THE ONE HUNDRED-FOURTEENTH DAY

CARSON CITY (Tuesday), May 30, 2023

Senate called to order at 12:39 p.m.

President Anthony presiding.

Roll called.

All present except Senator Spearman, who was excused.

Prayer by Senator Lisa Krasner.

Dear God, thank You for everything that You have given to us: our families, our friends, our health and our planet. Thank You for the opportunity to represent the people of Nevada as their Senators. Please help us work together to create laws for the benefit of all the people of Nevada. Help us put politics aside, improve people's lives and effectuate positive change.

AMEN.

Pledge of Allegiance to the Flag.

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

REPORTS OF COMMITTEE

Mr. President:

Your Committee on Finance, to which was re-referred Senate Bill No. 72, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass, as amended.

Also, your Committee on Finance, to which were referred Senate Bills Nos. 58, 467, 475, 480, 495, 498, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Finance, to which were re-referred Senate Bills Nos. 103, 195, 240, 276, 439, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MARILYN DONDERO LOOP, *Chair*

Mr. President:

Your Committee on Revenue and Economic Development, to which were referred Assembly Bills Nos. 62, 448, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

DINA NEAL, *Chair*

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, May 29, 2023

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bill No. 243.

Also, I have the honor to inform your honorable body that the Assembly amended, and on this day passed, as amended, Senate Bill No. 35, Amendment No. 734, and respectfully requests your honorable body to concur in said amendment.

CAROL AIELLO-SALA
Assistant Chief Clerk of the Assembly

MOTIONS, RESOLUTIONS AND NOTICES

Senator Cannizzaro moved that Senate Bill No. 439 be taken from its position on the General File and placed on the Secretary's Desk.

Remarks by Senator Cannizzaro.
This is for purposes of a further amendment.

Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 243.

Senator Lange moved that the bill be referred to the Committee on Legislative Operations and Elections.

Motion carried.

UNFINISHED BUSINESS
CONSIDERATION OF ASSEMBLY AMENDMENTS

Senate Bill No. 57.

The following Assembly amendment was read:

Amendment No. 719.

Legislative Counsel's Digest:

Existing law requires a health carrier to submit to the Commissioner of Insurance copies of certain form letters used by the health carrier. (NRS 679B.124) Section 1 of this bill requires a health carrier to instead: (1) submit to the Commissioner a report summarizing such form letters; and (2) maintain a copy of each form letter and make each copy available to the Commissioner upon request.

Existing law sets forth circumstances under which the Commissioner is authorized or required to hold a hearing on certain matters and establishes procedures governing such hearings. (NRS 679B.310) Section 3 of this bill revises requirements concerning such hearings. Section 47 of this bill makes a conforming change that is necessary as the result of the changes in section 3.

Existing law requires the Attorney General to establish a Fraud Control Unit for Insurance for the purposes of investigating and prosecuting acts of insurance fraud. (NRS 228.412) Existing law authorizes a district attorney of a county to prosecute certain cases involving insurance fraud with the permission of or at the request of the Attorney General. (NRS 686A.283) Existing law makes confidential certain records and information relating to an investigation conducted by the Attorney General and the Fraud Control Unit for the prosecution of insurance fraud and sets forth the circumstances under which the Attorney General is authorized to disclose such information. (NRS 679B.690) Section 4 of this bill: (1) makes confidential certain additional records and information relating to an investigation for the prosecution of insurance fraud; (2) requires, with certain exceptions, such records and information to remain confidential for the duration of the investigation and after the conclusion of the investigation; and (3) sets forth circumstances in which a district attorney prosecuting a case of insurance fraud is also authorized to disclose such information.

Existing law sets forth certain requirements for an insurer to deliver certain notices or other documents by electronic means. Among other requirements, existing law requires the party to whom the notice or document will be

delivered to have consented to delivery by electronic means. (NRS 680A.550) Sections 4.2 and 4.8 of this bill authorize the plan sponsor of a health plan to provide such consent on behalf of a party covered by the plan under certain circumstances. Section 4.2 requires a plan sponsor to take certain actions before providing such consent and an insurer to take certain actions before delivering any notice or other document to a party on whose behalf a plan sponsor has provided such consent. Finally, section 4.2 requires a notice of cancellation, nonrenewal or termination of a health plan to be sent to a party covered by the health plan by mail unless the notice is delivered by electronic means in a manner that provides for the verification of the receipt of the notice. Sections 4.4 and 4.6 of this bill make conforming changes to indicate the proper placement of section 4.2 in the Nevada Revised Statutes.

Existing law sets forth various fees applicable to persons regulated by the Commissioner. Among these fees is a fee for a licensee's association with or appointment or sponsorship by an organization. (NRS 680B.010) A fee for a licensee's "appointment" by an organization refers to the fee associated with the appointment by an insurer of a person to offer policies on behalf of the insurer. (NRS 697.185, 697.250) A fee for a licensee's "association with" or "sponsorship by" an organization refers to the fee associated with the designation by an agent of an insurer of a natural person who is a licensee to represent the agent or to be responsible for the compliance of the agent with laws and regulations governing insurance. (NRS 683C.035, 684A.080, 684A.090, 684B.040, 697.184, 697.185, 697.250) Sections 16-18, 20 and ~~[40-42]~~ 40, 41, and 42 of this bill revise provisions concerning the licensure of certain persons regulated by the Commissioner to clarify and standardize the circumstances in which an agent of an insurer is required to designate a natural person to represent the agent or to be responsible for the agent's compliance with the laws and regulations governing insurance and is therefore required to pay the applicable fee. Section 5 of this bill revises the terminology used to describe such a fee to refer to that fee as one for a licensee's association with or designation or sponsorship by an organization. The amount of such fees remains unchanged. Section 5 removes certain duplicative fees, and sections 33-35 make conforming changes necessitated by the renumbering of section 5.

Section 14 of this bill revises the requirements for an application for the issuance of a license as a managing general agent. Section 7 of this bill authorizes the Commissioner to require an applicant for the issuance of a license as a managing general agent to file and maintain with the Commissioner a surety bond in an amount determined by the Commissioner.

Existing law prohibits a person from acting as an administrator unless the person holds a certificate of registration issued by the Commissioner. (NRS 683A.085) Existing law also imposes certain requirements and restrictions on a pharmacy benefit manager. (NRS 683A.171-683A.179) Section 9 of this bill revises the definition of "administrator" to include specifically any person who administers a program of pharmacy benefits for

an employer, insurer, internal service fund or trust. Sections 11 and 12 of this bill revise requirements for the issuance and renewal of a certificate of registration as an administrator. Sections 10.5 and 13 of this bill authorize an administrator who has obtained a certificate of registration issued by the Commissioner to delegate any of the duties of the administrator to an administrator who has not obtained a certificate of registration only if the delegating administrator has first obtained the written approval of the Commissioner. Section 8 of this bill requires an administrator to notify the Commissioner of certain changes to the administrator. Section 10 of this bill makes a conforming change to indicate the proper placement of section 8 in the Nevada Revised Statutes.

Existing law authorizes the Commissioner to issue to a person a temporary license as a producer of insurance and independent adjuster and a temporary certificate as an exchange enrollment facilitator, which, in general, are valid for not more than 180 days. (NRS 683A.311, 684A.150, 695J.190) Sections 15, 19 and 36 of this bill authorize the Commissioner to renew such a license or certificate for one additional period of 180 days under certain circumstances.

Existing law prohibits certain insurers from moving a prescription drug in a formulary from a lower cost tier to a higher cost tier under certain policies of health insurance issued to an individual or a small employer, except at certain times and under certain circumstances. However, existing law does not prohibit an insurer from, at any time, removing a prescription drug from a formulary and adding a prescription drug to a formulary. (NRS 687B.4095) Section 22 of this bill prohibits certain insurers who have removed a prescription drug from a formulary from adding that prescription drug back into the formulary in a higher cost tier in the same plan year in which it was removed, except at the times and under the circumstances provided for under existing law.

Sections 23 and 24 of this bill revise provisions relating to annuities for consistency with the Standard Nonforfeiture Law for Individual Deferred Annuities adopted by the National Association of Insurance Commissioners.

Existing law imposes certain requirements and restrictions on an applicant for a license as a producer of insurance or a licensee who wishes to use a name other than his or her true name to conduct business. (NRS 683A.301) Sections 25 and 27 of this bill make these requirements and restrictions applicable to an applicant for or a holder of a certificate of authority to sell prepaid contracts for funeral services or a permit to sell prepaid contracts for burial services. Section 26 of this bill requires a person to have a good business and personal reputation to qualify for an agent's license to sell prepaid contracts for burial services on behalf of a seller.

Section 28 of this bill revises the definition of "health benefit plan" that is applicable to provisions of existing law governing health insurance for small employers to standardize the definition of the term with other provisions of existing law governing health benefit plans.

Existing law sets forth certain requirements relating to the confidentiality and disclosure of certain records and information relating to an insurer. (NRS 679B.285) Section 29 of this bill applies those requirements to certain records and information relating to a captive insurer. Sections 30-32 of this bill revise the dates by which certain captive insurers are required to submit certain information to the Commissioner.

Existing law sets forth procedures and requirements for delinquency proceedings against an insurer. (Chapter 696B of NRS) Existing law sets forth the manner in which a delinquency proceeding must be commenced. (NRS 696B.250) Section 37 of this bill provides that the Nevada Rules of Civil Procedure do not apply to the commencement of a delinquency proceeding. Section 38 of this bill eliminates certain duplicative statutory language with respect to the powers of the Commissioner as a receiver, rehabilitator or liquidator of an insurer.

Existing law sets forth certain requirements for a person to obtain and renew a license as a bail agent, including, without limitation, the requirement that the person be a resident of this State and have resided in this State for not less than 1 year immediately preceding the date of the application for licensure. (NRS 697.150) Sections 39.4 and 39.6 of this bill provide for the issuance of a nonresident license as a bail agent to a nonresident person who is licensed as a bail agent in his or her home state and set forth certain requirements to obtain such a license. Section 39.3 of this bill defines the term "home state." Section 39.5 of this bill makes a conforming change to indicate the proper placement of section 39.3 in the Nevada Revised Statutes. Sections 39.6, 39.7, 39.8, 41.3 and 41.6 of this bill exempt an applicant for the issuance or renewal of a nonresident license as a bail agent from certain requirements otherwise applicable to the issuance or renewal of a license as a bail agent.

Existing law requires a bail agent to maintain a place of business in this State accessible to the public. (NRS 697.280) Existing law requires a bail agent, before acting as an attorney-in-fact for an insurer on an undertaking, to register in the office of the sheriff and with the clerk of the district court in which the agent resides. (NRS 697.270) Section 42.5 of this bill requires a person who holds a nonresident license as a bail agent to instead register with the office of the sheriff and with the clerk of the district court in which the place of business of the bail agent is located.

Existing law sets forth certain requirements for a bail agent and bail enforcement agent with respect to the apprehension of a defendant and the surrender of a defendant to custody. (NRS 178.526, 697.325) Sections 43 and 46 of this bill establish that only a bail enforcement agent is authorized to take certain actions with respect to the apprehension and surrender of a defendant. Section 45 of this bill prohibits a bail agent, general agent, bail enforcement agent or bail solicitor from allowing any person other than a licensed bail enforcement agent to participate in the functions of a bail enforcement agent.

Existing law requires a bail agent or bail enforcement agent, before forcibly entering an inhabited dwelling, to notify the local law enforcement agency of

the jurisdiction where the dwelling is located. Existing law defines "inhabited dwelling" to mean, in general, certain structures, buildings or vehicles in which the owner or other lawful occupant resides. (NRS 697.325) Section 43: (1) eliminates the term "inhabited dwelling"; (2) imposes certain requirements and restrictions on a bail enforcement agent with respect to the entry and forcible entry of any structure, as defined in section 43; and (3) imposes certain requirements and restrictions with respect to the use of physical force by a bail enforcement agent. Section 44 of this bill provides that a bail agent who improperly causes the surrender of a defendant to custody is not entitled to collect any fees related to the surrender.

NEW section 39.2 of Senate Bill No. 57 First Reprint is hereby added as follows:

Sec. 39.2. Chapter 697 of NRS is hereby amended by adding thereto the provisions set forth as sections 39.3 and 39.4 of this act.

NEW section 39.3 of Senate Bill No. 57 First Reprint is hereby added as follows:

Sec. 39.3. *"Home state" means the District of Columbia or any state or territory of the United States in which a bail agent maintains his or her principal place of residence or principal place of business and is licensed to act as a bail agent.*

NEW section 39.4 of Senate Bill No. 57 First Reprint is hereby added as follows:

Sec. 39.4. *1. The Commissioner shall issue a nonresident license as a bail agent to a nonresident person if:*

(a) The person is currently licensed and in good standing as a bail agent in the resident or home state of the person;

(b) The person has submitted the proper request for licensure and has paid all fees required pursuant to NRS 680B.010 and, in addition to any other fee or charge, all applicable fees required pursuant to NRS 680C.110;

(c) The person has submitted or transmitted to the Commissioner the appropriate completed application for licensure;

(d) The person satisfies the requirements specified in subsection 2 of NRS 697.150; and

(e) The home state of the person awards nonresident licenses as a bail agent to persons of this State on the same basis.

2. The Commissioner may verify the licensing status of the nonresident person:

(a) Through any appropriate database, including, without limitation, the Producer Database maintained by the National Insurance Producer Registry or its affiliates or subsidiaries;

(b) By requesting that the nonresident person submit proof that the nonresident person is licensed and in good standing in the person's home state as a bail agent; or

(c) Through any other means the Commissioner determines to be appropriate.

3. As a condition to the continuation of a nonresident license as a bail agent, the nonresident bail agent shall maintain a resident license as a bail agent in the home state of the bail agent. A nonresident license as a bail agent issued under this section must be terminated and surrendered immediately to the Commissioner if the resident license as a bail agent in the home state is terminated for any reason, unless:

(a) The termination is due to the nonresident bail agent being issued a new resident license as a bail agent in a new home state; and

(b) The new resident license as a bail agent is from a state that has reciprocity with this State.

4. The Commissioner shall give notice of the termination of a resident license as a bail agent within 30 days after the date of the termination to any states that issued a nonresident license as a bail agent to the holder of the resident license. If the resident license as a bail agent was terminated because of a change in the home state of the bail agent, the notice must include both the previous and current address of the bail agent.

5. The Commissioner shall terminate a nonresident license as a bail agent issued pursuant to this section if the bail agent establishes legal residency in this State and fails to apply for a resident license as a bail agent within 90 days after establishing legal residency.

NEW section 39.5 of Senate Bill No. 57 First Reprint is hereby added as follows:

Sec. 39.5. NRS 697.020 is hereby amended to read as follows:

697.020 As used in this Code, unless the context otherwise requires, the words and terms defined in NRS 697.030 to 697.070, inclusive, *and section 39.3 of this act* have the meanings ascribed to them in those sections.

NEW section 39.6 of Senate Bill No. 57 First Reprint is hereby added as follows:

Sec. 39.6. NRS 697.150 is hereby amended to read as follows:

697.150 1. Except as otherwise provided in ~~[subsection]~~ *subsections* 2 ~~[,]~~ *and 3,* a person is entitled to receive, renew or hold a license as a bail agent if the person:

(a) Is a resident of this State and has resided in this State for not less than 1 year immediately preceding the date of the application for the license.

(b) Is a natural person not less than 18 years of age.

(c) Has been appointed as a bail agent by an authorized surety insurer, subject to the issuance of the license.

(d) Is competent, trustworthy and financially responsible.

(e) Has passed any written examination required under this chapter.

(f) Has filed the bond required by NRS 697.190.

(g) Has, on or after July 1, 1999, successfully completed a 6-hour course of instruction in bail bonds that is:

(1) Offered by a state or national organization of bail agents or another organization that administers training programs for bail agents; and

(2) Approved by the Commissioner.

2. *A nonresident person is entitled to receive, renew or hold a nonresident license as a bail agent if, in addition to the applicable requirements set forth in section 39.4 of this act, the nonresident person satisfies the requirements set forth in paragraphs (b), (d) and (f) of subsection 1.*

3. A person is not entitled to receive, renew or hold a license as a bail agent if the person has been convicted of, or entered a plea of guilty, guilty but mentally ill or nolo contendere to, forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud or any crime involving moral turpitude. A conviction of, or plea of guilty, guilty but mentally ill or nolo contendere by, an applicant or licensee for any crime listed in this subsection is a sufficient ground for the Commissioner to deny a license to the applicant or to suspend or revoke the license of the agent.

NEW section 39.7 of Senate Bill No. 57 First Reprint is hereby added as follows:

Sec. 39.7. NRS 697.180 is hereby amended to read as follows:

697.180 1. A written application for a license as a ~~[bail agent,]~~ general agent, bail enforcement agent , ~~[or]~~ bail solicitor *or bail agent, other than a nonresident license as a bail agent,* must be filed with the Commissioner by the applicant, accompanied by the applicable fees. The application form must:

(a) Include the social security number of the applicant; and

(b) Require full answers to questions reasonably necessary to determine the applicant's:

(1) Identity and residence.

(2) Business record or occupations for not less than the 2 years immediately preceding the date of the application, with the name and address of each employer, if any.

(3) Prior criminal history, if any.

2. The Commissioner may require the submission of such other information as may be required to determine the applicant's qualifications for the license for which the applicant applied.

3. The applicant must verify his or her application. An applicant for a license under this chapter shall not knowingly misrepresent or withhold any fact or information called for in the application form or in connection therewith.

4. Each applicant must, as part of his or her application and at the applicant's own expense:

(a) Arrange to have a complete set of his or her fingerprints taken by a law enforcement agency or other authorized entity acceptable to the Commissioner; and

(b) Submit to the Commissioner:

(1) A completed fingerprint card and written permission authorizing the Commissioner to submit the applicant's fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for a report on the applicant's background and to such other law enforcement agencies as the Commissioner deems necessary; or

(2) Written verification, on a form prescribed by the Commissioner, stating that the fingerprints of the applicant were taken and directly forwarded electronically or by another means to the Central Repository and that the applicant has given written permission to the law enforcement agency or other authorized entity taking the fingerprints to submit the fingerprints to the Central Repository for submission to the Federal Bureau of Investigation for a report on the applicant's background and to such other law enforcement agencies as the Commissioner deems necessary.

5. The Commissioner may:

(a) Unless the applicant's fingerprints are directly forwarded pursuant to subparagraph (2) of paragraph (b) of subsection 4, submit those fingerprints to the Central Repository for submission to the Federal Bureau of Investigation and to such other law enforcement agencies as the Commissioner deems necessary;

(b) Request from each such agency any information regarding the applicant's background as the Commissioner deems necessary; and

(c) Adopt regulations concerning the procedures for obtaining this information.

NEW section 39.8 of Senate Bill No. 57 First Reprint is hereby added as follows:

Sec. 39.8. NRS 697.183 is hereby amended to read as follows:

697.183 An application for a license as a bail agent *, other than an application for a nonresident license as a bail agent,* must be accompanied by:

1. Proof of the completion of a 6-hour course of instruction in bail bonds that is:

(a) Offered by a state or national organization of bail agents or another organization that administers training programs for bail agents; and

(b) Approved by the Commissioner.

2. A written appointment by an authorized insurer as agent for bail bonds, subject to the issuance of the license.

3. A letter from a local law enforcement agency in the applicant's county of residence which indicates that the applicant:

(a) Has not been convicted of a felony in this state or of any offense committed in another state which would be a felony if committed in this state; and

(b) Has not been convicted of an offense involving moral turpitude or the unlawful use, sale or possession of a controlled substance.

NEW section 41.3 of Senate Bill No. 57 First Reprint is hereby added as follows:

Sec. 41.3. NRS 697.200 is hereby amended to read as follows:

697.200 1. Any natural person who intends to apply for a license as a bail ~~[agent, bail]~~ enforcement agent , ~~[or]~~ bail solicitor *or bail agent, other than a nonresident license as a bail agent,* must personally take and pass a written examination of his or her competence to act as such. After passing the examination, the person may apply to the Commissioner for such a license.

2. The scope of the examination must be as broad as the bail bond business.

3. The examination must be administered by the Commissioner or an entity approved by the Commissioner.

NEW section 41.6 of Senate Bill No. 57 First Reprint is hereby added as follows:

Sec. 41.6. NRS 697.230 is hereby amended to read as follows:

697.230 1. Except as otherwise provided in NRS 697.177, each license issued to or renewed for a general agent, bail agent, bail enforcement agent or bail solicitor under this chapter continues in force for 3 years unless it is suspended, revoked or otherwise terminated. A license may be renewed upon payment of all applicable fees for renewal to the Commissioner on or before the renewal date for the license. All applicable fees must be accompanied by:

(a) ~~[Proof]~~ *Except as otherwise provided in subsection 6, proof* that the licensee has completed a 3-hour program of continuing education that is:

(1) Offered by the authorized surety insurer from whom the licensee received written appointment, if any, a state or national organization of bail agents or another organization that administers training programs for general agents, bail agents, bail enforcement agents or bail solicitors; and

(2) Approved by the Commissioner;

(b) If the licensee is a natural person, the statement required pursuant to NRS 697.181; and

(c) A written request for renewal of the license. The request must be made and signed:

(1) By the licensee in the case of the renewal of a license as a general agent, bail enforcement agent or bail agent.

(2) By the bail solicitor and the bail agent who employs the solicitor in the case of the renewal of a license as a bail solicitor.

2. Any license that is not renewed on or before the renewal date for the license expires on the renewal date. The Commissioner may accept a request for renewal received by the Commissioner within 30 days after the date of expiration if the request is accompanied by a fee for renewal of 150 percent of all applicable fees otherwise required, except for any fee required pursuant to NRS 680C.110, and, if the person requesting renewal is a natural person, the statement required pursuant to NRS 697.181.

3. A bail agent's license continues in force while there is in effect an appointment of him or her as a bail agent of one or more authorized insurers. Upon termination of all the bail agent's appointments and the bail agent's failure to replace any appointment within 30 days thereafter, the bail agent's license expires and the bail agent shall promptly deliver his or her license to the Commissioner.

4. The Commissioner shall terminate the license of a general agent for a particular insurer upon a written request by the insurer.

5. This section does not apply to temporary licenses issued under NRS 683A.311 or 697.177.

6. *The provisions of paragraph (a) of subsection 1 do not apply to a person who:*

(a) Holds a nonresident license as a bail agent; and

(b) Has met the continuing education requirements of his or her home state.

7. As used in this section, "renewal date" means:

(a) For the first renewal of the license, the last day of the month which is 3 years after the month in which the Commissioner originally issued the license.

(b) For each renewal after the first renewal of the license, the last day of the month which is 3 years after the month in which the license was last due to be renewed.

NEW section 42.5 of Senate Bill No. 57 First Reprint is hereby added as follows:

Sec. 42.5. NRS 697.270 is hereby amended to read as follows:

697.270 A bail agent shall not act as an attorney-in-fact for an insurer on an undertaking unless the bail agent has registered in the office of the sheriff and with the clerk of the district court in which the agent resides ~~[, and the]~~ *or, for a bail agent who holds a nonresident license as a bail agent, in which his or her place of business required by NRS 697.280 is located. The* bail agent may register in the same manner in any other county. Any bail agent shall file a certified copy of the appointment of the bail agent by power of attorney from each insurer which the bail agent represents as agent with each of such officers. The bail agent shall register and file a certified copy of renewed power of attorney annually on July 1. The clerk of the district court and the sheriff shall not permit the registration of a bail agent unless the agent is licensed by the Commissioner.

Senator Lange moved that the Senate concur in Assembly Amendment No. 719 to Senate Bill No. 57.

Motion carried by a two-thirds majority.

Bill ordered enrolled.

Senate Bill No. 80.

The following Assembly amendment was read:

Amendment No. 604.

SUMMARY—Revises provisions relating to the prevention and treatment of injuries to the head. (BDR 34-549)

AN ACT relating to public safety; requiring the Superintendent of Public Instruction to adopt a policy concerning the treatment of injuries to the head; revising the contents of certain policies adopted by the Nevada Interscholastic Activities Association , the board of trustees of a school district and organizations for youth sports concerning the prevention and treatment of injuries to the head; requiring certain schools to adopt such a policy; ~~[requiring certain schools to create and distribute a brochure concerning the prevention and treatment of injuries to the head and establish a concussion management team; providing a penalty;]~~ revising the requirements for a provider of health

care to perform certain functions under such a policy; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Nevada Interscholastic Activities Association, the board of trustees of each school district and each organization for youth sports that sponsors or sanctions competitive sports for youth to adopt a policy concerning the prevention and treatment of injuries to the head. Existing law requires such a policy to require: (1) a pupil or youth who sustains or is suspected to have sustained an injury to the head to be removed from an activity or event to which the policy applies; and (2) the parent or guardian of such a pupil or youth to provide a signed statement from a provider of health care authorizing the pupil or youth to return to the activity or event before the pupil or youth is authorized to return to the activity or event. (NRS 385B.080, 392.452, 455A.200)

~~[Section 2 of this bill defines "provider of health care" as it is used in sections 3-7 of this bill.]~~ Section 6.5 of this bill requires the Superintendent of Public Instruction to adopt by regulation a policy concerning the treatment of injuries to the head that affect the ability of a pupil to engage in his or her course work at school. Regulations adopted pursuant to section 6.5 must require a school to authorize a pupil who has sustained or is suspected of sustaining an injury to the head to receive reasonable accommodations that are based on peer-reviewed evidence. Section 6.5 requires the Superintendent to post the policy on an Internet website maintained by the Department of Education.

Section 7 of this bill ~~[: (1) expands the policy that the Association is required]~~ requires the Association to adopt regulations prescribing the policy of the Association concerning the prevention and treatment of injuries to the head. ~~[; and (2) requires the Association to create a brochure on the prevention and treatment of injuries to the head. Sections 3-6 of this bill prescribe the requirements of the expanded policy.~~

~~Section 3 of this bill requires the policy to include a requirement that, if practicable, a provider of health care evaluate each pupil before the pupil participates in an interscholastic activity or event to determine the physical and cognitive abilities of the pupil. Section 4 of this bill requires the policy to require the person responsible for the supervision of a pupil who sustains or is suspected of sustaining an injury to the head during the interscholastic activity or event to: (1) immediately remove the pupil from the interscholastic activity or event and ensure the pupil is evaluated for an injury to the head; and (2) convey certain information about the head injury and the policy of the Association regarding head injuries to the parent or legal guardian of that pupil.~~

~~Section 6 of this bill requires the policy to include certain steps the pupil who has sustained or is suspected of having sustained an injury to the head is required to complete in order to return to participation in course work at school or an interscholastic activity or event. Section 5 of this bill prescribes a process for conducting daily evaluations of such a pupil to determine whether the pupil~~

~~should progress through the steps prescribed by section 6.]~~ Section 7 additionally requires the association to compile information on the prevention and treatment of injuries to the head. Section 7 also requires the Association to: (1) provide the policy to a parent or legal guardian of a pupil before the pupil participates in an interscholastic activity or event and annually thereafter; (2) ensure that the pupil and his or her parent or legal guardian sign a form containing certain disclosures before the pupil participates in an interscholastic activity or event and annually thereafter; and (3) post the policy ~~[and brochure]~~ and information to an Internet website maintained by the Association. ~~[Lastly, section 7 requires the Association to review the policy and brochure every 5 years and update them as necessary to reflect current best practices in the treatment and prevention of injuries to the head.~~

~~— Sections]~~ Section 8 ~~[and 9]~~ of this bill ~~[require]~~ requires the board of trustees of each school district and the governing body of each charter school ~~[,]~~ or university school for profoundly gifted pupils ~~[and private school]~~ to adopt a policy ~~[and create a brochure]~~ with the same or substantially similar provisions as those required in ~~[sections 3-7]~~ sections 6.5 and 7 and to modify such provisions as necessary for the provisions to apply to any pupil that sustains an injury to the head. ~~[Sections 8 and 9 additionally require: (1) the principal of each public and private school to create a concussion management team to perform certain duties prescribed in the policy; and (2) certain employees of a public or private school to complete training relating to head injuries. Section 9 provides that a person who willfully fails to perform the duties prescribed by section 9 is guilty of a misdemeanor.]~~

Section 10 of this bill requires each organization for youth sports that sanctions or sponsors competitive sports for youths in this State to adopt a policy with the same or substantially similar provisions as those required in ~~[sections 3-7, except those provisions concerning the return to course work in a classroom.]~~ section 7.

Sections 6.5-8 and 10 require the Superintendent, the Association, the board of trustees of each school district, the governing body of each charter school or university school for profoundly gifted pupils and each organization for youth sports, as applicable, to review the policy each person or organization adopted pursuant to the provisions of this bill at least once every 5 years and update it as necessary to reflect current best practices in the treatment and prevention of injuries to the head.

If a pupil or youth sustains an injury to the head, existing law requires that a provider of health care sign a form indicating that the pupil is medically cleared for participation in an activity, event or competitive sport before the pupil is authorized to return to such participation. (NRS 385B.080, 392.452, 455A.200) Sections 7, 8 and 10 additionally require the provider of health care that signs such a form to be acting within his or her scope of practice.

WHEREAS, A concussion is a type of injury to the brain that has the ability to mildly or severely disrupt the normal function of the brain; and

WHEREAS, Some concussions cause people to lose consciousness, but the majority of concussions occur without a loss of consciousness; and

WHEREAS, Concussions may occur in any organized or unorganized sport or recreational activity or through daily life events and can result from a fall or collision with another person, the ground or an object; and

WHEREAS, According to the Johns Hopkins University School of Medicine, children and young adults are at greater risk of sustaining a concussion than the average adult; and

WHEREAS, The Mayo Clinic estimates that between 15 and 20 percent of concussions result in post-concussive syndrome, the long-term effects of which may include cognitive impairment, depression, personality changes and other psychological disorders; and

WHEREAS, The Johns Hopkins University School of Medicine advises that concussions be treated with rest and limiting activities that require a person to concentrate heavily; and

WHEREAS, The National Center for Injury Prevention and Control of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services stresses the importance of schools and sports organizations adopting policies to reduce the risk of a child sustaining a concussion and ensure that proper treatment is provided to a child that sustains a concussion; now, therefore,

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

Section 1. ~~[Chapter 385B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this act.]~~ (Deleted by amendment.)

Sec. 2. ~~*[As used in NRS 385B.080 and sections 2 to 6, inclusive, of this act, "provider of health care" means a physician or physician assistant licensed pursuant to chapter 630 or 633 of NRS, an advanced practice registered nurse licensed pursuant to chapter 632 of NRS, a physical therapist licensed pursuant to chapter 640 of NRS or an athletic trainer licensed pursuant to chapter 640B of NRS.]*~~ (Deleted by amendment.)

Sec. 3. ~~*[Except as otherwise provided in NRS 385B.080, the policy adopted by the Nevada Interscholastic Activities Association pursuant to NRS 385B.080 must require:*~~

~~*1. If practicable, a provider of health care to evaluate the physical and cognitive abilities of each pupil before the pupil participates in an interscholastic activity or event governed by the Nevada Interscholastic Activities Association and at least annually thereafter.*~~

~~*2. The evaluation required by subsection 1 to use one or more evidence-based tests that include, without limitation:*~~

~~*(a) Attempting to provoke the symptoms of an injury to the head in the pupil and evaluating the symptoms exhibited by the pupil; and*~~

~~*(b) Evaluating the postural stability and cognitive ability of the pupil.]*~~ (Deleted by amendment.)

Sec. 4. ~~[*Except as otherwise provided in NRS 385B.080, the policy adopted by the Nevada Interscholastic Activities Association pursuant to NRS 385B.080 must require the teacher, coach or other person responsible for supervising a pupil who sustains or is suspected of sustaining an injury to the head while participating in an interscholastic activity or event to:*~~

~~*1. Immediately remove the pupil from the activity or event and ensure that the pupil is evaluated in accordance with procedure set forth in section 5 of this act; and*~~

~~*2. Ensure that the parent or legal guardian of the pupil is notified of the injury to the head and provided with the:*~~

~~*(a) Brochure created pursuant to NRS 385B.080;*~~

~~*(b) Procedure set forth in this section and sections 5 and 6 of this act for the pupil to return to full participation in course work at school and to an interscholastic activity or event;*~~

~~*(c) Contact information for the concussion management team established pursuant to subsection 5 of NRS 392.452 or subsection 5 of section 9 of this act, as applicable; and*~~

~~*(d) Form prescribed by the Nevada Interscholastic Activities Association pursuant to subsection 9 of section 5 of this act.*~~ ~~*]*~~ (Deleted by amendment.)

Sec. 5. ~~[*Except as otherwise provided in NRS 385B.080, the policy adopted by the Nevada Interscholastic Activities Association pursuant to NRS 385B.080 must require that:*~~

~~*1. Not sooner than 24 hours after a pupil sustains or is suspected of sustaining an injury to the head while participating in an interscholastic activity or event, a provider of health care initially evaluate the pupil as provided in subsection 3.*~~

~~*2. A provider of health care or school nurse who has received training in the evaluation of injuries to the head evaluate the pupil as provided in subsection 3 at least once each day thereafter until the pupil is authorized to return to full participation in course work at school and the interscholastic activity or event pursuant to subsection 9.*~~

~~*3. An evaluation performed pursuant to subsection 1 or 2 consists of:*~~

~~*(a) Evaluating the symptoms, postural stability and cognitive ability of the pupil. Such an evaluation must use the same test as was initially used to evaluate the pupil pursuant to section 3 of this act, if applicable.*~~

~~*(b) Comparing the results of the evaluation conducted pursuant to paragraph (a) to:*~~

~~*(1) The results of the evaluation conducted pursuant to section 3 of this act; or*~~

~~*(2) If an evaluation of the pupil has not been performed pursuant to section 3 of this act, a statistically valid database that establishes the physical and cognitive abilities of a pupil of similar age and other relevant characteristics to the pupil that sustained or is suspected to have sustained an injury to the head.*~~

~~*4. After performing an evaluation pursuant to subsection 1 or 2, a provider of health care or school nurse consult with other members of the concussion management team established pursuant to subsection 5 of NRS 392.452 or subsection 5 of section 9 of this act, as applicable, and, if such other members have been appointed, determine whether the pupil should advance to the next step, remain at the current step or return to the previous step of the procedures set forth in section 6 of this act.*~~

~~*5. Before a pupil advances to the next step or returns to the previous step of the procedures set forth in section 6 of this act, a provider of health care or school nurse approve the advancement or return, as applicable. A provider of health care or school nurse may not authorize a pupil to:*~~

~~*(a) Skip a step or progress through more than one step in a day under any circumstance; or*~~

~~*(b) Advance to the next step if the provider of health care or school nurse believes that it would be unsafe for the pupil to advance to the next step.*~~

~~*6. If a provider of health care or school nurse approves the advancement of a pupil to the next step of the procedures set forth in section 6 of this act, the provider of health care or school nurse document in a written record the date on which he or she approved the advancement.*~~

~~*7. The school in which a pupil is enrolled maintain the written record created pursuant to subsection 6 for at least 4 years after the date the documentation is made.*~~

~~*8. A provider of health care or school nurse who evaluates a pupil pursuant to subsection 2 return the pupil to the previous step of the procedures set forth in section 6 of this act, if the provider of health care or school nurse determines that symptoms for the injury to the head have worsened after the previous evaluation.*~~

~~*9. Before a pupil returns to full participation in course work at school or an interscholastic activity or event, a provider of health care evaluate the pupil pursuant to subsection 2 and sign a form prescribed by the Nevada Interscholastic Activities Association:*~~

~~*(a) Certifying that the pupil has completed the appropriate procedure set forth in section 6 of this act; and*~~

~~*(b) Authorizing the pupil to return to full participation in course work at school or a sport or other physically demanding interscholastic activity or event, as applicable.]*~~ (Deleted by amendment.)

Sec. 6. ~~*[Except as otherwise provided in NRS 385B.080, the policy adopted by the Nevada Interscholastic Activities Association pursuant to NRS 385B.080 must prohibit a pupil from returning to full participation in:*~~

~~*1. Course work at school until the pupil has completed a procedure that ensures the pupil is physically and mentally ready to return to full participation in course work at school, including, without limitation, completing the following steps in the following order:*~~

~~*(a) Total rest;*~~

~~*(b) Daily activities at home;*~~

~~*(c) Course work completed at home;*~~
~~*(d) Course work completed at school, but not participating in a classroom;*~~
~~*(e) Participation in a classroom with any accommodation necessary;*~~
~~*(f) Participation in a classroom with minimal accommodations; and*~~
~~*(g) A provider of health care signing a form authorizing the pupil to return to full participation in course work at school pursuant to subsection 9 of section 5 of this act.*~~
~~*2. An interscholastic activity or event until the pupil has completed a procedure that ensures the pupil is physically and mentally ready to return to full participation in the interscholastic activity or event, including, without limitation, completing the following steps in the following order:*~~
~~*(a) Total rest;*~~
~~*(b) Light aerobic activity;*~~
~~*(c) Moderate aerobic activity, including, without limitation, non-contact training activities at half speed;*~~
~~*(d) Vigorous aerobic activity, including, without limitation, non-contact training activities at full speed;*~~
~~*(e) Full-contact practice; and*~~
~~*(f) A provider of health care signing a form authorizing the pupil to return to full participation in the interscholastic activity or event pursuant to subsection 9 of section 5 of this act.]*~~ (Deleted by amendment.)

Sec. 6.5. Chapter 385 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Superintendent of Public Instruction shall, in cooperation with the Nevada Interscholastic Activities Association and the Chief Medical Officer, adopt regulations prescribing a policy concerning the treatment of injuries to the head that affect the ability of a pupil to learn and otherwise engage with his or her course work at school, including, without limitation, a concussion of the brain.

2. The policy adopted pursuant to subsection 1 must require a school to authorize a pupil who has sustained or is suspected of sustaining an injury to the head to receive reasonable accommodations that are based on peer-reviewed evidence until the pupil is mentally and physically ready to return to full participation in his or her course work. Such accommodations may include, without limitation:

(a) Rest;

(b) A modified schedule or curriculum; or

(c) Monitoring by a school nurse, athletic trainer or other person qualified to monitor the mental and physical health of the pupil.

3. The Superintendent of Public Instruction shall post the policy adopted pursuant to subsection 1 on an Internet website maintained by the Department.

4. At least once every 5 years, the Superintendent of Public Instruction shall:

(a) Review the policy adopted pursuant to subsection 1; and

(b) Update the policy to reflect current best practices in the prevention and treatment of injuries to head.

Sec. 7. NRS 385B.080 is hereby amended to read as follows:

385B.080 1. The Nevada Interscholastic Activities Association shall *, in cooperation with the Superintendent of Public Instruction and the Chief Medical Officer,* adopt ~~[:~~

~~*(a) Adopt]*~~ *regulations prescribing* a policy concerning the prevention and treatment of injuries to the head which may occur during *or otherwise affect* a pupil's participation in interscholastic activities and events, including, without limitation, a concussion of the brain. ~~*[Except as otherwise provided in subsection 6, the policy must contain the items required by sections 3 to 6, inclusive, of this act.*~~

~~*(b) Create a brochure concerning the prevention and treatment of injuries to the head which may occur during the participation of a pupil in interscholastic activities or events, including, without limitation, a concussion of the brain.*~~

~~*2.]*~~ The policy ~~*[brochure created pursuant to paragraph (b) of subsection 1]*~~ must provide information concerning the nature and risk of injuries to the head which may occur during a pupil's participation in interscholastic activities and events, including, without limitation, the risks associated with continuing to participate in the activity or event after sustaining such an injury.

2. The policy adopted pursuant to subsection 1 must require that if a pupil *has or* sustains or is suspected of *having or* sustaining an injury to the head while participating in an interscholastic activity or event, the pupil:

(a) Must be immediately removed from the activity or event; and

(b) May return to the activity or event if the parent or legal guardian of the pupil provides a signed statement of a provider of health care *acting within his or her scope of practice* indicating that the pupil is medically cleared for participation in the activity or event and the date on which the pupil may return to the activity or event. ~~*[include,]*~~

3. The Nevada Interscholastic Activities Association shall compile educational information on the prevention and treatment of injuries to the head, including, without limitation:

(a) Information about injuries to the head, including, without limitation, traumatic brain injuries and concussions of the brain;

(b) The procedure to be followed after an injury to the head or a suspected injury to the head of a pupil is sustained, including, without limitation, ~~[the]~~ any procedure in the policy adopted pursuant to ~~[paragraph (a) of]~~ subsection 1 to determine when a pupil may return to full participation in ~~[course work at school and]~~ any interscholastic activity or event;

(c) The symptoms that a pupil who has sustained an injury to the head is likely to exhibit and the manner in which such symptoms are likely to subside over time; and

(d) The recommended care and accommodations for a pupil who has sustained or is suspected to have sustained a concussion or other injury to the head and the resources for identifying the proper care and accommodations for a specific pupil . ~~[; and~~

~~*(e) A place for school personnel to fill in the contact information for:*~~

~~*(1) The concussion management team established pursuant to subsection 5 of NRS 392.452 or subsection 5 of section 9 of this act, as applicable;*~~

~~*(2) Providers of emergency medical services; and*~~

~~*(3) Nearby hospitals.*~~

~~3.]~~ *4.* Before a pupil participates in an interscholastic activity or event, and on an annual basis thereafter, *the Nevada Interscholastic Activities Association shall ensure that* the pupil and his or her parent or legal guardian:

(a) ~~[Must be]~~ *Are* provided with a copy of the policy adopted pursuant to ~~*[paragraph (a) of]*~~ subsection 1; and

(b) ~~[Must sign]~~ *Sign* a statement on a form prescribed by the Nevada Interscholastic Activities Association acknowledging that the pupil *, if capable,* and his or her parent or guardian ~~[have read and understand the terms and conditions of the policy.:]~~ *understand:*

(1) ~~[Understand that]~~ That injuries to the head may occur during the participation of a pupil in interscholastic activities and events;

(2) ~~[Understand the]~~ The risks associated with participating in an activity or event in which a pupil may sustain an injury to the head;

(3) ~~[Understand the]~~ The risks associated with continuing to participate in an activity or event after a pupil has sustained an injury to the head; and

(4) ~~[Agree to follow the policy adopted pursuant to paragraph (a) of subsection 1 and the policy adopted pursuant to NRS 392.452 or section 9 of this act, as applicable, by the school district, charter school, university school for profoundly gifted pupils or private school in which the pupil is enrolled;~~

~~*(5) Understand that]*~~ *That the policy adopted pursuant to ~~[paragraph (a) of]~~ subsection 1 and the ~~[brochure created]~~ educational information compiled pursuant to ~~[paragraph (b) of]~~ subsection ~~[1]~~ 3 are available on the Internet website maintained by the Nevada Interscholastic Activities Association . ~~[;~~ ~~and~~*

~~*(6) Understand that the policy adopted and brochure created pursuant to NRS 392.452 or section 9 of this act, as applicable, are available on the Internet website maintained by the school district, charter school, university school for profoundly gifted pupils or private school in which the pupil is enrolled.*~~

~~4. As used in this section, "provider of health care" means a physician or physician assistant licensed under chapter 630 or 633 of NRS, an advanced practice registered nurse licensed under chapter 632 of NRS, a physical therapist licensed under chapter 640 of NRS or an athletic trainer licensed under chapter 640B of NRS.]~~

5. The Nevada Interscholastic Activities Association shall post the policy adopted pursuant to ~~[paragraph (a) of]~~ subsection 1 and the ~~[brochure created]~~ educational information compiled pursuant to ~~[paragraph (b) of]~~ subsection ~~[1]~~ 3 on the Internet website of the Nevada Interscholastic Activities Association.

~~[5.]~~ 6. At least once every 5 years, the Nevada Interscholastic Activities Association shall:

(a) Review the policy adopted pursuant to ~~[paragraph (a) of]~~ subsection 1 and the ~~[brochure created]~~ information compiled pursuant to ~~[paragraph (b) of]~~ subsection ~~[1;]~~ 3; and

(b) Update the policy and ~~[brochure]~~ information to reflect current best practices in the prevention and treatment of injuries to head.

~~[6. Notwithstanding the provisions of sections 3 to 6, inclusive, of this act, the Nevada Interscholastic Activities Association may adopt regulations which prescribe alternative contents of the policy adopted by the Association pursuant to this section if the Association:~~

~~(a) Receives testimony from experts in the field of the prevention and treatment of injuries to the head that the alternative contents reflect current best practices in the prevention and treatment of injuries to the head; and~~

~~(b) Concludes, on the basis of such testimony, that the alternative contents would be more effective at preventing and treating injuries to the head than the contents required by sections 3 to 6, inclusive, of this act.]~~

7. As used in this section, "provider of health care" means a physician or physician assistant licensed under chapter 630 or 633 of NRS, an advanced practice registered nurse licensed under chapter 632 of NRS, a physical therapist licensed under chapter 640 of NRS or an athletic trainer licensed under chapter 640B of NRS.

Sec. 8. NRS 392.452 is hereby amended to read as follows:

392.452 1. ~~[For those competitive sports not governed by the Nevada Interscholastic Activities Association pursuant to chapter 385B of NRS, the]~~ *The* board of trustees of each school district *, the governing body of each charter school and the governing body of each university school for profoundly gifted pupils* shall adopt ~~[:~~

~~(a) Adopt]~~ a policy ~~[and create a brochure]~~ concerning the prevention and treatment of injuries to the head ~~[which may occur during]~~ *of* a ~~[pupil's participation in competitive sports within the school district,]~~ *pupil*, including, without limitation, a concussion of the brain. ~~[To the extent practicable, the]~~ *The* policy ~~[and brochure]~~ must ~~[be consistent with]~~ *:*

~~[(1)]~~ *(a) Include at least the same or substantially similar provisions as* the ~~[policy]~~ *policies* adopted ~~[and brochure created]~~ by the *Superintendent of Public Instruction pursuant to section 6.5 of this act and the* Nevada Interscholastic Activities Association pursuant to NRS 385B.080 ~~[. The policy must provide information concerning the nature and risk of injuries to the head which may occur during a pupil's participation in competitive sports,~~

~~including, without limitation, the risks associated with continuing to participate in competitive sports after sustaining such an injury.]~~ *; and*

~~*[(2)]*~~ *(b) Be modified as necessary to cover all pupils at a school who have or sustain , or are suspected of having or sustaining , an injury to the head, regardless of whether a pupil is at school or participating in an extracurricular activity when the injury or suspected injury occurs.*

~~*[(b) Prescribe a form that is substantially similar to the form prescribed by the Nevada Interscholastic Activities Association pursuant to subsection 9 of section 5 of this act on which a provider of health care may:*~~

~~*(1) Certify that a pupil who has sustained or is suspected of having sustained an injury to the head has completed all procedures required by the policy adopted pursuant to paragraph (a) for the pupil to return to full participation in course work at school or an extracurricular activity; and*~~

~~*(2) Authorize the pupil to return to full participation in course work at school or an extracurricular activity, as applicable.]*~~

2. The policy adopted pursuant to subsection 1 must require that if a pupil *has or* sustains , or is suspected of *having or* sustaining , an injury to the head while participating in competitive sports, the pupil:

(a) Must be immediately removed from the competitive sport; and

(b) May return to the competitive sport if the parent or legal guardian of the pupil provides a signed statement of a provider of health care *acting within his or her scope of practice* indicating that the pupil is medically cleared for participation in the competitive sport and the date on which the pupil may return to the competitive sport.

3. Before a pupil participates in competitive sports within a school district ~~[,]~~ *or for a charter school or university school for profoundly gifted pupils,* and on an annual basis thereafter, the *board of trustees of a school district, the governing body of each charter school and the governing body of each university school for profoundly gifted pupils shall ensure that each* pupil and his or her parent or legal guardian:

(a) ~~[Must be]~~ *Are* provided with a copy of the policy adopted pursuant to ~~*[paragraph (a) of]*~~ subsection 1; and

(b) ~~[Must sign]~~ *Sign* a statement on a form prescribed by the board of trustees *of the school district, governing body of the charter school or the governing body of the university school for profoundly gifted pupils, as applicable,* acknowledging that the pupil *, if capable,* and his or her parent or guardian ~~[have read and understand the terms and conditions of the policy.~~

~~4. .]~~ *understand:*

(1) ~~*[Understand that]*~~ *That injuries to the head may occur during the participation of a pupil in interscholastic activities and events;*

(2) ~~*[Understand the]*~~ *The risks associated with participating in an activity or event in which a pupil may sustain an injury to the head;*

(3) ~~*[Understand the]*~~ *The risks associated with continuing to participate in an activity or event after a pupil has sustained an injury to the head; and*

(4) ~~[Agree to follow the policy adopted pursuant to paragraph (a) of subsection 1 and the policy adopted pursuant to NRS 385B.080 by the Nevada Interscholastic Activities Association;~~

~~(5) Understand that]~~ That the policy adopted ~~[and the brochure created]~~ pursuant to ~~[paragraph (a) of]~~ subsection 1 and the educational information compiled pursuant to subsection 3 of NRS 385B.080 are available on the Internet website maintained by the school district, charter school or university school for profoundly gifted pupils in which the pupil is enrolled . ~~[; and~~

~~(6) Understand that the policy adopted and brochure created pursuant to NRS 385B.080 are available on the Internet website maintained by the Nevada Interscholastic Activities Association.~~

~~3.]~~ 4. Upon notification that a pupil enrolled in a public school has sustained or is suspected of having sustained an injury to the head, the board of trustees of a school district, the governing body of each charter school and the governing body of each university school for profoundly gifted pupils, as applicable, shall ensure that the pupil and his or her parent or legal guardian are provided with a printed or electronic copy of the policy adopted pursuant to ~~[paragraph (a) of]~~ subsection 1.

~~[4.]~~ 5. Each public school, charter school and university school for profoundly gifted pupils shall post the policy adopted ~~[and the brochure created]~~ pursuant to ~~[paragraph (a) of]~~ subsection 1 and the educational information prepared pursuant to subsection 3 of NRS 385B.080 on an Internet website maintained by the school.

~~[5. The principal or other person in charge of each public school, including, without limitation, each charter school or university school for profoundly gifted pupils, shall establish a concussion management team for the school. The concussion management team must include a school nurse or athletic trainer, and may additionally include, without limitation:~~

~~(a) School psychologists;~~

~~(b) School social workers;~~

~~(c) School counselors;~~

~~(d) Teachers; and~~

~~(e) Administrators.~~

~~6. A concussion management team established pursuant to subsection 5 shall perform the duties prescribed in the policies adopted pursuant to paragraph (a) of subsection 1 and NRS 385B.080.~~

~~7.]~~ 6. At least once every 5 years, the board of trustees of each school district, the governing body of each charter school and the governing body of each university school for profoundly gifted pupils shall:

(a) Review the policy adopted ~~[and the brochure created]~~ pursuant to ~~[paragraph (a) of]~~ subsection 1; and

(b) Update the policy ~~[and brochure]~~ to reflect current best practices in the prevention and treatment of injuries to the head.

~~[8.]~~ 7. Each ~~[administrator, teacher, counselor or other]~~ employee of a public school who ~~[is likely to encounter]~~ supports the academics or health,

including, without limitation, mental or physical health, of a pupil who has sustained or is suspected of having sustained an injury to the head must annually complete training regarding the prevention and treatment of injuries to the head ~~[provided by the Centers for Disease Control and Prevention of the United States Department of Health and Human Services, the National Federation of State High School Associations or a similar entity.]~~ , which must include, without limitation, a review of the educational information compiled pursuant to subsection 3 of NRS 385B.080. Each public school shall maintain a record of the training required by this section which is completed by each employee of the public school and provide such a record upon request.

~~[9.]~~ *8.* As used in this section, "provider of health care" means a physician or physician assistant licensed under chapter 630 or 633 of NRS, an advanced practice registered nurse licensed under chapter 632 of NRS, a physical therapist licensed under chapter 640 of NRS or an athletic trainer licensed under chapter 640B of NRS.

Sec. 9. ~~[Chapter 394 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~*1. The governing body of each private school shall:*~~

~~*(a) Adopt a policy and create a brochure concerning the prevention and treatment of injuries to the head of a pupil, including, without limitation, a concussion of the brain. The policy and brochure must:*~~

~~*(1) Include at least the same or substantially similar provisions as the policy adopted and brochure created by the Nevada Interscholastic Activities Association pursuant to NRS 385B.080; and*~~

~~*(2) Be modified as necessary to cover all pupils at a school who sustain or are suspected of sustaining an injury to the head, regardless of whether a pupil is at school or participating in an extracurricular activity when the injury or suspected injury occurs.*~~

~~*(b) Prescribe a form that is substantially similar to the form prescribed by the Nevada Interscholastic Activities Association pursuant to subsection 9 of section 5 of this act on which a provider of health care may:*~~

~~*(1) Certify that a pupil who has sustained or is suspected of having sustained an injury to the head has completed all procedures required by the policy adopted pursuant to paragraph (a) for the pupil to return to full participation in course work at school or an extracurricular activity; and*~~

~~*(2) Authorize the pupil to return to full participation in course work at school or an extracurricular activity, as applicable.*~~

~~*2. Before a pupil participates in competitive sports with a private school, and on an annual basis thereafter, the governing body of each private school shall ensure that each pupil and his or her parent or legal guardian:*~~

~~*(a) Are provided with a copy of the policy adopted pursuant to paragraph (a) of subsection 1;*~~

~~*(b) Sign a statement on a form prescribed by the governing body of the private school acknowledging that the pupil, if capable, and his or her parent or guardian:*~~

~~(1) Understand that injuries to the head may occur during the participation of a pupil in interscholastic activities and events;~~

~~(2) Understand the risks associated with participating in an activity or event in which a pupil may sustain an injury to the head;~~

~~(3) Understand the risks associated with continuing to participate in an activity or event after a pupil has sustained an injury to the head;~~

~~(4) Agree to follow the policy adopted pursuant to paragraph (a) of subsection 1 and the policy adopted pursuant to NRS 385B.090 by the Nevada Interscholastic Activities Association;~~

~~(5) Understand that the policy adopted and the brochure created pursuant to paragraph (a) of subsection 1 are available on the Internet website maintained by the private school in which the pupil is enrolled; and~~

~~(6) Understand that the policy adopted and brochure created pursuant to NRS 385B.080 are available on the Internet website maintained by the Nevada Interscholastic Activities Association.~~

~~3. Upon notification that a pupil enrolled in a private school has sustained or is suspected of having sustained an injury to the head, the board of trustees of the private school shall ensure that the pupil and his or her parent or legal guardian are provided with a copy of the policy adopted pursuant to paragraph (a) of subsection 1.~~

~~4. Each private school shall post the brochure created pursuant to paragraph (a) of subsection 1 on an Internet website maintained by the school.~~

~~5. The principal or other person in charge of each private school shall establish a concussion management team for the school. The concussion management team must include a school nurse or athletic trainer, and may include, without limitation:~~

~~(a) School psychologists;~~

~~(b) School social workers;~~

~~(c) School counselors;~~

~~(d) Teachers; and~~

~~(e) Administrators.~~

~~6. A concussion management team established pursuant to subsection 5 shall perform the duties prescribed in the policies adopted pursuant to paragraph (a) of subsection 1 and NRS 385B.080.~~

~~7. At least once every 5 years, the governing body of each private school shall:~~

~~(a) Review the policy adopted and the brochure created pursuant to paragraph (a) of subsection 1; and~~

~~(b) Update the policy and brochure to reflect current best practices in the prevention and treatment of injuries to the head.~~

~~8. Each administrator, teacher, counselor or other employee of a private school who is likely to encounter a pupil who has sustained or is suspected of having sustained an injury to the head must annually complete training regarding the prevention and treatment of injuries to the head provided by the Centers for Disease Control and Prevention of the United States Department~~

~~*of Health and Human Services, the National Federation of State High School Associations or a similar entity. Each private school shall maintain a record of the training required by this section which is completed by each employee of the private school and provide such a record upon request.*~~

~~*9. A person who willfully violates the provisions of this section is guilty of a misdemeanor. Each day's failure to comply with the provisions of this section is a separate offense.*~~

~~*10. As used in this section, "provider of health care" means a physician or physician assistant licensed under chapter 630 or 633 of NRS, an advanced practice registered nurse licensed under chapter 632 of NRS, a physical therapist licensed under chapter 640 of NRS or an athletic trainer licensed under chapter 640B of NRS.]*~~ (Deleted by amendment.)

Sec. 10. NRS 455A.200 is hereby amended to read as follows:

455A.200 1. Each organization for youth sports that sanctions or sponsors competitive sports for youths in this State shall adopt ~~*[:*~~

~~*(a) Adopt]*~~ a policy concerning the prevention and treatment of injuries to the head which may occur during *or otherwise affect* a youth's participation in those competitive sports, including, without limitation, a concussion of the brain. ~~[To the extent practicable, *Except for provisions concerning a pupil returning to full participation in course work at school,* the]~~ *The* policy must ~~[be consistent with]~~ *include at least the same or substantially similar provisions as* the policy adopted by the Nevada Interscholastic Activities Association pursuant to *subsection 1 of* NRS 385B.080. ~~[The policy must provide information concerning the nature and risk of injuries to the head which may occur during a youth's participation in competitive sports, including, without limitation, the risks associated with continuing to participate in competitive sports after sustaining such an injury.~~

~~*(b) Prescribe a form that is substantially similar to the form prescribed by the Nevada Interscholastic Activities Association pursuant to subsection 9 of section 5 of this act on which a provider of health care may:*~~

~~*(1) Certify that a youth who has sustained or is suspected of having sustained an injury to the head has completed all procedures required by the policy adopted pursuant to paragraph (a) for the youth to return to full participation in competitive sports; and*~~

~~*(2) Authorize the youth to return to full participation in competitive sports.]*~~

2. The policy adopted pursuant to subsection 1 must require that if a youth *has or* sustains , or is suspected of *having or* sustaining , an injury to the head while participating in competitive sports, the youth:

(a) Must be immediately removed from the competitive sport; and

(b) May return to the competitive sport if the parent or legal guardian of the youth provides a signed statement of a provider of health care *acting within his or her scope of practice* indicating that the youth is medically cleared for participation in the competitive sport and the date on which the youth may return to the competitive sport.

3. Before a youth participates in competitive sports sanctioned or sponsored by an organization for youth sports in this State, *and on an annual basis thereafter, the organization for youth sports shall ensure that* the youth and his or her parent or legal guardian:

(a) ~~[Must be]~~ *Are* provided with a copy of the policy adopted pursuant to *paragraph (a) of* subsection 1; and

(b) ~~[Must sign]~~ *Sign* a statement on a form prescribed by the organization for youth sports acknowledging that the youth *, if capable,* and his or her parent or legal guardian ~~[have read and understand the terms and conditions of the policy.~~

~~4.~~ ~~.]~~ *understand:*

(1) ~~*[Understand that]*~~ *That injuries to the head may occur during the participation of a youth in youth sports;*

(2) ~~*[Understand the]*~~ *The risks associated with participating in a youth sport in which a youth may sustain an injury to the head;*

(3) ~~*[Understand the]*~~ *The risks associated with continuing to participate in a youth sport after a youth has sustained an injury to the head;*

(4) ~~*[Agree to follow the policy adopted pursuant to paragraph (a) of subsection 1;*~~

~~*(5) Understand that]*~~ *That the policy adopted pursuant to* ~~*[paragraph (a) of]*~~ *subsection 1 is available on the Internet website , if any, maintained by the organization for youth sports; and*

~~*[(6) Understand that]*~~

(5) That the policy adopted ~~*[and brochure created]*~~ *and the educational information compiled pursuant to NRS 385B.080 are available on the Internet website maintained by the Nevada Interscholastic Activities Association.*

~~*[3.]*~~ *4. Each organization for youth sports that sanctions or sponsors competitive sports for youths shall post the policy adopted pursuant to* ~~*[paragraph (a) of]*~~ *subsection 1 on an Internet website maintained by the organization* ~~*[.]*~~ *, if any.*

~~*[4.]*~~ *5. At least once every 5 years, each organization for youth sports that sanctions or sponsors competitive sports for youths in this State shall:*

(a) Review the policy adopted pursuant to ~~*[paragraph (a) of]*~~ *subsection 1; and*

(b) Update the policy to reflect current best practice in the prevention and treatment of injuries to the head.

~~*[5.]*~~ *6.* As used in this section:

(a) "Provider of health care" means a physician or physician assistant licensed under chapter 630 or 633 of NRS, an advanced practice registered nurse licensed under chapter 632 of NRS, a physical therapist licensed under chapter 640 of NRS or an athletic trainer licensed under chapter 640B of NRS.

(b) "Youth" means a person under the age of 18 years.

Sec. 11. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

Sec. 12. 1. This section becomes effective upon passage and approval.

2. Sections 1 to 11, inclusive, of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On July 1, 2024, for all other purposes.

Senator Lange moved that the Senate concur in Assembly Amendment No. 604 to Senate Bill No. 80.

Motion carried by a constitutional majority.

Bill ordered enrolled.

Senate Bill No. 92.

The following Assembly amendments were read:

Amendment No. 624.

SUMMARY—Revises provisions relating to sidewalk vendors. (BDR 20-53)

AN ACT relating to sidewalk vendors; establishing certain requirements for the regulation of sidewalk vendors by the governing body of certain counties and cities; requiring a local board of health to adopt certain regulations relating to sidewalk vendors who sell food; creating the Task Force on Safe Sidewalk Vending; setting forth the membership and duties of the Task Force on Safe Sidewalk Vending; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law grants a governing body of a county or city all powers necessary and proper to address matters of local concern. (NRS 244.146, 268.0035) Sections 1-11 and 15-24.5 of this bill set forth various requirements for the licensing and regulation of sidewalk vendors of food by the governing body of certain counties and cities.

Sections 2 and 16 of this bill provide that the provisions of sections 1-10 and 15-25 of this bill apply only to a county whose population is 100,000 or more (currently Clark and Washoe Counties) or to a city in a county whose population is 100,000 or more.

Sections ~~[4-6]~~ 3 and ~~[18-20]~~ 17 of this bill define the ~~[terms "roaming sidewalk vendor,"]~~ term "sidewalk ~~[vendor" and "stationary sidewalk]~~ vendor."

Sections 7 and 21 of this bill : (1) authorize a governing body of a county or city to adopt an ordinance regulating sidewalk vendors ~~[.]~~ ; and (2) require the governing body of a county or city that adopts such an ordinance to post on its Internet website a map of the areas where a person may engage in the act of sidewalk vending. Sections 7 and 21 also prohibit a governing body of a county or city from, with certain exceptions: (1) enforcing or enacting a complete prohibition on sidewalk vending; (2) imposing criminal penalties for the act of sidewalk vending in a residential area; or (3) regulating sidewalk vendors, except in compliance or substantial compliance with the provisions of this bill.

Sections 7.5 and 21.5 of this bill prohibit a person , with certain exceptions, from selling food or merchandise upon a public sidewalk or pedestrian path from a ~~[nonmotorized]~~ conveyance within 1,500 feet of: (1) a resort hotel; (2) certain event facilities; (3) certain convention facilities; and (4) ~~[state historical markers.]~~ a median of a highway, if the median is adjacent to a parking lot. Sections 7.5 and 21.5 authorize, with certain exceptions, a person to sell food or merchandise within 1,500 feet of such a location if the area is zoned exclusively for residential use.

Sections 8 and 22 of this bill authorize a governing body of a county or city to require that a sidewalk vendor: (1) hold certain state and local permits or licenses; and (2) submit certain information to the county or city.

Sections 9 and 23 of this bill provide that an ordinance adopted by a governing body of a county or city may, with certain exceptions, impose additional requirements regulating the time, place and manner of sidewalk vending.

Sections 10 and 24 of this bill authorize a governing body of a county or city to impose by ordinance certain penalties and fines for a violation of the provisions of the ordinance regulating sidewalk vendors or for operating without any required license or permit for sidewalk vendors.

Sections 10.5 and 24.5 of this bill provide that the provisions of this bill governing the regulation of sidewalk vendors by a governing body of a county or city shall not be construed to: (1) exempt a person from complying with any state or local law or regulation; ~~[or]~~ (2) provide a defense to any criminal act that is not related to the act of sidewalk vending ~~[.]~~ ; or (3) affect certain rights of a private property owner to use or authorize or limit the use of a privately owned sidewalk.

Section 11 of this bill makes a conforming change to create an exception to the authority of a board of county commissioners to regulate all character of lawful trades, callings, industries, occupations, professions and business.

Existing law authorizes a local board of health to adopt regulations relating to food establishments. (NRS 446.940) Section 25 of this bill requires a local board of health to adopt regulations to establish a process for a person to apply for a permit, license or other authorization from the local board of health to operate as a sidewalk vendor and that allow a person applying for any such authorization to operate as a sidewalk vendor to: (1) pay any fees required by the local board of health using a payment plan; and (2) obtain any necessary certification as a food handler if the person does not have a driver's license or identification card.

Section 13 of this bill creates the Task Force on Safe Sidewalk Vending in the Office of the Secretary of State and requires the Secretary of State to appoint nine members to the Task Force. Section 14 of this bill requires the Task Force to review existing laws governing sidewalk vending and recommend approaches to improve the laws of this State and cities and counties of this State governing sidewalk vending.

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 the provisions set forth as sections 2 to 10.5, inclusive, of this act.

Sec. 2. *The provisions of sections 2 to 10.5, inclusive, of this act apply only to a county whose population is 100,000 or more.*

Sec. 3. *As used in sections 2 to 10.5, inclusive, of this act, unless the context otherwise requires, ~~[the words and terms defined in sections 4, 5 and 6 of this act have the meanings ascribed to them in those sections.]~~ "sidewalk vendor" means a person who sells food upon a public sidewalk or other pedestrian path from a conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack. The term includes, without limitation, a nonstationary sidewalk vendor and a stationary sidewalk vendor.*

Sec. 4. ~~*["Roaming sidewalk vendor" means a sidewalk vendor who moves from place to place and stops only to sell food.]*~~ (Deleted by amendment.)

Sec. 5. ~~*["Sidewalk vendor" means a person who sells food upon a public sidewalk or other pedestrian path from a nonmotorized conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack. This term includes, without limitation, a roaming sidewalk vendor and a stationary sidewalk vendor.]*~~ (Deleted by amendment.)

Sec. 6. ~~*["Stationary sidewalk vendor" means a sidewalk vendor who sells food from a fixed location.]*~~ (Deleted by amendment.)

Sec. 7. *1. A board of county commissioners may adopt an ordinance regulating sidewalk vendors in accordance with the requirements of sections 2 to 10.5, inclusive, of this act.*

2. Except as otherwise provided in sections 2 to 10.5, inclusive, of this act, a board of county commissioners shall not:

(a) Enact or enforce a complete prohibition on sidewalk vendors.

(b) Impose a criminal penalty on the act of sidewalk vending in a residential area.

3. A board of county commissioners that does not adopt an ordinance that complies or substantially complies with sections 2 to 10.5, inclusive, of this act, shall not cite, fine or prosecute a sidewalk vendor for a violation of any rule or regulation that is inconsistent with the provisions of sections 2 to 10.5, inclusive, of this act.

4. If a board of county commissioners adopts an ordinance pursuant to this section, the board of county commissioners shall post on its Internet website a map of the zones where a person may engage in the act of sidewalk vending.

Sec. 7.5. *1. ~~[A]~~ Except as otherwise provided in subsection 4, a person shall not sell food or merchandise upon a public sidewalk or pedestrian path from a ~~[nonmotorized]~~ conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack, within 1,500 feet of:*

(a) A resort hotel, as defined in NRS 463.01865;

(b) An event facility that has seating capacity for at least 20,000 people and is constructed to accommodate a major or minor league sports team;

(c) A convention facility operated by a county fair and recreation board; or

(d) A ~~[state historical marker.]~~ median of a highway, if the median is adjacent to a parking lot.

2. For any violation of subsection 1, a board of county commissioners may impose a criminal, civil or administrative penalty in accordance with an ordinance adopted by the board of county commissioners pursuant to section 7 of this act. The maximum criminal penalty that may be specified in an ordinance adopted pursuant to section 7 of this act is a misdemeanor. A violation of subsection 1 or such an ordinance does not constitute a crime of moral turpitude.

3. Nothing in this section authorizes a person to sell merchandise 1,500 feet or more from:

(a) A resort hotel, as defined in NRS 463.01865;

(b) An event facility that has seating capacity for at least 20,000 people and is constructed to accommodate a major or minor league sports team;

(c) A convention facility operated by a county fair and recreation board; or

(d) A median of a highway that is adjacent to a parking lot.

4. A person may sell food or merchandise within 1,500 feet of a location described in subsection 1 if the conveyance from which the person is selling food or merchandise is located in an area which is zoned exclusively for residential use, unless the area is on a public sidewalk or pedestrian path that is immediately adjacent to a location described in subsection 1.

