the authority of the Farm Credit Act of 1933, formerly 12 U.S.C. §§ 1131 to 1138e, inclusive, and the Farm Credit Act of 1971, 12 U.S.C. §§ 2001 to 2259, inclusive, excluding such money thereof as has been received or which may be received hereafter from the Federal Government or received pursuant to some federal law which governs the investment thereof;
- (m) Negotiable certificates of deposit issued by commercial banks, insured credit unions or savings and loan associations;
- (n) Bankers' acceptances of the kind and maturities made eligible by law for rediscount with Federal Reserve banks or trust companies which are members of the Federal Reserve System, except that acceptances may not exceed 180 days' maturity, and may not, in aggregate value, exceed 20 percent of the total par value of the portfolio as determined [on] <u>at</u> the [date] <u>time</u> of purchase;
- (o) Commercial paper issued by a corporation organized and operating in the United States or by a depository institution licensed by the United States or any state and operating in the United States that:
- $\left(1\right)\,$ At the time of purchase has a remaining term to maturity of not more than $270\,days;$ and
- (2) Is rated by a nationally recognized rating service as "A-1," "P-1" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 20 percent of the total par value of the portfolio as determined [on] <u>at</u> the [date] <u>time</u> of purchase <u>;</u> [, and if the rating of an obligation is reduced to a level that does not meet the requirements of this paragraph, it must be sold as soon as possible;]
- (p) Notes, bonds and other unconditional obligations for the payment of money, except certificates of deposit that do not qualify pursuant to paragraph (m), issued by corporations organized and operating in the United States or by depository institutions licensed by the United States or any state and operating in the United States that:
 - (1) Are purchased from a registered broker-dealer;
- (2) At the time of purchase have a remaining term to maturity of not more than 5 years; and
- (3) Are rated by a nationally recognized rating service as "A" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed [20] 25 percent of the total par value of the portfolio [1, and if the rating of an obligation is reduced to a level that does not

meet the requirements of this paragraph, it must be sold as soon as possible;] as determined at the time of purchase;

- (q) A bond, note or other obligation issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation or Inter-American Development Bank that:
 - (1) Is denominated in United States dollars;
 - (2) Is a senior unsecured unsubordinated obligation;
 - (3) Is purchased from a registered broker-dealer;
- (4) At the time of purchase has a remaining term to maturity of 5 years or less; and
- (5) Is rated by a nationally recognized rating organization as "AA" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 15 percent of the total par value of the portfolio as determined at the time of purchase.
- (r) A bond, note or other obligation publicly issued in the United States by a foreign financial institution, corporation or government that:
 - (1) Is denominated in United States dollars;
 - (2) Is a senior unsecured unsubordinated obligation;
- (3) Is registered with the United States Securities and Exchange Commission in accordance with the provisions of the Securities Act of 1933, 15 U.S.C. §§ 77a et seq., as amended;
 - (4) Is publicly traded;
 - (5) Is purchased from a registered broker-dealer;
- (6) At the time of purchase has a remaining term to maturity of 5 years or less; and
- (7) Is rated by a nationally recognized rating organization as "AA" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 10 percent of the total par value of the portfolio as determined at the time of purchase.
 - (s) Money market mutual funds which:
 - (1) Are registered with the Securities and Exchange Commission;
- (2) Are rated by a nationally recognized rating service as "AAA" or its equivalent; and
- (3) Invest only in securities issued by the Federal Government or agencies of the Federal Government or in repurchase agreements fully collateralized by such securities;
- $\frac{\{(r)\}}{\{(r)\}}$ (t) Collateralized mortgage obligations that are rated by a nationally recognized rating service as "AAA" or its equivalent; and
- $\frac{\{(s)\}}{(u)}$ Asset-backed securities that are rated by a nationally recognized rating service as "AAA" or its equivalent.
- 2. Repurchase agreements are proper and lawful investments of money of the State and the State Insurance Fund for the purchase or sale of securities which are negotiable and of the types listed in subsection 1 if made in accordance with the following conditions:

- (a) The State Treasurer shall designate in advance and thereafter maintain a list of qualified counterparties which:
- (1) Regularly provide audited and, if available, unaudited financial statements to the State Treasurer;
- (2) The State Treasurer has determined to have adequate capitalization and earnings and appropriate assets to be highly credit worthy; and
- (3) Have executed a written master repurchase agreement in a form satisfactory to the State Treasurer and the State Board of Finance pursuant to which all repurchase agreements are entered into. The master repurchase agreement must require the prompt delivery to the State Treasurer and the appointed custodian of written confirmations of all transactions conducted thereunder, and must be developed giving consideration to the Federal Bankruptcy Act, 11 U.S.C. §§ 101 et seq.
 - (b) In all repurchase agreements:
- (1) At or before the time money to pay the purchase price is transferred, title to the purchased securities must be recorded in the name of the appointed custodian, or the purchased securities must be delivered with all appropriate, executed transfer instruments by physical delivery to the custodian;
- (2) The State must enter into a written contract with the custodian appointed pursuant to subparagraph (1) which requires the custodian to:
- (I) Disburse cash for repurchase agreements only upon receipt of the underlying securities;
- (II) Notify the State when the securities are marked to the market if the required margin on the agreement is not maintained;
 - (III) Hold the securities separate from the assets of the custodian; and
- (IV) Report periodically to the State concerning the market value of the securities;
- (3) The market value of the purchased securities must exceed 102 percent of the repurchase price to be paid by the counterparty and the value of the purchased securities must be marked to the market weekly;
- (4) The date on which the securities are to be repurchased must not be more than 90 days after the date of purchase; and
- (5) The purchased securities must not have a term to maturity at the time of purchase in excess of 10 years.
 - 3. As used in subsection 2:
- (a) "Counterparty" means a bank organized and operating or licensed to operate in the United States pursuant to federal or state law or a securities dealer which is:
 - (1) A registered broker-dealer;
- (2) Designated by the Federal Reserve Bank of New York as a "primary" dealer in United States government securities; and
 - (3) In full compliance with all applicable capital requirements.
- (b) "Repurchase agreement" means a purchase of securities by the State or State Insurance Fund from a counterparty which commits to repurchase those

securities or securities of the same issuer, description, issue date and maturity on or before a specified date for a specified price.

- 4. No money of this state may be invested pursuant to a reverse-repurchase agreement, except money invested pursuant to chapter 286 of NRS.
 - Sec. 4. NRS 355.170 is hereby amended to read as follows:
- 355.170 1. Except as otherwise provided in this section and NRS 354.750 and 355.171, the governing body of a local government may purchase for investment the following securities and no others:
- (a) Bonds and debentures of the United States, the maturity dates of which do not extend more than 10 years after the date of purchase.
- (b) A bond, note or other obligation issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation or Inter-American Development Bank that:
 - (1) Is denominated in United States dollars;
 - (2) Is a senior unsecured unsubordinated obligation;
 - (3) Is purchased from a registered broker-dealer;
- (4) At the time of purchase has a remaining term to maturity of 5 years or less; and
- (5) Is rated by a nationally recognized rating organization as "AA" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 15 percent of the total par value of the portfolio as determined at the time of purchase.
- (c) A bond, note or other obligation publicly issued in the United States by a foreign financial institution, corporation or government that:
 - (1) Is denominated in United States dollars:
 - (2) Is a senior unsecured unsubordinated obligation;
- (3) Is registered with the United States Securities and Exchange Commission in accordance with the provisions of the Securities Act of 1933, 15 U.S.C. §§ 77a et seq., as amended;
 - (4) Is publicly traded;
 - (5) Is purchased from a registered broker-dealer;
- (6) At the time of purchase has a remaining term to maturity of 5 years or less; and
- (7) Is rated by a nationally recognized rating organization as "AA" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 10 percent of the total par value of the portfolio as determined at the time of purchase.
- (d) Farm loan bonds, consolidated farm loan bonds, debentures, consolidated debentures and other obligations issued by federal land banks and federal intermediate credit banks under the authority of the Federal Farm Loan Act, formerly 12 U.S.C. §§ 636 to 1012, inclusive, and §§ 1021 to 1129, inclusive, and the Farm Credit Act of 1971, 12 U.S.C. §§ 2001 to 2259, inclusive, and bonds, debentures, consolidated debentures and other obligations issued by banks for cooperatives under the authority of the Farm

- Credit Act of 1933, formerly 12 U.S.C. §§ 1131 to 1138e, inclusive, and the Farm Credit Act of 1971, 12 U.S.C. §§ 2001 to 2259, inclusive.
- $\frac{\{(e)\}}{\{(e)\}}$ (e) Bills and notes of the United States Treasury, the maturity date of which is not more than 10 years after the date of purchase.
- $\{(d)\}$ (f) Obligations of an agency or instrumentality of the United States of America or a corporation sponsored by the government, the maturity date of which is not more than 10 years after the date of purchase.
- $\{(e)\}\$ (g) Negotiable certificates of deposit issued by commercial banks, insured credit unions or savings and loan associations.
- [(f)] (h) Securities which have been expressly authorized as investments for local governments by any provision of Nevada Revised Statutes or by any special law.
- [(g)] (i) Nonnegotiable certificates of deposit issued by insured commercial banks, insured credit unions or insured savings and loan associations, except certificates that are not within the limits of insurance provided by an instrumentality of the United States, unless those certificates are collateralized in the same manner as is required for uninsured deposits by a county treasurer pursuant to NRS 356.133. For the purposes of this paragraph, any reference in NRS 356.133 to a "county treasurer" or "board of county commissioners" shall be deemed to refer to the appropriate financial officer or governing body of the local government purchasing the certificates.
- $\frac{\{(h)\}}{(j)}$ Subject to the limitations contained in NRS 355.177, negotiable notes or medium-term obligations issued by local governments of the State of Nevada pursuant to NRS 350.087 to 350.095, inclusive.
- [(i)] (k) Bankers' acceptances of the kind and maturities made eligible by law for rediscount with Federal Reserve Banks, and generally accepted by banks or trust companies which are members of the Federal Reserve System. Eligible bankers' acceptances may not exceed 180 days' maturity. Purchases of bankers' acceptances may not exceed 20 percent of the money available to a local government for investment as determined [on] at the [date] time of purchase.
 - $\{(i)\}\$ (l) Obligations of state and local governments:
 - (1) If:
- (I) The interest on the obligation is exempt from gross income for federal income tax purposes; and
- (II) The obligation has been rated "A" or higher by one or more nationally recognized bond credit rating agencies; or
- (2) If the obligation is secured by the proceeds that are paid into the tax increment account of a tax increment area created by a municipality pursuant to NRS 278C.220.
- $\{(k)\}$ (m) Commercial paper issued by a corporation organized and operating in the United States or by a depository institution licensed by the United States or any state and operating in the United States that:
 - (1) Is purchased from a registered broker-dealer;

- (2) At the time of purchase has a remaining term to maturity of no more than 270 days; and
- (3) Is rated by a nationally recognized rating service as "A-1," "P-1" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 20 percent of the total portfolio as determined [on] <u>at</u> the [date] <u>time</u> of purchase . [, and if the rating of an obligation is reduced to a level that does not meet the requirements of this paragraph, it must be sold as soon as possible.
- -(1) (n) Money market mutual funds which:
 - (1) Are registered with the Securities and Exchange Commission;
- (2) Are rated by a nationally recognized rating service as "AAA" or its equivalent; and
 - (3) Invest only in:
- (I) Securities issued by the Federal Government or agencies of the Federal Government;
- (II) Master notes, bank notes or other short-term commercial paper rated by a nationally recognized rating service as "A-1," "P-1" or its equivalent, or better, issued by a corporation organized and operating in the United States or by a depository institution licensed by the United States or any state and operating in the United States; or
- (III) Repurchase agreements that are fully collateralized by the obligations described in sub-subparagraphs (I) and (II).

[(m)] (o) Obligations of the Federal Agricultural Mortgage Corporation.

- 2. Repurchase agreements are proper and lawful investments of money of a governing body of a local government for the purchase or sale of securities which are negotiable and of the types listed in subsection 1 if made in accordance with the following conditions:
- (a) The governing body of the local government shall designate in advance and thereafter maintain a list of qualified counterparties which:
- (1) Regularly provide audited and, if available, unaudited financial statements;
- (2) The governing body of the local government has determined to have adequate capitalization and earnings and appropriate assets to be highly creditworthy; and
- (3) Have executed a written master repurchase agreement in a form satisfactory to the governing body of the local government pursuant to which all repurchase agreements are entered into. The master repurchase agreement must require the prompt delivery to the governing body of the local government and the appointed custodian of written confirmations of all transactions conducted thereunder, and must be developed giving consideration to the Federal Bankruptcy Act.
 - (b) In all repurchase agreements:
- (1) At or before the time money to pay the purchase price is transferred, title to the purchased securities must be recorded in the name of the appointed

custodian, or the purchased securities must be delivered with all appropriate, executed transfer instruments by physical delivery to the custodian;

- (2) The governing body of the local government must enter a written contract with the custodian appointed pursuant to subparagraph (1) which requires the custodian to:
- (I) Disburse cash for repurchase agreements only upon receipt of the underlying securities;
- (II) Notify the governing body of the local government when the securities are marked to the market if the required margin on the agreement is not maintained;
 - (III) Hold the securities separate from the assets of the custodian; and
- (IV) Report periodically to the governing body of the local government concerning the market value of the securities;
- (3) The market value of the purchased securities must exceed 102 percent of the repurchase price to be paid by the counterparty and the value of the purchased securities must be marked to the market weekly;
- (4) The date on which the securities are to be repurchased must not be more than 90 days after the date of purchase; and
- (5) The purchased securities must not have a term to maturity at the time of purchase in excess of 10 years.
- 3. The securities described in paragraphs (a), [(b) and (e)] (d) and (e) of subsection 1 and the repurchase agreements described in subsection 2 may be purchased when, in the opinion of the governing body of the local government, there is sufficient money in any fund of the local government to purchase those securities and the purchase will not result in the impairment of the fund for the purposes for which it was created.
- 4. When the governing body of the local government has determined that there is available money in any fund or funds for the purchase of bonds as set out in subsection 1 or 2, those purchases may be made and the bonds paid for out of any one or more of the funds, but the bonds must be credited to the funds in the amounts purchased, and the money received from the redemption of the bonds, as and when redeemed, must go back into the fund or funds from which the purchase money was taken originally.
- 5. Any interest earned on money invested pursuant to subsection 3, may, at the discretion of the governing body of the local government, be credited to the fund from which the principal was taken or to the general fund of the local government.
- 6. The governing body of a local government may invest any money apportioned into funds and not invested pursuant to subsection 3 and any money not apportioned into funds in bills and notes of the United States Treasury, the maturity date of which is not more than 1 year after the date of investment. These investments must be considered as cash for accounting purposes, and all the interest earned on them must be credited to the general fund of the local government.

- 7. This section does not authorize the investment of money administered pursuant to a contract, debenture agreement or grant in a manner not authorized by the terms of the contract, agreement or grant.
 - 8. As used in this section:
- (a) "Counterparty" means a bank organized and operating or licensed to operate in the United States pursuant to federal or state law or a securities dealer which is:
 - (1) A registered broker-dealer;
- (2) Designated by the Federal Reserve Bank of New York as a "primary" dealer in United States government securities; and
 - (3) In full compliance with all applicable capital requirements.
 - (b) "Local government" has the meaning ascribed to it in NRS 354.474.
- (c) "Repurchase agreement" means a purchase of securities by the governing body of a local government from a counterparty which commits to repurchase those securities or securities of the same issuer, description, issue date and maturity on or before a specified date for a specified price.
 - Sec. 5. NRS 355.171 is hereby amended to read as follows:
- 355.171 1. Except as otherwise provided in this section, a board of county commissioners, a board of trustees of a county school district or the governing body of an incorporated city may purchase for investment:
- (a) Notes, bonds and other unconditional obligations for the payment of money issued by corporations organized and operating in the United States that:
 - (1) Are purchased from a registered broker-dealer;
- (2) At the time of purchase have a remaining term to maturity of no more than 5 years; and
- (3) Are rated by a nationally recognized rating service as "A" or its equivalent, or better.
- (b) A bond, note or other obligation issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation or Inter-American Development Bank that:
 - (1) Is denominated in United States dollars:
 - (2) Is a senior unsecured unsubordinated obligation;
 - (3) Is purchased from a registered broker-dealer;
- (4) At the time of purchase has a remaining term to maturity of 5 years or less; and
- (5) Is rated by a nationally recognized rating organization as "AA" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 15 percent of the total par value of the portfolio as determined at the time of purchase.
- (c) A bond, note or other obligation publicly issued in the United States by a foreign financial institution, corporation or government that:
 - (1) Is denominated in United States dollars;
 - (2) Is a senior unsecured unsubordinated obligation;

- (3) Is registered with the United States Securities and Exchange Commission in accordance with the provisions of the Securities Act of 1933, 15 U.S.C. §§ 77a et seq., as amended;
 - (4) Is publicly traded;
 - (5) Is purchased from a registered broker-dealer;
- (6) At the time of purchase has a remaining term to maturity of 5 years or less; and
- (7) Is rated by a nationally recognized rating organization as "AA" or its equivalent, or better, except that investments pursuant to this paragraph may not, in aggregate value, exceed 10 percent of the total par value of the portfolio as determined at the time of purchase.
- (d) Collateralized mortgage obligations that are rated by a nationally recognized rating service as "AAA" or its equivalent.
- $\frac{\{(e)\}}{\{e\}}$ (e) Asset-backed securities that are rated by a nationally recognized rating service as "AAA" or its equivalent.
- 2. With respect to investments purchased pursuant to paragraph (a) of subsection 1:
- (a) Such investments must not, in aggregate value, exceed 20 percent of the total portfolio as determined $\frac{1}{2}$ at the $\frac{1}{2}$ time of purchase; and
- (b) Not more than 25 percent of such investments may be in notes, bonds and other unconditional obligations issued by any one corporation. [: and
- (e) If the rating of an obligation is reduced to a level that does not meet the requirements of that paragraph, the obligation must be sold as soon as possible.]
 - 3. Subsections 1 and 2 do not:
 - (a) Apply to a:
- (1) Board of county commissioners of a county whose population is less than 100,000;
- (2) Board of trustees of a county school district in a county whose population is less than 100,000; or
- (3) Governing body of an incorporated city whose population is less than 150,000, unless the purchase is effected by the State Treasurer pursuant to his or her investment of a pool of money from local governments or by an investment adviser who is registered with the Securities and Exchange Commission and approved by the State Board of Finance.
- (b) Authorize the investment of money administered pursuant to a contract, debenture agreement or grant in a manner not authorized by the terms of the contract, agreement or grant.
 - Sec. 6. NRS 355.176 is hereby amended to read as follows:

annuities, mortgages, deeds of trust or other security interests in real or personal property.

Sec. 7. This act becomes effective on July 1, 2017.

Senator Woodhouse moved the adoption of the amendment.

Remarks by Senator Woodhouse.

Amendment No. 15 to Senate Bill No. 76 eliminates the requirement that certain existing investment options must be sold as soon as possible, if their rating falls below the minimum requirements of law, and requires a determination of whether the aggregate value of certain existing investments exceeds the maximum percentage set by law, only at the time of purchase.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 88.

Bill read second time and ordered to third reading.

Senate Bill No. 118.

Bill read second time.

The following amendment was proposed by the Committee on Commerce, Labor and Energy:

Amendment No. 94.

