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FIRST REPRINT

S.B. 12

SENATE BILL NO. 12—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE NEVADA ASSOCIATION OF COUNTIES)

PREFILED NOVEMBER 14, 2018

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing telephone systems used for reporting emergencies. (BDR 20-475)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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

AN ACT relating to counties; authorizing a county to use revenue collected from certain telephone surcharges to pay for an analysis or audit of the surcharges collected by a telecommunications provider; providing the conditions under which such audits may be performed; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes a board of county commissioners to impose a surcharge for the enhancement of the telephone system for reporting an emergency if the board adopts and reviews, at least annually, a 5-year master plan for the enhancement of that system or the purchase and maintenance of certain recording devices. (NRS 244A.7643) If a county imposes such a surcharge, the revenue collected from the surcharge must be used only for certain purposes. (NRS 244A.7645)

Section 1.3 of this bill authorizes the revenue collected from the surcharge to also be used to pay for the costs of an analysis or audit of the surcharges collected by a telecommunications provider. **Section 1** of this bill authorizes the board of county commissioners in a county where a surcharge is imposed to engage an independent auditor to perform such an analysis or audit: (1) as part of the mandatory review of the 5-year master plan; or (2) if a previous analysis or audit revealed evidence of a violation of certain provisions of law with respect to the amount of money a telecommunications provider collected or remitted to the county.



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

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

1. Except as otherwise provided in subsection 3, if a surcharge is imposed in a county pursuant to NRS 244A.7643, the board of county commissioners of that county may, as part of its review of the 5-year master plan adopted pursuant to NRS 244A.7643 for the enhancement 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, engage a qualified independent auditor to perform an analysis or audit of the surcharges collected by telecommunications providers in the county.

2. An auditor that performs an analysis or audit pursuant to this section:

(a) Shall not charge a fee exceeding the actual costs of performing the analysis or audit.

(b) Shall submit a report of his or her findings to the advisory committee of the county established pursuant to NRS 244A.7645.

3. If an auditor performing an analysis or audit of the surcharges collected by telecommunications providers finds in the course of conducting the analysis or audit evidence of a violation of the provisions of NRS 244A.7643, with respect to the amount of money collected or remitted to the county treasurer by a telecommunications provider, the board of county commissioners may engage a qualified independent auditor to perform an additional analysis or audit of the surcharges collected by the telecommunications provider before the next review of the 5-year master plan is conducted.

Sec. 1.3. 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, 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:

(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



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1 (3) Are not elected public officers.

2 (b) Subject to the provisions of subparagraph (3) of paragraph
3 (a), include the chief law enforcement officer or his or her designee
4 from each office of the county sheriff, metropolitan police
5 department, police department of an incorporated city within the
6 county and department, division or municipal court of a city or town
7 that employs marshals within the county, as applicable.

8 2. If a surcharge is imposed pursuant to NRS 244A.7643 in a
9 county whose population is less than 100,000, the board of county
10 commissioners of that county shall establish by ordinance an
11 advisory committee to develop a plan to enhance or improve the
12 telephone system for reporting an emergency in that county and to
13 oversee any money allocated for that purpose. The advisory
14 committee must:

15 (a) Consist of not less than five members who:

16 (1) Are residents of the county;

17 (2) Possess knowledge concerning telephone systems for
18 reporting emergencies; and

19 (3) Are not elected public officers.

20 (b) Include a representative of an incumbent local exchange
21 carrier which provides service to persons in that county. As used in
22 this paragraph, "incumbent local exchange carrier" has the meaning
23 ascribed to it in 47 U.S.C. § 251(h)(1), as that section existed on
24 October 1, 1999, and includes a local exchange carrier that is treated
25 as an incumbent local exchange carrier pursuant to that section.

26 (c) Subject to the provisions of subparagraph (3) of paragraph
27 (a), include the chief law enforcement officer or his or her designee
28 from each office of the county sheriff, metropolitan police
29 department, police department of an incorporated city within the
30 county and department, division or municipal court of a city or town
31 that employs marshals within the county, as applicable.

32 3. If a surcharge is imposed in a county pursuant to NRS
33 244A.7643, the board of county commissioners of that county shall
34 create a special revenue fund of the county for the deposit of the
35 money collected pursuant to NRS 244A.7643. The money in the
36 fund must be used only:

37 (a) With respect to the telephone system for reporting an
38 emergency:

39 (1) In a county whose population is 45,000 or more, to
40 enhance the telephone system for reporting an emergency, including
41 only:

42 (I) Paying recurring and nonrecurring charges for
43 telecommunication services necessary for the operation of the
44 enhanced telephone system;



(II) Paying costs for personnel and training associated with the routine maintenance and updating of the database for the system;

(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

(IV) Paying costs associated with any maintenance, upgrade and replacement of equipment and software necessary for the operation of the enhanced telephone system.

(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.

(c) To pay any costs associated with performing an analysis or audit pursuant to section 1 of this act of the surcharges collected by telecommunications providers.

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 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.

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



1 the amount necessary to ensure that the unencumbered balance in
2 the fund at the end of the next fiscal year does not exceed \$500,000.

3 **Sec. 1.7.** 1. Notwithstanding the provisions of section 1 of
4 this act, the board of county commissioners of a county where a
5 surcharge is imposed pursuant to NRS 244A.7643 may, between
6 July 1, 2019, and July 1, 2020, engage an independent auditor to
7 perform an analysis or audit of the surcharges collected by
8 telecommunications providers.

9 2. An auditor that performs an analysis or audit pursuant to this
10 section:

11 (a) Shall not charge a fee exceeding the actual costs of
12 performing the analysis or audit.

13 (b) Shall submit a report of his or her findings to the advisory
14 committee of the county established pursuant to NRS 244A.7645.

15 3. If a board of county commissioners has an analysis or audit
16 performed pursuant to this section, the board may use money in the
17 special revenue fund created pursuant to NRS 244A.7645, as
18 amended by section 1.3 of this act, to pay the costs of performing
19 the analysis or audit.

20 **Sec. 2.** This act becomes effective on July 1, 2019.