Sec. 8. *An ordinance adopted by a board of county commissioners regulating sidewalk vendors pursuant to section 7 of this act may require that a sidewalk vendor:*

1. Hold:

(a) A permit or license for sidewalk vending;

(b) A state business license; and

(c) Any other licenses issued by a state or local governmental agency to the extent otherwise required by law.

➥ *Nothing in this section shall be construed to authorize a sidewalk vendor to not comply with any requirement to obtain a state business license or other license issued by a state agency or any permit or license issued by a local government, agency or board of health to the extent otherwise required by law.*

2. Submit information to the designated representative of the county relating to his or her operations, including, without limitation:

(a) The name and current mailing address of the sidewalk vendor;

(b) If the sidewalk vendor is an agent of an individual, company, partnership or corporation, the name and business address of the principal office;

(c) A description of the food offered for sale; and

(d) A certification by the sidewalk vendor that, to the best of his or her knowledge and belief, the information submitted pursuant to this section is true.

Sec. 9. *1. In addition to the provisions of section 8 of this act, an ordinance adopted by a board of county commissioners that regulates sidewalk vendors may:*

(a) Adopt requirements regulating the time, place and manner of sidewalk vending if the requirements are objectively and directly related to the health, safety or welfare concerns of the public, which may include, without limitation:

(1) Restrictions on the hours of operation of a sidewalk vendor, which may not be more restrictive than any restriction imposed by any applicable ordinance regulating noise or any restriction on the hours of operation imposed on home-based businesses ~~[or other businesses]~~ that are similar to sidewalk vending; and

(2) Requirements to:

(I) Maintain sanitary conditions and comply with the regulations adopted by a local board of health pursuant to section 25 of this act.

(II) Ensure compliance with the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq.

(b) Restrict or prohibit sidewalk vendors from operating:

(1) In areas located within the immediate vicinity of a farmers' market licensed pursuant to NRS 244.337 during the operating hours of the farmers' market.

(2) Within the immediate vicinity of an area designated for a temporary special event by the board of county commissioners, provided that any notice or other right provided to affected businesses or property owners during the temporary special event is also provided to any sidewalk vendors permitted to operate in the area, if applicable. A prohibition of sidewalk vendors pursuant to this subparagraph must only be effective for the limited duration of the temporary special event.

(3) Within a set distance established by the board of county commissioners of:

(I) Except as otherwise provided in section 7.5 of this act, an establishment that holds a nonrestricted gaming license described in subsection 1 or 2 of NRS 463.0177;

(II) A food establishment;

(III) A school, child care facility, community center, polling place, religious institution or place of worship or park or recreational facility owned by the county; or

(IV) A highly trafficked pedestrian mall, convention center or designated entertainment district.

(4) In residential areas, but must not prohibit ~~[roaming]~~ nonstationary sidewalk vendors from operating in such areas.

2. As used in this section:

(a) "Entertainment district" means a contiguous area located within a county that:

(1) Is zoned for or customarily used for commercial purposes; and

(2) Contains any number and combination of restaurants, bars, entertainment establishments, music venues, theaters, art galleries or studios, dance studios or athletic stadiums.

(b) "Pedestrian mall" has the meaning ascribed to it in NRS 268.811.

Sec. 10. *1. In accordance with an ordinance adopted pursuant to sections 2 to 10.5, inclusive, of this act, a board of county commissioners or its designee may:*

(a) Suspend or revoke any permit or license for sidewalk vending for any violation of the ordinance or the terms or conditions of the permit or license in the same manner as such suspensions or revocations are imposed for other types of businesses;

(b) Impose a civil penalty on the holder of a permit or license for sidewalk vending that engages in sidewalk vending in a prohibited residential area or for any violation of the terms or conditions of the permit or license in accordance with the schedule of civil penalties set forth in the ordinance, if any;

(c) Impose a civil penalty on a person who engages in sidewalk vending without holding a permit or license for sidewalk vending required by the ordinance in accordance with the schedule of civil penalties set forth in the ordinance, if any; and

(d) Authorize any other action to prevent the sale or consumption of any food or drink that violates any requirements established by a local board of health pursuant to section 25 of this act.

2. For any person who engages in sidewalk vending without holding a permit or license for sidewalk vending or who engages in sidewalk vending in a prohibited area, a board of county commissioners or its designee may also take any other action authorized under existing law to enforce any prohibition on unlicensed business activities, including, without limitation, any action authorized pursuant to section 7.5 of this act.

Sec. 10.5. *The provisions of sections 2 to 10.5, inclusive, of this act shall not be construed to:*

1. Exempt a person from complying with any state or local law or regulation; ~~[or]~~

2. Provide a defense to any criminal charge unrelated to the act of sidewalk vending ~~[.]~~ ; or

3. Affect the rights of a private property owner to use or authorize or limit the use of a sidewalk that is owned by the private property owner, including, without limitation, a privately owned sidewalk that is subject to an easement for public access.

Sec. 11. NRS 244.335 is hereby amended to read as follows:

244.335 1. Except as otherwise provided in subsections 2, 3, 4 and 9, and NRS 244.33501, 244.35253, 244.3535 and 244.35351 to 244.35359,

inclusive, a board of county commissioners may:

(a) Except as otherwise provided in NRS 244.331 to 244.3345, inclusive, 598D.150 and 640C.100, *and sections 2 to 10.5, inclusive, of this act*, regulate all character of lawful trades, callings, industries, occupations, professions and business conducted in its county outside of the limits of incorporated cities and towns.

(b) Except as otherwise provided in NRS 244.3359 and 576.128, fix, impose and collect a license tax for revenue or for regulation, or for both revenue and regulation, on such trades, callings, industries, occupations, professions and business.

2. The county license boards have the exclusive power in their respective counties to regulate entertainers employed by an entertainment by referral service and the business of conducting a dancing hall, escort service, entertainment by referral service or gambling game or device permitted by law, outside of an incorporated city. The county license boards may fix, impose and collect license taxes for revenue or for regulation, or for both revenue and regulation, on such employment and businesses.

3. A board of county commissioners shall not require that a person who is licensed as a contractor pursuant to chapter 624 of NRS obtain more than one license to engage in the business of contracting or pay more than one license tax related to engaging in the business of contracting, regardless of the number of classifications or subclassifications of licensing for which the person is licensed pursuant to chapter 624 of NRS.

4. The board of county commissioners or county license board shall not require a person to obtain a license or pay a license tax on the sole basis that the person is a professional. As used in this subsection, "professional" means a person who:

(a) Holds a license, certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS 622.060 or who is regulated pursuant to the Nevada Supreme Court Rules; and

(b) Practices his or her profession for any type of compensation as an employee.

5. The county license board shall provide upon request an application for a state business license pursuant to chapter 76 of NRS. No license to engage in any type of business may be granted unless the applicant for the license:

(a) Signs an affidavit affirming that the business has complied with the provisions of chapter 76 of NRS; or

(b) Provides to the county license board the business identification number of the applicant assigned by the Secretary of State pursuant to NRS 225.082 which the county may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of chapter 76 of NRS.

6. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license:

(a) Presents written evidence that:

(1) The Department of Taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or

(2) Another regulatory agency of the State has issued or will issue a license required for this activity; or

(b) Provides to the county license board the business identification number of the applicant assigned by the Secretary of State pursuant to NRS 225.082 which the county may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of paragraph (a).

7. Any license tax levied for the purposes of NRS 244.3358 or 244A.597 to 244A.655, inclusive, constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien has the same priority as a lien for general taxes. The lien must be enforced:

(a) By recording in the office of the county recorder, within 6 months after the date on which the tax became delinquent or was otherwise determined to be due and owing, a notice of the tax lien containing the following:

(1) The amount of tax due and the appropriate year;

(2) The name of the record owner of the property;

(3) A description of the property sufficient for identification; and

(4) A verification by the oath of any member of the board of county commissioners or the county fair and recreation board; and

(b) By an action for foreclosure against the property in the same manner as an action for foreclosure of any other lien, commenced within 2 years after the date of recording of the notice of the tax lien, and accompanied by appropriate notice to other lienholders.

8. The board of county commissioners may delegate the authority to enforce liens from taxes levied for the purposes of NRS 244A.597 to 244A.655, inclusive, to the county fair and recreation board. If the authority is so delegated, the board of county commissioners shall revoke or suspend the license of a business upon certification by the county fair and recreation board that the license tax has become delinquent, and shall not reinstate the license until the tax is paid. Except as otherwise provided in NRS 239.0115 and 244.3357, all information concerning license taxes levied by an ordinance authorized by this section or other information concerning the business affairs or operation of any licensee obtained as a result of the payment of such license taxes or as the result of any audit or examination of the books by any authorized employee of a county fair and recreation board of the county for any license tax levied for the purpose of NRS 244A.597 to 244A.655, inclusive, is confidential and must not be disclosed by any member, officer or employee of the county fair and recreation board or the county imposing the license tax unless the disclosure is authorized by the affirmative action of a majority of the members of the appropriate county fair and recreation board. Continuing disclosure may be so authorized under an agreement with the Department of Taxation or Secretary of State for the exchange of information concerning taxpayers.

9. Except as otherwise provided by regulations adopted by the Cannabis Compliance Board pursuant to NRS 678B.645, a board of county commissioners shall not license or otherwise allow a person to operate a business that allows cannabis, as defined in NRS 678A.085, or cannabis products, as defined in NRS 678A.120, to be consumed on the premises of the business, other than a cannabis consumption lounge, as defined in NRS 678A.087, in accordance with the provisions of chapter 678B of NRS.

Sec. 12. Chapter 225 of NRS is hereby amended by adding thereto the provisions set forth as sections 13 and 14 of this act.

Sec. 13. *1. The Task Force on Safe Sidewalk Vending is hereby created within the Office of the Secretary of State.*

2. The Task Force consists of the following nine members appointed by the Secretary of State:

(a) A representative of a health district in ~~[this State;]~~ a county whose population is 100,000 or more;

(b) A representative employed by a county or city whose primary duties are the performance of tasks related to business licensing;

(c) A representative of the gaming or restaurant industries in this State;

(d) A representative from a law enforcement agency ~~[;]~~ in a county whose population is 100,000 or more;

(e) A representative from the Office of the Secretary of State; and

(f) Four members at large chosen by the Secretary of State, with priority given to persons who are sidewalk vendors or are affiliated with a community organization that represents and affiliates with sidewalk vendors.

3. The members of the Task Force:

(a) Shall serve terms of 3 years. A member may be reappointed to the Task Force and any vacancy must be filled in the same manner as the original appointment.

(b) Serve without compensation.

4. A majority of the members of the Task Force constitutes a quorum for the transaction of business, and a majority of these members present at the meeting is sufficient for any official action taken by the Task Force.

5. To support the activities of the Task Force, the Secretary of State may establish an advisory board composed of representatives of counties, cities and businesses, including, without limitation, a member of a health department or health district.

6. The Task Force may apply for and accept any gift, donation, bequest, grant or other source of money to carry out the duties of the Task Force.

Sec. 14. *1. The Task Force on Safe Sidewalk Vending created by section 13 of this act shall:*

(a) Review the existing laws of this State, the cities and counties in this State and those of other states and municipalities relating to sidewalk vending; and

(b) Recommend approaches to improve the laws of this State and the cities and counties of this State to:

(1) Legalize sidewalk vending;

(2) Simplify and standardize the laws governing sidewalk vending;

(3) Remove unnecessary barriers to sidewalk vending;

(4) Protect the public health, safety and welfare by ensuring sidewalk vendors follow clear and narrowly tailored laws which address demonstrable health, safety and welfare risks; and

(5) Develop enforcement mechanisms, including, without limitation, civil penalties for sidewalk vendors that operate in ~~[prohibited]~~ authorized areas.

2. On or before September 1 of each even-numbered year, the Task Force shall submit to the Director of the Legislative Counsel Bureau for submission to the Legislative Commission a written report. The report must include, without limitation, a summary of the work of the Task Force and any recommendations for legislation ~~[.]~~ and regulations.

Sec. 15. Chapter 268 of NRS is hereby amended by adding thereto the provisions set forth as sections 16 to 24.5, inclusive, of this act.

Sec. 16. *The provisions of sections 16 to 24.5, inclusive, of this act apply only to a city in a county whose population is 100,000 or more.*

Sec. 17. *As used in sections 16 to 24.5, inclusive, of this act, unless the context otherwise requires, ~~[the words and terms defined in sections 18, 19 and 20 of this act have the meanings ascribed to them in those sections.]~~ "sidewalk vendor" means a person who sells food upon a public sidewalk or other pedestrian path from a conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack. The term includes, without limitation, a nonstationary sidewalk vendor and a stationary sidewalk vendor.*

Sec. 18. ~~[*"Roaming sidewalk vendor" means a sidewalk vendor who moves from place to place and stops only to sell food.*]~~ (Deleted by amendment.)

Sec. 19. ~~[*"Sidewalk vendor" means a person who sells food upon a public sidewalk or other pedestrian path from a nonmotorized conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack. This term includes, without limitation, a roaming sidewalk vendor and a stationary sidewalk vendor.*]~~ (Deleted by amendment.)

Sec. 20. ~~[*"Stationary sidewalk vendor" means a sidewalk vendor who sells food from a fixed location.*]~~ (Deleted by amendment.)

Sec. 21. *1. A city council or other governing body of an incorporated city may adopt an ordinance regulating sidewalk vendors in accordance with the requirements of sections 16 to 24.5, inclusive, of this act.*

2. Except as otherwise provided in sections 16 to 24.5, inclusive, of this act, a city council or other governing body of an incorporated city shall not:

(a) Enact or enforce a complete prohibition on sidewalk vendors.

(b) Impose a criminal penalty on the act of sidewalk vending in a residential area.

3. A city council or other governing body of an incorporated city that does not adopt an ordinance that complies or substantially complies with sections 16 to 24.5, inclusive, of this act, shall not cite, fine or prosecute a

sidewalk vendor for a violation of any rule or regulation that is inconsistent with the provisions of sections 16 to 24.5, inclusive, of this act.

4. If a city council or other governing body of an incorporated city adopts an ordinance pursuant to this section, the city council or other governing body shall post on its Internet website a map of the zones where a person may engage in the act of sidewalk vending.

Sec. 21.5. *1. ~~[A]~~ Except as otherwise provided in subsection 4, a person shall not sell food or merchandise upon a public sidewalk or pedestrian path from a ~~[nonmotorized]~~ conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack, within 1,500 feet of:*

(a) A resort hotel, as defined in NRS 463.01865;

(b) An event facility that has seating capacity for at least 20,000 people and is constructed to accommodate a major or minor league sports team;

(c) A convention facility operated by a county fair and recreation board; or

(d) A ~~[state historical marker.]~~ median of a highway, if the median is adjacent to a parking lot.

2. For any violation of subsection 1, a city council or other governing body of an incorporated city may impose a criminal, civil or administrative penalty in accordance with an ordinance adopted by the city council or other governing body of an incorporated city pursuant to section 21 of this act. The maximum criminal penalty that may be specified in an ordinance adopted pursuant to section 21 of this act is a misdemeanor. A violation of subsection 1 or such an ordinance does not constitute a crime of moral turpitude.

3. Nothing in this section authorizes a person to sell merchandise 1,500 feet or more from:

(a) A resort hotel, as defined in NRS 463.01865;

(b) An event facility that has seating capacity for at least 20,000 people and is constructed to accommodate a major or minor league sports team;

(c) A convention facility operated by a county fair and recreation board; or

(d) A median of a highway that is adjacent to a parking lot.

4. A person may sell food or merchandise within 1,500 feet of a location described in subsection 1 if the conveyance from which the person is selling food or merchandise is located in an area which is zoned exclusively for residential use, unless the area is on a public sidewalk or pedestrian path that is immediately adjacent to a location described in subsection 1.

Sec. 22. *An ordinance adopted by a city council or other governing body of an incorporated city regulating sidewalk vendors pursuant to section 21 of this act may require that a sidewalk vendor:*

1. Hold:

(a) A permit or license for sidewalk vending;

(b) A state business license; and

(c) Any other licenses issued by a state or local governmental agency to the extent otherwise required by law.

➥ *Nothing in this section shall be construed to authorize a sidewalk vendor to not comply with any requirement to obtain a state business license or other license issued by a state agency or any permit or license issued by a local government, agency or board of health to the extent otherwise required by law.*

2. Submit information to the designated representative of the city relating to his or her operations, including, without limitation:

(a) The name and current mailing address of the sidewalk vendor;

(b) If the sidewalk vendor is an agent of an individual, company, partnership or corporation, the name and business address of the principal office;

(c) A description of the food offered for sale; and

(d) A certification by the sidewalk vendor that, to the best of his or her knowledge and belief, the information submitted pursuant to this section is true.

Sec. 23. *1. In addition to the provisions of section 22 of this act, an ordinance adopted by a city council or other governing body of an incorporated city that regulates sidewalk vendors may:*

(a) Adopt requirements regulating the time, place and manner of sidewalk vending if the requirements are objectively and directly related to the health, safety or welfare concerns of the public, which may include, without limitation:

(1) Restrictions on the hours of operation of a sidewalk vendor, which may not be more restrictive than any restriction imposed by any applicable ordinance regulating noise or any restriction on the hours of operation imposed on home-based businesses ~~[or other businesses]~~ that are similar to sidewalk vending; and

(2) Requirements to:

(I) Maintain sanitary conditions and comply with the regulations adopted by a local board of health pursuant to section 25 of this act.

(II) Ensure compliance with the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq.

(b) Restrict or prohibit sidewalk vendors from operating:

(1) In areas located within the immediate vicinity of a farmers' market licensed pursuant to NRS 268.092 during the operating hours of the farmers' market.

(2) Within the immediate vicinity of an area designated for a temporary special event by the city council or other governing body of an incorporated city, provided that any notice or other right provided to affected businesses or property owners during the temporary special event is also provided to any sidewalk vendors permitted to operate in the area, if applicable. A prohibition of sidewalk vendors pursuant to this subparagraph must only be effective for the limited duration of the temporary special event.

(3) Within a set distance established by the city council or other governing body of an incorporated city of:

(I) Except as otherwise provided in section 21.5 of this act, an establishment that holds a nonrestricted gaming license described in subsection 1 or 2 of NRS 463.0177;

(II) A food establishment;

(III) A school, child care facility, community center, polling place, religious institution or place of worship or a park or recreational facility owned by the city; or

(IV) A highly trafficked pedestrian mall, convention center or designated entertainment district.

(4) In residential areas, but must not prohibit ~~[roaming]~~ nonstationary sidewalk vendors from operating in such areas.

2. As used in this section:

(a) "Entertainment district" means a contiguous area located within a city that:

(1) Is zoned for or customarily used for commercial purposes; and

(2) Contains any number and combination of restaurants, bars, entertainment establishments, music venues, theaters, art galleries or studios, dance studios or athletic stadiums.

(b) "Pedestrian mall" has the meaning ascribed to it in NRS 268.811.

Sec. 24. *1. In accordance with an ordinance adopted pursuant to sections 16 to 24.5, inclusive, of this act, a city council or other governing body of an incorporated city , or a designee of the city council or other governing body, may:*

(a) Suspend or revoke any permit or license for sidewalk vending for any violation of the ordinance or the terms or conditions of the permit or license in the same manner as such suspensions or revocations are imposed for other types of businesses;

(b) Impose a civil penalty on the holder of a permit or license for sidewalk vending that engages in sidewalk vending in a prohibited residential area or for any violation of the terms or conditions of the permit or license in accordance with the schedule of civil penalties set forth in the ordinance, if any;

(c) Impose a civil penalty on a person who engages in sidewalk vending without holding a permit or license for sidewalk vending required by the ordinance in accordance with the schedule of civil penalties set forth in the ordinance, if any; and

(d) Authorize any other action to prevent the sale or consumption of any food or drink that violates any requirements established by a local board of health pursuant to section 25 of this act.

2. For any person who engages in sidewalk vending without holding a permit or license for sidewalk vending or who engages in sidewalk vending in a prohibited area, a city council or other governing body of an incorporated city , or a designee of the city council or other governing body, may also take any other action authorized under existing law to enforce any prohibition on

unlicensed business activities, including, without limitation, any action authorized pursuant to section 21.5 of this act.

Sec. 24.5. *The provisions of sections 16 to 24.5, inclusive, of this act, shall not be construed to:*

1. Exempt a person from complying with any state or local law or regulation; ~~[or]~~

2. Provide a defense to any criminal charge unrelated to the act of sidewalk vending ~~[.]~~ ; or

3. Affect the rights of a private property owner to use or authorize or limit the use of a sidewalk that is owned by the private property owner, including, without limitation, a privately owned sidewalk that is subject to an easement for public access.

Sec. 25. Chapter 446 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A local board of health in a county whose population is 100,000 or more or a city in a county whose population is 100,000 or more shall adopt regulations pursuant to NRS 446.940 regulating sidewalk vendors of food which must, without limitation:

(a) Establish a process for a person to apply to the local board of health for a permit, license or other authorization to operate as a sidewalk vendor;

(b) Provide for a person applying for a permit, license or other authorization for sidewalk vending to pay any fees required by the local board of health using a payment plan; ~~[and]~~

(c) Establish procedures for a person seeking to operate as a sidewalk vendor who does not have a drivers' license or identification card issued by this State or another State, the District of Columbia or any territory of the United States to obtain any certification required by the local board of health as a food handler ~~[.]~~ ; and

(d) Include any other regulation determined to be necessary by the Task Force on Safe Sidewalk Vending pursuant to section 14 of this act.

2. As used in this section ~~[:~~

~~(a) "Roaming sidewalk vendor" means a sidewalk vendor who moves from place to place and stops only to sell food.~~

~~(b) "Sidewalk]~~ , "sidewalk vendor" means a person who sells food upon a public sidewalk or other pedestrian path from a ~~[nonmotorized]~~ conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack. The term includes a ~~[roaming]~~ nonstationary sidewalk vendor and a stationary sidewalk vendor.

~~[(c) "Stationary sidewalk vendor" means a sidewalk vendor who sells food from a fixed location.]~~

Sec. 26. Any ordinance, regulation or rule of a county or city which conflicts with the provisions of this act is void and unenforceable.

Sec. 26.5. Each local board of health in a county whose population is 100,000 or more and local board of health of a city in a county whose

population is 100,000 or more shall adopt the regulations required by section 25 of this act on or before ~~[January 1, 2024.]~~ December 31, 2025.

Sec. 27. (Deleted by amendment.)

Sec. 27.5. The amendatory provisions of this section and sections 2 to 11, inclusive, and 16 to 26.5, inclusive, of this act are not severable. If any provision of this section or sections 2 to 11, inclusive, or 16 to 26.5, inclusive, of this act, or any application thereof to any person, thing or circumstance is held invalid, the other provisions of this section and sections 2 to 11, inclusive, and 16 to 26.5, inclusive, of this act become ineffective.

Sec. 28. 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. 29. 1. This section and sections ~~[26]~~ 26.5 to 28, inclusive, of this act become effective upon passage and approval.

2. Sections 12, 13 and 14 of this act become effective:

(a) Upon passage and approval for the purpose of appointing members of the Task Force on Safe Sidewalk Vending and performing any other preparatory administrative tasks that are necessary to carry out the provisions of sections 12, 13 and 14 of this act; and

(b) On January 1, 2024, for all other purposes.

3. Sections 7.5, 21.5 and 26 of this act become effective:

(a) Upon passage and approval for the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On October 15, 2023, for all other purposes.

4. Sections 1 to ~~[11,]~~ 7, inclusive, ~~[and]~~ 8, 10, 11, 15 to 22, inclusive, 24, 24.5 and 25 ~~[, inclusive,]~~ of this act become effective on January 1, 2024.

5. Sections 9 and 23 of this act become effective:

(a) Upon passage and approval for the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On July 1, 2024, for all other purposes.

Amendment No. 720.

SUMMARY—Revises provisions relating to sidewalk vendors. (BDR 20-53)

AN ACT relating to sidewalk vendors; establishing certain requirements for the regulation of sidewalk vendors by the governing body of certain counties and cities; requiring a local board of health to adopt certain regulations relating to sidewalk vendors who sell food; creating the Task Force on Safe Sidewalk Vending; setting forth the membership and duties of the Task Force on Safe Sidewalk Vending; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law grants a governing body of a county or city all powers necessary and proper to address matters of local concern. (NRS 244.146, 268.0035) Sections 1-11 and 15-24.5 of this bill set forth various requirements for the licensing and regulation of sidewalk vendors of food by the governing body of certain counties and cities.

Sections 2 and 16 of this bill provide that the provisions of sections 1-10 and 15-25 of this bill apply only to a county whose population is 100,000 or more (currently Clark and Washoe Counties) or to a city in a county whose population is 100,000 or more.

Sections 3 and 17 of this bill define the term "sidewalk vendor."

Sections 7 and 21 of this bill: (1) authorize a governing body of a county or city to adopt an ordinance regulating sidewalk vendors; and (2) require the governing body of a county or city that adopts such an ordinance to post on its Internet website a map of the areas where a person may engage in the act of sidewalk vending. Sections 7 and 21 also prohibit a governing body of a county or city from, with certain exceptions: (1) enforcing or enacting a complete prohibition on sidewalk vending; (2) imposing criminal penalties for the act of sidewalk vending in a residential area; or (3) regulating sidewalk vendors, except in compliance or substantial compliance with the provisions of this bill.

Sections 7.5 and 21.5 of this bill prohibit a person, with certain exceptions, from selling food , beverages or merchandise upon a public sidewalk or pedestrian path from a conveyance within 1,500 feet of: (1) a resort hotel; (2) certain event facilities; (3) certain convention facilities; and (4) a median of a highway, if the median is adjacent to a parking lot. Sections 7.5 and 21.5 authorize, with certain exceptions, a person to sell food , beverages or merchandise within 1,500 feet of such a location if the area is zoned exclusively for residential use.

Sections 8 and 22 of this bill authorize a governing body of a county or city to require that a sidewalk vendor: (1) hold certain state and local permits or licenses; and (2) submit certain information to the county or city.

Sections 9 and 23 of this bill provide that an ordinance adopted by a governing body of a county or city may, with certain exceptions, impose additional requirements regulating the time, place and manner of sidewalk vending.

Sections 10 and 24 of this bill authorize a governing body of a county or city to impose by ordinance certain penalties and fines for a violation of the provisions of the ordinance regulating sidewalk vendors or for operating without any required license or permit for sidewalk vendors.

Sections 10.5 and 24.5 of this bill provide that the provisions of this bill governing the regulation of sidewalk vendors by a governing body of a county or city shall not be construed to: (1) exempt a person from complying with any state or local law or regulation; (2) provide a defense to any criminal act that is not related to the act of sidewalk vending; or (3) affect certain rights of a

private property owner to use or authorize or limit the use of a privately owned sidewalk.

Section 11 of this bill makes a conforming change to create an exception to the authority of a board of county commissioners to regulate all character of lawful trades, callings, industries, occupations, professions and business.

Existing law authorizes a local board of health to adopt regulations relating to food establishments. (NRS 446.940) Section 25 of this bill requires a local board of health to adopt regulations to establish a process for a person to apply for a permit, license or other authorization from the local board of health to operate as a sidewalk vendor and that allow a person applying for any such authorization to operate as a sidewalk vendor to: (1) pay any fees required by the local board of health using a payment plan; and (2) obtain any necessary certification as a food handler if the person does not have a driver's license or identification card.

Section 13 of this bill creates the Task Force on Safe Sidewalk Vending in the Office of the Secretary of State and requires the Secretary of State to appoint nine members to the Task Force. Section 14 of this bill requires the Task Force to review existing laws governing sidewalk vending and recommend approaches to improve the laws of this State and cities and counties of this State governing sidewalk vending.

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 the provisions set forth as sections 2 to 10.5, inclusive, of this act.

Sec. 2. *The provisions of sections 2 to 10.5, inclusive, of this act apply only to a county whose population is 100,000 or more.*

Sec. 3. *As used in sections 2 to 10.5, inclusive, of this act, unless the context otherwise requires, "sidewalk vendor" means a person who sells food upon a public sidewalk or other pedestrian path from a conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack. The term includes, without limitation, a nonstationary sidewalk vendor and a stationary sidewalk vendor.*

Sec. 4. (Deleted by amendment.)

Sec. 5. (Deleted by amendment.)

Sec. 6. (Deleted by amendment.)

Sec. 7. *1. A board of county commissioners may adopt an ordinance regulating sidewalk vendors in accordance with the requirements of sections 2 to 10.5, inclusive, of this act.*

2. Except as otherwise provided in sections 2 to 10.5, inclusive, of this act, a board of county commissioners shall not:

(a) Enact or enforce a complete prohibition on sidewalk vendors.

(b) Impose a criminal penalty on the act of sidewalk vending in a residential area.

3. A board of county commissioners that does not adopt an ordinance that complies or substantially complies with sections 2 to 10.5, inclusive, of this

act, shall not cite, fine or prosecute a sidewalk vendor for a violation of any rule or regulation that is inconsistent with the provisions of sections 2 to 10.5, inclusive, of this act.

4. If a board of county commissioners adopts an ordinance pursuant to this section, the board of county commissioners shall post on its Internet website a map of the zones where a person may engage in the act of sidewalk vending.

Sec. 7.5. *1. Except as otherwise provided in subsection 4, a person shall not sell food , beverages or merchandise upon a public sidewalk or pedestrian path from a conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack, within 1,500 feet of:*

(a) A resort hotel, as defined in NRS 463.01865;

(b) An event facility that has seating capacity for at least 20,000 people and is constructed to accommodate a major or minor league sports team;

(c) A convention facility operated by a county fair and recreation board; or

(d) A median of a highway, if the median is adjacent to a parking lot.

2. For any violation of subsection 1, a board of county commissioners may impose a criminal, civil or administrative penalty in accordance with an ordinance adopted by the board of county commissioners pursuant to section 7 of this act. The maximum criminal penalty that may be specified in an ordinance adopted pursuant to section 7 of this act is a misdemeanor. A violation of subsection 1 or such an ordinance does not constitute a crime of moral turpitude.

3. Nothing in this section authorizes a person to sell merchandise 1,500 feet or more from:

(a) A resort hotel, as defined in NRS 463.01865;

(b) An event facility that has seating capacity for at least 20,000 people and is constructed to accommodate a major or minor league sports team;

(c) A convention facility operated by a county fair and recreation board; or

(d) A median of a highway that is adjacent to a parking lot.

4. A person may sell food , beverages or merchandise within 1,500 feet of a location described in subsection 1 if the conveyance from which the person is selling food , beverages or merchandise is located in an area which is zoned exclusively for residential use, unless the area is on a public sidewalk or pedestrian path that is immediately adjacent to a location described in subsection 1.

Sec. 8. *An ordinance adopted by a board of county commissioners regulating sidewalk vendors pursuant to section 7 of this act may require that a sidewalk vendor:*

1. Hold:

(a) A permit or license for sidewalk vending;

(b) A state business license; and

(c) Any other licenses issued by a state or local governmental agency to the extent otherwise required by law.

➥ *Nothing in this section shall be construed to authorize a sidewalk vendor to not comply with any requirement to obtain a state business license or other license issued by a state agency or any permit or license issued by a local government, agency or board of health to the extent otherwise required by law.*

2. Submit information to the designated representative of the county relating to his or her operations, including, without limitation:

(a) The name and current mailing address of the sidewalk vendor;

(b) If the sidewalk vendor is an agent of an individual, company, partnership or corporation, the name and business address of the principal office;

(c) A description of the food offered for sale; and

(d) A certification by the sidewalk vendor that, to the best of his or her knowledge and belief, the information submitted pursuant to this section is true.

Sec. 9. *1. In addition to the provisions of section 8 of this act, an ordinance adopted by a board of county commissioners that regulates sidewalk vendors may:*

(a) Adopt requirements regulating the time, place and manner of sidewalk vending if the requirements are objectively and directly related to the health, safety or welfare concerns of the public, which may include, without limitation:

(1) Restrictions on the hours of operation of a sidewalk vendor, which may not be more restrictive than any restriction imposed by any applicable ordinance regulating noise or any restriction on the hours of operation imposed on home-based businesses that are similar to sidewalk vending; and

(2) Requirements to:

(I) Maintain sanitary conditions and comply with the regulations adopted by a local board of health pursuant to section 25 of this act.

(II) Ensure compliance with the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq.

(b) Restrict or prohibit sidewalk vendors from operating:

(1) In areas located within the immediate vicinity of a farmers' market licensed pursuant to NRS 244.337 during the operating hours of the farmers' market.

(2) Within the immediate vicinity of an area designated for a temporary special event by the board of county commissioners, provided that any notice or other right provided to affected businesses or property owners during the temporary special event is also provided to any sidewalk vendors permitted to operate in the area, if applicable. A prohibition of sidewalk vendors pursuant to this subparagraph must only be effective for the limited duration of the temporary special event.

(3) Within a set distance established by the board of county commissioners of:

(I) Except as otherwise provided in section 7.5 of this act, an establishment that holds a nonrestricted gaming license described in subsection 1 or 2 of NRS 463.0177;

(II) A food establishment;

(III) A school, child care facility, community center, polling place, religious institution or place of worship or park or recreational facility owned by the county; or

(IV) A highly trafficked pedestrian mall, convention center or designated entertainment district.

(4) In residential areas, but must not prohibit nonstationary sidewalk vendors from operating in such areas.

2. As used in this section:

(a) "Entertainment district" means a contiguous area located within a county that:

(1) Is zoned for or customarily used for commercial purposes; and

(2) Contains any number and combination of restaurants, bars, entertainment establishments, music venues, theaters, art galleries or studios, dance studios or athletic stadiums.

(b) "Pedestrian mall" has the meaning ascribed to it in NRS 268.811.

Sec. 10. *1. In accordance with an ordinance adopted pursuant to sections 2 to 10.5, inclusive, of this act, a board of county commissioners or its designee may:*

(a) Suspend or revoke any permit or license for sidewalk vending for any violation of the ordinance or the terms or conditions of the permit or license in the same manner as such suspensions or revocations are imposed for other types of businesses;

(b) Impose a civil penalty on the holder of a permit or license for sidewalk vending that engages in sidewalk vending in a prohibited residential area or for any violation of the terms or conditions of the permit or license in accordance with the schedule of civil penalties set forth in the ordinance, if any;

(c) Impose a civil penalty on a person who engages in sidewalk vending without holding a permit or license for sidewalk vending required by the ordinance in accordance with the schedule of civil penalties set forth in the ordinance, if any; and

(d) Authorize any other action to prevent the sale or consumption of any food or drink that violates any requirements established by a local board of health pursuant to section 25 of this act.

2. For any person who engages in sidewalk vending without holding a permit or license for sidewalk vending or who engages in sidewalk vending in a prohibited area, a board of county commissioners or its designee may also take any other action authorized under existing law to enforce any prohibition on unlicensed business activities, including, without limitation, any action authorized pursuant to section 7.5 of this act.

Sec. 10.5. *The provisions of sections 2 to 10.5, inclusive, of this act shall not be construed to:*

1. Exempt a person from complying with any state or local law or regulation;

2. Provide a defense to any criminal charge unrelated to the act of sidewalk vending; or

3. Affect the rights of a private property owner to use or authorize or limit the use of a sidewalk that is owned by the private property owner, including, without limitation, a privately owned sidewalk that is subject to an easement for public access.

Sec. 11. NRS 244.335 is hereby amended to read as follows:

244.335 1. Except as otherwise provided in subsections 2, 3, 4 and 9, and NRS 244.33501, 244.35253, 244.3535 and 244.35351 to 244.35359, inclusive, a board of county commissioners may:

(a) Except as otherwise provided in NRS 244.331 to 244.3345, inclusive, 598D.150 and 640C.100, *and sections 2 to 10.5, inclusive, of this act,* regulate all character of lawful trades, callings, industries, occupations, professions and business conducted in its county outside of the limits of incorporated cities and towns.

(b) Except as otherwise provided in NRS 244.3359 and 576.128, fix, impose and collect a license tax for revenue or for regulation, or for both revenue and regulation, on such trades, callings, industries, occupations, professions and business.

2. The county license boards have the exclusive power in their respective counties to regulate entertainers employed by an entertainment by referral service and the business of conducting a dancing hall, escort service, entertainment by referral service or gambling game or device permitted by law, outside of an incorporated city. The county license boards may fix, impose and collect license taxes for revenue or for regulation, or for both revenue and regulation, on such employment and businesses.

3. A board of county commissioners shall not require that a person who is licensed as a contractor pursuant to chapter 624 of NRS obtain more than one license to engage in the business of contracting or pay more than one license tax related to engaging in the business of contracting, regardless of the number of classifications or subclassifications of licensing for which the person is licensed pursuant to chapter 624 of NRS.

4. The board of county commissioners or county license board shall not require a person to obtain a license or pay a license tax on the sole basis that the person is a professional. As used in this subsection, "professional" means a person who:

(a) Holds a license, certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS 622.060 or who is regulated pursuant to the Nevada Supreme Court Rules; and

(b) Practices his or her profession for any type of compensation as an employee.

5. The county license board shall provide upon request an application for a state business license pursuant to chapter 76 of NRS. No license to engage in any type of business may be granted unless the applicant for the license:

(a) Signs an affidavit affirming that the business has complied with the provisions of chapter 76 of NRS; or

(b) Provides to the county license board the business identification number of the applicant assigned by the Secretary of State pursuant to NRS 225.082 which the county may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of chapter 76 of NRS.

6. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license:

(a) Presents written evidence that:

(1) The Department of Taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or

(2) Another regulatory agency of the State has issued or will issue a license required for this activity; or

(b) Provides to the county license board the business identification number of the applicant assigned by the Secretary of State pursuant to NRS 225.082 which the county may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of paragraph (a).

7. Any license tax levied for the purposes of NRS 244.3358 or 244A.597 to 244A.655, inclusive, constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien has the same priority as a lien for general taxes. The lien must be enforced:

(a) By recording in the office of the county recorder, within 6 months after the date on which the tax became delinquent or was otherwise determined to be due and owing, a notice of the tax lien containing the following:

(1) The amount of tax due and the appropriate year;

(2) The name of the record owner of the property;

(3) A description of the property sufficient for identification; and

(4) A verification by the oath of any member of the board of county commissioners or the county fair and recreation board; and

(b) By an action for foreclosure against the property in the same manner as an action for foreclosure of any other lien, commenced within 2 years after the date of recording of the notice of the tax lien, and accompanied by appropriate notice to other lienholders.

8. The board of county commissioners may delegate the authority to enforce liens from taxes levied for the purposes of NRS 244A.597 to 244A.655, inclusive, to the county fair and recreation board. If the authority is so delegated, the board of county commissioners shall revoke or suspend the license of a business upon certification by the county fair and recreation board that the license tax has become delinquent, and shall not reinstate the license until the tax is paid. Except as otherwise provided in NRS 239.0115 and 244.3357, all information concerning license taxes levied by an ordinance

authorized by this section or other information concerning the business affairs or operation of any licensee obtained as a result of the payment of such license taxes or as the result of any audit or examination of the books by any authorized employee of a county fair and recreation board of the county for any license tax levied for the purpose of NRS 244A.597 to 244A.655, inclusive, is confidential and must not be disclosed by any member, officer or employee of the county fair and recreation board or the county imposing the license tax unless the disclosure is authorized by the affirmative action of a majority of the members of the appropriate county fair and recreation board. Continuing disclosure may be so authorized under an agreement with the Department of Taxation or Secretary of State for the exchange of information concerning taxpayers.

9. Except as otherwise provided by regulations adopted by the Cannabis Compliance Board pursuant to NRS 678B.645, a board of county commissioners shall not license or otherwise allow a person to operate a business that allows cannabis, as defined in NRS 678A.085, or cannabis products, as defined in NRS 678A.120, to be consumed on the premises of the business, other than a cannabis consumption lounge, as defined in NRS 678A.087, in accordance with the provisions of chapter 678B of NRS.

Sec. 12. Chapter 225 of NRS is hereby amended by adding thereto the provisions set forth as sections 13 and 14 of this act.

Sec. 13. *1. The Task Force on Safe Sidewalk Vending is hereby created within the Office of the Secretary of State.*

2. The Task Force consists of the following nine members appointed by the Secretary of State:

(a) A representative of a health district in a county whose population is 100,000 or more;

(b) A representative employed by a county or city whose primary duties are the performance of tasks related to business licensing;

(c) A representative of the gaming or restaurant industries in this State;

(d) A representative from a law enforcement agency in a county whose population is 100,000 or more;

(e) A representative from the Office of the Secretary of State; and

(f) Four members at large chosen by the Secretary of State, with priority given to persons who are sidewalk vendors or are affiliated with a community organization that represents and affiliates with sidewalk vendors.

3. The members of the Task Force:

(a) Shall serve terms of 3 years. A member may be reappointed to the Task Force and any vacancy must be filled in the same manner as the original appointment.

(b) Serve without compensation.

4. A majority of the members of the Task Force constitutes a quorum for the transaction of business, and a majority of these members present at the meeting is sufficient for any official action taken by the Task Force.

5. To support the activities of the Task Force, the Secretary of State may establish an advisory board composed of representatives of counties, cities and businesses, including, without limitation, a member of a health department or health district.

6. The Task Force may apply for and accept any gift, donation, bequest, grant or other source of money to carry out the duties of the Task Force.

Sec. 14. *1. The Task Force on Safe Sidewalk Vending created by section 13 of this act shall:*

(a) Review the existing laws of this State, the cities and counties in this State and those of other states and municipalities relating to sidewalk vending; and

(b) Recommend approaches to improve the laws of this State and the cities and counties of this State to:

(1) Legalize sidewalk vending;

(2) Simplify and standardize the laws governing sidewalk vending;

(3) Remove unnecessary barriers to sidewalk vending;

(4) Protect the public health, safety and welfare by ensuring sidewalk vendors follow clear and narrowly tailored laws which address demonstrable health, safety and welfare risks; and

(5) Develop enforcement mechanisms, including, without limitation, civil penalties for sidewalk vendors that operate in authorized areas.

2. On or before September 1 of each even-numbered year, the Task Force shall submit to the Director of the Legislative Counsel Bureau for submission to the Legislative Commission a written report. The report must include, without limitation, a summary of the work of the Task Force and any recommendations for legislation and regulations.

Sec. 15. Chapter 268 of NRS is hereby amended by adding thereto the provisions set forth as sections 16 to 24.5, inclusive, of this act.

Sec. 16. *The provisions of sections 16 to 24.5, inclusive, of this act apply only to a city in a county whose population is 100,000 or more.*

Sec. 17. *As used in sections 16 to 24.5, inclusive, of this act, unless the context otherwise requires, "sidewalk vendor" means a person who sells food upon a public sidewalk or other pedestrian path from a conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack. The term includes, without limitation, a nonstationary sidewalk vendor and a stationary sidewalk vendor.*

Sec. 18. (Deleted by amendment.)

Sec. 19. (Deleted by amendment.)

Sec. 20. (Deleted by amendment.)

Sec. 21. *1. A city council or other governing body of an incorporated city may adopt an ordinance regulating sidewalk vendors in accordance with the requirements of sections 16 to 24.5, inclusive, of this act.*

2. Except as otherwise provided in sections 16 to 24.5, inclusive, of this act, a city council or other governing body of an incorporated city shall not:

(a) Enact or enforce a complete prohibition on sidewalk vendors.

(b) Impose a criminal penalty on the act of sidewalk vending in a residential area.

3. A city council or other governing body of an incorporated city that does not adopt an ordinance that complies or substantially complies with sections 16 to 24.5, inclusive, of this act, shall not cite, fine or prosecute a sidewalk vendor for a violation of any rule or regulation that is inconsistent with the provisions of sections 16 to 24.5, inclusive, of this act.

4. If a city council or other governing body of an incorporated city adopts an ordinance pursuant to this section, the city council or other governing body shall post on its Internet website a map of the zones where a person may engage in the act of sidewalk vending.

Sec. 21.5. *1. Except as otherwise provided in subsection 4, a person shall not sell food , beverages or merchandise upon a public sidewalk or pedestrian path from a conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack, within 1,500 feet of:*

(a) A resort hotel, as defined in NRS 463.01865;

(b) An event facility that has seating capacity for at least 20,000 people and is constructed to accommodate a major or minor league sports team;

(c) A convention facility operated by a county fair and recreation board; or

(d) A median of a highway, if the median is adjacent to a parking lot.

2. For any violation of subsection 1, a city council or other governing body of an incorporated city may impose a criminal, civil or administrative penalty in accordance with an ordinance adopted by the city council or other governing body of an incorporated city pursuant to section 21 of this act. The maximum criminal penalty that may be specified in an ordinance adopted pursuant to section 21 of this act is a misdemeanor. A violation of subsection 1 or such an ordinance does not constitute a crime of moral turpitude.

3. Nothing in this section authorizes a person to sell merchandise 1,500 feet or more from:

(a) A resort hotel, as defined in NRS 463.01865;

(b) An event facility that has seating capacity for at least 20,000 people and is constructed to accommodate a major or minor league sports team;

(c) A convention facility operated by a county fair and recreation board; or

(d) A median of a highway that is adjacent to a parking lot.

4. A person may sell food , beverages or merchandise within 1,500 feet of a location described in subsection 1 if the conveyance from which the person is selling food , beverages or merchandise is located in an area which is zoned exclusively for residential use, unless the area is on a public sidewalk or pedestrian path that is immediately adjacent to a location described in subsection 1.

Sec. 22. *An ordinance adopted by a city council or other governing body of an incorporated city regulating sidewalk vendors pursuant to section 21 of this act may require that a sidewalk vendor:*

1. Hold:

(a) A permit or license for sidewalk vending;

(b) A state business license; and

(c) Any other licenses issued by a state or local governmental agency to the extent otherwise required by law.

➥ *Nothing in this section shall be construed to authorize a sidewalk vendor to not comply with any requirement to obtain a state business license or other license issued by a state agency or any permit or license issued by a local government, agency or board of health to the extent otherwise required by law.*

2. Submit information to the designated representative of the city relating to his or her operations, including, without limitation:

(a) The name and current mailing address of the sidewalk vendor;

(b) If the sidewalk vendor is an agent of an individual, company, partnership or corporation, the name and business address of the principal office;

(c) A description of the food offered for sale; and

(d) A certification by the sidewalk vendor that, to the best of his or her knowledge and belief, the information submitted pursuant to this section is true.

Sec. 23. *1. In addition to the provisions of section 22 of this act, an ordinance adopted by a city council or other governing body of an incorporated city that regulates sidewalk vendors may:*

(a) Adopt requirements regulating the time, place and manner of sidewalk vending if the requirements are objectively and directly related to the health, safety or welfare concerns of the public, which may include, without limitation:

(1) Restrictions on the hours of operation of a sidewalk vendor, which may not be more restrictive than any restriction imposed by any applicable ordinance regulating noise or any restriction on the hours of operation imposed on home-based businesses that are similar to sidewalk vending; and

(2) Requirements to:

(I) Maintain sanitary conditions and comply with the regulations adopted by a local board of health pursuant to section 25 of this act.

(II) Ensure compliance with the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq.

(b) Restrict or prohibit sidewalk vendors from operating:

(1) In areas located within the immediate vicinity of a farmers' market licensed pursuant to NRS 268.092 during the operating hours of the farmers' market.

(2) Within the immediate vicinity of an area designated for a temporary special event by the city council or other governing body of an incorporated city, provided that any notice or other right provided to affected businesses or property owners during the temporary special event is also provided to any sidewalk vendors permitted to operate in the area, if applicable. A prohibition of sidewalk vendors pursuant to this subparagraph must only be effective for the limited duration of the temporary special event.

(3) Within a set distance established by the city council or other governing body of an incorporated city of:

(I) Except as otherwise provided in section 21.5 of this act, an establishment that holds a nonrestricted gaming license described in subsection 1 or 2 of NRS 463.0177;

(II) A food establishment;

(III) A school, child care facility, community center, polling place, religious institution or place of worship or a park or recreational facility owned by the city; or

(IV) A highly trafficked pedestrian mall, convention center or designated entertainment district.

(4) In residential areas, but must not prohibit nonstationary sidewalk vendors from operating in such areas.

2. As used in this section:

(a) "Entertainment district" means a contiguous area located within a city that:

(1) Is zoned for or customarily used for commercial purposes; and

(2) Contains any number and combination of restaurants, bars, entertainment establishments, music venues, theaters, art galleries or studios, dance studios or athletic stadiums.

(b) "Pedestrian mall" has the meaning ascribed to it in NRS 268.811.

Sec. 24. *1. In accordance with an ordinance adopted pursuant to sections 16 to 24.5, inclusive, of this act, a city council or other governing body of an incorporated city, or a designee of the city council or other governing body, may:*

(a) Suspend or revoke any permit or license for sidewalk vending for any violation of the ordinance or the terms or conditions of the permit or license in the same manner as such suspensions or revocations are imposed for other types of businesses;

(b) Impose a civil penalty on the holder of a permit or license for sidewalk vending that engages in sidewalk vending in a prohibited residential area or for any violation of the terms or conditions of the permit or license in accordance with the schedule of civil penalties set forth in the ordinance, if any;

(c) Impose a civil penalty on a person who engages in sidewalk vending without holding a permit or license for sidewalk vending required by the ordinance in accordance with the schedule of civil penalties set forth in the ordinance, if any; and

(d) Authorize any other action to prevent the sale or consumption of any food or drink that violates any requirements established by a local board of health pursuant to section 25 of this act.

2. For any person who engages in sidewalk vending without holding a permit or license for sidewalk vending or who engages in sidewalk vending in a prohibited area, a city council or other governing body of an incorporated city, or a designee of the city council or other governing body, may also take

any other action authorized under existing law to enforce any prohibition on unlicensed business activities, including, without limitation, any action authorized pursuant to section 21.5 of this act.

Sec. 24.5. *The provisions of sections 16 to 24.5, inclusive, of this act, shall not be construed to:*

1. Exempt a person from complying with any state or local law or regulation;

2. Provide a defense to any criminal charge unrelated to the act of sidewalk vending; or

3. Affect the rights of a private property owner to use or authorize or limit the use of a sidewalk that is owned by the private property owner, including, without limitation, a privately owned sidewalk that is subject to an easement for public access.

Sec. 25. Chapter 446 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A local board of health in a county whose population is 100,000 or more or a city in a county whose population is 100,000 or more shall adopt regulations pursuant to NRS 446.940 regulating sidewalk vendors of food which must, without limitation:

(a) Establish a process for a person to apply to the local board of health for a permit, license or other authorization to operate as a sidewalk vendor;

(b) Provide for a person applying for a permit, license or other authorization for sidewalk vending to pay any fees required by the local board of health using a payment plan;

(c) Establish procedures for a person seeking to operate as a sidewalk vendor who does not have a drivers' license or identification card issued by this State or another State, the District of Columbia or any territory of the United States to obtain any certification required by the local board of health as a food handler; and

(d) Include any other regulation determined to be necessary by the Task Force on Safe Sidewalk Vending pursuant to section 14 of this act.

2. As used in this section, "sidewalk vendor" means a person who sells food upon a public sidewalk or other pedestrian path from a conveyance, including, without limitation, a pushcart, stand, display, pedal-driven cart, wagon, showcase or rack. The term includes a nonstationary sidewalk vendor and a stationary sidewalk vendor.

Sec. 26. Any ordinance, regulation or rule of a county or city which conflicts with the provisions of this act is void and unenforceable.

Sec. 26.5. Each local board of health in a county whose population is 100,000 or more and local board of health of a city in a county whose population is 100,000 or more shall adopt the regulations required by section 25 of this act on or before December 31, 2025.

Sec. 27. (Deleted by amendment.)

Sec. 27.5. The amendatory provisions of this section and sections 2 to 11, inclusive, and 16 to 26.5, inclusive, of this act are not severable. If any

provision of this section or sections 2 to 11, inclusive, or 16 to 26.5, inclusive, of this act, or any application thereof to any person, thing or circumstance is held invalid, the other provisions of this section and sections 2 to 11, inclusive, and 16 to 26.5, inclusive, of this act become ineffective.

Sec. 28. 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. 29. 1. This section and sections 26.5 to 28, inclusive, of this act become effective upon passage and approval.

2. Sections 12, 13 and 14 of this act become effective:

(a) Upon passage and approval for the purpose of appointing members of the Task Force on Safe Sidewalk Vending and performing any other preparatory administrative tasks that are necessary to carry out the provisions of sections 12, 13 and 14 of this act; and

(b) On January 1, 2024, for all other purposes.

3. Sections 7.5, 21.5 and 26 of this act become effective:

(a) Upon passage and approval for the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On October 15, 2023, for all other purposes.

4. Sections 1 to 7, inclusive, 8, 10, 11, 15 to 22, inclusive, 24, 24.5 and 25 of this act become effective on January 1, 2024.

5. Sections 9 and 23 of this act become effective:

(a) Upon passage and approval for the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On July 1, 2024, for all other purposes.

Senator Flores moved that the Senate concur in Assembly Amendments Nos. 624 and 720 to Senate Bill No. 92.

Motion carried by a constitutional majority.

Bill ordered enrolled.

Senate Bill No. 208.

The following Assembly amendment was read:

Amendment No. 626.

SUMMARY—Requires counties and cities to enact certain ordinances relating to battery-charged fences. (BDR 20-853)

AN ACT relating to local governments; requiring the governing body of a county or city to enact ordinances relating to battery-charged fences; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the governing body of a county or city to enact ordinances that regulate certain health and safety issues. (NRS 244.355-244.369, 268.409-268.427) Sections 1 and 2 of this bill require the governing body of a county or city to enact an ordinance that regulates

battery-charged fences. Sections 1 and 2 require that such an ordinance require that a battery-charged fence: (1) be located on property not ~~[zoned exclusively]~~ designated for residential use ~~[;]~~ or be located on property designated for residential use that is also located in a rural zoning area or governed by certain provisions of law relating to Lake Tahoe; (2) use a battery that is not more than 12 volts of direct current; (3) have an energizer that meets the most current standards set forth by the International Electrotechnical Commission; (4) be surrounded by a nonelectric perimeter fence or wall; (5) be not more than a certain height; and (6) be marked with certain conspicuous warning signs located on the battery-charged fence. Sections 1 and 2 prohibit such an ordinance from: (1) requiring a permit for the installation or use of a battery-charged fence that is in addition to an alarm system permit issued by the county or city; (2) imposing installation or operational requirements for a battery-charged fence that are inconsistent with the standards set forth by the International Electrotechnical Commission; or (3) prohibiting the installation or use of a battery-charged fence.

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. Except as otherwise provided in subsection 3, a board of county commissioners shall enact ordinances regulating battery-charged fences.

2. An ordinance enacted pursuant to this section must, without limitation, require that a battery-charged fence:

(a) Be located on property that ~~[is not zoned exclusively]~~ :

(1) Is not designated for residential use; or

(2) Is designated for residential use and the property:

(I) Is located in a rural zoning area; or

(II) Is governed by the provisions of NRS 278.780 to 278.828, inclusive;

(b) Use a battery that is not more than 12 volts of direct current;

(c) Have an energizer that meets the most current standards set forth by the International Electrotechnical Commission;

(d) Be surrounded by a nonelectric perimeter fence or wall that is at least 5 feet in height;

(e) Not be higher than 10 feet in height or 2 feet higher than the height of the nonelectric perimeter fence or wall described in paragraph (d), whichever is greater; and

(f) Be marked with conspicuous warning signs that are located on the battery-charged fence at intervals of not more than 40 feet and that read: "WARNING: ELECTRIC FENCE."

3. A board of county commissioners, in enacting an ordinance pursuant to this section, may not enact an ordinance that:

(a) Requires a permit for the installation or use of a battery-charged fence that is in addition to any permit that is required to install an alarm system;

(b) Imposes any installation or operational requirement for a battery-charged fence that is inconsistent with the most current standards set forth by the International Electrotechnical Commission; or

(c) Prohibits the installation or use of a battery-charged fence.

4. As used in this section:

(a) "Alarm system" means a device or system that transmits an audible, visual or electronic signal intended to summon or alert law enforcement. The term does not include a system which does not transmit a signal from outside of a building or residence and is intended to alert only occupants of a building or residence.

(b) "Battery-charged fence" means a fence that interfaces with an alarm system in a manner that enables the fence to cause the connected alarm system to transmit a signal intended to summon law enforcement in response to an intrusion and has an energizer that is driven by a battery.

Sec. 2. Chapter 268 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in subsection 3, a city council or other governing body of an incorporated city shall enact ordinances regulating battery-charged fences.

2. An ordinance enacted pursuant to this section must, without limitation, require that a battery-charged fence:

(a) Be located on property that ~~[is not zoned exclusively]~~ :

(1) Is not designated for residential use; or

(2) Is designated for residential use and:

(I) Is located in a rural zoning area; or

(II) Is governed by the provisions of NRS 278.780 to 278.828, inclusive;

(b) Use a battery that is not more than 12 volts of direct current;

(c) Have an energizer that meets the most current standards set forth by the International Electrotechnical Commission;

(d) Be surrounded by a nonelectric perimeter fence or wall that is at least 5 feet in height;

(e) Not be higher than 10 feet in height or 2 feet higher than the height of the nonelectric perimeter fence or wall described in paragraph (d), whichever is greater; and

(f) Be marked with conspicuous warning signs that are located on the battery-charged fence at intervals of not more than 40 feet and that read: "WARNING: ELECTRIC FENCE."

3. A city council or other governing body of an incorporated city, in enacting an ordinance pursuant to this section, may not enact an ordinance that:

(a) Requires a permit for the installation or use of a battery-charged fence that is in addition to any permit that is required to install an alarm system;

(b) Imposes any installation or operational requirement for a battery-charged fence that is inconsistent with the most current standards set forth by the International Electrotechnical Commission; or

(c) Prohibits the installation or use of a battery-charged fence.

4. As used in this section:

(a) "Alarm system" means a device or system that transmits an audible, visual or electronic signal intended to summon or alert law enforcement. The term does not include a system which does not transmit a signal from outside of a building or residence and is intended to alert only occupants of a building or residence.

(b) "Battery-charged fence" means a fence that interfaces with an alarm system in a manner that enables the fence to cause the connected alarm system to transmit a signal intended to summon law enforcement in response to an intrusion and has an energizer that is driven by a battery.

Sec. 2.5. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

Sec. 3. Any ordinance, regulation or rule enacted by a county or city before, on or after July 1, 2023, which conflicts with the provisions of this act is void and unenforceable.

Sec. 4. This act becomes effective on July 1, 2023.

Senator Flores moved that the Senate concur in Assembly Amendment No. 626 to Senate Bill No. 208.

Motion carried by a constitutional majority.

Bill ordered enrolled.

Senate Bill No. 211.

The following Assembly amendment was read:

Amendment No. 657.

SUMMARY—Revises provisions relating to marriage. (BDR 11-656)

AN ACT relating to marriage; requiring, under certain circumstances, a county clerk ~~[or county recorder]~~ to issue an amended certificate of marriage to a party to a marriage whose name has changed; eliminating the authority for an applicant for a marriage license to change his or her middle or last name at the time of issuance of a marriage license; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that if any information in a certificate of marriage is incorrect, the county clerk or the county recorder may charge and collect from a person certain fees for the preparation of an affidavit of correction and the filing of a corrected certificate of marriage. (NRS 122.135) Section 1.3 of this bill provides that if a marriage was solemnized in this State and a party to the marriage receives a certified copy of a court order from a court of this State or another state, the District of Columbia or any territory of the United States changing the name of the party, the county clerk <u>of the county where the original marriage license was issued</u> shall issue an amended certificate of

marriage upon receipt of: (1) a certified copy of the original certificate of marriage; (2) a certified copy of the court order; (3) a notarized affidavit of amendment executed by the parties to the marriage; and (4) the applicable fees. Section 1.6 of this bill sets forth the form for any amended certificate of marriage that is issued pursuant to section 1.3.

~~[If the amended]~~ Existing law authorizes a board of county commissioners of a county whose population is 700,000 or more (currently only Clark County) to adopt an ordinance requiring a certificate of marriage ~~[is issued by a county recorder or]~~ to be filed in the office of the county clerk . ~~[of a county other than the county which issued the marriage license,]~~ (NRS 246.100) If a board of county commissioners has adopted such an ordinance, section 1.9 of this bill requires the ~~[party requesting the amended certificate of marriage]~~ county clerk to ~~[, within 10 days after receiving a certified copy of]~~ file the amended certificate ~~[, deliver that copy to the county clerk or county recorder, as applicable, of the county where the marriage license was issued. Section]~~ of marriage in the office of the county clerk within 10 days after its issuance. If a board of county commissioners has not adopted such an ordinance, section 1.9 ~~[also]~~ instead requires the ~~[county clerk or county recorder, as applicable,]~~ party to whom the amended certificate of marriage is issued to ~~[then record the certified copy of]~~ file the amended certificate of marriage ~~[.]~~ with the county recorder of the county where the original certificate of marriage was recorded within 10 days after its issuance.

Existing law provides that at the time of issuance of a marriage license, an applicant or both applicants may elect to change the middle name or last name, or both, by which an applicant wishes to be known after solemnization of the marriage. An applicant for a marriage license may change his or her name pursuant to this provision only at the time of issuance of the license. (NRS 122.040) Section 2 of this bill eliminates this authority for such a name change at the time of issuance of a marriage license. Sections 3 and 4 of this bill make conforming changes to the format of marriage licenses and certificates of marriage to account for the elimination of that authority by section 2.

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

Section 1. Chapter 122 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3, 1.6 and 1.9 of this act.

Sec. 1.3. *1. If a marriage was solemnized in this State and a party to the marriage receives a certified copy of a court order from a court of this State or another state, the District of Columbia or any territory of the United States changing the name of the party, the county clerk of the county where the original marriage license was issued to the party shall issue an amended certificate of marriage to that party that sets forth the new name of the party, upon receipt by the county clerk of:*

(a) A certified copy of the original certificate of marriage;

(b) A certified copy of the court order;

(c) A notarized affidavit of amendment prepared by the county clerk and executed by the parties to the marriage; and

(d) The fees required pursuant to subsection 2.

2. The county clerk may charge and collect a fee of not more than $25 for the preparation of the affidavit of amendment pursuant to paragraph (c) of subsection 1. The party requesting the amended certificate of marriage must also pay any fee required pursuant to NRS 246.180 or NRS 247.305, as applicable, for the filing or recording of the amended certificate of marriage.

3. Upon compliance with subsection 1, the county clerk shall issue ~~[a certified copy of]~~ the amended certificate of marriage to the parties to the marriage.

4. The county clerk or county recorder, as applicable, shall maintain as a public record the original certificate of marriage and the amended certificate of marriage issued pursuant to this section.

Sec. 1.6. *1. An amended certificate of marriage issued pursuant to section 1.3 of this act must be substantially in the following form:*

State of Nevada

Amended Certificate of Marriage

State of Nevada }
} ss.
County of }

This is to acknowledge that a marriage officiant, did on the ..... day of the month of ..... of the year ....., at ..... (address or church), ... (city), Nevada, join in lawful wedlock ..... (name), of ..... (city), State of ....., date of birth ....., and ..... (name), of ..... (city), State of ....., date of birth ....., with their mutual consent, in the presence of at least one witness.

~~[.....~~

(Seal of County Clerk) ~~Signature of County Clerk]~~

This certificate is issued to reflect an amendment made pursuant to Instrument No. ..... on file at the Office of the ..... County [Clerk or Recorder] and the court order issued in ..... County, State of ....., Case No. .....

The original Certificate of Marriage No. ....., recorded or filed as Instrument No. ....., is on file at the Office of the ..... County [Clerk or Recorder].

2. All information contained in the amended certificate of marriage must be typewritten or legibly printed in black ink, except the signatures.

Sec. 1.9. *1. ~~[Each party who is issued an]~~ If a county clerk issues an amended certificate of marriage pursuant to section 1.3 of this act ~~[by a county recorder or county clerk of a county other than the county where the marriage license was issued shall, within 10 days after receiving a certified copy of the amended certificate of marriage, deliver to:]~~ and the board of county commissioners:*

(a) ~~[If the board of county commissioners has]~~ Has adopted an ordinance pursuant to NRS 246.100, the county clerk ~~[of the county where the marriage license was issued a certified copy of]~~ shall, within 10 days after its issuance, file the amended certificate of marriage ~~[required by section 1.3 of this act.]~~ in the office of the county clerk.

(b) ~~[If the board of county commissioners has]~~ Has not adopted an ordinance pursuant to NRS 246.100, the ~~[county recorder of the county where the marriage license was]~~ party to whom the amended certificate of marriage is issued ~~[a certified copy of the amended certificate of marriage required by section 1.3 of this act.]~~ shall, within 10 days after receipt, file the amended certificate of marriage with the county recorder where the original certificate of marriage was recorded.

2. ~~[The certified copy of an amended certificate of marriage delivered pursuant to this section must be recorded by the county recorder or filed by the county clerk.]~~ For the recording or filing of ~~[a certified copy of]~~ an amended certificate of marriage pursuant to this section, the county recorder or county clerk is entitled to the fees designated in subsection 2 of section 1.3 of this act. ~~[All such fees must be deposited in the county general fund.]~~

Sec. 2. NRS 122.040 is hereby amended to read as follows:

122.040 1. Before persons may be joined in marriage, a license must be obtained for that purpose from the county clerk of any county in the State. Except as otherwise provided in this subsection, the license must be issued at the county seat of that county. The board of county commissioners:

(a) In a county whose population is 700,000 or more may, at the request of the county clerk, designate not more than five branch offices of the county clerk at which marriage licenses may be issued, if the designated branch offices are located outside of the county seat.

(b) In a county whose population is less than 700,000 may, at the request of the county clerk, designate one branch office of the county clerk at which marriage licenses may be issued, if the designated branch office is established in a county office building which is located outside of the county seat.

2. Except as otherwise provided in this section, before issuing a marriage license, the county clerk shall require each applicant to provide proof of the applicant's name and age. The county clerk may accept as proof of the applicant's name and age an original or certified copy of any of the following:

(a) A driver's license, instruction permit or identification card issued by this State or another state, the District of Columbia or any territory of the United States.

(b) A passport.

(c) A birth certificate and:

(1) Any secondary document that contains the name and a photograph of the applicant; or

(2) Any document for which identification must be verified as a condition to receipt of the document.

➥ If the birth certificate is written in a language other than English, the county clerk may request that the birth certificate be translated into English and notarized.

(d) A military identification card or military dependent identification card issued by any branch of the Armed Forces of the United States.

(e) A Certificate of Citizenship, Certificate of Naturalization, Permanent Resident Card or Temporary Resident Card issued by the United States Citizenship and Immigration Services of the Department of Homeland Security.

(f) Any other document that provides the applicant's name and age. If the applicant clearly appears over the age of 25 years, no documentation of proof of age is required.

3. Except as otherwise provided in subsection 4, the county clerk issuing the license shall require each applicant to answer under oath each of the questions contained in the form of license. The county clerk shall, except as otherwise provided in this subsection, require each applicant to include the applicant's social security number on the affidavit of application for the marriage license. If a person does not have a social security number, the person must state that fact. The county clerk shall not require any evidence to verify a social security number. If any of the information required is unknown to the person, the person must state that the answer is unknown. The county clerk shall not deny a license to an applicant who states that the applicant does not have a social security number or who states that any requested information concerning the applicant's parents is unknown.

4. Upon finding that extraordinary circumstances exist which result in only one applicant being able to appear before the county clerk, the county clerk may waive the requirements of subsection 3 with respect to the person who is unable to appear before the county clerk, or may refer the applicant to the district court. If the applicant is referred to the district court, the district court may waive the requirements of subsection 3 with respect to the person who is unable to appear before the county clerk. If the district court waives the requirements of subsection 3, the district court shall notify the county clerk in writing. If the county clerk or the district court waives the requirements of subsection 3, the county clerk shall require the applicant who is able to appear before the county clerk to:

(a) Answer under oath each of the questions contained in the form of license. The applicant shall answer any questions with reference to the other person named in the license.

(b) Include the applicant's social security number and the social security number of the other person named in the license on the affidavit of application for the marriage license. If either person does not have a social security number, the person responding to the question must state that fact. The county clerk shall not require any evidence to verify a social security number.

➥ If any of the information required on the application is unknown to the person responding to the question, the person must state that the answer is

unknown. The county clerk shall not deny a license to an applicant who states that the applicant does not have a social security number or who states that any requested information concerning the parents of either the person who is responding to the question or the person who is unable to appear is unknown.

5. When the authorization of a district court is required because the marriage involves a minor, the county clerk shall issue the license if that authorization is given to the county clerk in writing.