SUMMARY—Creates the interim Nevada Task Force on Financial Security. (BDR S-23)

AN ACT relating to financial security; creating the Nevada Task Force on Financial Security to conduct a comprehensive examination during the 2017-2018 legislative interim of the financial security of individuals and families in Nevada; prescribing the powers and duties of the Task Force; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill creates the Nevada Task Force on Financial Security, consisting of [seven] nine voting members, to conduct a comprehensive examination during the 2017-2018 legislative interim of the financial security of individuals and families in Nevada, including, without limitation, their opportunities to build assets and reduce debt. The costs of the Task Force will be paid only from gifts, grants and donations received by the Task Force. The Task Force is required to submit a report of its findings and recommendations to the Legislative Counsel Bureau on or before September 1, 2018.

WHEREAS, The financial crisis and Great Recession of 2008, which was followed by a record number of home foreclosures and soaring unemployment rates, have created an environment in the United States where many families struggle with reduced liquid assets and overall household wealth; and

WHEREAS, Many individuals and families in Nevada continue to face financial insecurity as a result of persisting high unemployment and stagnant wages; and

WHEREAS, According to the 2016 Assets & Opportunity Scorecard published by the Corporation for Enterprise Development, 55.6 percent of

Nevada households are without sufficient liquid assets to subsist at or above the poverty level for 3 months in the absence of income; and

WHEREAS, Statistics from the Bureau of the Census of the United States Department of Commerce reveal that the median household income in Nevada has declined approximately 17 percent between 2007 and 2013, the largest such decline in any state; and

WHEREAS, The national recession and subsequent recovery has highlighted the need to assist individuals and families in Nevada achieve greater financial security through increased access to opportunities to build financial and tangible assets such as savings, a home or a business, strategies for reducing debt and financial education; and

WHEREAS, Identifying pathways for more Nevadans to obtain the resources they need to become more financially secure will facilitate a more educated, resilient and employable workforce to further ensure an economically prosperous Nevada; and

WHEREAS, Financial insecurity negatively impacts children and their prospects for lifelong economic opportunity, with children in families experiencing financial insecurity being more likely to experience material hardship and less likely to perform well in school; and

WHEREAS, Based on recent estimates, 14.7 percent of Nevadans live below the poverty threshold, including 20 percent of Hispanics, 25 percent of African-Americans and 20.7 percent of Native Americans; and

WHEREAS, Efforts to increase the financial security and opportunities for Nevadans have been limited and fragmented across financial institutions, business foundations, governmental agencies, community development organizations and religious and nonprofit institutions; and

WHEREAS, Because of the effect that financial best practices have on all Nevadans and the economy of Nevada as a whole, a comprehensive examination by the State of Nevada of ways to educate and empower Nevadans to improve their financial resources and economic security would create a better future for all Nevadans; now, therefore,

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

Section 1. 1. The Nevada Task Force on Financial Security is hereby created. The Task Force consists of the following voting members:

- (a) Two members of the Senate appointed by the Majority Leader of the Senate;
- (b) Two members of the Assembly appointed by the Speaker of the Assembly:
- (c) One member of the Senate appointed by the Minority Leader of the Senate;
- (d) One member of the Assembly appointed by the Minority Leader of the Assembly;
- <u>(e)</u> Two members appointed by the Majority Leader of the Senate as follows:

- (1) A representative of a statewide organization that is currently engaged in activities concerning the financial security and financial education of individuals and families; and
- (2) A representative of an organization which is exempt from taxation pursuant to 26 U.S.C. § 501(c)(3) who has expertise in policies for building financial assets; and
- [(d)] (f) One member appointed by the Speaker of the Assembly who is a representative of a statewide organization approved by the United States Department of Housing and Urban Development as a housing counseling agency.
- 2. A vacancy occurring in the appointed voting membership of the Task Force must be filled in the same manner as the original appointment.
- 3. At its first meeting, the voting members of the Task Force shall elect a Chair and a Vice Chair from among the voting members who are Legislators.
- 4. A majority of the voting members of the Task Force may appoint nonvoting advisory members to the Task Force.
- 5. The members of the Task Force serve without compensation or per diem allowance. A member may receive reimbursement for travel expenses if sufficient money collected pursuant to subsection 8 or 9 for the Task Force to carry out its duties is available.
- 6. The Task Force shall hold its first meeting by not later than September 1, 2017, and shall meet at least four times.
- 7. The Task Force shall consult with and solicit input from persons and entities with expertise in matters relevant to the Task Force in carrying out its duties pursuant to this section.
- 8. The Task Force may apply for any available grants and accept any gifts, grants or donations, including, without limitation, administrative support, to assist the Task Force in carrying out its duties pursuant to this section.
- 9. The Task Force shall select an organization which is exempt from taxation pursuant to 26 U.S.C. § 501(c)(3) to serve as the fiscal agent of the Task Force. As fiscal agent, that organization may accept money from private persons and entities and expend such money for the expenses incurred by the Task Force in carrying out its duties pursuant to this section.
- 10. The Task Force shall conduct an examination of the financial security of the residents of this State, including, without limitation, the causes, extent and consequences of financial insecurity in this State, with the goal of identifying concrete strategies and recommendations for improving the financial condition of Nevadans. The study must include, without limitation:
- (a) An identification and review of programs that are currently available to further the economic advancement of residents of this State and the manner in which the impact of those programs is measured;
- (b) A review of best practices implemented around the United States to increase the financial education of individuals and families, their access to banking and other resources to assist in building assets and strategies for

reducing their debt and recommendations for implementation for such practices in this State;

- (c) Recommendations of methods to increase the economic mobility of residents of this State to strengthen and support a resilient and growing middle class;
- (d) Recommendations of concrete strategies and measurable goals to increase economic opportunities and reduce financial insecurity of residents of this State, particularly low-income families and communities of color; and
- (e) Recommendations of concrete steps to develop a competitive workforce in this State that can meet the demands of the globally competitive market of the 21st century.
- 11. On or before September 1, 2018, the Task Force shall submit a report of its findings and recommendations to the Director of the Legislative Counsel Bureau for transmittal to the 80th Session of the Legislature.
- 12. The Task Force shall carry out the duties of this section only to the extent that money is available to do so from private persons and entities, including, without limitation, gifts, grants and donations.
- Sec. 2. As soon as practicable after the effective date of this act but not later than July 1, 2017, the Majority Leader of the Senate . [and] the Speaker of the Assembly , the Minority Leader of the Senate and the Minority Leader of the Assembly shall appoint the voting members of the Nevada Task Force on Financial Security as prescribed by section 1 of this act.
- Sec. 3. 1. This act becomes effective upon passage and approval for the purpose of appointing the voting members to the Nevada Task Force on Financial Security created by section 1 of this act, and on July 1, 2017, for all other purposes.
 - 2. This act expires by limitation on June 30, 2019.

Senator Atkinson moved the adoption of the amendment.

Remarks by Senator Atkinson.

Amendment No. 94 makes one change to Senate Bill No. 118. The amendment adds two voting members to the Nevada Task Force on Financial Security: one member of the Senate appointed by the Minority Leader of the Senate and one member of the Assembly appointed by the Minority Leader of the Assembly.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 119.

Bill read second time.

The following amendment was proposed by the Committee on Education:

Amendment No. 12.

SUMMARY—Provides immunity from civil liability to certain volunteers who serve on an organizational team established by the principal of a public school as part of the reorganization of the school district. (BDR 34-322)

AN ACT relating to education; providing immunity from civil liability to certain volunteers who serve on an organizational team established by the

principal of a public school as part of the reorganization of the school district; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides certain immunity from civil liability to the officers and employees of this State and its agencies and political subdivisions, including, without limitation, school districts and charter schools. (NRS 41.032, [41.033]) 41.0335) Existing law further provides immunity from civil liability to certain volunteers. (NRS 41.485, 41.507) This bill provides immunity from civil liability to a volunteer member of an organizational team established by the principal of a public school as part of the reorganization of a school district for any damages caused by [an act or omission] certain acts or omissions of the volunteer member of the organizational team, another volunteer member or the organizational team itself. Section 2 of this bill makes this immunity apply retroactively.

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

Section 1. Chapter 386 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. If the principal of a public school establishes an organizational team as part of the reorganization of the school district in which the public school is located to assist in the development of a plan of operation for the public school or to provide other assistance and advice relating to the school, favolunteer member who serves on the organizational team is immune from eivil liability for any damages resulting from an act or omission of the volunteer member, another volunteer member or the organizational team. except as otherwise provided in subsection 2, the organizational team and its volunteer members are immune from liability for civil damages as a result of an act or omission in performing the following duties:
- (a) Providing assistance and advice to the principal of the school regarding the development of the plan of operation for the school;
- (b) Providing continued assistance and advice to the principal of the school in carrying out the plan of operation for the school;
- (c) Establishing a list of qualifications for the principal of the school and assisting with the selection of the next principal if a vacancy occurs;
- (d) Providing input regarding the principal to the superintendent or his or her designee;
- (e) Recommending candidates for the position of principal to the superintendent;
- (f) Reviewing the plan of operation for the school and making recommendations for revisions to the plan; and
- (g) Requesting the superintendent or his or her designee to revise the plan of operation for the school submitted by the principal.
- 2. This section does not restrict the liability of a public school or a school district for an act or omission of an organizational team or its volunteer members in performing the duties described in subsection 1.

- Sec. 2. The provisions of this act apply to any act or omission that occurs before, on or after the effective date of this act.
 - Sec. 3. This act becomes effective upon passage and approval.

Senator Woodhouse moved the adoption of the amendment.

Remarks by Senator Woodhouse.

The amendment enumerates the duties for which a school organizational team member receives immunity.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 127.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 9.

SUMMARY—Revises provisions relating to the election of members of certain local governing bodies. (BDR 20-786)

AN ACT relating to local governing bodies; authorizing <u>, under certain circumstances</u>, a board of county commissioners <u>in certain counties</u> to appoint members of certain local governing bodies; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the creation of certain local districts, boards, councils and commissions and provides that the members of the governing bodies of such are elected. (Chapters 244, 309, 318, 474 and 539 of NRS, NRS 269.024-269.0248, 450.550-450.760) This bill provides, under certain circumstances, that a board of county commissioners in a county whose population is less than 100,000 (currently all counties other than Clark and Washoe Counties) may appoint the members of a local governing body, if each member of the local governing body is entitled to receive annual compensation of less than \$6,000 for his or her service on the body, rather than hold elections for the positions. Before a board of county commissioners in such a county may provide by ordinance that the members of a local governing body may be appointed rather than elected, the board must determine the number of current members serving on the local governing body. If the local governing body does not have enough current members to obtain a quorum, the board of county commissioners may provide that the members of the local governing body may be appointed instead of elected without obtaining approval from the current members of the local governing body. If the local governing body has enough current members to obtain a quorum, the board of county commissioners may not provide that the members of the local government body may be appointed instead of elected unless a majority of current members of the local governing body so approve.

__This bill defines "local governing body" to mean any district, board, council or commission that is charged with executing limited duties or functions within

the county and includes a town board, citizen's advisory council, local improvement district, general improvement district, county hospital district, fire protection district and irrigation district.

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

Section 1. Chapter 244 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. Notwithstanding any other provision of law [1,1] and subject to the provisions of subsection 2, if each member of a local governing body within a county whose population is less than 100,000 is entitled to receive annual compensation of less than \$6,000 for serving on the local governing body, the board of county commissioners may, by ordinance, provide that the members may be appointed by the board of county commissioners instead of elected to that local governing body.
- 2. Before a board of county commissioners of a county whose population is less than 100,000 may provide by ordinance pursuant to subsection 1 that the members of a local governing body may be appointed instead of elected, the board of county commissioners must determine the number of current members serving on the local governing body. If the local governing body:
- (a) Does not have enough current members serving on the local governing body to obtain a quorum for the transaction of the business of the local governing body, the board of county commissioners may provide that the members of the local governing body may be appointed instead of elected without obtaining approval from the current members of the local governing body.
- (b) Has enough current members serving on the local governing body to obtain a quorum for the transaction of the business of the local governing body, the board of county commissioners may not provide that the members of the local governing body may be appointed instead of elected unless a majority of the current members of the local governing body so approve.
- 3. If, pursuant to [subsection 1,] this section, a board of county commissioners of a county whose population is less than 100,000 provides for the appointment of members to a local governing body:
- (a) Each existing member of the governing body is entitled to serve out the remainder of the term for which he or she was elected before a replacement member may be appointed;
- (b) If the terms of the existing members of the governing body are staggered, the board of county commissioners shall appoint members to the governing body as the term of each existing member expires; and
- (c) A vacancy in the unexpired term of an existing member must be filled by appointment.
- [3.] 4. Except as otherwise provided in this section, all other provisions of law relating to the local governing body, including, without limitation, the composition of the local governing body, the qualifications for membership and any residency requirements remain applicable.

- [4.] 5. For the purposes of this section, [a] "local governing body" means any district, board, council or commission that is charged with the execution of limited functions or duties within a county, including, without limitation, any district, board, council or commission organized pursuant to chapters 244, 309, 318, 474 and 539 of NRS, NRS 269.024 to 269.0248, inclusive, and 450.550 to 450.750, inclusive. The term does not include the governing body of a county, city or town.
 - Sec. 2. This act becomes effective on July 1, 2017.

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

The amendment adds a population cap so that the provisions of the bill do not apply to Clark and Washoe Counties, and provides that the Board of County Commissioners must obtain the approval of the local governing body to make it appointed rather than elected if the local governing body has enough current members to obtain a quorum.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 130.

Bill read second time.

The following amendment was proposed by the Committee on Commerce, Labor and Energy:

Amendment No. 97.

SUMMARY—Revises provisions relating to brew pubs. (BDR 52-520)

AN ACT relating to alcoholic beverages; increasing the limit on the number of barrels of malt beverages that an operator of one or more brew pubs may manufacture in any calendar year; <u>limiting the number of barrels of malt beverages manufactured on the premises of a brew pub that the operator of the brew pub may sell at retail in any calendar year;</u> and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law prohibits a person who operates one or more brew pubs in a county from manufacturing more than 15,000 barrels of malt beverages for all the brew pubs the person operates in that county in any calendar year. (NRS 597.230) This bill increases the number of barrels of malt beverages that such a person may manufacture during a calendar year to [45,000] 30,000 barrels. This bill also prohibits such a person from selling at retail more than 10,000 barrels of malt beverages manufactured on the premises of a brew pub operated by that person during any calendar year.

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

Section 1. NRS 597.230 is hereby amended to read as follows:

597.230 1. In any county, a person may operate a brew pub:

(a) In any redevelopment area established in that county pursuant to chapter 279 of NRS;

- (b) In any historic district established in that county pursuant to NRS 384.005:
 - (c) In any retail liquor store as that term is defined in NRS 369.090; or
- (d) In any other area in the county designated by the board of county commissioners for the operation of brew pubs. In a city which is located in that county, a person may operate a brew pub in any area in the city designated by the governing body of that city for the operation of brew pubs.
- → A person who operates one or more brew pubs may not manufacture more than [15,000-45,000] 30,000 barrels of malt beverages for all the brew pubs he or she operates in that county in any calendar year [1-] and may not sell at retail for consumption on or off the premises of a brew pub he or she operates more than 10,000 barrels of malt beverages for all the brew pubs he or she operates in that county in any calendar year.
- 2. The premises of any brew pub operated pursuant to this section must be conspicuously identified as a "brew pub."
- 3. A person who operates a brew pub pursuant to this section may, upon obtaining a license pursuant to chapter 369 of NRS and complying with any other applicable governmental requirements:
- (a) Manufacture and store malt beverages on the premises of the brew pub and:
- (1) Sell and transport the malt beverages manufactured on the premises to a person holding a valid wholesale wine and liquor dealer's license or wholesale beer dealer's license issued pursuant to chapter 369 of NRS.
- (2) Donate for charitable or nonprofit purposes and transport the malt beverages manufactured on the premises in accordance with the terms and conditions of a special permit for the transportation of the malt beverages obtained from the Department of Taxation pursuant to subsection 4 of NRS 369.450.
- (b) Sell at retail malt beverages manufactured on or off the premises of the brew pub for consumption on the premises.
- (c) Sell at retail in packages sealed on the premises of the brew pub, malt beverages, including malt beverages in unpasteurized form, manufactured on the premises for consumption off the premises.

Senator Atkinson moved the adoption of the amendment.

Remarks by Senator Atkinson.

Amendment No. 97 makes two changes to Senate Bill No. 130. First, it increases the limit on the number of barrels of malt beverages a person who operates a brew pub may manufacture on the premises for all of the brew pubs he or she operates in that county to 30,000 in a calendar year. Second, it prohibits such a person from selling at retail, on or off the premises of the brew pub, more than 10,000 barrels of malt beverages manufactured on the premises of the brew pub operated by that person in any calendar year.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 138.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 67.

SUMMARY—Authorizes the creation of a local improvement district for a waterfront maintenance project. (BDR 22-678)

AN ACT relating to local improvements; authorizing the creation of a local improvement district for a waterfront maintenance project; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the governing body of any county, city or unincorporated town to create an improvement district for the acquisition, improvement, equipping, operation and maintenance of certain projects, including a waterfront project, and to finance the cost of any such project through such methods as the issuance of certain bonds and the levy of assessments upon property in the improvement district. (NRS 271.265, 271.270, 271.325) Existing law also authorizes a county, city or unincorporated town to levy an assessment for ongoing maintenance, operations, improvements or repairs of certain projects after their installation, including a transportation project, a neighborhood improvement project, a street beautification project and other projects requiring extraordinary maintenance, repairs or improvements which are located in certain redevelopment areas. (NRS 271.369, 271.3695, 271.377, 271.378) A governing body is authorized to combine authorized projects in a single improvement district if the governing body determines such projects may be combined in an efficient and economical manner. (NRS 271.295)

Sections 2 and 5 of this bill authorize a county, city or unincorporated town to establish a local improvement district to fund a waterfront maintenance project, the purpose of which is to provide ongoing repairs or maintenance in relation to a public body of water or public property that is located along the shore of a public body of water. A waterfront maintenance project may be combined in the same district with a waterfront project. (NRS 271.295) However, section 7 of this bill prohibits the acquisition of a waterfront maintenance project if the local government receives written objections to the project from owners of tracts in the proposed assessment district constituting 50 percent of the basis for the computation of assessments.

Section 3 of this bill requires the governing body of a local government which has established a local improvement district for a waterfront maintenance project to annually prepare an estimate of expenditures for the next year and a proposed assessment roll for the district. Section 3 also requires the governing body to conduct a public hearing on the estimate of costs and assessment roll. Finally, section 3 requires that the proceeds of the assessment be placed in a separate fund and only used for the cost of the waterfront maintenance project.