6. ~~[At the time of issuance of the license, an applicant or both applicants may elect to change the middle name or last name, or both, by which an applicant wishes to be known after solemnization of the marriage. The first name of each applicant selected for use by the applicant after solemnization of the marriage must be the same as the first name indicated on the proof of the applicant's name submitted pursuant to subsection 2. An applicant may change his or her name pursuant to this subsection only at the time of issuance of the license. One or both applicants may adopt:~~

~~(a) As a middle name, one of the following:~~

~~(1) The current last name of the other applicant.~~

~~(2) The last name of either applicant given at birth.~~

~~(3) A hyphenated combination of the current middle name and the current last name of either applicant.~~

~~(4) A hyphenated combination of the current middle name and the last name given at birth of either applicant.~~

~~(b) As a last name, one of the following:~~

~~(1) The current last name of the other applicant.~~

~~(2) The last name of either applicant given at birth.~~

~~(3) A hyphenated combination of the potential last names described in paragraphs (a) and (b).~~

~~7.]~~ All records pertaining to marriage licenses are public records and open to inspection pursuant to the provisions of NRS 239.010.

~~[8.]~~ *7.* A marriage license issued on or after July 1, 1987, expires 1 year after its date of issuance.

Sec. 3. NRS 122.050 is hereby amended to read as follows:

122.050 The marriage license must contain the name of each applicant as shown in the documents presented pursuant to subsection 2 of NRS 122.040 . ~~[and the name, if any, selected by each applicant for use after the applicants are joined in marriage.]~~ The marriage license must be substantially in the following form:

MARRIAGE LICENSE

(EXPIRES 1 YEAR AFTER ISSUANCE)

State of Nevada }
}ss.
County of }

These presents are to authorize any minister, other church or religious official authorized to solemnize a marriage, notary public or marriage officiant who has obtained a certificate of permission to

perform marriages, any Supreme Court justice, judge of the Court of Appeals or district judge within this State, or justice of the peace within a township wherein the justice of the peace is permitted to solemnize marriages or if authorized pursuant to subsection 3 of NRS 122.080, or a municipal judge if authorized pursuant to subsection 4 of NRS 122.080, or any commissioner of civil marriages or his or her deputy within a commissioner township wherein they are permitted to solemnize marriages or any mayor if authorized pursuant to subsection 5 of NRS 122.080, to join in marriage ..... of (City, town or location) ....., State of ..... State of birth (If not in U.S.A., name of country) .....; Date of birth ..... Name of Parent No. 1 ..... State of birth of Parent No. 1 (If not in U.S.A., name of country) ..... Name of Parent No. 2 ..... State of birth of Parent No. 2 (If not in U.S.A., name of country) ..... Number of this marriage (1st, 2nd, etc.) ..... Former Spouse: Deceased ..... Divorced ..... Annulled ..... When ..... Where ..... And ..... of (City, town or location) ....., State of ..... State of birth (If not in U.S.A., name of country) .....; Date of birth ..... Name of Parent No. 1 ..... State of birth of Parent No. 1 (If not in U.S.A., name of country) ..... Name of Parent No. 2 ..... State of birth of Parent No. 2 (If not in U.S.A., name of country) ..... Number of this marriage (1st, 2nd, etc.) ..... Former Spouse: Deceased ..... Divorced ..... Annulled ..... When ..... Where .....; and to certify the marriage according to law. ~~[After ..... (name) and ..... (name) are joined in marriage, ... wishes to use the name ..... (New name) and ..... wishes to use the name ..... (New name) OR The parties have not designated any changes of name at the time of issuance of the marriage license.]~~

Witness my hand and the seal of the county, this ..... day of the month of ……. of the year .....

.....

(Seal) Clerk

.....

Deputy clerk

Sec. 4. NRS 122.120 is hereby amended to read as follows:

122.120 1. After a marriage is solemnized, the person solemnizing the marriage shall give to each couple being married an uncertified copy of a certificate of marriage.

2. The certificate of marriage must contain the date of birth of each applicant as contained in the form of marriage license pursuant to NRS 122.050. If two persons, regardless of gender, who are spouses of each other are being rejoined in marriage pursuant to subsection 2 of NRS 122.020, the certificate of marriage must state that the persons were rejoined in marriage and that the certificate is replacing a record of marriage which was lost or destroyed or is otherwise unobtainable. The certificate of marriage must be in substantially the following form:

STATE OF NEVADA
MARRIAGE CERTIFICATE

State of Nevada }
}ss.
County of }

This is to certify that the undersigned, ... (a minister or other church or religious official authorized to solemnize a marriage, notary public, judge, justice of the peace of ..... County, commissioner of civil marriages, deputy commissioner of civil marriages, marriage officiant or mayor, as the case may be), did on the ..... day of the month of ..... of the year ....., at ..... (address or church), ... (city), Nevada, join or rejoin, as the case may be, in lawful wedlock ..... (name), of ..... (city), State of ....., date of birth ....., and ..... (name), of ..... (city), State of ....., date of birth ....., with their mutual consent, in the presence of ..... and ..... (witnesses). ~~[After ..... (name) and ..... (name) are joined or rejoined in marriage, as the case may be, ... (name) wishes to use the name ..... (New name) and ..... (name) wishes to use the name ..... (New name) OR The parties have not designated any changes of name at the time of issuance of the marriage license.]~~ (If two persons, regardless of gender, who are the spouses of each other are being rejoined in marriage pursuant to subsection 2 of NRS 122.020, this certificate replaces the record of the marriage of the persons who are being rejoined in marriage.)

.....
Signature of person performing
(Seal of County Clerk) the marriage

Name under signature typewritten
or printed in black ink

County Clerk

.....
Official title of person performing
the marriage

.....
.....
Couple's mailing address

3. All information contained in the certificate of marriage must be typewritten or legibly printed in black ink, except the signatures. The signature of the person performing the marriage must be an original signature.

Sec. 5. 1. This section becomes effective upon passage and approval.

2. Sections 1 to 4, inclusive, of this act become effective:

(a) Upon passage and approval for the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On January 1, 2024, for all other purposes.

Senator Scheible moved that the Senate concur in Assembly Amendment No. 657 to Senate Bill No. 211.

Motion carried by a two-thirds majority.

Bill ordered enrolled.

Senate Bill No. 330.

The following Assembly amendment was read:

Amendment No. 580.

SUMMARY—Revises provisions related to health care. (BDR 57-161)

AN ACT relating to health care; revising requirements for certain health insurance plans to provide certain benefits for preventative health care relating to breast cancer; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires most health insurance plans, including individual, group and blanket health insurance policies, small employer plans, benefit contracts provided by fraternal benefit societies, contracts for hospital or medical service, health care plans of health maintenance organizations and plans issued by managed care organizations to include coverage for mammograms. (NRS 689A.0405, 689B.0374, 689C.1674, 695A.1855, 695B.1912, 695C.1735, 695G.1713) Sections 1-5, 6 and 7 of this bill revise existing provisions requiring coverage for mammograms to require such policies, plans and contracts of health care to additionally provide coverage for imaging tests to screen for breast cancer and diagnostic imaging tests for breast cancer for certain covered persons without requiring any deductible, copayment, coinsurance or any other form of cost-sharing ~~[.]~~ , except under certain circumstances relating to the eligibility of health savings accounts associated with policies, plans and contracts of health care that have high deductibles. Sections 5.5, 6.5, 7.5 and 8 of this bill make various changes to exclude the Public Employees' Benefits Program and plans of self-insurance for employees of local governments from the requirements of this bill and, thus, the Program and such plans may, but are not required to, provide the coverage set forth in this bill. Sections 7.2 and 7.3 of this bill make changes necessary so that requirements concerning mammograms that currently apply to the Program and plans of self-insurance for employees of local governments continue to apply to the Program and such plans. Sections 7.7 and 7.9 of this bill make conforming changes to indicate the proper placement of sections 7.2 and 7.3, respectively, in the Nevada Revised Statutes.

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

Section 1. NRS 689A.0405 is hereby amended to read as follows:

689A.0405 1. A policy of health insurance must provide coverage for

benefits payable for expenses incurred for ~~[~~a~~]~~ *:*

(a) A mammogram ~~[every 2 years, or]~~ *to screen for breast cancer* annually ~~[if ordered by a provider of health care,]~~ for ~~[women]~~ *insureds who are* 40 years of age or older.

(b) An imaging test to screen for breast cancer on an interval and at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care based on personal or family medical history or additional factors that may increase the risk of breast cancer for the insured.

(c) A diagnostic imaging test for breast cancer at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care to evaluate an abnormality which is:

(1) Seen or suspected from a mammogram described in paragraph (a) or an imaging test described in paragraph (b); or

(2) Detected by other means of examination.

2. An insurer must ensure that the benefits required by subsection 1 are made available to an insured through a provider of health care who participates in the network plan of the insurer.

3. Except as otherwise provided in subsection 5, an insurer that offers or issues a policy of health insurance shall not:

(a) ~~[Require]~~ *Except as otherwise provided in subsection 6, require* an insured to pay a ~~[higher]~~ deductible, ~~[any]~~ copayment , ~~[or]~~ coinsurance *or any other form of cost-sharing* or require a longer waiting period or other condition to obtain any benefit provided in the policy of health insurance pursuant to subsection 1;

(b) Refuse to issue a policy of health insurance or cancel a policy of health insurance solely because the person applying for or covered by the policy uses or may use any such benefit;

(c) Offer or pay any type of material inducement or financial incentive to an insured to discourage the insured from obtaining any such benefit;

(d) Penalize a provider of health care who provides any such benefit to an insured, including, without limitation, reducing the reimbursement of the provider of health care;

(e) Offer or pay any type of material inducement, bonus or other financial incentive to a provider of health care to deny, reduce, withhold, limit or delay access to any such benefit to an insured; or

(f) Impose any other restrictions or delays on the access of an insured to any such benefit.

4. A policy subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after January 1, ~~[2018,]~~ *2024,* has the legal effect of including the coverage required by subsection 1, and any provision of the policy or the renewal which is in conflict with this section is void.

5. Except as otherwise provided in this section and federal law, an insurer may use medical management techniques, including, without limitation, any available clinical evidence, to determine the frequency of or treatment relating

to any benefit required by this section or the type of provider of health care to use for such treatment.

6. *If the application of paragraph (a) of subsection 3 would result in the ineligibility of a health savings account of an insured pursuant to 26 U.S.C. § 223, the prohibitions of paragraph (a) of subsection 3 shall apply only for a qualified policy of health insurance with respect to the deductible of such a policy of health insurance after the insured has satisfied the minimum deductible pursuant to 26 U.S.C. § 223, except with respect to items or services that constitute preventive care pursuant to 26 U.S.C. § 223(c)(2)(C), in which case the prohibitions of paragraph (a) of subsection 3 shall apply regardless of whether the minimum deductible under 26 U.S.C. § 223 has been satisfied.*

7. As used in this section:

(a) "Medical management technique" means a practice which is used to control the cost or utilization of health care services or prescription drug use. The term includes, without limitation, the use of step therapy, prior authorization or categorizing drugs and devices based on cost, type or method of administration.

(b) "Network plan" means a policy of health insurance offered by an insurer under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the insurer. The term does not include an arrangement for the financing of premiums.

(c) "Provider of health care" has the meaning ascribed to it in NRS 629.031.

(d) "Qualified policy of health insurance" means a policy of health insurance that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account.

Sec. 2. NRS 689B.0374 is hereby amended to read as follows:

689B.0374 1. A policy of group health insurance must provide coverage for benefits payable for expenses incurred for ~~[a]~~ *:*

(a) A mammogram ~~[every 2 years, or]~~ *to screen for breast cancer* annually ~~[if ordered by a provider of health care,]~~ for ~~[women]~~ *insureds who are* 40 years of age or older.

(b) An imaging test to screen for breast cancer on an interval and at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care based on personal or family medical history or additional factors that may increase the risk of breast cancer for the insured.

(c) A diagnostic imaging test for breast cancer at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care to evaluate an abnormality which is:

(1) Seen or suspected from a mammogram described in paragraph (a) or an imaging test described in paragraph (b); or

(2) Detected by other means of examination.

2. An insurer must ensure that the benefits required by subsection 1 are made available to an insured through a provider of health care who participates in the network plan of the insurer.

3. Except as otherwise provided in subsection 5, an insurer that offers or issues a policy of group health insurance shall not:

(a) ~~[Require]~~ *Except as otherwise provided in subsection 6, require* an insured to pay a ~~[higher]~~ deductible, ~~[any]~~ copayment , ~~[or]~~ coinsurance *or any other form of cost-sharing* or require a longer waiting period or other condition to obtain any benefit provided in the policy of group health insurance pursuant to subsection 1;

(b) Refuse to issue a policy of group health insurance or cancel a policy of group health insurance solely because the person applying for or covered by the policy uses or may use any such benefit;

(c) Offer or pay any type of material inducement or financial incentive to an insured to discourage the insured from obtaining any such benefit;

(d) Penalize a provider of health care who provides any such benefit to an insured, including, without limitation, reducing the reimbursement of the provider of health care;

(e) Offer or pay any type of material inducement, bonus or other financial incentive to a provider of health care to deny, reduce, withhold, limit or delay access to any such benefit to an insured; or

(f) Impose any other restrictions or delays on the access of an insured to any such benefit.

4. A policy subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after January 1, ~~[2018,]~~ *2024,* has the legal effect of including the coverage required by subsection 1, and any provision of the policy or the renewal which is in conflict with this section is void.

5. Except as otherwise provided in this section and federal law, an insurer may use medical management techniques, including, without limitation, any available clinical evidence, to determine the frequency of or treatment relating to any benefit required by this section or the type of provider of health care to use for such treatment.

6. *If the application of paragraph (a) of subsection 3 would result in the ineligibility of a health savings account of an insured pursuant to 26 U.S.C. § 223, the prohibitions of paragraph (a) of subsection 3 shall apply only for a qualified policy of group health insurance with respect to the deductible of such a policy of group health insurance after the insured has satisfied the minimum deductible pursuant to 26 U.S.C. § 223, except with respect to items or services that constitute preventive care pursuant to 26 U.S.C. § 223(c)(2)(C), in which case the prohibitions of paragraph (a) of subsection 3 shall apply regardless of whether the minimum deductible under 26 U.S.C. § 223 has been satisfied.*

7. As used in this section:

(a) "Medical management technique" means a practice which is used to control the cost or utilization of health care services or prescription drug use.

The term includes, without limitation, the use of step therapy, prior authorization or categorizing drugs and devices based on cost, type or method of administration.

(b) "Network plan" means a policy of group health insurance offered by an insurer under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the insurer. The term does not include an arrangement for the financing of premiums.

(c) "Provider of health care" has the meaning ascribed to it in NRS 629.031.

(d) "Qualified policy of group health insurance" means a policy of group health insurance that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account.

Sec. 3. NRS 689C.1674 is hereby amended to read as follows:

689C.1674 1. A health benefit plan must provide coverage for benefits payable for expenses incurred for ~~[a]~~ *:*

(a) A mammogram ~~[every 2 years, or]~~ *to screen for breast cancer* annually ~~[if ordered by a provider of health care,]~~ for ~~[women]~~ *insureds who are* 40 years of age or older.

(b) An imaging test to screen for breast cancer on an interval and at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care based on personal or family medical history or additional factors that may increase the risk of breast cancer for the insured.

(c) A diagnostic imaging test for breast cancer at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care to evaluate an abnormality which is:

(1) Seen or suspected from a mammogram described in paragraph (a) or an imaging test described in paragraph (b); or

(2) Detected by other means of examination.

2. A carrier must ensure that the benefits required by subsection 1 are made available to an insured through a provider of health care who participates in the network plan of the carrier.

3. Except as otherwise provided in subsection 5, a carrier that offers or issues a health benefit plan shall not:

(a) ~~[Require]~~ *Except as otherwise provided in subsection 6, require* an insured to pay a ~~[higher]~~ deductible, ~~[any]~~ copayment , ~~[or]~~ coinsurance *or any other form of cost-sharing* or require a longer waiting period or other condition to obtain any benefit provided in the health benefit plan pursuant to subsection 1;

(b) Refuse to issue a health benefit plan or cancel a health benefit plan solely because the person applying for or covered by the plan uses or may use any such benefit;

(c) Offer or pay any type of material inducement or financial incentive to an insured to discourage the insured from obtaining any such benefit;

(d) Penalize a provider of health care who provides any such benefit to an insured, including, without limitation, reducing the reimbursement of the provider of health care;

(e) Offer or pay any type of material inducement, bonus or other financial incentive to a provider of health care to deny, reduce, withhold, limit or delay access to any such benefit to an insured; or

(f) Impose any other restrictions or delays on the access of an insured to any such benefit.

4. A plan subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after January 1, ~~[2018,]~~ *2024,* has the legal effect of including the coverage required by subsection 1, and any provision of the plan or the renewal which is in conflict with this section is void.

5. Except as otherwise provided in this section and federal law, a carrier may use medical management techniques, including, without limitation, any available clinical evidence, to determine the frequency of or treatment relating to any benefit required by this section or the type of provider of health care to use for such treatment.

6. *If the application of paragraph (a) of subsection 3 would result in the ineligibility of a health savings account of an insured pursuant to 26 U.S.C. § 223, the prohibitions of paragraph (a) of subsection 3 shall apply only for a qualified health benefit plan with respect to the deductible of such a health benefit plan after the insured has satisfied the minimum deductible pursuant to 26 U.S.C. § 223, except with respect to items or services that constitute preventive care pursuant to 26 U.S.C. § 223(c)(2)(C), in which case the prohibitions of paragraph (a) of subsection 3 shall apply regardless of whether the minimum deductible under 26 U.S.C. § 223 has been satisfied.*

7. As used in this section:

(a) "Medical management technique" means a practice which is used to control the cost or utilization of health care services or prescription drug use. The term includes, without limitation, the use of step therapy, prior authorization or categorizing drugs and devices based on cost, type or method of administration.

(b) "Network plan" means a health benefit plan offered by a carrier under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the carrier. The term does not include an arrangement for the financing of premiums.

(c) "Provider of health care" has the meaning ascribed to it in NRS 629.031.

(d) "Qualified health benefit plan" means a health benefit plan that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account.

Sec. 4. NRS 695A.1855 is hereby amended to read as follows:

695A.1855 1. A benefit contract must provide coverage for benefits payable for expenses incurred for ~~[a]~~ *:*

(a) A mammogram ~~[every 2 years, or]~~ *to screen for breast cancer* annually ~~[if ordered by a provider of health care,]~~ for ~~[women]~~ *insureds who are* 40 years of age or older.

(b) An imaging test to screen for breast cancer on an interval and at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care based on personal or family medical history or additional factors that may increase the risk of breast cancer for the insured.

(c) A diagnostic imaging test for breast cancer at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care to evaluate an abnormality which is:

(1) Seen or suspected from a mammogram described in paragraph (a) or an imaging test described in paragraph (b); or

(2) Detected by other means of examination.

2. A society must ensure that the benefits required by subsection 1 are made available to an insured through a provider of health care who participates in the network plan of the society.

3. Except as otherwise provided in subsection 5, a society that offers or issues a benefit contract shall not:

(a) ~~[Require]~~ *Except as otherwise provided in subsection 6, require* an insured to pay a ~~[higher]~~ deductible, ~~[any]~~ copayment , ~~[or]~~ coinsurance *or any other form of cost-sharing* or require a longer waiting period or other condition for coverage to obtain any benefit provided in a benefit contract pursuant to subsection 1;

(b) Refuse to issue a benefit contract or cancel a benefit contract solely because the person applying for or covered by the contract uses or may use any such benefit;

(c) Offer or pay any type of material inducement or financial incentive to an insured to discourage the insured from obtaining any such benefit;

(d) Penalize a provider of health care who provides any such benefit to an insured, including, without limitation, reducing the reimbursement of the provider of health care;

(e) Offer or pay any type of material inducement, bonus or other financial incentive to a provider of health care to deny, reduce, withhold, limit or delay access to any such benefit to an insured; or

(f) Impose any other restrictions or delays on the access of an insured to any such benefit.

4. A benefit contract subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after January 1, ~~[2018,]~~ *2024*, has the legal effect of including the coverage required by subsection 1, and any provision of the benefit contract or the renewal which is in conflict with this section is void.

5. Except as otherwise provided in this section and federal law, a society may use medical management techniques, including, without limitation, any available clinical evidence, to determine the frequency of or treatment relating

to any benefit required by this section or the type of provider of health care to use for such treatment.

6. *If the application of paragraph (a) of subsection 3 would result in the ineligibility of a health savings account of an insured pursuant to 26 U.S.C. § 223, the prohibitions of paragraph (a) of subsection 3 shall apply only for a qualified benefit contract with respect to the deductible of such a benefit contract after the insured has satisfied the minimum deductible pursuant to 26 U.S.C. § 223, except with respect to items or services that constitute preventive care pursuant to 26 U.S.C. § 223(c)(2)(C), in which case the prohibitions of paragraph (a) of subsection 3 shall apply regardless of whether the minimum deductible under 26 U.S.C. § 223 has been satisfied.*

7. As used in this section:

(a) "Medical management technique" means a practice which is used to control the cost or utilization of health care services or prescription drug use. The term includes, without limitation, the use of step therapy, prior authorization or categorizing drugs and devices based on cost, type or method of administration.

(b) "Network plan" means a benefit contract offered by a society under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the society. The term does not include an arrangement for the financing of premiums.

(c) "Provider of health care" has the meaning ascribed to it in NRS 629.031.

(d) "Qualified benefit contract" means a benefit contract that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account.

Sec. 5. NRS 695B.1912 is hereby amended to read as follows:

695B.1912 1. An insurer that offers or issues a contract for hospital or medical service must provide coverage for benefits payable for expenses incurred for ~~[a]~~ *:*

(a) A mammogram ~~[every 2 years, or]~~ *to screen for breast cancer* annually ~~[if ordered by a provider of health care,]~~ for ~~[women]~~ *insureds who are* 40 years of age or older.

(b) An imaging test to screen for breast cancer on an interval and at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care based on personal or family medical history or additional factors that may increase the risk of breast cancer for the insured.

(c) A diagnostic imaging test for breast cancer at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care to evaluate an abnormality which is:

(1) Seen or suspected from a mammogram described in paragraph (a) or an imaging test described in paragraph (b); or

(2) Detected by other means of examination.

2. An insurer must ensure that the benefits required by subsection 1 are made available to an insured through a provider of health care who participates in the network plan of the insurer.

3. Except as otherwise provided in subsection 5, an insurer that offers or issues a contract for hospital or medical service shall not:

(a) ~~[Require]~~ *Except as otherwise provided in subsection 6, require* an insured to pay a ~~[higher]~~ deductible, ~~[any]~~ copayment , ~~[or]~~ coinsurance *or any other form of cost-sharing* or require a longer waiting period or other condition to obtain any benefit provided in a contract for hospital or medical service pursuant to subsection 1;

(b) Refuse to issue a contract for hospital or medical service or cancel a contract for hospital or medical service solely because the person applying for or covered by the contract uses or may use any such benefit;

(c) Offer or pay any type of material inducement or financial incentive to an insured to discourage the insured from obtaining any such benefit;

(d) Penalize a provider of health care who provides any such benefit to an insured, including, without limitation, reducing the reimbursement of the provider of health care;

(e) Offer or pay any type of material inducement, bonus or other financial incentive to a provider of health care to deny, reduce, withhold, limit or delay access to any such benefit to an insured; or

(f) Impose any other restrictions or delays on the access of an insured to any such benefit.

4. A contract for hospital or medical service subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after January 1, ~~[2018,]~~ *2024,* has the legal effect of including the coverage required by subsection 1, and any provision of the contract or the renewal which is in conflict with this section is void.

5. Except as otherwise provided in this section and federal law, an insurer may use medical management techniques, including, without limitation, any available clinical evidence, to determine the frequency of or treatment relating to any benefit required by this section or the type of provider of health care to use for such treatment.

6. *If the application of paragraph (a) of subsection 3 would result in the ineligibility of a health savings account of an insured pursuant to 26 U.S.C. § 223, the prohibitions of paragraph (a) of subsection 3 shall apply only for a qualified contract for hospital or medical service with respect to the deductible of such a contract for hospital or medical service after the insured has satisfied the minimum deductible pursuant to 26 U.S.C. § 223, except with respect to items or services that constitute preventive care pursuant to 26 U.S.C. § 223(c)(2)(C), in which case the prohibitions of paragraph (a) of subsection 3 shall apply regardless of whether the minimum deductible under 26 U.S.C. § 223 has been satisfied.*

7. As used in this section:

(a) "Medical management technique" means a practice which is used to control the cost or utilization of health care services or prescription drug use. The term includes, without limitation, the use of step therapy, prior authorization or categorizing drugs and devices based on cost, type or method of administration.

(b) "Network plan" means a contract for hospital or medical service offered by an insurer under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the insurer. The term does not include an arrangement for the financing of premiums.

(c) "Provider of health care" has the meaning ascribed to it in NRS 629.031.

(d) "Qualified contract for hospital or medical service" means a contract for hospital or medical service that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account.

Sec. 5.5. NRS 695C.050 is hereby amended to read as follows:

695C.050 1. Except as otherwise provided in this chapter or in specific provisions of this title, the provisions of this title are not applicable to any health maintenance organization granted a certificate of authority under this chapter. This provision does not apply to an insurer licensed and regulated pursuant to this title except with respect to its activities as a health maintenance organization authorized and regulated pursuant to this chapter.

2. Solicitation of enrollees by a health maintenance organization granted a certificate of authority, or its representatives, must not be construed to violate any provision of law relating to solicitation or advertising by practitioners of a healing art.

3. Any health maintenance organization authorized under this chapter shall not be deemed to be practicing medicine and is exempt from the provisions of chapter 630 of NRS.

4. The provisions of NRS 695C.110, 695C.125, 695C.1691, 695C.1693, 695C.170, 695C.1703, 695C.1705, 695C.1709 to 695C.173, inclusive, 695C.1733, 695C.17335, 695C.1734, 695C.1751, 695C.1755, 695C.1759, 695C.176 to 695C.200, inclusive, and 695C.265 do not apply to a health maintenance organization that provides health care services through managed care to recipients of Medicaid under the State Plan for Medicaid or insurance pursuant to the Children's Health Insurance Program pursuant to a contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services. This subsection does not exempt a health maintenance organization from any provision of this chapter for services provided pursuant to any other contract.

5. The provisions of NRS 695C.1694 to 695C.1698, inclusive, 695C.1701, 695C.1708, 695C.1728, 695C.1731, 695C.17333, 695C.17345, 695C.17347, 695C.1735, 695C.1737, 695C.1743, 695C.1745 and 695C.1757 apply to a health maintenance organization that provides health care services through managed care to recipients of Medicaid under the State Plan for Medicaid.

6. The provisions of NRS 695C.1735 do not apply to a health maintenance organization that provides health care services to ~~[members]~~ :

(a) The officers and employees, and the dependents of officers and employees, of the governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of this State; or

(b) Members of the Public Employees' Benefits Program.

➥ This subsection does not exempt a health maintenance organization from any provision of this chapter for services provided pursuant to any other contract.

Sec. 6. NRS 695C.1735 is hereby amended to read as follows:

695C.1735 1. A health care plan of a health maintenance organization must provide coverage for benefits payable for expenses incurred for ~~[a]~~ *:*

(a) A mammogram ~~[every 2 years, or]~~ *to screen for breast cancer* annually ~~[if ordered by a provider of health care,]~~ for ~~[women]~~ *enrollees who are* 40 years of age or older.

(b) An imaging test to screen for breast cancer on an interval and at the age deemed most appropriate, when medically necessary, as recommended by the enrollee's provider of health care based on personal or family medical history or additional factors that may increase the risk of breast cancer for the enrollee.

(c) A diagnostic imaging test for breast cancer at the age deemed most appropriate, when medically necessary, as recommended by the enrollee's provider of health care to evaluate an abnormality which is:

(1) Seen or suspected from a mammogram described in paragraph (a) or an imaging test described in paragraph (b); or

(2) Detected by other means of examination.

2. A health maintenance organization must ensure that the benefits required by subsection 1 are made available to an enrollee through a provider of health care who participates in the network plan of the health maintenance organization.

3. Except as otherwise provided in subsection 5, a health maintenance organization that offers or issues a health care plan shall not:

(a) ~~[Require]~~ *Except as otherwise provided in subsection 6, require* an enrollee to pay a ~~[higher]~~ deductible, ~~[any]~~ copayment , ~~[or]~~ coinsurance *or any other form of cost-sharing* or require a longer waiting period or other condition to obtain any benefit provided in the health care plan pursuant to subsection 1;

(b) Refuse to issue a health care plan or cancel a health care plan solely because the person applying for or covered by the plan uses or may use any such benefit;

(c) Offer or pay any type of material inducement or financial incentive to an enrollee to discourage the enrollee from obtaining any benefit provided in the health care plan pursuant to subsection 1;

(d) Penalize a provider of health care who provides any such benefit to an enrollee, including, without limitation, reducing the reimbursement of the provider of health care;

(e) Offer or pay any type of material inducement, bonus or other financial incentive to a provider of health care to deny, reduce, withhold, limit or delay access to any such benefit to an enrollee; or

(f) Impose any other restrictions or delays on the access of an enrollee to any such benefit.

4. A health care plan subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after January 1, ~~[~~2018,~~]~~ *2024*, has the legal effect of including the coverage required by subsection 1, and any provision of the plan or the renewal which is in conflict with this section is void.

5. Except as otherwise provided in this section and federal law, a health maintenance organization may use medical management techniques, including, without limitation, any available clinical evidence, to determine the frequency of or treatment relating to any benefit required by this section or the type of provider of health care to use for such treatment.

6. *If the application of paragraph (a) of subsection 3 would result in the ineligibility of a health savings account of an enrollee pursuant to 26 U.S.C. § 223, the prohibitions of paragraph (a) of subsection 3 shall apply only for a qualified health care plan with respect to the deductible of such a health care plan after the enrollee has satisfied the minimum deductible pursuant to 26 U.S.C. § 223, except with respect to items or services that constitute preventive care pursuant to 26 U.S.C. § 223(c)(2)(C), in which case the prohibitions of paragraph (a) of subsection 3 shall apply regardless of whether the minimum deductible under 26 U.S.C. § 223 has been satisfied.*

7. As used in this section:

(a) "Medical management technique" means a practice which is used to control the cost or utilization of health care services or prescription drug use. The term includes, without limitation, the use of step therapy, prior authorization or categorizing drugs and devices based on cost, type or method of administration.

(b) "Network plan" means a health care plan offered by a health maintenance organization under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the health maintenance organization. The term does not include an arrangement for the financing of premiums.

(c) "Provider of health care" has the meaning ascribed to it in NRS 629.031.

(d) "Qualified health care plan" means a health care plan of a health maintenance organization that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account.

Sec. 6.5. NRS 695G.090 is hereby amended to read as follows:

695G.090 1. Except as otherwise provided in subsection 3, the

provisions of this chapter apply to each organization and insurer that operates as a managed care organization and may include, without limitation, an insurer that issues a policy of health insurance, an insurer that issues a policy of individual or group health insurance, a carrier serving small employers, a fraternal benefit society, a hospital or medical service corporation and a health maintenance organization.

2. In addition to the provisions of this chapter, each managed care organization shall comply with:

(a) The provisions of chapter 686A of NRS, including all obligations and remedies set forth therein; and

(b) Any other applicable provision of this title.

3. The provisions of NRS 695G.127, 695G.164, 695G.1645, 695G.167 and 695G.200 to 695G.230, inclusive, do not apply to a managed care organization that provides health care services to recipients of Medicaid under the State Plan for Medicaid or insurance pursuant to the Children's Health Insurance Program pursuant to a contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services. ~~[This subsection does]~~

4. The provisions of NRS 695C.1735 do not apply to a managed care organization that provides health care services to members of the Public Employees' Benefits Program.

5. Subsections 3 and 4 do not exempt a managed care organization from any provision of this chapter for services provided pursuant to any other contract.

Sec. 7. NRS 695G.1713 is hereby amended to read as follows:

695G.1713 1. A health care plan issued by a managed care organization must provide coverage for benefits payable for expenses incurred for ~~[a]~~ *:*

(a) A mammogram ~~[every 2 years, or]~~ *to screen for breast cancer* annually ~~[if ordered by a provider of health care,]~~ for ~~[women]~~ *insureds who are* 40 years of age or older.

(b) An imaging test to screen for breast cancer on an interval and at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care based on personal or family medical history or additional factors that may increase the risk of breast cancer for the insured.

(c) A diagnostic imaging test for breast cancer at the age deemed most appropriate, when medically necessary, as recommended by the insured's provider of health care to evaluate an abnormality which is:

(1) Seen or suspected from a mammogram described in paragraph (a) or an imaging test described in paragraph (b); or

(2) Detected by other means of examination.

2. A managed care organization must ensure that the benefits required by subsection 1 are made available to an insured through a provider of health care who participates in the network plan of the managed care organization.

3. Except as otherwise provided in subsection 5, a managed care organization that offers or issues a health care plan which provides coverage for prescription drugs shall not:

(a) ~~[Require]~~ *Except as otherwise provided in subsection 6, require* an insured to pay a ~~[higher]~~ deductible, ~~[any]~~ copayment , ~~[or]~~ coinsurance *or any other form of cost-sharing* or require a longer waiting period or other condition to obtain any benefit provided in the health care plan pursuant to subsection 1;

(b) Refuse to issue a health care plan or cancel a health care plan solely because the person applying for or covered by the plan uses or may use any such benefit;

(c) Offer or pay any type of material inducement or financial incentive to an insured to discourage the insured from obtaining any such benefit;

(d) Penalize a provider of health care who provides any such benefit to an insured, including, without limitation, reducing the reimbursement of the provider of health care;

(e) Offer or pay any type of material inducement, bonus or other financial incentive to a provider of health care to deny, reduce, withhold, limit or delay access to any such benefit to an insured; or

(f) Impose any other restrictions or delays on the access of an insured to any such benefit.

4. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after January 1, ~~[2018,]~~ *2024,* has the legal effect of including the coverage required by subsection 1, and any provision of the plan or the renewal which is in conflict with this section is void.

5. Except as otherwise provided in this section and federal law, a managed care organization may use medical management techniques, including, without limitation, any available clinical evidence, to determine the frequency of or treatment relating to any benefit required by this section or the type of provider of health care to use for such treatment.

6. *If the application of paragraph (a) of subsection 3 would result in the ineligibility of a health savings account of an insured pursuant to 26 U.S.C. § 223, the prohibitions of paragraph (a) of subsection 3 shall apply only for a qualified health care plan with respect to the deductible of such a health care plan after the insured has satisfied the minimum deductible pursuant to 26 U.S.C. § 223, except with respect to items or services that constitute preventive care pursuant to 26 U.S.C. § 223(c)(2)(C), in which case the prohibitions of paragraph (a) of subsection 3 shall apply regardless of whether the minimum deductible under 26 U.S.C. § 223 has been satisfied.*

7. As used in this section:

(a) "Medical management technique" means a practice which is used to control the cost or utilization of health care services or prescription drug use. The term includes, without limitation, the use of step therapy, prior authorization or categorizing drugs and devices based on cost, type or method of administration.

(b) "Network plan" means a health care plan offered by a managed care organization under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the managed care organization. The term does not include an arrangement for the financing of premiums.

(c) "Provider of health care" has the meaning ascribed to it in NRS 629.031.

(d) "Qualified health care plan" means a health care plan issued by a managed care organization that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account.

Sec. 7.1. Chapter 287 of NRS is hereby amended by adding thereto the provisions set forth as sections 7.2 and 7.3 of this act.

Sec. 7.2. *1. The governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada that provides health insurance through a plan of self-insurance shall provide coverage for benefits payable for expenses incurred for a mammogram every 2 years, or annually if ordered by a provider of health care, for women 40 years of age or older.*

2. The governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada that provides health insurance through a plan of self-insurance must ensure that the benefits required by subsection 1 are made available to an insured through a provider of health care who participates in the network plan of the governing body.

3. Except as otherwise provided in subsection 5, the governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada that provides health insurance through a plan of self-insurance shall not:

(a) ~~[Require]~~ Except as otherwise provided in subsection 6, require an insured to pay a higher deductible, any copayment or coinsurance or require a longer waiting period or other condition to obtain any benefit provided in the plan of self-insurance pursuant to subsection 1;

(b) Refuse to issue a plan of self-insurance or cancel a plan of self-insurance solely because the person applying for or covered by the policy uses or may use any such benefit;

(c) Offer or pay any type of material inducement or financial incentive to an insured to discourage the insured from obtaining any such benefit;

(d) Penalize a provider of health care who provides any such benefit to an insured, including, without limitation, reducing the reimbursement of the provider of health care;

(e) Offer or pay any type of material inducement, bonus or other financial incentive to a provider of health care to deny, reduce, withhold, limit or delay access to any such benefit to an insured; or

(f) Impose any other restrictions or delays on the access of an insured to any such benefit.

4. A plan of self-insurance subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after January 1, 2024, has the legal effect of including the coverage required by subsection 1, and any provision of the policy or the renewal which is in conflict with this section is void.

5. Except as otherwise provided in this section and federal law, the governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada that provides health insurance through a plan of self-insurance may use medical management techniques, including, without limitation, any available clinical evidence, to determine the frequency of or treatment relating to any benefit required by this section or the type of provider of health care to use for such treatment.

6. If the application of paragraph (a) of subsection 3 would result in the ineligibility of a health savings account of an insured pursuant to 26 U.S.C. § 223, the prohibitions of paragraph (a) of subsection 3 shall apply only for a qualified plan of self-insurance with respect to the deductible of such a plan of self-insurance after the insured has satisfied the minimum deductible pursuant to 26 U.S.C. § 223, except with respect to items or services that constitute preventive care pursuant to 26 U.S.C. § 223(c)(2)(C), in which case the prohibitions of paragraph (a) of subsection 3 shall apply regardless of whether the minimum deductible under 26 U.S.C. § 223 has been satisfied.

7. As used in this section:

(a) "Medical management technique" means a practice which is used to control the cost or utilization of health care services or prescription drug use. The term includes, without limitation, the use of step therapy, prior authorization or categorizing drugs and devices based on cost, type or method of administration.

(b) "Network plan" means a plan of self-insurance provided by the governing body of a local governmental agency under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the governing body. The term does not include an arrangement for the financing of premiums.

(c) "Provider of health care" has the meaning ascribed to it in NRS 629.031.

(d) "Qualified plan of self-insurance" means a plan of self-insurance that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account.

Sec. 7.3. *1. If the Board provides health insurance through a plan of self-insurance, it shall provide coverage for benefits payable for expenses incurred for a mammogram every 2 years, or annually if ordered by a provider of health care, for women 40 years of age or older.*

2. If the Board provides health insurance through a plan of self-insurance, it must ensure that the benefits required by subsection 1 are made available to

an insured through a provider of health care who participates in the network plan of the Board.

3. Except as otherwise provided in subsection 5, if the Board provides health insurance through a plan of self-insurance, it shall not:

(a) ~~[Require]~~ Except as otherwise provided in subsection 6, require an insured to pay a higher deductible, any copayment or coinsurance or require a longer waiting period or other condition to obtain any benefit provided in the plan of self-insurance pursuant to subsection 1;

(b) Refuse to issue a plan of self-insurance or cancel a plan of self-insurance solely because the person applying for or covered by the plan uses or may use any such benefit;

(c) Offer or pay any type of material inducement or financial incentive to an insured to discourage the insured from obtaining any such benefit;

(d) Penalize a provider of health care who provides any such benefit to an insured, including, without limitation, reducing the reimbursement of the provider of health care;

(e) Offer or pay any type of material inducement, bonus or other financial incentive to a provider of health care to deny, reduce, withhold, limit or delay access to any such benefit to an insured; or

(f) Impose any other restrictions or delays on the access of an insured to any such benefit.

4. A plan of self-insurance described in subsection 1 which is delivered, issued for delivery or renewed on or after January 1, 2024, has the legal effect of including the coverage required by subsection 1, and any provision of the policy or the renewal which is in conflict with this section is void.

5. Except as otherwise provided in this section and federal law, if the Board provides health insurance through a plan of self-insurance, the Board may use medical management techniques, including, without limitation, any available clinical evidence, to determine the frequency of or treatment relating to any benefit required by this section or the type of provider of health care to use for such treatment.

6. If the application of paragraph (a) of subsection 3 would result in the ineligibility of a health savings account of an insured pursuant to 26 U.S.C. § 223, the prohibitions of paragraph (a) of subsection 3 shall apply only for a qualified plan of self-insurance with respect to the deductible of such a plan of self-insurance after the insured has satisfied the minimum deductible pursuant to 26 U.S.C. § 223, except with respect to items or services that constitute preventive care pursuant to 26 U.S.C. § 223(c)(2)(C), in which case the prohibitions of paragraph (a) of subsection 3 shall apply regardless of whether the minimum deductible under 26 U.S.C. § 223 has been satisfied.

7. As used in this section:

(a) "Medical management technique" means a practice which is used to control the cost or utilization of health care services or prescription drug use. The term includes, without limitation, the use of step therapy, prior

authorization or categorizing drugs and devices based on cost, type or method of administration.

(b) "Network plan" means a plan of self-insurance provided by the Board under which the financing and delivery of medical care, including items and services paid for as medical care, are provided, in whole or in part, through a defined set of providers under contract with the Board. The term does not include an arrangement for the financing of premiums.

(c) "Provider of health care" has the meaning ascribed to it in NRS 629.031.

(d) "Qualified plan of self-insurance" means a plan of self-insurance that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account.

Sec. 7.5. NRS 287.010 is hereby amended to read as follows:

287.010 1. The governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada may:

(a) Adopt and carry into effect a system of group life, accident or health insurance, or any combination thereof, for the benefit of its officers and employees, and the dependents of officers and employees who elect to accept the insurance and who, where necessary, have authorized the governing body to make deductions from their compensation for the payment of premiums on the insurance.

(b) Purchase group policies of life, accident or health insurance, or any combination thereof, for the benefit of such officers and employees, and the dependents of such officers and employees, as have authorized the purchase, from insurance companies authorized to transact the business of such insurance in the State of Nevada, and, where necessary, deduct from the compensation of officers and employees the premiums upon insurance and pay the deductions upon the premiums.

(c) Provide group life, accident or health coverage through a self-insurance reserve fund and, where necessary, deduct contributions to the maintenance of the fund from the compensation of officers and employees and pay the deductions into the fund. The money accumulated for this purpose through deductions from the compensation of officers and employees and contributions of the governing body must be maintained as an internal service fund as defined by NRS 354.543. The money must be deposited in a state or national bank or credit union authorized to transact business in the State of Nevada. Any independent administrator of a fund created under this section is subject to the licensing requirements of chapter 683A of NRS, and must be a resident of this State. Any contract with an independent administrator must be approved by the Commissioner of Insurance as to the reasonableness of administrative charges in relation to contributions collected and benefits provided. The provisions of NRS 686A.135, 687B.352, 687B.408, 687B.723, 687B.725, 689B.030 to *689B.0369, inclusive, 689B.0375 to* 689B.050, inclusive, 689B.265, 689B.287 and 689B.500 apply to coverage provided pursuant to

this paragraph, except that the provisions of NRS 689B.0378, 689B.03785 and 689B.500 only apply to coverage for active officers and employees of the governing body, or the dependents of such officers and employees.

(d) Defray part or all of the cost of maintenance of a self-insurance fund or of the premiums upon insurance. The money for contributions must be budgeted for in accordance with the laws governing the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada.

2. If a school district offers group insurance to its officers and employees pursuant to this section, members of the board of trustees of the school district must not be excluded from participating in the group insurance. If the amount of the deductions from compensation required to pay for the group insurance exceeds the compensation to which a trustee is entitled, the difference must be paid by the trustee.

3. In any county in which a legal services organization exists, the governing body of the county, or of any school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada in the county, may enter into a contract with the legal services organization pursuant to which the officers and employees of the legal services organization, and the dependents of those officers and employees, are eligible for any life, accident or health insurance provided pursuant to this section to the officers and employees, and the dependents of the officers and employees, of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency.

4. If a contract is entered into pursuant to subsection 3, the officers and employees of the legal services organization:

(a) Shall be deemed, solely for the purposes of this section, to be officers and employees of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency with which the legal services organization has contracted; and

(b) Must be required by the contract to pay the premiums or contributions for all insurance which they elect to accept or of which they authorize the purchase.

5. A contract that is entered into pursuant to subsection 3:

(a) Must be submitted to the Commissioner of Insurance for approval not less than 30 days before the date on which the contract is to become effective.

(b) Does not become effective unless approved by the Commissioner.

(c) Shall be deemed to be approved if not disapproved by the Commissioner within 30 days after its submission.

6. As used in this section, "legal services organization" means an organization that operates a program for legal aid and receives money pursuant to NRS 19.031.

Sec. 7.7. NRS 287.040 is hereby amended to read as follows:

287.040 The provisions of NRS 287.010 to 287.040, inclusive, *and section 7.2 of this act* do not make it compulsory upon any governing body of

any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada, except as otherwise provided in NRS 287.021 or subsection 4 of NRS 287.023 or in an agreement entered into pursuant to subsection 3 of NRS 287.015, to pay any premiums, contributions or other costs for group insurance, a plan of benefits or medical or hospital services established pursuant to NRS 287.010, 287.015, 287.020 or paragraph (b), (c) or (d) of subsection 1 of NRS 287.025, for coverage under the Public Employees' Benefits Program, or to make any contributions to a trust fund established pursuant to NRS 287.017, or upon any officer or employee of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of this State to accept any such coverage or to assign his or her wages or salary in payment of premiums or contributions therefor.

Sec. 7.9. NRS 287.0402 is hereby amended to read as follows:

287.0402 As used in NRS 287.0402 to 287.049, inclusive, *and section 7.3 of this act*, unless the context otherwise requires, the words and terms defined in NRS 287.0404 to 287.04064, inclusive, have the meanings ascribed to them in those sections.

Sec. 8. NRS 287.04335 is hereby amended to read as follows:

287.04335 If the Board provides health insurance through a plan of self-insurance, it shall comply with the provisions of NRS 686A.135, 687B.352, 687B.409, 687B.723, 687B.725, 689B.0353, 689B.255, 695C.1723, 695G.150, 695G.155, 695G.160, 695G.162, 695G.1635, 695G.164, 695G.1645, 695G.1665, 695G.167, 695G.1675, 695G.170 to *695G.1712, inclusive, 695G.1714 to* 695G.174, inclusive, 695G.176, 695G.177, 695G.200 to 695G.230, inclusive, 695G.241 to 695G.310, inclusive, and 695G.405, in the same manner as an insurer that is licensed pursuant to title 57 of NRS is required to comply with those provisions.

Sec. 9. This act becomes effective on January 1, 2024.

Senator Lange moved that the Senate concur in Assembly Amendment No. 580 to Senate Bill No. 330.

Motion carried by a constitutional majority.

Bill ordered enrolled.

Senate Bill No. 346.

The following Assembly amendment was read:

Amendment No. 595.

SUMMARY—Revises provisions relating to motor vehicles. (BDR 43-458)

AN ACT relating to motor vehicles; authorizing certain acts and transactions to be conducted through an electronic branch office established by the Department of Motor Vehicles; revising requirements relating to certificates of registration and certificates of title of a vehicle; eliminating certain limitations on the persons authorized to participate in a program established by the Department for the electronic submission and storage of documents;

requiring the Department to design, prepare and issue special license plates for all vehicles that are wholly powered by an electric motor and reducing the fees for those special license plates; authorizing the use of electronic signatures and stamps for recording certain information for certain transactions; prohibiting a person from driving an autocycle upon a highway unless that person holds a driver's license; exempting the driver and passengers of an autocycle from the requirement to wear protective headgear; revising requirements for a person to be appointed to issue salvage titles on behalf of the Department; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Department of Motor Vehicles to establish an electronic branch office consisting of an Internet website or software application through which documentation may be submitted and certain transactions may be conducted through electronic means. (NRS 481.055) Section 1 of this bill sets forth certain specific acts which may be conducted through such an electronic branch office.

Existing law requires that if the Department establishes a program for the electronic submission and storage of documents, the Department allow only certain institutions and persons to apply for and participate in the program. (NRS 482.293) Existing law also authorizes the Department to waive the requirement of any required signature of a natural person on a document submitted by electronic means for those institutions and persons who comply with all of the requirements of the program. (NRS 482.294) Section 3 of this bill eliminates the limitations on persons who may participate in the program, thereby authorizing applications and participation by all persons. Section 4 of this bill eliminates references to the limited institutions and persons whose signatures may be waived for documents submitted electronically, providing for such waiver for any participant who complies with all requirements of the program.

Existing law requires: (1) certain information to be contained on the face of a certificate of registration of a vehicle; and (2) certain information and forms to be contained on the face or reverse, as applicable, of a certificate of title of a vehicle. (NRS 482.245) Section 2 of this bill eliminates the requirements that such information and forms be contained specifically on the face or reverse of the applicable documents.

Existing law requires, upon a transfer of the title to, or interest of an owner in, a vehicle, the person whose title or interest is to be transferred and the transferee to write their signatures with pen and ink, along with other information, upon the reverse side of the certificate of title. Existing law also exempts a wholesale vehicle auctioneer from this requirement if he or she stamps certain information on the certificate of title and certain other documents relating to the sale and transfer of the vehicle. (NRS 482.400) Section 5 of this bill: (1) eliminates the requirement of the use of pen and ink and the specification to write on the reverse side of the certificate, thereby authorizing electronic signatures; and (2) authorizes a wholesale vehicle

auctioneer to stamp electronically the information required by these provisions.

Sections 1.2 and 5.1 of this bill define the term "autocycle." Sections 1.6 and 5.5 of this bill amend the definition of the term "motorcycle" to exclude autocycles. Sections 1.4 and 5.3 of this bill make conforming changes to indicate the proper placement of sections 1.2 and 5.1 in the Nevada Revised Statutes.

Section 5.7 of this bill prohibits, with certain exceptions, a person from driving an autocycle upon an highway unless that person holds a driver's license.

Existing law requires the driver and passengers of certain vehicles to wear protective headgear and certain other protective devices when those vehicles are being driven on a highway. (NRS 486.231) Section 5.9 of this bill provides that, when an autocycle is being driven on a highway, the driver and passengers are not required to wear protective headgear.

Existing law: (1) requires the Department to design, prepare and issue special license plates for passenger cars and light commercial vehicles that are wholly powered by an electric motor; and (2) establishes the fees for those special license plates and their renewal. (NRS 482.3797) Section 4.5 of this bill: (1) requires the Department to design, prepare and issue special license plates for all vehicles that are wholly powered by an electric motor; and (2) reduces the fees for those special license plates and their renewal.

Existing law authorizes the Department to appoint by contract any person as an agent of the Department to issue salvage titles and establishes certain requirements for the Department and proposed agent to enter into such an arrangement. (NRS 487.815) Section 5.93 of this bill defines such a person as a "salvage title agent." Section 5.97 of this bill revises the requirements imposed on the Department and the proposed agent. Section 5.95 of this bill makes a conforming change to indicate the proper placement of section 5.93 in the Nevada Revised Statutes.

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

Section 1. NRS 481.055 is hereby amended to read as follows:

481.055 1. The Department shall keep its main office at Carson City, Nevada, in rooms provided by the Buildings and Grounds Section of the State Public Works Division of the Department of Administration.

2. The Department may maintain such branch offices throughout the State as the Director may deem necessary to the efficient operation of the Department and the various divisions thereof in space provided by the Buildings and Grounds Section. Any leases or agreements entered into pursuant to this subsection must be executed in accordance with the provisions of NRS 331.110.

3. The Department may establish an electronic branch office consisting of an Internet website or software application through which, notwithstanding any specific statute to the contrary, a person may submit forms, applications

and other documentation and the Department may conduct transactions that have been designated by the Director as suitable to be conducted through electronic means ~~[.]~~ *, including, without limitation:*

(a) The electronic transmission, recording and issuance of certificates of title, certificates of registration and information relating to those certificates.

(b) The electronic transmission and recording of applications for driver's licenses.

(c) The recording and electronic transmission between the Department, other states and law enforcement of information relating to citations and crashes, collisions, accidents and other casualties.

(d) The acceptance of electronic signatures.

(e) The collection and exchange of applications for licenses and other information from persons who are licensed as or seeking to be licensed as:

(1) Brokers;

(2) Dealers;

(3) Distributors;

(4) Lessors;

(5) Manufacturers;

(6) Rebuilders;

(7) Salespersons; and

(8) Vehicle transporters.

(f) The issuance of registration credentials pursuant to NRS 482.217.

4. The Department shall not conduct a transaction through the electronic branch office which state or federal law specifically requires to be conducted in person or accept documentation through the electronic branch office which state or federal law specifically requires to be presented in original form.

Sec. 1.2. Chapter 482 of NRS is hereby amended by adding thereto a new section to read as follows:

"Autocycle" means a three-wheeled motor vehicle that:

1. Is designed with two front wheels and one rear wheel;

2. Is equipped with a steering wheel or handlebars;

3. Is equipped with safety belts for the driver and each passenger;

4. Uses foot pedals to control the braking and acceleration of the vehicle;

5. Does not require the operator or passengers to straddle or sit astride the vehicle; and

6. Has been manufactured to meet the federal safety requirements for a motorcycle.

Sec. 1.4. 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 section 1.2 of this act* have the meanings ascribed to them in those sections.

Sec. 1.6. NRS 482.070 is hereby amended to read as follows:

482.070 "Motorcycle" means every motor vehicle designed to travel on not more than three wheels in contact with the ground, except any such vehicle as may be included within the term "electric bicycle," "electric scooter,"

"tractor" or "moped" as defined in this chapter. *The term does not include an autocycle.*

Sec. 2. NRS 482.245 is hereby amended to read as follows:

482.245 1. The certificate of registration must contain ~~[upon the face thereof]~~ the date issued, the registration number assigned to the vehicle, the name and address of the registered owner, the county where the vehicle is to be based unless it is deemed to have no base, a description of the registered vehicle and such other statement of facts as may be determined by the Department.

2. The certificate of title must contain ~~[upon the face thereof]~~ the date issued, the name and address of the registered owner and the owner or lienholder, if any, a description of the vehicle, any entries required by NRS 482.423 to 482.428, inclusive, a reading of the vehicle's odometer as provided to the Department by the person making the sale or transfer, the word "rebuilt" if it is a rebuilt vehicle, the information required pursuant to subsection 4 of NRS 482.247 if the certificate of title is a certificate of title in beneficiary form pursuant to NRS 482.247 and such other statement of facts as may be determined by the Department. The ~~[reverse side of the]~~ certificate of title must *also* contain forms for notice to the Department of a transfer of the title or interest of the owner or lienholder and application for registration by the transferee. If a new certificate of title is issued for a vehicle, it must contain the same information as the replaced certificate, except to the extent that the information has changed after the issuance of the replaced certificate. Except as otherwise required by federal law, the certificate of title of a vehicle which the Department knows to have been stolen must not contain any statement or other indication that the mileage specified in the certificate or registered on the odometer is anything other than the actual mileage traveled by the vehicle, in the absence of proof that the odometer of the vehicle has been disconnected, reset or altered.

Sec. 3. NRS 482.293 is hereby amended to read as follows:

482.293 1. The Department may establish a program for the electronic submission and storage of documents.

2. If the Department establishes a program pursuant to subsection 1:

(a) An electronic submission or storage of documents that is carried out pursuant to the program with respect to a particular transaction is not valid unless all original documents required for the transaction pursuant to:

(1) The provisions of 49 U.S.C. §§ 32701 et seq.; and

(2) The provisions of any regulations adopted pursuant thereto,

➥ have been executed and submitted to the Department.

(b) ~~[The Department shall allow only the following persons to apply for participation in the program:~~

~~(1) Financial institutions, new vehicle dealers and used vehicle dealers, for the purpose of submitting documents by electronic means to the Department on behalf of their customers.~~

~~(2) Owners of fleets composed of 10 or more vehicles.~~

~~— (c)]~~ The Department shall adopt regulations to carry out the program.

3. The regulations required to be adopted pursuant to paragraph ~~[(c)]~~ *(b)* of subsection 2 must include, without limitation:

(a) The type of electronic transmission that the Department will accept for the program.

(b) The process for submission of an application by a person who desires to participate in the program and the fee, if any, that must accompany the application for participation.

(c) The criteria that will be applied by the Department in determining whether to approve an application to participate in the program.

(d) The standards for ensuring the security and integrity of the process for issuance and renewal of a certificate of registration and a certificate of title, including, without limitation, the procedure for a financial and performance audit of the program.

(e) The terms and conditions for participation in the program and any restrictions on the participation.

(f) The contents of a written agreement that must be on file with the Department before a participant may submit a document by electronic means to the Department. Such written agreement must include, without limitation:

(1) An assurance that each document submitted by electronic means contains all the information that is necessary to complete the transaction for which the document is submitted;

(2) Certification that all the information contained in each document that is submitted by electronic means is truthful and accurate;

(3) An assurance that the participant who submits a document by electronic means will maintain all information and records that are necessary to support the document; and

(4) The signature of the participant who files the written agreement with the Department.

(g) The conditions under which the Department may revoke the approval of a person to participate in the program, including, without limitation, failure to comply with this section and NRS 482.294 and the regulations adopted pursuant thereto.

(h) The method by which the Department will store documents that are submitted to it by electronic means.

(i) The required technology that is necessary to carry out the program.

(j) Any other regulations that the Department determines necessary to carry out the program.

(k) Procedures to ensure compliance with:

(1) The provisions of 49 U.S.C. §§ 32701 et seq.; and

(2) The provisions of any regulations adopted pursuant thereto,

➥ to the extent that such provisions relate to the submission and retention of documents used for the transfer of the ownership of vehicles.

4. The Department may accept gifts and grants from any source, including, without limitation, donations of materials, equipment and labor, for the establishment and maintenance of a program pursuant to this section.

Sec. 4. NRS 482.294 is hereby amended to read as follows:

482.294 1. If the Department approves an application for a person to participate in a program established pursuant to NRS 482.293, that participant may submit, by electronic means, a document that is required to be submitted pursuant to this chapter for the issuance or renewal of a certificate of registration or a certificate of title.

2. If the signature of a natural person is required pursuant to this chapter on a document that is submitted by electronic means, the Department may waive that requirement ~~[:~~

~~(a) In the case of a participant who is a financial institution, new vehicle dealer or used vehicle dealer, if the participant who submitted the document on behalf of that person complies with all requirements of this program.~~

~~(b) In the case of a participant who is an owner of a fleet composed of 10 or more vehicles,]~~ if the participant complies with all requirements of this program.

3. Notwithstanding any other provision of law to the contrary, a document that is submitted by electronic means pursuant to subsection 1, if accepted by the Department, shall be deemed an original document in administrative proceedings, quasi-judicial proceedings and judicial proceedings.

Sec. 4.5. NRS 482.3797 is hereby amended to read as follows:

482.3797 1. The Department shall:

(a) Design, prepare and issue special license plates for ~~[passenger cars and light commercial]~~ vehicles that are wholly powered by an electric motor, using any colors and designs that the Department deems appropriate; and

(b) Issue the plates only to residents of Nevada for a ~~[passenger car or light commercial]~~ vehicle which is wholly powered by an electric motor.

2. The Department may issue special license plates pursuant to subsection 1 upon application by any person who:

(a) Is entitled to license plates pursuant to NRS 482.265;

(b) Submits proof satisfactory to the Department that the vehicle for which the special license plates are intended meets the requirements of subsection 1; and

(c) Otherwise complies with the requirements for registration and licensing pursuant to this chapter.

3. The fee for the *issuance of* special license plates is ~~[$125, *$81,]*~~ *$90*, in addition to *the registration fees set forth in NRS 482.480 and 482.482, as* applicable *, and* governmental services taxes. The special license plates are renewable upon the payment of ~~[$80.]~~ *$46.*

4. A person may request that personalized prestige license plates issued pursuant to NRS 482.3667 be combined with special license plates issued pursuant to this section if that person pays the fees for the personalized prestige

license plates in addition to the fees for the special license plates pursuant to subsection 3.

5. The Department, after deducting the costs of all applicable registration, license and license plate fees, shall deposit the fees collected pursuant to subsection 3 with the State Treasurer for credit to the State General Fund. The State Treasurer shall, on a quarterly basis, distribute the fees deposited pursuant to this subsection in the State Highway Fund.

6. If, during a registration period, the holder of special plates issued pursuant to this section disposes of the vehicle to which the plates are affixed, the holder shall retain the plates and:

(a) Affix them to another vehicle which meets the requirements of this section and report the change to the Department in accordance with the procedures set forth for other transfers; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

Sec. 5. NRS 482.400 is hereby amended to read as follows:

482.400 1. Except as otherwise provided in this subsection and subsections 3, 6 and 7, and NRS 482.247, upon a transfer of the title to, or the interest of an owner in, a vehicle registered or issued a certificate of title under the provisions of this chapter, the person or persons whose title or interest is to be transferred and the transferee shall ~~[write their signatures with pen and ink upon]~~ *sign in writing or electronically* the certificate of title issued for the vehicle, together with the residence address of the transferee, in the appropriate spaces provided upon ~~[the reverse side of]~~ the certificate. The Department may, by regulation, prescribe alternative methods by which a signature may be affixed upon a manufacturer's certificate of origin or a manufacturer's statement of origin issued for a vehicle. The alternative methods must ensure the authenticity of the signatures.

2. Within 5 days after the transfer of the title to, or the interest of an owner in, a vehicle registered or issued a certificate of title under the provisions of this chapter, the person or persons whose title or interest is to be transferred may submit electronically to the Department a notice of the transfer. The Department may provide, by request and at the discretion of the Department, information submitted to the Department pursuant to this section to a tow car operator or other interested party. The Department shall adopt regulations establishing:

(a) Procedures for electronic submissions pursuant to this section; and

(b) Standards for determining who may receive information from the Department pursuant to this section.

3. The Department shall provide a form for use by a dealer for the transfer of ownership of a vehicle. The form must be produced in a manner which ensures that the form may not be easily counterfeited. Upon the attachment of the form to a certificate of title issued for a vehicle, the form becomes a part of that certificate of title. The Department may charge a fee not to exceed the cost to provide the form.

4. Except as otherwise provided in subsections 5, 6 and 7, the transferee shall immediately apply for registration as provided in NRS 482.215 and shall pay the governmental services taxes due.

5. If the transferee is a dealer who intends to resell the vehicle, the transferee is not required to register, pay a transfer or registration fee for, or pay a governmental services tax on the vehicle. When the vehicle is resold, the purchaser shall apply for registration as provided in NRS 482.215 and shall pay the governmental services taxes due.

6. If the transferee consigns the vehicle to a wholesale vehicle auctioneer:

(a) The transferee shall, within 30 days after that consignment, provide the wholesale vehicle auctioneer with the certificate of title for the vehicle, executed as required by subsection 1, and any other documents necessary to obtain another certificate of title for the vehicle.

(b) The wholesale vehicle auctioneer shall be deemed a transferee of the vehicle for the purposes of subsection 5. The wholesale vehicle auctioneer is not required to comply with subsection 1 if the wholesale vehicle auctioneer:

(1) Does not take an ownership interest in the vehicle;

(2) Auctions the vehicle to a vehicle dealer or automobile wrecker who is licensed as such in this or any other state; and

(3) Stamps his or her name, his or her identification number as a vehicle dealer and the date of the auction on the certificate of title and the bill of sale and any other documents of transfer for the vehicle. *The wholesale vehicle auctioneer may stamp electronically the information which is required to be stamped on any document pursuant to this subparagraph.*

7. A charitable organization which intends to sell a vehicle which has been donated to the organization must deliver immediately to the Department or its agent the certificate of registration and the license plate or plates for the vehicle, if the license plate or plates have not been removed from the vehicle. The charitable organization must not be required to register, pay a transfer or registration fee for, or pay a governmental services tax on the vehicle. When the vehicle is sold by the charitable organization, the purchaser shall apply for registration as provided in NRS 482.215 and pay the governmental services taxes due.

8. As used in this section, "wholesale vehicle auctioneer" means a dealer who:

(a) Is engaged in the business of auctioning consigned motor vehicles to vehicle dealers or automobile wreckers, or both, who are licensed as such in this or any other state; and

(b) Does not in the ordinary course of business buy, sell or own the vehicles he or she auctions.

Sec. 5.1. Chapter 486 of NRS is hereby amended by adding thereto a new section to read as follows:

"Autocycle" means a three-wheeled motor vehicle that:

1. Is designed with two front wheels and one rear wheel;

2. Is equipped with a steering wheel or handlebars;

3. Is equipped with safety belts for the driver and each passenger;

4. Uses foot pedals to control the braking and acceleration of the vehicle;

5. Does not require the operator or passengers to straddle or sit astride the vehicle; and

6. Has been manufactured to meet the federal safety requirements for a motorcycle.

Sec. 5.3. NRS 486.011 is hereby amended to read as follows:

486.011 As used in NRS 486.011 to 486.381, inclusive, *and section 5.1 of this act,* unless the context otherwise requires, the words and terms defined in NRS 486.031 to 486.057, inclusive, *and section 5.1 of this act* have the meanings ascribed to them in those sections.

Sec. 5.5. NRS 486.041 is hereby amended to read as follows:

486.041 "Motorcycle" means every motor vehicle equipped with a seat or a saddle for the use of the driver and designed to travel on not more than three wheels in contact with the ground, excluding an electric bicycle as defined in NRS 484B.017, an electric scooter as defined in NRS 482.0295, a tractor *, an autocycle* and a moped.

Sec. 5.7. NRS 486.061 is hereby amended to read as follows:

486.061 Except for a nonresident who is at least 16 years of age and is authorized by the person's state of residency to drive a motorcycle, a person shall not drive:

1. A motorcycle, except a trimobile, upon a highway unless that person holds a valid motorcycle driver's license issued pursuant to NRS 486.011 to 486.381, inclusive, a driver's license issued pursuant to chapter 483 of NRS endorsed to authorize the holder to drive a motorcycle or a permit issued pursuant to subsection 4 or 5 of NRS 483.280.

2. A trimobile upon a highway unless that person holds a valid motorcycle driver's license issued pursuant to NRS 486.011 to 486.381, inclusive, or a driver's license issued pursuant to chapter 483 of NRS.

3. An autocycle upon a highway unless that person holds a driver's license issued pursuant to chapter 483 of NRS.

Sec. 5.9. NRS 486.231 is hereby amended to read as follows:

486.231 1. The Department shall adopt standards for protective headgear and protective glasses, goggles or face shields to be worn by the drivers and passengers of motorcycles and transparent windscreens for motorcycles.

2. Except as otherwise provided in this section, when any motorcycle or moped is being driven on a highway, the driver and passenger shall wear protective headgear securely fastened on the head and protective glasses, goggles or face shields meeting those standards.

3. When a motorcycle or a moped is equipped with a transparent windscreen meeting those standards, the driver and passenger are not required to wear glasses, goggles or face shields.

4. When a motorcycle or moped is being driven in a parade authorized by a local authority, the driver and passenger are not required to wear the protective devices provided for in this section.

5. When a three-wheel vehicle, except a trimobile, on which the driver and passengers ride within an enclosed cab is being driven on a highway, the driver and passengers are not required to wear the protective devices required by this section.

6. When an autocycle is being driven on a highway, the driver and passengers are not required to wear protective headgear.

Sec. 5.93. Chapter 487 of NRS is hereby amended by adding thereto a new section to read as follows:

"Salvage title agent" means a person who enters into a contract with, and is appointed and authorized by, the Department to issue salvage titles pursuant to the provisions of NRS 487.810 and 487.815.

Sec. 5.95. NRS 487.710 is hereby amended to read as follows:

487.710 As used in NRS 487.710 to 487.890, inclusive, *and section 5.93 of this act,* unless the context otherwise requires, the words and terms defined in NRS 487.720 to 487.790, inclusive, *and section 5.93 of this act* have the meanings ascribed to them in those sections.

Sec. 5.97. NRS 487.815 is hereby amended to read as follows:

487.815 1. The Department may by contract appoint any person as ~~[an]~~ *a salvage title* agent of the Department to issue those salvage titles which the Department is authorized to issue pursuant to NRS 487.810. ~~[An]~~ *A salvage title* agent appointed pursuant to this section shall charge and collect the fee required by NRS 487.810 for the issuance of a salvage title and remit it to the Department. Fees remitted to the Department pursuant to this subsection must be deposited with the State Treasurer for credit to the Revolving Account for the Issuance of Salvage Titles created by NRS 487.825.

2. Before entering into a contract pursuant to subsection 1, ~~[the Department must require:~~

~~(a) Each natural person who will be authorized to issue a salvage title on behalf of the proposed]~~ *an applicant for appointment as a salvage title* agent ~~[to:~~

~~(1)]~~ *must:*

(a) File with the Department, on a form prescribed by the Department, an application which contains, without limitation, his or her social security number.

(b) Submit to the Department a complete set of his or her fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report. ~~[; and~~

~~(2)]~~ *(c)* Pay a fee for the processing of fingerprints. The Department shall establish by regulation the fee for processing fingerprints. The fee must not exceed the sum of the amounts charged by the Central Repository for Nevada

Records of Criminal History and the Federal Bureau of Investigation for processing the fingerprints.

~~[(b) The proposed agent to procure]~~

(d) Procure and file with the Department a good and sufficient bond in an amount of not less than $50,000, with a corporate surety thereon licensed to do business in the State of Nevada, approved as to form by the Attorney General, and conditioned upon the ~~[proposed agent]~~ *applicant* remitting to the Department the full amount of any fee he or she is required to collect pursuant to subsection 1. In lieu of a bond, the ~~[proposed agent]~~ *applicant* may deposit with the State Treasurer a like amount of lawful money of the United States.

3. The Department may, as the Director of the Department deems appropriate:

(a) Investigate the actions of ~~[an]~~ *a salvage title* agent appointed pursuant to subsection 1.

(b) Conduct audits of the *salvage title* agent at regular intervals.

(c) Inspect the premises of the *salvage title* agent during regular business hours to determine the *salvage title* agent's compliance with the contract entered into pursuant to subsection 1. The Department may require the *salvage title* agent to pay to the Department an amount equal to the allowance provided for state officers and employees generally while traveling outside of the State for each day or fraction thereof during which an employee of the Department is engaged in any investigation or examination made at any premises of the *salvage title* agent located outside this State, plus any other actual expenses incurred by the employee while he or she is absent from his or her regular place of employment to conduct the investigation or examination outside this State.

Sec. 6. 1. This section becomes effective upon passage and approval.

2. Sections 1, 2, 3, 4 , ~~[and]~~ 5 , 5.93, 5.95 and 5.97 of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On January 1, 2024, for all other purposes.

3. Sections 1.2, 1.4, 1.6, 4.5 and 5.1 to 5.9, inclusive, of this act become effective on the date on which the Director of the Department of Motor Vehicles notifies the Governor and the Director of the Legislative Counsel Bureau that sufficient resources are available to enable the Department to carry out the provisions of those sections.

Senator Harris moved that the Senate concur in Assembly Amendment No. 595 to Senate Bill No. 346.

Motion carried by a two-thirds majority.

Bill ordered enrolled.

Senate Bill No. 349.

The following Assembly amendment was read:

Amendment No. 594.

SUMMARY—Revises provisions relating to document preparation services. (BDR 43-855)

AN ACT relating to document preparation services; authorizing a document preparation service to use the name of the Department of Motor Vehicles in an advertisement under certain circumstances; requiring, under certain circumstances, a document preparation service to request an amended registration from the Secretary of State; making it unlawful for a person to represent himself or herself as a document preparation service if the person is not registered as a document preparation service; setting forth the form for statements that must be included in any advertisement for services of a document preparation service; authorizing, under certain circumstances, the Secretary of State to suspend or revoke the registration of a document preparation service or to assess a ~~[civil]~~ penalty; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law prohibits a person from using the name, service marks, trademarks or logo of the Department of Motor Vehicles in an advertisement unless the person is an appointed agent of the Department and has obtained the written permission of the Department for such use. (NRS 482.160) Section 1 of this bill provides a limited exception from that general prohibition by authorizing a document preparation service to use the term "Department of Motor Vehicles" or "DMV" in an advertisement if: (1) the term is followed by the term "services," "registration services" or other similar language; and (2) the advertisement includes a clear and conspicuous statement that the document preparation service is a third-party business not affiliated with the Department.

Existing law requires a person who wishes to engage in the business of a document preparation service to register with the Secretary of State. (NRS 240A.100) Section 4 of this bill provides that it is unlawful for a person to: (1) represent himself or herself as a document preparation service if the person has not registered as a document preparation service, or if his or her registration is expired, revoked or suspended or is otherwise not in good standing; or (2) submit an application for registration as a document preparation service that contains a substantial and material misstatement or omission of fact.

Section 3 of this bill requires a registrant to submit to the Secretary of State a request for an amended registration ~~[, along with a fee of $10,]~~ if the registrant changes his or her: (1) mailing address, county or residence or place of business or employment; or (2) name and the registrant intends to use the new name in the performance of document preparation services.

Existing law sets forth certain requirements for any advertisement for the service of a registrant, including that the advertisement include a statement that the registrant is not an attorney authorized to practice in this State and is prohibited from providing legal advice or legal representation to any person. (NRS 240A.150) Section 5 of this bill sets forth: (1) the specific words that

must be included in such statement; and (2) certain penalties if the Secretary of State finds a person ~~[guilty of a]~~ in violation of such provisions.

Existing law prohibits a registrant from: (1) retaining any fees or costs for services not performed or costs not incurred after the date of last service performed for a client; (2) making certain promises, or statements; (3) using certain terms in an advertisement or written description of the registrant or services provided by the registrant; (4) representing himself or herself as a paralegal or legal assistant; (5) with certain exceptions, negotiating concerning the rights or responsibilities of a client; (6) with certain exceptions, appearing on behalf of a client in a court proceeding or other formal adjudicative proceeding; (7) with certain exceptions, providing certain advice, explanations, opinions or recommendations to a client; or (8) seeking or obtaining from a client a waiver of any provision of law relating to document preparation services. (NRS 240A.240) Section 6 of this bill sets forth certain penalties which may be imposed if the Secretary of State finds a person ~~[guilty of a]~~ in violation of such provisions.

Existing law : (1) authorizes the Secretary of State to conduct or cause to be conducted an investigation if the Secretary of State obtains information that a provision of law, regulation or order relating to document preparation services has been violated ~~[.]~~ ; and (2) requires the Secretary of State to conduct a hearing before imposing any fine for such a violation. (NRS 240A.260) Section 7 of this bill provides that if, within a reasonable period of time, a registrant fails to provide the Secretary of State with any information requested by the Secretary of State during an investigation of an alleged violation by the registrant, the Secretary of State may suspend ~~[, revoke]~~ or refuse to renew the registration of the ~~[registration.]~~ registrant. Section 7 removes the requirement for the Secretary of State to conduct a hearing before imposing such a fine, and instead requires the Secretary of State to provide an opportunity for a hearing. Section 7 also requires the Secretary of State, upon receiving a complaint alleging a violation of the provisions of law governing document preparation services, to provide notice of the complaint to the document preparation service or other person who is the subject of the complaint.

Existing law authorizes the Secretary of State to deny, suspend, revoke or refuse to renew the registration of any person who violates a provision of law relating to document preparation services. (NRS 240A.270) Section 8 of this bill authorizes the Secretary of State to suspend or revoke the registration of a registrant pending a hearing if the Secretary of State believes it is in the public interest or is necessary to protect the public.

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

Section 1. NRS 482.160 is hereby amended to read as follows:

482.160 1. The Director may adopt and enforce such administrative regulations as are necessary to carry out the provisions of this chapter.

2. The Director may establish branch offices as provided in NRS 481.055, and may by contract appoint any person or public agency as an agent to assist in carrying out the duties of the Department pursuant to this chapter.

3. Except as otherwise provided in this subsection, the contract with each agent appointed by the Department in connection with the registration of motor vehicles and issuance of license plates may provide for compensation based upon the reasonable value of the services of the agent but must not exceed $2 for each registration. An authorized inspection station or authorized station that issues certificates of registration pursuant to NRS 482.281 is not entitled to receive compensation from the Department pursuant to this subsection.

4. Except as otherwise provided in this section, no person may use in an advertisement:

(a) The name, service marks, trademarks or logo of the Department; or

(b) A service mark, trademark or logo designed to closely resemble a service mark, trademark or logo of the Department and intended to mislead a viewer to believe that the service mark, trademark or logo is the service mark, trademark or logo of the Department.

5. An agent appointed pursuant to subsection 2 or NRS 487.815 may use the name, service marks, trademarks or logo of the Department in an advertisement if the agent has obtained the written permission of the Department for such use.

6. A document preparation service registered pursuant to chapter 240A of NRS may use the term "Department of Motor Vehicles" or "DMV" in an advertisement if:

(a) The term is immediately followed by the term "services" or "registration services" or other similar language which clearly indicates that the document preparation service is a third-party business and that the advertisement is not an advertisement of the Department; and

(b) The advertisement includes a clear and conspicuous statement that the document preparation service is a third-party business not affiliated with the Department. The statement must be of a conspicuous size, if in writing, and must appear in substantially the following form:

THIS DOCUMENT PREPARATION SERVICE IS A THIRD-PARTY BUSINESS NOT AFFILIATED WITH THE NEVADA DEPARTMENT OF MOTOR VEHICLES.

Sec. 2. Chapter 240A of NRS is hereby amended by adding thereto the provisions set forth as sections 3 and 4 of this act.

Sec. 3. *1. If, at any time during his or her appointment, a registrant changes his or her mailing address, county of residence or place of business or employment, the registrant shall submit to the Secretary of State a request for an amended registration on a form provided by the Secretary of State. The request must:*

(a) Include the new information; and

(b) Be submitted within 30 days after making the change.

2. The Secretary of State may suspend the registration of a registrant who fails to provide to the Secretary of State notice of a change in any of the information specified in subsection 1.

3. If a registrant changes his or her name and the registrant intends to use his or her new name in performing document preparation services, the registrant shall submit to the Secretary of State a request for an amended registration on a form provided by the Secretary of State. The request must:

(a) Include the new name and signature and the address of the registrant; and

(b) Be submitted within 30 days after making the change . ~~[; and~~

~~*(c) Be accompanied by a fee of $10.]*~~

4. Upon receipt of a request for an amended registration , ~~[and the appropriate fee,]~~ the Secretary of State shall issue an amended registration.

Sec. 4. *1. It is unlawful for a person to:*

(a) Represent himself or herself as a document preparation service if the person has not registered as a document preparation service pursuant to this chapter, or if his or her registration is expired, revoked or suspended or is otherwise not in good standing.

(b) Submit an application for registration as a document preparation service that contains a substantial and material misstatement or omission of fact.

2. Any person who violates a provision of paragraph (a) of subsection 1 is liable for a ~~[civil]~~ penalty of not more than $1,000 for each violation, plus reasonable ~~[attorney's]~~ investigative fees and costs.

3. The Secretary of State may request that the Attorney General bring an action to enjoin any violation of paragraph (a) of subsection 1 and recover any penalties, attorney's fees and costs.

4. Any person who is aware of a violation of this chapter by a registrant or a person applying for registration as a document preparation service may file a complaint with the Secretary of State setting forth the details of the violation that are known by the person who is filing the complaint.

Sec. 5. NRS 240A.150 is hereby amended to read as follows:

240A.150 1. Any advertisement for the services of a registrant which the registrant disseminates or causes to be disseminated must include a ~~[clear and conspicuous]~~ statement ~~[that the registrant is not an attorney authorized to practice in this State and is prohibited from providing legal advice or legal representation to any person.~~

~~2. The statement required by subsection 1 to be included in an advertisement must:~~

~~(a) Be]~~ in the same language as the rest of the advertisement . ~~[; and~~

~~(b) Be in the form prescribed by regulation of the Secretary of State.~~

~~3.]~~ *The ~~[notice]~~ statement must be of a conspicuous size, if in writing, and must appear in substantially the following form:*

I AM NOT AN ATTORNEY IN THE STATE OF NEVADA. I AM NOT ~~[LICENSED]~~ AUTHORIZED TO GIVE LEGAL ADVICE OR LEGAL

REPRESENTATION. I MAY NOT ACCEPT FEES FOR GIVING LEGAL ADVICE OR LEGAL REPRESENTATION.

2. A person shall not disseminate or cause to be disseminated any advertisement or other statement that he or she is engaged in the business of a document preparation service in this State unless he or she has complied with all the applicable requirements of this chapter.

3. If the Secretary of State finds a registrant ~~[guilty of a]~~ in violation of the provisions of subsection 1, the Secretary of State ~~[shall:]~~ may:

(a) Suspend the registration of the registrant for not less than 1 year.

(b) Revoke the registration of the registrant for a third or subsequent offense.

(c) Assess a ~~[civil]~~ penalty of not more than $1,000 for each violation.

4. Unless a greater penalty is provided pursuant to NRS 240A.290, a registrant who is found guilty in a criminal prosecution of violating the provisions of subsection 1 shall be punished by a fine of ~~[not]~~ not less than $100 or more than ~~[$1,000.]~~ $5,000 for each violation.

Sec. 6. NRS 240A.240 is hereby amended to read as follows:

240A.240 1. A registrant shall not:

(a) After the date of the last service performed for a client, retain any fees or costs for services not performed or costs not incurred.

(b) Make, orally or in writing:

(1) A promise of the result to be obtained by the filing or submission of any document, unless the registrant has some basis in fact for making the promise;

(2) A statement that the registrant has some special influence with or is able to obtain special treatment from the court or agency with which a document is to be filed or submitted; or

(3) A false or misleading statement to a client if the registrant knows that the statement is false or misleading or knows that the registrant lacks a sufficient basis for making the statement.

(c) Except as otherwise provided in subsection 3, in any advertisement or written description of the registrant or the services provided by the registrant, or on any letterhead or business card of the registrant, use the term "legal aid," "legal services," "law office," "notario," "notario publico," "notary public," "notary," "paralegal," "legal assistant," "licensed," "licenciado," "attorney," "lawyer" or any similar term, in English, Spanish or any other language, which implies that the registrant:

(1) Offers services without charge if the registrant does not do so;

(2) Is an attorney authorized to practice law in this State; or

(3) Is acting under the direction and supervision of an attorney.

(d) Represent himself or herself, orally or in writing, as a paralegal or legal assistant which implies that the registrant is acting under the direction and supervision of an attorney licensed to practice law in this State.

(e) Except as otherwise provided in subsection 2, negotiate with another person concerning the rights or responsibilities of a client, communicate the

position of a client to another person or convey the position of another person to a client.

(f) Except as otherwise provided in subsection 2, appear on behalf of a client in a court proceeding or other formal adjudicative proceeding, unless the registrant is ordered to appear by the court or presiding officer.

(g) Except as otherwise provided in subsection 2, provide any advice, explanation, opinion or recommendation to a client about possible legal rights, remedies, defenses, options or the selection of documents or strategies, except that a registrant may provide to a client published factual information, written or approved by an attorney, relating to legal procedures, rights or obligations.

(h) Seek or obtain from a client a waiver of any provision of this chapter. Any such waiver is contrary to public policy and void.

2. The provisions of paragraphs (e), (f) and (g) of subsection 1 do not apply to a registrant to the extent that compliance with such provisions would violate federal law.

3. A registrant who is also a notary public appointed by the Secretary of State pursuant to chapter 240 of NRS and in good standing with the Secretary of State may, in any advertisement or written description of the registrant or the services provided by the registrant, use the term "notary public."

4. If the Secretary of State finds a registrant ~~[guilty of a]~~ in violation of the provisions of subsection 1, the Secretary of State ~~[shall:]~~ may:

(a) Suspend the registration of the registrant for not less than 1 year.

(b) Revoke the registration of the registrant for a third or subsequent offense.

(c) Assess a ~~[civil]~~ penalty of not more than $1,000 for each violation.

Sec. 7. NRS 240A.260 is hereby amended to read as follows:

240A.260 1. If the Secretary of State obtains information that a provision of this chapter or a regulation or order adopted or issued pursuant thereto has been violated by a registrant or another person, the Secretary of State may conduct or cause to be conducted an investigation of the alleged violation.

2. *If, within a reasonable period of time, a registrant fails to provide the Secretary of State with any information requested by the Secretary of State during an investigation of an alleged violation by the registrant, the Secretary of State may suspend ~~[, revoke]~~ or refuse to renew the registration of the registrant.*

3. If, after investigation, the Secretary of State determines that a violation has occurred, the Secretary of State may:

(a) Serve, by certified mail addressed to the person who has committed the violation, a written order directing the person to cease and desist from the conduct constituting the violation. The order must notify the person that any willful violation of the order may subject the person to prosecution and criminal penalties pursuant to NRS 240A.290 and ~~[civil]~~ penalties pursuant to this section and NRS 240A.280.

(b) If a registrant has committed the violation:

(1) ~~[Begin proceedings pursuant to NRS 240A.270 to revoke]~~ *Revoke* or suspend the registration of the registrant; or

(2) ~~[After a hearing on the matter, impose]~~ *Impose* a ~~[civil]~~ penalty of not more than $1,000 for each violation. The authority of the Secretary of State to impose a ~~[civil]~~ penalty applies regardless of whether the person is still a registrant at the time ~~[of the hearing]~~ *that the penalty is imposed* so long as the person was a registrant at the time that he or she committed the violation. *The Secretary of State shall afford any person upon whom such a penalty is imposed an opportunity for a hearing pursuant to the provisions of NRS 233B.121.*

(c) If a person engaged in the business of a document preparation service and was not a registrant at the time of the violation, after a hearing on the matter, impose a ~~[civil]~~ penalty for each violation of not more than $5,000 or the amount of economic benefit derived from the violation, whichever is greater.

(d) Refer the alleged violation to the Attorney General or a district attorney for commencement of a civil action against the person pursuant to NRS 240A.280.

(e) Refer the alleged violation to the Attorney General or a district attorney for prosecution of the person pursuant to NRS 240A.290.

(f) Take any combination of the actions described in this subsection.

~~[3.]~~ *4.* Any person who is aware of a violation of this chapter by a document preparation service, a person applying for registration as a document preparation service or a person who is engaging in the business of a document preparation service and is not registered by the Secretary of State pursuant to this chapter may file a complaint with the Secretary of State setting forth the details of the violation that are known by the person who is filing the complaint.

~~[4.]~~ *5. If the Secretary of State receives a complaint alleging a violation of this chapter, the Secretary of State shall notify the document preparation service or other person who is the subject of the complaint. The notice:*

(a) Must be sent by certified mail;

(b) Is deemed to have been received 3 days after the notice is mailed;

(c) Must include, without limitation:

(1) A description of each allegation contained in the complaint;

(2) A statement of each statutory provision which the document preparation service or other person is alleged to have violated;

(3) An explanation of any disciplinary action that may be taken against the document preparation service or other person if the Secretary of State determines that the alleged violation occurred;

(4) A statement that the document preparation service or other person must respond to the notice not later than 15 days after the notice is received; and

(5) Instructions on the manner in which the document preparation service or other person may respond to the notice.

6. Any determination by the Secretary of State that a provision of this chapter or a regulation or order adopted or issued pursuant thereto has been violated by a registrant or another person and the imposition of any ~~[civil]~~ penalty by the Secretary of State pursuant to this section is a public record.

Sec. 8. NRS 240A.270 is hereby amended to read as follows:

240A.270 1. The Secretary of State may deny, suspend, revoke or refuse to renew the registration of any person who violates a provision of this chapter or a regulation or order adopted or issued pursuant thereto. Except as otherwise provided in ~~[subsections 2 and 3,]~~ *this section*, a suspension or revocation may be imposed only after a hearing. *The registration of a registrant may be suspended or revoked by the Secretary of State pending a hearing if the Secretary of State believes it is in the public interest or is necessary to protect the public.*

2. The Secretary of State may suspend the registration of any person who is also appointed as a notary public pursuant to NRS 240.010 and whose appointment as a notary public is suspended for violating the provisions of NRS 240.001 to 240.169, inclusive, or a regulation or order adopted or issued pursuant thereto. If the Secretary of State suspends the registration of a registrant pursuant to this subsection:

(a) The Secretary of State shall notify the registrant in writing of the suspension.

(b) The registrant may have his or her registration as a document preparation service reinstated by the Secretary of State if his or her registration as a document preparation service has not expired during the suspension upon a showing that his or her suspension as a notary public has been lifted.

3. Except as otherwise provided in subsection 2, the Secretary of State shall immediately revoke the registration of a registrant upon the receipt of an official document or record showing:

(a) The entry of a judgment or conviction; or

(b) The occurrence of any other event,

➥ that would disqualify the registrant from registration pursuant to subsection 2 of NRS 240A.100.

4. Upon the suspension or revocation of or refusal to renew the registration of a document preparation service pursuant to this section, the Secretary of State shall notify the Department of Motor Vehicles of the name of the document preparation service for the purposes of NRS 481.062.

Sec. 9. This act becomes effective on July 1, 2023.

Senator Harris moved that the Senate concur in Assembly Amendment No. 594 to Senate Bill No. 349.

Motion carried by a constitutional majority.

Bill ordered enrolled.

Senate Bill No. 386.

The following Assembly amendment was read:

Amendment No. 678.

SUMMARY—Revises provisions related to barbering. (BDR 54-874)

AN ACT relating to barbering; authorizing an applicant for a license as a barber or apprentice who fails to pass the examination required for licensure to retake the examination without fulfilling any additional requirements under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires a person who wishes to be licensed as a barber or an apprentice, in addition to fulfilling certain other requirements, to pass an examination conducted by the State Barbers' Health and Sanitation Board. (NRS 643.070, 643.080, 643.085) Existing law sets forth certain requirements for an applicant for a license as a barber who fails to pass the examination for licensure to be eligible to retake the examination. If the applicant is not a licensed cosmetologist, the applicant is required to practice as a licensed apprentice for an additional 3 months. If the applicant is a licensed cosmetologist, the applicant is required to complete further study in a barber school, as prescribed by the Board. Similarly, if an applicant for a license as an apprentice fails to pass the examination for licensure, existing law requires the applicant to complete further study in a barber school, as prescribed by the Board, before the applicant is eligible to retake the examination. (NRS 643.110) This bill authorizes an applicant for licensure as a barber who is not a licensed cosmetologist and who fails to pass the examination required for licensure to retake the examination without fulfilling any additional requirements, so long as the applicant retakes the examination not later than 1 year after the initial examination. If an applicant does not retake the examination within that period, the applicant is required to ~~[fulfill the]~~ continue to practice as a licensed apprentice for an additional ~~[requirements set forth under existing law]~~ 3 months each time before the applicant is eligible to retake the examination. Additionally, this bill authorizes an applicant for licensure as an apprentice or for licensure as a barber, if the applicant is a licensed cosmetologist, who fails to pass the examination required for licensure to retake the examination not more than three times within 6 months after taking the initial examination without fulfilling any additional requirements. If an applicant does not retake the examination within that period, the applicant is required to complete 250 hours of further study in a barber school each time before the applicant is eligible to retake the examination.

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

Section 1. NRS 643.110 is hereby amended to read as follows:

643.110 1. Except as otherwise provided in subsection 2, an applicant for a license as a barber who fails to pass the examination conducted by the Board *may retake the examination for a license as a barber. If the applicant retakes the examination:*

(a) Not later than 1 year after taking the initial examination, the applicant is not required to complete any additional period of practice as a licensed apprentice before he or she may retake the examination; and

(b) Later than 1 year after taking the initial examination, the applicant must continue to practice as a licensed apprentice for an additional 3 months *each time* before he or she may retake the examination for a license as a barber.

2. An applicant for a license as a barber who is a cosmetologist licensed pursuant to the provisions of chapter 644A of NRS and who fails to pass the examination conducted by the Board *may retake the examination for a license as a barber.* ~~*[If the]*~~ *The applicant* ~~*[retakes the examination:*~~

~~*(a) Not later than 1 year after taking the initial examination, the applicant is not required to complete]*~~ *may, without completing further study in a barber school* ~~*.*~~ ~~*[before he or she may]*~~ *retake the examination* ~~*[; and*~~

~~*(b) Later]*~~ *not more than* ~~*[1 year]*~~ *three times within 6 months after taking the initial examination* ~~*. [,]*~~ *If the applicant retakes the examination later than 6 months after taking the initial examination, the applicant* must complete ~~[further study as prescribed by the Board, not exceeding]~~ 250 hours ~~[,]~~ *of further study* in a barber school approved by the Board *each time* before he or she may retake the examination for a license as a barber.

3. An applicant for a license as an apprentice who fails to pass the examination provided for in NRS 643.080 ~~[must complete further study as prescribed by the Board in a barber school approved by the Board before he or she]~~ may retake the examination for a license as an apprentice. *The applicant may, without completing further study in a barber school, retake the examination not more than three times within 6 months after taking the initial examination. If the applicant retakes the examination later than 6 months after taking the initial examination, the applicant must complete 250 hours of further study in a barber school approved by the Board each time before he or she may retake the examination for a license as an apprentice.*

4. An applicant for a license as an instructor who fails to pass the examination provided for in NRS 643.1775 may retake the examination for a license as an instructor. If the applicant retakes the examination:

(a) Not later than 1 year after taking the initial examination, the applicant is not required to complete further study in a barber school before he or she may retake the examination; and

(b) Later than 1 year after taking the initial examination, the applicant must complete 250 hours of further study in a barber school approved by the Board each time before he or she may retake the examination for a license as an instructor.

Sec. 2. This act becomes effective on July 1, 2023.

Senator Lange moved that the Senate concur in Assembly Amendment No. 678 to Senate Bill No. 386.

Motion carried by a constitutional majority.

Bill ordered enrolled.

Senate Bill No. 407.

The following Assembly amendment was read:

Amendment No. 637.

SUMMARY—Revises provisions relating to personal financial administration. (BDR 12-959)

AN ACT relating to personal financial administration; revising provisions that govern estates of deceased persons; revising provisions governing the notice of sale of certain property; authorizing a petitioner to submit a notice through an electronic filing system pursuant to the Nevada Electronic Filing and Conversion Rules; making certain information concerning trusts confidential; revising provisions governing the classification of distribution of interests; revising the powers exercisable by the protector of a trust; revising provisions relating to the jurisdiction and venue of a trust; clarifying provisions relating to a notice provided by the trustee; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that the estate of a decedent may be settled by the district court of any county in which any part of the estate is located or where the decedent was a resident at the time of death. (NRS 136.010) Section 1 of this bill provides that the jurisdiction of the settlement of the estate of a decedent may be assumed in the district court of any county in this State if: (1) the decedent was a resident of this State at the time of death; or (2) any part of the estate is located in this State. Existing law further provides that, if a decedent was a resident of this State at his or her time of death, the district court of any county in this State may assume jurisdiction of the settlement of the estate only after considering the convenience of the forum to certain parties. (NRS 136.010) Section 1 removes such provisions of law and instead provides that: (1) the venue of the settlement of the estate of the decedent is proper in any district court in this State; and (2) if an interested person objects to the venue on the basis of convenience, the court may determine the appropriate venue only after considering the convenience of the forum in relation to where the decedent died or owned property or the preferences of certain parties.

Existing law provides that if a homestead was selected by the spouses and recorded while both were living, the homestead, upon the death of either spouse, vests absolutely in the survivor. If no homestead was selected, existing law provides that the homestead may be set apart by the court to the surviving spouse, minor child or minor children of the decedent for a limited period if the court deems it advisable after considering, among other things, the needs and resources of the family. (NRS 146.050) Section 2 of this bill clarifies that the court must consider the needs and resources of the surviving spouse, minor child or minor children of the decedent.

If the value of an estate does not exceed $100,000, existing law authorizes the estate of the decedent to be set aside and assigned in a certain order without administration. (NRS 146.070) Section 3 of this bill authorizes the court to:

(1) upon request, order any asset assigned and set apart to be distributed to a designated person who resides in this State; (2) order the designated person to distribute the assets to the persons entitled thereto; and (3) retain jurisdiction of the estate to enforce the orders of the court until the designated person can prove that all sums of money due and all property of the estate has been distributed properly.

Existing law requires a notice of the time and place of sale of real property to be published in a certain manner before the sale is made. Under existing law, the court may waive the requirement of publication if, among other things, the personal representative is the sole devisee or heir of the estate or if all devisees or heirs of the estate consent in writing. (NRS 148.220) Section 4 of this bill provides that the court may waive the requirement of publication if the following persons consent in writing: (1) the personal representative, if he or she is the sole devisee or heir of the estate; (2) all devisees to whom the property is devised if the property is specifically devised in the decedent's will; (3) all residuary devisees if the property is not specifically devised in the decedent's will; or (4) in the case of an intestate estate, all heirs of the estate.

Existing law requires that before the court can confirm a sale of real property at a private sale, the court must first, among other things, determine that the real property has been appraised within 1 year before the time of sale. Under existing law, the court can waive the requirement of an appraisement: (1) for good cause shown; or (2) if the personal representative is the sole devisee or heir of the estate, or if all devisees or heirs consent in writing to sale without an appraisal. (NRS 148.260) Section 5 of this bill authorizes the court to waive the requirement of an appraisement if the following people consent in writing to sale without an appraisal: (1) the personal representative, if he or she is the sole devisee or heir of the estate; (2) all devisees to whom the property is devised, if the property is specifically devised in the will of the decedent; (3) all residuary devisees, if the property is not specifically devised in the will of the decedent; and (4) in the case of an intestate estate, all heirs to the estate.

Existing law requires a petitioner to provide notice of the time and place of the hearing of a petition to certain interested persons by: (1) mailing a copy by registered or ordinary first-class mail addressed to the person being notified; and (2) publishing a copy of the notice in certain newspapers under certain circumstances. (NRS 155.010) If the court has established an electronic filing system pursuant to the Nevada Electronic Filing and Conversion Rules, section 6 of this bill authorizes a petitioner to provide such notice to certain interested persons by submitting a copy of the notice through the electronic filing system of the court or through any other electronic means.

Existing law authorizes the maker or legal representative of a maker of a will, trust or testamentary instrument to obtain declaratory relief under the testamentary instrument or with respect to the administration of the trust or certain estates for certain purposes. (NRS 30.040) Section 7 of this bill additionally authorizes an interested person or the legal representative of an interested person to obtain declaratory relief under the same circumstances.

Section 9 of this bill provides that a settlor of a trust may use a method set forth in a trust instrument for determining whether the settlor or trustee is incapacitated. Section 16 of this bill authorizes a trustee presenting a certification of trust to include a declaration that the incapacity of the former trustee has been established pursuant to section 9 and that the current acting trustee has succeeded to the office of trustee. (NRS 164.410)

Section 13 of this bill provides that certain information concerning trusts in pleadings and filings is confidential. Section 18 of this bill makes a conforming change to reflect that certain information concerning trusts in pleadings and filings is made confidential pursuant to section 13.

Existing law classifies a distribution interest, among other classifications, as a support interest if the trustee is required to make distributions to the beneficiary pursuant to an ascertainable standard. (NRS 163.4185) Section 11 of this bill revises the circumstances under which a distribution interest is classified as a support interest.

Existing law prescribes the powers and duties of a protector of a trust. (NRS 163.5553) Section 12 of this bill provides that, unless otherwise provided in the trust instrument: (1) the powers of a protector of a trust are fiduciary in nature; and (2) the trust instrument may define the scope and extent of the fiduciary standard applicable to the exercise of any of the powers and duties of a protector of a trust.

Existing law provides that under certain circumstances, the district court is required to assume jurisdiction of a trust as a proceeding in rem. If the trustee does not reside or conduct business in this State, existing law provides that jurisdiction is proper in this State if, among other requirements: (1) the trust expressly provides that the trust originated in this State or that a court in this State has jurisdiction; (2) under certain circumstances, a person has designated that the trust originated in this State or that this State has jurisdiction; or (3) one or more beneficiaries of the trust reside in this State. (NRS 164.010) Section 14 of this bill: (1) provides that jurisdiction of a trust is proper in this State if the trust or a certain person expressly provides or designates that the trust originated in a county located in this State; (2) removes the requirement that one or more beneficiaries of the trust reside in this State; and (3) provides that jurisdiction is proper if any trustee resides or conducts business in this State.

Existing law also provides that, for the purposes of determining venue, the court must consider the preference of counties in a certain order. (NRS 164.010) Section 14 specifies that for the purposes of determining venue in this State, the following preferences apply: (1) a county in which venue was most recently declared; (2) a county in which venue is declared in the trust instrument; (3) a county in which the situs or domicile of the trust is declared in a certification of trust; (4) a county in which any trustee resides or conducts business at the time of the filing of the petition; (5) a county in which any real property interest owned by the trust is located; and (6) a county in which any beneficiary resides.

Existing law authorizes a trustee to provide notice to certain persons after a revocable trust becomes irrevocable and generally prohibits any person who is provided notice from bringing an action to contest the validity of the trust more than 120 days after notice is served. (NRS 164.021) Section 15 of this bill clarifies that the notice must contain the dispositive provisions of the trust instrument that pertain to the beneficiary or a complete copy of the trust instrument. Section 15 also authorizes a person to consent in writing to a period shorter than 120 days in which to bring an action to contest the validity of the trust.

Section 17 of this bill makes a technical correction to a provision relating to the liability of a trustee or disinterested person who, in good faith, fails to take certain actions. (NRS 164.796)

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

Section 1. NRS 136.010 is hereby amended to read as follows:

136.010 1. ~~[The]~~ *Jurisdiction of the settlement of the* estate of a decedent may be ~~[settled by]~~ *assumed in* the district court of any county in this State ~~[:]~~ *if:*

(a) ~~[In which any part of the estate is located;]~~ *The decedent was a resident of this State at the time of death;* or

(b) ~~[Where the decedent was a resident at the time of death.]~~ *Any part of the estate of the decedent is located in this State.*

2. ~~[If the decedent was a resident of this State at the time of death, the district court of any county in this State, whether death occurred in that county or elsewhere, may assume jurisdiction]~~ *Venue* of the settlement of the estate of ~~[the]~~ *a* decedent *is proper in any district court in this State. If an interested person objects to the venue on the basis of convenience, the court may determine the appropriate venue* only after ~~[taking into consideration]~~ *considering, in order of priority,* the convenience of the forum to:

(a) *Where the decedent resided at the time of death;*

(b) Where the decedent owned real property;

(c) The *preference of the* person named as personal representative or trustee in the will; and

~~[(b)]~~ *(d)* The *preference of the* heirs, devisees, interested persons or beneficiaries to the decedent or estate and their legal counsel.

3. After a properly noticed hearing is held, the district court that first assumes jurisdiction of the settlement of an estate has exclusive jurisdiction of the settlement of that estate, including, without limitation:

(a) The proving of wills;

(b) The granting of letters; and

(c) The administration of the estate.

Sec. 2. NRS 146.050 is hereby amended to read as follows:

146.050 1. If the homestead was selected by the spouses, or either of them, during their marriage, and recorded while both were living, as provided in chapter 115 of NRS, it vests, on the death of either spouse, absolutely in the

survivor, unless vesting is otherwise required pursuant to subsection 2 of NRS 115.060.

2. If no homestead was so selected, a homestead may be set apart by the court to the surviving spouse, minor child or minor children of the decedent for a limited period if deemed advisable considering the needs and resources of the ~~[family]~~ *surviving spouse, minor child or minor children of the decedent* and the nature, character and obligations of the estate. The duration of the homestead must be designated in the order setting it apart and may not extend beyond the lifetime of the surviving spouse or the minority of any child of the decedent, whichever is longer. A homestead so set apart then vests, subject to the setting apart:

(a) If set apart from the separate property of the decedent, in the heirs or devisees of the decedent.

(b) If set apart from community property, one-half in the surviving spouse and one-half in the devisees of the decedent, or if no disposition is made, then entirely in the surviving spouse.

3. In either case referred to in subsection 1 or 2, the homestead is not subject to the payment of any debt or liability existing against the spouses, or either of them, at the time of death of either, unless the debt or liability is secured by a mortgage or lien.

Sec. 3. NRS 146.070 is hereby amended to read as follows:

146.070 1. All or part of the estate of a decedent may be set aside without administration by the order of the court as follows:

(a) If the value of a decedent's estate does not exceed $100,000, the estate may be set aside without administration by the order of the court; or

(b) If a decedent's will directs that all or part of the decedent's estate is to be distributed to the trustee of a nontestamentary trust established by the decedent and in existence at the decedent's death, the portion of the estate subject to such direction may be set aside without administration. Any portion of a decedent's estate set aside to the nontestamentary trust pursuant to this paragraph is subject to creditors of the estate unless the petitioner provides proof to the court that the trustee has published or mailed the requisite notice to such creditors on behalf of the nontestamentary trust and settlor pursuant to NRS 164.025.

2. Except as otherwise provided in subsection 3, the whole estate set aside pursuant to paragraph (a) of subsection 1 must be assigned and set apart in the following order:

(a) To the payment of the petitioner's attorney's fees and costs incurred relative to the proceeding under this section;

(b) To the payment of funeral expenses, expenses of last illness, money owed to the Department of Health and Human Services as a result of payment of benefits for Medicaid and creditors, if there are any;

(c) To the payment of other creditors, if any; and

(d) Any balance remaining to the claimant or claimants entitled thereto pursuant to a valid will of the decedent, and if there is no valid will, pursuant to intestate succession in accordance with chapter 134 of NRS.

3. If the value of the estate does not exceed $100,000 and the decedent is survived by a spouse or one or more minor children, the court must set aside the estate for the benefit of the surviving spouse or the minor child or minor children of the decedent, subject to any reduction made pursuant to subsection 4 or 5. The court may allocate the entire estate to the surviving spouse, the entire amount to the minor child or minor children, or may divide the estate among the surviving spouse and minor child or minor children.

4. As to any amount set aside to or for the benefit of the surviving spouse or minor child or minor children of the decedent pursuant to subsection 3, the court must set aside the estate without the payment of creditors except as the court finds necessary to prevent a manifest injustice.

5. To prevent an injustice to creditors when there are nonprobate transfers that already benefit the surviving spouse or minor child or minor children of the decedent, the court has the discretion to reduce the amount set aside under subsection 3 to the extent that the value of the estate, when combined with the value of nonprobate transfers, as defined in NRS 111.721, from the decedent to or for the benefit of the surviving spouse or minor child or minor children of the decedent exceeds $100,000.

6. In exercising the discretion granted in this section, the court shall consider the needs and resources of the surviving spouse and minor child or minor children, including any assets received by or for the benefit of the surviving spouse or minor child or minor children from the decedent by nonprobate transfers.

7. For the purpose of this section, a nonprobate transfer from the decedent to one or more trusts or custodial accounts for the benefit of the surviving spouse or minor child or minor children shall be considered a transfer for the benefit of such spouse or minor child or minor children.

8. Proceedings taken under this section must not begin until at least 30 days after the death of the decedent and must be originated by a petition containing:

(a) A specific description of all property in the decedent's estate;

(b) A list of all known liens and encumbrances against estate property at the date of the decedent's death, with a description of any that the petitioner believes may be unenforceable;

(c) An estimate of the value of the property, together with an explanation of how the estimated value was determined;

(d) A statement of the debts of the decedent so far as known to the petitioner;

(c) The names and residences of the heirs and devisees of the decedent and the age of any who is a minor and the relationship of the heirs and devisees to the decedent, so far as known to the petitioner; and

(f) If the decedent left a will, a statement concerning all evidence known to the petitioner that tends to prove that the will is valid.

9. If the petition seeks to have the estate set aside for the benefit of the decedent's surviving spouse or minor child or minor children without payment to creditors, the petition must also contain:

(a) A specific description and estimated value of property passing by one or more nonprobate transfers from the decedent to the surviving spouse or minor child or minor children; or

(b) An allegation that the estimated value of the property sought to be set aside, combined with the value of all nonprobate transfers from the decedent to the surviving spouse or minor child or minor children who are seeking to receive property pursuant to this section, is less than $100,000.

10. When property is distributed pursuant to an order granted under this section, the court may allocate the property on a pro rata basis or a non-pro rata basis.

11. The clerk shall set the petition for hearing and the petitioner shall give notice of the petition and hearing in the manner provided in NRS 155.010 to the decedent's heirs and devisees and to the Director of the Department of Health and Human Services. If a complete copy of the petition is not enclosed with the notice, the notice must include a statement setting forth to whom the estate is being set aside.

12. No court or clerk's fees may be charged for the filing of any petition in, or order of court thereon, or for any certified copy of the petition or order in an estate not exceeding $2,500 in value.

13. At the hearing on a petition under this section, the court may require such additional evidence as the court deems necessary to make the findings required under subsection 14.

14. The order granting the petition shall include:

(a) The court's finding as to the validity of any will presented;

(b) The court's finding as to the value of the estate and, if relevant for the purposes of subsection 5, the value of any property subject to nonprobate transfers;

(c) The court's determination of any property set aside under subsection 2;

(d) The court's determination of any property set aside under subsection 3, including, without limitation, the court's determination as to any reduction made pursuant to subsection 4 or 5; and

(c) The name of each distributee and the property to be distributed to the distributee.

15. As to the distribution of the share of a minor child set aside pursuant to this section, the court may direct the manner in which the money may be used for the benefit of the minor child as is deemed in the court's discretion to be in the best interests of the minor child, and the distribution of the minor child's share shall be made as permitted for the minor child's share under the terms of the decedent's will or to one or more of the following:

(a) A parent of such minor child, with or without the filing of any bond;

(b) A custodian under chapter 167 of NRS; or

(c) A court-appointed guardian of the estate, with or without bond.

16. *The court, upon request of a petitioner under this section and upon such terms and conditions the court deems advisable to protect any interested person of the estate:*

(a) May order that any asset assigned and set apart pursuant to subsection 2 be distributed first to a designated person who resides in this State and is otherwise qualified pursuant to NRS 139.010;

(b) May order the designated person to distribute the assets to the person or persons entitled thereto; and

(c) Shall retain jurisdiction to enforce its orders until the designated person demonstrates to the court, by the production of satisfactory receipts, that all sums of money due and all the property of the estate has been distributed to the persons entitled thereto and all acts lawfully required have been performed.

17. For the purposes of this section, the value of property must be the fair market value of that property, reduced by the value of all enforceable liens and encumbrances. Property values and the values of liens and encumbrances must be determined as of the date of the decedent's death.

Sec. 4. NRS 148.220 is hereby amended to read as follows:

148.220 1. Notice of the time and place of sale of real property must be published in a newspaper published in the county in which the property, or some portion of the property, is located, if there is one so published, and if not, then in such paper as the court directs, for 2 weeks, being three publications, 1 week apart, before the day of sale or, in the case of a private sale, before the day on or after which the sale is to be made. For good cause shown, the court may decrease the number of publications to one and shorten the time for publication to a period not less than 8 days.

2. The court may waive the requirement of publication if:

(a) The ~~[personal representative is the sole devisee or heir of the estate, or if all devisees or heirs of the estate]~~ *following persons* consent in writing ~~[;]~~ *:*

(1) The personal representative, if he or she is the sole devisee or heir of the estate;

(2) If the property is specifically devised in the will of the decedent, all devisees to whom the property is devised;

(3) If the property is not specifically devised in the will of the decedent, all residuary devisees; or

(4) In the case of an intestate estate, all heirs of the estate.

(b) The personal representative provides proof that the property has been publicly listed in a public property listing service for a period of not less than 30 days; or

(c) The estate is subject to a lien or mortgage on the property in excess of the value of the real property and the estate has entered into an agreement with the holder of the lien or mortgage to waive the deficiency and accept the net sales proceeds.

3. If it appears from the inventory and appraisement that the value of the property to be sold does not exceed $5,000, the personal representative may waive the requirement of publication and, in lieu thereof, post a notice of the time and place of sale in three of the most public places in the county in which the property, or some portion of the property, is located, for 2 weeks before the day of the sale or, in the case of a private sale, before the day on or after which the sale is to be made.

4. The property proposed to be sold must be described with common certainty in the notice.

Sec. 5. NRS 148.260 is hereby amended to read as follows:

148.260 1. Except as otherwise provided in subsection 2, a sale of real property at a private sale must not be confirmed by the court unless the court is satisfied that the sum offered represents the fair market value of the property sold and the real property has been appraised within 1 year before the time of sale. If the property has not been appraised, a new appraisement must be performed, as in the case of an original appraisement of an estate, at any time before the sale or confirmation of the property.

2. The court may waive the requirement of an appraisement:

(a) For good cause shown; ~~[or]~~

(b) ~~[If the]~~ *The* personal representative *, if he or she* is the sole devisee or heir of the estate ~~[, or if all devisees or heirs]~~ *;*

(c) If the property is specifically devised in the will of the decedent, all devisees to whom the property is devised consent in writing to sale without an appraisal;

(d) If the property is not specifically devised in the will of the decedent, all residuary devisees consent in writing to sale without an appraisal; or

(c) In the case of an intestate estate, all heirs to the estate consent in writing to the sale without an appraisal,

➥ in which case the personal representative may rely on the assessed value of the property for taxation in obtaining confirmation of the sale.

Sec. 6. NRS 155.010 is hereby amended to read as follows:

155.010 1. Except as otherwise provided in this section or a specific statute relating to the kind of notice required or otherwise ordered by the court in a particular instance, a petitioner shall cause notice of the time and place of the hearing of a petition to be given to each interested person and to every other person entitled to notice pursuant to this title or his or her attorney if the person has appeared by attorney or requested that notice be sent to his or her attorney. Notice must be given:

(a) By mailing a copy thereof at least 10 days before the time set for the hearing by certified, registered or ordinary first-class mail addressed to the person being notified at the post office address given in the person's demand for notice, if any, or at his or her office or place of residence, if known, or by personally delivering a copy thereof to the person being notified at least 10 days before the time set for the hearing; ~~[or]~~

(b) *By submitting a copy thereof through an electronic filing system, if the court establishes such a system pursuant to the Nevada Electronic Filing and Conversion Rules or by any other electronic means if the interested person or person entitled to notice consents in writing; or*

(c) If the address or identity of the person is not known and cannot be ascertained with reasonable diligence, by publishing at least once a week for 3 consecutive weeks a copy thereof in a newspaper having general circulation in the county where the hearing is to be held, the last publication of which must be at least 10 days before the date set for the hearing.

2. A person who, for the purposes of the matter to be considered at a hearing, is not an interested person is not entitled to notice of that hearing.

3. The court, for good cause shown, may provide for a different method or time of giving notice for any hearing, or may dispense with the notice otherwise required to be given to a person under this title.

4. Proof of the giving of notice must be made on or before the hearing and filed in the proceeding.

5. A person entitled to notice may, in writing, waive notice of the hearing of a petition.

6. Notice given pursuant to paragraph (b) or (c) of subsection 1 is complete upon electronic submission of any kind, unless the petitioner is notified pursuant to the Nevada Electronic Filing and Conversion Rules that the service was not effectuated on the person intended to be served by such electronic means.

Sec. 7. NRS 30.040 is hereby amended to read as follows:

30.040 1. Any person interested under a deed, written contract or other writings constituting a contract, or whose rights, status or other legal relations are affected by a statute, municipal ordinance, contract or franchise, may have determined any question of construction or validity arising under the instrument, statute, ordinance, contract or franchise and obtain a declaration of rights, status or other legal relations thereunder.

2. ~~[A]~~ *Any interested person or legal representative of an interested person of, or a* maker or legal representative of a maker of , a will, trust or other writings constituting a testamentary instrument may have determined any question of construction or validity arising under the instrument and obtain a declaration of rights, status or other legal relations thereunder. Any action for declaratory relief under this subsection may only be made in a proceeding commenced pursuant to the provisions of title 12 or 13 of NRS, as appropriate.

3. A principal or a person granted authority to act for a principal under power of attorney, whether denominated an agent, attorney-in-fact or otherwise, may have determined any question of construction or validity arising under the instrument and obtain a declaration of rights, status or other legal relations thereunder. Any action for declaratory relief under this subsection may only be made in a proceeding commenced pursuant to the provisions of title 12 or 13 of NRS, as appropriate.

Sec. 8. Chapter 163 of NRS is hereby amended by adding thereto the provisions set forth as sections 9 and 10 of this act.

Sec. 9. *1. A person determined pursuant to this section to lack capacity or to be incapacitated shall be deemed to no longer have the authority to serve as a trustee, and the person having priority to serve as or to appoint the successor trustee upon resignation, death or incapacity of the trustee under the trust instrument shall immediately assume such authority.*

2. A person who would have authority to serve as the trustee but for the fact that he or she has been determined to be incapacitated pursuant to subsection 3 and who later regains capacity as determined in accordance with subsection 7 is immediately restored to such authority.

3. A person serving as a trustee is incapacitated for purposes of this section if the person:

(a) Is determined to lack capacity pursuant to subsection 4; or

(b) Is:

(1) Missing; or

(2) Detained, including, without limitation, incarcerated.

4. The incapacity of a person serving as a trustee may be established by:

(a) A method provided in the trust instrument of the person, including, without limitation, a method that does not require a physician or a court to determine incapacity;

(b) A licensed physician who has personally examined the person, unless the trust instrument provides otherwise; or

(c) A court of competent jurisdiction.

5. The successor trustee may certify under penalty of perjury that the incapacity of a person has been determined pursuant to this section by a signed affidavit that is acknowledged by all the currently acting trustees of the trust other than the incapacitated trustee. A person who acts in reliance upon such a certification of incapacity without knowledge that the representations contained therein are incorrect is not liable to any person for so acting and may assume without inquiry that the person who has been certified as incapacitated lacks capacity.

6. Any interested person may petition a court of competent jurisdiction pursuant to NRS 164.015 for an order declaring a person serving as a trustee to lack capacity within the meaning of this section and for the removal as a trustee.

7. A person who would have priority to serve as the trustee but for the fact that he or she has been determined to be incapacitated, who later regains capacity, may establish his or her capacity by:

(a) Using a method in the trust instrument to establish the capacity of the trustee;

(b) If the person is incapacitated pursuant to paragraph (b) of subsection 3, a signed affidavit acknowledged by the person that the individual is no longer incapacitated and that is delivered to the currently acting trustees of the trust; or

(c) Petitioning a court of competent jurisdiction under NRS 164.015 for an order declaring that the person is not incapacitated.

8. A written determination of the successor trustee or licensed physician provided pursuant to paragraph (a) or (b) of subsection 4 must be provided under penalty of perjury.

9. Incapacity pursuant to paragraph (c) of subsection 4 must be established by a preponderance of the evidence.

Sec. 10. (Deleted by amendment.)

Sec. 11. NRS 163.4185 is hereby amended to read as follows:

163.4185 1. A distribution interest may be classified as:

(a) A mandatory interest if the trustee has no discretion to determine whether a distribution should be made, when a distribution should be made or the amount of the distribution.

(b) A support interest if the trustee is *mandatorily* required to make distributions to the beneficiary ~~[pursuant to an]~~ *upon the determination of the trustee that the distribution will satisfy a defined* ascertainable standard ~~[.]~~ *set forth in the instrument and, upon such a determination, the trust instrument does not otherwise condition such distribution authority on the further discretion of the trustee.*

(c) A discretionary interest if the trustee has discretion to determine whether a distribution should be made, when a distribution should be made and the amount of the distribution.

2. If a trust contains a combination of a mandatory interest, a support interest or a discretionary interest, the trust must be separated as:

(a) A mandatory interest only to the extent of the mandatory language provided in the trust;

(b) A support interest only to the extent of the support language provided in the trust; and

(c) A discretionary interest for any remaining trust property.

3. If a trust provides for a support interest that also includes mandatory language but the mandatory language is qualified by discretionary language, the support interest must be classified and separated as a discretionary interest.

4. As used in this section, "ascertainable standard" means a standard relating to a person's health, education, support or maintenance within the meaning of section 2041(b)(1)(A) or 2514(c)(1) of the Internal Revenue Code, 26 U.S.C. § 2041(b)(1)(A) or 2514(c)(1), and any regulations of the United States Treasury promulgated thereunder.

Sec. 12. NRS 163.5553 is hereby amended to read as follows:

163.5553 1. A trust protector may exercise the powers provided to the trust protector in the instrument ~~[in the best interests of the trust.]~~ *subject to the terms and provisions in the instrument.* The powers exercised by a trust protector are at the sole discretion of the trust protector and are binding on all other persons. The powers granted to a trust protector may include, without limitation, the power to:

(a) Modify or amend the instrument to achieve a more favorable tax status or to respond to changes in federal or state law.

(b) Modify or amend the instrument to take advantage of changes in the rule against perpetuities, restraints on alienation or other state laws restricting the terms of a trust, the distribution of trust property or the administration of the trust.

(c) Increase or decrease the interests of any beneficiary under the trust.

(d) Modify the terms of any power of appointment granted by the trust. A modification or amendment may not grant a beneficial interest to a person which was not specifically provided for under the trust instrument.

(e) Remove and appoint a trustee, trust adviser, investment committee member or distribution committee member.

(f) Terminate the trust.

(g) Direct or veto trust distributions.

(h) Change the location or governing law of the trust.

(i) Appoint a successor trust protector or trust adviser.

(j) Interpret terms of the instrument at the request of the trustee.

(k) Advise the trustee on matters concerning a beneficiary.

(l) Review and approve a trustee's reports or accounting.

2. The powers provided pursuant to subsection 1 may be incorporated by reference to this section at the time a testator executes a will or a settlor signs a trust instrument. The powers provided pursuant to subsection 1 may be incorporated in whole or in part.

3. Unless otherwise provided in the trust instrument, the powers of the trust protector shall be considered fiduciary in nature. The trust instrument may define the scope and extent of a fiduciary standard applicable to the exercise of any power of the trust protector, including, without limitation, reducing or relieving the trust protector of a fiduciary duty.

Sec. 13. Chapter 164 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Confidential information relating to trusts that is contained in petitions and subsequent related findings under this title or title 12 of NRS may be redacted and filed under seal without a prior court order so long as the unredacted and complete copies of such petitions and filings are promptly provided to the court in camera and to all persons entitled to notice thereto.

2. Unless the court orders otherwise, confidential information once redacted or filed under seal must be redacted and filed under seal without a prior court order in all subsequent filings and orders in the matter relating to the petition, and unredacted and complete copies of such filings and orders must be promptly provided in camera to the court and to all persons entitled to copies thereto, as appropriate.

3. Nothing in this section shall be construed to abridge the power of any court of competent jurisdiction to order the production of unredacted and complete copies of petitions, filings and orders that have been redacted or filed

under seal to an interested person, as defined in NRS 132.185, or to other persons for cause shown.

4. As used in this section, "confidential information" includes:

(a) Trust instruments, inventories, accountings and reports;

(b) The names and addresses of trust settlors and beneficiaries;

(c) Trust dispositive terms, including, without limitation:

(1) The identity and amount of distributions or gifts; and

(2) Powers of appointments;

(d) Corporate and company records relating to trusts;

(e) Personally identifying information, including, without limitation, social security numbers and dates of birth; and

(f) Any other information ~~[ordered by]~~ the court ~~[,]~~ deems confidential, if the interest in protecting the confidentiality of the information outweighs the public interest in accessing such information.

Sec. 14. NRS 164.010 is hereby amended to read as follows:

164.010 1. Upon petition of any person appointed as trustee of an express trust by any written instrument other than a will, or upon petition of a settlor or beneficiary of the trust, the district court ~~[of the county in which any trustee resides or conducts business at the time of the filing of the petition or in which the trust has been domiciled as of the time of the filing of the petition]~~ shall assume jurisdiction of the trust as a proceeding in rem unless another court has properly assumed continuing jurisdiction in rem in accordance with the laws of that jurisdiction and the district court determines that it is not appropriate for the district court to assume jurisdiction under the circumstances.

2. For the purposes of this section, ~~[a trust is domiciled]~~ *jurisdiction is proper* in this State ~~[notwithstanding that the trustee neither resides nor conducts business in this State]~~ if:

(a) The trust instrument expressly provides that ~~[the]~~ *:*

(1) The situs of the trust is in this State *or a county located in this State;* or ~~[that a]~~

(2) A court in this State has jurisdiction over the trust;

(b) A person has designated for the trust that this State *or a county located in this State* is the situs or has jurisdiction, if such person made the designation at a time during which he or she held the power to make such a designation under the express terms of the trust instrument;

(c) The trust owns an interest in real property located in this State;

(d) The trust owns personal property, wherever situated, if the trustee is:

(1) Incorporated or authorized to do business in this State;

(2) A trust company licensed under chapter 669 of NRS;

(3) A family trust company, as defined in NRS 669A.080; or

(4) A national association having an office in this State;

(e) ~~[One or more beneficiaries of the trust reside]~~ *Any trustee resides or conducts business* in this State; or

(f) At least part of the administration of the trust occurs in this State.

3. Notwithstanding the provisions of this section, if a court of a jurisdiction other than this State has jurisdiction over a trust and grants an order authorizing a transfer of jurisdiction over that trust to this State, the district court has the power to assume jurisdiction over the trust and to otherwise supervise the administration of that trust in accordance with the procedures set forth in this title.

4. For the purposes of determining venue ~~[,]~~ *within this State,* preference is given in the following order:

(a) To the county in which ~~[the situs or domicile]~~ *venue* was most recently declared by a person granted the power to make such a declaration under the terms of the trust instrument at the time of the filing of the petition;

(b) To the county in which ~~[the situs or domicile]~~ *venue* is declared in the trust instrument; ~~[and]~~

(c) To the county in which the situs or domicile is declared by the trustee at the time of the filing of the petition in a certification of the trust which complies with subsection 2 of NRS 164.400 and subsection 2 of NRS 164.410 and which contains a declaration of the trust's situs or domicile as authorized in subsection 1 of NRS 164.410 ~~[.]~~ *;*

(d) To a county in which any trustee resides or conducts business at the time of the filing of the petition;

(e) To a county in which any real property interest owned by the trust is located; and

(f) To a county in which any beneficiary of the trust resides.

5. When the court assumes jurisdiction pursuant to this section, the court:

(a) Has jurisdiction of the trust as a proceeding in rem as of the date of the filing of the petition;

(b) Shall be deemed to have personal jurisdiction over any trustee confirmed by the court and any person appearing in the matter, unless such an appearance is made solely for the purpose of objecting to the jurisdiction of the court;

(c) May confirm at the same time the appointment of the trustee and specify the manner in which the trustee must qualify; and

(d) May consider at the same time granting orders on other matters relating to the trust, including, without limitation, matters that might be addressed in a declaratory judgment relating to the trust under subsection 2 of NRS 30.040 or petitions filed pursuant to NRS 153.031 or 164.015 whether such matters are raised in the petition to assume jurisdiction pursuant to this section or in one or more separate petitions that are filed concurrently with the petition to assume jurisdiction.

6. At any time, ~~[the]~~ *a* trustee may petition the court for removal of the trust from continuing jurisdiction of the court.

7. As used in this section, "written instrument" includes, without limitation, an electronic trust as defined in NRS 163.0015.

Sec. 15. NRS 164.021 is hereby amended to read as follows:

164.021 1. When a revocable trust becomes irrevocable because of the death of a settlor or by the express terms of the trust, the trustee may, after the trust becomes irrevocable, provide notice to any beneficiary of the irrevocable trust, any heir of the settlor or to any other interested person.

2. The notice provided by the trustee must contain:

(a) The identity of the settlor of the trust and the date of execution of the trust instrument;

(b) The name, mailing address and telephone number of any trustee of the trust;

(c) ~~[Any provision]~~ *The dispositive provisions* of the trust instrument which ~~[pertains]~~ *pertain* to the beneficiary *, a complete copy of the trust instrument* or notice that the heir or interested person is not a beneficiary under the trust;

(d) Any information required to be included in the notice expressly provided by the trust instrument; and

(c) A statement set forth in a separate paragraph, in 12-point boldface type or an equivalent type which states: "You may not bring an action to contest the trust more than 120 days from the date this notice is provided to you."

3. The trustee shall cause notice pursuant to this section to be provided in accordance with the provisions of NRS 155.010.

4. ~~[No]~~ *Except as otherwise provided in this subsection, no* person upon whom notice is provided pursuant to this section may bring an action to contest the validity of the trust more than 120 days from the date the notice ~~[pursuant to this section is provided, regardless of whether a petition under NRS 164.010 is subsequently]~~ *is* served upon the person *,* ~~[after the notice is provided,]~~ unless the person proves that he or she ~~[was not provided]~~ *did not receive actual* notice *.* ~~[in accordance with this section.]~~ *A person upon whom notice is provided pursuant to this section may provide consent in writing to a period of less than 120 days in which the person may bring an action to contest the validity of the trust.*

5. For the purposes of paragraph (c) of subsection 2, a copy of the trust instrument shall be considered complete if it includes all amendments and restatements to the trust instrument the trustee has determined to be in effect at the time of the death of the settlor after the trustee has exercised due diligence.

6. A trustee is not liable in providing information pursuant to paragraph (c) of subsection 2 to any person whom the trustee has determined, after the exercise of due diligence, to be a beneficiary, heir or interested person.

Sec. 16. NRS 164.410 is hereby amended to read as follows:

164.410 1. A certification of trust may confirm the following facts or contain the following information:

(a) The existence of the trust and date of execution of any trust instrument;

(b) The identity of the settlor and each currently acting trustee;

(c) The powers of the trustee and any restrictions imposed upon the trustee in dealing with assets of the trust;

(d) The revocability or irrevocability of the trust and the identity of any person holding a power to revoke it;

(c) If there is more than one trustee, whether all of the currently acting trustees must or less than all may act to exercise identified powers of the trustee;

(f) A declaration regarding the situs or domicile of the trust and regarding the law that governs the validity, construction and administration of the trust; ~~[and]~~

(g) The form in which title to assets of the trust is to be taken ~~[.]~~ *; and*

(h) A declaration that:

(1) The incapacity of the former trustee of the trust, including a settlor serving as the former trustee, has been determined pursuant to subsection 3, 4 or 6 of section 9 of this act; and

(2) The current acting trustee succeeded to the office of trustee pursuant to subsection 1 of section 9 of this act.

2. The certification must contain a statement that the trust has not been revoked or amended to make any representations contained in the certification incorrect, and that the signatures are those of all the currently acting trustees.

Sec. 17. NRS 164.796 is hereby amended to read as follows:

164.796 1. Unless expressly prohibited by the trust instrument, a trustee may convert a trust into a unitrust if:

(a) The trustee determines conversion to a unitrust will better enable the trustee to carry out the intent of the settlor and the purpose of the trust;

(b) The trustee gives written notice of his or her intention to convert the trust to a unitrust, including how the unitrust will operate, the income distributions rate established pursuant to subsection 3 of NRS 164.797 and subsection 1 of NRS 164.799, and what initial decisions the trustee will make pursuant to this section, to all beneficiaries who:

(1) Are presently eligible to receive income from the trust;

(2) Would be eligible, if a power of appointment were not exercised, to receive income from the trust if the interest of any beneficiary eligible to receive income terminated immediately before the trustee gives notice; and

(3) Would receive, if a power of appointment were not exercised, a distribution of principal if the trust terminated immediately before the trustee gives notice;

(c) There is at least one beneficiary who meets the requirements of subparagraph (1) of paragraph (b) and at least one beneficiary who meets the requirements of subparagraph (2) of paragraph (b); and

(d) No beneficiary objects, in writing and delivered to the trustee within 60 days of the mailing of the notice, to the conversion of the trust to a unitrust.

2. If a beneficiary timely objects to converting a trust into a unitrust, or if there are no beneficiaries under either subparagraph (1) or (3) of paragraph (b) of subsection 1, the trustee may petition the court to approve the conversion of

the trust into a unitrust. The court shall approve the conversion if the court concludes that the conversion will enable the trustee to better carry out the intent of the settlor and the purpose of the trust.

3. A beneficiary may request that a trustee convert a trust into a unitrust. If the trustee does not convert the trust, the beneficiary may petition the court to order the conversion. The court shall direct the conversion if the court concludes that the conversion will enable the trustee to better carry out the intent of the settlor and the purpose of the trust.

4. A trustee, in determining whether and to what extent to convert a trust to a unitrust pursuant to subsection 1, shall consider all factors relevant to the trust and to the beneficiaries, including the factors set forth in subsection 2 of NRS 164.795, as applicable.

5. A conversion of a trust to a unitrust does not affect a term of the trust directing or authorizing the trustee to distribute principal or authorizing a beneficiary to withdraw all or a portion of the principal.

6. A trustee may not convert a trust into a unitrust in any circumstance set forth in subsection 3 of NRS 164.795.

7. If a trustee is prevented from converting a trust because a provision of paragraph (c), (f), (g) or (h) of subsection 3 of NRS 164.795 applies to the trustee and if there is a cotrustee to whom such provisions do not apply, the cotrustee may convert the trust unless the exercise of the power by the remaining trustee is not permitted by the terms of the trust. If all trustees are prevented from converting a trust because a provision of paragraph (c), (f), (g) or (h) of subsection 3 of NRS 164.795 applies to all of the trustees, the trustees may petition the court to direct a conversion.

8. A trustee may permanently, or for a specified period, including a period measured by the life of a person, release the power to convert a trust pursuant to subsection 1 if:

(a) The trustee is uncertain about whether possessing or exercising the power of conversion will cause a result described in paragraphs (a) to (f), inclusive, or (h) of subsection 3 of NRS 164.795; or

(b) The trustee determines that possessing or exercising the power of conversion may or will deprive the trust of a tax benefit or impose a tax burden not described in subsection 3 of NRS 164.795.

9. A trustee or disinterested person who, in good faith, *takes or* fails to take any action under this section is not liable to any person affected by such action or inaction, regardless of whether the affected person received notice as provided in this section or was under a legal disability at the time of delivery of notice. An affected person's exclusive remedy is to petition the court for an order directing the trustee to convert the trust into a unitrust, to reconvert a unitrust into a trust or to change the percentage used to calculate the unitrust amount.

10. This section shall be construed to pertain to the administration of a trust, and the provisions of this section are available to any trust administered in this State or that is governed by the laws of this State, unless:

(a) The terms of the trust instrument show an intent that a beneficiary is to receive an amount other than a reasonable current return from the trust;

(b) The trust:

(1) Has a guaranteed annuity interest or fixed percentage interest as described in section 170(f)(2)(B) of the Internal Revenue Code;

(2) Is a charitable remainder trust within the meaning of section 664(d) of the Internal Revenue Code;

(3) Is a qualified subchapter S trust within the meaning of section 1361(c) of the Internal Revenue Code;

(4) Is a personal residence trust within the meaning of section 2702(a)(3)(A) of the Internal Revenue Code; or

(5) Is a trust in which one or more settlors retain a qualified interest within the meaning of section 2702(b) of the Internal Revenue Code;

(c) One or more persons to whom the trustee could distribute income have a power of withdrawal over the trust that is not subject to an ascertainable standard or that can be exercised to discharge a duty of support; or

(d) The terms of the trust instrument expressly prohibit the use of the provisions of this section through reference to this section or the trust instrument expressly states the settlor's intent that net income is not calculated as a unitrust amount.

11. As used in this section, "ascertainable standard" means a standard relating to an individual's health, education, support or maintenance within the meaning of section 2041(b)(1)(A) or 2514(c)(1) of the Internal Revenue Code and any regulations of the United States Treasury promulgated thereunder.

Sec. 18. 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, 3.2203, 41.0397, 41.071, 49.095, 49.293, 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, 119A.677, 119B.370, 119B.382, 120A.640, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.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, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3923, 209.3925, 209.419, 209.429, 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, 224.240, 226.300, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 232.1369, 233.190, 237.300, 239.0105, 239.0113, 239.014, 239B.026, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 239C.420, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540,

247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.0978, 268.490, 268.910, 269.174, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 284.4086, 286.110, 286.118, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.5757, 293.870, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 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, 361.2242, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.0075, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.033, 391.035, 391.0365, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 393.045, 394.167, 394.16975, 394.1698, 394.447, 394.460, 394.465, 396.1415, 396.1425, 396.143, 396.159, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 414.280, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.4018, 432B.407, 432B.430, 432B.560, 432B.5902, 432C.140, 432C.150, 433.534, 433A.360, 439.4941, 439.4988, 439.840, 439.914, 439A.116, 439A.124, 439B.420, 439B.754, 439B.760, 439B.845, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 442.774, 445A.665, 445B.570, 445B.7773, 447.345, 449.209, 449.245, 449.4315, 449A.112, 450.140, 450B.188, 450B.805, 453.164, 453.720, 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, 480.535, 480.545, 480.935, 480.940, 481.063, 481.091, 481.093, 482.170, 482.368, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484A.469, 484B.830, 484B.833, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 598A.420, 599B.090, 603.070, 603A.210, 604A.303, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.238, 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, 630.2671, 630.2672, 630.2673, 630.30665, 630.336, 630A.327, 630A.555, 631.332, 631.368, 632.121, 632.125, 632.3415, 632.3423, 632.405, 633.283, 633.301, 633.4715, 633.4716, 633.4717, 633.524, 634.055, 634.1303, 634.214, 634A.169, 634A.185, 635.111, 635.158, 636.262, 636.342, 637.085, 637.145, 637B.192, 637B.288, 638.087, 638.089, 639.183, 639.2485, 639.570, 640.075, 640.152, 640A.185, 640A.220, 640B.405, 640B.730, 640C.580, 640C.600, 640C.620, 640C.745, 640C.760, 640D.135, 640D.190, 640E.225, 640E.340, 641.090, 641.221, 641.2215, 641.325, 641A.191, 641A.217, 641A.262, 641B.170, 641B.281, 641B.282, 641C.455, 641C.760, 641D.260, 641D.320, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225,

645D.130, 645D.135, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.126, 652.228, 653.900, 654.110, 656.105, 657A.510, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 678A.470, 678C.710, 678C.800, 679B.122, 679B.124, 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.060, 687A.115, 687B.404, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.325, 706.1725, 706A.230, 710.159, 711.600, *and section 13 of this act*, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.