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

- Section 1. Chapter 271 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.
- Sec. 2. 1. "Waterfront maintenance project" means any maintenance or repair, regardless of whether performed in conjunction with a waterfront project, to:
- (a) Public property that is located along the shore of a public body of water; or
 - (b) Areas within or under a public body of water.
- 2. The term includes, without limitation, maintenance and repair of restrooms, fishing sites, boardwalks, decks, boat ramps, utilities, facilities for controlling drainage, parking facilities, sidewalks, benches, bulkheads, and retaining walls and lighting equipment and dredging for boat ways, erosion protection, environmental mitigation, landscaping, pumping and excavation, and all appurtenances and incidentals thereto.
- Sec. 3. 1. On or before June 30 of each year after the creation of a district for a waterfront maintenance project, the governing body shall prepare and approve an estimate of the costs required during the next fiscal year and a proposed assessment roll assessing an amount not in excess of those estimated costs against the benefited property. The basis for the computation of the assessments must be [the]:
- (a) If the waterfront maintenance project is performed in conjunction with a waterfront project:
 - (1) The frontage [or another uniform and quantifiable];
- (2) The same basis that is used for the computation of the assessments for the waterfront project; or
- (3) Any other basis that the governing body determines is proportional to the benefits received, which determination is conclusive, absent fraud.
- (b) If the waterfront maintenance project is not performed in conjunction with a waterfront project:
 - (1) The frontage; or
- (2) Any other basis the governing body determines is proportional to the benefits received, which determination is conclusive, absent fraud.
- 2. A public hearing must be conducted on the estimate of costs for the next year and the assessment roll. Notice of the hearing must be given, and the hearing conducted, in the manner described in NRS 271.380 and 271.385. The proposed assessments must not exceed the estimated amount specified in the original assessment plat unless a new hearing, after published and mailed notice, is held in the manner described in NRS 271.305, 271.306 and 271.310.
- 3. After the public hearing on the assessment roll, the governing body shall, by resolution or ordinance, confirm the assessments as specified in the roll or as modified, and levy the assessment as provided in NRS 271.390.
- 4. The assessments must be due over a period of 1 year after the effective date of the resolution or ordinance confirming the assessments. The assessments may be made payable at one time or in two or more installments

over that period. Interest may not be charged on an assessment or installment paid when due.

- 5. The proceeds of the assessment must be placed in a separate fund of the municipality and expended only for the costs of the waterfront maintenance project.
- 6. The municipality has no obligation to pay any costs of a waterfront maintenance project except from the assessments collected pursuant to this section.
 - Sec. 4. 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 2 of this act* have the meanings ascribed to them in those sections.
 - Sec. 5. 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) A waterfront maintenance project; and
 - (u) 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.
- 6. As used in this section, "qualified project" has the meaning ascribed to it in NRS 360.888 or 360.940.
 - Sec. 6. NRS 271.280 is hereby amended to read as follows:
- 271.280 1. Whenever the governing body of a municipality determines to form an improvement district to conduct any project, the engineer shall prepare and file with the clerk:
 - (a) Preliminary plans showing:
 - (1) A typical section of the contemplated improvement.
 - (2) The type or types of material, approximate thickness and wideness.
- (3) A preliminary estimate of the cost of the project, including incidental costs.
 - (b) An assessment plat showing:
 - (1) The area to be assessed.
- (2) Except as otherwise provided in NRS 271.378 <u>and section 3 of this act</u>, the amount of maximum benefits estimated to be assessed against each tract in the assessment area.
- (c) If a resolution of the governing body does not otherwise provide, the information required pursuant to the provisions of subsections 2 to 7, inclusive.

- → The governing body is not required to employ the services of an appraiser to estimate or to assist the engineer in estimating the benefits to be derived from the project.
- 2. The preliminary plans may provide for one or more types of construction, and the engineer shall separately estimate the cost of each type of construction. The estimate may be made in a lump sum or by unit prices, as the engineer determines is most desirable for the improvement complete in place.
- 3. A resolution or document prepared by the engineer pursuant to subsection 1 must describe the project in general terms.
 - 4. The resolution or document must state:
- (a) What part or portion of the expense of the project is of special benefit and therefore is to be paid by assessments.
- (b) What part, if any, has been or is proposed to be defrayed with money derived from other than the levy of assessments.
 - (c) The basis by which the cost will be apportioned and assessments levied.
- 5. If the assessment is not to be made according to front feet, the resolution or document must:
- (a) By apt description designate the improvement district, including the tracts to be assessed.
 - (b) Describe definitely the location of the project.
- (c) State that the assessment is to be made upon all the tracts benefited by the project proportionately to the benefits received.
- 6. If the assessment is to be upon the abutting property upon a frontage basis, it is sufficient for the resolution or document so to state and to define the location of the project to be made.
- 7. It is not necessary in any case to describe minutely in the resolution or document each particular tract to be assessed, but simply to designate the property, improvement district or the location, so that the various parts to be assessed can be ascertained and determined to be within or without the proposed improvement district.
- 8. If the preliminary plans include a neighborhood improvement project, then in addition to the other requirements in this section, before the plans are ratified by the governing body, the plans must include a plan for the management of the proposed improvement district which must include, without limitation:
- (a) The improvements proposed for each year of the first 5 fiscal years of the proposed improvement district;
- (b) An estimate of the total amount to be expended on improvements in the first year of operation;
- (c) A list of any other special assessments that are currently being levied within the proposed improvement district;
 - (d) The name of any proposed association; and
- (e) Any other matter that the governing body requires to be set forth in the plan.

- 9. Upon the filing of the plans, plat and, if the engineer prepares a document pursuant to paragraph (c) of subsection 1, the document prepared by the engineer pursuant to paragraph (c) of subsection 1, they must be examined by the governing body. If the plans, plat and document, if any, are found to be satisfactory, the governing body shall make a provisional order by resolution to the effect that the project will be acquired or improved, or both acquired and improved.
 - Sec. 7. NRS 271.306 is hereby amended to read as follows:
- 271.306 1. Regardless of the basis used for apportioning assessments, the amount apportioned to a wedge or V or any other irregularly shaped tract must be in proportion to the special benefits thereby derived.
- 2. Except as otherwise provided in subsections 3 and 4, if, within the time specified in the notice, complaints, protests and objections in writing, that is, all written remonstrances, against acquiring or improving the project proposed by initiation of the governing body are filed with the clerk, signed by the owners of tracts constituting a majority of the frontage, of the area, of the zone, or of the other basis for the computation of assessments, as the case may be, of the tracts to be assessed in the improvement district or in the assessment unit if the improvement district is divided into assessment units, the project therein must not be acquired or improved unless:
- (a) The municipality pays one-half or more of the total cost of the project, other than a park project, with money derived from other than the levy of assessments: or
- (b) The project constitutes not more than 2,640 feet, including intersections, remaining unimproved in any street, including an alley, between improvements already made to either side of the same street or between improvements already made to intersecting streets. In this case the governing body may on its own motion cause the intervening and unimproved part of the street to be improved. Such improvements will not be stayed or defeated or prevented by written complaints, protests and objections thereto, unless the governing body in its sole discretion, deems such written complaints, protests and objections proper to cause the improvement to be stayed or prevented.
- 3. Written remonstrances by the owners of tracts constituting 50 percent of the basis for the computation of assessments suffice to preclude the acquisition or improvement of a street beautification project [...] or waterfront maintenance project.
- 4. Written remonstrances by the owners of tracts constituting at least one-third of the basis for the computation of assessments suffice to preclude the acquisition or improvement of a neighborhood improvement project. For the purposes of this subsection, the property of a single owner may not be counted as constituting more than 10 percent of the basis.
 - Sec. 8. NRS 271A.020 is hereby amended to read as follows:
- 271A.020 As used in this chapter, except as otherwise provided in NRS 271A.030 to 271A.060, inclusive, and unless the context otherwise requires, the words and terms defined in NRS 271.035 to 271.253, inclusive,

and section 2 of this act and 271A.030 to 271A.060, inclusive, have the meanings ascribed to them in those sections.

Sec. 9. This act becomes effective on July 1, 2017.

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

Amendment No. 67 to Senate Bill No. 138 clarifies the basis for computing assessments for a local improvement district that funds a waterfront maintenance project.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 156.

Bill read second time.

The following amendment was proposed by the Committee on Transportation:

Amendment No. 103.

SUMMARY—Revises provisions relating to the [safe] transportation of children [-] in motor vehicles. (BDR 43-349)

AN ACT relating to motor vehicles; revising provisions relating to the transportation of children in motor vehicles; [providing immunity from civil liability to child passenger safety technicians relating to the provision of or failure to provide certain services regarding child restraint systems in certain circumstances;] and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law generally requires a person transporting a child who is less than 6 years of age and who weighs 60 pounds or less in a motor vehicle to secure the child in a child restraint system that meets certain requirements. (NRS 484B.157) Existing law also generally requires any other person in a motor vehicle to wear a safety belt while the motor vehicle is being driven. (NRS 484D.495) Section 2 of this bill increases the age requirements at which a child is required to be secured in a child restraint system to less than 8 years of age and removes the weight requirement. Section 2 also adds the requirement that the child be less than 57 inches tall. [Section 2 provides immunity from civil liability to a certified child passenger safety technician for providing or failing to provide inspection, adjustment or educational services relating to child restraint systems.]

Existing law requires a citation to be issued to any driver or adult passenger who fails to wear a safety belt. In addition, existing law requires a citation to be issued to a driver for failing to require a child who is not required to be secured in a child restraint system to wear a safety belt. However, existing law only allows such citations to be issued if the violation is discovered when the vehicle is halted or the driver arrested for another alleged violation or offense. (NRS 484D.495) Section 3 of this bill revises the requirements for wearing a seatbelt so that it continues to apply to any child who is not required to be secured in a child restraint system. Section 3 also makes failure to require a child who is a passenger in a motor vehicle to wear a seatbelt a primary

offense, meaning the citation may be issued even if there is no other alleged violation or offense. In addition, section 3 authorizes the citation of the parent or guardian of the child if the parent or guardian was present in, and not the driver of, the motor vehicle while the child was not wearing a safety belt.

Existing law requires a short-term lessor of vehicles who offers or provides a waiver of damages for additional consideration to clearly and conspicuously disclose certain information, including the existing law of this State relating to wearing safety belts. (NRS 482.3156) Section 1 of this bill revises the content of the required disclosure to reflect the changes made in sections 2 and 3 regarding the requirements for wearing safety belts and securing a child in a child restraint system.

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

Section 1. NRS 482.3156 is hereby amended to read as follows:

482.3156 A short-term lessor who offers or provides a waiver of damages for any consideration in addition to the rate for lease of a passenger car shall clearly and conspicuously disclose the following information in the lease or a holder in which the lease is placed and on a sign posted at the place where the lessee signs the lease:

- 1. The nature and extent of the short-term lessee's liability.
- 2. A statement that the short-term lessee's personal insurance policy may provide coverage for all or a portion of the lessee's potential liability.
- 3. A statement that the short-term lessee should consult with his or her insurer to determine the scope of insurance coverage.
- 4. A statement that the short-term lessee may purchase an optional waiver of damages to cover all liability subject to any exception that the short-term lessor includes and that is permitted by NRS 482.31555.
 - 5. The charge for the waiver of damages.
 - 6. A statement that Nevada law requires [any]:
- (a) Any driver of a passenger car and any passenger [5] 13 years of age or older who rides in the front or back seat of a passenger car to wear a safety belt if one is available for that seating position [.];
- (b) Any passenger who is 8 years of age or older but less than 13 years of age to be secured by a safety belt in the manner set forth in subsection 2 of NRS 484B.157; and
- (c) Any passenger who is less than 8 years of age and less than 57 inches tall to be secured in a child restraint system described in subsection 1 of NRS 484B.157.
 - Sec. 2. NRS 484B.157 is hereby amended to read as follows:
- 484B.157 1. Except as otherwise provided in subsection [7, 9, 1] 8, any person who is transporting a child who is less than [6] 8 years of age and [6] 8 weighs 60 pounds or less than 57 inches tall in a motor vehicle operated in this State which is equipped to carry passengers shall secure the child in a child restraint system which:

- (a) Has been approved by the United States Department of Transportation in accordance with the Federal Motor Vehicle Safety Standards set forth in 49 C.F.R. Part 571;
 - (b) Is appropriate for the size and weight of the child; and
 - (c) Is installed within and attached safely and securely to the motor vehicle:
- (1) In accordance with the instructions for installation and attachment provided by the manufacturer of the child restraint system; or
- (2) In another manner that is approved by the National Highway Traffic Safety Administration.
- 2. Except as otherwise provided in subsection $\frac{\{9,\}}{8}$, any person who is transporting a child who is not required to be secured in a child restraint system pursuant to subsection 1 and who is less than 13 years of age in a motor vehicle operated in this State which is equipped to carry passengers shall secure the child in a safety belt in the back seat of the motor vehicle unless the air bag on the passenger's side of the front seat, if any, is deactivated and:
- (a) Special health care needs of the child require the child to ride in the front seat of the motor vehicle and a written statement signed by a physician certifying the requirement is carried in the motor vehicle;
- (b) All back seats in the motor vehicle are in use by other children who are less than 13 years of age; or
 - (c) The motor vehicle is not equipped with back seats.
- 3. If a defendant pleads or is found guilty of violating the provisions of subsection $1 + \sigma r^2$, the court shall:
- (a) For a first offense, order the defendant to pay a fine of not less than \$100 or more than \$500 or order the defendant to perform not less than 10 hours or more than 50 hours of community service;
- (b) For a second offense, order the defendant to pay a fine of not less than \$500 or more than \$1,000 or order the defendant to perform not less than 50 hours or more than 100 hours of community service; and
- (c) For a third or subsequent offense, suspend the driver's license of the defendant for not less than 30 days or more than 180 days.
- [3.] 4. At the time of sentencing, the court shall provide the defendant with a list of persons and agencies approved by the Department of Public Safety to conduct programs of training and perform inspections of child restraint systems. The list must include, without limitation, an indication of the fee, if any, established by the person or agency pursuant to subsection [4.] 5. If, within 60 days after sentencing, a defendant provides the court with proof of satisfactory completion of a program of training provided for in this subsection, the court shall:
- (a) If the defendant was sentenced pursuant to paragraph (a) of subsection $\frac{[2]}{3}$, waive the fine or community service previously imposed; or
- (b) If the defendant was sentenced pursuant to paragraph (b) of subsection [2,] 3, reduce by one-half the fine or community service previously imposed.

- → A defendant is only eligible for a reduction of a fine or community service pursuant to paragraph (b) if the defendant has not had a fine or community service waived pursuant to paragraph (a).
- [4.] 5. A person or agency approved by the Department of Public Safety to conduct programs of training and perform inspections of child restraint systems may, in cooperation with the Department, establish a fee to be paid by defendants who are ordered to complete a program of training. The amount of the fee, if any:
 - (a) Must be reasonable; and
- (b) May, if a defendant desires to acquire a child restraint system from such a person or agency, include the cost of a child restraint system provided by the person or agency to the defendant.
- → A program of training may not be operated for profit.
- [5.] 6. [A person who is currently certified as a child passenger safety technician by the National Child Passenger Safety Certification Training Program and who, in good faith, provides inspection, adjustment or educational services relating to a child restraint system is not liable for any civil damages as a result of any act or omission, not amounting to gross negligence, by that person in providing such services or as a result of any failure to act, not amounting to gross negligence, to provide such services.
- 7.1 For the purposes of NRS 483.473, a violation of this section is not a moving traffic violation.
 - [6.-8.] 7. A violation of this section may not be considered:
 - (a) Negligence in any civil action; or
 - (b) Negligence or reckless driving for the purposes of NRS 484B.653.
 - [7.-9.] 8. This section does not apply:
- (a) To a person who is transporting a child in a means of public transportation, including a taxi, school bus or emergency vehicle.
- (b) When a physician determines that the use of such a child restraint system for the particular child would be impractical or dangerous because of such factors as the child's weight, physical unfitness or medical condition. In this case, the person transporting the child shall carry in the vehicle the signed statement of the physician to that effect.
- [8.-10.] 9. As used in this section, "child restraint system" means any device that is designed for use in a motor vehicle to restrain, seat or position children. The term includes, without limitation:
- (a) Booster seats and belt-positioning seats that are designed to elevate or otherwise position a child so as to allow the child to be secured with a safety belt;
 - (b) Integrated child seats; and
- (c) Safety belts that are designed specifically to be adjusted to accommodate children.
 - Sec. 3. NRS 484D.495 is hereby amended to read as follows:
 - 484D.495 1. It is unlawful to drive a passenger car manufactured after:

- (a) January 1, 1968, on a highway unless it is equipped with at least two lap-type safety belt assemblies for use in the front seating positions.
- (b) January 1, 1970, on a highway unless it is equipped with a lap-type safety belt assembly for each permanent seating position for passengers. This requirement does not apply to the rear seats of vehicles operated by a police department or sheriff's office.
- (c) January 1, 1970, unless it is equipped with at least two shoulder-harness-type safety belt assemblies for use in the front seating positions.
 - 2. Any person driving, and any passenger who:
 - (a) Is [6] 8 years of age or older; or
- (b) [Weighs more than 60 pounds, regardless of age,] Is 57 inches tall or more, regardless of age, who rides in the front or back seat of any vehicle described in subsection 1, having an unladen weight of less than 10,000 pounds, on any highway, road or street in this State shall wear a safety belt if one is available for the seating position of the person or passenger.
- 3. A citation must be issued to any driver or to any adult passenger who fails to wear a safety belt as required by subsection 2. A citation may be issued pursuant to this subsection only if the violation is discovered when the vehicle is halted or its driver arrested for another alleged violation or offense.
- 4. If the passenger who fails to wear a safety belt as required by subsection 2 is a child who:
- (a) Is $\frac{6}{8}$ years of age or older but less than 18 years of age, regardless of *height or* weight; or
- (b) Is less than [6] 8 years of age but who [weighs more than 60 pounds,] is 57 inches [or taller] tall or more, a citation must be issued to the driver for failing to require that child to wear the safety belt [, but if both the driver and that child are not wearing safety belts, only one citation may be issued to the driver for both violations. A citation may be issued pursuant to this subsection only if the violation is discovered when the vehicle is halted or its driver arrested for another alleged violation or offense.] and, if the driver is not the parent or guardian of the child, to the parent or guardian of the child if the parent or guardian was present.
- 5. Any person who violates the provisions of subsection 2 shall be punished by a fine of not more than \$25 or by a sentence to perform a certain number of hours of community service.
 - [4.] 6. A violation of subsection 2:
 - (a) Is not a moving traffic violation under NRS 483.473.
- (b) May not be considered as negligence or as causation in any civil action or as negligent or reckless driving under NRS 484B.653.
- (c) May not be considered as misuse or abuse of a product or as causation in any action brought to recover damages for injury to a person or property resulting from the manufacture, distribution, sale or use of a product.

- [5.] 7. The Department shall exempt those types of motor vehicles or seating positions from the requirements of subsection 1 when compliance would be impractical.
- [6.] 8. The provisions of subsections 2 [and 3] to 5, inclusive, do not apply:
- (a) To a driver or passenger who possesses a written statement by a physician certifying that the driver or passenger is unable to wear a safety belt for medical or physical reasons;
- (b) If the vehicle is not required by federal law to be equipped with safety belts:
- (c) To an employee of the United States Postal Service while delivering mail in the rural areas of this State;
- (d) If the vehicle is stopping frequently, the speed of that vehicle does not exceed 15 miles per hour between stops and the driver or passenger is frequently leaving the vehicle or delivering property from the vehicle; or
- (e) Except as otherwise provided in NRS 484D.500, to a passenger riding in a means of public transportation, including a school bus or emergency vehicle.
- [7.] 9. It is unlawful for any person to distribute, have for sale, offer for sale or sell any safety belt or shoulder harness assembly for use in a motor vehicle unless it meets current minimum standards and specifications of the United States Department of Transportation.
 - Sec. 4. This act becomes effective on January 1, 2018.