3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate, including, without limitation, electronically, the confidential information from the information included in the public book or record that is not otherwise confidential.

4. If requested, a governmental entity shall provide a copy of a public record in an electronic format by means of an electronic medium. Nothing in this subsection requires a governmental entity to provide a copy of a public record in an electronic format or by means of an electronic medium if:

(a) The public record:

(1) Was not created or prepared in an electronic format; and

(2) Is not available in an electronic format; or

(b) Providing the public record in an electronic format or by means of an electronic medium would:

(1) Give access to proprietary software; or

(2) Require the production of information that is confidential and that cannot be redacted, deleted, concealed or separated from information that is not otherwise confidential.

5. 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 the medium that is requested 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. 19. This act becomes effective on July 1, 2023.

Senator Scheible moved that the Senate concur in Assembly Amendment No. 637 to Senate Bill No. 407.

Motion carried by a constitutional majority.

Bill ordered enrolled.

Senate Bill No. 436.

The following Assembly amendment was read:

Amendment No. 710.

SUMMARY—Revises provisions relating to service contracts. (BDR 57-873)

AN ACT relating to insurance; requiring the Commissioner of Insurance to submit to the Joint Interim Standing Committee on Commerce and Labor a report concerning the service contract provider industry in this State; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the regulation of providers of service contracts by the Commissioner of Insurance. (Chapter 690C of NRS) Existing law defines a service contract as a contract pursuant to which a provider, in exchange for separately stated consideration, is obligated for a specified period to a holder to repair, replace or perform maintenance on, or indemnify or reimburse the holder for the costs of repairing, replacing or performing maintenance on, goods that are described in the service contract and which have an operational or structural failure as a result of a defect in materials, workmanship or normal wear and tear. Types of service contracts include contracts that: (1) pay reimbursement for towing, rental and emergency road service; and (2) provide for the repair, replacement or maintenance of goods for damages that result from power surges or accidental damage from handling. (NRS 690C.080) Existing law authorizes the Commissioner to assess a civil penalty against a provider who fails to comply with existing law or who violates an order or regulation of the Commissioner. (NRS 690C.330)

This bill requires the Commissioner of Insurance to submit to the Joint Interim Standing Committee on Commerce and Labor an annual report that provides certain information concerning the service contract industry in this State.

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

Section 1. Chapter 690C of NRS is hereby amended by adding thereto the provisions set forth as sections 1.5 and 2 of this act.

Sec. 1.5. (Deleted by amendment.)

Sec. 2. *1. On or before ~~[December]~~ March 31, ~~[2023,]~~ 2024, and on or before ~~[December]~~ March 31 of each year thereafter, the Commissioner shall submit a report to the Joint Interim Standing Committee on Commerce and Labor concerning the service contract industry in this State.*

2. The report must include, without limitation:

(a) For each report other than the initial report, the number of service contracts sold by providers, by county, during the calendar year for which the report is made;

(b) The number of providers doing business in this State;

(c) The number of providers, by the type of service contract provided;

(d) The number of complaints concerning providers received by the Division, by type of complaint ~~[;]~~ and information concerning the resolution of such complaints; and

(c) Any other matter relating to the service contract industry in this State that the Commissioner deems appropriate.

3. To the extent reasonably practicable, the information specified in paragraph (a) of subsection 2 must be disaggregated in the report.

4. As used in this section:

(a) "Provider" has the meaning ascribed to it in NRS 690C.070.

(b) "Service contract" has the meaning ascribed to it in NRS 690C.080.

Sec. 3. 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.

Senator Lange moved that the Senate concur in Assembly Amendment No. 710 to Senate Bill No. 436.

Motion carried by a constitutional majority.

Bill ordered enrolled.

SECOND READING AND AMENDMENT

Senate Bill No. 58.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 790.

SUMMARY—Revises provisions related to the Judicial Department of the State Government. (BDR 1-436)

AN ACT relating to the judiciary; ~~[creating the Judicial Fund and the Judicial Infrastructure Contingency Account;]~~ revising provisions relating to ~~[certain administrative assessments;]~~ the employees of the Judicial Department of the State Government; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~[Existing law creates the Legislative Fund as a special revenue fund for the use of the Legislature. Money in the Legislative Fund does not revert to the~~

~~State General Fund at the end of a fiscal year and is carried forward to the next fiscal year. (NRS 218A.150) Section 2 of this bill: (1) creates the Judicial Fund as a special revenue fund for the use of the Judicial Department of the State Government; and (2) provides that money in the Judicial Fund does not revert to the State General Fund at the end of a fiscal year and is carried forward to the next fiscal year. Section 2 also specifies the authorized purposes for expenditures of money from the Judicial Fund.~~

~~Existing law creates various accounts in the State General Fund to be used to pay for unforeseen expenses resulting from emergencies, including the Emergency Account, the Interim Finance Committee's Contingency Account and the Disaster Relief Account. (NRS 353.263, 353.266, 353.2735) Section 3 of this bill creates the Judicial Infrastructure Contingency Account in the State General Fund to be used by the Judicial Department of the State Government in case of certain emergencies related to its physical or information technology infrastructure.~~

~~Under existing law, a person who pleads or is found guilty or guilty but mentally ill of a misdemeanor is required to pay an administrative assessment in addition to any other penalty imposed by the court. A portion of the proceeds collected from such administrative assessments is required to be deposited in the State General Fund and distributed to the Office of Court Administrator for allocation for certain prescribed uses relating to the Judicial Department of the State Government. Existing law specifically prescribes the amount of those proceeds that the Office of Court Administrator is required to allocate for such uses. (NRS 176.059) Section 4 of this bill eliminates the prescribed amounts for the uses of the proceeds, and therefore allows any amount of the proceeds to be used for one or more of those uses.~~

~~Existing law authorizes a temporary advance from the State General Fund to a budget account which is wholly or partially supported by administrative assessments for misdemeanors. The amount of such an advance is limited to not more in the aggregate in any fiscal year of one-twelfth of the portion of the total money received in the previous year which represents the share of administrative assessments presently allocated to the account. (NRS 353.359) Section 5 of this bill increases the maximum amount of such a temporary advance to one-quarter of that portion.~~

~~Under existing law, any appropriation from the Legislature from the State General Fund for the support or operation of the Supreme Court for a fiscal year is required to be reduced to the extent that the amount of any administrative assessments distributed to the Office of Court Administrator for allocation to the Supreme Court exceeds the amount which is authorized by the Legislature for expenditure from those assessments for that fiscal year. (NRS 2.185) Section 6 of this bill eliminates this requirement.]~~

Existing law authorizes the Governor, within the limits of available money, to employ such persons as the Governor deems necessary to provide staff for the Office of the Governor and requires the Governor to adopt certain rules and policies and determine the salaries and benefits of those employees.

(NRS 223.085) Section 1 of this bill provides the Nevada Supreme Court with the same authority with respect to employees of the Judicial Department of the State Government. Sections 7-12 of this bill make conforming changes related to this authority. Section 13 of this bill requires the Nevada Supreme Court to submit quarterly reports to the Interim Finance Committee during the 2023-2025 biennium regarding any changes in salaries for existing positions and the salaries for any new positions.

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

Section 1. Chapter 1 of NRS is hereby amended by adding thereto ~~[the provisions set forth as sections 2 and 3 of this act.]~~ a new section to read as follows:

1. The Supreme Court may, within the limits of available money, employ such persons as it deems necessary to provide an appropriate staff for the Judicial Department of the State Government.

2. The Supreme Court shall:

(a) Determine the salaries and benefits of the persons employed pursuant to subsection 1, within limits of money available for that purpose; and

(b) Adopt such rules and policies as it deems appropriate to establish the duties and employment rights of the persons employed pursuant to subsection 1.

Sec. 2. ~~[*1. The Judicial Fund is hereby created as a special revenue fund for the use of the Judicial Department of the State Government.*~~

~~*2. Support for the Judicial Fund:*~~

~~*(a) Must be provided by money appropriated by the Legislature from the State General Fund or money authorized for expenditure by the Legislature, or both.*~~

~~*(b) May be provided by gifts, donations, bequests or grants.*~~

~~*3. Money in the Judicial Fund does not revert to the State General Fund at the end of the fiscal year, and the balance in the Judicial Fund must be carried forward to the next fiscal year.*~~

~~*4. Expenditures from the Judicial Fund may be made for, without limitation:*~~

~~*(a) The payment of necessary expenses of the Supreme Court;*~~

~~*(b) The payment of necessary expenses of the Court of Appeals;*~~

~~*(c) The payment of the salaries and benefits of the justices of the Supreme Court, judges of the Court of Appeals and district judges;*~~

~~*(d) The payment of necessary improvements to the Supreme Court Building and other buildings used by the Judicial Department of the State Government and the grounds of those buildings;*~~

~~*(e) The payment of necessary expenses for the operation, activities and programs of the Office of Court Administrator; and*~~

~~*(f) The payment of necessary expenses of the Supreme Court Law Library.*~~

~~*5. Expenditures from the Judicial Fund for purposes other than those specified in subsection 4 or authorized specifically by another statute may be made only upon the authority of the Chief Justice or his or her designee.*~~

~~*6. All money in the Judicial Fund must be paid out on claims approved by the Chief Justice or his or her designee.]*~~ (Deleted by amendment.)

Sec. 3. ~~*[1. The Judicial Infrastructure Contingency Account is hereby created in the State General Fund for the use of the Judicial Department of the State Government in the event of an emergency.*~~

~~*2. When the Chief Justice or his or her designee finds that an emergency exists which requires an expenditure for which no appropriation has been made, or in excess of an appropriation made, the Chief Justice or his or her designee may authorize an expenditure from the Judicial Infrastructure Contingency Account to meet the emergency.*~~

~~*3. Expenditures from the Judicial Infrastructure Contingency Account must be accounted for in accordance with generally accepted accounting principles, as defined in NRS 353.3076.*~~

~~*4. Money in the Judicial Infrastructure Contingency Account does not revert to the State General Fund at the end of a fiscal year, and the balance in the Judicial Infrastructure Contingency Account must be carried forward to the next fiscal year.*~~

~~*5. As used in this section, "emergency" means an unforeseen circumstance which requires immediate action to prevent or mitigate any interruption in the operations of the Judicial Department of the State Government as a result of damage to the physical or information technology infrastructure of the Judicial Department.]*~~ (Deleted by amendment.)

Sec. 4. ~~[NRS 176.059 is hereby amended to read as follows:~~

~~176.059 1. Except as otherwise provided in subsection 2, when a defendant pleads guilty or guilty but mentally ill or is found guilty or guilty but mentally ill of a misdemeanor, including the violation of any municipal ordinance, the justice or judge shall include in the sentence the sum prescribed by the following schedule as an administrative assessment and render a judgment against the defendant for the assessment:~~

~~Fine~~	~~Assessment~~
~~$5 to $49~~	~~$30~~

~~Fine~~	~~Assessment~~
~~50 to 59~~	~~$45~~
~~60 to 69~~	~~50~~
~~70 to 79~~	~~55~~
~~80 to 89~~	~~60~~
~~90 to 99~~	~~65~~
~~100 to 199~~	~~75~~
~~200 to 299~~	~~85~~
~~300 to 399~~	~~95~~
~~400 to 499~~	~~105~~
~~500 to 1,000~~	~~120~~

~~If the justice or judge sentences the defendant to perform community service in lieu of a fine, the justice or judge shall include in the sentence the amount of the administrative assessment that corresponds with the fine for which the defendant would have been responsible as prescribed by the schedule in this subsection.~~

~~2. The provisions of subsection 1 do not apply to:~~

~~(a) An ordinance regulating metered parking; or~~

~~(b) An ordinance which is specifically designated as imposing a civil penalty or liability pursuant to NRS 244.3575 or 268.019.~~

~~3. The money collected for an administrative assessment must not be deducted from the fine imposed by the justice or judge but must be taxed against the defendant in addition to the fine. The money collected for an administrative assessment must be stated separately on the court's docket and must be included in the amount posted for bail. If bail is forfeited, the administrative assessment included in the amount posted for bail pursuant to this subsection must be disbursed in the manner set forth in subsection 5 or 6. If the defendant is found not guilty or the charges are dismissed, the money deposited with the court must be returned to the defendant. If the justice or judge cancels a fine because the fine has been determined to be uncollectible, any balance of the fine and the administrative assessment remaining unpaid shall be deemed to be uncollectible and the defendant is not required to pay it. If a fine is determined to be uncollectible, the defendant is not entitled to a refund of the fine or administrative assessment the defendant has paid and the justice or judge shall not recalculate the administrative assessment.~~

~~4. If the justice or judge permits the fine and administrative assessment to be paid in installments, the payments must be first applied to the unpaid balance of the administrative assessment. The city treasurer shall distribute partially collected administrative assessments in accordance with the requirements of subsection 5. The county treasurer shall distribute partially collected administrative assessments in accordance with the requirements of subsection 6.~~

~~5. The money collected for administrative assessments in municipal court must be paid by the clerk of the court to the city treasurer on or before the fifth day of each month for the preceding month. The city treasurer shall distribute, on or before the 15th day of that month, the money received in the following amounts for each assessment received:~~

~~(a) Two dollars to the county treasurer for credit to a special account in the county general fund for the use of the county's juvenile court or for services to juvenile offenders. Any money remaining in the special account after 2 fiscal years must be deposited in the county general fund if it has not been committed for expenditure. The county treasurer shall provide, upon request by a juvenile court, monthly reports of the revenue credited to and expenditures made from the special account.~~

~~(b) Seven dollars for credit to a special revenue fund for the use of the municipal courts. Any money remaining in the special revenue fund after~~

~~2 fiscal years must be deposited in the municipal general fund if it has not been committed for expenditure. The city treasurer shall provide, upon request by a municipal court, monthly reports of the revenue credited to and expenditures made from the special revenue fund.~~

~~(c) Five dollars to the State Controller for credit to the State General Fund.~~

~~(d) The remainder of each assessment to the State Controller for credit to a special account in the State General Fund for distribution as provided in subsection 8.~~

~~6. The money collected for administrative assessments in justice courts must be paid by the clerk of the court to the county treasurer on or before the fifth day of each month for the preceding month. The county treasurer shall distribute, on or before the 15th day of that month, the money received in the following amounts for each assessment received:~~

~~(a) Two dollars for credit to a special account in the county general fund for the use of the county's juvenile court or for services to juvenile offenders. Any money remaining in the special account after 2 fiscal years must be deposited in the county general fund if it has not been committed for expenditure. The county treasurer shall provide, upon request by a juvenile court, monthly reports of the revenue credited to and expenditures made from the special account.~~

~~(b) Seven dollars for credit to a special revenue fund for the use of the justice courts. Any money remaining in the special revenue fund after 2 fiscal years must be deposited in the county general fund if it has not been committed for expenditure. The county treasurer shall provide, upon request by a justice court, monthly reports of the revenue credited to and expenditures made from the special revenue fund.~~

~~(c) Five dollars to the State Controller for credit to the State General Fund.~~

~~(d) The remainder of each assessment to the State Controller for credit to a special account in the State General Fund for distribution as provided in subsection 8.~~

~~7. The money apportioned to a juvenile court, a justice court or a municipal court pursuant to this section must be used, in addition to providing services to juvenile offenders in the juvenile court, to improve the operations of the court, or to acquire appropriate advanced technology or the use of such technology, or both. Money used to improve the operations of the court may include expenditures for:~~

~~(a) Training and education of personnel;~~

~~(b) Acquisition of capital goods;~~

~~(c) Management and operational studies; or~~

~~(d) Audits.~~

~~8. Of the total amount deposited in the State General Fund pursuant to paragraph (d) of subsection 5 and paragraph (d) of subsection 6, the State Controller shall distribute the money received to the following public agencies in the following manner:~~

~~(a) Not less than 51 percent to the Office of Court Administrator for [allocation as follows:~~

~~(1) Forty-six and three-quarters percent of the amount distributed to the Office of Court Administrator for:~~

~~(I)] :~~

~~*(1)* The administration of the courts;~~

~~[(II)] *(2)* The development of a uniform system for judicial records; [and~~

~~(III)] *(3)* Continuing judicial education [.~~

~~(2) Thirty-seven and three-quarters percent of the amount distributed to the Office of Court Administrator for the] ;~~

~~*(4) The* Supreme Court [.~~

~~(3) Three and one-half percent of the amount distributed to the Office of Court Administrator for the] ;~~

~~*(5) The* payment for the services of retired justices, retired judges of the Court of Appeals and retired district judges [.~~

~~(4) Twelve percent of the amount distributed to the Office of Court Administrator for the] *; and*~~

~~*(6) The* provision of specialty court programs.~~

~~(b) Not more than 49 percent must be used to the extent of legislative authorization for the support of:~~

~~(1) The Central Repository for Nevada Records of Criminal History;~~

~~(2) The Peace Officers' Standards and Training Commission;~~

~~(3) The operation by the Department of Public Safety of a computerized interoperative system for information related to law enforcement;~~

~~(4) The Fund for the Compensation of Victims of Crime;~~

~~(5) The Advisory Council for Prosecuting Attorneys; and~~

~~(6) Programs within the Office of the Attorney General related to victims of domestic violence.~~

~~9. Any money deposited in the State General Fund pursuant to paragraph (d) of subsection 5 and paragraph (d) of subsection 6 that is not distributed or used pursuant to paragraph (b) of subsection 8 must be transferred to the uncommitted balance of the State General Fund.~~

~~10. As used in this section:~~

~~(a) "Juvenile court" has the meaning ascribed to it in NRS 62A.180.~~

~~(b) "Office of Court Administrator" means the Office of Court Administrator created pursuant to NRS 1.320.]~~ (Deleted by amendment.)

Sec. 5. ~~[NRS 353.359 is hereby amended to read as follows:~~

~~353.359 1. The State Controller shall draw his or her warrant, upon application by an agency responsible for the administration of an account which is wholly or partially supported by administrative assessments pursuant to NRS 176.059, for not more in the aggregate in any fiscal year than [1/12th] *one quarter* of the portion of the total money received in the previous year which represents the share of administrative assessments presently allocated to the account.~~

~~2. An agency shall not apply for an advance pursuant to subsection 1 unless the application is first approved by the Director of the Office of Finance.~~

~~3. Any money which is advanced from the State General Fund to an account pursuant to subsection 1 must be repaid as soon as the money which the advance replaced is deposited in the account. If the money deposited in the account in any fiscal year is insufficient to pay back the money advanced, an amount equal to the shortfall is hereby contingently appropriated from the State General Fund to the account.~~

~~4. The Director of the Office of Finance shall notify the Fiscal Analysis Division of the Legislative Counsel Bureau if:~~

~~(a) The Director approves an advance pursuant to subsection 2.~~

~~(b) The money deposited in an account in any fiscal year is insufficient to pay back the money advanced pursuant to subsection 1.~~] (Deleted by amendment.)

Sec. 6. ~~[NRS 2.185 is hereby repealed.]~~ (Deleted by amendment.)

Sec. 7. NRS 1.340 is hereby amended to read as follows:

1.340 The Court Administrator, with the approval of the Supreme Court, may appoint and fix *, within the limits of legislative appropriations,* the compensation of such assistants as are necessary to enable the Court Administrator to perform the duties required by NRS 1.320 to 1.370, inclusive.

Sec. 8. NRS 2.230 is hereby amended to read as follows:

2.230 The Clerk of the Supreme Court may, under the hand and seal of the Clerk, appoint deputies in his or her office ~~[.]~~ *, within the limits of legislative appropriations.* A deputy so appointed may, during the absence or inability of the Clerk of the Supreme Court, perform all of the duties of a ministerial nature requisite and pertaining to the office.

Sec. 9. NRS 2.240 is hereby amended to read as follows:

2.240 The Clerk of the Supreme Court is authorized to employ *, within the limits of legislative appropriations,* persons necessary to carry out the duties of his or her office.

Sec. 10. NRS 2.295 is hereby amended to read as follows:

2.295 The Supreme Court, or a majority thereof, is authorized to appoint and employ *, within the limits of legislative appropriations,* one or more persons to provide for the safety and security of the justices and employees of the Supreme Court and to carry out any necessary police duties at the direction of the Chief Justice to maintain safe and reasonable access to justice for residents of Nevada.

Sec. 11. NRS 2.310 is hereby amended to read as follows:

2.310 The Supreme Court may *, within the limits of legislative appropriations,* appoint an Official Reporter who must be a certified court reporter and who shall perform such duties as may be required by the Court.

Sec. 12. NRS 2.430 is hereby amended to read as follows:

2.430 1. The Supreme Court may appoint a Librarian, who shall serve at the pleasure of the Supreme Court.

2. The Supreme Court Law Librarian, with the approval of the Supreme Court, may , *within the limits of legislative appropriations*, employ such personnel as the execution of the Librarian's duties and the maintenance and operation of the Library may require.

3. All of the personnel of the Supreme Court Law Library are exempt from the provisions of chapter 284 of NRS, and are entitled to such leaves of absence as the Supreme Court prescribes.

Sec. 13. During the 2023-2025 biennium, the Nevada Supreme Court shall submit a quarterly report to the Interim Finance Committee regarding:

1. Any change made during that calendar quarter to the salaries approved for positions in the Judicial Department Staff Salaries budget account by the 82nd Session of the Nevada Legislature.

2. Any new position created during that calendar quarter and the salary for that position.

~~[Sec. 7.]~~ *Sec. 14.* This act becomes effective on July 1, 2023. ~~[~~

~~TEXT OF REPEALED SECTION~~

~~2.185 Appropriation for support or operation of Court must be reduced based on administrative assessments to be allocated to Court; duty of Court.~~

~~1. Any amount appropriated by the Legislature from the State General Fund for the support or operation of the Supreme Court during a fiscal year must be reduced to the extent that the amount of any administrative assessments distributed to the Office of the Court Administrator for allocation to the Supreme Court pursuant to NRS 176.059 exceeds the amount which is authorized by the Legislature for expenditure from those assessments for that fiscal year.~~

~~2. The Supreme Court shall reserve for reversion each fiscal year the amount by which an appropriation from the State General Fund must be reduced pursuant to subsection 1, and that amount reverts to the State General Fund upon the close of that fiscal year by the State Controller.]~~

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 790 to Senate Bill No. 58 eliminates provisions originally requested in the bill and adds the following: section 1 allows the Supreme Court to employ such persons as it deems necessary to provide an appropriate staff for the Judicial Department of the State Government with the salaries and benefits determined by the Supreme Court, within the limits of money available for that purpose and section 13 requires the Supreme Court to report quarterly to the Interim Finance Committee during the 2023-2025 biennium regarding any change made during that calendar quarter to the salaries approved for positions in the Judicial Department Staff Salaries budget account by the 2023 Legislature.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 467.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 791.

SUMMARY—Makes an appropriation to the Department of Taxation for the relocation of its Carson City office. (BDR S-1154)

AN ACT making an appropriation to the Department of Taxation for the relocation of its Carson City office; and providing other matters properly relating thereto.

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

Section 1. 1. There is hereby appropriated from the State General Fund to the Department of Taxation the sum of ~~[$1,454,948]~~ $1,415,085 for the relocation of its Carson City office.

2. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2025, 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 19, 2025, 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 19, 2025.

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

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 791 to Senate Bill No. 467 revises section 1 and decreases the appropriation from the State General Fund to the Department of Taxation from $1,454,948 to $1,415,085.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 475.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 792.

SUMMARY—Makes appropriations to and authorizes the expenditure of money by the Department of Employment, Training and Rehabilitation for the replacement of computer hardware and associated software. (BDR S-1175)

AN ACT making appropriations to and authorizing the expenditure of money by the Department of Employment, Training and Rehabilitation for the replacement of computer hardware and associated software; and providing other matters properly relating thereto.

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

Section 1. There is hereby appropriated from the State General Fund to the Commission on Postsecondary Education within the Employment Security Division of the Department of Employment, Training and Rehabilitation the sum of $8,840 for the replacement of computer hardware and associated software.

Sec. 2. 1. There is hereby appropriated from the State General Fund to the Bureau of Vocational Rehabilitation in the Rehabilitation Division of the Department of Employment, Training and Rehabilitation the sum of ~~[$67,627]~~ $19,907 for the replacement of computer hardware and associated software.

2. Expenditure of ~~[$249,868]~~ $73,546 not appropriated from the State General Fund or the State Highway Fund is hereby authorized during Fiscal Year 2023-2024 and Fiscal Year 2024-2025 by the Bureau of Vocational Rehabilitation in the Rehabilitation Division of the Department of Employment, Training and Rehabilitation for the same purpose as set forth in subsection 1.

Sec. 3. There is hereby appropriated from the State General Fund to the Department of Employment, Training and Rehabilitation the sum of $2,117 for the Nevada P20 Workforce Reporting budget account for the replacement of computer hardware and associated software.

Sec. 4. Any remaining balance of the appropriations made by sections 1, 2 and 3 of this act must not be committed for expenditure after June 30, 2025, 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 19, 2025, 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 19, 2025.

Sec. 5. This act becomes effective upon passage and approval.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 792 to Senate Bill No. 475 revises section 2, which decreases the State General Fund appropriation to the Bureau of Vocational Rehabilitation in the Department of Employment, Training and Rehabilitation for the purchase of computer hardware and software from $67,627 to $19,907 and reduces authorized expenditures not appropriated from the State General Fund or State Highway Fund for the purchase of computer hardware and software from $249,868 to $73,546.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 480.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 793.

SUMMARY—~~[Makes a supplemental appropriation]~~ Revises provisions relating to the Division of Forestry of the State Department of Conservation and Natural Resources. ~~[for an unanticipated shortfall related to firefighting costs.]~~ (BDR S-1105)

AN ACT ~~[making a supplemental appropriation]~~ relating to the Division of Forestry of the State Department of Conservation and Natural Resources ~~[for an unanticipated shortfall]~~ ; requiring the Legislative Auditor to conduct an

audit related to ~~[firefighting costs;]~~ the Forest Fire Suppression budget account; making an appropriation; and providing other matters properly relating thereto.

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

Section 1. There is hereby appropriated from the State General Fund to the Division of Forestry of the State Department of Conservation and Natural Resources the sum of ~~[$15,132,620]~~ $14,967,394 for an unanticipated shortfall related to firefighting costs. This appropriation is supplemental to that made by section 23 of chapter 310, Statutes of Nevada 2021, at page 1808.

Sec. 2. 1. During the 2023-2025 biennium, the Legislative Auditor shall conduct an audit of:

(a) The billing practices of the Division of Forestry of the State Department of Conservation and Natural Resources with respect to the Forest Fire Suppression budget account; and

(b) The accounts receivable and payable in that budget account.

2. The Legislative Auditor shall present a final written report of the audit conducted pursuant to subsection 1 to the Audit Subcommittee of the Legislative Commission not later than January 31, 2025.

~~[Sec. 2.]~~ *Sec. 3.* This act becomes effective upon passage and approval.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 793 to Senate Bill No. 480 decreases the amount of the supplemental appropriation from $15,132,620 to $14,967,394 from the State General Fund to the Division of Forestry of the State Department of Conservation and Natural Resources for an unanticipated shortfall related to firefighting costs in Fiscal Year 2023.

The amendment also adds a requirement for the Legislative Counsel Bureau's Audit Division to review the billing practices of the Division of Forestry with respect to the Forest Fire Suppression budget during the 2023-2024 interim and to present a final report to the Audit Subcommittee of the Legislative Commission by January 31, 2025.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 495.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 794.

SUMMARY—Makes appropriations to and authorizes the expenditure of money by the Division of Child and Family Services of the Department of Health and Human Services for the replacement of computer hardware and associated software, equipment and vehicles and for deferred maintenance projects. (BDR S-1186)

AN ACT making appropriations to and authorizing the expenditure of money by the Division of Child and Family Services of the Department of Health and Human Services for the replacement of computer hardware and

associated software, equipment and vehicles and for deferred maintenance projects; and providing other matters properly relating thereto.

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

Section 1. There is hereby appropriated from the State General Fund to the Division of Child and Family Services of the Department of Health and Human Services the sum of $686,846 for the Information Services budget account for the replacement of computer hardware and associated software.

Sec. 2. 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 $179,070 for the Information Services budget account for the replacement of computer servers.

Sec. 3. 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 $343,646 for the Summit View Youth Center budget account for deferred maintenance projects.

Sec. 4. 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 $55,030 for the Summit View Youth Center budget account for the replacement of commercial cleaning and kitchen equipment.

Sec. 5. 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 $143,948 for the Caliente Youth Center budget account for the replacement of equipment for security and operations.

Sec. 6. 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 ~~[$61,408]~~ $96,988 for the Caliente Youth Center budget account for the replacement of vehicles.

Sec. 7. 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 ~~[$56,741]~~ $61,103 for the Caliente Youth Center budget account for deferred maintenance projects.

Sec. 8. 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 $363,767 for the Nevada Youth Training Center budget account for deferred maintenance projects.

Sec. 9. 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 $190,692 for the Nevada Youth Training Center budget account for the replacement of vehicles.

Sec. 10. 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 $90,894 for the Youth Parole Services budget account for the replacement of radios.

2. Expenditure of $90,893 not appropriated from the State General Fund or the State Highway Fund is hereby authorized during Fiscal Year 2023-2024 and Fiscal Year 2024-2025 by the Division of Child and Family Services of the Department of Health and Human Services for the same purpose as set forth in subsection 1.

Sec. 11. 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 $467,040 for the Southern Nevada Child and Adolescent Services budget account for deferred maintenance projects.

Sec. 12. 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 $21,917 for the Southern Nevada Child and Adolescent Services budget account for the replacement of water heaters.

Sec. 13. Any remaining balance of the appropriations made by sections 1 to 12, inclusive, of this act must not be committed for expenditure after June 30, 2025, 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 19, 2025, 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 19, 2025.

Sec. 14. This act becomes effective upon passage and approval.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Senate Bill No. 495, as amended, makes General Fund appropriations and authorizations to the Division of Child and Family Services of the Department of Health and Human Services in the following amounts: $686,846 in General Fund appropriations for the Information Services budget account for the replacement of computer hardware and associated software; $179,070 in General Fund appropriations for the Information Services budget account for the replacement of two computer servers; 343,646 in General Fund appropriations for the Summit View Youth Center budget account for deferred maintenance projects; $55,030 in General Fund appropriations for the Summit View Youth Center budget account for the replacement of commercial cleaning and kitchen equipment; $143,948 in General Fund appropriations for the Caliente Youth Center budget account for the replacement of equipment for security and operations; $96,988 in General Fund appropriations, as amended, for the Caliente Youth Center budget account for the replacement of vehicles; $61,103 in General Fund appropriations, as amended, for the Caliente Youth Center budget account for deferred maintenance projects; $363,767 in General Fund appropriations for the Nevada Youth Training Center budget account for deferred maintenance projects; $190,692 in General Fund appropriations for the Nevada Youth Training Center budget account for the replacement of vehicles; $90,894 in General Fund appropriations and authorizes $90,893 for the Youth Parole Services budget account for the replacement of radios; $467,040 in General Fund appropriations for the Southern Nevada Child and Adolescent Services budget account for deferred maintenance projects; and $21,917 in General Fund appropriations for the Southern Nevada Child and Adolescent Services budget account for the replacement of water heaters.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 498.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 795.

SUMMARY—Makes appropriations to the Division of Museums and History of the Department of Tourism and Cultural Affairs for the replacement and purchase of computer hardware, software and related services, office furniture, equipment and vehicles and for deferred maintenance projects. (BDR S-1132)

AN ACT making appropriations to the Division of Museums and History of the Department of Tourism and Cultural Affairs for the replacement and purchase of computer hardware, software and related services, office furniture, equipment and vehicles and for deferred maintenance projects; and providing other matters properly relating thereto.

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

Section 1. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $5,040 for the Museums and History Administration budget account for the replacement of computer hardware and associated software.

Sec. 2. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $6,164 for the Museums and History Administration budget account for the costs of computer subscription services.

Sec. 3. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $9,825 for the Lost City Museum budget account for the replacement of computer hardware and associated software.

Sec. 4. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $19,400 for the Lost City Museum budget account for deferred maintenance projects.

Sec. 5. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of ~~[$27,418]~~ $57,485 for the Lost City Museum budget account for the replacement of a vehicle.

Sec. 6. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $7,158 for the Nevada Historical Society budget account for the replacement of computer hardware and associated software.

Sec. 7. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $5,074 for the Nevada Historical Society budget account for the purchase of office furniture.

Sec. 8. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $54,190 for the Nevada Historical Society budget account for deferred maintenance projects.

Sec. 9. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $11,139 for the Nevada State Museum, Carson City, budget account for the replacement of computer hardware and associated software.

Sec. 10. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $5,250 for the Nevada State Museum, Carson City, budget account for the costs of a building surge protection system.

Sec. 11. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $68,000 for the Nevada State Museum, Carson City, budget account for the costs of updating the online plant collection database.

Sec. 12. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $6,354 for the Nevada State Museum, Las Vegas, budget account for the replacement of computer hardware and associated software.

Sec. 13. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of ~~[$39,170]~~ $57,485 for the Nevada State Museum, Las Vegas, budget account for the replacement of a vehicle.

Sec. 14. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $68,825 for the Nevada State Museum, Las Vegas, budget account for deferred maintenance projects.

Sec. 15. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of $24,651 for the Nevada State Railroad Museums budget account for the replacement of computer hardware and associated software.

Sec. 16. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of ~~[$156,072]~~ $185,743 for the Nevada State Railroad Museums budget account for the replacement of vehicles.

Sec. 17. There is hereby appropriated from the State General Fund to the Division of Museums and History of the Department of Tourism and Cultural Affairs the sum of ~~[$342,373]~~ $594,999 for the Nevada State Railroad Museums budget account for deferred maintenance projects.

Sec. 18. Any remaining balance of the appropriations made by sections 1 to 17, inclusive, of this act must not be committed for expenditure after June 30, 2025, 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 19, 2025, 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 19, 2025.

Sec. 19. This act becomes effective upon passage and approval.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 795 to Senate Bill No. 498 makes revisions to various sections of the bill as follows: section 5, which increases the appropriation from the State General Fund for the Lost City Museum budget account from $27,418 to $57,485 for the replacement of a vehicle; section 13, which increases the appropriation from the State General Fund for the Nevada State Museum, Las Vegas, budget account from $39,170 to $57,485 for the replacement of a vehicle; section 16, which increases the appropriation from the State General Fund for the Nevada State Railroad Museums budget account from $156,072 to $185,743 for the replacement of a vehicle; and section 17, which increases the appropriation from the State General Fund for the Nevada State Railroad Museums budget account from $342,373 to $594,999 for deferred maintenance projects.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 62.

Bill read second time and ordered to third reading.

Assembly Bill No. 448.

Bill read second time and ordered to third reading.

GENERAL FILE AND THIRD READING

Senate Bill No. 72.

Bill read third time.

Remarks by Senator Dondero Loop.

Senate Bill No. 72, as amended, directs the Joint Interim Standing Committee on Education to conduct five separate studies on the following topics during the 2023-2024 interim: the mental health and wellness of pupils, teacher workload, licensing requirements for teachers and administrators and the effect of such requirements on the diversity and effectiveness of teachers and administrators, achievement and graduation trends of high school students, and policies and strategies addressing the needs of pupil groups who may require additional resources.

Senate Bill No. 72, as amended, requires the Joint Interim Standing Committee on Education to report its findings and any recommendations for legislation to the Director of the Legislative Counsel Bureau for transmittal to the 83rd Session of the Legislature on or before February 1, 2025.

Roll call on Senate Bill No. 72:

YEAS—18.

NAYS—Hansen, Stone—2.

EXCUSED—Spearman.

Senate Bill No. 72 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 103.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 758.

SUMMARY—Revises provisions governing the Nevada Sentencing Commission within the Department of Sentencing Policy. (BDR 14-308)

AN ACT relating to criminal justice; revising the membership, powers and duties of the Nevada Sentencing Commission; ~~[requiring]~~ establishing the Subcommittee on Misdemeanors of the Sentencing Commission ~~[to conduct an interim study concerning the sentences imposed for misdemeanor offenses in this State;]~~ ; prescribing the membership, powers and duties of the Subcommittee; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Nevada Sentencing Commission within the Department of Sentencing Policy, prescribes the membership of the Sentencing Commission and sets forth various powers and duties of the Sentencing Commission. (NRS 176.0133, 176.0134) Section 2 of this bill revises the membership of the Sentencing Commission to remove a member appointed by the Governor and add: (1) a member who is ~~[the Chief of Staff to the Governor or his or her designee;]~~ an attorney and whose practice primarily consists of representing criminal defendants in a county whose population is less than 55,000 (currently counties other than Clark and Washoe Counties and Carson City); (2) a member who is a district attorney; (3) a member who is a representative of the Central Repository for Nevada Records of Criminal History; and (4) ~~[a member who has expertise in certain sentencing policies and practices; and (5)]~~ a member who is a faculty member in the Nevada System of Higher Education. Section 2 also: (1) prescribes certain additional requirements relating to members of the Sentencing Commission who are district attorneys; and (2) authorizes the Sentencing Commission to establish working groups, task forces and similar entities to assist in its work.

Section 3 of this bill removes certain specific requirements relating to recommendations of the Sentencing Commission. Section 3 also removes requirements that the Sentencing Commission: (1) provide certain training regarding sentencing; (2) act as a sentencing policy resource for this State; and (3) propose and recommend statutory sentencing guidelines. Section ~~[1]~~ 1.9 of this bill makes a conforming change relating to the duties of the Sentencing Commission.

Section ~~[4]~~ 1.5 of this bill ~~[requires]~~ creates the Subcommittee on Misdemeanors of the Sentencing Commission ~~[to conduct an interim study concerning the sentences imposed for misdemeanor offenses in this State.]~~ and sets forth its membership and duties. Section ~~[4 requires that such a study include an evaluation of: (1) the offenses punishable as misdemeanors in this State; (2) the laws governing misdemeanor offenses in other states and territories of the United States; and (3) any other data the Sentencing Commission determines is relevant to]~~ 1.7 of this bill authorizes the ~~[study.]~~ Chair of the Subcommittee to appoint working groups to aid in the work of the Subcommittee. Section 1.7 provides that all information and materials

received or prepared by a working group are confidential. Section 4.5 of this bill makes a conforming change relating to the information and materials made confidential pursuant to section 1.7. Section ~~[4 requires]~~ 1.3 of this bill defines the ~~[Sentencing Commission to submit a report of the results of the study and any recommendations for legislation to the Joint Interim Standing Committee on the Judiciary and the Director of the Legislative Counsel Bureau for transmittal to the 83rd Session of the Nevada Legislature.]~~ term "subcommittee" for purposes of the provisions of sections 1.5 and 1.7. Section 1.8 of this bill makes a conforming change to indicate the proper placement of sections 1.3-1.7 in the Nevada Revised Statutes.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED (c)N SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 176 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3, 1.5 and 1.7 of this act.

Sec. 1.3. "Subcommittee" means the Subcommittee on Misdemeanors of the Sentencing Commission.

Sec. 1.5. 1. There is hereby created the Subcommittee on Misdemeanors of the Sentencing Commission, consisting of members appointed by the Chair of the Sentencing Commission, who must include, without limitation:

(a) One member who has expertise in:

(1) Policies and practices regarding misdemeanor sentencing implemented in this State and other states; and

(2) Administrative assessments, fines and fees related to the criminal justice system in this State and other states;

(b) One member who is a city attorney;

(c) One member who is an attorney, experienced in defending criminal actions; and

(d) One member who serves as a court administrator for a justice or municipal court.

2. The Chair of the Sentencing Commission shall designate one of the members of the Subcommittee to serve as the Chair of the Subcommittee.

3. The Subcommittee shall meet at the times and places specified by a call of the Chair. A majority of the members of the Subcommittee constitutes a quorum, and a quorum may exercise all the power or authority conferred on the Subcommittee. Members of the Subcommittee shall serve without compensation.

4. The Subcommittee shall:

(a) Study existing laws, policies and practices relating to misdemeanor offenses in this State and other states, including, without limitation, the sentences imposed for misdemeanor offenses in this State and other states; and

(b) Submit a biennial report describing the findings, conclusions and recommendations of the subcommittee to the Sentencing Commission.

Sec. 1.7. 1. The Chair of the Subcommittee may appoint working groups composed of persons with subject matter expertise, including, without

limitation, representations of criminal justice agencies in this State to aid in the work of the Subcommittee.

2. The Chair of the Subcommittee may appoint any person the Chair deems appropriate to serve on a working group, which may include, without limitation, representatives of criminal justice agencies within this State.

3. All information and materials received or prepared by a working group are confidential and not public record for purposes of chapter 239 of NRS.

4. The members of a working group serve without compensation.

Sec. 1.8. NRS 176.01313 is hereby amended to read as follows:

176.01313 As used in NRS 176.0131 to 176.014, inclusive, *and sections 1.3, 1.5 and 1.7 of this act*, unless the context otherwise requires, the words and terms defined in NRS 176.01315, 176.01317 and 176.0132 *and section 1.3 of this act* have the meanings ascribed to them in those sections.

~~[Section 1.]~~ *Sec. 1.9.* NRS 176.01327 is hereby amended to read as follows:

176.01327 The Executive Director appointed pursuant to NRS 176.01323 shall:

1. Oversee all of the functions of the Department.

2. Serve as Executive Secretary of the Sentencing Commission without additional compensation.

3. Report to the Sentencing Commission on sentencing and related issues regarding the functions of the Department and provide such information to the Sentencing Commission as requested.

4. Assist the Sentencing Commission in determining necessary and appropriate recommendations to assist in carrying out the responsibilities of the Department.

5. Establish the budget for the Department.

6. Facilitate the collection and aggregation of data from the courts, Department of Corrections, Division of Parole and Probation of the Department of Public Safety and any other agency of criminal justice.

7. Identify variables or sets of data concerning criminal justice that are not currently collected or shared across agencies of criminal justice within this State.

8. Assist in preparing and submitting the comprehensive report required to be prepared by the Sentencing Commission pursuant to subsection ~~[11]~~ *5* of NRS 176.0134.

9. Assist the Sentencing Commission in carrying out its duties pursuant to subsections 2 and 3 of NRS 176.01347 relating to the calculation of the costs avoided by this State for the immediately preceding fiscal year because of the enactment of chapter 633, Statutes of Nevada 2019, and in preparing a report containing the projected amount of such costs for the next biennium and recommendations for the reinvestment of the amount of the costs.

10. Take any other actions necessary to carry out the powers and duties of the Sentencing Commission pursuant to NRS 176.0131 to 176.014, inclusive.

Sec. 2. NRS 176.0133 is hereby amended to read as follows:

176.0133 1. The Nevada Sentencing Commission is hereby created within the Department. The Sentencing Commission consists of:

(a) One member ~~[appointed by]~~ *who is* ~~*[the Chief of Staff to the Governor ; or his or her designee;]*~~ *an attorney and whose practice primarily consists of representing criminal defendants in a county whose population is less than 55,000, appointed by the Executive Director of the Department of Indigent Defense Services or his or her designee;*

(b) One member who is a justice of the Supreme Court of Nevada or a retired justice of the Supreme Court of Nevada, appointed by the Chief Justice of the Supreme Court of Nevada;

(c) Two members who are judges appointed by the Chief Justice of the Supreme Court of Nevada;

(d) One member who is a representative of the Administrative Office of the Courts appointed by the Chief Justice of the Supreme Court of Nevada;

(e) The Director of the Department of Corrections;

(f) One member who is a representative of the Office of the Attorney General, appointed by the Attorney General;

(g) ~~[One member who is a district attorney,]~~ *Two members* appointed by the governing body of the Nevada District Attorneys Association ~~[;]~~ *, one of whom must be a district attorney in a county whose population is 100,000 or more and one of whom must be a district attorney in a county whose population is less than 100,000;*

(h) One member who is a representative of the Office of the Clark County Public Defender, appointed by the head of the Office of the Clark County Public Defender;

(i) One member who is a representative of the Office of the Washoe County Public Defender, appointed by the head of the Office of the Washoe County Public Defender;

(j) One member who is an attorney in private practice, experienced in defending criminal actions, appointed by the governing body of the State Bar of Nevada;

(k) One member who has been a victim of a crime or is a representative of an organization supporting the rights of victims of crime, appointed by the Governor;

(l) One member who is a member of the State Board of Parole Commissioners, appointed by the State Board of Parole Commissioners;

(m) One member who is a representative of the Division of Parole and Probation of the Department of Public Safety, appointed by the Governor;

(n) One member who is a representative of the Nevada Sheriffs' and Chiefs' Association, appointed by the Nevada Sheriffs' and Chiefs' Association;

(o) One member who is a representative of the Las Vegas Metropolitan Police Department, appointed by the Sheriff of Clark County;

(p) One member who is a representative of the Division of Public and Behavioral Health of the Department of Health and Human Services;

(q) One member who is a representative of an organization that advocates on behalf of inmates, appointed by the Governor;

(r) Two members who are Senators, one of whom is appointed by the Majority Leader of the Senate and one of whom is appointed by the Minority Leader of the Senate;

(s) Two members who are members of the Assembly, one of whom is appointed by the Speaker of the Assembly and one of whom is appointed by the Minority Leader of the Assembly;

(t) The Director of the Department of Employment, Training and Rehabilitation; ~~[and]~~

(u) One member who is a representative of an organization that works with offenders upon release from incarceration to assist in reentry into the community appointed by the Chair of the Legislative Commission ~~[.]~~ *;*

(v) One member who is a representative of the Central Repository for Nevada Records of Criminal History, appointed by the Director of the Department of Public Safety; *and*

(w) ~~*[One member appointed by the Chair of the Legislative Commission who has expertise in:*~~

~~*(1) The policies and practices regarding misdemeanor sentencing which are employed in this State and other states; and*~~

~~*(2) Administrative assessments, fines and fees imposed upon persons involved in the criminal justice system in this State and other states; and*~~

~~*(x)]*~~ *One member who is a faculty member of the University of Nevada, Las Vegas, or the University of Nevada, Reno, appointed by the Governor.*

2. The Executive Director shall serve as the Executive Secretary of the Sentencing Commission.

3. If any organization listed in subsection 1 ceases to exist, the appointment required pursuant to that subsection must be made by the association's successor in interest, or, if there is no successor in interest, by the Governor.

4. Each appointed member serves a term of 2 years. Members may be reappointed for additional terms of 2 years in the same manner as the original appointments. Any vacancy occurring in the membership of the Sentencing Commission must be filled in the same manner as the original appointment not later than 30 days after the vacancy occurs.

5. The Legislators who are members of the Sentencing Commission are entitled to receive the salary provided for a majority of the members of the Legislature during the first 60 days of the preceding session for each day's attendance at a meeting of the Sentencing Commission.

6. At the first regular meeting of each odd-numbered year, the members of the Sentencing Commission shall elect a Chair by majority vote who shall serve until the next Chair is elected.

7. The Sentencing Commission shall:

(a) Hold its first meeting on or before September 1 of each odd-numbered year; and

(b) Meet at least once every 3 months and may meet at such further times as deemed necessary by the Chair.

8. A member of the Sentencing Commission may designate a nonvoting alternate to attend a meeting in his or her place.

9. A majority of the members of the Sentencing Commission constitutes a quorum for the transaction of business, and a majority of those members present at any meeting is sufficient for any official action taken by the Sentencing Commission. A nonvoting alternate designated by a member pursuant to subsection 8 who attends a meeting of the Sentencing Commission for which the alternate is designated shall be deemed to be a member of the Sentencing Commission for the purpose of determining whether a quorum exists.

10. While engaged in the business of the Sentencing Commission, to the extent of legislative appropriation, each member of the Sentencing Commission is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

11. The Sentencing Commission may establish such working groups, task forces and similar entities from within or outside its membership as necessary to address specific issues or otherwise to assist in its work.

Sec. 3. NRS 176.0134 is hereby amended to read as follows:

176.0134 The Sentencing Commission shall:

1. ~~[Advise the Legislature on proposed legislation and make recommendations with respect to all matters relating to the elements of this State's system of criminal justice which affect the sentences imposed for felonies and gross misdemeanors.~~

~~2.]~~ Evaluate *and study* the effectiveness and fiscal impact of various policies and practices regarding sentencing which are employed in this State and other states, including, without limitation, the use of plea bargaining, probation, programs of enhanced supervision, programs of regimental discipline, imprisonment, sentencing recommendations, mandatory and minimum sentencing, mandatory sentencing for crimes involving the possession, manufacture and distribution of controlled substances, enhanced penalties for habitual criminals, parole, credits against sentences, residential confinement and alternatives to incarceration.

~~[3.]~~ *2.* Recommend changes in the structure of sentencing in this State which ~~[, to]~~ *:*

(a) Are consistent with the public policy set forth in NRS 176.0131; and

(b) To the extent practicable and with consideration for their fiscal impact, incorporate general objectives and goals for sentencing . ~~[, including, without limitation, the following:~~

~~(a) Offenders must receive sentences that increase in direct proportion to the severity of their crimes and their histories of criminality.~~

~~(b) Offenders who have extensive histories of criminality or who have exhibited a propensity to commit crimes of a predatory or violent nature must~~

~~receive sentences which reflect the need to ensure the safety and protection of the public and which allow for the imprisonment for life of such offenders.~~

~~(c) Offenders who have committed offenses that do not include acts of violence and who have limited histories of criminality must receive sentences which reflect the need to conserve scarce economic resources through the use of various alternatives to traditional forms of incarceration.~~

~~(d) Offenders with similar histories of criminality who are convicted of similar crimes must receive sentences that are generally similar.~~

~~(e) Offenders sentenced to imprisonment must receive sentences which do not confuse or mislead the public as to the actual time those offenders must serve while incarcerated or before being released from confinement or supervision.~~

~~(f) Offenders must not receive disparate sentences based upon factors such as race, gender or economic status.~~

~~(g) Offenders must receive sentences which are based upon the specific circumstances and facts of their offenses, including the nature of the offense and any aggravating factors, the savagery of the offense, as evidenced by the extent of any injury to the victim, and the degree of criminal sophistication demonstrated by the offender's acts before, during and after commission of the offense.~~

~~4.~~] *3.* Facilitate the development and maintenance of a statewide sentencing database in collaboration with state and local agencies, using existing databases or resources where appropriate.

~~[5. Provide training regarding sentencing and related issues, policies and practices, and act as a sentencing policy resource for this State.~~

~~6. Evaluate the impact of pretrial, sentencing diversion, incarceration and postrelease supervision programs.~~

~~7. Identify potential areas of sentencing disparity related to race, gender and economic status.~~

~~8. Propose and recommend statutory sentencing guidelines, based on reasonable offense and offender characteristics which aim to preserve judicial discretion and provide for individualized sentencing, for the use of the district courts. If such guidelines are enacted by the Legislature, the Sentencing Commission shall review and propose any recommended changes.~~

~~9. Evaluate whether sentencing guidelines recommended pursuant to subsection 8 should be mandatory and if judicial findings should be required for any departures from the sentencing guidelines.~~

~~10.~~] *4.* Provide recommendations and advice to the Executive Director concerning the administration of the Department, including, without limitation:

(a) Receiving reports from the Executive Director and providing advice to the Executive Director concerning measures to be taken by the Department to ensure compliance with the duties of the Sentencing Commission.

(b) Reviewing information from the Department regarding sentencing of offenders in this State.

(c) Requesting any audit, investigation or review the Sentencing Commission deems necessary to carry out the duties of the Sentencing Commission.

(d) Coordinating with the Executive Director regarding the procedures for the identification and collection of data concerning the sentencing of offenders in this State.

(e) Advising the Executive Director concerning any required reports and reviewing drafts of such reports.

(f) Making recommendations to the Executive Director concerning the budget for the Department, improvements to the criminal justice system and legislation related to the duties of the Sentencing Commission.

(g) Providing advice and recommendations to the Executive Director on any other matter.

~~[11.]~~ *5.* For each regular session of the Legislature, with the assistance of the Department, prepare a comprehensive report including the Sentencing Commission's:

(a) Recommended changes pertaining to sentencing;

(b) Findings;

(c) Recommendations for proposed legislation;

(d) Identification of outcomes resulting from the enactment of chapter 633, Statutes of Nevada 2019, that were tracked and assessed as required pursuant to paragraphs (a), (b) and (c) of subsection 1 of NRS 176.01343;

(e) Identification of trends observed after the enactment of chapter 633, Statutes of Nevada 2019, that were tracked and assessed as required pursuant to paragraph (d) of subsection 1 of NRS 176.01343;

(f) Identification of gaps in the State's data tracking capabilities related to the criminal justice system and recommendations for filling any such gaps as required pursuant to paragraph (c) of subsection 1 of NRS 176.01343;

(g) Recommendations for improvements, changes and budgetary adjustments; and

(h) Additional recommendations for future legislation and policy options to enhance public safety and control corrections costs.

~~[12.]~~ *6.* Submit the report prepared pursuant to subsection ~~[11]~~ *5* not later than January 15 of each odd-numbered year to:

(a) The Office of the Governor;

(b) The Director of the Legislative Counsel Bureau for distribution to the Legislature; and

(c) The Chief Justice of the Nevada Supreme Court.

Sec. 4. ~~[1. The Nevada Sentencing Commission shall conduct a study during the 2023-2024 legislative interim concerning the sentences imposed for misdemeanor offenses in this State, and make a report thereof.~~

~~2. The study and report must include, without limitation, an evaluation of:~~

~~(a) The offenses punishable as misdemeanors in this State;~~

~~(b) The laws governing misdemeanor offenses in other states and territories of the United States; and~~

~~(c) Any other data that the Sentencing Commission determines is relevant to the study.~~

~~3. In conducting the study required by subsection 1, the Sentencing Commission shall consult with and solicit input from persons and organizations with expertise in policies and practices regarding sentencing for misdemeanor offenses.~~

~~4. The Sentencing Commission shall submit a report of the results of the study and any recommendations for legislation to the Joint Interim Standing Committee on the Judiciary and the Director of the Legislative Counsel Bureau for transmittal to the 83rd Session of the Nevada Legislature.]~~ (Deleted by amendment.)

Sec. 4.5. 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, 3.2203, 41.0397, 41.071, 49.095, 49.293, 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, 119A.677, 119B.370, 119B.382, 120A.640, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.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, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3923, 209.3925, 209.419, 209.429, 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, 224.240, 226.300, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 232.1369, 233.190, 237.300, 239.0105, 239.0113, 239.014, 239B.026, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 239C.420, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.0978, 268.490, 268.910, 269.174, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 284.4086, 286.110, 286.118, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.5757, 293.870, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 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, 361.2242, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.0075, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.033, 391.035, 391.0365, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271,

392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 393.045, 394.167, 394.16975, 394.1698, 394.447, 394.460, 394.465, 396.1415, 396.1425, 396.143, 396.159, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 414.280, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.4018, 432B.407, 432B.430, 432B.560, 432B.5902, 432C.140, 432C.150, 433.534, 433A.360, 439.4941, 439.4988, 439.840, 439.914, 439A.116, 439A.124, 439B.420, 439B.754, 439B.760, 439B.845, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 442.774, 445A.665, 445B.570, 445B.7773, 447.345, 449.209, 449.245, 449.4315, 449A.112, 450.140, 450B.188, 450B.805, 453.164, 453.720, 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, 480.535, 480.545, 480.935, 480.940, 481.063, 481.091, 481.093, 482.170, 482.368, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484A.469, 484B.830, 484B.833, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 598A.420, 599B.090, 603.070, 603A.210, 604A.303, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.238, 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, 630.2671, 630.2672, 630.2673, 630.30665, 630.336, 630A.327, 630A.555, 631.332, 631.368, 632.121, 632.125, 632.3415, 632.3423, 632.405, 633.283, 633.301, 633.4715, 633.4716, 633.4717, 633.524, 634.055, 634.1303, 634.214, 634A.169, 634A.185, 635.111, 635.158, 636.262, 636.342, 637.085, 637.145, 637B.192, 637B.288, 638.087, 638.089, 639.183, 639.2485, 639.570, 640.075, 640.152, 640A.185, 640A.220, 640B.405, 640B.730, 640C.580, 640C.600, 640C.620, 640C.745, 640C.760, 640D.135, 640D.190, 640E.225, 640E.340, 641.090, 641.221, 641.2215, 641.325, 641A.191, 641A.217, 641A.262, 641B.170, 641B.281, 641B.282, 641C.455, 641C.760, 641D.260, 641D.320, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.126, 652.228, 653.900, 654.110, 656.105, 657A.510, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 678A.470, 678C.710, 678C.800, 679B.122, 679B.124, 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.060, 687A.115, 687B.404, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.325, 706.1725, 706A.230, 710.159, 711.600, *and section 1.7 of this act,* sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to

be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.

3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate, including, without limitation, electronically, the confidential information from the information included in the public book or record that is not otherwise confidential.

4. If requested, a governmental entity shall provide a copy of a public record in an electronic format by means of an electronic medium. Nothing in this subsection requires a governmental entity to provide a copy of a public record in an electronic format or by means of an electronic medium if:

(a) The public record:

(1) Was not created or prepared in an electronic format; and

(2) Is not available in an electronic format; or

(b) Providing the public record in an electronic format or by means of an electronic medium would:

(1) Give access to proprietary software; or

(2) Require the production of information that is confidential and that cannot be redacted, deleted, concealed or separated from information that is not otherwise confidential.

5. 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 the medium that is requested 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. 5. 1. This section becomes effective on passage and approval.

2. Sections 1 to ~~[4,]~~ 4.5, inclusive, of this act become effective:

(a) Upon passage and approval for the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On July 1, 2023, for all other purposes.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 758 to Senate Bill No. 103 deletes the requirement that the Nevada Sentencing Commission conduct an interim study concerning the sentences imposed for misdemeanor offenses in the State; creates the Subcommittee on Misdemeanors of the Sentencing Commission to study existing laws, policies and practices relating to misdemeanor offenses in this State and other states and prescribes its membership, authorities and duties; and revises the membership of the Nevada Sentencing Commission by removing the Chief of Staff to the Governor or his or her designee and replaces that member with an individual who is an attorney whose practice primarily consists of representing criminal defendants in a county whose population is less than 55,000.

Amendment adopted.

Bill read third time.

Remarks by Senator Harris.

Senate Bill No. 103, as amended, revises the membership, powers and duties of the Nevada Sentencing Commission; establishes the Subcommittee on Misdemeanors of the Sentencing Commission to study existing laws, policies and practices relating to misdemeanor offenses in this State and other states and requires a biennial report be submitted describing the findings, conclusions and recommendations of the Subcommittee to the Nevada Sentencing Commission; and prescribes the membership, powers and duties of the Subcommittee.

Roll call on Senate Bill No. 103:

YEAS—20.

NAYS—None.

EXCUSED—Spearman.

Senate Bill No. 103 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 195.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 751.

SUMMARY—Revises provisions related to cannabis. (BDR 56-452)

AN ACT relating to cannabis; revising provisions relating to disciplinary action taken by the Cannabis Compliance Board against the holder of a license or registration card issued by the Board; requiring the Board to adopt regulations governing the transfer of an ownership interest in a cannabis establishment; revising provisions governing the fees the Board is authorized to charge; requiring the Board to adopt regulations governing the charging and collecting of certain fees; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth the procedures by which the Cannabis Compliance Board may take disciplinary action against a licensee or registrant who violates a provision of existing law governing the cannabis industry in this State or any regulation adopted by the Board. (NRS 678A.500-678A.600) Sections 2 and 4 of this bill authorize the Board to resolve any matter concerning a licensee or registrant who has allegedly committed such a violation by entering into a

consent or settlement agreement with the licensee or registrant so long as the Board discusses and approves the terms of the agreement, and any modification of those terms, at a meeting of the Board. Section 3 of this bill sets forth certain mitigating circumstances concerning a violation. Section 2 requires the Board to consider whether any of those mitigating circumstances exist in determining whether to approve or modify the terms of a consent or settlement agreement.

If the Board elects to proceed with disciplinary action against a licensee or registrant, existing law requires the Board or the Executive Director of the Board to serve upon the licensee or registrant a complaint setting forth the acts or omissions for which the licensee or registrant is charged and certain other information. (NRS 678A.520) Section 5 of this bill requires the complaint to charge multiple alleged violations as a single alleged violation under certain circumstances. Section 5 also requires the complaint to include the penalties being sought against the licensee or registrant.

If the Board determines that a licensee or registrant has violated a provision of existing law governing the cannabis industry in this State or any regulation adopted by the Board, existing law authorizes the Board to: (1) limit, condition, suspend or revoke the license or registration card of the licensee or registrant; (2) impose a civil penalty in an amount established by the Board by regulation; or (3) take both of those actions. (NRS 678A.600) Section 7 of this bill: (1) requires the Board, in determining the appropriate action to be taken against such a licensee or registrant, to consider whether any of the mitigating circumstances set forth in section 3 exist; (2) limits the amount of a civil penalty the Board is authorized to impose for a single violation to $20,000; and (3) authorizes the Board to take certain additional actions. Section 6 of this bill requires that certain information concerning the mitigating factors considered by the Board pursuant to section 7 be included in the written decision of the Board following a disciplinary hearing in certain circumstances.

Existing law requires an applicant for a license to pay to the Board the actual costs incurred by the Board in processing the application, including, without limitation, conducting background checks. (NRS 678B.390) Section 11 of this bill ~~[eliminates the]~~ revises that requirement ~~[that an applicant for a license pay such costs. Section 11]~~ to instead ~~[requires]~~ require an applicant to pay the actual costs paid by the Board to a law enforcement agency or other person who is not an employee of the Board to conduct any background checks in connection with the application.

Existing regulations of the Board require the Board to charge each cannabis establishment, at an hourly rate established by the Board, an assessment for the costs of various ongoing activities of the Board relating to the oversight of the cannabis establishment, including, without limitation routine inspections and audits, the investigation of certain complaints and investigations based on any type of requested transfer of interest. (Nev. Cannabis Compliance Bd. Regs. § 6.025) Section 11 prohibits the Board from charging a licensee,

registrant or applicant for a license or registration card any fee, cost, fine or other charge that is not expressly authorized by the provisions of existing law governing the cannabis industry in this State, including, with certain exceptions ~~[,]~~ set forth in section 11, any charge for the costs of ongoing activities of the Board relating to the oversight of a cannabis establishment.

Existing regulations of the Board set forth various requirements for the transfer of an ownership interest in a cannabis establishment. (Nev. Cannabis Compliance Bd. Regs. § 5.110) Section 10 of this bill specifically requires the Board to adopt regulations by which the holder of an ownership interest in a cannabis establishment may transfer all or any portion of the ownership interest to another qualified person. Section 11 authorizes the Board to charge a cannabis establishment for the actual costs paid by the Board to a law enforcement agency or other person who is not an employee of the Board to conduct any background checks in connection with a transfer of ownership interest in the cannabis establishment.

In addition to any other applicable fees, section 11 also authorizes the Board to charge a licensee or an applicant for a license certain amounts for the costs incurred by the Board in conducting an investigation in connection with: (1) a transfer of an ownership interest in a cannabis establishment; (2) an application for the initial issuance of a license; (3) a request to obtain any approval that may be required by the Board to enter into an agreement to provide management services to a cannabis establishment; and (4) any waiver that is requested pursuant to the provisions of existing law governing cannabis. Section 11 limits the amounts that may be charged to a reasonable hourly fee for each hour spent by agents of the Board in conducting the investigation and travel expenses and per diem allowances for such agents. Section 9.5 of this bill requires the Board to adopt regulations establishing certain procedures and requirements for the charging and collecting of such amounts.

Section 12 of this bill makes a conforming change to refer to provisions that have been renumbered in section 11.

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

Section 1. Chapter 678A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. *1. The Board may, at any time, resolve a matter involving a licensee or registrant who has allegedly violated a provision of this title or any regulation adopted pursuant thereto by entering into a consent or settlement agreement with the licensee or registrant so long as the terms of the agreement, and any modification of those terms, are discussed and approved at a meeting of the Board.*

2. In determining whether to approve or modify the terms of a consent or settlement agreement pursuant to subsection 1, the Board shall consider whether any of the mitigating circumstances set forth in section 3 of this act exist.

3. The Board shall state on the record in any meeting in which the terms of a consent or settlement agreement are approved or modified pursuant to subsection 1:

(a) The determination of the Board as to whether any of the mitigating circumstances set forth in section 3 of this act exist; and

(b) If the Board determines that any of the mitigating circumstances exist, the weight given by the Board to each mitigating circumstance in determining whether to approve or modify the terms of the agreement.

4. If the terms of a consent or settlement agreement impose a civil penalty, the statement required by paragraph (b) of subsection 3 must specify the weight given by the Board to each mitigating circumstance in determining whether to approve or modify the amount of the civil penalty.

Sec. 3. *1. A violation of any provision of this title or any regulation adopted pursuant thereto may be mitigated by any of the following circumstances:*

(a) The licensee or registrant self-reported the violation to the Board or an agent of the Board.

(b) For a violation committed by a licensee, the licensee has:

(1) Submitted to the Board a plan to correct the violation which has been approved by the Board or deemed approved pursuant to subsection 2; and

(2) Taken action to correct the violation.

(c) The licensee or registrant has made a good faith effort to prevent violations from occurring, including, without limitation, by:

(1) Providing regular training to the employees of the licensee or registrant which has been documented and which was provided before the commencement of an investigation by the Board concerning the violation; or

(2) Establishing, before the commencement of an investigation by the Board concerning the violation, standard operating procedures that include procedures which directly address the conduct constituting the violation.

(d) The licensee or registrant has cooperated in the investigation of the violation in such a manner as to demonstrate that the licensee or registrant accepts responsibility for the violation.

(e) Any other mitigating circumstance established by the Board by regulation exists.

2. For the purposes of subparagraph (1) of paragraph (b) of subsection 1, if a licensee has submitted a plan to correct a violation and the Board does not take action to approve or reject the plan within 30 days after the date on which the plan was submitted, the plan shall be deemed to be approved by the appropriate agent of the Board.

Sec. 4. NRS 678A.510 is hereby amended to read as follows:

678A.510 1. If the Executive Director transmits the details of a suspected violation to the Attorney General pursuant to NRS 678A.500, the Attorney General shall conduct an investigation of the suspected violation to determine whether it warrants proceedings for disciplinary action of the licensee or registrant. If the Attorney General determines that further

proceedings are warranted, he or she shall report the results of the investigation together with a recommendation to the Executive Director in a manner which does not violate the right of the person charged in the complaint to due process in any later hearing on the complaint. The Executive Director shall transmit the recommendation and other information received from the Attorney General to the Board.

2. The Board shall promptly make a determination with respect to each complaint resulting in an investigation by the Attorney General. The Board shall:

(a) Dismiss the complaint; ~~[or]~~

(b) *Enter into a consent or settlement agreement with the licensee or registrant pursuant to section 2 of this act; or*

(c) Proceed with appropriate disciplinary action in accordance with NRS 678A.520 to 678A.600, inclusive, and the regulations adopted by the Board. *In determining the disciplinary action to impose the Board shall consider mitigating factors pursuant to section 3 of this act.*

Sec. 5. NRS 678A.520 is hereby amended to read as follows:

678A.520 1. If the Board proceeds with disciplinary action pursuant to NRS 678A.510, the Board or the Executive Director shall serve a complaint upon the respondent either personally, or by registered or certified mail at the address of the respondent that is on file with the Board. Such complaint must ~~[be]~~ *:*

(a) Be a written statement of charges ~~[and must set]~~ *;*

(b) Set forth in ordinary and concise language the acts or omissions with which the respondent is charged ~~[. The complaint must specify]~~ *;*

(c) Specify the statutes and regulations which the respondent is alleged to have violated ~~[, but must not]~~ *;*

(d) Not consist merely of charges raised in the language of the statutes or regulations ~~[. The complaint must provide]~~ *which the respondent is alleged to have violated;*

(e) If the respondent is alleged to have committed multiple violations consisting of the same or a similar act, omission or course of conduct, charge those violations as a single alleged violation if the violations:

(1) Are closely related in time, place and circumstance; and

(2) Were all discovered in the course of a single audit, inspection or investigation;

(f) Specify the penalty being sought against the respondent; and

(g) Provide notice of the right of the respondent to request a hearing. ~~[The Chair of the Board may grant an extension to respond to the complaint for good cause.]~~

2. *The Chair of the Board may grant an extension to respond to the complaint for good cause.* Unless granted *such* an extension, the respondent must answer within 20 days after the service of the complaint. In the answer the respondent:

(a) Must state in short and plain terms the defenses to each claim asserted.