Senator Manendo moved the adoption of the amendment.

Remarks by Senator Manendo.

Amendment No. 103 to Senate Bill No. 156 deletes language that would have provided immunity from civil liability to a child passenger safety technician for providing or failing to provide inspection, adjustment or educational services relating to a child restraint system.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 163.

Bill read second time and ordered to third reading.

Senate Bill No. 165.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 55.

SUMMARY—Makes various changes concerning the prevention and treatment of obesity. (BDR 40-791)

AN ACT relating to public health; defining the term "obesity" as a chronic disease; requiring the Division of Public and Behavioral Health of the Department of Health and Human Services to prepare an annual report on obesity; requiring certain school districts to collect data concerning the height and weight of pupils; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law uses the term "obesity" in listing the benefits of breast-feeding, mandating training for child care providers and mandating public information and prevention programs of the Division of Public and Behavioral Health of the Department of Health and Human Services. (NRS 201.232, 432A.1775, 439.517, 439.521) Section 1 of this bill defines the term "obesity" in the preliminary chapter of NRS as a chronic disease having certain characteristics. Sections 2 and 4-6 of this bill define the term "obesity" as used in those provisions of existing law. Section 5 also requires the Division to prepare an annual report on obesity statistics in this State and the efforts to reduce obesity.

Existing law requires certain school nurses to conduct or supervise certain examinations of pupils in certain grades for scoliosis, visual and auditory problems or any gross physical defects. School authorities must provide notice of those examinations to the parent or guardian of a child before performing the examination, and each school nurse or designee of the nurse must report the results of those examinations to the Chief Medical Officer. (NRS 392.420) Section 3 of this bill: (1) requires the board of trustees of each school district in a county whose population is 100,000 or more (currently Clark and Washoe counties) to use school nurses, health personnel and certain teachers and other personnel to conduct examinations of the height and weight of certain pupils; and (2) provides that, under certain circumstances, the school authorities are not required to provide notice to the parent or guardian of a child before conducting the examination. Section 3 also requires the Division to: (1) compile a report of the results of those examinations specific to each region of this State for which the information is collected; [and] (2) publish and disseminate the reports \square ; and (3) submit a copy of the report to the superintendent of each school district located in a county whose population is 100,000 or more (currently Clark and Washoe Counties).

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

Section 1. The preliminary chapter of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. Except as otherwise provided by specific statute or required by context, "obesity" means a chronic disease characterized by an abnormal and unhealthy accumulation of body fat which is statistically correlated with premature mortality, hypertension, heart disease, diabetes, cancer and other health conditions, and may be indicated by:
 - (a) A body mass index of 30 or higher in adults;
- (b) A body mass index that is greater than two standard deviations above the World Health Organization's growth standard for children who are at least 5 but less than 19 years of age, or greater than three standard deviations above the standard for children who are less than 5 years of age;
- (c) A body fat percentage greater than 25 percent for men or 32 percent for women; or

- (d) A waist size of 40 inches or more for men or 35 inches or more for women.
- 2. As used in this section, "chronic disease" means a health condition or disease which presents for a period of 3 months or more or is persistent, indefinite or incurable.
 - Sec. 2. NRS 201.232 is hereby amended to read as follows:
 - 201.232 1. The Legislature finds and declares that:
- (a) The medical profession in the United States recommends that children from birth to the age of 1 year should be breast fed, unless under particular circumstances it is medically inadvisable.
- (b) Despite the recommendation of the medical profession, statistics reveal a declining percentage of mothers who are choosing to breast feed their babies.
- (c) Many new mothers are now choosing to use formula rather than to breast feed even before they leave the hospital, and only a small percentage of all mothers are still breast feeding when their babies are 6 months old.
- (d) In addition to the benefit of improving bonding between mothers and their babies, breast feeding offers better nutrition, digestion and immunity for babies than does formula feeding, and it may increase the intelligence quotient of a child. Babies who are breast fed have lower rates of death, meningitis, childhood leukemia and other cancers, diabetes, respiratory illnesses, bacterial and viral infections, diarrheal diseases, otitis media, allergies, obesity and developmental delays.
- (e) Breast feeding also provides significant benefits to the health of the mother, including protection against breast cancer and other cancers, osteoporosis and infections of the urinary tract. The incidence of breast cancer in the United States might be reduced by 25 percent if every woman breast fed all her children until they reached the age of 2 years.
- (f) The World Health Organization and the United Nations Children's Fund have established as one of their major goals for the decade the encouragement of breast feeding.
- (g) The social constraints of modern society weigh against the choice of breast feeding and lead new mothers with demanding time schedules to opt for formula feeding to avoid embarrassment, social ostracism or criminal prosecution.
- (h) Any genuine promotion of family values should encourage public acceptance of this most basic act of nurture between a mother and her baby, and no mother should be made to feel incriminated or socially ostracized for breast feeding her child.
- 2. Notwithstanding any other provision of law, a mother may breast feed her child in any public or private location where the mother is otherwise authorized to be, irrespective of whether the nipple of the mother's breast is uncovered during or incidental to the breast feeding.
 - 3. As used in this section:
- (a) "Chronic disease" means a health condition or disease which presents for a period of 3 months or more or is persistent, indefinite or incurable.

- (b) "Obesity" means a chronic disease characterized by an abnormal and unhealthy accumulation of body fat which is statistically correlated with premature mortality, hypertension, heart disease, diabetes, cancer and other health conditions, and may be indicated by:
 - (1) A body mass index of 30 or higher in adults;
- (2) A body mass index that is greater than two standard deviations above the World Health Organization's growth standard for children who are at least 5 but less than 19 years of age, or greater than three standard deviations above the standard for children who are less than 5 years of age;
- (3) A body fat percentage greater than 25 percent for men or 32 percent for women; or
- (4) A waist size of 40 inches or more for men or 35 inches or more for women.
 - Sec. 3. NRS 392.420 is hereby amended to read as follows:
- 392.420 1. In each school at which a school nurse is responsible for providing nursing services, the school nurse shall plan for and carry out, or supervise qualified health personnel in carrying out, a separate and careful observation and examination of every child who is regularly enrolled in a grade specified by the board of trustees or superintendent of schools of the school district in accordance with this subsection to determine whether the child has scoliosis, any visual or auditory problem, or any gross physical defect. The grades in which the observations and examinations must be carried out are as follows:
 - (a) For visual and auditory problems:
- (1) Before the completion of the first year of initial enrollment in elementary school;
 - (2) In at least one additional grade of the elementary schools; and
- (3) In one grade of the middle or junior high schools and one grade of the high schools; and
 - (b) For scoliosis, in at least one grade of schools below the high schools.
- Any person other than a school nurse, including, without limitation, a person employed at a school to provide basic first aid and health services to pupils, who performs an observation or examination pursuant to this subsection must be trained by a school nurse to conduct the observation or examination.
- 2. In addition to the requirements of subsection 1, the board of trustees of each school district in a county whose population is 100,000 or more shall direct school nurses, qualified health personnel employed pursuant to subsection 6, teachers who teach physical education or health or other licensed educational personnel who have completed training in measuring the height and weight of a pupil provided by the school district, to measure the height and weight of a representative sample of pupils who are enrolled in grades 4, 7 and 10 in the schools within the school district. The Division of Public and Behavioral Health of the Department of Health and Human

Services shall determine the number of pupils necessary to include in the representative sample.

- 3. If any child is attending school in a grade above one of the specified grades and has not previously received such an observation and examination, the child must be included in the current schedule for observation and examination. Any child who is newly enrolled in the district must be examined for any medical condition for which children in a lower grade are examined.
- [3.] 4. A special examination for a possible visual or auditory problem must be provided for any child who:
 - (a) Is enrolled in a special program;
 - (b) Is repeating a grade;
- (c) Has failed an examination for a visual or auditory problem during the previous school year; or
 - (d) Shows in any other way that the child may have such a problem.
- [4.] 5. The school authorities shall notify the parent or guardian of any child who is found or believed to have scoliosis, any visual or auditory problem, or any gross physical defect, and shall recommend that appropriate medical attention be secured to correct it. Any written notice provided to the parent or guardian of a child pursuant to this subsection must include, to the extent that information is available, a list of any resources that may be available in the community to provide such medical attention, including, without limitation, resources available at no charge or at a reduced cost. If such a list is provided, the principal, his or her designee, or any employee of the school or the school district is not responsible for providing such resources to the pupil or ensuring that the pupil receives such resources.
- [5.] 6. In any school district in which state, county or district public health services are available or conveniently obtainable, those services may be used to meet the responsibilities assigned under the provisions of this section. The board of trustees of the school district may employ qualified personnel to perform them. Any nursing services provided by such qualified personnel must be performed in compliance with chapter 632 of NRS.
- [6.] 7. The board of trustees of a school district may adopt a policy which encourages the school district and schools within the school district to collaborate with:
- (a) Qualified health care providers within the community to perform, or assist in the performance of, the services required by this section; and
- (b) Postsecondary educational institutions for qualified students enrolled in such an institution in a health-related program to perform, or assist in the performance of, the services required by this section.

[7. The]

8. Except as otherwise provided in subsection 9, the school authorities shall provide notice to the parent or guardian of a child before performing on the child the examinations required by this section. The notice must inform the parent or guardian of the right to exempt the child from all or part of the examinations. Any child must be exempted from an examination if the child's

parent or guardian files with the teacher a written statement objecting to the examination.

- [8.] 9. The school authorities are not required to provide notice to the parent or guardian of a child before measuring the child's height or weight pursuant to subsection 2 if it is not practicable to do so.
- 10. Each school nurse or a designee of a school nurse, including, without limitation, a person employed at a school to provide basic first aid and health services to pupils, shall report the results of the examinations conducted pursuant to this section in each school at which he or she is responsible for providing services to the Chief Medical Officer in the format prescribed by the Chief Medical Officer. Each such report must exclude any identifying information relating to a particular child. The Chief Medical Officer shall compile all such information the Officer receives to monitor the health status of children and shall retain the information.
- 11. The Division of Public and Behavioral Health of the Department of Health and Human Services shall:
- (a) Compile a report relating to each region of this State for which data is collected regarding the height and weight of pupils measured pursuant to subsection 2 and reported to the Chief Medical Officer pursuant to subsection 19: and 10;
- (b) Publish and disseminate the reports not later than 12 months after receiving the results of the examinations pursuant to subsection $10\frac{f}{f}$; and
- (c) Submit a copy of the report disseminated pursuant to paragraph (b) to the superintendent of each school district located in a county whose population is 100,000 or more.
 - Sec. 4. NRS 432A.1775 is hereby amended to read as follows:
- 432A.1775 1. Each person who is employed in a child care facility that provides care for more than 12 children, other than in a facility that provides care for ill children, shall complete:
 - (a) Before January 1, 2014, at least 15 hours of training;
- (b) On or after January 1, 2014, and before January 1, 2015, at least 18 hours of training;
- (c) On or after January 1, 2015, and before January 1, 2016, at least 21 hours of training; and
 - (d) On or after January 1, 2016, 24 hours of training each year.
- 2. Except as otherwise provided in subsection 1, each person who is employed in any child care facility, other than in a facility that provides care for ill children, shall complete at least 15 hours of training each year.
- 3. At least 2 hours of the training required by subsections 1 and 2 each year must be devoted to the lifelong wellness, health and safety of children and must include training relating to childhood obesity, nutrition and physical activity.
 - 4. As used in this section:
- (a) "Chronic disease" means a health condition or disease which presents for a period of 3 months or more or is persistent, indefinite or incurable.

- (b) "Obesity" means a chronic disease characterized by an abnormal and unhealthy accumulation of body fat which is statistically correlated with premature mortality, hypertension, heart disease, diabetes, cancer and other health conditions, and may be indicated by:
 - (1) A body mass index of 30 or higher in adults;
- (2) A body mass index that is greater than two standard deviations above the World Health Organization's growth standard for children who are at least 5 but less than 19 years of age, or greater than three standard deviations above the standard for children who are less than 5 years of age;
- (3) A body fat percentage greater than 25 percent for men or 32 percent for women; or
- (4) A waist size of 40 inches or more for men or 35 inches or more for women.
 - Sec. 5. NRS 439.517 is hereby amended to read as follows:
- 439.517 *1.* Within the limits of available money, the Division shall establish the State Program for Wellness and the Prevention of Chronic Disease to increase public knowledge and raise public awareness relating to wellness and chronic diseases and to educate the residents of this State about:
- [1.] (a) Wellness, including, without limitation, behavioral health, proper nutrition, maintaining oral health, increasing physical fitness, preventing obesity and tobacco use; and
- [2.] (b) The prevention of chronic diseases, including, without limitation, arthritis, asthma, cancer, diabetes, cardiovascular disease, stroke, heart disease and oral disease.
 - 2. As used in this section:
- (a) "Chronic disease" means a health condition or disease which presents for a period of 3 months or more or is persistent, indefinite or incurable.
- (b) "Obesity" means a chronic disease characterized by an abnormal and unhealthy accumulation of body fat which is statistically correlated with premature mortality, hypertension, heart disease, diabetes, cancer and other health conditions, and may be indicated by:
 - (1) A body mass index of 30 or higher in adults;
- (2) A body mass index that is greater than two standard deviations above the World Health Organization's growth standard for children who are at least 5 but less than 19 years of age, or greater than three standard deviations above the standard for children who are less than 5 years of age;
- (3) A body fat percentage greater than 25 percent for men or 32 percent for women; or
- (4) A waist size of 40 inches or more for men or 35 inches or more for women.
 - Sec. 6. NRS 439.521 is hereby amended to read as follows:
- 439.521 *1.* To carry out the provisions of NRS 439.514 to 439.525, inclusive, the Division shall, within the limits of available money, and with the advice and recommendations of the Advisory Council:

- [1.] (a) Periodically prepare burden reports concerning health problems and diseases, including, without limitation, a lack of physical fitness, poor nutrition, tobacco use and exposure to tobacco smoke, [obesity,] chronic diseases, including, without limitation, obesity and diabetes, and other diseases, as determined by the Division, using the most recent information obtained through surveillance, epidemiology and research. As used in this [subsection,] paragraph, "burden report" means a calculation of the impact of a particular health problem or chronic disease on this State, as measured by financial cost, mortality, morbidity or other indicators specified by the Division.
- [2.] (b) Prepare an annual report on obesity pursuant to paragraph (a) which must:
 - (1) Include, without limitation:
 - (I) Current obesity rates in this State;
- (II) Information regarding obesity with regard to specific demographics;
 - (III) Actions taken by the Division regarding obesity; and
 - (IV) The State's goals and achievements regarding obesity rates.
- (2) On or before March 15 of each year, be submitted to the Director of the Legislative Counsel Bureau for transmittal to:
- (I) The Legislative Committee on Health Care during even-numbered years; and
 - (II) The Legislature during odd-numbered years.
- (c) Identify, review and encourage, in coordination with the Department of Education, the Nevada System of Higher Education and other appropriate state agencies, existing evidence-based programs related to nutrition, physical fitness and tobacco prevention and cessation, including, without limitation, programs of state and local governments, educational institutions, businesses and the general public.
- [3.] (d) Develop, promote and coordinate recommendations for model and evidence-based programs that contribute to reductions in the incidence of chronic disease in this State. The programs should encourage:
- [(a)] (1) Proper nutrition, physical fitness and health among the residents of this State, including, without limitation, parents and children, senior citizens, high-risk populations and persons with special needs; and
- [(b)] (2) Work-site wellness policies that include, without limitation, tobacco-free and breast feeding-friendly environments, healthy food and beverage choices and physical activity opportunities in schools, businesses and public buildings.
- [4.] (e) Assist on projects within this State as requested by, and in coordination with, the President's Council on Fitness, Sports and Nutrition.
- [5.] (f) Identify and review methods for reducing health care costs associated with tobacco use and exposure to tobacco smoke, [obesity,] chronic diseases , including, without limitation, obesity and diabetes, and other diseases, as determined by the Division.

- [6.] (g) Maintain a website to provide information and resources on nutrition, physical fitness, health, wellness and the prevention of [6.] chronic diseases [-].
- $\overline{-7.}$, including, without limitation, obesity and diabetes.
- (h) Solicit information from and, to the extent feasible, coordinate its efforts with:
 - [(a)] (1) Other governmental agencies;
 - [(b)] (2) National health organizations and their local and state chapters;
 - [(e)] (3) Community and business leaders;
 - [(d)] (4) Community organizations;
 - [(e)] (5) Providers of health care;
 - [(f)] (6) Private schools; and
- [(g)] (7) Other persons who provide services relating to tobacco use and exposure, physical fitness and wellness and the prevention of [obesity,] chronic diseases, *including*, *without limitation*, *obesity and diabetes*, and other diseases.
- [8.] (i) Establish, maintain and enhance statewide chronic disease surveillance systems.
- [9.] (j) Translate surveillance, evaluation and research information into press releases, briefs, community education and advocacy materials and other publications that highlight chronic diseases and the key risk factors of those diseases.
- [10.] (k) Identify, assist and encourage the growth of, through funding, training, resources and other support, the community's capacity to assist persons who have a chronic disease.
- [11.] (*l*) Encourage relevant community organizations to effectively recruit key population groups to receive clinical preventative services, including, without limitation:
- $\frac{\{(a)\}}{\{(a)\}}$ (1) Screening and early detection of breast, cervical and colorectal cancer, diabetes, high blood pressure and obesity;
 - [(b)] (2) Oral screenings; and
 - (3) Tobacco cessation counseling.
- [12.] (m) Promote positive policy, system and environmental changes within communities and the health care system based on, without limitation, the Chronic Care Model developed by the MacColl Center for Health Care Innovation and the Patient-Centered Medical Home Recognition Program of the National Committee for Quality Assurance.
 - [13.] (n) Review and revise the Program as needed.
 - 2. As used in this section:
- (a) "Chronic disease" means a health condition or disease which presents for a period of 3 months or more or is persistent, indefinite or incurable.
- (b) "Obesity" means a chronic disease characterized by an abnormal and unhealthy accumulation of body fat which is statistically correlated with premature mortality, hypertension, heart disease, diabetes, cancer and other health conditions, and may be indicated by:

- (1) A body mass index of 30 or higher in adults;
- (2) A body mass index that is greater than two standard deviations above the World Health Organization's growth standard for children who are at least 5 but less than 19 years of age, or greater than three standard deviations above the standard for children who are less than 5 years of age;
- (3) A body fat percentage greater than 25 percent for men or 32 percent for women; or
- (4) A waist size of 40 inches or more for men or 35 inches or more for women.
- Sec. 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. 8. This act becomes effective on July 1, 2017.

Senator Spearman moved the adoption of the amendment.

Remarks by Senator Spearman.

Amendment No. 55 revises Senate Bill No. 165 to require the Division of Public and Behavioral Health to provide a copy of its report regarding height and weight measurements to the superintendent of each school district in a county whose population is 100,000 or more, currently Clark and Washoe Counties.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 171.

Bill read second time.

The following amendment was proposed by the Committee on Commerce, Labor and Energy:

Amendment No. 96.