(b) Must admit or deny the facts alleged in the complaint.

(c) Must state which allegations the respondent is without knowledge or information to form a belief as to their truth. Such allegations shall be deemed denied.

(d) Must affirmatively set forth any matter which constitutes an avoidance or affirmative defense.

(e) May demand a hearing. Failure to demand a hearing constitutes a waiver of the right to a hearing and to judicial review of any decision or order of the Board, but the Board may order a hearing even if the respondent so waives his or her right.

3. Failure to answer or to appear at the hearing constitutes an admission by the respondent of all facts alleged in the complaint. The Board may take action based on such an admission and on other evidence without further notice to the respondent. If the Board takes action based on such an admission, the Board shall include in the record which evidence was the basis for the action.

4. The Board shall determine the time and place of the hearing as soon as is reasonably practical after receiving the respondent's answer. The Board shall deliver or send by registered or certified mail a notice of hearing to all parties at least 10 days before the hearing. The hearing must be held within 45 days after receiving the respondent's answer unless an expedited hearing is determined to be appropriate by the Board, in which event the hearing must be held as soon as practicable. The Chair of the Board may grant one or more extensions to the 45-day requirement pursuant to a request of a party or an agreement by both parties.

Sec. 6. NRS 678A.590 is hereby amended to read as follows:

678A.590 1. Within 60 days after the hearing of a contested matter, the Board shall render a written decision on the merits which must contain findings of fact, a determination of the issues presented and the penalty to be imposed, if any. *If the Board determines that the licensee or registrant has violated any provision of this title or any regulation adopted pursuant thereto, the written decision must set forth the determination of the Board as to whether any of the mitigating circumstances required to be considered by the Board pursuant to NRS 678A.600 exist and, if so, the weight given to each mitigating circumstance in determining the appropriate action to be taken pursuant to that section.* The Board shall thereafter make and enter its written order in conformity to its decision. No member of the Board who did not hear the evidence may vote on the decision. The affirmative votes of a majority of the whole Board are required to impose any penalty. Copies of the decision and order must be served on the parties personally or sent to them by registered or certified mail. The decision is effective upon such service, unless the Board orders otherwise.

2. The Board may, upon motion made within 10 days after service of a decision and order, order a rehearing before the Board upon such terms and conditions as it may deem just and proper if a petition for judicial review of the decision and order has not been filed. The motion must not be granted

except upon a showing that there is additional evidence which is material and necessary and reasonably calculated to change the decision of the Board, and that sufficient reason existed for failure to present the evidence at the hearing of the Board. The motion must be supported by an affidavit of the moving party or his or her counsel showing with particularity the materiality and necessity of the additional evidence and the reason why it was not introduced at the hearing. Upon rehearing, rebuttal evidence to the additional evidence must be permitted. After rehearing, the Board may modify its decision and order as the additional evidence may warrant.

Sec. 7. NRS 678A.600 is hereby amended to read as follows:

678A.600 *1.* If the Board finds that a licensee or registrant has violated a provision of this title or any regulation adopted pursuant thereto, the Board may ~~[take any or all of the following actions:~~

~~1.]~~ *:*

(a) Limit, condition, suspend or revoke the license or registration card of the licensee or registrant ~~[.~~

~~2.]~~ *;*

(b) Impose a civil penalty in an amount established by regulation *, not to exceed $20,000* for ~~[each]~~ *a single* violation ~~[.]~~ *;*

(c) Take any combination of the actions authorized by paragraphs (a) and (b);

(d) Issue a warning to the licensee or registrant; or

(e) Take no action against the licensee or registrant.

2. In determining the appropriate action to be taken against a licensee or registrant pursuant to this section, including, without limitation, the amount of any civil penalty imposed, the Board shall consider whether any of the mitigating circumstances set forth in section 3 of this act exist.

Sec. 8. (Deleted by amendment.)

Sec. 9. (Deleted by amendment.)

Sec. 9.5. Chapter 678B of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Board shall adopt regulations governing the charging and collecting of costs incurred in connection with a specified investigation pursuant to subsection 5 of NRS 678B.390. The regulations must:

(a) Require the Board, before the commencement of the investigation, to provide a licensee or an applicant an estimate of the anticipated costs of the investigation;

(b) Require the Board to provide to a licensee or an applicant an itemized list of the costs incurred in the investigation and set forth timelines for the provision of such an itemized list;

(c) Establish procedures by which a licensee or an applicant may request from the Board documentation prepared by any agent of the Board conducting the investigation relating to the costs of the investigation; and

(d) Establish a process by which a licensee or an applicant may appeal to the Board and request a reduction of the total amount charged for the

investigation if the total amount charged exceeds the estimate of the anticipated costs provided to the licensee or applicant by 25 percent or more.

2. Failure of a licensee or an applicant to pay the costs charged by the Board pursuant to subsection 5 of NRS 678B.390 when due is grounds for disciplinary action, except that the Board may not refuse to issue or renew a license or deny a request for a transfer of interest, approval or waiver for the failure to pay such costs.

Sec. 10. NRS 678B.380 is hereby amended to read as follows:

678B.380 1. Except as otherwise provided by regulations adopted by the Board pursuant to subsection 2, the following are nontransferable:

(a) A cannabis establishment agent registration card.

(b) A cannabis establishment agent registration card for a cannabis executive.

(c) A cannabis establishment agent registration card for a cannabis receiver.

(d) A medical cannabis establishment license.

(e) An adult-use cannabis establishment license.

2. The Board shall adopt regulations which prescribe procedures and requirements by which a holder of ~~[a]~~ *:*

(a) A license may transfer the license to another party who is qualified to hold such a license pursuant to the provisions of this chapter. ~~[Such]~~

(b) An ownership interest in a cannabis establishment may transfer all or any portion of the ownership interest to another party who is qualified to hold an ownership interest in a cannabis establishment pursuant to the provisions of this chapter.

3. The regulations *adopted pursuant to subsection 2* may give priority in the processing of transfers of licenses to a transfer in which the transferor is:

(a) Subject to a receivership;

(b) Involved in a recapitalization; or

(c) A party to a court proceeding involving financial distress.

~~[3.]~~ *4.* The regulations adopted pursuant to subsection 2 must:

(a) Prohibit the holder of an adult-use cannabis establishment license for an independent cannabis consumption lounge from transferring the license until at least 2 years from the date on which the independent cannabis consumption lounge for which the license was issued became operational;

(b) Require the holder of an adult-use cannabis establishment license for an independent cannabis consumption lounge who wishes to cease operations before the independent cannabis consumption lounge for which the license was issued has been operational for at least 2 years to surrender the license to the Board; and

(c) Require the Board to hold a license surrendered pursuant to paragraph (b) in reserve for issuance to an applicant for such a license in the future.

Sec. 11. NRS 678B.390 is hereby amended to read as follows:

678B.390 1. Except as otherwise provided in subsection 3, the Board shall collect not more than the following maximum fees:

For the initial issuance of a medical cannabis establishment license for a medical cannabis dispensary $30,000
For the renewal of a medical cannabis establishment license for a medical cannabis dispensary 5,000
For the initial issuance of a medical cannabis establishment license for a medical cannabis cultivation facility 3,000
For the renewal of a medical cannabis establishment license for a medical cannabis cultivation facility 1,000
For the initial issuance of a medical cannabis establishment license for a medical cannabis production facility 3,000
For the renewal of a medical cannabis establishment license for a medical cannabis production facility 1,000
For the initial issuance of a medical cannabis establishment license for a medical cannabis independent testing laboratory $5,000
For the renewal of a medical cannabis establishment license for a medical cannabis independent testing laboratory 3,000
For the initial issuance of an adult-use cannabis establishment license for an adult-use cannabis retail store 20,000
For the renewal of an adult-use cannabis establishment license for an adult-use cannabis retail store 6,600
For the initial issuance of an adult-use cannabis establishment license for an adult-use cannabis cultivation facility 30,000
For the renewal of an adult-use cannabis establishment license for an adult-use cannabis cultivation facility 10,000
For the initial issuance of an adult-use cannabis establishment license for an adult-use cannabis production facility..... 10,000
For the renewal of an adult-use cannabis establishment license for an adult-use cannabis production facility..... 3,300
For the initial issuance of an adult-use cannabis establishment license for an adult-use cannabis independent testing laboratory 15,000
For the renewal of an adult-use cannabis establishment license for an adult-use cannabis independent testing laboratory 5,000
For the initial issuance of an adult-use cannabis establishment license for a retail cannabis consumption lounge 10,000
For the renewal of an adult-use cannabis establishment license for a retail cannabis consumption lounge 10,000

For the initial issuance of an adult-use cannabis establishment license for an independent cannabis consumption lounge 10,000
For the renewal of an adult-use cannabis establishment license for an independent cannabis consumption lounge 10,000
For the initial issuance of an adult-use cannabis establishment license for an adult-use cannabis distributor 15,000
For the renewal of an adult-use cannabis establishment license for an adult-use cannabis distributor $5,000
For each person identified in an application for the initial issuance of a cannabis establishment agent registration card 150
For each person identified in an application for the renewal of a cannabis establishment agent registration card..... 150

2. The Board may by regulation establish reduced fees for:

(a) The initial issuance and renewal of an adult-use cannabis establishment license for an independent cannabis consumption lounge; and

(b) The application fee set forth in subsection 3,

➥ for a social equity applicant. Such a reduction must not reduce the fee paid by a social equity applicant by more than 75 percent of the fee paid by an applicant who is not a social equity applicant.

3. Except as otherwise provided in subsection 2, in addition to the fees described in subsection 1, each applicant for a medical cannabis establishment license or adult-use cannabis establishment license must pay to the Board:

(a) For an application for a license other than an adult-use cannabis establishment license for a retail cannabis consumption lounge or independent cannabis consumption lounge, a one-time, nonrefundable application fee of $5,000;

(b) For an application for an adult-use cannabis establishment license for a retail cannabis consumption lounge, a one-time, nonrefundable application fee of $100,000;

(c) For an application for an adult-use cannabis establishment license for an independent cannabis consumption lounge, a one-time, nonrefundable application fee of $10,000; and

(d) The actual costs ~~[incurred]~~ *paid* by the Board ~~[in processing the application, including, without limitation, conducting]~~ *to a law enforcement agency or other person who is not an employee of the Board to conduct any* background checks ~~[.]~~ *in connection with the application.*

4. *The Board may charge a cannabis establishment for the actual costs paid by the Board to a law enforcement agency or other person who is not an employee of the Board to conduct any background checks in connection with a transfer of ownership interest in the cannabis establishment pursuant to the regulations adopted by the Board pursuant to NRS 678B.380.*

5. In addition to any other applicable fees described in subsections 1, 3 and 4, the Board may charge a licensee or an applicant for a license the amounts specified in subsection 6 for the costs incurred by the Board and its staff for an investigation conducted in connection with:

(a) A transfer of ownership interest in a cannabis establishment pursuant to the regulations adopted by the Board pursuant to NRS 678B.380;

(b) An application for the initial issuance of a license;

(c) A request to obtain any approval that may be required by the Board to enter into an agreement to provide management services to a cannabis establishment; or

(d) A waiver that is requested pursuant to the provisions of this title or the regulations adopted pursuant thereto.

6. The charges authorized by subsection 5 must be limited to:

(a) A reasonable hourly fee at a rate established by the Board by regulation for each hour spent by agents of the Board in conducting the investigation; and

(b) Costs for the travel expenses and per diem allowances of the agents of the Board conducting the investigation. The per diem allowances and travel expenses must be assessed at the rate established by the State Board of Examiners for state officers and employees generally.

7. Any revenue generated from the fees imposed pursuant to this section:

(a) Must be expended first to pay the costs of the Board in carrying out the provisions of this title; and

(b) If any excess revenue remains after paying the costs described in paragraph (a), such excess revenue must be paid over to the State Treasurer to be deposited to the credit of the State Education Fund.

~~[6.]~~ 8. The Board shall not charge a licensee, registrant or applicant for a license or registration card any fee, cost, fine or other charge that is not expressly authorized by the provisions of this title. Such prohibited charges include, without limitation, any charge for the costs of ongoing activities of the Board relating to the oversight of a cannabis establishment, including, without limitation, any charge for costs relating to:

(a) ~~[Travel]~~ Except as otherwise provided in subsection 5, travel or lodging for an agent of the Board;

(b) Any routine inspection or audit;

(c) The preparation for and attendance at a hearing by an agent of the Board;

(d) An investigation of a complaint submitted to the Board by a person who is not associated with the Board; or

(e) Except as otherwise provided in ~~[subsection 4, an investigation conducted in connection with a transfer of an ownership interest;~~

~~(f) An investigation conducted in connection with any type of waiver that is requested pursuant to the provisions of this title or the regulations adopted pursuant thereto;~~

~~*(g) Except as otherwise provided in subsection 3, an investigation conducted in connection with the initial issuance of a license; or*~~

~~*(h) Any]*~~ *subsections 3, 4 and 5, any other type of inspection, audit or investigation.*

Sec. 12. NRS 387.1212 is hereby amended to read as follows:

387.1212 1. The State Education Fund is hereby created as a special revenue fund to be administered by the Superintendent of Public Instruction for the purpose of supporting the operation of the public schools in this State. The interest and income earned on the money in the Fund, excluding the direct legislative appropriation from the State General Fund required by subsection 3, must, after deducting any applicable charges, be credited to the Fund.

2. Money which must be deposited for credit to the State Education Fund includes, without limitation:

(a) All money derived from interest on the State Permanent School Fund, as provided in NRS 387.030;

(b) The proceeds of the tax imposed pursuant to NRS 244.33561 and any applicable penalty or interest, less any amount retained by the county treasurer for the actual cost of collecting and administering the tax;

(c) The proceeds of the tax imposed pursuant to subsection 1 of NRS 387.195;

(d) The money identified in subsection 8 of NRS 120A.610;

(e) The portion of the money in each special account created pursuant to subsection 1 of NRS 179.1187 which is identified in paragraph (d) of subsection 2 of NRS 179.1187;

(f) The money identified in paragraph (d) of subsection 6 of NRS 278C.250;

(g) The money identified in subsection 1 of NRS 328.450;

(h) The money identified in subsection 1 of NRS 328.460;

(i) The money identified in paragraph (a) of subsection 2 of NRS 360.850;

(j) The money identified in paragraph (a) of subsection 2 of NRS 360.855;

(k) The money required to be transferred to the State Education Fund pursuant to NRS 362.100;

(l) The money required to be paid over to the State Treasurer for deposit to the credit of the State Education Fund pursuant to subsection 4 of NRS 362.170;

(m) The portion of the proceeds of the tax imposed pursuant to subsection 1 of NRS 372A.290 identified in paragraph (b) of subsection 4 of NRS 372A.290;

(n) The proceeds of the tax imposed pursuant to subsection 3 of NRS 372A.290;

(o) The proceeds of the fees, taxes, interest and penalties imposed pursuant to chapter 374 of NRS, as transferred pursuant to subsection 3 of NRS 374.785;

(p) The money identified in subsection 5 of NRS 445B.640;

(q) The money identified in paragraph (b) of subsection ~~[4 5]~~ *7* of NRS 678B.390;

(r) The portion of the proceeds of the excise tax imposed pursuant to subsection 1 of NRS 463.385 identified in paragraph (c) of subsection 5 of NRS 463.385;

(s) The money required to be distributed to the State Education Fund pursuant to subsection 3 of NRS 482.181;

(t) The portion of the proceeds of the fee imposed pursuant to NRS 488.075 identified in subsection 2 of NRS 488.075;

(u) The portion of the net profits of the grantee of a franchise, right or privilege identified in NRS 709.110;

(v) The portion of the net profits of the grantee of a franchise identified in NRS 709.230;

(w) The portion of the net profits of the grantee of a franchise identified in NRS 709.270;

(x) The money required to be distributed to the State Education Fund pursuant to NRS 363D.290; and

(y) The direct legislative appropriation from the State General Fund required by subsection 3.

3. In addition to money from any other source provided by law, support for the State Education Fund must be provided by direct legislative appropriation from the State General Fund in an amount determined by the Legislature to be sufficient to fund the operation of the public schools in this State for kindergarten through grade 12 for the next ensuing biennium for the population reasonably estimated for that biennium. Money in the State Education Fund does not revert to the State General Fund at the end of a fiscal year, and the balance in the State Education Fund must be carried forward to the next fiscal year.

4. Money in the Fund must be paid out on claims as other claims against the State are paid.

Sec. 13. This act becomes effective upon passage and approval.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 751 to Senate Bill No. 195, as amended, adds a new section 9.5, which requires the Cannabis Compliance Board to establish through regulation procedures governing the charging and collecting of costs incurred through the performance of certain Board investigations. Additionally, Senate Amendment No. 751 revises section 11 to clarify the fees which the Cannabis Compliance Board may charge a licensee or license applicant for the costs to perform investigations on certain applications or requests for waivers.

Conflict of interest declared by Senator Ohrenschall.

Amendment adopted.

Bill read third time.

Remarks by Senator Nguyen.

Senate Bill No. 195, as amended, revises provisions relating to disciplinary actions taken by the Cannabis Compliance Board against a holder of a license or registration card. The bill authorizes the Board to enter into a consent or settlement agreement with a licensee or registrant as long as the terms are discussed and approved at a meeting of the Board. It also sets forth certain mitigating circumstances for consideration when approving or modifying terms of a consent or

settlement agreement, requires that the complaint for multiple alleged same or similar acts which otherwise constitute multiple violations be charged as a single alleged violation under certain circumstances, and limits the civil penalty amount charged by the Board for a single violation.

Senate Bill No. 195 further requires the Board to establish regulations related to transfers of ownership interest in cannabis establishments and procedures to bill for certain investigation costs and prohibits the Board from charging a licensee, registrant, or applicant any fee, cost or fine that is not authorized by statutes governing the cannabis industry in the State.

Conflict of interest declared by Senator Ohrenschall.

Roll call on Senate Bill No. 195:

YEAS—19.

NAYS—None.

NOT VOTING—Ohrenschall.

EXCUSED—Spearman.

Senate Bill No. 195 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 240.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 767.

SUMMARY—Revises provisions relating to the Nevada New Markets Jobs Act. (BDR 18-792)

AN ACT relating to economic development; authorizing investments to be made in impact qualified community development entities in exchange for certain tax credits; authorizing an additional amount of investments to be made in qualified community development entities in exchange for certain tax credits; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law enacts the Nevada New Markets Jobs Act. (Chapter 231A of NRS) Under the Act, insurance companies are entitled to receive credit against certain taxes imposed on insurance companies in exchange for making an investment in a qualified community development entity. (NRS 231A.200) A qualified community development entity in which such an investment is made is required to use 85 percent of the investment to make capital or equity investments in, or loans to, qualified active low-income community businesses, which are defined as businesses in a low-income community. (NRS 231A.110, 231A.130, 231A.140, 231A.250; 26 U.S.C. § 45D) Section 16 of this bill authorizes an additional amount of investments in qualified community development entities which may be made in exchange for a credit against certain taxes imposed on insurance companies.

Sections 14 and 25 of this bill allow certain business entities to receive a credit against the premium tax imposed on insurance companies in exchange for investing in an impact qualified community development entity. Sections 2, 4 and 12 of this bill require an impact qualified community

development entity in which such an investment is made to use 85 percent of the investment to make capital or equity investments in, or loans to, impact qualified active low-income community businesses. Sections 2 and 7 of this bill provide that an "impact qualified active low-income community business" means certain types of manufacturing businesses , retail businesses or businesses where the majority of owners are from certain historically disadvantaged groups, but which may be located anywhere in this State. Section 16 establishes the amount of investments in impact qualified community development entities which may be made in exchange for the tax credit. Sections 8-24 of this bill make conforming changes to the provisions of the Nevada New Markets Jobs Act to integrate investments in impact qualified community development entities into the existing provisions governing the eligibility for and administration of tax credits under the Act. Sections 6 and 7 of this bill establish provisions governing whether a business is an impact qualified active low-income community business. Sections 2-5 of this bill define terms related to the tax credit for investments in impact qualified community development entities.

Section 25.5 of this bill makes an appropriation to the Department of Business and Industry for costs to carry out the provisions of this bill.

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

Section 1. Chapter 231A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.

Sec. 2. *"Impact qualified active low-income community business" means a qualified active low-income community business as that term is defined in section 45D of the Internal Revenue Code of 1986, 26 U.S.C. § 45D, and 26 C.F.R. § 1.45D-1, except that term is limited to those businesses specified in section 7 of this act.*

Sec. 3. *"Impact qualified community development entity" means:*

1. A partnership, limited-liability company or corporation that has its principal business operations in this State and is engaged in lending or other investment activity;

2. A qualified community development entity that complies with NRS 221A.180; or

3. A qualified community development financial institution, as that term is defined in the Community Development Banking and Financial Institutions Act of 1994, 12 U.S.C. § 4702(5).

Sec. 4. *1. "Impact qualified equity investment" means any equity investment in, or long-term debt security issued by, an impact qualified community development entity that:*

(a) Except as otherwise provided in this section, is acquired after July 1, 2024, solely in exchange for cash at the original issuance of the equity investment;

(b) Has at least 85 percent of the cash purchase price of the equity investment used by the issuer to make qualified low-income community

investments in impact qualified active low-income community businesses located in this State by the first anniversary of the initial credit allowance date; and

(c) Is designated by the issuer as an impact qualified equity investment under this section and is certified by the Department as complying with the limitations contained in subsection 6 of NRS 231A.230.

2. The term includes an investment that does not meet the requirements of subsection 1 if the investment was an impact qualified equity investment in the possession or control of a prior holder.

Sec. 5. *"Principal business operations" means the physical location of a business where at least 60 percent of the employees of the business work.*

Sec. 6. *A business that agrees to use the proceeds of a qualified low-income community investment to establish principal business operations in this State shall be deemed to have its principal business operations in this State if, within 180 days after receiving the qualified low-income community investment or such other time as agreed to in writing by the business and the Department, the business has a physical location in this State where at least 60 percent of the employees of the business work.*

Sec. 7. *1. For the purposes of section 2 of this act, an impact qualified active low-income community business is limited to those businesses which have their principal business operations in this State and:*

(a) Whose primary North American Industry Classification System classification is within sector 31, 32 or 33 ~~*[;]*~~ *or sector 44 or 45; or*

(b) Are businesses that have 51 percent or more of its ownership interest held by women, disabled veterans, persons who are lesbian, gay, bisexual or transgender or members of a racial or ethnic minority group.

2. A business must be considered an impact qualified active low-income community business for the duration of the impact qualified community development entity's investment in, or loan to, the business if the entity reasonably expects, at the time it makes the investment or loan, that the business will continue to satisfy the requirements for being an impact qualified active low-income community business throughout the entire period of the investment or loan.

3. Except as otherwise provided in this subsection, the businesses limited by this section do not include any business that derives or projects to derive 15 percent or more of its annual revenue from the rental or sale of real estate. This exclusion does not apply to a business that is controlled by, or under common control with, another business if the second business:

(a) Does not derive or project to derive 15 percent or more of its annual revenue from the rental or sale of real estate; and

(b) Is the primary tenant of the real estate leased from the first business.

4. Except as otherwise provided in subsection 5, the following businesses are not impact qualified active low-income community businesses:

(a) A business that has received an abatement from taxation pursuant to NRS 274.310, 274.320, 274.330, 360.750, 360.753 or 360.754.

(b) An entity that has liability for insurance premium tax on a premium tax report filed pursuant to NRS 680B.030.

(c) A business engaged in banking or lending.

(d) A massage parlor.

(e) A bath house.

(f) A tanning salon.

(g) A country club.

(h) A business operating under a nonrestricted license for gaming issued pursuant to NRS 463.170.

(i) A liquor store.

(j) A golf course.

5. A business that has received an abatement from taxation pursuant to NRS 274.310, 274.320, 274.330, 360.750, 360.753 or 360.754 is an impact qualified active low-income community business if the business elects to waive the abatement and provides written notice of the waiver of the abatement to the Office of Economic Development not later than the due date of the first payment of any tax which would be abated if the abatement became effective. If the business provides the written notice to the Office of Economic Development:

(a) Within the period required by this subsection:

(1) Any agreement entered into by the business and the Office of Economic Development pursuant to NRS 274.310, 274.320, 274.330, 360.750, 360.753 or 360.754 is void; and

(2) The Office of Economic Development must forward a copy of the written notice to the Department and each governmental entity or official to whom a copy of the certificate of eligibility for the abatement was forwarded.

(b) After the period required by this subsection has expired, the Office of Economic Development must provide written notice to the Department and the business that the abatement has not been waived and the business is not an impact qualified active low-income community business.

Sec. 8. NRS 231A.030 is hereby amended to read as follows:

231A.030 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 231A.040 to 231A.145, inclusive, *and sections 2 to 5, inclusive, of this act* have the meanings ascribed to them in those sections.

Sec. 9. NRS 231A.040 is hereby amended to read as follows:

231A.040 "Applicable percentage" means *:*

1. With respect to a qualified equity investment, 0 percent for the first two credit allowance dates, 12 percent for the next three credit allowance dates and 11 percent for the next two credit allowance dates.

2. With respect to an impact qualified equity investment, 0 percent for the first two credit allowance dates and 15 percent for the next five credit allowance dates.

Sec. 10. NRS 231A.050 is hereby amended to read as follows:

231A.050 "Credit allowance date" means, with respect to any qualified equity investment ~~[:]~~ *or impact qualified equity investment:*

1. The date on which the investment is initially made; and

2. Each of the six anniversary dates immediately following the date on which the investment is initially made.

Sec. 11. NRS 231A.100 is hereby amended to read as follows:

231A.100 "Purchase price" means the amount paid to the issuer of a qualified equity investment *or impact qualified equity investment* for the qualified equity investment ~~[.]~~ *or impact qualified equity investment.*

Sec. 12. NRS 231A.140 is hereby amended to read as follows:

231A.140 "Qualified low-income community investment" means any capital or equity investment in, or loan to, any qualified active low-income community business ~~[.]~~ *or impact qualified active low-income community business.*

Sec. 13. NRS 231A.160 is hereby amended to read as follows:

231A.160 To qualify as long-term debt security, a debt instrument must be issued by a qualified community development entity ~~[,]~~ *or impact qualified community development entity,* at par value or a premium, with an original maturity date of at least 7 years after the date of its issuance, with no acceleration of repayment, amortization or prepayment features before its original maturity date. The qualified community development entity *or impact qualified community development entity* that issues the debt instrument must not make interest payments in the form of cash on the debt instrument during the period beginning on the date of issuance and ending on the final credit allowance date in an amount that exceeds the cumulative operating income, as defined by regulations adopted under section 45D of the Internal Revenue Code of 1986, 26 U.S.C. § 45D, of the qualified community development entity *or impact qualified community development entity* for that period before giving effect to the interest expense of the long-term debt security. This section does not limit the holder's ability to accelerate payments on the debt instrument in situations in which the issuer has defaulted on covenants designed to ensure compliance with this chapter or section 45D of the Internal Revenue Code of 1986, 26 U.S.C. § 45D.

Sec. 14. NRS 231A.200 is hereby amended to read as follows:

231A.200 An entity that makes a qualified equity investment *or impact qualified equity investment* earns a vested right to credit against the entity's liability for insurance premium tax on a premium tax report filed pursuant to NRS 680B.030 that may be used as follows:

1. Except as otherwise provided in this subsection, on each credit allowance date of the qualified equity investment ~~[,]~~ *or impact qualified equity investment,* the entity, or the subsequent holder of the qualified equity investment ~~[,]~~ *or impact qualified equity investment,* is entitled to use a portion of the credit during the taxable year that includes the credit allowance date. If an entity makes a ~~[qualified]~~ *:*

(a) Qualified equity investment on or after July 1, 2019, *but before July 1, 2024,* the entity may not use any portion of the credit against the entity's liability for insurance premium tax for any period beginning before July 1, 2021.

(b) Qualified equity investment or impact qualified equity investment on or after July 1, 2024, the entity may not use any portion of the credit against the entity's liability for insurance premium tax for any period beginning before July 1, 2026.

2. The credit amount is equal to the applicable percentage for the credit allowance date multiplied by the purchase price paid to the issuer of the qualified equity investment ~~[.]~~ *or impact qualified equity investment.*

3. Except as otherwise provided in subsection 4, the amount of the credit claimed by an entity must not exceed the amount of the entity's liability for insurance premium tax for the tax year for which the credit is claimed.

4. If the insurance premium tax is eliminated or reduced below the level that was in effect on the first credit allowance date, the entity is entitled to a credit against any other taxes paid to the Department of Taxation in an amount equal to the difference between the amount the entity would have been able to claim against its insurance premium tax liability had the tax not been eliminated or reduced and the amount the entity was actually able to claim, if any.

➥ Any amount of tax credit that the entity is prohibited from claiming in a taxable year as a result of subsection 3 or 4 may be carried forward for use in any subsequent taxable year.

Sec. 15. NRS 231A.220 is hereby amended to read as follows:

231A.220 1. An insurer or an affiliate of an insurer may not:

(a) Manage a qualified community development entity ~~[,]~~ *or impact qualified community development entity;* or

(b) Control the direction of equity investments for a qualified community development entity ~~[.]~~ *or impact qualified community development entity.*

2. The provisions of subsection 1 apply to any entity described in subsection 1 regardless of whether the entity does business in this State.

3. This section does not preclude an entity described in subsection 1 from exercising legal rights or remedies, including the interim management of a qualified community development entity ~~[,]~~ *or impact qualified community development entity,* with respect to a qualified community development entity *or impact qualified community development entity* that is in default of any statutory or contractual obligations to the entity described in subsection 1.

4. This chapter does not limit the amount of nonvoting equity interests in a qualified community development entity *or impact qualified community development entity* that an entity described in subsection 1 may own.

5. For the purposes of this section:

(a) "Affiliate of an insurer" has the meaning ascribed to the term "affiliate" in NRS 692C.030.

(b) "Insurer" has the meaning ascribed to it in NRS 679A.100.

Sec. 16. NRS 231A.230 is hereby amended to read as follows:

231A.230 1. A qualified community development entity *or impact qualified community development entity* that seeks to have an equity investment or long-term debt security designated as a qualified equity investment *or impact qualified equity investment* and eligible for tax credits under this chapter must apply to the Department for that designation. An application submitted by a qualified community development entity *or impact qualified community development entity* must include the following:

(a) *If the application is for the designation of an equity investment or long-term debt security as a qualified equity investment:*

(1) Evidence of the applicant's certification as a qualified community development entity.

~~[(b)]~~ *(2)* A copy of an allocation agreement executed by the applicant, or its controlling entity, and the Community Development Financial Institutions Fund of the United States Department of the Treasury which includes the State of Nevada in the service area set forth in the allocation agreement.

~~[(c)]~~ *(3)* A certificate executed by an executive officer of the applicant:

~~[(1)]~~ *(I)* Attesting that the allocation agreement remains in effect and has not been revoked or cancelled by the Community Development Financial Institutions Fund; and

~~[(2)]~~ *(II)* Setting forth the cumulative amount of allocations awarded to the applicant by the Community Development Financial Institutions Fund.

~~[(d)]~~ *(b) If the application is for the designation of an equity investment or long-term debt security as an impact qualified equity investment:*

(1) Proof that the applicant is an impact qualified community development entity; and

(2) The documentation required pursuant to subparagraphs (1), (2) and (3) of paragraph (a) if the impact qualified community development entity has been certified as a qualified community development entity.

(c) A description of the proposed amount, structure and purchaser of the qualified equity investment ~~[.]~~ *or impact qualified equity investment.*

~~[(e)]~~ *(d)* If known at the time of application, identifying information for any entity that will use the tax credits earned as a result of the issuance of the qualified equity investment.

~~[(f)]~~ *(e)* Examples of the types of qualified active low-income businesses *or impact qualified active low-income community businesses* in which the applicant, its controlling entity or the affiliates of its controlling entity have invested under the federal New Markets Tax Credit Program. An applicant is not required to identify the qualified active low-income community businesses *or impact qualified active low-income community businesses* in which it will invest when submitting an application.

~~[(g)]~~ *(f)* A nonrefundable application fee of $5,000. This fee must be paid to the Department and is required for each application submitted.

~~[(h)]~~ *(g)* The refundable performance fee required by subsection 1 of NRS 231A.270.

2. Within 30 days after receipt of a completed application containing the information set forth in subsection 1, including the payment of the application fee and the refundable performance fee, the Department shall grant or deny the application in full or in part. If the Department denies any part of the application, it shall inform the qualified community development entity *or impact qualified community development entity* of the grounds for the denial. If the qualified community development entity *or impact qualified community development entity* provides any additional information required by the Department or otherwise completes its application within 15 days after the date of the notice of denial, the application must be considered complete as of the original date of submission. If the qualified community development entity *or impact qualified community development entity* fails to provide the information or complete its application within the 15-day period, the application remains denied and must be resubmitted in full with a new date of submission.

3. If the application is complete, the Department shall certify the proposed equity investment or long-term debt security as a qualified equity investment *or impact qualified equity investment* that is eligible for tax credits under this chapter, subject to the limitations contained in subsection 5 ~~[.]~~ *or 6* The Department shall provide written notice of the certification to the qualified community development entity ~~[.]~~ *or impact qualified community development entity.* The notice must include the names of those entities who will earn the credits and their respective credit amounts. If the names of the entities that are eligible to use the credits change as the result of a transfer of a qualified equity investment *or impact qualified equity investment* or an allocation pursuant to NRS 231A.210, the qualified community development entity *or impact qualified community development entity* shall notify the Department of the change.

4. The Department shall certify qualified equity investments *and impact qualified equity investments* in the order applications are received by the Department. Applications received on the same day shall be deemed to have been received simultaneously. For applications that are complete and received on the same day, the Department shall certify, consistent with remaining qualified equity investment *or impact qualified equity investment* capacity, the qualified equity investments *or impact qualified equity investments* in proportionate percentages based upon the ratio that the amount of qualified equity investment *or impact qualified equity investment* requested in an application bears to the total amount of qualified equity investments *or impact qualified equity investments* requested in all applications received on the same day.

5. The Department:

(a) Shall certify $200,000,000 in qualified equity investments before July 1, 2019, ~~[and]~~ $200,000,000 in qualified equity investments on or after July 1, 2019 ~~[;]~~ *, and $170,000,000 in qualified equity investments on or after July 1, 2024;*

(b) Shall not certify any single qualified equity investment of less than $8,000,000 ~~[; and]~~ *, except as provided in paragraph (d);*

(c) Shall not certify more than a total of $50,000,000 in qualified equity investments to any single applicant, including all affiliates and partners of the applicant which are qualified community development entities ~~[.~~

➥~~]~~ *; and*

(d) If a pending request cannot be fully certified because of ~~[these]~~ *the* limits ~~[, the Department]~~ *set forth in this subsection,* shall certify the portion that may be certified unless the qualified community development entity elects to withdraw its request rather than receive partial certification.

6. *The Department:*

(a) Shall certify $30,000,000 in impact qualified equity investments on or after July 1, 2024;

(b) Shall not certify any single impact qualified equity investment of less than $8,000,000, except as provided in paragraph (c); and

(c) If a pending request cannot be fully certified because of the limits set forth in this subsection, shall certify the portion that may be certified unless the impact qualified community development entity elects to withdraw its request rather than receive partial certification.

7. An approved applicant may transfer all or a portion of its certified qualified equity investment *or impact qualified equity investment* authority to its controlling entity or any affiliate or partner of the controlling entity which is also a qualified community development entity ~~[,]~~ *or impact qualified community development entity, as applicable,* if the applicant provided the information required in the application with respect to the transferee and the applicant notifies the Department of the transfer within 30 days after the transfer.

~~[7.]~~ *8.* Within 30 days after the applicant receives notice of certification, the qualified community development entity *, impact qualified community development entity* or any transferee pursuant to subsection ~~[6]~~ *7* shall issue the qualified equity investment *or impact qualified equity investment* and receive cash in the amount certified by the Department. The qualified community development entity *, impact qualified community development entity* or transferee under subsection ~~[6]~~ *7* must provide the Department with evidence of the receipt of the cash investment within 10 business days after receipt. If the qualified community development entity *, impact qualified community development entity* or any transferee under subsection ~~[6]~~ *7* does not receive the cash investment and issue the qualified equity investment *or impact qualified equity investment* within 30 days after receipt of the notice of certification, the certification lapses and the entity may not issue the qualified equity investment *or impact qualified equity investment* without reapplying to the Department for certification. Lapsed certifications revert back to the Department and must be reissued, first, pro rata to other applicants whose qualified equity investment *or impact qualified equity investment* allocations

were reduced pursuant to subsection 4 and, thereafter, in accordance with requirements for submitting the application.

Sec. 17. NRS 231A.240 is hereby amended to read as follows:

231A.240 1. A qualified community development entity which issues qualified equity investments under this chapter shall make qualified low-income community investments in businesses located in severely distressed census tracts, on a combined basis with all of its affiliated qualified community development entities that have issued qualified equity investments under this chapter, in an amount equal to at least 30 percent of the purchase price of all qualified equity investments issued by such entities.

2. The Director may reduce the requirement in subsection 1 to 20 percent if the qualified community development entity uses its commercially reasonable best efforts to satisfy the requirements of subsection 1 and fails to do so within 9 months after its initial credit allowance date.

3. A qualified community development entity *or impact qualified community development entity* which makes a qualified low-income community investment must allow the business in which the qualified low-income community investment is made to apply to refinance the qualified low-income investment if at least 4 years has passed since the qualified community development entity *or impact qualified community development entity* made the qualified low-income investment and the qualified low-income investment has not previously been refinanced.

4. As used in this section, "severely distressed census tract" means a census tract that, in the immediately preceding census, had:

(a) More than 30 percent of households with a household income below the federally designated level signifying poverty;

(b) A median household income of less than 60 percent of the median household income in this State; or

(c) A rate of unemployment that was equal to or greater than 150 percent of the national average.

Sec. 18. NRS 231A.245 is hereby amended to read as follows:

231A.245 1. A qualified community development entity *or impact qualified community development entity* may make a qualified low-income community investment jointly with one or more other qualified community development entities ~~[.]~~ *or impact qualified community development entities.*

2. A qualified community development entity *or impact qualified community development entity* may make a qualified low-income community investment using money attributable to:

(a) The purchase price of a qualified equity investment ~~[,]~~ *or impact qualified equity investment;*

(b) The amount paid to a qualified community development entity *or impact qualified community development entity* for a qualified equity investment, as defined in 26 U.S.C. § 45D(b), by an entity that receives a tax credit pursuant to 26 U.S.C. § 45D; or

(c) Any combination of the amounts described in paragraphs (a) and (b).

Sec. 19. NRS 231A.250 is hereby amended to read as follows:

231A.250 Except as otherwise provided in NRS 231A.260, the Department shall recapture, from the entity that claimed the credit on a return, the tax credit allowed under this chapter if:

1. Any amount of a federal tax credit available with respect to a qualified equity investment *or impact qualified equity investment* that is eligible for a credit under this chapter is recaptured under section 45D of the Internal Revenue Code of 1986, 26 U.S.C. § 45D. In such a case, the Department's recapture must be proportionate to the federal recapture with respect to the qualified equity investment ~~[.]~~ *or impact qualified equity investment.*

2. The issuer redeems or makes principal repayment with respect to a qualified equity investment *or impact qualified equity investment* before the seventh anniversary of the issuance of the qualified equity investment ~~[.]~~ *or impact qualified equity investment.* In such a case, the Department's recapture must be proportionate to the amount of the redemption or repayment with respect to the qualified equity investment ~~[.]~~ *or impact qualified equity investment.*

3. The issuer fails to invest an amount equal to 85 percent of the purchase price of the qualified equity investment *or impact qualified equity investment* in qualified low-income community investments in this State within 12 months after the issuance of the qualified equity investment *or impact qualified equity investment* and maintain at least an 85-percent level of investment in qualified low-income community investments in the State until the last credit allowance date for the qualified equity investment ~~[.]~~ *or impact qualified equity investment.* For the purposes of this chapter, an investment shall be deemed held by an issuer even if the investment has been sold or repaid if the issuer reinvests an amount equal to the capital returned to or recovered by the issuer from the original investment, exclusive of any profits realized, in another qualified low-income community investment within 12 months after the receipt of such capital. An issuer is not required to reinvest capital returned from qualified low-income community investments after the earlier of:

(a) The sixth anniversary of the issuance of the qualified equity investment ~~[,]~~ *or impact qualified equity investment,* the proceeds of which were used to make the qualified low-income community investment; or

(b) The date by which a qualified community development entity *or impact qualified community development entity* has made qualified low-income community investments with the proceeds of the qualified equity investment *or impact qualified equity investment* on a cumulative basis equal to at least 150 percent of those proceeds, in which case the qualified low-income community investment must be considered held by the issuer through the seventh anniversary of the ~~[qualified equity investment's]~~ issuance ~~[.]~~ *of the qualified equity investment or impact qualified equity investment.*

4. At any time before the final credit allowance date of a qualified equity investment ~~[,]~~ *or impact qualified equity investment,* the issuer uses the cash proceeds of the qualified equity investment *or impact qualified equity*

investment to make qualified low-income community investments in any one qualified active low-income community business ~~[,]~~ *impact qualified active low-income community business,* including affiliated qualified active low-income community businesses ~~[,]~~ *or impact qualified active low-income community businesses,* exclusive of reinvestments of capital returned or repaid with respect to earlier investments in the qualified active low-income community business *or impact qualified active low-income community business* and its affiliates, in excess of 25 percent of those cash proceeds.

➥ As used in this section, "cash proceeds" or "proceeds" means the amount paid to the issuer of a qualified equity investment *or impact qualified equity investment* for the qualified equity investment ~~[.]~~ *or impact qualified equity investment.*

Sec. 20. NRS 231A.260 is hereby amended to read as follows:

231A.260 Enforcement of each of the recapture provisions set forth in NRS 231A.250 is subject to a 6-month cure period. No recapture may occur until the qualified community development entity *or impact qualified community development entity* has been given notice of noncompliance and afforded 6 months after the date of the notice to cure the noncompliance.

Sec. 21. NRS 231A.270 is hereby amended to read as follows:

231A.270 1. A qualified community development entity *or impact qualified community development entity* that seeks to have an equity investment or long-term debt security designated as a qualified equity investment *or impact qualified equity investment* and eligible for tax credits under this chapter must pay a fee in the amount of 0.5 percent of the amount of the equity investment or long-term debt security requested to be designated as a qualified equity investment *or impact qualified equity investment* to the Department. The fee must be deposited in the New Markets Performance Guarantee Account, which is hereby created in the State General Fund. The entity forfeits the fee in its entirety if:

(a) The qualified community development entity *or impact qualified community development entity* and its affiliates and partners which are also qualified community development entities *or impact qualified community development entities* fail to issue the total amount of qualified equity investments *or impact qualified equity investments* certified by the Department and receive cash in the total amount certified pursuant to subsection 3 of NRS 231A.230; or

(b) The qualified community development entity *or impact qualified community development entity* or any affiliate or partner which is also a qualified community development entity *or impact qualified community development entity* that issues a qualified equity investment *or impact qualified equity investment* certified under this chapter fails to meet the investment requirement specified in subsection 3 of NRS 231A.250 by the second credit allowance date of the qualified equity investment ~~[.]~~ *or impact qualified equity investment.* Forfeiture of the fee under this paragraph is subject to the 6-month cure period established pursuant to NRS 231A.260.

2. The fee required pursuant to subsection 1 must be paid to the Department and held in the New Markets Performance Guarantee Account until such time as compliance with the provisions of subsection 1 has been established. The qualified community development entity *or impact qualified community development entity* may request a refund of the fee from the Department no sooner than 30 days after having met all the requirements of subsection 1. The Department shall refund the fee within 30 days after such a request or being given notice of noncompliance.

Sec. 22. NRS 231A.300 is hereby amended to read as follows:

231A.300 1. Once certified under subsection 3 of NRS 231A.230, a qualified equity investment *or impact qualified equity investment* may not be decertified unless all the requirements of subsection 2 have been met. Until all qualified equity investments *or impact qualified equity investments* issued by a qualified community development entity *or impact qualified community development entity* are decertified under this section, the qualified community development entity *or impact qualified community development entity* is not entitled to distribute to its equity holders or make cash payments on long-term debt securities that have been designated as qualified equity investments *or impact qualified equity investments* in an amount that exceeds the sum of:

(a) The cumulative operating income, as defined by regulations adopted under section 45D of the Internal Revenue Code of 1986, 26 U.S.C. § 45D, earned by the qualified community development entity *or impact qualified community development entity* since issuance of the qualified equity investment ~~[,]~~ *or impact qualified equity investment* before giving effect to any interest expense from the long-term debt securities designated as qualified equity investments ~~[.]~~ *or impact qualified equity investments;* and

(b) Fifty percent of the purchase price of the qualified equity investments *or impact qualified equity investments* issued by the qualified community development entity ~~[.]~~ *or impact qualified community development entity.*

2. To be decertified, a qualified equity investment *or impact qualified equity investment* must:

(a) Be beyond its seventh credit allowance date;

(b) Have been in compliance with NRS 231A.250 through its seventh credit allowance date, including coming into compliance during any cure period allowed pursuant to NRS 231A.260; and

(c) Have had its proceeds invested in qualified active low-income community investments such that the total qualified active low-income community investments made, cumulatively including reinvestments, exceeds 150 percent of its qualified equity investment ~~[.]~~ *or impact qualified equity investment.*

3. A qualified community development entity *or impact qualified community development entity* that seeks to have a qualified equity investment *or impact qualified equity investment* decertified pursuant to this section must send notice to the Department of its request for decertification together with evidence supporting the request. The provisions of paragraph (b) of

subsection 2 shall be deemed to be met if no recapture action has been commenced by the Department as of the seventh credit allowance date. The Department shall respond to such a request within 30 days after receiving the request. Such a request must not be unreasonably denied. If the request is denied for any reason, the burden of proof is on the Department in any subsequent administrative or legal proceeding.

Sec. 23. NRS 231A.310 is hereby amended to read as follows:

231A.310 A qualified community development entity *or impact qualified community development entity* is not entitled to pay to any affiliate of the qualified community development entity *or impact qualified community development entity* any fees in connection with any activity under this chapter before decertification pursuant to NRS 231A.300 of all qualified equity investments *or qualified equity investments* issued by the qualified community development entity ~~[.]~~ *or impact qualified community development entity.* This section does not prohibit a qualified community development entity *or impact qualified community development entity* from allocating or distributing income earned by it to such affiliates or paying reasonable interest on amounts loaned to the qualified community development entity *or impact qualified community development entity* by those affiliates.

Sec. 24. NRS 231A.320 is hereby amended to read as follows:

231A.320 1. The Director shall conduct an annual review of each qualified community development entity *and impact qualified community development entity* that has been granted an application for a qualified equity investment *or impact qualified equity investment* pursuant to NRS 231A.230 to ensure that:

(a) The qualified community development entity *or impact qualified community development entity* remains in compliance with the provisions of this chapter and any regulations adopted pursuant thereto; and

(b) Any qualified equity investment *or impact qualified equity investment* certified pursuant to NRS 231A.230 meets the eligibility criteria prescribed in this chapter and any regulations adopted pursuant thereto.

2. On June 30 of each even-numbered year, the Director shall submit a report to the Director of the Legislative Counsel Bureau for transmittal to the Legislature. The report must include, for each qualified equity investment *and impact qualified equity investment* certified pursuant to NRS 231A.230:

(a) Information on the impact of the qualified equity investment *or impact qualified equity investment* on the economy of this State, including, without limitation, the number of jobs created by the qualified equity investment ~~[;]~~ *or impact qualified equity investment;* and

(b) Proof that the qualified community development entity *or impact qualified community development entity* responsible for the qualified equity investment *or impact qualified equity investment* is in compliance with the provisions of this chapter and any regulations adopted pursuant thereto.

Sec. 25. NRS 680B.0365 is hereby amended to read as follows:

680B.0365 Each insurer that makes a qualified equity investment, as

defined in NRS 231A.130, *or impact qualified equity investment, as defined in section 4 of this act,* or is allocated a credit pursuant to NRS 231A.210 is entitled to a credit against the premium tax in the manner provided in NRS 231A.200.

Sec. 25.5. 1. There is hereby appropriated from the State General Fund to the Department of Business and Industry for the Business and Industry Administration budget account for personnel, operating and travel costs to carry out the provisions of this act the following sums:

For the Fiscal Year 2023-2024 ..... $103,135

For the Fiscal Year 2024-2025 ..... $99,665

2. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2024, and September 19, 2025, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2024, and September 19, 2025, respectively.

Sec. 26. This act becomes effective on July 1, 2023.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 767 to Senate Bill No. 240, as amended, revises the eligibility requirements relating to the types of businesses who may qualify as impact qualified active low-income community businesses in section 7 of the bill. The amendment also adds General Fund appropriations of $103,135 in Fiscal Year (FY) 2024 and $99,665 in FY 2025 to the Department of Business and Industry to carry out the provisions of the bill.

Amendment adopted.

Bill read third time.

Remarks by Senator Neal.

Senate Bill No. 240, as amended, requires the Department of Business and Industry to certify an additional $170 million in qualified equity investments under the Nevada New Markets Jobs Act on or after July 1, 2024. The tax credits earned against the Insurance Premium Tax for these investments may not be taken until July 1, 2026.

Roll call on Senate Bill No. 240:

YEAS—18.

NAYS—Goicoechea, Stone—2.

EXCUSED—Spearman.

Senate Bill No. 240 having received a two-thirds majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 276.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 782.

SUMMARY—Revises provisions related to collection agencies. (BDR 54-158)

AN ACT relating to collection agencies; requiring a collection agency to display certain information on the Internet website of the collection agency; authorizing a collection agent to work from a remote location under certain circumstances; revising certain terminology related to collection agencies; revising the entities required to obtain a license as a collection agency and the circumstances under which such a license is required; revising provisions governing certain records and an application for and the issuance of a license as a collection agency; revising the frequency of the determination of the amount of the bond or substitute for a bond that a collection agency is required to maintain; eliminating certain examinations; removing a requirement that a collection agency obtain a permit for a branch office; revising provisions relating to the application and issuance of a compliance manager's certificate; prohibiting the compliance manager of a collection agency from being simultaneously employed by another collection agency or exempt entity as a compliance manager; exempting certain debt buyers from certain provisions governing collection agencies; revising provisions related to certain annual reports; prohibiting certain actions by a collection agency, compliance manager or collection agent; repealing certain provisions governing foreign collection agencies and certificates; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the licensure and regulation of collection agencies and collection agents. (Chapter 649 of NRS) Section 3 of this bill defines the term "debt buyer" to mean a person that is regularly engaged in the business of purchasing claims that have been charged off for the purpose of collecting such claims. Section 14 of this bill includes a debt buyer within the definition of "collection agency," thereby requiring a debt buyer to obtain a license as a collection agency and comply with existing law governing collection agencies. Sections 18 and 39 of this bill authorize a debt buyer and an affiliate of the debt buyer to share a license. Sections 34, 35 and 38 of this bill exempt debt buyers from provisions of existing law governing the relationship between a collection agency and a customer when debt buyers do not also collect claims on behalf of parties who are not affiliated with the debt buyer.

Section 5 of this bill defines the term "remote location" to mean a location separate from either the principal place of business or a branch office of a collection agency. Sections 7-10 of this bill establish requirements governing collection agents who work from remote locations. Specifically, section 10 requires a collection agency to maintain certain records concerning such collection agents. Before a collection agent begins working from a remote location, section 7 requires the collection agent to: (1) sign a written agreement to perform certain duties, authorize certain monitoring by the employer and refrain from certain activities while working from the remote location; (2)

complete certain training; and (3) work in an office of the collection agency for at least 7 days. Section 8 of this bill requires the remote location from which a collection agent works to satisfy certain requirements to protect data and enable the collection agent to work safely and effectively. Section 8 also prohibits: (1) multiple collection agents who do not reside in the same residence from working from the same remote location; and (2) a collection agent from printing or storing physical records at a remote location. Section 9 of this bill requires a collection agency to develop and implement a written security policy for work from a remote location and sets forth certain requirements for the security policy. Section 10 imposes certain additional requirements relating to the work of collection agents from a remote location.

Section 13 of this bill revises the definition of the term "claim" to include any obligation for the payment of money or its equivalent that is delinquent or in default and assigned to a collection agency. Sections 33, 37 and 40 of this bill replace the term "debt" with "claim" to more accurately state the property interest on which the collection agency may act.

Section 14 revises the definition of the term "collection agency" to exclude certain financial institutions, employees of such institutions , ~~[and]~~ persons collecting claims that they originated on their own behalf ~~[,]~~ and various other persons and entities deemed not to be debt collectors under federal law, thereby exempting such persons and entities from requirements governing collection agencies. Section 15 of this bill amends the term "collection agent" to mean a person who performs certain activities on behalf of a collection agency outside the place of business of a collection agency, thereby exempting persons who do not act on behalf of a collection agency from requirements governing collection agents. Sections 2 and 4 of this bill define certain other terms. Section 12 of this bill makes a conforming change to indicate the proper placement of sections 2-5 in the Nevada Revised Statutes.

Section 18 prescribes the circumstances under which a person is required to obtain a license as a collection agency. Section 52 of this bill repeals provisions governing foreign collection agencies, thereby requiring such collection agencies to be licensed in the same manner as domestic collection agencies. Sections 17 and 48 of this bill make certain information provided to the Commissioner of Financial Institutions by an applicant for a license confidential. Sections 19 and 20 of this bill revise the required contents of an application to operate a collection agency. Sections 22, 24, 31 and 52 of this bill revise provisions governing the procedure for issuing a license or removing a business location from the place of business as stated in the license, including by removing a requirement that the Commissioner issue a physical license to a successful applicant.

Existing law requires a collection agency to employ a manager who is: (1) certified as a manager; and (2) responsible for the operation of the collection agency. (NRS 649.035, 649.095, 649.305) Sections 16, 20, 26-30, 32, 36, 37, 40 and 51 of this bill revise the term "manager" to "compliance manager." Section 26 of this bill revises the requirements to apply for a compliance

manager's certificate. Section 30 of this bill prohibits a compliance manager from being employed as a compliance manager by more than one collection agency at a time, or by a collection agency and an exempt entity at the same time. Sections 22, 23, 29 and 52 of this bill remove a requirement that an applicant for a license to operate a collection agency pass an examination and references to that requirement. Section 26.5 of this bill requires the Commissioner to waive the examination for a certificate as a compliance manager if the applicant and collection agency that employs the applicant hold certain certifications.

Existing law requires: (1) an applicant for a license to operate a collection agency to file a bond or an appropriate substitute with the Commissioner; and (2) the Commissioner to determine the appropriate amount of the bond or appropriate substitute 3 months after submission and semiannually thereafter. (NRS 649.105) Section 21 of this bill instead requires the Commissioner to review the amount of that bond or substitute annually.

Existing law requires an applicant to state the location of the business and to obtain a permit to operate a branch office. (NRS 649.095, 649.167) Section 25 of this bill removes the requirement to obtain a permit and instead requires a collection agency to notify the Commissioner of the location of the branch office. Section 29 of this bill makes a conforming change to remove the fees for the issuance and renewal of a permit to operate a branch office.

Existing law requires a license or certificate issued by the Commissioner to be displayed on the wall of the place of business of the collection agency. (NRS 649.315) Sections 6, 49 and 52 of this bill remove this requirement and instead require a collection agency to display its license number and the certificate identification number of the certificate issued to the compliance manager of the collection agency on an Internet website maintained by the collection agency.

Existing law requires a collection agency to submit a report to the Commissioner on or before January 31 of each year relating to the money due to all creditors by the collection agency and the total sum in the customer trust fund accounts of the collection agency. (NRS 649.345) Section 36 requires this report to be submitted on or before April 15 of each year.

Existing law prohibits a collection agency or its agents or employees from engaging in certain practices. (NRS 649.375) Section 40 additionally prohibits a collection agency or its compliance manager, agents or employees from: (1) filing a civil action to collect a debt when the collection agency, compliance manager, agent or employee knows or should know that the applicable limitation period for filing such an action has expired; and (2) selling an interest in a resolved claim or any personal or financial information related to the resolved claim. Any person who violates these provisions is guilty of a gross misdemeanor and subject to an administrative fine. (NRS 649.435, 649.440)

Existing law prescribes the time within which certain civil actions may be filed. (NRS 11.190) Existing law provides that, for an action based on

indebtedness, the relevant time period begins on the date on which the last payment was made. (NRS 11.200) Section 41 of this bill provides that a payment made on a debt or certain other activity relating to the debt after the time period for filing an action based on a debt has expired does not revive the applicable limitation. Section 33 requires certain notice provided to a medical debtor to notify the debtor that such a payment does not revive the applicable limitation.

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

Section 1. Chapter 649 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 11, inclusive, of this act.

Sec. 2. *"Collection activities" means activities performed by a collection agency or collection agents related to the collection of or attempt to collect a claim.*

Sec. 3. *"Debt buyer" means a person who is regularly engaged in the business of purchasing claims that have been charged off for the purpose of collecting such claims, including, without limitation, by personally collecting claims, hiring a third party to collect claims or hiring an attorney to engage in litigation for the purpose of collecting claims.*

Sec. 4. *"Exempt entity" means an entity described in paragraphs (b) to (k), inclusive, of subsection 2 of NRS 649.020.*

Sec. 5. *"Remote location" means a location separate from either the principal place of business or a branch office of a collection agency.*

Sec. 6. *A collection agency shall display on any Internet website maintained by the collection agency:*

1. The license number issued to the collection agency by the Commissioner pursuant to NRS 649.135; and

2. The certificate identification number of the certificate issued to the compliance manager of the collection agency by the Commissioner pursuant to NRS 649.225.

Sec. 7. *Before a collection agent begins working from a remote location, the collection agent must:*

1. Sign a written agreement prepared by the collection agency that requires a collection agent working from a remote location to:

(a) Maintain data concerning debtors in a confidential manner and refrain from printing or otherwise reproducing such data into a physical record while working from the remote location;

(b) Read and comply with the security policy established pursuant to section 9 of this act and any policy to ensure the safety of the equipment of the collection agency that the collection agent is authorized to use;

(c) Review a description of the work that the collection agent is authorized to perform from the remote location and only perform work included in that description;

(d) Refrain from disclosing to a debtor that the collection agent is working from a remote location or that the remote location is a place of business of the collection agency;

(e) Authorize the employer to monitor the collection agent while he or she is working from the remote location, including, without limitation, recording any calls to and from the remote location relating to collection activities; and

(f) Refrain from conducting any activities related to his or her work with the collection agency with a debtor or customer in person at the remote location;

2. Complete a program of training at the office of the principal place of business of the collection agency regarding compliance with applicable laws and regulations, privacy, confidentiality, monitoring, security and any other issue relevant to the work the collection agent will perform from the remote location; and

3. Work at the office of the principal place of business or a branch office of the collection agency with direct oversight and mentoring from a supervisor for at least 7 days.

Sec. 8. *1. The remote location from which a collection agent works must:*

(a) Be capable of providing the same degree of oversight and monitoring of the collection agent as if the collection agent was working in the principal place of business or a branch office of the collection agency;

(b) Be fully connected to the technological systems, including, without limitation, any computer system, of the office at the principal place of business or a branch office of the collection agency;

(c) Allow the collection agency to:

(1) Record calls made to and from the remote location; and

(2) Monitor calls to and from the remote location in real time;

(d) Be a private location where confidentiality can be maintained; and

(e) Have the equipment necessary for the collection agent to perform his or her work safely and effectively.

2. Each collection agent who works from a remote location must be connected to the principal place of business or a branch office of the collection agency in a manner that requires the collection agent to use unique credentials to access the technological systems of the collection agency.

3. Except as otherwise provided in this subsection, two or more collection agents shall not work from the same remote location. Two or more collection agents who reside in the same residence may each work remotely from that residence.

4. A collection agent shall not print or store any physical records of a collection agency at a remote location.

5. A remote location from which a collection agent works shall be deemed to be an extension of the principal place of business or branch office to which the collection agent is connected pursuant to paragraph (b) of subsection 1 for the purposes of this chapter and any other relevant purposes.

Sec. 9. *1. A collection agency shall develop and implement a written security policy for collection agents who work from a remote location to ensure that the data of debtors, customers and the collection agency is secure and protected from unauthorized disclosure, access, use, modification, duplication or destruction. The security policy must include, without limitation:*

(a) Access to the technological systems of the collection agency through a virtual private network or other similar network or system which:

(1) Utilizes multifactor authentication, data encryption and frequent password changes; and

(2) Automatically locks a collection agent out of his or her account if suspicious activity is detected;

(b) A procedure to immediately update and repair any security network or system to ensure that current security technologies are utilized;

(c) A requirement to store all data of debtors, customers and the collection agency on designated drives that are safe, secure and expandable;

(d) A requirement that collection agents work on electronic devices that are secured with software and hardware protections including, without limitation, antivirus software and a firewall;

(e) A requirement that collection agents access any system of the collection agency through an electronic device that has been issued by the collection agency and a prohibition on using such an electronic device for personal purposes;

(f) A procedure for the containment and disclosure of any breach of data that occurs, including, without limitation, the issuance of any disclosure that is required by law;

(g) A procedure for the protection of data during a natural disaster or other emergency that has the potential to impact the data or electronic devices of the collection agency at a remote location and the recovery of data after such a natural disaster or other emergency;

(h) A procedure for the secure disposal of data in accordance with any applicable law or contract;

(i) A procedure for conducting an annual risk assessment concerning the protection of the data of debtors, customers and the collection agency and a plan to implement new policies based on the results of the risk assessment; and

(j) Procedures to:

(1) Prevent a former collection agent from accessing any system of the collection agency; and

(2) Remotely disable or remove all data from an electronic device owned by the collection agency at the remote location.

2. A collection agency that complies with the requirements of 16 C.F.R. Part 314 satisfies the requirements of this section.

Sec. 10. *1. A collection agent working from a remote location shall comply with any applicable federal and state laws, including, without limitation, the provisions of this chapter, including, without limitation,*

NRS 649.335, and the Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692 et seq.

2. A collection agency shall:

(a) Record calls performed by a collection agent conducting collection activities from a remote location and maintain such recordings for at least 4 years; and

(b) Monitor calls performed by a collection agent conducting collection activities from a remote location in real time on a regular basis.

3. A collection agency or collection agent shall not:

(a) Represent to any person that the collection agent is working independently of the collection agency;

(b) Use the remote location from which a collection agent is working and any related address, telephone number or facsimile number in advertising for the collection agency;

(c) Require or invite a debtor to come to a remote location from which a collection agent is working for the purpose of collection activities; or

(d) Hold out a remote location from which a collection agent is working in such a manner that a debtor is likely to believe that the remote location is the principal place of business or a branch office of the collection agency, including, without limitation, by receiving mail at the remote location, storing records at the remote location or stating to a debtor or customer that the collection agent is working from the remote location.

4. A collection agency shall:

(a) Maintain a record of collection agents who are authorized to work from a remote location which must include, for each such collection agent:

(1) The name, telephone number and electronic mail address of the collection agent; and

(2) The address of the remote location;

(b) Maintain a record of equipment supplied to collection agents for use at a remote location;

(c) Review its policies and procedures governing remote work for compliance with sections 7 to 10, inclusive, of this act at least annually and upon request of the Commissioner; and

(d) Establish a procedure to ensure that a collection agent working from a remote location does so without acting in any illegal, unethical or unsafe manner.

Sec. 11. (Deleted by amendment.)

Sec. 12. NRS 649.005 is hereby amended to read as follows:

649.005 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 649.010 to 649.042, inclusive, *and sections 2 to 5, inclusive, of this act* have the meanings ascribed to them in those sections.

Sec. 13. NRS 649.010 is hereby amended to read as follows:

649.010 "Claim" means any obligation for the payment of money or its equivalent that is past due ~~[.]~~ *, delinquent or in default and assigned to a collection agency.*

Sec. 14. NRS 649.020 is hereby amended to read as follows:

649.020 1. "Collection agency" means all persons engaging, directly or indirectly, and as a primary or a secondary object, business or pursuit, in the collection of or in soliciting or obtaining in any manner the payment of a claim owed or due or asserted to be owed or due to another.

2. "Collection agency" does not include any of the following unless they are conducting collection ~~[agencies:]~~ *activities in a capacity other than that described in this subsection:*

(a) ~~[Individuals]~~ *Natural persons* regularly employed *by an exempt entity* on a regular wage or salary ~~[, in the capacity of credit men or in other similar capacity upon the staff of employees of any person]~~ *who, on behalf of the exempt entity, collect a claim owed to the exempt entity provided that such persons are* not engaged in the business of a collection agency or making or attempting to make collections as an incident to the usual practices of their primary business or profession.

(b) Banks ~~[,]~~ *, savings banks, credit unions, thrift companies or trust companies.*

(c) Nonprofit cooperative associations.

(d) Unit-owners' associations and the board members, officers, employees and units' owners of those associations when acting under the authority of and in accordance with chapter 116 or 116B of NRS and the governing documents of the association, except for those community managers included within the term "collection agency" pursuant to subsection 3.

(e) Abstract companies doing an escrow business.

(f) Duly licensed real estate brokers, except for those real estate brokers who are community managers included within the term "collection agency" pursuant to subsection 3.

(g) Attorneys and counselors at law licensed to practice in this State, so long as they are retained by their clients to collect or to solicit or obtain payment of such clients' claims in the usual course of the practice of their profession.

(h) A mortgage servicer licensed pursuant to chapter 645F of NRS, except where such a mortgage servicer is attempting to collect a claim that was assigned when the relevant loan was in default.

(i) Any person collecting in his or her own name on a claim that he or she originated.

(j) Any person servicing a claim that he or she originated and sold.

(k) Any person or entity described in 15 U.S.C. § ~~[1692a(6)(B).]~~ 1692a(6)(A) to 1692a(6)(F), inclusive.

3. "Collection ~~[agency":]~~ *agency" includes:*

(a) ~~[Includes a]~~ *A* community manager while engaged in the management of a common-interest community or the management of an association of a condominium hotel if the community manager, or any employee, agent or affiliate of the community manager, performs or offers to perform any act associated with the foreclosure of a lien pursuant to NRS 116.31162 to 116.31168, inclusive, or 116B.635 to 116B.660, inclusive; and

(b) ~~[Does]~~ *A debt buyer.*

4. "Collection agency" does not include any ~~[other]~~ community manager , *other than a community manager described in paragraph (a) of subsection 3,* while engaged in the management of a common-interest community or the management of an association of a condominium hotel.

~~[4.]~~ *5.* As used in this section:

(a) "Community manager" has the meaning ascribed to it in NRS 116.023 or 116B.050.

(b) "Unit-owners' association" has the meaning ascribed to it in NRS 116.011 or 116B.030.

Sec. 15. NRS 649.025 is hereby amended to read as follows:

649.025 "Collection agent" means any person, ~~[whether or not regularly employed at a regular wage or salary, who in the capacity of a credit man or in any other similar capacity]~~ *who, on behalf of a collection agency,* makes a collection, solicitation or investigation of a claim at a place or location other than the business premises of the collection agency, but does not include:

1. Employees of a collection agency whose activities and duties are restricted to the business premises of the collection agency.

2. The individuals, corporations and associations enumerated in subsection 2 of NRS 649.020.

Sec. 16. NRS 649.035 is hereby amended to read as follows:

649.035 ~~["Manager"]~~ *"Compliance manager"* means a person who:

1. Holds a *compliance* manager's certificate;

2. Is designated as the *compliance* manager of a collection agency;

3. Shares equally with the holder of a license to conduct a collection agency the responsibility for the operation of the collection agency; and

4. Devotes a majority of the hours he or she works as an employee of the agency to the actual ~~[management, operation and administration]~~ *oversight and compliance* of that collection agency.

Sec. 17. NRS 649.065 is hereby amended to read as follows:

649.065 1. The Commissioner shall keep in the Office of the Commissioner, in a suitable record provided for the purpose, all applications for certificates, licenses and all bonds required to be filed under this chapter. The record must state the date of issuance or denial of the license or certificate and the date and nature of any action taken against any of them.