SUMMARY—Requires certain pharmacies to <u>post or provide</u> [a means for <u>persons to dispose</u>] <u>written instructions for the safe disposal</u> of unused drugs. (BDR 54-634)

AN ACT relating to pharmacies; requiring certain pharmacies in this State to <u>post or provide {a means for persons to dispose}</u> written instructions for the <u>safe disposal</u> of unused drugs; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides, in certain institutional settings, for the return of certain unused drugs to the dispensing pharmacy and the reissue or transfer of such drugs. (NRS 433.801, 435.700, 449.2485, 639.2675, 639.2676) Existing law also establishes programs for the donation, distribution and dispensing of drugs to treat HIV/AIDS and cancer. (Chapter 453B of NRS) This bill requires each retail community pharmacy in this State to post in a conspicuous place on the premises of the pharmacy or provide [a means for persons to], upon request, written instructions for safely [dispose] disposing of unused drugs.

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

Section 1. Chapter 639 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. Each retail community pharmacy in this State shall post in a conspicuous place on the premises of the pharmacy or provide [a means for persons to dispose], upon the request of any person, written instructions concerning the safe disposal of unused drugs. f, including, without limitation, opioids and other drugs that were not dispensed by the retail community pharmacy. Such means may include, without limitation:
- (a) Offering, for sale or free of charge, containers that:
- (1) Contain a substance which will render a drug chemically inert when the drug is placed in such a container; and
- (2) Can be disposed of in the same manner as other solid waste without polluting water or soil; and
- -(b) Accepting unused drugs and disposing of those drugs in any lawful manner.]
- 2. As used in this section, "retail community pharmacy" means a pharmacy that is licensed by the Board and dispenses drugs directly to the general public at retail prices. The term does not include:
- (a) A pharmacy that dispenses prescription medications to patients solely through the mail;
- (b) A nonprofit pharmacy designated by the Board pursuant to NRS 639.2676;
 - (c) An institutional pharmacy;
 - (d) A pharmacy in a correctional institution; or
 - (e) A pharmacy owned or operated by a governmental entity.
- Sec. 2. [This act becomes effective 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 on January 1, 2018, for all other purposes.] (Deleted by amendment.)

Senator Atkinson moved the adoption of the amendment.

Remarks by Senator Atkinson.

Amendment No. 96 makes three changes to Senate Bill No. 171. First, it removes provisions requiring a retail community pharmacy to provide a means for a person to safely dispose of unused drugs. Next, it requires each retail community pharmacy to post in a conspicuous place on the premises or provide to any person who makes a request written instructions on the safe disposal of unused drugs. Finally, it deletes the effective date of January 1, 2018, as provided for in the bill.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 176.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 84.

SUMMARY—Revises provisions relating to public safety. (BDR 23-666)

AN ACT relating to public safety; requiring certain peace officers to wear a portable event recording device while on duty; requiring certain law enforcement agencies to adopt policies and procedures governing the use of portable event recording devices; revising provisions relating to the imposition and maximum amount of a surcharge which may be collected in certain counties used for the enhancement of the telephone system for reporting an emergency; providing that such a surcharge may also be used for the purpose of purchasing and maintaining portable event recording devices and vehicular event recording devices; and providing other matters properly relating thereto. Legislative Counsel's Digest:

Existing law: (1) authorizes certain peace officers to wear a portable event recording device while on duty; and (2) requires certain law enforcement agencies to adopt policies and procedures governing the use of portable event recording devices. (NRS 289.830) Existing law also requires: (1) certain peace officers employed by the Nevada Highway Patrol to wear a portable event recording device while on duty; and (2) the Nevada Highway Patrol to adopt policies and procedures governing the use of portable event recording devices. (NRS 480.365)

Section 1 of this bill requires rather than authorizes certain peace officers to wear a portable event recording device while on duty. Section 1 also : (1) expands the list of law enforcement agencies whose uniformed peace officers must wear portable event recording devices; and (2) requires [certain] the law enforcement agencies whose uniformed peace officers must wear portable event recording devices to adopt policies and procedures governing the use of portable event recording devices. Section 5 of this bill repeals NRS 480.365, the provision pertaining to the use of portable event recording devices by peace officers employed by the Nevada Highway Patrol, as that section is no longer necessary because the Nevada Highway Patrol is included within the definition of "law enforcement agency" for the purposes of section 1.

Existing law: (1) authorizes the board of county commissioners of all counties whose population is less than 700,000 (currently all counties other than Clark County) to impose a surcharge to be used for the enhancement of the telephone system for reporting an emergency in the county; and (2) sets forth the requirements relating to the imposition of such a surcharge. (NRS 244A.7641-244A.7647) Sections 2-4 of this bill: (1) provide that the surcharge may be imposed in all counties in this State; (2) increase the maximum amount of the surcharge that may be imposed; and (3) authorize the surcharge to also be used for the purpose of purchasing and maintaining portable event recording devices and vehicular event recording devices.

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

Section 1. NRS 289.830 is hereby amended to read as follows:

289.830 1. A law enforcement agency [may] shall require uniformed peace officers that it employs and who routinely interact with the public to

wear a portable event recording device while on duty. [If a law enforcement agency so requires, the] Each law enforcement agency shall adopt policies and procedures governing the use of portable event recording devices, which must include, without limitation:

- (a) Except as otherwise provided in paragraph (d), requiring activation of a portable event recording device whenever a peace officer is responding to a call for service or at the initiation of any other law enforcement or investigative encounter between a uniformed peace officer and a member of the public;
- (b) Except as otherwise provided in paragraph (d), prohibiting deactivation of a portable event recording device until the conclusion of a law enforcement or investigative encounter;
 - (c) Prohibiting the recording of general activity;
 - (d) Protecting the privacy of persons:
 - (1) In a private residence;
- (2) Seeking to report a crime or provide information regarding a crime or ongoing investigation anonymously; or
 - (3) Claiming to be a victim of a crime;
- (e) [Limiting the period for which a] Requiring that any video recorded by a portable event recording device must be retained [;] by the law enforcement agency for not less than 15 days; and
 - (f) Establishing disciplinary rules for peace officers who:
- (1) Fail to operate a portable event recording device in accordance with any departmental policies;
- (2) [Manipulate] Intentionally manipulate a video recorded by a portable event recording device; or
- (3) Prematurely erase a video recorded by a portable event recording device.
- 2. Any record made by a portable event recording device pursuant to this section is a public record which may be:
 - (a) Requested only on a per incident basis; and
- (b) Available for inspection only at the location where the record is held if the record contains confidential information that may not otherwise be redacted.
 - 3. As used in this section:
 - (a) "Law enforcement agency" means:
 - (1) The sheriff's office of a county;
 - (2) A metropolitan police department;
 - (3) A police department of an incorporated city; [or]
- (4) <u>A department, division or municipal court of a city or town that</u> employs marshals; or
 - (5) The Nevada Highway Patrol.
- (b) "Portable event recording device" means a device issued to a peace officer by a law enforcement agency to be worn on his or her body and which records both audio and visual events occurring during an encounter with a member of the public while performing his or her duties as a peace officer.

Sec. 1.3. NRS 179.425 is hereby amended to read as follows:

- 179.425 "Electronic, mechanical or other device" means any device or apparatus which can be used to intercept a wire, electronic or oral communication other than:
- 1. Any telephone instrument, equipment or facility, or any component thereof:
- (a) Furnished to the subscriber or user by a provider of electronic communication service in the ordinary course of its business and being used by the subscriber or user in the ordinary course of its business;
- (b) Furnished by the subscriber or user for connection to the facilities of an electronic communication service and being used by the subscriber or user in the ordinary course of its business; or
- (c) Being used by a provider of electronic communication service in the ordinary course of its business, or by an investigative or law enforcement officer in the ordinary course of his or her duties.
- 2. A hearing aid or similar device being used to correct subnormal hearing to not better than normal.
- 3. A portable event recording device, as defined in NRS 289.830_. [or 480.365.]

Sec. 1.7. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 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, 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. 2. NRS 244A.7641 is hereby amended to read as follows:
- 244A.7641 As used in NRS 244A.7641 to 244A.7647, inclusive, unless the context otherwise requires:
- 1. "Mobile telephone service" means cellular or other service to a telephone installed in a vehicle or which is otherwise portable.
- 2. "Place of primary use" has the meaning ascribed to it in 4 U.S.C. § 124(8), as that section existed on August 1, 2002.
- 3. "Portable event recording device" has the meaning ascribed to it in NRS 289.830.
- *4.* "Supplier" means a person authorized by the Federal Communications Commission to provide mobile telephone service.
- [4.] 5. "Telephone system" means a system for transmitting information between or among points specified by the user that does not change the form or content of the information regardless of the technology, facilities or equipment used. A telephone system may include, without limitation:
 - (a) Wireless or Internet technology, facilities or equipment; and
- (b) Technology, facilities or equipment used for transmitting information from an emergency responder to the user or from the user to an emergency responder.
- 6. "Vehicular event recording device" means a device which is affixed to a marked vehicle of a law enforcement agency, as defined in NRS 289.830, and which records both audio and visual events.
 - Sec. 3. NRS 244A.7643 is hereby amended to read as follows:
- 244A.7643 1. Except as otherwise provided in this section, the board of county commissioners [in] of a county [whose population is 100,000 or more but less than 700,000] may by ordinance, for the enhancement of the telephone system for reporting an emergency in the county [],] and for the purpose of

purchasing and maintaining portable event recording devices and vehicular event recording devices, impose a surcharge on:

- (a) Each access line or trunk line of each customer to the local exchange of any telecommunications provider providing those lines in the county; and
- (b) The mobile telephone service provided to each customer of that service whose place of primary use is in the county.
- 2. [Except as otherwise provided in this section, the board of county commissioners in a county whose population is less than 100,000 may by ordinance, for the enhancement or improvement of the telephone system for reporting an emergency in the county, impose a surcharge on:
- (a) Each access line or trunk line of each customer to the local exchange of any telecommunications provider providing those lines in the county; and
- (b) The mobile telephone service provided to each customer of that service whose place of primary use is in the county.
- —3.] A board of county commissioners may not impose a surcharge pursuant to this section unless the board first adopts a 5-year master plan for the enhancement [or improvement, as applicable,] of the telephone system for reporting emergencies in the county [.] or for the purpose of purchasing and maintaining portable event recording devices and vehicular event recording devices, as applicable. The master plan must include an estimate of the cost of the enhancement [or improvement, as applicable,] of the telephone system or of the cost of purchasing and maintaining portable event recording devices and vehicular event recording devices, as applicable, and all proposed sources of money for funding those costs. For the duration of the imposition of the surcharge, the board shall, at least annually, review and, if necessary, update the master plan.
- [4.] 3. The surcharge imposed by a board of county commissioners pursuant to this section:
- (a) For each access line to the local exchange of a telecommunications provider, must not exceed [25 cents] \$1 each month;
- (b) For each trunk line to the local exchange of a telecommunications provider, must equal 10 times the amount of the surcharge imposed for each access line to the local exchange of a telecommunications provider pursuant to paragraph (a); and
- (c) For each telephone number assigned to a customer by a supplier of mobile telephone service, must equal the amount of the surcharge imposed for each access line to the local exchange of a telecommunications provider pursuant to paragraph (a).
- [5.] 4. A telecommunications provider which provides access lines or trunk lines in a county which imposes a surcharge pursuant to this section or a supplier which provides mobile telephone service to a customer in such a county shall collect the surcharge from its customers each month. Except as otherwise provided in NRS 244A.7647, the telecommunications provider or supplier shall remit the surcharge it collects to the treasurer of the county in

which the surcharge is imposed not later than the 15th day of the month after the month it receives payment of the surcharge from its customers.

- [6.] 5. An ordinance adopted pursuant to [subsection 1 or 2] this section may include a schedule of penalties for the delinquent payment of amounts due from telecommunications providers or suppliers pursuant to this section. Such a schedule:
- (a) Must provide for a grace period of not less than 90 days after the date on which the telecommunications provider or supplier must otherwise remit the surcharge to the county treasurer; and
- (b) Must not provide for a penalty that exceeds 5 percent of the cumulative amount of surcharges owed by a telecommunications provider or a supplier.
- [7.] 6. As used in this section, "trunk line" means a line which provides a channel between a switchboard owned by a customer of a telecommunications provider and the local exchange of the telecommunications provider.
 - Sec. 4. NRS 244A.7645 is hereby amended to read as follows:
- 244A.7645 1. If a surcharge is imposed pursuant to NRS 244A.7643 in a county whose population is 100,000 or more, [but less than 700,000,] the board of county commissioners of that county shall establish by ordinance an advisory committee to develop a plan to enhance the telephone system for reporting an emergency in that county and to oversee any money allocated for that purpose. The advisory committee must [eonsist]:
 - (a) Consist of not less than five members who:
 - $\frac{\{(a)\}}{\{(a)\}}$ (1) Are residents of the county;
- [(b)] (2) Possess knowledge concerning telephone systems for reporting emergencies; and
 - $\frac{f(c)}{f(c)}$ (3) Are not elected public officers.
- (b) Subject to the provisions of subparagraph (3) of paragraph (a), include the chief law enforcement officer or his or her designee from each office of the county sheriff, metropolitan police department, [and] police department of an incorporated city within the county and department, division or municipal court of a city or town that employs marshals within the county, as applicable.
- 2. If a surcharge is imposed pursuant to NRS 244A.7643 in a county whose population is less than 100,000, the board of county commissioners of that county shall establish by ordinance an advisory committee to develop a plan to enhance or improve the telephone system for reporting an emergency in that county and to oversee any money allocated for that purpose. The advisory committee must:
 - (a) Consist of not less than five members who:
 - (1) Are residents of the county;
- (2) Possess knowledge concerning telephone systems for reporting emergencies; and
 - (3) Are not elected public officers. [: and]
- (b) Include a representative of an incumbent local exchange carrier which provides service to persons in that county. As used in this paragraph, "incumbent local exchange carrier" has the meaning ascribed to it in 47 U.S.C.

- § 251(h)(1), as that section existed on October 1, 1999, and includes a local exchange carrier that is treated as an incumbent local exchange carrier pursuant to that section.
- (c) Subject to the provisions of subparagraph (3) of paragraph (a), include the chief law enforcement officer or his or her designee from each office of the county sheriff, metropolitan police department, fand police department of an incorporated city within the county and department, division or municipal court of a city or town that employs marshals within the county, as applicable.
- 3. If a surcharge is imposed in a county pursuant to NRS 244A.7643, the board of county commissioners of that county shall create a special revenue fund of the county for the deposit of the money collected pursuant to NRS 244A.7643. The money in the fund must be used only:
 - (a) With respect to the telephone system for reporting an emergency:
- (1) In a county whose population is 45,000 or more, [but less than 700,000,] to enhance the telephone system for reporting an emergency, including only:
- $\frac{\{(1)\}}{\{(I)\}}$ (I) Paying recurring and nonrecurring charges for telecommunication services necessary for the operation of the enhanced telephone system;
- $\frac{\{(2)\}}{(II)}$ Paying costs for personnel and training associated with the routine maintenance and updating of the database for the system;
- [(3)] (III) Purchasing, leasing or renting the equipment and software necessary to operate the enhanced telephone system, including, without limitation, equipment and software that identify the number or location from which a call is made; and
- [(4)] (IV) Paying costs associated with any maintenance, upgrade and replacement of equipment and software necessary for the operation of the enhanced telephone system.
- [(b)] (2) In a county whose population is less than 45,000, to improve the telephone system for reporting an emergency in the county.
- (b) With respect to purchasing and maintaining portable event recording devices and vehicular event recording devices, paying costs associated with the acquisition, maintenance, storage of data, upgrade and replacement of equipment and software necessary for the operation of portable event recording devices and vehicular event recording devices or systems that consist of both portable event recording devices and vehicular event recording devices.
- 4. If the balance in the fund created in a county whose population is 100,000 or more pursuant to subsection 3 which has not been committed for expenditure exceeds \$5,000,000 at the end of any fiscal year, the board of county commissioners shall reduce the amount of the surcharge imposed during the next fiscal year by the amount necessary to ensure that the unencumbered balance in the fund at the end of the next fiscal year does not exceed \$5,000,000.

- 5. If the balance in the fund created in a county whose population is 45,000 or more but less than [700,000] 100,000 pursuant to subsection 3 which has not been committed for expenditure exceeds \$1,000,000 at the end of any fiscal year, the board of county commissioners shall reduce the amount of the surcharge imposed during the next fiscal year by the amount necessary to ensure that the unencumbered balance in the fund at the end of the next fiscal year does not exceed \$1,000,000.
- [5.] 6. If the balance in the fund created in a county whose population is less than 45,000 pursuant to subsection 3 which has not been committed for expenditure exceeds \$500,000 at the end of any fiscal year, the board of county commissioners shall reduce the amount of the surcharge imposed during the next fiscal year by the amount necessary to ensure that the unencumbered balance in the fund at the end of the next fiscal year does not exceed \$500,000.

Sec. 4.3. NRS 331.220 is hereby amended to read as follows:

- 331.220 1. Except as otherwise provided in subsection 2, it is unlawful for a person to engage in any kind of surreptitious electronic surveillance on the grounds of any facility owned or leased by the State of Nevada without the knowledge of the person being observed.
 - 2. Subsection 1 does not apply to any electronic surveillance:
- (a) Authorized by a court order issued to a public officer, based upon a showing of probable cause to believe that criminal activity is occurring on the property under surveillance;
 - (b) By a law enforcement agency pursuant to a criminal investigation;
 - (c) By a peace officer pursuant to NRS 289.830; or
- (d) By a uniformed peace officer of the Nevada Highway Patrol Division of the Department of Public Safety pursuant to NRS 480.365; or
- (e)] Which is necessary as part of a system of security used to protect and ensure the safety of persons on the grounds of the facility.
 - Sec. 4.5. NRS 393.400 is hereby amended to read as follows:
- 393.400 1. Except as otherwise provided in subsection 2, it is unlawful for a person to engage in any kind of surreptitious electronic surveillance on any property of a public school without the knowledge of the person being observed.
 - 2. Subsection 1 does not apply to any electronic surveillance:
- (a) Authorized by a court order issued to a public officer, based upon a showing of probable cause to believe that criminal activity is occurring on the property of the public school under surveillance;
 - (b) By a law enforcement agency pursuant to a criminal investigation;
 - (c) By a peace officer pursuant to NRS 289.830;
- (d) By a uniformed peace officer of the Nevada Highway Patrol Division of the Department of Public Safety pursuant to NRS 480.365;
- $\frac{\text{(e)}}{\text{(e)}}$ Which is necessary as part of a system of security used to protect and ensure the safety of persons on the property of the public school; or
- $\frac{\{(f)\}}{(e)}$ Of a class or laboratory when authorized by the teacher of the class or laboratory.

Sec. 4.7. NRS 396.970 is hereby amended to read as follows:

- 396.970 1. Except as otherwise provided in subsection 2, it is unlawful for a person to engage in any kind of surreptitious electronic surveillance on a campus of the System without the knowledge of the person being observed.
 - 2. Subsection 1 does not apply to any electronic surveillance:
- (a) Authorized by a court order issued to a public officer, based upon a showing of probable cause to believe that criminal activity is occurring on the property under surveillance;
 - (b) By a law enforcement agency pursuant to a criminal investigation;
 - (c) By a peace officer pursuant to NRS 289.830;
- (d) By a uniformed peace officer of the Nevada Highway Patrol Division of the Department of Public Safety pursuant to NRS 480.365;
- $\frac{-(e)}{}$ Which is necessary as part of a system of security used to protect and ensure the safety of persons on the campus; or
- [(f)] (e)_Of a class or laboratory when authorized by the teacher of the class or laboratory.
 - Sec. 5. NRS 480.365 is hereby repealed.
 - Sec. 6. This act becomes effective:
- 1. Upon passage and approval for the purpose of adopting regulations and performing any preliminary administrative tasks that are necessary to carry out the provisions of this act; and
 - 2. On [January] July 1, 2018, for all other purposes.

TEXT OF REPEALED SECTION

- 480.365 Requirement for wearing of portable event recording device while on duty: Nevada Highway Patrol to adopt policies and procedures and establish disciplinary rules; record made by device is a public record; availability of such records.
 - 1. The Nevada Highway Patrol shall:
- (a) Require each uniformed peace officer employed by the Nevada Highway Patrol who routinely interacts with the public to wear a portable event recording device while on duty.
- (b) Adopt policies and procedures governing the use of portable event recording devices, including, without limitation:
- (1) Requiring activation of a portable event recording device whenever a peace officer is:
 - (I) Responding to a call for service; or
- (II) Initiating a law enforcement or investigative encounter with a member of the public;
- (2) Prohibiting deactivation of a portable event recording device until the conclusion of the event described in subparagraph (1);
 - (3) Protecting the privacy of persons:
 - (I) In private residences;
- $(II)\;$ Seeking to report a crime or provide information regarding a crime or ongoing investigation anonymously; and
 - (III) Claiming to be a victim of a crime;

- (4) Requiring that any record made by a portable event recording device be retained by the Nevada Highway Patrol for not less than 15 days; and
 - (5) Establishing disciplinary rules for peace officers who:
- (I) Fail to operate a portable event recording device in accordance with any policy or procedure adopted pursuant to this section;
- (II) Intentionally manipulate any record made by a portable event recording device in violation of any policy or procedure adopted pursuant to this section; or
- (III) Prematurely erase or destroy any record made by a portable event recording device.
- 2. Any record made by a portable event recording device pursuant to this section is a public record which may only be:
 - (a) Requested on a per incident basis; and
- (b) Available for inspection at the location where the record is held if the record contains confidential information that may not otherwise be redacted.
- 3. As used in this section, "portable event recording device" means a device issued to a peace officer employed by the Nevada Highway Patrol to be worn on his or her body and which records both audio and visual events during an encounter with a member of the public while performing his or her duties as a peace officer.

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

Amendment No. 84 to Senate Bill No. 176 expands the list of law enforcement agencies whose uniformed peace officers must wear portable event recording devices to include a department, division or municipal court of a city or town that employs marshals. The effective date is extended by six month from January 1, 2018 to July 1, 2018.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 184.

Bill read second time and ordered to third reading.

Senate Bill No. 192.

Bill read second time and ordered to third reading.

Senate Bill No. 206.

Bill read second time.

The following amendment was proposed by the Committee on Commerce, Labor and Energy:

Amendment No. 148.

SUMMARY—Revises provisions relating to barbering. (BDR 54-535)

AN ACT relating to barbering; revising provisions governing the terms of appointed members of the State Barbers' Health and Sanitation Board; requiring the Board to post certain financial information and examination dates on the Internet website maintained by the Board; revising the qualifications for a license as an instructor in a barber school; revising requirements for the

operation of a barber school; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the State Barbers' Health and Sanitation Board, consisting of the Chief Medical Officer or his or her designee, and three members who are licensed barbers appointed by the Governor. (NRS 643.020) Under existing law, the appointed members of the Board serve terms of 3 years. (NRS 232A.020) Section 1 of this bill: (1) increases to 4 years the length of the term of appointed members of the Board; and (2) prohibits an appointed member of the Board from serving more than [2] three terms. Under section 8 of this bill, [any term] only terms commencing [before July 1, 2017, does not] on or after January 3, 2011 count toward the limitation on the number of terms that may be served.

Section 2 of this bill requires the Board to place on its Internet website the Board's budget and any financial reports prepared by the Board.

Existing law requires the Board to conduct examinations relating to licensing not less than three times each year. (NRS 643.100) Section 3 of this bill requires the Board to post such examination dates on its Internet website not less than 60 days before the date of the examination.

Existing law requires an applicant for a license as an instructor at a barber school to have practiced not less than 5 years as a full-time licensed barber. (NRS 643.1775) Section 4 of this bill changes this requirement to not less than 3 years.

Existing law establishes the requirements for a licensed barber school. (NRS 643.174) Senate Bill No. 370 of the 2015 Legislative Session added the requirement that, after July 1, 2017, a barber school be owned and operated by at least two instructors. (Sections 2.5 and 5.5 of chapter 424, Statutes of Nevada 2015, pp. 2441-42) Sections 5-7 of this bill prevent this requirement from taking effect and instead require a barber school, after July 1, 2018, to have at least two instructors who provide instruction at the school.

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

Section 1. NRS 643.020 is hereby amended to read as follows:

643.020 1. The State Barbers' Health and Sanitation Board, consisting of four members, is hereby created.

- 2. The Board consists of the Chief Medical Officer, or a member of his or her staff designated by the Chief Medical Officer, and three members who are licensed barbers appointed by the Governor [...] for terms of 4 years. Of the barbers, one barber must be from Clark County, one barber must be from Washoe County and one barber must be from any county in the State. Each of the barbers must have been a resident of this State and a practicing licensed barber for at least 5 years immediately before his or her appointment. [AA] An appointed member of the Board shall not serve more than [two] three terms.
 - 3. The Governor may remove a member of the Board for cause.

- Sec. 2. NRS 643.050 is hereby amended to read as follows:
- 643.050 1. The Board may:
- (a) Maintain offices in as many locations in this State as it finds necessary to carry out the provisions of this chapter.
- (b) Employ attorneys, investigators and other professional consultants and clerical personnel necessary to the discharge of its duties.
 - (c) Adopt regulations necessary to carry out the provisions of this chapter.
- 2. The Board shall prescribe, by regulation, sanitary requirements for barbershops and barber schools.
- 3. Any member of the Board or its agents or assistants may enter and inspect any barbershop or barber school at any time during business hours or at any time when the practice of barbering or instruction in that practice is being carried on.
- 4. The Board shall keep a record of its proceedings relating to the issuance, refusal, renewal, suspension and revocation of licenses. The record must contain the name, place of business and residence of each licensed barber, licensed apprentice and instructor, and the date and number of the license. The record must be open to public inspection at all reasonable times.
- 5. The Board shall place on the Internet website maintained by the Board the budget of the Board and all financial reports prepared by the Board.
- 6. The Board may approve and, by official order, establish the days and hours when barbershops may remain open for business whenever agreements fixing such opening and closing hours have been signed and submitted to the Board by any organized and representative group of licensed barbers of at least 70 percent of the licensed barbers of any county. The Board may investigate the reasonableness and propriety of the hours fixed by such an agreement, as is conferred by the provisions of this chapter, and the Board may fix hours for any portion of a county.
- [6.] 7. The Board may adopt regulations governing the conduct of barber schools and the course of study of barber schools.
 - Sec. 3. NRS 643.100 is hereby amended to read as follows:
- 643.100 1. Not less than three times each year, at such times and places as it determines, the Board shall conduct examinations to determine the fitness of each of the following:
 - (a) Applicants for licenses as barbers.
 - (b) Applicants for licenses as apprentices.
 - (c) Applicants to enter barber schools.
- 2. The examination of applicants for licenses as barbers and apprentices must include a practical demonstration and a written and oral test that must include the subjects usually taught in barber schools approved by the Board.
- 3. Not less than 60 days before the date of an examination described in this section, the Board shall provide notice of the examination on the Internet website maintained by the Board.
 - Sec. 4. NRS 643.1775 is hereby amended to read as follows:
 - 643.1775 The Board shall license any person as an instructor who:

- 1. Has applied to the Board in writing on the form prescribed by the Board;
- 2. Holds a high school diploma or its equivalent;
- 3. Has paid the applicable fees;
- 4. Holds a license as a barber issued by the Board;
- 5. Submits all information required to complete the application;
- 6. Has practiced not less than [5] 3 years as a full-time licensed barber in this State, the District of Columbia or in any other state or country whose requirements for licensing barbers are substantially equivalent to those in this State:
- 7. Has successfully completed a training program for instructors conducted by a licensed barber school which consists of not less than 600 hours of instruction within a 6-month period; and
- 8. Has passed an examination for instructors administered in accordance with NRS 643.1777.
- Sec. 5. Section 2.5 of chapter 424, Statutes of Nevada 2015, at page 2441, is hereby amended to read as follows:
 - Sec. 2.5. NRS 643.174 is hereby amended to read as follows:
 - 643.174 Upon receipt of an application to operate a barber school, the Board shall require the applicant, if the applicant is a sole proprietor, or a member, partner or officer, if the applicant is a firm, partnership or corporation, to appear personally before the Board and submit information in such form as the Board may by regulation prescribe showing:
 - 1. The location of the proposed barber school and its physical facilities and equipment;
 - 2. The proposed maximum number of students to be trained at any one time and the number of instructors to be provided;
 - 3. The nature and terms of the applicant's right of possession of the proposed premises, whether by lease, ownership or otherwise;
 - 4. The financial ability of the applicant to operate the barber school in accordance with the requirements of this chapter and the regulations of the Board:
 - 5. That the barber school will [be owned and operated by] have at least two instructors [;] who provide instruction at the school; and
 - 6. Such other information as the Board considers necessary.
- Sec. 6. Section 5.5 of chapter 424, Statutes of Nevada 2015, at page 2442, is hereby amended to read as follows:
 - Sec. 5.5. The amendatory provisions of section 2.5 of this act do not apply to a barber school for which a license to operate the barber school is issued or renewed before July 1, [2017.] 2018.
- Sec. 7. Section 6 of chapter 424, Statutes of Nevada 2015, at page 2442, is hereby amended to read as follows:
 - Sec. 6. 1. This act becomes effective upon passage and approval for the purpose of adopting any regulations and performing any other

preparatory administrative tasks necessary to carry out the provisions of this act.

- 2. This section and sections 1, 2 and 3 to 5.5, inclusive, of this act become effective on January 1, 2016, for all other purposes.
- 3. Section 2.5 of this act becomes effective on July 1, $\frac{2017,}{2018}$, for all other purposes.
- Sec. 8. 1. The amendatory provisions of section 1 of this act do not affect the current term of appointment of any person who, on June 30, 2017, is an appointed member of the State Barbers' Health and Sanitation Board.
 - 2. Any term of appointment commencing [before July 1, 2017,]:
- (a) Before January 3, 2011, must not be counted toward the limitation set forth in NRS 634.020, as amended by section 1 of this act.
- (b) On or after January 3, 2011, must be counted toward the limitation set forth in NRS 634.020, as amended by section 1 of this act.
- Sec. 9. 1. This section and sections 5, 6 and 7 of this act become effective upon passage and approval.
 - 2. Sections 1 to 4, inclusive, of this act become effective on July 1, 2017. Senator Atkinson moved the adoption of the amendment.

Remarks by Senator Atkinson.

Amendment No. 148 makes two changes to Senate Bill No. 206. The amendment increases the terms that an appointed member may serve to no more than three terms and requires an appointment of a member beginning on or after January 3, 2011, count toward the limitation on the number of terms that may be served.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 234.

Bill read second time.

The following amendment was proposed by the Committee on Transportation:

Amendment No. 104.

SUMMARY—Authorizes the [seizure] possession and storage of certain unmanned aerial vehicles [+] by law enforcement and certain other persons. (BDR 44-75)

AN ACT relating to unmanned aerial vehicles; authorizing the [seizure] possession and storage of certain unmanned aerial vehicles [] by law enforcement and certain other persons; authorizing the examination of recordings or data contained in an unmanned aerial vehicle under certain conditions; providing for the licensing and regulation of unmanned aerial vehicle storage facilities; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes a peace officer to seize and impound a car or other vehicle without a warrant in certain circumstances. (NRS 482.540, 484B.320, 484E.060) Existing law also provides for the licensing and regulation of

certain businesses which receive such vehicles. (Chapter 487 of NRS) Section 7 of this bill authorizes a peace officer, without a warrant, to [seize] take possession of an unmanned aerial vehicle which [is] has crashed [sqrounded, disabled] or has been abandoned or when such an officer has probable cause to believe that the aerial vehicle was used in the commission of a crime. Section 7 also authorizes a peace officer to [seize and] impound an unmanned aerial vehicle in a licensed storage facility for such aerial vehicles. If the owner of a crashed [sqrounded, disabled] or abandoned unmanned aerial vehicle is unknown, section 7 authorizes a peace officer, without a warrant, to conduct a reasonable examination of any recordings or data contained in the aerial vehicle to determine the owner. Finally, section 7 requires a peace officer who has probable cause to believe that an unmanned aerial vehicle was used in the commission of a crime and who reasonably believes the aerial vehicle contains evidence, to obtain a warrant before examining any recordings or data stored on the aerial vehicle.

Section 8 of this bill authorizes an unmanned aerial vehicle storage facility or law enforcement agency to release a stored unmanned aerial vehicle to its owner under certain conditions. Section 8 also authorizes an unmanned aerial vehicle storage facility or law enforcement agency to charge a storage fee in certain circumstances and authorizes a storage facility to sell unclaimed aerial vehicles in certain circumstances.

Section 9 of this bill requires an unmanned aerial vehicle storage facility to be licensed by the Department of Motor Vehicles. Sections 10-16 of this bill provide for the licensure of those facilities.

Section 17 of this bill requires an unmanned aerial vehicle storage facility to keep certain records. Section 18 of this bill authorizes the Department of Motor Vehicles to adopt regulations to carry out the provisions of this bill, including, without limitation, the storage fee that may be charged by an unmanned aerial vehicle storage facility or law enforcement agency.

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

- Section 1. Chapter 493 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 18, inclusive, of this act.
- Sec. 2. As used in sections 2 to 18, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3, 4 and 5 of this act have the meanings ascribed to them in those sections.
 - Sec. 3. "Department" means the Department of Motor Vehicles.
- Sec. 4. "Unmanned aerial vehicle" means a powered aircraft, including, without limitation, a fixed-wing or rotary-wing aircraft of any size, which does not have a human operator aboard and which is controlled remotely or autonomously.
- Sec. 5. "Unmanned aerial vehicle storage facility" means an indoor storage facility licensed under sections 2 to 18, inclusive, of this act for the impoundment and storage of unmanned aerial vehicles [seized] taken into possession by a law enforcement agency.

- Sec. 6. The provisions of sections 2 to 18, inclusive, of this act do not apply to any unmanned aerial vehicle owned or operated by:
 - 1. A state or local governmental entity; or
- 2. The Armed Forces of the United States or a reserve component thereof, the National Guard or a department or agency of the Federal Government.
- Sec. 7. 1. A peace officer who finds an unmanned aerial vehicle which has crashed or <u>fis grounded</u>, <u>disabled or</u>] <u>has been</u> abandoned and for which the owner is not readily identifiable, may, without a warrant:
- (a) [Seize and take] Take possession of the aerial vehicle in accordance with the provisions of subsection 2;
- (b) Conduct a reasonable examination of any recordings or data stored on the aerial vehicle which may be necessary to ascertain the owner of the aerial vehicle; and
- (c) Store the aerial vehicle at an unmanned aerial vehicle storage facility or an area used by a law enforcement agency to store property or evidence.
- 2. An unmanned aerial vehicle [seized] held pursuant to subsection 1 must be treated as lost property pursuant to the policies of the receiving law enforcement agency and in accordance with the provisions of NRS 600.100.
- 3. A peace officer who has probable cause to believe that an unmanned aerial vehicle was used in the commission of a criminal offense and who reasonably believes that the unmanned aerial vehicle is, or contains, evidence of a criminal offense, may [seize and] take possession of the aerial vehicle without a warrant, but may not examine any recordings or data stored on the aerial vehicle without a warrant.
- 4. An unmanned aerial vehicle [seized] taken into possession pursuant to subsection 3 must be stored at an unmanned aerial vehicle storage facility or an area used by a law enforcement agency to store property or evidence.
- 5. A peace officer may remove any contraband or cargo discovered onboard an unmanned aerial vehicle before storing the aerial vehicle pursuant to this section.
- Sec. 8. 1. An unmanned aerial vehicle storage facility or law enforcement agency may release an unmanned aerial vehicle which was <u>{seized}</u> <u>held</u> pursuant to subsection 1 of section 7 of this act to the owner of the aerial vehicle if the owner:
- (a) Presents proof of ownership or is otherwise able to provide information or other satisfactory evidence that he or she is the rightful owner of the unmanned aerial vehicle; and
- (b) Pays any storage fee required by the Department pursuant to section 18 of this act.
- 2. An unmanned aerial vehicle storage facility or law enforcement agency may release an unmanned aerial vehicle [seized] taken into possession pursuant to subsection 3 of section 7 of this act to the owner of the aerial vehicle, if:
- (a) There are no criminal charges relating to the {seizure of the} aerial vehicle which are still pending;

- (b) The aerial vehicle is not subject to forfeiture pursuant to NRS 179.1156 to 179.121, inclusive, 179.1211 to 179.1235, inclusive, or 207.350 to 207.520, inclusive, or any other provision of law;
- (c) The owner submits proof of ownership or is otherwise able to provide information or other satisfactory evidence that he or she is the rightful owner of the unmanned aerial vehicle; and
- (d) If applicable, the owner pays any storage fee required by the Department pursuant to section 18 of this act.
- 3. If an unmanned aerial vehicle was [seized] taken into possession pursuant to subsection 3 of section 7 of this act, the Department may only impose a storage fee pursuant to section 18 of this act if a criminal conviction relating to the [seizure of the] aerial vehicle was obtained against the owner of the aerial vehicle.
- 4. If an unmanned aerial vehicle is not claimed by the owner of the aerial vehicle pursuant to this section within 180 days after delivery to an unmanned aerial vehicle storage facility, the facility may sell the unmanned aerial vehicle or disassemble the aerial vehicle and sell its parts after obtaining a written release from the law enforcement agency which <code>{seized} ordered the unmanned aerial vehicle filt to be held.}</code>
- 5. The proceeds of the sale of an unmanned aerial vehicle or its parts pursuant to this section shall be deemed to satisfy any outstanding storage fees for that unmanned aerial vehicle. If the amount of the proceeds exceeds any outstanding storage fees, the remaining amount may be used in the following order:
 - (a) To cover the reasonable cost of the sale incurred by the storage facility;
 - (b) To pay any liens against the unmanned aerial vehicle; and
- (c) To reimburse the owner of the unmanned aerial vehicle, if known, or, if unknown, the unmanned aerial vehicle storage facility may retain the balance.
- 6. Before selling an unmanned aerial vehicle or its parts pursuant to this section, an unmanned aerial vehicle storage facility must, to the extent possible, delete or otherwise remove any recordings or data stored on the aerial vehicle.
- Sec. 9. 1. A person shall not operate an unmanned aerial vehicle storage facility without a license issued by the Department.
- 2. Operating an unmanned aerial vehicle storage facility without a license is a misdemeanor.
- Sec. 10. 1. An application for a license to operate an unmanned aerial vehicle storage facility must be made on a form provided by the Department, include the social security number of the applicant and be accompanied by such proof as the Department may require that the applicant owns or leases and will conduct business from a permanent location with at least 5,000 square feet of land which is surrounded by a screened fence that is at least 6 feet high.
- 2. The fee for the issuance or renewal of a license to operate an unmanned aerial vehicle storage facility is \$100.