2. All licenses and certificates issued must be sufficiently identified in the record.

3. All renewals must be recorded in the same manner as originals, except that, in addition, the number of the preceding license or certificate issued must be recorded.

4. Except ~~[for confidential information contained therein, the record must be open for inspection as a public record in the Office of the Commissioner.]~~ *as otherwise provided in NRS 239.0115, any application and personal or financial records submitted by a person pursuant to the provisions of this chapter and any personal or financial records or other documents obtained by*

the Division of Financial Institutions of the Department of Business and Industry pursuant to an examination, audit or investigation conducted by the Division are confidential and may be disclosed only to:

(a) The Division, any authorized employee of the Division and any state or federal agency investigating activity covered by this chapter.

(b) The Department of Taxation for its use in carrying out the provisions of chapter 363C of NRS.

Sec. 18. NRS 649.075 is hereby amended to read as follows:

649.075 1. Except as otherwise provided in this section, a person shall not ~~[conduct within this State a collection agency or]~~ engage *in the business of a collection agency* within this State ~~[in the business of collecting claims for others, or of soliciting the right to collect or receive payment for another of any claim, or advertise, or solicit, either in print, by letter, in person or otherwise, the right to collect or receive payment for another of any claim, or seek to make collection or obtain payment of any claim on behalf of another]~~ without having first applied for and obtained a license *as a collection agency* from the Commissioner.

2. ~~[A person is not required to obtain a license if the person holds a certificate of registration as a foreign collection agency issued by the Commissioner pursuant to NRS 649.171.]~~ *A person engages in the business of a collection agency in this State for the purposes of subsection 1 if the person is located:*

(a) In this State and is seeking to collect a claim, regardless of whether the debtor resided or currently resides in this State or another state;

(b) In another state and is seeking to collect a claim from a debtor that resides in this State; or

(c) In another state and is seeking to collect a claim on behalf of a person or entity that resides in this State.

3. A person engaging in the business of a collection agency shall obtain a license for the office of the principal place of business of the person. A person is not required to obtain a license for a branch office or remote location.

4. A debt buyer may share a single license as a collection agency with a person affiliated with the debt buyer if the affiliated person does not engage in any collection activities other than purchasing claims.

Sec. 19. NRS 649.085 is hereby amended to read as follows:

649.085 Every individual applicant, every officer and director of a corporate applicant, and every member of a firm or partnership applicant for a license as a collection agency or collection agent must submit proof satisfactory to the Commissioner that he or she:

1. Has a good reputation for honesty, trustworthiness and integrity and is competent to transact the business of a collection agency in a manner which protects the interests of the general public.

2. Has not had a collection agency license suspended or revoked within the 10 years immediately preceding the date of the application ~~[.]~~ *, unless the*

license was suspended for a minor violation that did not harm a debtor and the license was subsequently restored.

3. Has not been convicted of, or entered a plea of nolo contendere to:

(a) A felony relating to the practice of collection agencies or collection agents; or

(b) Any crime involving fraud, misrepresentation or moral turpitude.

4. Has not made a false statement of material fact on the application.

5. Will maintain ~~[one or more offices in this State or one or more offices in another state for the transaction of the business of his or her collection agency.]~~ *a physical office as the principal place of business. If a collection agent of the applicant will be working from a remote location, the principal place of business of the applicant must be located in the United States.*

6. Has established a plan to ensure that his or her collection agency will provide the services of a collection agency adequately and efficiently.

Sec. 20. NRS 649.095 is hereby amended to read as follows:

649.095 1. An application for a license must be in writing and filed with the Commissioner on a form provided for that purpose.

2. The application must state:

(a) The name of the applicant and the name under which the applicant does business or expects to do business.

(b) The address of the applicant's business and residence, including street and number.

(c) The character of the business sought to be carried on.

(d) ~~[The]~~ *Except as otherwise provided in this paragraph, the* locations by street and number where the business will be transacted ~~[.]~~ *, including, without limitation, the location of any branch office. The application is not required to include any remote location from which a collection agent will work.*

(e) In the case of a firm or partnership, the full names and residential addresses of all members or partners and the name and residential address of the *compliance* manager.

(f) In the case of a corporation or voluntary association, the name and residential address of each of the directors and officers and the name and residential address of the *compliance* manager.

(g) Any other information reasonably related to the applicant's qualifications for the license which the Commissioner determines to be necessary.

(h) *If the applicant plans to have one or more collection agents work from a remote location, evidence that the applicant is able to comply with the provisions of sections 7 to 10, inclusive, of this act.*

(i) All information required to complete the application.

3. In addition to any other requirements, each applicant or member, partner, director, officer or *compliance* manager of an applicant shall submit to the Commissioner a complete set of fingerprints and written permission authorizing the Division of Financial Institutions of the Department of Business and Industry to forward the fingerprints to the Central Repository for

Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

4. The application must be subscribed by the applicant and acknowledged.

5. Every applicant may be examined concerning the applicant's competency, experience, character and qualifications by the Commissioner or the Commissioner's authorized agent, and if the examination reveals that the applicant lacks any of the required qualifications, issuance of the license must be denied. Every application must have attached to it a financial statement showing the assets, liabilities and net worth of the applicant.

6. The Commissioner shall consider an application to be withdrawn if the Commissioner has not received all information and fees required to complete the application within 6 months after the date the application is first submitted to the Commissioner or within such later period as the Commissioner determines in accordance with any existing policies of joint regulatory partners. If an application is deemed to be withdrawn pursuant to this subsection or if an applicant otherwise withdraws an application, the Commissioner may not issue a license to the applicant unless the applicant submits a new application and pays any required fees.

Sec. 21. NRS 649.105 is hereby amended to read as follows:

649.105 1. An applicant for a license must file with the Commissioner, concurrently with the application, a bond in the sum of $35,000, or an appropriate substitute pursuant to NRS 649.119, which must run to the State of Nevada. The bond must be made and executed by the principal and a surety company authorized to write bonds in the State of Nevada.

2. The bonds must be conditioned:

(a) That the principal, who must be the applicant, must, upon demand in writing, pay any customer from whom any claim for collection is received, the proceeds of the collection, in accordance with the terms of the agreement made between the principal and the customer; and

(b) That the principal must comply with all requirements of this or any other statute with respect to the duties, obligations and liabilities of collection agencies.

3. ~~[Not later than 3 months after the issuance of the license and semiannually thereafter, the]~~ *The* Commissioner shall *annually* determine the appropriate amount of bond or appropriate substitute which must be maintained by the licensee . ~~[in]~~ *If applicable, such a determination must be in* accordance with the licensee's average monthly balance in the trust account maintained pursuant to NRS 649.355:

AVERAGE MONTHLY BALANCE	AMOUNT OF BOND REQUIRED
Less than $100,000	$35,000
$100,000 or more but less than $150,000	40,000
$150,000 or more but less than $200,000	50,000
$200,000 or more	60,000

Sec. 22. NRS 649.135 is hereby amended to read as follows:

649.135 *1.* The Commissioner shall ~~[enter an order approving the]~~ *approve an* application for a license ~~[,]~~ *and* keep on file his or her findings of fact pertaining thereto ~~[, and permit the applicant to take the required examination,]~~ if the Commissioner finds that the applicant has met all the other requirements of this chapter pertaining to the applicant's qualifications and application.

2. Upon the approval of the application, the payment of any required fees and the submission of any required information, the Commissioner shall:

(a) Notify the applicant of the approval and issue a unique license number to the applicant; and

(b) Update any applicable public record maintained by the Commissioner to show that the person holds an active license that authorizes the person to conduct collection activities in this State.

Sec. 23. NRS 649.155 is hereby amended to read as follows:

649.155 1. If the Commissioner finds that any application or applicant for a collection agency license does not meet the requirements of NRS 649.135 , ~~[or the applicant fails to pass the required examination,]~~ the Commissioner shall enter an order denying the application.

2. Within 10 days after the entry of such an order, the Commissioner shall mail or deliver to the applicant written notice of the denial in which all the reasons for such denial are stated.

Sec. 24. NRS 649.165 is hereby amended to read as follows:

649.165 Upon ~~[receipt]~~ *notification* of the ~~[license,]~~ *approval of the application by the Commissioner pursuant to NRS 649.135,* the licensee shall have the right to conduct the business of a collection agency with all the powers and privileges contained in, but subject to, the provisions of this chapter.

Sec. 25. NRS 649.167 is hereby amended to read as follows:

649.167 1. ~~[A collection agency licensed in this State may apply to the Commissioner for a permit]~~ *A license as a collection agency granted pursuant to NRS 649.135 is valid for the principal place of business and any branch office of the licensee.*

2. Immediately upon beginning to operate a branch office ~~[in this State]~~ in a location not ~~[previously approved by its license.~~

~~2. The Commissioner shall not issue a permit for a branch office until the principal office of the collection agency has been examined by the Commissioner and found to be satisfactory.~~

~~3. A branch office must have a manager on the premises during regular business hours.~~

~~4. The Commissioner shall adopt regulations concerning an application for a permit to operate a branch office.]~~ *provided to the Commissioner on the application submitted pursuant to NRS 649.095, a collection agency shall notify the Commissioner in writing of the location of the branch office.*

Sec. 26. NRS 649.196 is hereby amended to read as follows:

649.196 1. Each applicant for a *compliance* manager's certificate must submit proof satisfactory to the Commissioner that the applicant:

(a) Is at least 21 years of age.

(b) Has a good reputation for honesty, trustworthiness and integrity and is competent to ~~[transact the business]~~ *oversee the compliance* of a collection agency in a manner which protects the interests of the general public. *An applicant may demonstrate competency to oversee the compliance of a collection agency by:*

(1) Holding a certification from a national association that is a nonprofit organization with expertise in the business of collections, compliance or financial services;

(2) Having 3 years of experience working in compliance for a collection agency;

(3) Holding a professional degree or accreditation relating to compliance of a collection agency; or

(4) Serving as a compliance manager on or before October 1, 2023.

(c) Has not committed any of the acts specified in NRS 649.215.

(d) Has not had a collection agency license or *compliance* manager's certificate suspended or revoked within the 10 years immediately preceding the date of filing the application ~~[.]~~ *, unless the license or certificate was suspended for a minor violation that did not harm a debtor and was subsequently restored.*

(e) Has not been convicted of, or entered a plea of nolo contendere to, a felony or any crime involving fraud, misrepresentation or moral turpitude.

(f) Has had not less than 2 years' full-time experience with a collection agency in the collection of accounts ~~[assigned by creditors who were not affiliated with the collection agency except as assignors of accounts.]~~ *or with a financial institution or as a compliance manager.* At least 1 year of the 2 years of experience must have been within the 18-month period preceding the date of filing the application.

2. Each applicant must:

(a) Pass the examination or reexamination provided for in NRS 649.205 ~~[. (b)]~~ *, unless the examination or reexamination is waived pursuant to subsection 4 of NRS 649.205.*

(b) Pay the required fees.

~~[(c) Submit, in such form as the Commissioner prescribes:~~

~~(1) Three recent photographs; and~~

~~(2) Three complete sets of fingerprints which the Commissioner may forward to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.~~

~~(d)]~~ *(c)* Submit such ~~[other]~~ information reasonably related to his or her qualifications for the *compliance* manager's certificate as the Commissioner determines to be necessary.

3. The Commissioner may refuse to issue a *compliance* manager's certificate if the applicant does not meet the requirements of subsections 1 and 2.

4. If the Commissioner refuses to issue a *compliance* manager's certificate pursuant to this section, the Commissioner shall notify the applicant in writing by certified mail stating the reasons for the refusal. The applicant may submit a written request for a hearing within 20 days after receiving the notice. If the applicant fails to submit a written request within the prescribed period, the Commissioner shall enter a final order.

5. The Commissioner shall consider an application to be withdrawn if the Commissioner has not received all information and fees required to complete the application within 6 months after the date the application is first submitted to the Commissioner or within such later period as the Commissioner determines in accordance with any existing policies of joint regulatory partners. If an application is deemed to be withdrawn pursuant to this subsection or if an applicant otherwise withdraws an application, the Commissioner may not issue a ~~[license]~~ *certificate* to the applicant unless the applicant submits a new application and pays any required fees.

Sec. 26.5. NRS 649.205 is hereby amended to read as follows:

649.205 1. The Commissioner shall provide for *compliance* managers' examinations at such times and places as the Commissioner may direct, at least twice each year.

2. The examinations must be of a length, scope and character which the Commissioner deems reasonably necessary to determine the fitness of the applicants to act as *compliance* managers of collection agencies.

3. If an applicant does not pass the examination, the applicant must reapply to take the examination and pay a reexamination fee of not more than $100 for each subsequent examination. The Commissioner shall adopt regulations establishing the amount of the reexamination fee required pursuant to this subsection.

4. *If the applicant and collection agency that employs or seeks to employ the applicant are both certified by a national association that is a nonprofit with expertise in the business of collections which the Commissioner determines proves the competence of the applicant, the Commissioner must waive the examination for the applicant.*

5. The Commissioner may make such rules and regulations as may be necessary to carry out the purposes of this section.

Sec. 27. NRS 649.215 is hereby amended to read as follows:

649.215 The Commissioner may refuse to permit an applicant for a *compliance* manager's certificate to take the examination, or, after a hearing, may suspend or revoke a *compliance* manager's certificate if the applicant or *compliance* manager has:

1. Committed or participated in any act which, if committed or done by a licensee, would be grounds for the suspension or revocation of a license.

2. Been refused a license or certificate pursuant to this chapter or had such a license or certificate suspended or revoked.

3. Participated in any act, which act was a basis for the refusal or revocation of a collection agency license.

4. Falsified any of the information submitted to the Commissioner in support of an application pursuant to this chapter.

5. Impersonated, or permitted or aided and abetted another to impersonate, a law enforcement officer or employee of the United States, a state or any political subdivision thereof.

6. Made any statement in connection with his or her employment with a collection agency with the intent to give an impression that he or she was a law enforcement officer of the United States, a state or political subdivision thereof.

Sec. 28. NRS 649.225 is hereby amended to read as follows:

649.225 1. The Commissioner shall issue a *compliance* manager's certificate to any applicant who meets the requirements of this chapter for the certificate. *Each certificate must have a unique identification number.*

2. Each *compliance* manager holding a *compliance* manager's certificate issued pursuant to this chapter shall notify the Commissioner in writing of any change in his or her residence address within 10 days after the change.

Sec. 29. NRS 649.295 is hereby amended to read as follows:

649.295 1. A nonrefundable fee of not more than $500 for the application ~~[and survey]~~ must accompany each new application for a license as a collection agency. Each applicant shall also pay any additional expenses incurred in the process of investigation. All money received by the Commissioner pursuant to this subsection must be placed in the Investigative Account created by NRS 232.545.

2. A fee of not less than $200 or more than $600, prorated on the basis of the licensing year as provided by the Commissioner, must be charged for each original license issued. A fee of not more than $500 must be charged for each annual renewal of a license.

3. A fee of not more than $20 must be charged for each ~~[duplicate license or]~~ license for a transfer of location issued.

4. A nonrefundable application fee of not more than $500 and a nonrefundable investigation fee of not more than $150 must accompany each application for a *compliance* manager's certificate.

5. A fee of not more than $40 must be charged for each *compliance* manager's certificate issued and for each annual renewal of such a certificate.

6. A fee of not more than $60 must be charged for the reinstatement of a *compliance* manager's certificate.

7. A fee of not more than $10 must be charged for each day an application for the renewal of a license or certificate, or a required report, is filed late, unless the fee or portion thereof is excused by the Commissioner for good cause shown.

8. ~~[A nonrefundable fee of not more than $250 for the application and an examination must accompany each application for a permit to operate a branch office of a licensed collection agency. A fee of not more than $500 must be charged for each annual renewal of such a permit.~~

~~9.]~~ For each examination the Commissioner shall charge and collect from the licensee a fee for conducting the examination and preparing and typing the report of the examination at the rate established and, if applicable, adjusted pursuant to NRS 658.101. Failure to pay the fee within 30 days after receipt of the bill is a ground for revoking the collection agency's license.

~~[10.]~~ *9.* Except as otherwise provided in NRS 658.101, the Commissioner shall adopt regulations establishing the amount of the fees required pursuant to this section.

~~[11.]~~ *10.* Except as otherwise provided in subsection 1, all money received by the Commissioner pursuant to this chapter must be deposited in the State Treasury pursuant to the provisions of NRS 658.091.

Sec. 30. NRS 649.305 is hereby amended to read as follows:

649.305 *1.* No collection agency may operate its business without a *compliance* manager who holds a valid *compliance* manager's certificate issued under the provisions of this chapter.

2. Except as otherwise provided in this subsection, a compliance manager must not be employed as a compliance manager by more than one collection agency or employed by a collection agency and an exempt entity at the same time. A compliance manager may be simultaneously employed as a compliance manager by a collection agency and an affiliate of that collection agency.

Sec. 31. NRS 649.325 is hereby amended to read as follows:

649.325 1. A collection agency shall not remove its business location from the place of business as stated in the ~~[license]~~ *record of the licensee* except upon prior approval by the Commissioner in writing.

2. If the removal is approved, the Commissioner shall note the change ~~[upon the face of the license and enter in his or her records a notation of that change.]~~ *in the record of the licensee.*

Sec. 32. NRS 649.330 is hereby amended to read as follows:

649.330 1. A collection agency shall immediately notify the Commissioner of any change:

(a) Of the *compliance* manager of the agency; or

(b) If the agency is a corporation, in the ownership of 5 percent or more of its outstanding voting stock.

2. An application must be submitted to the Commissioner, pursuant to NRS 649.095, by:

(a) The person who replaces the *compliance* manager; and

(b) A person who acquires:

(1) At least 25 percent of the outstanding voting stock of an agency; or

(2) Any outstanding voting stock of an agency if the change will result in a change in the control of the agency.

➥ Except as otherwise provided in subsection 4, the Commissioner shall conduct an investigation to determine whether the applicant has the competence, experience, character and qualifications necessary for the licensing of a collection agency. If the Commissioner denies the application, the Commissioner may ~~[in his or her order]~~ forbid the applicant from participating in the business of the collection agency.

3. The collection agency with which the applicant is affiliated shall pay such expenses incurred in the investigation as the Commissioner deems necessary. All money received by the Commissioner pursuant to this subsection must be placed in the Investigative Account created by NRS 232.545.

4. A collection agency may submit a written request to the Commissioner to waive an investigation pursuant to subsection 2. The Commissioner may grant a waiver if the applicant has undergone a similar investigation by a state or federal agency in connection with the licensing of or the applicant's employment with a financial institution.

Sec. 33. NRS 649.332 is hereby amended to read as follows:

649.332 1. To verify a ~~[debt,]~~ *claim,* a collection agency shall:

(a) Obtain or attempt to obtain from the creditor any document that is not in the possession of the collection agency and is reasonably responsive to the dispute of the debtor, if any; and

(b) If such a document is obtained, mail the document to the debtor.

2. When collecting a ~~[debt]~~ *claim* on behalf of a hospital, within 5 days after the initial communication with the debtor in connection with the collection of the ~~[debt,]~~ *claim,* a collection agency shall, unless the following information is included in the initial communication, send a written notice to the debtor that includes a statement indicating that:

(a) If the debtor pays or agrees to pay the ~~[debt]~~ *claim* or any portion of the ~~[debt,]~~ *claim,* the payment or agreement to pay ~~[may]~~ *:*

(1) May be construed as ~~[:~~

~~(1) An]~~ *an* acknowledgment of the ~~[debt]~~ *claim* by the debtor; and

(2) ~~[A]~~ *As provided in NRS 11.200, does not constitute a* waiver by the debtor of any applicable statute of limitations set forth in NRS 11.190 that otherwise precludes the collection of the ~~[debt;]~~ *claim;* and

(b) If the debtor does not understand or has questions concerning his or her legal rights or obligations relating to the ~~[debt,]~~ *claim,* the debtor should seek legal advice.

3. As used in this section, "hospital" has the meaning ascribed to it in NRS 449.012

Sec. 34. NRS 649.334 is hereby amended to read as follows:

649.334 1. The terms and conditions of any written agreement between a collection agency and a customer must be specific, intelligible and unambiguous. In the absence of a written agreement, unless the conduct of the parties indicates a different mutual understanding, the understanding of the

customer concerning the terms of the agreement must govern in any dispute between the customer and the collection agency.

2. Unless a written agreement between the parties otherwise provides, any money collected on a claim, after court costs have been recovered, must first be credited to the principal amount of the claim. Any interest charged and collected on the claim must be allocated pursuant to the agreement between the customer and the collection agency.

3. Except with the consent of its customer, a collection agency shall not accept less than the full amount of a claim in settlement of an assigned claim.

4. A collection agency shall, at the time it remits to the customer the money it collected on behalf of the customer, give each customer an accounting in writing of the money it collected on behalf of the customer in connection with a claim.

5. This section does not apply to a debt buyer who is not also collecting claims on behalf of parties who are not affiliated with the debt buyer.

Sec. 35. NRS 649.3345 is hereby amended to read as follows:

649.3345 1. Unless a written agreement between the parties otherwise provides, a customer may withdraw, without obligation, any claim assigned to a collection agency at any time 6 months after the date of the assignment if:

(a) The customer gives written notice of the withdrawal to the collection agency not less than 60 days before the effective date of the withdrawal; and

(b) The claim is not in the process of being collected.

2. As used in this section, "in the process of being collected," means that:

(a) A payment on the claim has been received after the date of the assignment;

(b) An action on the claim has been filed by or on behalf of the collection agency;

(c) The claim has been forwarded to another collection agency for collection;

(d) A lawful and sufficient claim or notice of lien has been filed by the collection agency on behalf of the customer to ensure payment from money distributed in connection with the probate of an estate, proceeding in bankruptcy, assignment for the benefit of creditors or any similar proceeding; or

(e) The collection agency has obtained from the debtor an enforceable written promise to make payment.

3. Upon the withdrawal of any claim, the collection agency shall return to the customer any documents, records or other items relating to the claim that have been supplied by the customer.

4. This section does not apply to a debt buyer who is not also collecting claims on behalf of parties who are not affiliated with the debt buyer.

Sec. 36. NRS 649.345 is hereby amended to read as follows:

649.345 1. Each licensed collection agency shall file with the Commissioner a written report, signed and sworn to by its *compliance* manager, no later than ~~[January 31]~~ *April 15* of each year, unless the

Commissioner determines that there is good cause for later filing of the report. The report must include:

(a) ~~[The]~~ *If applicable, the* total sum of money due to all creditors as of the close of the last business day of the preceding month.

(b) ~~[The]~~ *If applicable, the* total sum on deposit in customer trust fund accounts and available for immediate distribution as of the close of the last business day of the preceding month, the title of the trust account or accounts, and the name of the banks or credit unions where the money is deposited.

(c) ~~[The]~~ *If applicable, the* total amount of creditors' or forwarders' share of money collected more than 60 days before the last business day of the preceding month and not remitted by that date.

(d) When the total sum under paragraph (c) exceeds $10, the name of each creditor or forwarder and the respective share of each in that sum.

(e) Such other information, audit or reports as the Commissioner may require.

2. The filing of any report required by this section which is known by the collection agency to contain false information or statements constitutes grounds for the suspension of the agency's license or the *compliance* manager's certificate, or both.

Sec. 37. NRS 649.347 is hereby amended to read as follows:

649.347 1. Each licensed collection agency shall file with the Commissioner a written report not later than January 31 of each year, unless the Commissioner determines that there is good cause for later filing of the report. The report must include:

(a) The number of cases in which the collection agency collected a ~~[debt]~~ *claim* for a unit-owners' association during the immediately preceding year;

(b) The name of each unit-owners' association for which the collection agency collected a ~~[debt]~~ *claim* during the immediately preceding year and the amount of money collected for each such unit-owners' association;

(c) The total amount of money collected by the collection agency for unit-owners' associations during the immediately preceding year;

(d) The zip code of each debtor from whom the collection agency collected a ~~[debt]~~ *claim* for a unit-owners' association during the immediately preceding year; and

(e) A statement, signed by the *compliance* manager of the collection agency, affirming that the collection agency did not collect a ~~[debt]~~ *claim* against any person during the immediately preceding year in violation of the provisions of paragraph (i) of subsection 1 of NRS 649.375.

2. As used in this section, "unit-owners' association" has the meaning ascribed to it in NRS 116.011 or 116B.030.

Sec. 38. NRS 649.355 is hereby amended to read as follows:

649.355 1. Every collection agency and collection agent shall openly, fairly and honestly conduct the collection agency business and shall at all times conform to the accepted business ethics and practices of the collection agency business.

2. Every licensee shall at all times maintain a separate account in a bank or credit union in which must be deposited all money collected. ~~[Except as otherwise provided in regulations adopted by the Commissioner pursuant to NRS 649.054, the]~~ *The* account must be maintained in a bank or credit union located in this State and bear some title sufficient to distinguish it from the licensee's personal or general checking account and to designate it as a trust account, such as "customer's trust fund account." The trust account must at all times contain sufficient money to pay all money due or owing to all customers, and no disbursement may be made from the account except to customers or to pay costs advanced for those customers, except that a licensee may periodically withdraw from the account such money as may accrue to the licensee from collections deposited or from adjustments resulting from costs advanced and payments made directly to customers.

3. Every licensee maintaining a separate custodial or trust account shall keep a record of all money deposited in the account, which must indicate clearly the date and from whom the money was received, the date deposited, the dates of withdrawals and other pertinent information concerning the transaction, and must show clearly for whose account the money is deposited and to whom the money belongs. The money must be remitted to the creditors respectively entitled thereto within 30 days following the end of the month in which payment is received. The records and money are subject to inspection by the Commissioner or the Commissioner's authorized representative. The records must be maintained at the premises in this State at which the licensee is authorized to conduct business.

4. If the Commissioner finds that a licensee's records are not maintained pursuant to subsections 2 and 3, the Commissioner may require the licensee to deliver an audited financial statement prepared from his or her records by a certified public accountant who holds a certificate to engage in the practice of public accounting in this State. The statement must be submitted within 60 days after the Commissioner requests it. The Commissioner may grant a reasonable extension for the submission of the financial statement if an extension is requested before the statement is due.

5. Subsections 2, 3 and 4 do not apply to a debt buyer who is not also collecting claims on behalf of parties who are not affiliated with the debt buyer.

Sec. 39. NRS 649.365 is hereby amended to read as follows:

649.365 1. A collection agency licensed under this chapter must obtain the approval of the Commissioner before using or changing a business name.

2. A collection agency licensed under this chapter shall not:

(a) ~~[Use]~~ *Except as authorized for a debt buyer in NRS 649.075, use* any business name which is identical or similar to a business name used by another collection agency licensed under this chapter or which may mislead or confuse the public.

(b) Use any printed forms which may mislead or confuse the public.

(c) Use the term "credit bureau" in its name unless it operates a bona fide credit bureau in conjunction with its collection agency business. For purposes of this paragraph, "credit bureau" means any person engaged in gathering, recording and disseminating information relative to the creditworthiness, financial responsibility, paying habits or character of persons being considered for credit extension for prospective creditors.

Sec. 40. NRS 649.375 is hereby amended to read as follows:

649.375 1. A collection agency, or its *compliance* manager, agents or employees, shall not:

(a) Use any device, subterfuge, pretense or deceptive means or representations to collect any ~~[debt,]~~ *claim*, nor use any collection letter, demand or notice which simulates a legal process or purports to be from any local, city, county, state or government authority or attorney.

(b) Collect or attempt to collect any interest, charge, fee or expense incidental to the principal obligation unless:

(1) Any such interest, charge, fee or expense as authorized by law *or contract* or as agreed to by the parties has been added to the principal of the ~~[debt]~~ *claim* by the creditor before receipt of the item of collection;

(2) Any such interest, charge, fee or expense as authorized by law *or contract* or as agreed to by the parties has been added to the principal of the ~~[debt]~~ *claim* by the collection agency and described as such in the first written communication with the debtor; or

(3) The interest, charge, fee or expense has been judicially determined as proper and legally due from and chargeable against the debtor.

(c) Assign or transfer any claim or account upon termination or abandonment of its collection business unless prior written consent by the customer is given for the assignment or transfer. The written consent must contain an agreement with the customer as to all terms and conditions of the assignment or transfer, including the name and address of the intended assignee. Prior written consent of the Commissioner must also be obtained for any bulk assignment or transfer of claims or accounts, and any assignment or transfer may be regulated and made subject to such limitations or conditions as the Commissioner by regulation may reasonably prescribe.

(d) Operate its business or solicit claims for collection from any location, address or post office box other than that listed on its license or as may be prescribed by the Commissioner ~~[.]~~ *, except for employees of a collection agency working from a remote location pursuant to sections 7 to 10, inclusive, of this act.*

(e) Harass a debtor's employer in collecting or attempting to collect a claim, nor engage in any conduct that constitutes harassment as defined by regulations adopted by the Commissioner.

(f) Advertise for sale or threaten to advertise for sale any claim as a means to enforce payment of the claim, unless acting under court order.

(g) Publish or post, or cause to be published or posted, any list of debtors except for the benefit of its stockholders or membership in relation to its internal affairs.

(h) Conduct or operate, in conjunction with its collection agency business, a debt counseling or prorater service for a debtor who has incurred a ~~[debt]~~ *claim* primarily for personal, family or household purposes whereby the debtor assigns or turns over to the counselor or prorater any of the debtor's earnings or other money for apportionment and payment of the ~~[debtor's debts]~~ *claim* or obligations ~~[.]~~ *of the debtor.* This section does not prohibit the conjunctive operation of a business of commercial debt adjustment with a collection agency if the business deals exclusively with the collection of commercial debt.

(i) Collect a ~~[debt]~~ *claim* from a person who owes fees to:

(1) A unit-owners' association, if the collection agency is:

(I) Owned or operated by or is an affiliate of a person or entity who is the community manager for the unit-owners' association; or

(II) Owned or operated by a relative of a person who is the community manager for the unit-owners' association.

(2) A person or entity who is an operator of a tow car, if the collection agency is:

(I) Owned or operated by or is an affiliate of a person or entity who is the operator of a tow car; or

(II) Owned or operated by a relative of a person who is the operator of a tow car.

(3) A person or entity who engages in the business of, acts in the capacity of or assumes to act as a property manager of an apartment building, if the collection agency is:

(I) Owned or operated by or is an affiliate of the person or entity who engages in the business of, acts in the capacity of or assumes to act as the property manager of an apartment building; or

(II) Owned or operated by a relative of the person who engages in the business of, acts in the capacity of or assumes to act as the property manager of an apartment building.

(j) File a civil action to collect a debt when the collection agency, compliance manager, agent or employee knows or should know that the applicable limitation period for filing such an action has expired.

(k) Sell an interest in a resolved claim or any personal or financial information related to the resolved claim.

2. As used in this section:

(a) "Affiliate" means a person who directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with another designated person.

(b) "Community manager" has the meaning ascribed to it in NRS 116.023 or 116B.050.

(c) "Operator of a tow car" means a person or entity required by NRS 706.4463 to obtain a certificate of public convenience and necessity.

(d) "Property manager" has the meaning ascribed to it in NRS 645.0195.

(e) "Relative" means a person who is related by blood, adoption, marriage or domestic partnership within the third degree of consanguinity or affinity.

(f) "Unit-owners' association" has the meaning ascribed to it in NRS 116.011 or 116B.030.

Sec. 41. NRS 11.200 is hereby amended to read as follows:

11.200 *1.* The time in NRS 11.190 shall be deemed to date from the last transaction or the last item charged or last credit given; and whenever any payment on principal or interest has been or shall be made upon an existing contract, whether it be a bill of exchange, promissory note or other evidence of indebtedness if such payment be made after the same shall have become due, the limitation shall commence from the time the last payment was made.

2. Notwithstanding any other provision of law, any payment on a debt, affirmation of a debt or other activity taken relating to a debt by a debtor after the time in NRS 11.190 has expired does not revive or extend the applicable limitation.

Sec. 42. (Deleted by amendment.)

Sec. 43. (Deleted by amendment.)

Sec. 44. (Deleted by amendment.)

Sec. 45. (Deleted by amendment.)

Sec. 46. (Deleted by amendment.)

Sec. 47. (Deleted by amendment.)

Sec. 48. 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, 3.2203, 41.0397, 41.071, 49.095, 49.293, 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, 119A.677, 119B.370, 119B.382, 120A.640, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.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, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3923, 209.3925, 209.419, 209.429, 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, 224.240, 226.300, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 232.1369, 233.190, 237.300, 239.0105, 239.0113, 239.014, 239B.026, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 239C.420, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540,

247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.0978, 268.490, 268.910, 269.174, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 284.4086, 286.110, 286.118, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.5757, 293.870, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 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, 361.2242, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.0075, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.033, 391.035, 391.0365, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 393.045, 394.167, 394.16975, 394.1698, 394.447, 394.460, 394.465, 396.1415, 396.1425, 396.143, 396.159, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 414.280, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.4018, 432B.407, 432B.430, 432B.560, 432B.5902, 432C.140, 432C.150, 433.534, 433A.360, 439.4941, 439.4988, 439.840, 439.914, 439A.116, 439A.124, 439B.420, 439B.754, 439B.760, 439B.845, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 442.774, 445A.665, 445B.570, 445B.7773, 447.345, 449.209, 449.245, 449.4315, 449A.112, 450.140, 450B.188, 450B.805, 453.164, 453.720, 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, 480.535, 480.545, 480.935, 480.940, 481.063, 481.091, 481.093, 482.170, 482.368, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484A.469, 484B.830, 484B.833, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 598A.420, 599B.090, 603.070, 603A.210, 604A.303, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.238, 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, 630.2671, 630.2672, 630.2673, 630.30665, 630.336, 630A.327, 630A.555, 631.332, 631.368, 632.121, 632.125, 632.3415, 632.3423, 632.405, 633.283, 633.301, 633.4715, 633.4716, 633.4717, 633.524, 634.055, 634.1303, 634.214, 634A.169, 634A.185, 635.111, 635.158, 636.262, 636.342, 637.085, 637.145, 637B.192, 637B.288, 638.087, 638.089, 639.183, 639.2485, 639.570, 640.075, 640.152, 640A.185, 640A.220, 640B.405, 640B.730, 640C.580, 640C.600, 640C.620, 640C.745, 640C.760, 640D.135, 640D.190, 640E.225, 640E.340, 641.090, 641.221, 641.2215, 641.325, 641A.191, 641A.217, 641A.262, 641B.170, 641B.281, 641B.282, 641C.455, 641C.760, 641D.260, 641D.320, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225,

645D.130, 645D.135, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, *649.095*, 652.126, 652.228, 653.900, 654.110, 656.105, 657A.510, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 678A.470, 678C.710, 678C.800, 679B.122, 679B.124, 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.060, 687A.115, 687B.404, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 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, including, without limitation, electronically, the confidential information from the information included in the public book or record that is not otherwise confidential.

4. If requested, a governmental entity shall provide a copy of a public record in an electronic format by means of an electronic medium. Nothing in this subsection requires a governmental entity to provide a copy of a public record in an electronic format or by means of an electronic medium if:

(a) The public record:

(1) Was not created or prepared in an electronic format; and

(2) Is not available in an electronic format; or

(b) Providing the public record in an electronic format or by means of an electronic medium would:

(1) Give access to proprietary software; or

(2) Require the production of information that is confidential and that cannot be redacted, deleted, concealed or separated from information that is not otherwise confidential.

5. 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 the medium that is requested 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. 49. Section 6 of this act is hereby amended to read as follows:

Sec. 6. *1.* A collection agency shall display on any Internet website maintained by the collection agency:

~~[1.]~~ *(a)* The ~~[license number issued to]~~ *unique identifier registered with the Registry for* the collection agency . ~~[by the Commissioner pursuant to NRS 649.135.~~

~~2.]~~ *(b)* The certificate identification number of the certificate issued to the compliance manager of the collection agency by the Commissioner pursuant to NRS 649.225.

(c) The unique identifier registered with the Registry for the compliance manager of the collection agency.

2. As used in this section, "unique identifier" has the meaning ascribed to it in NRS 649.281.

Sec. 50. 1. Notwithstanding the amendatory provisions of this act, a debt buyer who is operating in this State on October 1, 2023, may continue such operations until January 1, 2024, without applying for a license as a collection agency pursuant to NRS 649.095, as amended by section 20 of this act. If the debt buyer applies for such a license on or before January 1, 2024, the debt buyer may continue such operation in this State without holding such a license until the license is issued or the application is denied.

2. The amendatory provisions of this act do not apply to an action or arbitration commenced or a judgment entered before October 1, 2023.

3. As used in this section:

(a) "Collection agency" has the meaning ascribed to it in NRS 649.020, as amended by section 14 of this act.

(b) "Debt buyer" has the meaning ascribed to it in section 3 of this act.

Sec. 51. The Legislative Counsel shall:

1. In preparing the Nevada Revised Statutes, use the authority set forth in subsection 10 of NRS 220.120 to substitute appropriately the term "compliance manager" for the term "manager" as previously used in reference to the person responsible for a collection agency.

2. In preparing supplements to the Nevada Administrative Code, substitute appropriately the term "compliance manager" for the term "manager" as previously used in reference to the person responsible for a collection agency.

Sec. 52. NRS 649.054, 649.145, 649.171 and 649.315 are hereby repealed.

Sec. 53. 1. This section becomes effective upon passage and approval.

2. Sections 1 to 48, inclusive, 50, 51 and 52 of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On October 1, 2023, for all other purposes.

3. Section 49 of this act becomes effective on the date on which the Commissioner of Financial Institutions notifies the Governor and the Director of the Legislative Counsel Bureau that the Nationwide Multistate Licensing System and Registry has sufficient capabilities to allow the Commissioner to carry out the provisions of chapter 347, Statutes of Nevada 2021, at page 2030.

LEADLINES OF REPEALED SECTIONS

649.054 Regulations authorizing collection from location outside of Nevada; standards for trust accounts.

649.145 Conditions for issuance of license; contents of license.

649.171 Certificate of registration; limitations on business practices; fees; disciplinary action; regulations.

649.315 Display of license or certificate.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 782 to Senate Bill No. 276 revises the definition of "collection agency" in section 14 by excluding various other persons and entities that are not considered debt collectors under federal law, as described by 15 U.S.C. 1692a(6)(A) through (F).

Senate Amendment No. 782 to Senate Bill No. 276 also revises provisions in section 10 requiring a collection agency to record and monitor calls performed by a collection agent working from a remote location.

Amendment adopted.

Bill read third time.

Remarks by Senator Lange.

Senate Bill No. 276, as amended, creates new licensing and regulatory requirements for debt buyers and defines such agencies as collection agencies, which require oversight by the Department of Business and Industry under current law. The bill, among other things, requires a collection agency to display certain information on the internet; establishes certain working location requirements and employment standards; revises licensure, application, recordkeeping, annual reporting, permitting and certification requirements; revises provisions relating to bonding; removes certain permitting and examination requirements; and prohibits certain actions and provides for related penalties.

Roll call on Senate Bill No. 276:

YEAS—20.

NAYS—None.

EXCUSED—Spearman.

Senate Bill No. 276 having received a two-thirds majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senator Cannizzaro moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 1:21 p.m.

SENATE IN SESSION

At 7:14 p.m.
President Anthony presiding.
Quorum present.

REPORTS OF COMMITTEE

Mr. President:

Your Committee on Education, to which was referred Assembly Bill No. 330, has had the same under consideration, and begs leave to report the same back with the recommendation: Without recommendation.

ROBERTA LANGE, *Chair*

Mr. President:

Your Committee on Growth and Infrastructure, to which was referred Assembly Bill No. 112, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

DALLAS HARRIS, *Chair*

Mr. President:

Your Committee on Health and Human Services, to which were referred Assembly Bills Nos. 403, 463, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

FABIAN DOÑATE, *Chair*

Mr. President:

Your Committee on Revenue and Economic Development, to which was referred Senate Bill No. 496, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and re-refer to the Committee on Finance.

DINA NEAL, *Chair*

UNFINISHED BUSINESS
CONSIDERATION OF ASSEMBLY AMENDMENTS

Senate Bill No. 355.

The following Assembly amendment was read:

Amendment No. 669.

SUMMARY—Revises provisions relating to financial services. (BDR 55-59)

AN ACT relating to financial services; prohibiting the Commissioner of Financial Institutions from requiring an applicant for a license to establish a new depository institution to identify the physical address of the proposed depository institution in the application for the license; authorizing certain persons employed by financial institutions to temporarily delay certain financial transactions involving the suspected exploitation of an older person or vulnerable person; exempting certain persons from liability for certain actions relating to the suspected exploitation of an older person or vulnerable person; authorizing the employee of a person licensed to engage in the business of lending in this State to perform certain work from a remote location under certain circumstances; setting forth various requirements concerning such work performed at a remote location; requiring a person licensed to engage in the business of lending in this State to provide notice to the Attorney General

and certain other persons of certain breaches of security involving personal information; revising the circumstances under which a person is not required to accept an acknowledged power of attorney; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the licensure and regulation of various types of financial institutions, including, without limitation, depository institutions, by the Commissioner of Financial Institutions. (Title 55 of NRS) Existing law requires the Commissioner, during the process for the organization and licensing of a banking corporation or company, to examine all the facts connected with the formation of the proposed banking corporation or company, including its location. (NRS 659.045) Similarly, existing law requires a person who desires to organize a savings bank to submit to the Commissioner an application that contains, among other things, the location of the proposed main office of the savings bank. (NRS 673.080) Section 1 of this bill prohibits the Commissioner from requiring an applicant for a license to establish a new depository institution to identify in the application for the license the physical address where the main office of the proposed depository institution will be located. Section 1 authorizes the Commissioner to require such an applicant to: (1) identify the location of the proposed main office, described in general terms, in the application; and (2) provide the physical address of the proposed main office before the depository institution commences business. Section 2 of this bill makes a conforming change to indicate the proper placement of section 1 in the Nevada Revised Statutes.

Existing law prohibits a person from engaging in the business of lending in this State without having first obtained a license from the Commissioner for each office or other place of business in which the person engages in the business of lending. (NRS 675.060) Section 5 of this bill authorizes an employee of a licensee to engage in the business of lending in this State at a remote location if authorized by the licensee. Section 5 requires a licensee: (1) to enter into a written agreement with an employee before authorizing the employee to work at a remote location; and (2) to ensure that the employee and the remote location meet certain requirements. Section 6 of this bill requires a licensee who authorizes an employee to engage in the business of lending in this State at a remote location to develop and adhere to a written data security policy meeting certain requirements. Section 7 of this bill sets forth certain prohibited acts with respect to an employee who engages in the business of lending in this State at a remote location. Section 8 of this bill requires a licensee who authorizes any employee to engage in the business of lending in this State at a remote location to conduct an annual review and evaluation of the operations of the licensee which are conducted by employees working at remote locations. Section 11 of this bill defines words and terms for the purposes of this bill. Sections 12-16 of this bill make certain changes to provisions governing the licensing of persons engaged in the business of lending to account for the provisions of sections 5-8 which authorize an

employee of a licensee to engage in the business of lending in this State at a remote location.

Existing law requires a data collector that owns, licenses or maintains computerized data which includes personal information to, after discovery or notification of a breach of security in which personal information maintained by the data collector was, or is reasonably believed to have been, acquired by an unauthorized person, notify each affected resident of this State and certain other persons. (NRS 603A.220) Section 17 of this bill exempts a person licensed to engage in the business of lending in this State from those requirements. Section 9 of this bill instead sets forth similar provisions which require a licensee, after discovery or notification of a breach of security in which personal information maintained by the licensee was, or is reasonably believed to have been, acquired by an unauthorized person, to notify each affected resident if the breach is reasonably likely to subject the resident to a risk of harm and certain other conditions are met. Section 9 sets forth certain requirements for such a notification. Section 10 of this bill requires a licensee who is required to notify more than 500 residents of this State pursuant to section 9 as the result of a single breach also to notify the Attorney General.

Existing law requires certain financial institutions to designate a person to whom an officer or employee of the financial institution must report known or suspected exploitation of an older person or vulnerable person. (NRS 657.290) Section 3 of this bill authorizes a designated reporter to delay a requested disbursement or transaction involving an older person or vulnerable person if the designated reporter knows or has reasonable cause to believe that the older person or vulnerable person has been exploited. Section 3 sets forth procedures and requirements for the imposition of such a delay. Additionally, section 3 provides that a financial institution and its officers, employees and designated reporters are immune from criminal, civil and administrative liability for: (1) making a report concerning the known or suspected exploitation of an older person or vulnerable person; (2) delaying ~~[or not delaying]~~ a requested disbursement or transaction involving such exploitation pursuant to section 3; and (3) taking certain other actions relating to known or suspected exploitation of an older person or vulnerable person.

Under existing law, a person who refuses to accept an acknowledged power of attorney, with certain exceptions, is subject to: (1) a court order mandating acceptance of the power of attorney; and (2) liability for reasonable attorney's fees and costs incurred in any action or proceeding that confirms the validity of the power of attorney or mandates acceptance of the power of attorney. (NRS 162A.370) Section 16.5 of this bill provides that a designated reporter who delays a requested disbursement or transaction pursuant to section 3 or certain other persons who make a report concerning the exploitation of an older person or vulnerable person are not required to accept an acknowledged power of attorney under certain circumstances.

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

Section 1. Chapter 657 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Commissioner shall not require an applicant for a license to establish a new depository institution to identify in the application for the license the physical address where the main office of the proposed depository institution will be located.

2. The Commissioner may require an applicant for a license to establish a new depository institution to:

(a) Identify in the application for the license the location, described in general terms, where the main office of the proposed depository institution will be located; and

(b) Provide to the Commissioner the physical address of the main office of the proposed depository institution before the depository institution commences business.

Sec. 2. NRS 657.150 is hereby amended to read as follows:

657.150 As used in NRS 657.150 to 657.290, inclusive, *and section 1 of this act,* unless the context otherwise requires, the words and terms defined in NRS 657.160 and 657.170 have the meanings ascribed to them in those sections.

Sec. 3. NRS 657.290 is hereby amended to read as follows:

657.290 1. Each financial institution shall designate a person or persons to whom an officer or employee of the financial institution must report known or suspected exploitation of an older person or vulnerable person.

2. If an officer or employee reports known or suspected exploitation of an older person or vulnerable person to a designated reporter and, based on such a report or based on his or her own observations or knowledge, the designated reporter knows or has reasonable cause to believe that an older person or vulnerable person has been exploited, the designated reporter *:* ~~[shall:]~~

(a) Except as otherwise provided in subsection 3, *shall* report the known or suspected exploitation of the older person or vulnerable person to:

(1) The local office of the Aging and Disability Services Division of the Department of Health and Human Services;

(2) A police department or sheriff's office;

(3) The county's office for protective services, if one exists in the county where the suspected action occurred; or

(4) A toll-free telephone service designated by the Aging and Disability Services Division of the Department of Health and Human Services; ~~[and]~~

(b) ~~[Make]~~ *Shall make* such a report as soon as reasonably practicable ~~[.]~~ *; and*

(c) May temporarily delay a requested disbursement from, or a requested transaction involving, an account of an older person or vulnerable person or an account to which an older person or vulnerable person is a beneficiary if the designated reporter:

(1) Not later than 2 business days after the date on which the requested disbursement or transaction is delayed:

(I) Provides written notification of the delay and the reason for the delay to all parties authorized to transact business on the account, except a party who is reasonably believed to have engaged in the suspected exploitation; and

(II) Notifies the local office of the Aging and Disability Services Division of the Department of Health and Human Services and a local law enforcement agency of the delay; and

(2) Notifies the local office of the Aging and Disability Services Division of the Department of Health and Human Services and the appropriate local law enforcement agency of any new information that is relevant to the delay within a reasonable time after becoming aware of the information.

3. If the designated reporter knows or has reasonable cause to believe that the exploitation of the older person or vulnerable person involves an act or omission of the Aging and Disability Services Division, another division of the Department of Health and Human Services or a law enforcement agency, the designated reporter shall make the report to an agency other than the one alleged to have committed the act or omission.

4. In accordance with the provisions of subsection 3 of NRS 239A.070, in making a report pursuant to this section, a designated reporter may:

(a) Disclose any facts or information that form the basis of the determination that the designated reporter knows or has reasonable cause to believe that an older person or vulnerable person has been exploited, including, without limitation, the identity of any person believed to be involved in the exploitation of the older person or vulnerable person; and

(b) Provide any financial records or other documentation relating to the exploitation of the older person or vulnerable person.

5. ~~[An officer, employee]~~ *A financial institution and any of its officers, employees* and ~~[the]~~ designated ~~[reporter]~~ *reporters* are ~~[entitled to the immunity]~~ *immune* from *civil, criminal and administrative* liability ~~[set forth in NRS 200.5096 for making a report in good faith.]~~ *arising from:*

(a) Making a report in good faith pursuant to this section;

(b) Delaying ~~[or not delaying]~~ a requested disbursement or transaction involving the known or suspected exploitation of an older person or vulnerable person pursuant to this section; or

(c) Taking any reasonable action which is:

(1) Performed in furtherance of a duty or authorization created by subsection 2, 3 or 4; and

(2) Based upon a reasonable belief that an older person or vulnerable person has been exploited.

6. Except as otherwise provided in this subsection and subsections 7 and 8, a delay in a requested disbursement or transaction authorized by paragraph (c) of subsection 2 expires 15 business days after the date on which the requested disbursement or transaction was delayed. If the local office of the Aging and Disability Services Division of the Department of Health and

Human Services or a local law enforcement agency requests in writing that the designated reporter extend the delay, the delay expires upon the earlier of:

(a) Twenty-five business days after the date on which the requested disbursement or transaction was delayed; or

(b) Upon the written request of the local office of the Aging and Disability Services Division of the Department of Health and Human Services or the local law enforcement agency that requested the extension of the delay or upon the order of a court of competent jurisdiction.

7. A delay in a requested disbursement or transaction authorized by paragraph (c) of subsection 2 may expire before the period set forth in subsection 6 and the designated reporter may proceed with the requested disbursement or transaction if the designated reporter reasonably believes that the requested disbursement or transaction will not result in exploitation of the older person or vulnerable person.

8. A court of competent jurisdiction may issue an order extending a delay of a requested disbursement or transaction authorized by paragraph (c) of subsection 2 based on the petition of the local office of the Aging and Disability Services Division of the Department of Health and Human Services, a local law enforcement agency or any other interested party.

9. When determining whether an older person or vulnerable person has been exploited, a designated reporter may consider any of the following circumstances, if applicable and without limitation:

(a) A requested disbursement from, or a requested transaction involving, an account of an older person or vulnerable person or an account to which an older person or vulnerable person is a beneficiary that the older person or vulnerable person cannot explain;

(b) A request to close a certificate of deposit of an older person or vulnerable person that is made:

(1) Before the date of maturity of the certificate of deposit; and

(2) With apparent disregard for any penalty associated with closing the certificate of deposit before the date of maturity of the certificate of deposit;

(c) A check written by an older person or vulnerable person under suspicious circumstances;

(d) An uncharacteristic attempt by an older person or vulnerable person to initiate a wire transfer of a significant sum of money;

(e) A suspicious signature on documentation relating to an account of an older person or vulnerable person;

(f) A suspicious alteration to a:

(1) Trust to which an older person or vulnerable person is a beneficiary; or

(2) Will or trust for which an older person or vulnerable person is a testator or trustee;

(g) A suspicious alteration in a power of attorney relating to an older person or a vulnerable person; and

(h) A person attempting to initiate a financial transaction on behalf of an older person or vulnerable person without proper documentation.

Sec. 4. Chapter 675 of NRS is hereby amended by adding thereto the provisions set forth as sections 5 to 10, inclusive, of this act.

Sec. 5. *1. An employee of a licensee may engage in the business of lending in this State at a remote location in accordance with sections 5 to 8, inclusive, of this act if authorized by the licensee.*

2. Before authorizing an employee to engage in the business of lending in this State at a remote location, a licensee must enter into a written agreement with the employee that is signed by the employee in which the employee:

(a) Agrees to:

(1) Maintain the confidentiality of data concerning borrowers and potential borrowers while working at the remote location;

(2) Maintain all data of the licensee electronically while working at the remote location;

(3) Read and comply with the data security policy adopted by the licensee pursuant to section 6 of this act; and

(4) Keep any equipment provided to the employee by the licensee for use at the remote location safe and secure in the manner prescribed by the licensee;

(b) Agrees not to:

(1) Print or otherwise reproduce physical documents containing any data of the licensee at the remote location;

(2) Except as authorized by section 7 of this act, disclose to a borrower or potential borrower that the employee is working at a remote location;

(3) Convey to a borrower or potential borrower that the remote location at which the licensee is working is the place of business of the licensee; and

(4) Conduct any interactions with a borrower or potential borrower in person at the remote location.

3. A licensee shall not authorize an employee to engage in the business of lending in this State at a remote location unless the remote location:

(a) Is located in the United States;

(b) Is secure and sufficiently closed off from the public to enable the employee to maintain the confidentiality of borrowers and potential borrowers; and

(c) Contains all the equipment necessary for the employee to perform his or her work for the licensee, which must:

(1) Be sufficiently connected to the systems used by the licensee, including, without limitation, telephone systems, computerized data systems and other computer systems, to allow the licensee to monitor and oversee the work of the employee as though the employee were performing the same work at the place of business of the licensee; and

(2) Require the employee to enter unique credentials, passwords or similar information to access the computerized data system of the licensee and other computer systems used by the licensee to conduct business.

4. A licensee shall ensure that each employee of the licensee who engages in the business of lending at a remote location:

(a) Before beginning work at a remote location, completes a training program at the place of business of the licensee that includes, without limitation, instruction on privacy, confidentiality, monitoring and security in the context of remote work and compliance with applicable laws and the policies of the licensee;

(b) Receives the same level of communication, management, oversight and monitoring he or she would receive while working at the place of business of the licensee; and

(c) Complies with the provisions of this chapter and the regulations adopted pursuant thereto.

5. As used in this section, "place of business" means an office or place of business for which a license has been issued pursuant to this chapter.

Sec. 6. *A licensee who authorizes any employee to engage in the business of lending in this State at a remote location shall develop and adhere to a written data security policy. The data security policy must set forth procedures and requirements to ensure that:*

1. Data of the licensee that is stored at or accessible from a remote location is protected against unauthorized or accidental disclosure, access, use, modification, duplication or destruction;

2. An employee working at a remote location is able to access the computerized data system of the licensee and other computer systems of the licensee only through the use of a virtual private network or other system that:

(a) Requires the use of a username and password, frequent password changes, multifactor authentication, a system that automatically prevents a person from accessing an account upon the failure of the person to enter the appropriate credentials after a set number of attempts or any combination thereof; and

(b) Uses data encryption;

3. Any updates or repairs necessary to keep data and equipment secure are installed or implemented immediately;

4. All data of the licensee is stored in a safe and secure manner and the computerized data system of the licensee is capable of being modified to accommodate the storage of data necessary for an employee working at a remote location to perform his or her work;

5. Each remote location at which an employee works contains computers or other electronic devices which make use of reasonable security measures, such as antivirus software and firewalls;

6. The computerized data system of the licensee and other computer systems of the licensee may only be accessed through computers or other electronic devices which:

(a) Are issued by the licensee; and

(b) May only be used by an employee while performing activities approved by the licensee;

7. An internal or external risk assessment is performed annually on the protection of the data of the licensee from reasonably foreseeable internal or external risks;

8. After the performance of a risk assessment pursuant to subsection 7, the data security policy is updated to correct any deficiencies identified in the risk assessment;

9. The licensee has procedures in place which establish the actions that must be taken upon the:

(a) Discovery of a breach of the security of the computerized data system, including, without limitation, any actions that must be taken concerning the disclosure of the breach as required by section 9 of this act or other applicable law; and

(b) Occurrence of an emergency, including, without limitation, a fire or natural disaster, that has the potential to impact the storage of or access to data of the licensee;

10. The data of the licensee is disposed of in a timely and secure manner as required by applicable law and contractual requirements; and

11. The licensee is able, without the licensee or an agent of the licensee being physically present at a remote location, to disconnect any computer or device provided to an employee at a remote location from the computerized data system of the licensee or other computer systems of the licensee and disable and erase any data from such a computer or device upon termination of the employee's employment with the licensee.

Sec. 7. *1. An employee who engages in the business of lending in this State at a remote location shall not print or store physical records containing any data of the licensee at the remote location.*

2. Except as otherwise provided in subsection 3, an employee who engages in the business of lending in this State at a remote location or the licensee who employs such an employee shall not represent in any manner to a borrower, potential borrower or any other person that the employee is working at a remote location, including, without limitation, by:

(a) Advertising in any form the address of the remote location where the employee works or a personal telephone number or facsimile number associated with the remote location;

(b) Meeting a borrower or potential borrower at, or inviting a borrower or potential borrower to, the remote location; or

(c) Directly or indirectly suggesting or holding out in any manner that the address of the remote location is the address of the place of business of the licensee, including, without limitation, by receiving mail intended for the licensee at the remote location or storing physical records of the licensee at the remote location.

3. An employee may respond to an inquiry concerning his or her location by stating that he or she is working remotely or working at a remote location.

4. As used in this section, "place of business" has the meaning ascribed to it in section 5 of this act.

Sec. 8. *A licensee who authorizes any employee to engage in the business of lending in this State at a remote location shall, at least once each year, conduct a review and evaluation of the operations of the licensee which are conducted by employees working at remote locations to determine whether such operations comply with the provisions of sections 5 to 8, inclusive, of this act. The Commissioner may require a licensee to conduct such a review and evaluation at such other times as the Commissioner deems necessary.*

Sec. 9. *1. If a licensee that owns or licenses computerized data that includes personal information discovers or is notified of a breach of the security of the computerized data system of the licensee, the licensee shall notify any resident of this State whose personal information was, or is reasonably believed to have been, acquired by an unauthorized person if:*

(a) The breach is reasonably likely to subject the resident to a risk of harm; and

(b) Either:

(1) The personal information acquired or believed to have been acquired was not encrypted; or

(2) The breach resulted in, or is reasonably believed to have resulted in, an unauthorized person acquiring an encryption key or other means of converting encrypted personal information acquired by the person into an unencrypted or otherwise intelligible form.

2. Except as otherwise provided in this subsection and subsection 4, the notification required by subsection 1 must be made in the most expedient time possible and not more than 30 days after the date on which the licensee discovered or was notified of the breach. A licensee may delay providing the notification beyond the period required by this subsection, as authorized by subsection 4 or if the delay is caused by any measures necessary to determine the scope of the breach and restore the reasonable integrity of the computerized data system of the licensee.

3. Except as otherwise provided in subsection 4, a licensee that maintains data which includes personal information that the licensee does not own shall notify the owner of the information of any breach of the security of the computerized data system of the licensee immediately following discovery if the personal information was, or is reasonably believed to have been, acquired by an unauthorized person.

4. A notification required by this section may be delayed if a law enforcement agency determines that the notification will impede a criminal investigation. The notification must be made after the law enforcement agency determines that the notification will not impede a criminal investigation.

5. Except as otherwise provided in subsections 6 and 8, a notification required by this section may be provided by any of the following methods:

(a) Written notification.

(b) Electronic notification, if the notification provided is consistent with the provisions of the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. §§ 7001 et seq.

(c) Substitute notification, if the licensee demonstrates that the cost of providing notification would exceed $250,000, the affected class of subject persons to be notified exceeds 500,000 or the licensee does not have sufficient contact information. Substitute notification must consist of all the following:

(1) Notification by electronic mail when the licensee has electronic mail addresses for the subject persons.

(2) Conspicuous posting of the notification on the Internet website of the licensee, if the licensee maintains an Internet website.

(3) Notification to major statewide media.

6. If a breach involves a username, password or other login credentials to an electronic mail account furnished by the licensee, the licensee shall not provide the notification required pursuant to this section to that electronic mail account.

7. A notification provided by a licensee pursuant to this section must be written in plain language and contain, at a minimum, the following information:

(a) The name and contact information of the licensee;

(b) A list of the types of personal information that were or are reasonably believed to have been subject to the breach;

(c) The period of time, if known, in which personal information was potentially subject to acquisition by unauthorized persons as a result of the breach, including, without limitation, the date of the breach and the date upon which the licensee discovered or was notified of the breach;

(d) The toll-free telephone numbers and addresses of the major credit reporting agencies; and

(e) If the breach involved personal information that includes a username, password or other login credentials to an online account, an advisement to the person whose personal information was, or is reasonably believed to have been, acquired by an unauthorized person to promptly change any relevant passwords or security questions or answers associated with the online account and to take any other appropriate steps to protect the online account and any other online account for which the person uses any of the same information to access.

8. A licensee who maintains his or her own notification procedures as part of a data security policy for the treatment of personal information that are otherwise consistent with the timing requirements of this section shall be deemed to be in compliance with the notification requirements of this section if the licensee notifies subject persons in accordance with its policies and procedures in the event of a breach of the security of the computerized data system of the licensee.

Sec. 10. *1. A licensee who is required to notify more than 500 residents of this State pursuant to section 9 of this act as the result of a single breach shall notify the Attorney General of the breach not more than 30 days after the date on which the licensee discovered or was notified of the breach. The notification must include, without limitation:*

(a) The number of residents of this State affected or estimated to be affected by the breach.

(b) A list of the types of personal information that were or are reasonably believed to have been subject to the breach.

(c) The period of time, if known, in which personal information was potentially subject to acquisition by unauthorized persons as a result of the breach, including, without limitation, the date of the breach and the date upon which the licensee discovered or was notified of the breach.

(d) A summary of the actions taken to contain the breach.

(e) A sample copy of the notification the licensee provided to persons affected or reasonably believed to be affected by the breach which excludes any personally identifiable information.

2. If any of the information described in subsection 1 is unavailable to a licensee at the time the licensee submits the notification to the Attorney General, the licensee shall promptly provide the information to the Attorney General after the information becomes available to the licensee.

Sec. 11. NRS 675.020 is hereby amended to read as follows:

675.020 As used in this chapter, unless the context otherwise requires:

1. "Amount of cash advance" means the amount of cash or its equivalent actually received by a borrower or paid out at his or her direction or on his or her behalf.

2. "Amount of loan obligation" means the amount of cash advance plus the aggregate of charges added thereto pursuant to authority of this chapter.

3. *"Breach of the security of the computerized data system" or "breach" means the unauthorized acquisition of computerized data from the computerized data system of the licensee that compromises the security, confidentiality or integrity of personal information maintained by the licensee. The term does not include the good faith acquisition of personal information by an employee or agent of a licensee for a legitimate purpose of the licensee, so long as the personal information is not used for a purpose unrelated to the licensee or subject to further authorized disclosure.*

4. "Business of lending in this State" means that a person:

(a) Solicits loans in this State or makes loans to persons in this State, unless these are isolated, incidental or occasional transactions; or

(b) Is located in this State and solicits loans outside of this State or makes loans to persons located outside of this State, unless these are isolated, incidental or occasional transactions.

5. "Commissioner" means the Commissioner of Financial Institutions.

~~[4.]~~ *6.* "Community" means a contiguous area of the same economic unit or metropolitan area as determined by the Commissioner, and may include all or part of a city or several towns or cities.

~~[5.]~~ *7. "Computerized data system" means a system of software, hardware or firmware, including, without limitation, a system of web-based applications, that:*

(a) Is owned, leased or licensed by a licensee;

(b) Is located at the place of business of the licensee or hosted remotely; and

(c) Stores or provides access to personal information, financial information or other data related to borrowers or potential borrowers.

8. "Consumer credit" has the meaning ascribed to it in NRS 604A.036.

~~[6.]~~ *9.* "Covered service member" has the meaning ascribed to it in NRS 604A.038.

~~[7.]~~ *10.* "Dependent" has the meaning ascribed to it in NRS 604A.057.

~~[8.]~~ *11.* "Internet business lender" means a person who makes business loans exclusively through the Internet.

~~[9.]~~ *12.* "License" means a license, issued under the authority of this chapter, to make loans in accordance with the provisions of this chapter, at a single place of business.

~~[10.]~~ *13.* "Licensee" means a person to whom one or more licenses have been issued.

~~[11.]~~ *14.* "Nationwide Multistate Licensing System and Registry" or "Registry" has the meaning ascribed to it in NRS 604A.083.

15. "Personal information" has the meaning ascribed to it in NRS 603A.040.

16. "Remote location" means a location other than an office or place of business for which a license has been issued pursuant to this chapter and at which the employee of a licensee engages in the business of lending in this State pursuant to sections 5 to 8, inclusive, of this act.

Sec. 12. NRS 675.060 is hereby amended to read as follows:

675.060 ~~[1.]~~ No person may engage in the business of lending in this State without first having obtained a license from the Commissioner pursuant to this chapter for each office or other place of business at which the person engages in such business, except that ~~[if]~~ *:*

1. If a person intends to engage in the business of lending in this State as a deferred deposit loan service, high-interest loan service or title loan service, as those terms are defined in chapter 604A of NRS, the person must obtain a license from the Commissioner pursuant to chapter 604A of NRS before the person may engage in any such business.

2. ~~[For the purpose of this section, a person engages in the business of lending in this State if he or she:~~

~~(a) Solicits loans in this State or makes loans to persons in this State, unless these are isolated, incidental or occasional transactions; or~~

~~(b) Is located in this State and solicits loans outside of this State or makes loans to persons located outside of this State, unless these are isolated, incidental or occasional transactions.]~~ *An employee of a licensee may engage in the business of lending in this State at a remote location in accordance with sections 5 to 8, inclusive, of this act.*

Sec. 13. NRS 675.120 is hereby amended to read as follows:

675.120 If the Commissioner finds:

1. That the financial responsibility, experience, character and general fitness of the applicant are such as to command the confidence of the public and to warrant belief that the business will be operated lawfully, honestly, fairly and efficiently, within the purposes of this chapter; and

2. That the applicant, unless he or she will function solely as a loan broker, has available for the operation of the business at the specified location *identified in the application* liquid assets of at least $50,000,

➥ he or she shall thereupon enter an order granting the application, and file his or her findings of fact together with the transcript of any hearing held under this chapter, and forthwith issue and deliver a license to the applicant.

Sec. 14. NRS 675.130 is hereby amended to read as follows:

675.130 Each license shall:

1. State the address at which the business is to be conducted ~~[;]~~ *, not including any remote location;* and

2. State fully the name of the licensee, and if the licensee is a copartnership or association, the names of its members, and if a corporation, the date and place of its incorporation.

Sec. 15. NRS 675.210 is hereby amended to read as follows:

675.210 Not more than one place of business may be maintained under the same license. The Commissioner may issue additional licenses to the same licensee for other business locations upon compliance with all the provisions of this chapter governing issuance of a single license. Nothing herein requires a license for ~~[any]~~ *:*

1. Any place of business devoted to accounting, recordkeeping or administrative purposes only ~~[.]~~ *; or*

2. A remote location.

Sec. 16. NRS 675.240 is hereby amended to read as follows:

675.240 No licensee shall conduct the business of making loans provided for by this chapter under any name or at any place other than that stated in the license. Nothing herein shall prevent ~~[the]~~ *:*

1. The making of loans by mail nor prohibit accommodations to individual borrowers when necessitated by hours of employment, sickness or other emergency situations ~~[.]~~ *; or*

2. A licensee from authorizing an employee to engage in the business of lending in this State at a remote location in accordance with sections 5 to 8, inclusive, of this act.

Sec. 16.5. NRS 162A.370 is hereby amended to read as follows:

162A.370 1. Except as otherwise provided in subsection 2:

(a) A person shall either accept an acknowledged power of attorney, or request a certification, a translation or an opinion of counsel pursuant to NRS 162A.360, not later than 10 business days after presentation of the power of attorney for acceptance;

(b) If a person requests a certification, a translation or an opinion of counsel pursuant to NRS 162A.360, the person shall accept the power of attorney not

later than 5 business days after receipt of the certification, translation or opinion of counsel; and

(c) A person may not require an additional or different form of power of attorney for authority granted in the power of attorney presented.

2. A person is not required to accept an acknowledged power of attorney if:

(a) The person is not otherwise required to engage in a transaction with the principal in the same circumstances;

(b) Engaging in a transaction with the agent or the principal in the same circumstances would be inconsistent with federal law;

(c) The person has actual knowledge of the termination of the agent's authority or of the power of attorney before exercise of the power;

(d) A request for a certification, a translation or an opinion of counsel pursuant to NRS 162A.360 is refused;

(e) The person in good faith believes that the power is not valid or that the agent does not have the authority to perform the act requested, whether or not a certification, a translation or an opinion of counsel has been requested or provided pursuant to NRS 162A.360; ~~[or]~~

(f) The person makes, or has actual knowledge that another person has made, a report pursuant to NRS 200.5093 stating a good faith belief that the principal may be subject to abuse, neglect, exploitation, isolation or abandonment by the agent or a person acting for or with the agent ~~[.]~~ *; or*

(g) The person:

(1) Makes, or has actual knowledge that another person has made, a report pursuant to NRS 657.290 of the known or suspected exploitation by the agent, or a person acting for or with the agent, of the principal who is an older person or vulnerable person; or

(2) Is a designated reporter of a financial institution who, pursuant to NRS 657.290, delays a requested disbursement or transaction involving a principal who is an older person or vulnerable person whom the designated reporter knows or has reasonable cause to believe is being exploited.