- 3. All fees collected by the Department pursuant to this section must be deposited with the State Treasurer for credit to the Motor Vehicle Fund.
- Sec. 11. 1. An applicant for the issuance or renewal of a license to operate an unmanned aerial vehicle storage facility shall submit to the 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 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 license; or
 - (b) A separate form prescribed by the Department.
- 3. A license may not be issued or renewed by the Department pursuant to sections 2 to 18, inclusive, of this act 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 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. 12. 1. The Department may approve or reject an application for a license to operate an unmanned aerial vehicle storage facility. If the Department receives the statement required pursuant to section 11 of this act and approves the application, the Department shall issue to the applicant a license containing the name and address of the applicant, the name under which the business is to be conducted, the business address and a distinguishing number assigned to the applicant.
- 2. A licensee shall post the license in a conspicuous place clearly visible to the general public at the business address set forth on the license.
 - 3. A license expires on April 30 of each year.
 - 4. A licensee may renew the license by submitting to the Department:
- (a) A completed application for renewal upon a form supplied by the Department;
 - (b) The statement required pursuant to section 11 of this act; and
 - (c) The fee for renewal of a license provided in section 10 of this act.
- Sec. 13. 1. Except as otherwise provided in subsection 4, the Department shall not issue a license to operate an unmanned aerial vehicle

storage facility until the applicant has filed with the Department a good and sufficient bond in the amount of \$25,000, with a corporate surety thereon licensed to do business in the State of Nevada, approved as to form by the Attorney General, and conditioned that the applicant conducts business as an unmanned aerial vehicle storage facility without fraud or fraudulent representation, and without violation of the provisions of sections 2 to 18, inclusive, of this act. The Department may, by agreement with any unmanned aerial vehicle storage facility which has been licensed for 5 years or more by the Department, reduce the amount of the bond, if the business of that facility has been conducted satisfactorily for the preceding 5 years, but no bond may be in an amount less than \$5,000.

- 2. The bond may be continuous in form and the total aggregate liability on the bond must be limited to the payment of the total amount of the bond.
- 3. The bond must provide that any person injured by the action of the unmanned aerial vehicle storage facility in violation of any of the provisions of sections 2 to 18, inclusive, of this act may apply to the Director of the Department for compensation from the bond. The Director, for good cause shown and after notice and opportunity for hearing, may determine the amount of compensation and the person to whom it is to be paid. The surety shall then make the payment.
- 4. In lieu of a bond an applicant may deposit with the Department, under the terms prescribed by the Department:
- (a) A like amount of money or bonds of the United States or of the State of Nevada of an actual market value of not less than the amount fixed by the Department; or
- (b) A savings certificate of a bank, credit union or savings and loan association situated in this State, which must indicate an account of an amount equal to the amount of the bond which would otherwise be required by this section and that this amount is unavailable for withdrawal except upon order of the Department. Interest earned on the certificate accrues to the account of the applicant.
- 5. A deposit made pursuant to subsection 4 may be disbursed by the Director of the Department, for good cause shown and after notice and opportunity for hearing, in an amount determined by the Director to compensate a person injured by an action of the licensee, or released upon receipt of:
- (a) A court order requiring the Director to release all or a specified portion of the deposit; or
- (b) A statement signed by the person in whose name the deposit is made and acknowledged before any person authorized to take acknowledgments in this State, requesting the Director to release the deposit, or a specified portion thereof, and stating the purpose for which the release is requested.
- 6. When a deposit is made pursuant to subsection 4, liability under the deposit is in the amount prescribed by the Department. If the amount of the deposit is reduced or there is an outstanding judgment for which the licensee

is liable under the deposit, the license is automatically suspended. The license must be reinstated if the licensee:

- (a) Files an additional bond pursuant to subsection 1;
- (b) Restores the deposit with the Department to the original amount required under this section; or
- (c) Satisfies the outstanding judgment for which he or she is liable under the deposit.
 - 7. A deposit made pursuant to subsection 4 may be refunded:
- (a) By order of the Director of the Department, 3 years after the date on which the licensee ceases to be licensed by the Department, if the Director is satisfied that there are no outstanding claims against the deposit; or
- (b) By order of the court, at any time within 3 years after the date on which the licensee ceases to be licensed by the Department, upon evidence satisfactory to the court that there are no outstanding claims against the deposit.
- 8. Any money received by the Department pursuant to subsection 4 must be deposited with the State Treasurer for credit to the Motor Vehicle Fund.
- Sec. 14. 1. If the 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 license issued pursuant to sections 2 to 18, inclusive, of this act, the Department shall deem the license 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 Department receives a letter issued to the holder of the license by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the license has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- 2. The Department shall reinstate a license issued pursuant to sections 2 to 18, inclusive, of this act that has been suspended by a district court pursuant to NRS 425.540 if the Department receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose license was suspended stating that the person whose license was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- Sec. 15. 1. In addition to any other requirements set forth in sections 2 to 18, inclusive, of this act, an applicant for the renewal of a license issued pursuant to sections 2 to 18, inclusive, of this act must indicate in the application submitted to the Department 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. A license issued pursuant to sections 2 to 18, inclusive, of this act may not be renewed by the Department if:

- (a) The applicant fails to submit the information required by subsection 1; or
- (b) The State Controller has informed the Department 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.
- Sec. 16. 1. The Department may suspend, revoke or refuse to issue or renew a license to operate an unmanned aerial vehicle storage facility for any reason determined by the Director of the Department to be in the best interest of the public, including, without limitation, any determination that the licensee or applicant:
 - (a) Is not lawfully entitled to a license;
- (b) Has made, or knowingly or negligently permitted, any illegal use of an existing license;
- (c) Has failed to comply with any provision of sections 2 to 18, inclusive, of this act or any regulations adopted pursuant thereto;
- (d) Has made any false or misleading statements in an application or in any records required by sections 2 to 18, inclusive, of this act or any regulations adopted pursuant thereto; or
 - (e) Has been convicted of a felony.
- 2. An applicant or licensee may, within 30 days after receipt of the notice of refusal, suspension or revocation, as applicable, petition the Department in writing for a hearing.
- 3. Hearings under this section and appeals therefrom must be conducted in the manner prescribed in NRS 482.353 and 482.354.
- 4. If an application for a license to operate an unmanned aerial vehicle storage facility is denied, the applicant may not submit another application for at least 6 months after the date of the denial.
- 5. The Department may refuse to review a subsequent application for a license to operate an unmanned aerial vehicle storage facility that is submitted by any person who violates any provision of sections 2 to 18, inclusive, of this act.
- Sec. 17. 1. Each unmanned aerial vehicle storage facility shall maintain a record of all unmanned aerial vehicles acquired, released, disassembled and sold by the storage facility. The records must be open to inspection during business hours by any peace officer or investigator of the Department.

- 2. Records maintained pursuant to subsection 1 must be retained by the licensee for a period of at least 3 years.
- Sec. 18. The Department may adopt regulations to carry out the provisions of sections 2 to 18, inclusive, of this act, including, without limitation, the storage fee that an unmanned aerial vehicle storage facility or law enforcement agency may charge for the storage of such a vehicle.
 - Sec. 19. Section 10 of this act is hereby amended to read as follows:
 - Sec. 10. 1. An application for a license to operate an unmanned aerial vehicle storage facility must be made on a form provided by the Department [, include the social security number of the applicant] and be accompanied by such proof as the Department may require that the applicant owns or leases and will conduct business from a permanent location with at least 5,000 square feet of land which is surrounded by a screened fence that is at least 6 feet high.
 - 2. The fee for the issuance or renewal of a license to operate an unmanned aerial vehicle storage facility is \$100.
 - 3. All fees collected by the Department pursuant to this section must be deposited with the State Treasurer for credit to the Motor Vehicle Fund.
 - Sec. 20. Section 12 of this act is hereby amended to read as follows:
 - Sec. 12. 1. The Department may approve or reject an application for a license to operate an unmanned aerial vehicle storage facility. If the Department [receives the statement required pursuant to section 11 of this act and] approves the application, the Department shall issue to the applicant a license containing the name and address of the applicant, the name under which the business is to be conducted, the business address and a distinguishing number assigned to the applicant.
 - 2. A licensee shall post the license in a conspicuous place clearly visible to the general public at the business address set forth on the license.
 - 3. A license expires on April 30 of each year.
 - 4. A licensee may renew the license by submitting to the Department:
 - (a) A completed application for renewal upon a form supplied by the Department; and
 - (b) [The statement required pursuant to section 11 of this act; and —(c)] The fee for renewal of a license provided in section 10 of this
 - —(e)] The fee for renewal of a license provided in section 10 of this act.
- Sec. 21. 1. This section and sections 1 to 18, inclusive, of this act become effective:
- (a) 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
 - (b) On January 1, 2018, for all other purposes.

- 2. Sections 11 and 14 of this act expire by limitation 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.
- 3. Sections 19 and 20 of this act become 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.

Senator Hammond moved the adoption of the amendment.

Remarks by Senator Hammond.

Amendment No. 104 to Senate Bill No. 234 replaces various versions of the word "seized" with "taken into possession." The amendment also removes the words "is grounded, disabled or" when referring to unmanned aerial vehicles that may be taken into possession by law enforcement.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 237.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 101.

SUMMARY—Revises provisions [concerning the placement of a child into protective custody.] relating to the protection of children. (BDR 38-469)

AN ACT relating to the protection of children; requiring a court to [determine at a hearing on protective custody whether there is a plan to address the safety of a child in his or her home that satisfies certain requirements;] consider whether an agency which provides child welfare services has created an in-home safety plan for the protection of a child in certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for a child to be removed from his or her home and placed into protective custody in certain circumstances. (NRS 432B.390) After a child is placed in protective custody, the child and the parent or other person responsible for the child's welfare must be given a hearing to determine whether the child should remain in protective custody. (NRS 432B.470) [Att

the hearing, the court is required to determine whether there is reasonable eause to believe that it would be: (1) contrary to the welfare of the child for the child to reside at his or her home; or (2) in the best interests of the child to place the child outside of his or her home. (NRS 432B.480)] Existing law requires an agency which provides child welfare services to make reasonable efforts and exercise diligence and care to reunify a child with his or her family. (NRS 432B.393) This bill [further] requires [the] a court to [determine] consider whether [it is possible to implement a sufficient, feasible and sustainable plan to address the safety of the child in his or her home.] the agency has created an in-home safety plan as part of these efforts. This bill defines "in-home safety plan" as a plan created by the agency to ensure the safety of a child in his or her home, including, without limitation, managing any potential threats to the safety of the child.

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

- Section 1. [NRS 432B.480 is hereby amended to read as follows:
- 432B.480 1. At each hearing conducted pursuant to NRS 432B.470:
- (a) At the commencement of the hearing, the court shall advise the parties of their right to be represented by an attorney and of their right to present evidence.
- (b) The court shall determine whether there is reasonable cause to believe that it would be:
- (1) Contrary to the welfare of the child for the child to reside at his or her home: or
- (2) In the best interests of the child to place the child outside of his or her home.
- → In making its determinations, the court shall determine whether an in-home safety plan that is sufficient, feasible and sustainable can be implemented to protect the child from danger. The court shall prepare an explicit statement of the facts upon which each of its determinations is based. If the court makes an affirmative finding regarding either subparagraph (1) or (2), the court shall issue an order keeping the child in protective custody pending a disposition by the court.
- (c) The court shall determine whether the child has been placed in a home or facility that complies with the requirements of NRS 432B.3905. If the placement does not comply with the requirements of NRS 432B.3905, the court shall establish a plan with the agency which provides child welfare services for the prompt transfer of the child into a home or facility that complies with the requirements of NRS 432B.3905.
- 2. If the court issues an order keeping the child in protective custody pending a disposition by the court and it is in the best interests of the child, the court may:
- (a) Place the child in the temporary custody of a grandparent, great grandparent or other person related within the fifth degree of consanguinity to the child who the court finds has established a meaningful relationship with

the child, with or without supervision upon such conditions as the court prescribes, regardless of whether the relative resides within this State; or

- (b) Grant the grandparent, great-grandparent or other person related within the fifth degree of consanguinity to the child a reasonable right to visit the child while the child is in protective custody.
- 3. If the court finds that the best interests of the child do not require that the child remain in protective custody, the court shall order the immediate release of the child.
- 4. If a child is placed with any person who resides outside this State, the placement must be in accordance with NRS 127.330.
- 5. As used in this section, "in home safety plan" means a plan to address the safety of the child in his or her home to manage any threats of danger to the child, the vulnerability of the child to those threats and the capacity of the person who is responsible for the child's welfare to protect the child from those threats.] (Deleted by amendment.)
 - Sec. 1.5. NRS 432B.393 is hereby amended to read as follows:
- 432B.393 1. Except as otherwise provided in this section, an agency which provides child welfare services shall make reasonable efforts to preserve and reunify the family of a child:
- (a) Before the placement of the child in foster care, to prevent or eliminate the need to remove the child from the home; and
 - (b) To make it possible for the safe return of the child to the home.
- 2. In determining the reasonable efforts required by subsection 1, the health and safety of the child must be the paramount concern. The agency which provides child welfare services may make reasonable efforts to place the child for adoption or with a legal guardian concurrently with making the reasonable efforts required pursuant to subsection 1. If the court determines that continuation of the reasonable efforts required by subsection 1 is inconsistent with the plan for the permanent placement of the child, the agency which provides child welfare services shall make reasonable efforts to place the child in a timely manner in accordance with that plan and to complete whatever actions are necessary to finalize the permanent placement of the child.
- 3. An agency which provides child welfare services is not required to make the reasonable efforts required by subsection 1 if the court finds that:
 - (a) A parent or other person responsible for the child's welfare has:
- (1) Committed, aided or abetted in the commission of, or attempted, conspired or solicited to commit murder or voluntary manslaughter;
- (2) Caused the abuse or neglect of the child, or of another child of the parent or other person responsible for the child's welfare, which resulted in substantial bodily harm to the abused or neglected child;
- (3) Caused the abuse or neglect of the child, a sibling of the child or another child in the household, and the abuse or neglect was so extreme or repetitious as to indicate that any plan to return the child to the home would result in an unacceptable risk to the health or welfare of the child; or

- (4) Abandoned the child for 60 or more days, and the identity of the parent of the child is unknown and cannot be ascertained through reasonable efforts:
- (b) A parent of the child has, for the previous 6 months, had the ability to contact or communicate with the child and made no more than token efforts to do so:
- (c) The parental rights of a parent to a sibling of the child have been terminated by a court order upon any basis other than the execution of a voluntary relinquishment of those rights by a natural parent, and the court order is not currently being appealed;
- (d) The child or a sibling of the child was previously removed from the home, adjudicated to have been abused or neglected, returned to the home and subsequently removed from the home as a result of additional abuse or neglect;
- (e) The child is less than 1 year of age, the father of the child is not married to the mother of the child and the father of the child:
- (1) Has failed within 60 days after learning of the birth of the child, to visit the child, to commence proceedings to establish his paternity of the child or to provide financial support for the child; or
- (2) Is entitled to seek custody of the child but fails to do so within 60 days after learning that the child was placed in foster care;
- (f) The child was delivered to a provider of emergency services pursuant to NRS 432B.630;
- (g) The child, a sibling of the child or another child in the household has been sexually abused or has been subjected to neglect by pervasive instances of failure to protect the child from sexual abuse; or
- (h) A parent of the child is required to register as a sex offender pursuant to the provisions of chapter 179D of NRS or the provisions of the federal Adam Walsh Child Protection and Safety Act of 2006, 42 U.S.C. §§ 16901 et seq.
- 4. Except as otherwise provided in subsection 6, for the purposes of this section, unless the context otherwise requires, "reasonable efforts" have been made if an agency which provides child welfare services to children with legal custody of a child has exercised diligence and care in arranging appropriate, accessible and available services that are designed to improve the ability of a family to provide a safe and stable home for each child in the family, with the health and safety of the child as its paramount concerns. The exercise of such diligence and care includes, without limitation, obtaining necessary and appropriate information concerning the child for the purposes of NRS 127.152, 127.410 and 424.038 [...] and, if necessary, creating an in-home safety plan for the protection of the child.
- 5. In determining whether reasonable efforts have been made pursuant to subsection 4, the court shall:
- (a) Evaluate the evidence and make findings based on whether a reasonable person would conclude that reasonable efforts were made;
 - (b) Consider any input from the child;

- (c) Consider the efforts made and the evidence presented since the previous finding of the court concerning reasonable efforts;
- (d) Consider the diligence and care that the agency is legally authorized and able to exercise [;], including, without limitation, the efforts to create an in-home safety plan;
- (e) Recognize and take into consideration the legal obligations of the agency to comply with any applicable laws and regulations;
- (f) Base its determination on the circumstances and facts concerning the particular family or plan for the permanent placement of the child at issue;
- (g) Consider whether any of the efforts made were contrary to the health and safety of the child;
- (h) Consider the efforts made, if any, to prevent the need to remove the child from the home and to finalize the plan for the permanent placement of the child:
 - (i) Consider whether the provisions of subsection 6 are applicable; and
 - (j) Consider any other matters the court deems relevant.
- 6. An agency which provides child welfare services may satisfy the requirement of making reasonable efforts pursuant to this section by taking no action concerning a child or making no effort to provide services to a child if it is reasonable, under the circumstances, to do so.
- 7. In determining whether reasonable efforts are not required pursuant to subsection 3 or whether reasonable efforts have been made pursuant to subsection 4, the court shall ensure that each determination is:
 - (a) Made by the court on a case-by-case basis;
 - (b) Based upon specific evidence; and
 - (c) Expressly stated by the court in its order.
- 8. As used in this section, "in-home safety plan" means a plan created by an agency which provides child welfare services to ensure the protection of a child in his or her home, including, without limitation, determining any vulnerabilities of the child, managing any potential threats to the safety of the child and determining the capacity of the person responsible for the welfare of the child to care for the child.
 - Sec. 2. This act becomes effective on July 1, 2017.

Senator Harris moved the adoption of the amendment.

Remarks by Senator Harris.

Amendment No. 101 revises the provisions of Senate Bill No. 237 to delete section 1 and instead include language related to creating an in-home safety plan for the protection of a child in NRS 432B.393, which addresses the federally required reasonable efforts by a child-welfare agency to prevent the removal of a child from his or her home and to reunify a child with his or her parents when possible.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 251.

Bill read second time.

The following amendment was proposed by the Committee on Natural Resources:

Amendment No. 91.

SUMMARY—Requires the Board to Review Claims to adopt regulations for the administration of [a grant program] certain programs to assist [certain] operators of petroleum storage tanks. (BDR 40-942)

AN ACT relating to storage tanks; requiring the Board to Review Claims to adopt regulations for the administration of a program to award grants of money from the Fund for Cleaning Up Discharges of Petroleum to certain operators of storage tanks; authorizing the Division of Environmental Protection of the State Department of Conservation and Natural Resources to award grants of money to those operators under certain circumstances; requiring the Board to adopt regulations for the administration of a program to provide assistance in complying with certain laws or regulations to any operator; requiring the Division to administer the program; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law: (1) the State Department of Conservation and Natural Resources is required to impose fees on the importation of certain fuels into this State; and (2) the Division of Environmental Protection of the Department is required to impose an annual fee for the registration of certain storage tanks used to store petroleum in this State. (NRS 445C.330, 445C.340) The money collected by the Division from such fees is deposited into the Fund for Cleaning Up Discharges of Petroleum, and used to reimburse the Division for the costs of cleaning up discharges involving petroleum, heating oil and certain petrochemicals from storage tanks and mobile tanks. (NRS 445C.320, 445C.360-445C.380) The Board to Review Claims is required to adopt regulations for the investigation and payment of claims against the Fund and to review each claim and authorize payment if warranted. (NRS 445C.310)

This bill requires the Board to adopt regulations for the administration by the Division of a grant program to award grants of money from the Fund to assist operators of petroleum storage tanks who have a demonstrated financial need for assistance in defraying the costs of any infrastructure required by the operator to comply with any law or regulation relating to [cleaning up any] preventing discharge of petroleum from a storage tank. The Division is required to report annually to the Board concerning the grants, if any, awarded by the Division.