3. A person that refuses in violation of this section to accept an acknowledged power of attorney is subject to:

(a) A court order mandating acceptance of the power of attorney; and

(b) Liability for reasonable attorney's fees and costs incurred in any action or proceeding that confirms the validity of the power of attorney or mandates acceptance of the power of attorney.

4. As used in this section:

(a) "Designated reporter" has the meaning ascribed to it in NRS 657.230.

(b) "Older person" has the meaning ascribed to it in NRS 657.250.

(c) "Vulnerable person" has the meaning ascribed to it in NRS 657.270.

Sec. 17. NRS 603A.220 is hereby amended to read as follows:

603A.220 1. ~~[Any]~~ *Except as otherwise provided in subsection 7, a* data collector that owns or licenses computerized data which includes personal information shall disclose any breach of the security of the system data

following discovery or notification of the breach to any resident of this State whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person. The disclosure must be made in the most expedient time possible and without unreasonable delay, consistent with the legitimate needs of law enforcement, as provided in subsection 3, or any measures necessary to determine the scope of the breach and restore the reasonable integrity of the system data.

2. Any data collector that maintains computerized data which includes personal information that the data collector does not own shall notify the owner or licensee of the information of any breach of the security of the system data immediately following discovery if the personal information was, or is reasonably believed to have been, acquired by an unauthorized person.

3. The notification required by this section may be delayed if a law enforcement agency determines that the notification will impede a criminal investigation. The notification required by this section must be made after the law enforcement agency determines that the notification will not compromise the investigation.

4. For purposes of this section, except as otherwise provided in subsection 5, the notification required by this section may be provided by one of the following methods:

(a) Written notification.

(b) Electronic notification, if the notification provided is consistent with the provisions of the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. §§ 7001 et seq.

(c) Substitute notification, if the data collector demonstrates that the cost of providing notification would exceed $250,000, the affected class of subject persons to be notified exceeds 500,000 or the data collector does not have sufficient contact information. Substitute notification must consist of all the following:

(1) Notification by electronic mail when the data collector has electronic mail addresses for the subject persons.

(2) Conspicuous posting of the notification on the Internet website of the data collector, if the data collector maintains an Internet website.

(3) Notification to major statewide media.

5. A data collector which:

(a) Maintains its own notification policies and procedures as part of an information security policy for the treatment of personal information that is otherwise consistent with the timing requirements of this section shall be deemed to be in compliance with the notification requirements of this section if the data collector notifies subject persons in accordance with its policies and procedures in the event of a breach of the security of the system data.

(b) Is subject to and complies with the privacy and security provisions of the Gramm-Leach-Bliley Act, 15 U.S.C. §§ 6801 et seq., shall be deemed to be in compliance with the notification requirements of this section.

6. If a data collector determines that notification is required to be given pursuant to the provisions of this section to more than 1,000 persons at any one time, the data collector shall also notify, without unreasonable delay, any consumer reporting agency that compiles and maintains files on consumers on a nationwide basis, as that term is defined in 15 U.S.C. § 1681a(p), of the time the notification is distributed and the content of the notification.

7. The provisions of this section do not apply to a person licensed pursuant to chapter 675 of NRS.

Sec. 18. 1. This section becomes effective upon passage and approval.

2. Sections 1 to 17, inclusive, of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On October 1, 2023, for all other purposes.

Senator Lange moved that the Senate not concur in Assembly Amendment No. 669 to Senate Bill No. 355.

Motion carried.

Bill ordered transmitted to Assembly.

SECOND READING AND AMENDMENT

Senate Bill No. 496.

Bill read second time.

The following amendment was proposed by the Committee on Revenue and Economic Development:

Amendment No. 809.

SUMMARY—Revises provisions relating to the film industry. (BDR S-1039)

AN ACT relating to economic development; enacting the Nevada Film Studio Infrastructure Act; requiring the Office of Economic Development to enter into a development agreement with the Las Vegas Media Campus Project and the Summerlin Production Studios Project to establish certain development and investment criteria for the development of infrastructure for the production of motion picture and other qualified productions; authorizing a production company located at the Las Vegas Media Campus Project or the Summerlin Production Studios Project to apply to the Office of Economic Development for film infrastructure transferable tax credits for qualified productions produced at the sites of the Projects; enacting provisions governing the eligibility for and calculation of film infrastructure transferable tax credits for qualified productions produced at the Projects; revising provisions relating to noninfrastructure transferable tax credits for motion picture and other qualified productions; authorizing an additional amount of noninfrastructure transferable tax credits; establishing the Board for Nevada Film, Media and Related Technology Education and Vocational Training and the Account for Nevada Film, Media and Related Technology Education and Vocational Training; providing for the distribution of money from the Account

to certain entities and organizations that provide education and vocational training for workforce development for the production of qualified productions in this State; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes a program for the issuance of transferable tax credits by the Office of Economic Development to the production company of a motion picture or other qualified production, based upon qualified direct production expenditures made for the purchase of personal property or services from a Nevada business. (NRS 360.758-360.7598) This bill revises provisions governing these transferable tax credits and enacts the Nevada Film Studio Infrastructure Act to authorize film infrastructure transferable tax credits for qualified productions produced at the site of the Las Vegas Media Campus Project and the Summerlin Production Studios Project.

Sections 1-19 of this bill enact the Nevada Film Studio Infrastructure Act, which provides film infrastructure transferable tax credits for production companies located within: (1) the Las Vegas Media Campus Project, which is a proposed development located at the Harry Reid Research and Technology Park on the University of Nevada, Las Vegas campus, and which is also referred to as Zone 1; and (2) the Summerlin Production Studios Project, which is also referred to as Zone 2. Sections 1-19 allocate a specified amount of transferable tax credits for qualified productions produced within each of these Zones. Section 10 of this bill requires the Office of Economic Development to enter into a development agreement with the lead participant of each Project to establish certain investment and development criteria that the Projects are required to satisfy in exchange for production companies located at the Projects to be eligible for film infrastructure transferable tax credits. Section 11 of this bill authorizes the lead participant of each Project to: (1) elect, not later than 24 months after the execution of a development agreement with the Office, whether a production company must obtain the approval of the lead participant before applying for film infrastructure transferable tax credits; and (2) change that election at certain intervals. Section 12 of this bill: (1) authorizes production companies located at each Project to apply to the Office for film infrastructure transferable tax credits for qualified productions produced at the Project; (2) establishes the date on which those production companies are authorized to begin applying for film infrastructure transferable tax credits; and (3) authorizes such credits to be used against the modified business tax, insurance premium tax or gaming license fee, or any combination of these taxes and fees. ~~[Under section 12, if the Office issues a certificate of eligibility for film infrastructure transferable tax credits to a production company, the production company is authorized to claim the credits against the modified business tax owed by the production company and obtain a refund to the extent that the amount of credits exceeds the liability of the production company for that tax.]~~ Sections 13 and 15 of this bill establish the production expenditures which are the basis for calculating the amount of film infrastructure transferable tax credits. Section 14 of this bill provides that the

base amount of film infrastructure transferable tax credits is 30 percent of the amount of qualified direct production expenditures calculated under sections 13 and 15. Under section 12, the amount of film infrastructure transferable tax credits issued for a qualified production is reduced by 10 percent of the amount of the credits issued and an amount of money equal to the amount of that reduction must be transferred to the Account for Nevada Film, Media and Related Technology Education and Vocational Training created by section 30 of this bill. Section 16 of this bill: (1) limits the total amount of film infrastructure transferable tax credits issued pursuant to sections 1-19; (2) ~~[requires annual increases to that amount for each fiscal year beginning on or after July 1, 2030; (3)]~~ authorizes the lead participant of each Project to establish exceptions to certain limits on the amount of film infrastructure transferable tax credits for a single qualified production at that Project; and ~~[(4)]~~ (3) prohibits the approval of application for film infrastructure transferable tax credits if the application is submitted in a fiscal year that begins at least 20 years after the Las Vegas Media Campus Project becomes eligible to apply for film infrastructure transferable tax credits ~~[.]~~ or June 30, 2048, if the Las Vegas Media Campus Project does not become eligible for the film infrastructure transferable tax credits. Section 17 of this bill requires the Executive Director of the Office to approve applications for film infrastructure transferable tax credits if the production company submitting the application is eligible for such credits. Section 19 of this bill requires certain reports to be made to the Legislature concerning film infrastructure transferable tax credits.

Sections 20-23 of this bill make various changes to the existing law governing the noninfrastructure transferable tax credits for motion and other productions. (NRS 360.758-360.7598) Section 20 of this bill: (1) provides that digital media productions are qualified productions for the purposes of eligibility for film infrastructure transferable tax credits and noninfrastructure transferable tax credits; and (2) clarifies that media productions solely produced for social media are not eligible for such transferable tax credits. Section 21 of this bill: (1) ~~[authorizes a production company that submits an application for noninfrastructure transferable tax credits on or after July 1, 2023, to claim any credits issued against the liability of the production company for the modified business tax and obtain a refund of the credits to the extent that the amount of credits exceeds the tax liability of the production company; (2)]~~ provides for the amount of noninfrastructure transferable tax credits issued for a qualified production to be reduced by 10 percent of the amount of transferable tax credits issued; and ~~[(3)]~~ (2) requires the transfer of the amount of that reduction to the Account for Nevada Film, Media and Related Technology Education and Vocational Training created by section 30. Section 22 of this bill increases the base amount of transferable tax credits from 15 percent of the qualified direct production expenditures to 30 percent of the qualified direct production expenditures, subject to the transfer of money in an amount equal to 10 percent of any credits issued to a production company

to the Account for Nevada Film, Media and Related Technology Education and Vocational Training. Section 23 of this bill temporarily increases from $10,000,000 to $15,000,000 the total amount of noninfrastructure transferable tax credits for motion picture and other qualified productions that may be issued under the existing program for each fiscal year beginning on or after July 1, 2023 ~~[.]~~ , until June 30, 2043.

Sections 25-32 of this bill establish a program to provide grants to certain organizations that provide education and vocational training for workforce development in the production of motion pictures and other qualified productions. Section 30 establishes the Account for Nevada Film, Media and Related Technology Education and Vocational Training for the purpose of allocating money to certain entities and organizations that provide education and vocational training for such workforce development. Sections 12 and 21 require the transfer of certain money to the Account. Under section 30, money in the Account does not revert at the end of a fiscal year and must be carried forward for expenditure in the next fiscal year. Section 30 requires the allocation of 45 percent of the money transferred to the Account to the Nevada Media Lab established at the Las Vegas Media Campus Project for the operation and overhead costs of the Nevada Media Lab and the allocation of the remaining money transferred to the Account to educational and vocational training organizations for programs for workforce development for the production of qualified productions in this State. Section 31 of this bill establishes and provides for the composition of the Board for Nevada Film, Media and Related Technology Education and Vocational Training within the Office of Economic Development. Section 32 of this bill: (1) requires the Board to establish procedures for applying for a grant from the Account and the criteria to be used to determine whether to make a grant to an applicant; and (2) prohibits the making of a grant from the Account unless the Board approves the application for the grant.

Section 36 of this bill provides for the expiration of the provisions of this bill.

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

Section 1. This act may be cited as the Nevada Film Studio Infrastructure Act.

Sec. 2. 1. The Legislature hereby finds and declares that:

(a) The Las Vegas Metropolitan Area is the largest metropolitan area in this State and has sites available to be developed to create large-scale facilities for the location of companies that produce motion pictures and other qualified production in this State, which will create jobs in that industry in this State and diversity the economy of this State.

(b) Because the Las Vegas Metropolitan Area is the only area in this State that is appropriate and suitable for the development of large-scale projects to develop large-scale facilities for the location of companies that produce motion pictures and other qualified productions and has all the special attributes,

conditions and resources that are essential to support such facilities, it is necessary to enact a law of local and special application to promote, develop and secure the advantages of the local and special characteristics and circumstances within the Las Vegas Metropolitan Area, which are found nowhere else in this State, and to benefit the residents of the Las Vegas Metropolitan Area.

(c) Therefore, given that a law of local and special application is necessary to promote, develop and secure the advantages of the local and special characteristics and circumstances within the Las Vegas area, which are found nowhere else within this State, and given that such a law is necessary to benefit the residents of that local and special area, a general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities set forth in this act.

2. The Legislature further finds and declares that as a result of the construction of large-scale facilities for the production of motion pictures and other qualified productions in this State and the direct, indirect and induced economic benefits of such productions in this State, the enactment of this act will achieve a bona fide social or economic purpose and the economic benefits of the issuance of the transferable tax credits to encourage the location of large-scale facilities for the production of motion picture and other qualified productions are expected to exceed any adverse effect of the transferable tax credits on the revenue raised for the provision of services to the public by the State or a local government.

Sec. 3. As used in sections 1 to 19, inclusive, of this act, unless the context otherwise requires, the words and terms defined NRS 360.7581 to 360.7586, inclusive, have the meanings ascribed to them in those sections and the words and terms defined in sections 4 to 9, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 4. "Capital investment" means all costs and expenses incurred by the participants in the Las Vegas Media Campus Project or the Summerlin Production Studios Project, as applicable, only in connection with the acquisition, construction, installation and equipping of the infrastructure at the Project for the production of qualified productions at the Project.

Sec. 5. "Las Vegas Media Campus Project" or "Zone 1" means a real estate development project undertaken by a business or group of businesses that is:

1. Located at the Harry Reid Research and Technology Park on the University of Nevada, Las Vegas campus and land contiguous to, and including all land within, the Park; and

2. A development consisting of a site that integrates at one site various components for the production of qualified productions, including, without limitation, film and television production studios with multiples soundstages and support facilities, sites for the creation of content for qualified productions and the Nevada Media Lab.

Sec. 6. "Lead participant" means the person designated by the participants in the Las Vegas Media Campus Project or the Summerlin Production Studios Project, as applicable, as the lead participant for that Project.

Sec. 7. "Nevada Media Lab" means a site within the Las Vegas Media Campus Project that will connect the Project with organizations in this State that provide vocational training and education for the development of a trained workforce for the production of qualified productions in this State. Participants in the Nevada Media Lab may include, without limitation, universities, colleges, community colleges, school districts, private schools, charter schools, secondary schools, elementary schools, media-related vocational school programs, hospitality workers, veterans organizations and other entities, organizations and persons that seek or provide vocational training and education.

Sec. 8. "Office" means the Office of Economic Development within the Office of the Governor.

Sec. 9. "Summerlin Production Studios Project" or "Zone 2" means the real property burdened by the following development agreements and owned by the master developer under such development agreements or such master developer's affiliated entities:

1. Development Agreement between the Clark County and Howard Hughes Properties, Limited Partnership dated February 7, 1996, as amended, and recorded on September 4, 1996, in Book 960904 as Instrument No. 01725 and re-recorded on September 10, 1996, in Book 960910 as Instrument No. 01379 in the official records of the Clark County, Nevada Recorder's Office.

2. Development Agreement between the City of Las Vegas and Howard Hughes Properties, Limited Partnership, recorded on November 21, 1997, in book 971121 as Instrument No. 00839, as amended, in the official records of the Clark County, Nevada Recorder's Office.

Sec. 10. 1. Not later than 120 days after July 1, 2023, the Office of Economic Development shall enter into a development agreement with:

(a) The lead participant of the Las Vegas Media Campus Project, which is also known as Zone 1. The development agreement entered into pursuant to this paragraph:

(1) Except as otherwise provided in subsection 2, must require the Las Vegas Media Campus Project to make a total new capital investment in this State of:

(I) At least $200,000,000, including the cost of any land acquired for the project and the cost equivalent of land subject to a ground lease, by December 31, 2027; and

(II) At least a cumulative total, including the amount described in sub-subparagraph (I) of $500,000,000 by December 31, 2029;

(2) Must establish the minimum amount of square feet of building space at the Las Vegas Media Campus Project to be used for the various components

of the production of qualified productions and require the Las Vegas Media Campus Project to include within that space the Nevada Media Lab;

(3) Must establish the minimum number of acres of contiguous real property that will be a part of the Las Vegas Media Campus Project; and

(4) May include such other provisions, not inconsistent with law, concerning the development of the Las Vegas Media Campus Project and the issuance of film infrastructure transferable tax credits pursuant to sections 1 to 19, inclusive, of this act, as agreed to by the Office and the lead participant of the Las Vegas Media Campus Project.

(b) The lead participant of the Summerlin Production Studios Project, which is also known as Zone 2. The development agreement entered into pursuant to this paragraph must:

(1) Except as otherwise provided in subsection 2, require the Summerlin Production Studios Project to:

(I) Complete construction of a development for the production of qualified productions at the site of the Summerlin Production Studios Project, which consists of a new capital investment in this State of at least $150,000,000, by December 31, 2027; and

(II) Complete construction of a second phase of a development for the production of qualified productions at the site of the Summerlin Production Studios Project, which consists of a new capital investment in this State of at least $250,000,000 in addition to the new capital investment described in sub-subparagraph (I), resulting in a cumulative new capital investment in this State of $400,000,000, by December 31, 2029;

(2) Must establish the minimum amount of square feet of building space at the Summerlin Production Studios Project to be used for the various components of the production of qualified productions;

(3) Must establish the minimum number of acres of contiguous real property that will be a part of the Summerlin Production Studios Project; and

(4) May include such other provisions, not inconsistent with law, concerning the development of the Summerlin Production Studios Project and the issuance of film infrastructure transferable tax credits pursuant to sections 3 to 19, inclusive, of this act, as agreed to by the Office and the lead participant of the Summerlin Production Studios Project.

2. As the Executive Director of the Office deems necessary or advisable, the Executive Director may modify any requirement set forth in subparagraph-(1) of paragraph (a) of subsection 1 or subparagraph (1) of paragraph (b) of subsection 1 by extending the date by which the capital investment set forth in those provisions must be made.

3. The Office shall not approve any abatement, partial abatement or exemption from taxes or any other incentive for economic development, other than film infrastructure transferable tax credits pursuant to sections 1 to 19, inclusive, of this act or noninfrastructure transferable tax credits pursuant to NRS 360.758 to 360.7598, inclusive, for a Project if that Project has entered into a development agreement with the Office pursuant to this section.

Sec. 11. 1. Not later than 24 months after the date on which a development agreement is executed pursuant to section 10 of this act, the lead participant of the Las Vegas Media Campus Project and the lead participant of the Summerlin Production Studios Project shall each make an election for the lead participant's Project of whether a production company located at the site of the lead participant's Project must obtain the approval of the lead participant before applying for film infrastructure transferable tax credits pursuant to section 12 of this act. An election made pursuant to this subsection is binding on the Project for 5 years after the date on which the election is made. Within 30 days after the date which is 5 years after the date on which the initial election is made pursuant to this subsection, and every 5 years thereafter, the lead participant of the Las Vegas Media Campus Project or the Summerlin Production Studios Project, as applicable, may change the election made for the Project pursuant to this subsection.

2. If the lead participant of the Las Vegas Media Campus Project or the lead participant of the Summerlin Production Studios Project makes an election pursuant to subsection 1 that a production company located at the site of the lead participant's Project must obtain the approval of the lead participant before applying for film infrastructure transferable tax credits pursuant to section 12 of this act for the lead participant's Project, a production company located at the Project must obtain that approval before applying for film infrastructure transferable tax credits pursuant to section 12 of this act. A production company may apply for film infrastructure transferable tax credits pursuant to section 12 of this act without obtaining the approval of the lead participant for the Project at which the production company is located if the lead participant of that Project has not made an election pursuant to subsection 1 that a production company located at the site of the lead participant's Project must obtain the approval of the lead participant before applying for film infrastructure transferable tax credits pursuant to section 12 of this act.

Sec. 12. 1. Beginning on the date on which the Las Vegas Media Campus Project satisfies the criteria set forth in sub-subparagraph (I) of subparagraph (1) of paragraph (a) of subsection 1 of section 10 of this act, a production company that is located at the Las Vegas Media Campus Project and that produces, in whole or in part, a qualified production at the Las Vegas Media Campus Project, may apply to the Office of Economic Development for a certificate of eligibility for film infrastructure transferable tax credits for any qualified direct production expenditures. The film infrastructure transferable tax credits may be applied to:

(a) Any tax imposed by chapters 363A and 363B of NRS;

(b) The gaming license fees imposed by the provisions of NRS 463.370;

(c) Any tax imposed by chapter 680B of NRS; or

(d) Any combination of the fees and taxes described in paragraphs (a), (b) and (c).

2. Beginning at the time that the Summerlin Production Studios Project executes a development agreement pursuant to section 10 of this act, a production company that is located at the Summerlin Production Studios Project and that produces, in whole or in part, a qualified production at the Summerlin Production Studios Project, may apply to the Office of Economic Development for a certificate of eligibility for film infrastructure transferable tax credits for any qualified direct production expenditures. The film infrastructure transferable tax credits may be applied to:

(a) Any tax imposed by chapters 363A and 363B of NRS;

(b) The gaming license fees imposed by the provisions of NRS 463.370;

(c) Any tax imposed by chapter 680B of NRS; or

(d) Any combination of the fees and taxes described in paragraphs (a), (b) and (c).

3. Except as otherwise provided in section 16 of this act, the Office shall approve an application for a certificate of eligibility for film infrastructure transferable tax credits if the Office finds that the production company is producing the qualified production, in whole or in part, at the Las Vegas Media Campus Project or the Summerlin Production Studios Project, as applicable, and the production company qualifies for the film infrastructure transferable tax credits pursuant to subsection 4. If the Office approves the application, the Office shall calculate the estimated amount of the film infrastructure transferable tax credits pursuant to sections 14, 15 and 16 of this act.

4. To be eligible for film infrastructure transferable tax credits pursuant to this section, the lead participant, on behalf of the production company, must:

(a) Submit an application that meets the requirements of subsection 5;

(b) If the lead participant of the Project at which the production company is located has made an election pursuant to section 11 of this act that requires approval of the lead participant before a production company may apply for film infrastructure transferable tax credits, provide proof to the Office that the lead participant has approved the production company to be issued film infrastructure transferable tax credits for the qualified production for which the application is submitted;

(c) Provide proof to the Office that 70 percent or more of the funding for the qualified production has been obtained;

(d) Provide proof to the Office that at least 60 percent of the direct production expenditures for:

(1) Preproduction;

(2) Production; and

(3) If any direct production expenditures for postproduction will be incurred in this State, postproduction,

➥ of the qualified production will be incurred in this State as qualified direct production expenditures;

(e) Provide proof to the Office that the applicant:

(1) Has in place a diversity plan that outlines specific goals for hiring minority persons and women, and for using vendors that are minority-owned business enterprises or woman-owned business enterprises; and

(2) Has met or made good-faith efforts to achieve the goals set forth in the diversity plan;

(f) Not later than 270 days after the completion of principal photography of the qualified production or, if any direct production expenditures for postproduction will be incurred in this State, not later than 270 days after the completion of postproduction, unless the Office agrees to extend this period by not more than 90 days, provide the Office with an audit of the qualified production that includes an itemized report of qualified direct production expenditures which:

(1) Shows that the qualified production incurred qualified direct production expenditures of $500,000 or more; and

(2) Is certified by an independent certified public accountant in this State who is approved by the Office;

(g) Pay the cost of the audit required by paragraph (f); and

(h) Enter into a written agreement with the Office that requires the production company to include:

(1) In the end screen credits of the qualified production:

(I) A logo of this State provided by the Office which indicates that the qualified production was filmed or otherwise produced in Nevada; and

(II) An acknowledgment that the qualified production was produced at the Project site; or

(2) If the qualified production does not have end screen credits, another acknowledgment in the final version of the qualified production which indicates that the qualified production was:

(I) Filmed or otherwise produced in Nevada; and

(II) Produced at the Project site.

5. An application submitted pursuant to subsection 4 must contain:

(a) A script, storyboard or synopsis of the qualified production;

(b) The names of the production company, producer, director and proposed cast;

(c) An estimated timeline to complete the qualified production;

(d) A summary of the budgeted expenditures for the entire production, including projected expenditures to be incurred outside of Nevada;

(e) Details regarding the financing of the qualified production, including, without limitation, any information relating to a binding financing commitment, loan application, commitment letter or investment letter;

(f) An insurance certificate, binder or quote for general liability insurance of $1,000,000 or more;

(g) The business address of the production company;

(h) The diversity plan of the production company;

(i) If the lead participant of the Project at which the production company is located has made an election pursuant to section 11 of this act that requires

approval of the lead participant before a production company may apply for film infrastructure transferable tax credits, the lead participant has approved the production company to be issued film infrastructure transferable tax credits for the qualified production for which the application is submitted;

(j) Proof that the qualified production meets any applicable requirements relating to workers' compensation insurance; and

(k) Proof that the production company has secured all licenses and registrations required to do business in each location in this State at which the qualified production will be produced.

6. If the Office approves an application for a certificate of eligibility for film infrastructure transferable tax credits pursuant to this section, the Office shall immediately forward a copy of the certificate of eligibility which identifies the estimated amount of the tax credits available pursuant to section 14 of this act to:

(a) The applicant;

(b) The Department of Taxation; and

(c) The Nevada Gaming Control Board.

7. Within 60 business days after receipt of an audit provided by a production company pursuant to paragraph (f) of subsection 4 and any other accountings or other information required by the Office, the Office shall determine whether to certify the audit and make a final determination of whether a certificate of film infrastructure transferable tax credits will be issued. If the Office certifies the audit, determines that all other requirements for the film infrastructure transferable tax credits have been met and determines that a certificate of film infrastructure transferable tax credits will be issued, the Office shall notify the production company that the film infrastructure transferable tax credits will be issued. Within 30 days after the receipt of the notice, the production company shall make an irrevocable declaration of the amount of film infrastructure transferable tax credits that will be applied to each fee or tax set forth in subsection 1 or 2, as applicable, thereby accounting for all of the credits which will be issued. Upon receipt of the declaration, the Office shall issue to the production company a certificate of film infrastructure transferable tax credits in the amount approved by the Office for the fees or taxes included in the declaration of the production company. The production company shall notify the Office upon transferring any of the film infrastructure transferable tax credits. The Office shall notify the Department of Taxation and the Nevada Gaming Control Board of all film infrastructure transferable tax credits issued, segregated by each fee or tax set forth in subsection 1 or 2, as applicable, and the amount of any film infrastructure transferable tax credits transferred.

8. Within 30 days after receipt of the notice of the issuance of film infrastructure transferable tax credits, the Department of Taxation or, if the film infrastructure transferable tax credits will be applied to the gaming license fee imposed by the provisions of NRS 463.370, the Nevada Gaming Control Board shall notify the State Controller of the issuance of the film infrastructure

transferable tax credits and the State Controller shall transfer an amount money equal to 10 percent of the amount of film infrastructure transferable tax credits issued to the production company to the Account for Nevada Film, Media and Related Technology Education and Vocational Training created by section 30 of this act. The amount of any film infrastructure transferable tax credits issued to a production company must be reduced by the amount of money transferred pursuant to this subsection to the Account for Nevada Film, Media and Related Technology Education and Vocational Training created by section 30 of this act.

9. ~~If, pursuant to subsection 7, the Office issues a certificate of film infrastructure transferable tax credits to a production company, the production company may apply the film infrastructure transferable tax credits to the tax imposed by chapter 363B of NRS on the production company. The production company must claim such credits on the first return filed with the Department of Taxation pursuant to NRS 363B.110 after the issuance of the film infrastructure transferable tax credits. To the extent that the amount of film infrastructure transferable tax credits exceeds the amount of tax due for that period, the Department of Taxation shall issue to the production company a refund of the amount by which the amount of credits exceeds the amount of tax due.~~

~~10.]~~ An applicant for film infrastructure transferable tax credits pursuant to this section shall, upon the request of the Executive Director of the Office, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 4.

~~[11.]~~ 10. The Office:

(a) Shall adopt regulations prescribing:

(1) Any additional qualified expenditures or production costs that may serve as the basis for film infrastructure transferable tax credits pursuant to section 13 of this act;

(2) The application review process;

(3) That a qualified production that receives a rating of NC-17 from the Motion Picture Association of America, or its successor organization, is not eligible for film infrastructure transferable tax credits;

(4) That a qualified production, other than a qualified production which receives a rating from the Motion Picture Association of America, or its successor organization, is not eligible for film infrastructure transferable tax credits if it contains any material that is equivalent to material that would cause a qualified production rated by the Motion Picture Association of America, or its successor organization, to be rated NC-17; and

(5) The requirements for notice pursuant to section 17 of this act; and

(6) Any necessary provisions to ensure compliance with the requirements of paragraph (e) of subsection 4 relating to diversity plans and that are necessary to require that the diversity plan of an applicant reflects the diversity of this State.

(b) May adopt any other regulations that are necessary to ensure that the provisions of sections 1 to 19, inclusive, of this act are carried out in a manner that is reasonable and customary within the industry for the production of qualified productions.

~~[12.]~~ 11. The Nevada Tax Commission and the Nevada Gaming Commission:

(a) Shall adopt regulations prescribing the manner in which film infrastructure transferable tax credits will be administered.

(b) May adopt any other regulations that are necessary to carry out the provisions of sections 1 to 19, inclusive, of this act.

Sec. 13. 1. Qualified direct production expenditures must be for purchases, rentals or leases of tangible personal property or services from a Nevada business during the period in which a qualified production is produced, must be customary and reasonable and must relate to:

(a) Set construction and operation;

(b) Wardrobe and makeup;

(c) Photography, sound and lighting;

(d) Filming, film processing and film editing;

(e) The rental or leasing of facilities, equipment and vehicles;

(f) Food and lodging;

(g) Editing, sound mixing, special effects, visual effects and other postproduction services;

(h) The payroll for Nevada residents or other personnel who provided services in this State;

(i) Payment for goods or services provided by a Nevada business;

(j) The design, construction, improvement or repair of property, infrastructure, equipment or a production or postproduction facility;

(k) State and local government taxes to the extent not included as part of another cost reported pursuant to this section;

(l) Fees paid to a producer who is a Nevada resident; and

(m) Any other transaction, service or activity authorized in regulations adopted by the Office of Economic Development pursuant to section 12 of this act.

2. Expenditures and costs:

(a) Related to:

(1) The acquisition, transfer or use of film infrastructure transferable tax credits;

(2) Marketing and distribution;

(3) Financing, depreciation and amortization;

(4) The payment of any profits as a result of the qualified production;

(5) The payment for the cost of the audit required by section 12 of this act; and

(6) The payment for any goods or services that are not directly attributable to the qualified production;

(b) For which reimbursement is received, or for which reimbursement is reasonably expected to be received;

(c) Which are paid to a joint venturer or a parent, subsidiary or other affiliate of the production company, unless the amount paid represents the fair market value of the purchase, rental or lease of the property or services for which payment is made;

(d) Which provide a pass-through benefit to a person who is not a Nevada resident; or

(e) Which have been previously claimed as a basis for film infrastructure transferable tax credits,

➥ are not qualified direct production expenditures and are not eligible to serve as a basis for film infrastructure transferable tax credits issued pursuant to section 12 of this act.

3. If any tangible personal property is acquired by a Nevada business from a vendor outside this State for immediate resale, rental or lease to a production company that produces a qualified production, expenditures incurred by the production company for the purchase, rental or lease of the property are qualified direct production expenditures if:

(a) The Nevada business regularly deals in property of that kind;

(b) The expenditures are otherwise qualified direct production expenditures under the provisions of this section; and

(c) Not more than 50 percent of the property purchased, rented or leased by the production company for the qualified production is acquired and purchased, rented or leased in the manner described in this subsection. In making the calculation required by this paragraph, the cost of any property that remains an asset of the Nevada business after production of the qualified production has ended must not be included in the calculation as property purchased, rented or leased in the manner described in this subsection.

4. If any tangible personal property is acquired by the production company as an asset, the calculation of the costs of the tangible personal property that constitute a qualified direct production expenditure must be performed in the manner prescribed by the Office of Economic Development by regulation.

Sec. 14. 1. Except as otherwise provided in subsection 4 and sections 15 and 16 of this act, the base amount of film infrastructure transferable tax credits issued to an eligible production company pursuant to section 12 of this act must equal 30 percent of the qualified direct production expenditures.

2. Except as otherwise provided in subsections 3 and 4 and section 16 of this act, if the eligible production company submitted the application for the certificate of eligibility for film infrastructure transferable tax credits pursuant to section 12 of this act on or after that date that is 36 months after the date on which the applicable development agreement was executed pursuant to section 10 of this act, the base amount of film infrastructure transferable tax credits calculated pursuant to subsection 1 must be reduced by 2 percent of the qualified direct production expenditures if less than 50 percent of the below-the-line personnel of the qualified production are Nevada residents. A

reduction in the amount of film infrastructure transferable tax credits pursuant to this subsection must not reduce the amount of money transferred pursuant to subsection 8 of section 12 of this act to the Account for Nevada Film, Media and Related Technology Education and Vocational Training created by section 30 of this act.

3. For the purposes of subsection 2:

(a) Except as otherwise provided in paragraph (b) of this subsection, the percentage of the below-the-line personnel who are Nevada residents must be determined by dividing the number of workdays worked by Nevada residents by the number of workdays worked by all below-the-line personnel.

(b) Any work performed by an extra must not be considered in determining the percentage of the below-the-line personnel who are Nevada residents.

4. The Office may:

(a) Reduce the cumulative amount of film infrastructure transferable tax credits that are calculated pursuant to this section by an amount equal to any damages incurred by the State or any political subdivision of the State as a result of a qualified production that is produced in this State; or

(b) Withhold the film infrastructure transferable tax credits, in whole or in part:

(1) Until any pending legal action in this State against a production company or involving a qualified production is resolved.

(2) If a production company violates any state or local law.

(3) If a production company is found to have submitted any false statement, representation or certification in any document submitted for the purpose of obtaining film infrastructure transferable tax credits.

Sec. 15. 1. In calculating the base amount of film infrastructure transferable tax credits pursuant to subsection 1 of section 14 of this act:

(a) Wages and salaries, including fringe benefits, paid to above-the-line personnel who are not Nevada residents must be included in the calculation at a rate of 12 percent.

(b) Wages and salaries, including fringe benefits, paid to below-the-line personnel who are not Nevada residents must not be included in the calculation.

2. As used in this section, "fringe benefits" means employee expenses paid by an employer for the use of a person's services, including, without limitation, payments made to a governmental entity, union dues, health insurance premiums, payments to a pension plan and payments for workers' compensation insurance.

Sec. 16. 1. Except as otherwise provided in this section, the Executive Director of the Office shall not approve any application for film infrastructure transferable tax credits submitted pursuant to section 12 of this act if:

(a) For an application submitted by a production company located at the Las Vegas Media Campus Project:

(1) On or after the date on which the Las Vegas Media Campus Project satisfies the criteria set forth in sub-subparagraph (I) of subparagraph (1) of

paragraph (a) of subsection 1 of section 10 of this act but before the date on which the Las Vegas Media Campus Project satisfies the criteria set forth in sub-subparagraph (II) of subparagraph (1) of paragraph (a) of subsection 1 of section 10 of this act, the approval of the application would cause the total amount of film infrastructure transferable tax credits approved pursuant to section 12 of this act for production companies located at the Las Vegas Media Campus Project to exceed the sum of $55,000,000 for each fiscal year.

(2) On or after the date on which the Las Vegas Media Campus Project satisfies the criteria set forth in sub-subparagraph (II) of subparagraph (1) of paragraph (a) of subsection 1 of section 10 of this act, approval of the application would cause the total amount of film infrastructure transferable tax credits approved pursuant to section 12 of this act for production companies located at the Las Vegas Media Campus Project to exceed the sum of $95,000,000 for each fiscal year.

(b) For an application submitted by a production company located at the Summerlin Production Studios Project:

(1) Except as otherwise provided in this subparagraph, after the Summerlin Production Studios Project has executed a development agreement pursuant to section 10 of this act but before the date on which the Summerlin Production Studios Project satisfies all of the criteria set forth in subparagraph (1) of paragraph (b) of subsection 1 of section 10 of this act, approval of the application would cause the total amount of film infrastructure transferable tax credits approved pursuant to section 12 of this act for production companies located at the Summerlin Production Studios Project to exceed the sum of $40,000,000 for each fiscal year. If the Summerlin Production Studios Project does not satisfy the criteria set forth in sub-subparagraph (I) of subparagraph (1) of paragraph (b) of subsection 1 of section 10 of this act, the Office shall not approve any application for film infrastructure transferable tax credits submitted by a production company located at the Project after December 31, 2027. If the Summerlin Production Studios Project does not satisfy the criteria set forth in sub-subparagraph (II) of subparagraph (1) of paragraph (b) of subsection 1 of section 10 of this act, the Office shall not approve any application for film infrastructure transferable tax credits submitted by a production company located at the Project after December 31, 2029.

(2) On or after the date on which the Summerlin Production Studios Project satisfies all of the criteria set forth in subparagraph (1) of paragraph (b) of subsection 1 of section 10 of this act, approval of the application would cause the total amount of film infrastructure transferable tax credits approved pursuant to section 12 of this act for production companies located at the Summerlin Production Studios Project to exceed the sum of $80,000,000 for each fiscal year.

(c) The application is submitted by a production company located at ~~[the]~~ :

(1) The Las Vegas Media Campus Project or the Summerlin Production Studios Project in a fiscal year that begins more than 20 years after the

Las Vegas Media Campus Project satisfied the criteria set forth in sub-subparagraph (I) of subparagraph (1) of paragraph (a) of subsection 1 of section 10 of this act ~~[.]~~ ; or

(2) The Summerlin Production Studios Project after June 30, 2048, if the Las Vegas Media Campus Project did not satisfy the criteria set forth in sub-subparagraph (I) of subparagraph (1) of paragraph (a) of subsection 1 of section 10 of this act.

~~2. [Beginning with Fiscal Year 2030-2031, the monetary amounts in paragraphs (a) and (b) of subsection 1 must be adjusted for each fiscal year by adding to those amounts the product of the amount multiplied by the percentage increase in the Consumer Price Index (All Items) for the region applicable to the Las Vegas Metropolitan Area from July 2027 to the July preceding the fiscal year for which the adjustment is calculated. The Office shall, on or before September 30, 2028, and on or before September 30 of each year thereafter, post on its Internet website the adjusted monetary amounts.~~

~~3.]~~ Except as otherwise provided in ~~[subsections]~~ subsection 1 , ~~[and 2,]~~ the amount of film infrastructure transferable tax credits authorized for a Project for a fiscal year that are not approved for that fiscal year may be carried forward for that Project and made available for approval only during the next fiscal year for production companies located at that Project, but the amount of film infrastructure transferable tax credits carried forward and made available for approval during the next fiscal year must not exceed 50 percent of the amount of film transferable tax credits authorized for that Project for the fiscal year from which the film infrastructure transferable tax credits are being carried forward.

~~[4.]~~ 3. The film infrastructure transferable tax credits issued to any production company for any qualified production pursuant to section 12 of this act:

(a) Except as otherwise provided in this paragraph, must not exceed a total amount of $10,000,000 per episode, if the qualified production is a television, Internet or other media series, or $30,000,000, if the qualified production is a motion picture. The lead participant of the Las Vegas Media Campus Project and the lead participant of Summerlin Production Studios Project may declare, not later than 24 months after the execution of the development agreement applicable to the Project pursuant to section 10 of this act, that a qualified production produced at the Las Vegas Media Campus Project or the Summerlin Production Studios Project, respectively, is not subject to the limitation set forth in this paragraph. A qualified production by a production company located at a Project for which such a declaration is made is not subject to the limitation on the amount of film infrastructure transferable tax credits set forth in this paragraph.

(b) Expire *at the end of the calendar year that is* 6 years after the date on which the film infrastructure transferable tax credits are issued to the production company.

~~[5.]~~ 4. For the purposes of calculating qualified direct production expenditures:

(a) The compensation payable to all producers who are Nevada residents must not exceed 10 percent of the portion of the total budget of the qualified production that was expended in or attributable to any expenses incurred in this State.

(b) The compensation payable to all producers who are not Nevada residents must not exceed 5 percent of the portion of the total budget of the qualified production that was expended in or attributable to any expenses incurred in this State.

(c) The compensation payable to any employee, independent contractor or any other person who is below-the-line personnel and who is paid a wage or salary as compensation for providing labor services on the production of the qualified production must not exceed $1,500,000.

Sec. 17. 1. Except as otherwise provided in sections 3 to 19, inclusive, of this act, the Executive Director of the Office shall approve an application for film infrastructure transferable tax credits submitted pursuant to section 12 of this act if the Executive Director determines that the applicant satisfies the criteria for the issuance of film infrastructure transferable tax credits.

2. Except as otherwise provided in this subsection, if the application is approved, principal photography of the qualified production must begin not more than 90 days after the date on which the decision on the application is issued. The Office:

(a) Shall prescribe by regulation the procedure for determining the date of commencement of qualified productions that do not include photography for the purposes of this section.

(b) May extend by not more than 90 days the period otherwise prescribed by this subsection.

3. A production company that produces a qualified production shall submit the audit required by section 12 of this act and all other required information to the Office and the Department of Taxation within the time required by paragraph (f) of subsection 4 of section 12 of this act. Production of the qualified production must be completed within 18 months after the date of commencement of principal photography. If the Office or the Department determines that information submitted pursuant to this subsection is incomplete, the production company shall, not later than 30 days after receiving notice that the information is incomplete, provide to the Office or the Department, as applicable, all additional information required by the Office or the Department.

Sec. 18. 1. A production company that is found to have submitted any false statement, representation or certification in any document submitted for the purpose of obtaining film infrastructure transferable tax credits or who otherwise becomes ineligible for film infrastructure transferable tax credits after receiving the film infrastructure transferable tax credits pursuant to section 12 of this act shall repay to the Department of Taxation or the Nevada

Gaming Control Board, as applicable, any portion of the film infrastructure transferable tax credits to which the production company is not entitled.

2. Film infrastructure transferable tax credits purchased in good faith are not subject to forfeiture or repayment by the transferee unless the transferee submitted fraudulent information in connection with the purchase.

Sec. 19. The Office shall, on or before October 1 of each year, prepare and submit to the Governor and to the Director of the Legislative Counsel Bureau for transmittal to the Legislature an annual report which includes, for the immediately preceding fiscal year:

1. The number of applications submitted for film infrastructure transferable tax credits pursuant to section 12 of this act;

2. The number of qualified productions for which film infrastructure transferable tax credits were approved;

3. The amount of film infrastructure transferable tax credits approved;

4. The amount of film infrastructure transferable tax credits used;

5. The amount of film infrastructure transferable tax credits transferred;

6. The amount of film infrastructure transferable tax credits taken against each allowable fee or tax, including the actual amount used and outstanding, in total and for each qualified production;

7. The total amount of the qualified direct production expenditures incurred by each qualified production and the portion of those expenditures that were incurred in Nevada;

8. The number of persons in Nevada employed by each qualified production and the amount of wages paid to those persons; and

9. The period during which each qualified production was in Nevada and employed persons in Nevada.

Sec. 20. NRS 360.7586 is hereby amended to read as follows:

360.7586 1. "Qualified production" includes preproduction, production and postproduction and means:

(a) A theatrical, direct-to-video or other media motion picture.

(b) A made-for-television motion picture.

(c) Visual effects or digital animation sequences.

(d) A television pilot program.

(e) A television, Internet or other media series, including, without limitation, a comedy, drama, miniseries, soap opera, talk show, game show or telenovela, or an episode of such a series.

(f) A reality show.

(g) A national or regional commercial or series of commercials.

(h) An infomercial.

(i) A music video.

(j) A documentary film or series.

(k) Other visual media productions, including, without limitation, *digital media*, video games and mobile applications.

2. The term does not include:

(a) A news, weather or current events program.

(b) A production that is primarily produced for industrial, corporate or institutional use.

(c) A telethon or any production that solicits money, other than a production which is produced for national distribution.

(d) A political advertisement.

(e) A sporting event, including, without limitation, a sportscast, preshow, postshow or sports newscast related to a sporting event. A qualified production described by subsection 1 shall not be deemed a sporting event for the purposes of this paragraph for the sole reason that it features athletes or relates to sports.

(f) A gala, pageant or awards show.

(g) *Any type of media production created solely for the purpose of posting the production on social media.*

(h) Any other type of production that is excluded by regulations adopted by the Office of Economic Development pursuant to NRS 360.759.

Sec. 21. NRS 360.759 is hereby amended to read as follows:

360.759 1. A production company that produces a qualified production in this State in whole or in part may apply to the Office of Economic Development for a certificate of eligibility for *noninfrastructure* transferable tax credits for any qualified direct production expenditures. The *noninfrastructure* transferable tax credits may be applied to:

(a) Any tax imposed by chapters 363A and 363B of NRS;

(b) The gaming license fees imposed by the provisions of NRS 463.370;

(c) Any tax imposed pursuant to chapter 680B of NRS; or

(d) Any combination of the fees and taxes described in paragraphs (a), (b) and (c).

2. The Office may approve an application for a certificate of eligibility for *noninfrastructure* transferable tax credits if the Office finds that the production company producing the qualified production qualifies for the *noninfrastructure* transferable tax credits pursuant to subsection 3. If the Office approves the application, the Office shall calculate the estimated amount of the *noninfrastructure* transferable tax credits pursuant to NRS 360.7592, 360.7593 and 360.7594.

3. To be eligible for *noninfrastructure* transferable tax credits pursuant to this section, a production company must:

(a) Submit an application that meets the requirements of subsection 4;

(b) Provide ~~[proof satisfactory to the Office that the qualified production is in the economic interest of the State;~~

~~(c) Provide]~~ proof ~~[satisfactory]~~ to the Office that 70 percent or more of the funding for the qualified production has been obtained;

~~[(d)]~~ *(c)* Provide proof ~~[satisfactory]~~ to the Office that at least 60 percent of the direct production expenditures for:

(1) Preproduction;

(2) Production; and

(3) If any direct production expenditures for postproduction will be incurred in this State, postproduction,

➥ of the qualified production will be incurred in this State as qualified direct production expenditures;

~~[(e)]~~ *(d)* Not later than 270 days after the completion of principal photography of the qualified production or, if any direct production expenditures for postproduction will be incurred in this State, not later than 270 days after the completion of postproduction, unless the Office agrees to extend this period by not more than 90 days, provide the Office with an audit of the qualified production that includes an itemized report of qualified direct production expenditures which:

(1) Shows that the qualified production incurred qualified direct production expenditures of $500,000 or more; and

(2) Is certified by an independent certified public accountant in this State who is approved by the Office;

~~[(f)]~~ *(e)* Pay the cost of the audit required by paragraph ~~[(e);]~~ *(d); and*

~~[(g)]~~ *(f)* Enter into a written agreement with the Office that requires the production company to include:

(1) In the end screen credits of the qualified production ~~[, a]~~ *:*

(I) A logo of this State provided by the Office which indicates that the qualified production was filmed or otherwise produced in Nevada; *and*

(II) If the qualified production was produced at the Las Vegas Media Campus Project or the Summerlin Production Studios Project, an acknowledgment of the Project at which the qualified production was produced; or

(2) If the qualified production does not have end screen credits, another acknowledgment in the final version of the qualified production which indicates that the qualified production was ~~[filmed]~~ *:*

(I) Filmed or otherwise produced in Nevada; and

~~[(h) Meet any other requirements prescribed by regulation pursuant to this section.]~~

(II) Produced at the Las Vegas Media Campus Project or the Summerlin Production Studios Project, if applicable.

4. An application submitted pursuant to subsection 3 must contain:

(a) A script, storyboard or synopsis of the qualified production;

(b) The names of the production company, producer, director and proposed cast;

(c) An estimated timeline to complete the qualified production;

(d) A summary of the budgeted expenditures for the entire production, including projected expenditures to be incurred outside of Nevada;

(e) Details regarding the financing of the project, including, without limitation, any information relating to a binding financing commitment, loan application, commitment letter or investment letter;

(f) An insurance certificate, binder or quote for general liability insurance of $1,000,000 or more;

(g) The business address of the production company;

(h) Proof that the qualified production meets any applicable requirements relating to workers' compensation insurance; *and*

(i) Proof that the production company has secured all licenses and registrations required to do business in each location in this State at which the qualified production will be produced . ~~[; and~~

~~(j) Any other information required by regulations adopted by the Office pursuant to subsection 8.]~~

5. If the Office approves an application for a certificate of eligibility for *noninfrastructure* transferable tax credits pursuant to this section, the Office shall immediately forward a copy of the certificate of eligibility which identifies the estimated amount of the tax credits available pursuant to NRS 360.7592 to:

(a) The applicant;

(b) The Department; and

(c) The Nevada Gaming Control Board.

6. Within 60 business days after receipt of an audit provided by a production company pursuant to paragraph ~~[(e)]~~ *(d)* of subsection 3 and any other accountings or other information required by the Office, the Office shall determine whether to certify the audit and make a final determination of whether a certificate of *noninfrastructure* transferable tax credits will be issued. If the Office certifies the audit, determines that all other requirements for the *noninfrastructure* transferable tax credits have been met and determines that a certificate of *noninfrastructure* transferable tax credits will be issued, the Office shall notify the production company that the *noninfrastructure* transferable tax credits will be issued. Within 30 days after the receipt of the notice, the production company shall make an irrevocable declaration of the amount of *noninfrastructure* transferable tax credits that will be applied to each fee or tax set forth in subsection 1, thereby accounting for all of the credits which will be issued. Upon receipt of the declaration, the Office shall issue to the production company a certificate of *noninfrastructure* transferable tax credits in the amount approved by the Office for the fees or taxes included in the declaration of the production company. The production company shall notify the Office upon transferring any of the *noninfrastructure* transferable tax credits. The Office shall notify the Department and the Nevada Gaming Control Board of all *noninfrastructure* transferable tax credits issued, segregated by each fee or tax set forth in subsection 1, and the amount of any *noninfrastructure* transferable tax credits transferred.

7. *Within 30 days after receipt of the notice of the issuance of noninfrastructure transferable tax credits to a production company that submitted an application for noninfrastructure transferable tax credits on or after July 1, 2023, and before July 1, 2043, the Department or, if the noninfrastructure transferable tax credits will be applied to the gaming license fee imposed by the provisions of NRS 463.370, the Nevada Gaming Control Board shall notify the State Controller of the issuance of the noninfrastructure transferable tax credits and the State Controller shall transfer an amount of*

money equal to 10 percent of the amount of noninfrastructure transferable tax credits issued to the production company to the Account for Nevada Film, Media and Related Technology Education and Vocational Training created by section 30 of this act. Any noninfrastructure transferable tax credits issued to a production company must be reduced by the amount of money transferred pursuant to this subsection to the Account for Nevada Film, Media and Related Technology Education and Vocational Training created by section 30 of this act.

8. ~~[If, pursuant to subsection 6, the Office issues a certificate of noninfrastructure transferable tax credits to a production company that submitted the application for the noninfrastructure transferable tax credits on or after July 1, 2023, and before July 1, 2043, the production company may apply the noninfrastructure transferable tax credits to the tax imposed by chapter 363B of NRS on the production company. The production company must claim such credits on the first return filed with the Department pursuant to NRS 363B.110 after the issuance of the noninfrastructure transferable tax credits. To the extent that the amount of noninfrastructure transferable tax credits exceeds the amount of tax due for that period, the Department shall issue to the production company a refund of the amount by which the amount of credits exceeds the amount of tax due.~~

~~*9.]*~~ An applicant for *noninfrastructure* transferable tax credits pursuant to this section shall, upon the request of the Executive Director of the Office, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 3.

~~[~~8.~~ *10.]*~~ *9.* The Office:

(a) Shall adopt regulations prescribing:

(1) ~~[Any additional requirements to receive transferable tax credits;~~

~~(2)]~~ Any additional qualified expenditures or production costs that may serve as the basis for *noninfrastructure* transferable tax credits pursuant to NRS 360.7591;

~~[(3) Any additional information that must be included with an application pursuant to subsection 4;~~

~~(4)]~~ *(2)* The application review process;

~~[(5) Any type of]~~

(3) That a qualified production that receives a rating of NC-17 from the Motion Picture Association of America, or its successor organization, is not eligible for noninfrastructure transferable tax credits;

(4) That a qualified production ~~[which, due to obscene or sexually explicit material,]~~ is not eligible for *noninfrastructure* transferable tax credits ~~[;]~~ *if it contains any material that is equivalent to material that would cause a qualified production rated by the Motion Picture Association of America, or its successor organization, to be rated NC-17;* and

~~[(6)]~~ *(5)* The requirements for notice pursuant to NRS 360.7595; and

(b) May adopt any other regulations that are necessary to ~~[carry out]~~ *ensure that* the provisions of NRS 360.758 to 360.7598, inclusive ~~[~~.

~~9.~~ *, are carried out in a manner that is reasonable and customary within the industry for the production of qualified productions.*

~~*[11.]*~~ *10.* The Nevada Tax Commission and the Nevada Gaming Commission:

(a) Shall adopt regulations prescribing the manner in which *noninfrastructure* transferable tax credits will be administered.

(b) May adopt any other regulations that are necessary to carry out the provisions of NRS 360.758 to 360.7598, inclusive.

~~*[12.]*~~ *11. As used in this section:*

(a) "Las Vegas Media Campus Project" has the meaning ascribed to it in section 5 of this act.

(b) "Summerlin Production Studios Project" has the meaning ascribed to it in section 9 of this act.

Sec. 22. NRS 360.7592 is hereby amended to read as follows:

360.7592 1. Except as otherwise provided in subsection ~~[4]~~ *5* and NRS 360.7593 and 360.7594, the base amount of *noninfrastructure* transferable tax credits issued to an eligible production company pursuant to NRS 360.759 *:*

(a) For an eligible production company that submitted the application for the certificate of eligibility for the noninfrastructure transferable tax credits before July 1, 2023, or on or after July 1, 2043, must equal 15 percent of the qualified direct production expenditures.

(b) For an eligible production company that submitted the application for the certificate of eligibility for the noninfrastructure transferable tax credits on or after July 1, 2023, and before July 1, 2043, must equal 30 percent of the qualified direct production expenditures.

2. Except as otherwise provided in subsections ~~[3]~~ *4* and ~~[4]~~ *5* and NRS 360.7594, *if the eligible production company submitted the application for the certificate of eligibility for noninfrastructure transferable tax credits pursuant to NRS 360.759 before July 1, 2023, or on or after July 1, 2043,* in addition to the base amount calculated pursuant to *paragraph (a) of* subsection 1, *noninfrastructure* transferable tax credits issued to an eligible production company ~~[pursuant to NRS 360.759]~~ must include credits in an amount equal to:

(a) An additional 5 percent of the qualified direct production expenditures if more than 50 percent of the below-the-line personnel of the qualified production are Nevada residents; and

(b) An additional 5 percent of the qualified direct production expenditures if more than 50 percent of the filming days of the qualified production occurred in a county in this State in which, in each of the 2 years immediately preceding the date of application, qualified productions incurred less than $10,000,000 of qualified direct production expenditures.

3. *Except as otherwise provided in subsections 4 and 5 and NRS 360.7594, if the eligible production company submitted the application for the certificate of eligibility for noninfrastructure transferable tax credits pursuant to*

NRS 360.759 on or after July 1, 2023, and before July 1, 2043, the base amount of noninfrastructure transferable tax credits calculated pursuant to paragraph (b) of subsection 1 must be reduced by 2 percent of the qualified direct production expenditures if less than 50 percent of the below-the-line personnel of the qualified production are Nevada residents. A reduction in the amount of film infrastructure transferable tax credits pursuant to this subsection must not reduce the amount of money transferred pursuant to subsection 8 of section 12 of this act to the Account for Nevada Film, Media and Related Technology Education and Vocational Training created by section 30 of this act.

4. For the purposes of paragraph (a) of subsection 2 ~~[.]~~ *and subsection 3:*

(a) Except as otherwise provided in paragraph (b) of this subsection, the percentage of the below-the-line personnel who are Nevada residents must be determined by dividing the number of workdays worked by Nevada residents by the number of workdays worked by all below-the-line personnel.

(b) Any work performed by an extra must not be considered in determining the percentage of the below-the-line personnel who are Nevada residents.

~~[4.]~~ *5.* The Office may:

(a) Reduce the cumulative amount of *noninfrastructure* transferable tax credits that are calculated pursuant to this section by an amount equal to any damages incurred by the State or any political subdivision of the State as a result of a qualified production that is produced in this State; or

(b) Withhold the *noninfrastructure* transferable tax credits, in whole or in part:

(1) Until any pending legal action in this State against a production company or involving a qualified production is resolved.

(2) If a production company violates any state or local law.

(3) If a production company is found to have submitted any false statement, representation or certification in any document submitted for the purpose of obtaining *noninfrastructure* transferable tax credits.

Sec. 23. NRS 360.7594 is hereby amended to read as follows:

360.7594 1. Except as otherwise provided in this subsection, the Office of Economic Development shall not approve any application for *noninfrastructure* transferable tax credits submitted pursuant to NRS 360.759 if approval of the application would cause the total amount of *noninfrastructure* transferable tax credits approved pursuant to NRS 360.759 for each ~~[fiscal]~~ *:*

(a) Fiscal year *commencing before July 1, 2023, and on or after July 1, 2043,* to exceed the sum of $10,000,000. Any portion of the $10,000,000 per fiscal year for which *noninfrastructure* transferable tax credits have not previously been approved may be carried forward and made available for approval during the next or any future fiscal year.

(b) Fiscal year commencing on or after July 1, 2023, and before July 1, 2043, to exceed the sum of $15,000,000. Any portion of the $15,000,000 per fiscal year for which noninfrastructure transferable tax credits have not

previously been approved may be carried forward and made available for approval during the next or any future fiscal year.

2. The *noninfrastructure* transferable tax credits issued to any production company for any qualified production pursuant to NRS 360.759:

(a) Must not exceed a total amount of $6,000,000; and

(b) Expire ~~[4]~~ *at the end of the calendar year that is 6* years after the date on which the *noninfrastructure* transferable tax credits are issued to the production company.

3. For the purposes of calculating qualified direct production expenditures:

(a) The compensation payable to all producers who are Nevada residents must not exceed 10 percent of the portion of the total budget of the qualified production that was expended in or attributable to any expenses incurred in this State.

(b) The compensation payable to all producers who are not Nevada residents must not exceed 5 percent of the portion of the total budget of the qualified production that was expended in or attributable to any expenses incurred in this State.

(c) The compensation payable to any employee, independent contractor or any other person *who is below-the-line personnel and who is* paid a wage or salary as compensation for providing labor services on the production of the qualified production must not exceed $750,000.

Sec. 24. NRS 360.7595 is hereby amended to read as follows:

360.7595 1. If the Office of Economic Development receives an application for transferable tax credits pursuant to NRS 360.759, the Office shall, not later than 10 days before a hearing on the application, provide notice of the hearing to:

(a) The applicant;

(b) The Department; and

(c) The Nevada Gaming Control Board.

2. The notice required by this section must set forth the date, time and location of the hearing on the application. The date of the hearing must be not later than 60 days after the Office receives the completed application.

3. The Office shall issue a decision on the application not later than 30 days after the conclusion of the hearing on the application.

4. Except as otherwise provided in this subsection, if the application is approved, principal photography of the qualified production must begin not more than 90 days after the date on which the decision on the application is issued. The Office of Economic Development:

(a) Shall prescribe by regulation the procedure for determining the date of commencement of qualified productions that do not include photography for the purposes of this section.

(b) May extend by not more than 90 days the period otherwise prescribed by this subsection.

5. A production company that produces a qualified production shall submit the audit required by NRS 360.759 and all other required information to the Office and the Department within the time required by paragraph ~~[(e)]~~ *(d)* of subsection 3 of NRS 360.759. Production of the qualified production must be completed within 18 months after the date of commencement of principal photography. If the Office or the Department determines that information submitted pursuant to this subsection is incomplete, the production company shall, not later than 30 days after receiving notice that the information is incomplete, provide to the Office or the Department, as applicable, all additional information required by the Office or the Department.

6. The Office shall give priority to the approval and processing of an application relating to a qualified production that promotes tourism in the State of Nevada.

Sec. 25. Chapter 231 of NRS is hereby amended by adding thereto the provisions set forth as sections 26 to 32, inclusive, of this act.

Sec. 26. *As used in sections 26 to 32, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 27, 28 and 29 of this act have the meanings ascribed to them in those sections.*

Sec. 27. *"Account" means the Account for Nevada Film, Media and Related Technology Education and Vocational Training created by section 30 of this act.*

Sec. 28. *"Board" means the Board for Nevada Film, Media and Related Technology Education and Vocational Training created by section 31 of this act.*

Sec. 29. *"Las Vegas Media Campus Project" has the meaning ascribed to it in section 5 of this act.*

Sec. 30. *1. The Account for Nevada Film, Media and Related Technology Education and Vocational Training is hereby created in the State General Fund. The Executive Director of the Office of Economic Development, at the direction of the Board, shall administer the Account.*

2. The Executive Director may apply for and accept gifts, grants, bequests and donations from any source for deposit in the Account.

3. The Account consists of:

(a) Money transferred to the Account pursuant to NRS 360.759 and section 12 of this act.

(b) Any direct legislative appropriations to the Account.

(c) Any gifts, grants, bequests and donations made to the Account.

(d) Interest and income earned on money in the Account.

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

5. Any money remaining in the Account at the end of the 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.

6. Money in the Account must be used by the Office to make grants to any institution within the Nevada System of Higher Education, a state or local

agency, a school district, a charter school, a vocational trade school, a nonprofit organization, a labor organization or a private postsecondary educational institution that provides a program of workforce development for the production of qualified productions in this State. Forty-five percent of the money which is distributed from the Account in the form of grants must be allocated to the Nevada Media Lab for the operation and overhead costs of the Nevada Media Lab. Fifty-five percent of the money which is distributed from the Account in the form of grants must be allocated to educational and vocational training organizations pursuant to section 32 of this act for the purpose of providing programs of workforce development for the production of qualified productions in this State.

7. As used in this section:

(a) "Nevada Media Lab" has the meaning ascribed to it in section 7 of this act.

(b) "Qualified production" has the meaning ascribed to it in NRS 360.7586.

Sec. 31. *1. There is hereby created the Board for Nevada Film, Media and Related Technology Education and Vocational Training within the Office of Economic Development in the Office of the Governor, consisting of the following voting members:*

(a) One member appointed by the Governor;

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

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

(d) One member, who must not be a Legislator, appointed by the Minority Leader of the Senate;

(e) One member, who must not be a Legislator, appointed by the Minority Leader of the Assembly;

(f) Two members appointed by the Governor, one from a nominee selected by the lead participant in the Las Vegas Media Campus Project and one from a nominee selected by the lead participant in the Summerlin Production Studios Project.

2. In appointing members to the Board pursuant to subsection 1, the appointing authorities set forth in that subsection shall coordinate to ensure that both the public and private sectors are represented on the Board.

3. The members appointed pursuant to paragraphs (a), (c) and (e) of subsection 1 must be appointed to an initial term of 2 years commencing on January 1, 2024, and the members appointed pursuant to paragraphs (b) and (d) of subsection 1 must be appointed to an initial term of 4 years commencing on January 1, 2024. The Governor shall appoint the member appointed pursuant to paragraph (f) of subsection 1 who was nominated by the lead participant of the Las Vegas Media Campus Project to an initial term of 4 years commencing on January 1, 2024, and the initial term of member appointed pursuant to paragraph (f) of subsection 1 who was nominated by the Summerlin Production Studios Project must be 2 years commencing on

January 1, 2024. After the initial terms, each member shall serve a term of 4 years. Each member serves at the pleasure of the person appointing that member pursuant to subsection 1. If, for any reason, a vacancy occurs during the term of an appointed member, the person who is responsible for making the appointment pursuant to subsection 1 shall appoint a replacement qualified pursuant to that subsection to serve for the remainder of the unexpired term. Each member may serve not more than two consecutive full terms.

4. At the first meeting of each fiscal year, the Board shall elect from among its members a Chair and a Vice Chair. The Executive Director of the Office of Economic Development shall serve as the nonvoting Secretary of the Board.

5. A majority of the voting members of the Board constitutes a quorum, and the affirmative vote of a majority of the voting members of the Board is required to exercise any power conferred on the Board.

6. The Board shall meet at least twice each calendar year but may meet more often at the call of the Chair or a majority of the voting members of the Board.

7. The members of the Board serve without compensation but are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally while engaged in the official business of the Board.

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

9. As used in this section, "Summerlin Production Studios Project" has the meaning ascribed to it in section 9 of this act.

Sec. 32. *1. The Board shall establish:*

(a) The procedures for a person or entity to apply for a grant of money from the Account;

(b) The criteria to be used to determine whether to approve an application for a grant from the Account to an applicant; and

(c) The requirements for reports by recipients of grants from the Account concerning the expenditures made from the grant, the outcomes of the programs supported by the grant and any other information deemed necessary by the Board.

2. The Executive Director of the Office of Economic Development may provide advice and recommendations regarding the procedures, criteria and requirements established by the Board pursuant to subsection 1.

3. The Office shall not make a grant of money from the Account unless the Board has approved the application for the grant.

4. A recipient of a grant must adopt and implement a community benefits program, which must include, without limitation:

(a) A commitment to workforce diversity, inclusiveness, access and equality, including, without limitation, for underserved communities, minority groups and veterans;

(b) An explanation of the actions that will be taken and strategies that will be implemented to promote workforce diversity; and

(c) The goals and performance measures which will be used to measure the success of the program in achieving those goals.

Sec. 33. 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. 34. The Legislative Counsel shall:

1. In preparing the Nevada Revised Statutes, use the authority set forth in subsection 10 of NRS 220.120 to substitute appropriately the term "noninfrastructure transferable tax credits" in NRS 360.758 to 360.7598, inclusive, for the term "transferable tax credits" as previously used in those sections.

2. In preparing supplements to the Nevada Administrative Code, substitute appropriately the term "noninfrastructure transferable tax credits" in NAC 360.800 to 360.865, inclusive, for the term "transferable tax credits" as previously used in those sections.

Sec. 35. Notwithstanding the provisions of NRS 218D.430 and 218D.435, a committee may vote on this act before the expiration of the period prescribed for the return of a fiscal note in NRS 218D.475. This section applies retroactively from and after May 10, 2023.

Sec. 36. This act becomes effective on July 1, 2023, and expires by limitation on :

1. June 30 of the year that is at least ~~[26]~~ 30 years after the date on which the Las Vegas Media Campus Project, as defined in section 5 of this act, satisfies the criteria set forth in sub-subparagraph (I) of subparagraph (1) of paragraph (a) of subsection 1 of section 10 of this act ~~[.]~~ ; or

2. June 30, 2058, if the Las Vegas Media Campus Project did not satisfy the criteria set forth in sub-subparagraph (I) of subparagraph (1) of paragraph (a) of subsection 1 of section 10 of this act.

Senator Neal moved the adoption of the amendment.

Remarks by Senator Neal.

Amendment No. 809 to Senate Bill No. 496 makes the following changes to the bill: the provisions allowing certain unused tax credits under the bill to be refunded are eliminated and the provisions requiring the annual maximum amount of film infrastructure credits to be adjusted based on changes in the Consumer Price Index beginning in Fiscal Year 2031 are removed.

The amendment also makes several technical adjustments to the bill.

Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 112.
Bill read second time and ordered to third reading.

Assembly Bill No. 330.
Bill read second time and ordered to third reading.

Assembly Bill No. 403.
Bill read second time and ordered to third reading.

Assembly Bill No. 463.
Bill read second time and ordered to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Dondero Loop moved that Senate Bill No. 496 and Assembly Bill No. 112 be taken from the General File and re-referred to the Committee on Finance.
Motion carried.

UNFINISHED BUSINESS

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President and Secretary signed Senate Bills Nos. 109, 146, 172, 192, 239, 249, 269, 280, 289, 292, 422 and 423 and Assembly Bill No. 250.

Senator Cannizzaro moved that the Senate adjourn until Wednesday, May 31, 2023, at 11:00 a.m.
Motion carried.

Senate adjourned at 7:20 p.m.

Approved: STAVROS ANTHONY
President of the Senate

Attest: BRENDAN BUCY
Secretary of the Senate