This bill also requires the Board to adopt regulations for the administration by the Division of a program to provide assistance to operators in complying with any law or regulation relating to the prevention of discharges which are applicable to storage tanks.

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

Section 1. NRS 445C.310 is hereby amended to read as follows:

445C.310 1. The Fund for Cleaning Up Discharges of Petroleum is

hereby created as a special revenue fund in the State Treasury. The Division shall administer the Fund for the purposes prescribed in NRS 445C.150 to 445C.410, inclusive, and the Board shall adopt appropriate regulations for the [investigation]:

- (a) Investigation and payment of claims against the Fund. The Board shall review each claim presented and authorize payment to the extent warranted by the facts of the case.
- (b) Administration by the Division of a grant program described in subsection 2, which must include, without limitation:
- (1) The manner in which an operator may apply for a grant of money from the program;
- (2) The criteria that the Division must consider in determining whether to award a grant of money from the program;
- (3) The methods by which the Division must prioritize the award of available money for grants from the program [++], including, without limitation, consideration of:
- (1) The financial need of an operator who applies for a grant of money from the program;
- (II) The availability and proximity of other petroleum dispensing locations, if any, in the same geographical area as an operator who applies for a grant of money from the program; and
- (III) The total volume of petroleum dispensed on an annual basis from each storage tank of an operator who applies for a grant of money from the program; and
 - (4) The manner in which the Division:
 - (I) Must distribute and administer the grant program;
- (II) May audit and inspect relevant records of an operator who receives a grant of money from the program;
- (III) May, upon good cause shown, seek repayment of any unauthorized expenditures by an operator who receives a grant of money from the program; and
- (IV) May seek to recover from an operator who receives a grant of money from the program the costs incurred by the Division in seeking repayment of any unauthorized expenditures by the operator.
- (c) Administration by the Division of the program of assistance described in subsection 3.
- 2. The Division may award a grant of money from the Fund to an operator who has a demonstrated financial need for assistance in defraying the costs of any infrastructure required by the operator to comply with any law or regulation relating to feleaning up any discharge. The prevention of discharges. The Division shall:
- (a) Administer the grant program in accordance with the regulations adopted by the Board pursuant to paragraph (b) of subsection 1; and
- (b) Submit to the Board an annual report concerning the grants, if any, awarded pursuant to this subsection.

- 3. The Division shall, in accordance with the regulations adopted pursuant to paragraph (c) of subsection 1, administer a program to provide assistance to an operator in complying with any law or regulation relating to the prevention of discharges which are applicable to storage tanks.
- <u>4.</u> The expenses incurred by the Division in performing its duties pursuant to NRS 445C.150 to 445C.410, inclusive, are a charge against the Fund. The interest earned on money in the Fund must be credited to the Fund.
- [3.-4.] 5. The Board shall transmit a copy of any resolution that the Board has adopted in carrying out its duties pursuant to this section to the Legislative Counsel within 5 working days after the adoption of the resolution for inclusion in the register of administrative regulations published pursuant to NRS 233B.0653.
- 6. As used in this section, "petroleum dispensing location" means a facility where a member of the public can obtain petroleum products of the same type as those offered by an operator who has applied for a grant pursuant to subsection 2.
- Sec. 2. As soon as practicable after the effective date of this act, the Board to Review Claims shall adopt the regulations required pursuant to [paragraph] paragraphs (b) and (c) of subsection 1 of NRS 445C.310, as amended by section 1 of this act.
 - Sec. 3. This act becomes effective upon passage and approval.

Senator Cancela moved the adoption of the amendment.

Remarks by Senator Cancela.

Amendment No. 91 to Senate Bill No. 251 does the following: it clarifies that grants from the Fund for Cleaning Up Discharges of Petroleum may be awarded for "the prevention of discharges"; it provides that, in prioritizing the award of grants from the Fund, the Division of Environmental Protection must include consideration of: financial need and the availability and proximity of other petroleum dispensing locations in the same geographic area and the total volume of petroleum dispensed on an annual basis from each storage tank; and it provides that the Division shall, in accordance with adopted regulations, administer a program to provide assistance to an operator in complying with any law or regulation relating to the prevention of discharges, which are applicable to storage tanks.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 257.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 87.

SUMMARY—Revises provisions relating to the welfare of children. (BDR 38-662)

AN ACT relating to children; requiring the State Plan for Temporary Assistance for Needy Families to authorize certain assistance to be provided to a person who provides certain care for a child to whom he or she is not related; expanding the rights of children placed in foster care; creating the Normalcy for Foster Youth Account in the State General Fund; authorizing money in the Account to be used to provide opportunities for children to participate in certain activities; providing civil and criminal immunity to a person with whom a child has been placed who acts in accordance with certain standards in approving or allowing the child to participate in certain activities; requiring the Division of Child and Family Services of the Department of Health and Human Services to hire a consultant to conduct a study of the child welfare system in this State; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Director of the Department of Health and Human Services to adopt state plans required by the Federal Government for the administration of public assistance programs, including the State Plan for Temporary Assistance for Needy Families. (NRS 422A.080, 422A.260) Section 1 of this bill requires the Director to include in the State Plan for Temporary Assistance for Needy Families the provision of child-only assistance for a caregiver who is caring for a child as a foster parent and who is not related by blood to the child but has a significant emotional and positive relationship with the child.

Existing law affords specific rights to children who are placed in a foster home by an agency which provides child welfare services. (NRS 432.500-432.550) Section $\frac{2}{2}$ 2.5 of this bill adds the right, with respect to the education and vocational training of a foster child, for a foster child to have reasonable access to participate in extracurricular, cultural and personal enrichment [, cultural and social] activities. Section 4 of this bill creates the Normalcy for Foster Youth Account in the State General Fund to be administered by the Division of Child and Family Services of the Department of Health and Human Services, and section 7 of this bill appropriates [\$200,000] \$500,000 from the State General Fund to the Account. Section 4 authorizes the Division to use money in the Account to provide monetary support to certain caregivers of foster children to allow the child to participate in extracurricular, [enrichment,] cultural and [social] personal enrichment activities. Section 4 also authorizes the Division to award grants to agencies which provide child welfare services or nonprofit organizations that provide opportunities for such children to participate in extracurricular, [enrichment,] cultural and [social] personal enrichment activities. Section 5 of this bill provides civil and criminal immunity for a person with whom a child has been placed when approving or allowing the child to participate in extracurricular, [enrichment,] cultural and [social] <u>personal enrichment</u> activities if the person acted in accordance with a standard based on the "reasonable and prudent parent standard" as it is defined in federal law. (42 U.S.C. § 675(10)(A))

Section 6 of this bill makes an appropriation from the State General Fund of [\$53,000,000] \$28,250,000 to the Division of Child and Family Services of the Department of Health and Human Services to replace the Unified Nevada Information Technology for Youth (UNITY) case management system.

Section 8 of this bill makes an appropriation from the State General Fund of \$200,000 to the Division to enter into a contract with an independent consultant to conduct a study of funding for the child welfare system in this State.

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

Section 1. Chapter 422A of NRS is hereby amended by adding thereto a new section to read as follows:

The Director shall, to the extent authorized by federal law, include in the State Plan for Temporary Assistance for Needy Families adopted pursuant to NRS 422A.260 provisions for the payment of child-only assistance to a fictive kin caregiver on behalf of a child who has been placed with the fictive kin caregiver pursuant to chapter 432B of NRS if all applicable conditions of eligibility are met. As used in this section, "fictive kin" means a person who is not related by blood to a child but has a significant emotional and positive relationship with the child.

- Sec. 2. [NRS 432.525 is hereby amended to read as follows:
- <u>432.525</u> A child placed in a foster home by an agency which provides child welfare services has the right:
- 1. To receive information concerning his or her rights set forth in this section and NRS 432.530 and 432.535.
- 2. To be treated with dignity and respect.
- 3. To fair and equal access to services, placement, care, treatment and benefits.
- 4. To receive adequate, healthy, appropriate and accessible food.
- 5. To receive adequate, appropriate and accessible clothing and shelter.
- 6. To receive appropriate medical care, including, without limitation:
- (a) Dental, vision and mental health services:
- (b) Medical and psychological screening, assessment and testing; and
- (e) Referral to and receipt of medical, emotional, psychological or psychiatric evaluation and treatment as soon as practicable after the need for such services has been identified.
- -7. To participate in extracurricular, enrichment, cultural and social activities:
- & To be free from:
- (a) Abuse or neglect, as defined in NRS 432B.020;
- (b) Corporal punishment, as defined in NRS 388.478:
- (e) Unreasonable searches of his or her personal belongings or other unreasonable invasions of privacy;
- (d) The administration of psychotropic medication unless the administration is consistent with NRS 432B.197 and the policies established pursuant thereto; and
- (e) Discrimination or harassment on the basis of his or her actual or perceived race, ethnicity, ancestry, national origin, color, religion, sex, sexual

- orientation, gender identity, mental or physical disability or exposure to the human immunodeficiency virus.
- [8.] 9. To attend religious services of his or her choice or to refuse to attend religious services.
- [9.] 10. Except for placement in a facility, as defined in NRS 432B.6072, not to be locked in any room, building or premise or to be subject to other physical restraint or isolation.
- [10.] 11. Except as otherwise prohibited by the agency which provides child welfare services:
- (a) To send and receive unopened mail; and
- (b) To maintain a bank account and manage personal income, consistent with the age and developmental level of the child.
- <u>[11.]</u> 12. To complete an identification kit, including, without limitation, photographing, and include the identification kit and his or her photograph in a file maintained by the agency which provides child welfare services and any employee thereof who provides child welfare services to the child.
- [12.] 13. To communicate with other persons, including, without limitation, the right:
- (a) To communicate regularly, but not less often than once each month, with an employee of the agency which provides child welfare services who provides child welfare services to the child:
- (b) To communicate confidentially with the agency which provides child welfare services to the child concerning his or her care:
- (e) To report any alleged violation of his or her rights pursuant to NRS 432.550 without being threatened or punished;
- (d) Except as otherwise prohibited by a court order, to contact a family member, social worker, attorney, advocate for children receiving foster care services or guardian ad litem appointed by a court or probation officer; and
- (e) Except as otherwise prohibited by a court order and to the extent practicable, to contact and visit his or her siblings, including siblings who have not been placed in foster homes and to have such contact arranged on a regular basis and on holidays, birthdays and other significant life events, unless such contact is contrary to the safety of the child or his or her siblings.
- [13.] 14. Not to have contact or visitation with a sibling withheld as a form of punishment.] (Deleted by amendment.)
 - Sec. 2.5. NRS 432.535 is hereby amended to read as follows:
- 432.535 With respect to the education and vocational training of a child placed in a foster home by an agency which provides child welfare services, the child has the right:
- 1. To receive fair and equal access to an education, including, without limitation, the right:
 - (a) To receive an education as required by law;
- (b) To have stability in and minimal disruption to his or her education when the child is placed in a foster home;

- (c) To attend the school and remain in the scholastic activities that he or she was enrolled in before placement in a foster home, to the extent practicable and if in the best interests of the child;
- (d) To have educational records transferred in a timely manner from the school that he or she was enrolled in before placement in a foster home to a new school, if any;
- (e) Not to be identified as a foster child to other students at his or her school by an employee of a school district, including, without limitation, a school administrator, teacher or instructional aide;
- (f) To receive any educational screening, assessment or testing required by law:
- (g) To be referred to and receive educational evaluation and services as soon as practicable after the need for such services has been identified, including, without limitation, access to special education and special services to meet the unique needs of a child with educational or behavioral disabilities or impairments that adversely affect the child's educational performance;
- (h) To have access to information regarding relevant educational opportunities, including, without limitation, course work for vocational and postsecondary educational programs and financial aid for postsecondary education, once the child is 16 years of age or older; and
- (i) To attend a class or program concerning independent living for which he or she is qualified that is offered by the agency which provides child welfare services or another agency or contractor of the State.
- 2. To [participate] <u>reasonable participation</u> in extracurricular, cultural and personal enrichment activities which are consistent with the age and developmental level of the child.
- 3. To work and to receive vocational training, to the extent permitted by statute and consistent with the age and developmental level of the child.
- 4. To have access to transportation, if practicable, to allow the child to participate in extracurricular, cultural, personal and work activities.
- Sec. 3. Chapter 432B of NRS is hereby amended by adding thereto the provisions set forth as sections 4 and 5 of this act.
- Sec. 4. 1. The Normalcy for Foster Youth Account is hereby created in the State General Fund.
- 2. The interest and income earned on the money in the Account, after deducting any applicable charges, must be credited to the Account.
- 3. The Division of Child and Family Services may use money in the Account to:
- (a) Provide monetary support to a provider of foster care who provides opportunities to a child in his or her care to participate in extracurricular, [enrichment,] cultural or [social] personal enrichment activities; and
- (b) Award grants to agencies which provide child welfare services or nonprofit organizations that provide opportunities to children in foster care to participate in extracurricular, *[enrichment,]* cultural or *[social]* personal enrichment activities.

- 4. The Division of Child and Family Services may accept gifts, grants, bequests and other contributions from any source for the purpose of carrying out the provisions of this section.
- 5. Any money remaining in the Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.
- Sec. 5. 1. Except as otherwise provided in subsection 2, a person with whom a child has been placed pursuant to this chapter is immune from civil or criminal liability for approving or allowing the child to participate in extracurricular, [enrichment,] cultural or [social] personal enrichment activities if, in approving or allowing the child to participate in such activities, the person acted as a [eareful] reasonable and [sensible] prudent parent would have acted under the same circumstances to maintain the health, safety and best interests of the child while at the same time encouraging the emotional and developmental growth of the child.
- 2. The provisions of subsection 1 do not confer any immunity from civil or criminal liability for a person who violates an order of a court of competent jurisdiction.
- Sec. 6. 1. There is hereby appropriated from the State General Fund to the Division of Child and Family Services of the Department of Health and Human Services the sum of [\$53,000,000] \$28,250,000 for the replacement of the Unified Nevada Information Technology for Youth case management system with a new [juvenile_justice_and] child welfare case management system.
- 2. Any remaining balance of the appropriation made by this section must not be committed for expenditure after June 30, [2019,] 2022, 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,] 16, 2022, 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,] 16, 2022.
- Sec. 7. 1. There is hereby appropriated from the State General Fund to the Normalcy for Foster Youth Account created by section 4 of this act the sum of [\$200,000.] \$500,000.
- 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. 8. 1. There is hereby appropriated from the State General Fund to the Division of Child and Family Services of the Department of Health and Human Services the sum of \$200,000 for the Administrator of the Division to enter into a contract with a qualified, independent consultant to conduct a study of the funding of the child welfare system in this State.
 - 2. The consultant shall conduct an analysis of:
- (a) The current block grant model of funding of agencies which provide child welfare services, including a determination of whether such block grant funding is appropriate and sufficient to meet the needs of agencies which provide child welfare services and what other funding models, if any, would be more appropriate funding mechanisms;
- (b) Potential sources of funding to support agencies which provide child welfare services in this State; and
- (c) Sources of funding, including, without limitation, federal, state, local and private programs, for programs that support the welfare of children in this State, including, without limitation, funding for medical care, mental health and substance abuse treatment, education, juvenile justice and child care.
- 3. On or before September 1, 2018, the consultant hired pursuant to subsection 1 shall submit a report of the results of the study required pursuant to subsection 1 and any recommendations for legislation to the Director of the Department of Health and Human Services. Upon receipt of the report, the Director of the Department shall transmit the report to the Director of the Legislative Counsel Bureau for transmittal to the 80th Session of the Nevada Legislature.
- 4. 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. 9. This act becomes effective on July 1, 2017.

Senator Farley moved the adoption of the amendment.

Remarks by Senator Farley.

Amendment No. 87 revises the provisions of Senate Bill No. 257 to clarify that youth in foster care have the right to reasonable participation in age appropriate extracurricular, cultural and personal-enrichment activities. It provides immunity to foster parents who allow foster children to participate in such activities, as long as the parent acts as a "reasonable" and "prudent" parent would. The amendment decreases the appropriation to replace the current child-welfare case-management system from \$53 million to \$28.25 million and increases the appropriation from the State General Fund to the Normalcy for Foster Youth Account from \$200,000 to \$500,000.

Amendment adopted.

Senator Spearman moved that the bill be re-referred to the Committee on Finance upon return from reprint.

Motion carried.

Bill ordered reprinted, engrossed and re-referred to the Committee on Finance.

Senate Bill No. 258.

Bill read second time and ordered to third reading.

Senate Bill No. 266.

Bill read second time and ordered to third reading.

Senate Bill No. 279.

Bill read second time and ordered to third reading.

Senate Bill No. 313.

Bill read second time and ordered to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Woodhouse moved that Senate Bills Nos. 74, 88, 184, 192, 234, 266 be re-referred to the Committee on Finance upon return from reprint.

Motion carried.

Senator Hardy moved that Senate Bill No. 140 be taken from the General File and placed on the Secretary's desk.

Motion carried.

GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Cancela, the privilege of the floor of the Senate Chamber for this day was extended to Jenny Angulo, Tiana Antonio, Jordan Barut, Fernando Benitiez, Yesenia Castellanos, Alan Cruz, Katherine Dockerweiler, Rachel Eanes, Angel Edwards-Fort, Valari Esposito, Hector Fong, Courtney Friedman, Carlose Fuentes, Miriam Gomez, Brenner Green, Paul Hee, Yazzeli Hernandez, Rebecca La Chica, Brandon Lopez, Eddie Martinez, Germain Martinez, Jorge Martinez, Santiago Montenegro, Catherine Montenegro, JoCeline Moreno, Erica Mosca, Taylor Pen, Karla Ramirez, Elvin Recinos, Anthony Shultz, Ethan Thompson, Leslye Varela, Daniella Vega and Angel Zamora.

On request of Senator Ford, the privilege of the floor of the Senate Chamber for this day was extended to Grace Angel, Ryan Armitage, Carlos Beltran, Monica Bryant, Katherine Butler, Karl Byrd, Jeniffer Calimbahin, Victoria Courtney, Jason Girtley, Loretta Harper, Lynn Little, Kara Mach, Margaret Marschner, Marie Neisess, Carrie Phillips, Erin Riddle, Victor Romero, Susan Slykerman, Leah Terry and Kelly Wolthers.

Senator Ford moved that the Senate adjourn until Tuesday, April 11, 2017, at 11:00 a.m.

Motion carried.

Senate adjourned at 12:40 p.m.

Approved: Moises Denis

President pro Tempore of the Senate

Attest: CLAIRE J. CLIFT

Secretary of the Senate